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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, 2022

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, 2022 was:

114,750,278,764 Series "A" Shares
51,649,677,023 Series "B" Shares
82,169,882,496 Series "L" Shares
82,169,882,496 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

If securities are registered pursuant to Section 12(b) of the Act, indicate by check mark whether the financial statements of the registrant included in the filing reflect the correction of an error to previously issued financial statements.

☐ Yes ☐ No

Indicate by check mark whether any of those error corrections are restatements that required a recovery analysis of incentive-based compensation received by any of the registrant's executive officers during the relevant recovery period pursuant to §240.10D-1(b)

☐ 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, 2022 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, 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—TelevisaUnivision—TelevisaUnivision Transaction") completed on January 31, 2022;
- statements concerning the proposed spin-off of certain businesses that are part of our Other Businesses segment;
- 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 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, 2022, 2021 and 2020 has been derived from our audited consolidated year-end financial statements, including the consolidated statements of financial position as of December 31, 2022 and 2021, the related consolidated statements of income, comprehensive income, changes in stockholders' equity and cash flows for the years ended December 31, 2022, 2021 and 2020, and the accompanying notes appearing elsewhere in this annual report.

The selected consolidated financial information as of December 31, 2022, 2021 and 2020, and for the years ended December 31, 2022, 2021 and 2020, 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 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, 2022, which was Ps.19.4760 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, 2023, was Ps.18.0275 per U.S. Dollar.

	Year Ended December 31			
	2022	2022	2021[4]	2020[4]
	(Millions of U.S. Dollars or millions of Pesos)[1]			
Income Statement Data:				
Revenues	U.S.$ 3,878	Ps. 75,527	Ps. 73,915	Ps. 70,680
Operating income	227	4,419	10,689	6,458
Finance expense, net[2]	(473)	(9,206)	(11,918)	(5,649)
Net (loss) income from continuing operations[4]	(562)	(10,938)	769	(5,790)
Income from discontinued operations, net[4]	2,887	56,222	6,586	6,093
Net income	2,325	45,284	7,355	303
Net income (loss) attributable to stockholders of the Company	2,296	44,712	6,056	(1,250)
Net income attributable to non-controlling interests	29	572	1,299	1,553
Basic loss per CPO attributable to stockholders of the Company of continuing operations[4]	—	(4.06)	(0.16)	(2.34)
Basic earnings per CPO attributable to stockholders of the Company of discontinued operations[4]	—	19.86	2.33	1.90
Basic earnings (loss) per CPO attributable to stockholders of the Company[3]	—	15.80	2.17	(0.44)

	Year Ended December 31			
	2022	2022	2021	2020
Diluted loss per CPO attributable to stockholders of the Company of continuing operations[4]	—	(4.06)	(0.16)	(2.34)
Diluted earnings per CPO attributable to stockholders of the Company of discontinued operations[4]	—	19.86	2.33	1.90
Diluted earnings (loss) per CPO attributable to stockholders of the Company[3]	—	15.80	2.17	(0.44)
Weighted-average number of shares outstanding (in millions)[3][5]	—	331,143	327,525	330,686
Cash dividend per CPO[3]	—	0.35	0.35	—
Comprehensive Income Data:				
Total comprehensive income (loss)	U.S.$ 2,468	Ps. 48,068	Ps. 9,290	Ps. (16,559)
Total comprehensive income (loss) attributable to stockholders of the Company	2,439	47,510	7,991	(18,127)
Total comprehensive income attributable to non-controlling interests	29	558	1,299	1,568

	Year Ended December 31			
	2022	2022	2021	2020
Financial Position Data:				
Cash and cash equivalents	U.S.$ 2,625	Ps. 51,131	Ps. 25,828	Ps. 29,058
Total assets	15,358	299,108	293,742	271,246
Current portion of long-term debt[6]	51	1,000	4,106	617
Interest payable[6]	90	1,761	2,035	1,935
Long-term debt, net of current portion[7]	5,352	104,241	121,686	121,936
Customer deposits and advances	95	1,841	8,999	5,936
Current portion of deferred revenue	15	288	—	—
Deferred revenue, net of current portion	266	5,178	—	—
Capital stock	248	4,837	4,837	4,908
Total equity (including non-controlling interests)	7,400	144,130	96,524	87,939
Shares outstanding (in millions)[5]	—	330,740	329,296	325,992

	2022	2022	2021	2020
Cash Flow Data:				
Net cash provided by operating activities	U.S.$ 640	Ps. 12,468	Ps. 29,324	Ps. 33,161
Net cash provided by (used in) investing activities	2,193	42,705	(18,845)	(15,920)
Net cash used in financing activities	(1,528)	(29,769)	(13,732)	(16,195)
Increase (decrease) in cash and cash equivalents	1,299	25,303	(3,230)	1,034
Other Financial Information:				
Capital expenditures[8]	U.S.$ 889	Ps. 17,315	Ps. 23,268	Ps. 20,132
Other Data (unaudited):				
Magazine circulation (millions of copies)[9]	—	7	11	12
Number of employees (at year end)	—	37,300	46,700	43,200
Number of Sky Pay Television RGUs (in thousands at year end)[10]	—	6,257	7,408	7,478
Number of Sky Broadband Internet RGUs (in thousands at year end)[10]	—	640	727	666
Number of Sky Mobile RGUs (in thousands at year end)[10]	—	16	31	—
Number of Cable Pay Television RGUs (in thousands at year end)[11]	—	4,458	4,166	4,285
Number of Cable Broadband Internet RGUs (in thousands at year end)[11]	—	5,984	5,649	5,431
Number of Cable Digital Telephony RGUs (in thousands at year end)[11]	—	5,234	4,617	4,296
Number of Cable Mobile RGUs (in thousands at year end)[11]	—	240	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 2023, 2022 and 2021 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) The Group's condensed consolidated statements of income for the years ended December 31, 2021 and 2020 have been prepared to present the results from discontinued operations for the businesses disposed of by the Group on January 31, 2022, based on the Group's previously reported audited consolidated statements of income for the years ended December 31, 2021 and 2020.

(5) As of December 31, 2022, 2021 and 2020, 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, 2022, there were approximately 2,347.7 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 56,057.7 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.

(6) 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, 2022 and 2021. See Notes 2(o) and 14 to our consolidated year-end financial statements.

(7) 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.

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

(9) 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.

(10) 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".

(11) 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. 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. On April 26, 2023, 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, 2022, 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.

Substantially all non-essential economic activities are open. However, a resurgence of COVID-19, an increase in infection rates or the effect of new variants could trigger a renewal of government 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 continuing impact of COVID-19 and new emerging variants on our business will depend on the duration and extent of the COVID-19 pandemic, the impact of federal, state, local and foreign governmental actions, consumer behavior in response to the COVID-19 pandemic and such governmental actions, as well as economic and operating conditions in the aftermath of COVID-19. Due to the evolving and uncertain nature of the COVID-19 pandemic and the risk of new variants, we are not able to estimate the full extent of the impact that COVID-19 may have 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 8.2% in 2020, increased by 4.7% in 2021, and increased by 3.1% in 2022. Mexican GDP fell short of the Mexican government forecast in 2022 and, according to analysts, Mexican GDP is expected to increase 1.40% in 2023. 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 a Mexican sovereign debt rating downgrade would 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, new investment prohibitions, 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. Brexit has caused, and may continue to cause, both significant volatility in global stock markets and currency exchange rate fluctuations, as well as create significant uncertainty. Further, in May 2022, the Bank of England warned of a significant probability of a Brexit-related recession in the United Kingdom, which may be further impacted by the negative economic effects of the COVID-19 pandemic and rising inflation.

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, during 2022, and continuing into 2023, in response to increased inflation, the Federal Reserve raised interest rates significantly and may continue to implement further increases. 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 3.2% in 2020, 7.4% in 2021, 7.8% in 2022 and is projected to be 5.15% in 2023. 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 increased in line with global market movements. The interest rates on 28-day Mexican government treasury securities averaged 5.3%, 4.6%, and 7.9% for 2020, 2021, and 2022 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.

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 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.

The economic plan for 2023 does not include any changes to the Mexican Income Tax Law, the Mexican Value Added Tax Law or the Mexican Federal Tax Code. Pursuant to the Federal Income Tax Law approved by the Mexican Congress for 2023, the withholding income tax rate applicable to payments of interest made by Mexican financial entities was increased from 0.08% to 0.15%.

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. In relation to the Preponderance Decision, a sixth infrastructure offer, effective from January 1, 2024, is being prepared to be presented before the IFT for its approval. 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 fifth 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 the Preponderant Economic Agents and may limit the ability of the 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 2020 and 2021, and have begun the process of the accounting separation methodology for fiscal year 2022, which will be filed with IFT later in 2023.

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*. A new biannual review will take place in 2023.

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 and TVSA 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. 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.

In October 2022, the Company, TVSA and certain subsidiaries of the Company's Cable and Sky segments (the "Complainants") obtained favorable *amparo* resolutions from a specialized federal judge. The resolutions ruled that the IFT's determination regarding substantial power in the market of restricted television and audio services in 35 Mexican municipalities, following the acquisition of Axtel, S.A.B. de C.V.'s residential optical fiber-to-the-home and related assets in 2018, was unconstitutional. In the event that an authority challenges these resolutions, the Complainants would continue defending the judgment and would seek to extend the effects of its protection.

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 44.4% 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 2030 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, as well as from Digital TV and OTT and AVOD platforms, and cable television companies which are subsidiaries of the Company. 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. We also rely on our information technology systems and those from third-parties. Incidents affecting these systems, such as cyber-attacks, malware (including deployment of ransomware) and other destructive or disruptive 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 designed to cause a cybersecurity incident. Such attempts, if successful, could damage our reputation and may require us to expend substantial resources on litigation, regulatory investigation and enforcement, and remediation costs, and could therefore have a material adverse effect on our business, reputation and results of operations. We continue to work closely with our outside advisors to prevent cybersecurity incidents, and to invest in maintaining and improving our cybersecurity resilience, and the Company's cybersecurity risks, and mitigation actions are monitored by our Audit Committee and reported to our Board of Directors; however, we cannot assure that we or our respective third-party service providers will not experience any future security breaches, cyber-attacks or unauthorized disclosures. Because of the continuously evolving nature of the tools and methods used by hackers and cyber criminals, including with respect to 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.

We are subject to a variety of global laws, regulations, and rules related to privacy and personal data protection, which are evolving, and increased public scrutiny of privacy and security issues could result in increased government regulation, industry standards, and other legal obligations that could adversely affect our business.

In the ordinary course of business and in particular in connection with content acquisition, making our services and products available to consumers, we collect and utilize information supplied by consumers and other third parties, which may include personal information and other data. As a result, we are subject to laws, rules and regulations in Mexico, the European Union ("E.U."), the U.S., and in other countries relating to privacy and the collection, use and security of personal information.

A growing number of global jurisdictions have passed and/or are considering legislation implementing privacy and data protection requirements that could increase the cost and complexity of delivering our product and services. For example, in Mexico, the Federal Law for Protection of Personal Data Held by Private Persons *(Ley Federal de Protección de Datos Personales en Posesión de los Particulares)* protects personal data collected by us and, among other things, requires that we ensure the confidentiality of information received from customers.

Also, in the E.U., the General Data Protection Regulation (the "GDPR") imposes stringent operational requirements for entities processing personal data, restricts the trans-border flow of certain personal data, and imposes significant penalties of up to the greater of 20 million euros or 4% of the annual global revenue of a noncompliant company for violations of the GDPR's requirements. Such penalties are in addition to any civil litigation claims by data subjects. Ensuring compliance with the GDPR and similar laws is an ongoing commitment that involves substantial costs, and it is possible that despite our efforts, governmental authorities or third parties will assert that our services or business practices fail to comply.

In the U.S., the California Consumer Privacy Act ("CCPA"), as amended by the California Consumer Privacy Rights Act effective January 1, 2023, regulates companies' use and disclosure of the personal information of California residents, gives California residents rights with respect to their personal information, and authorizes enforcement actions by the California Attorney General and the California Privacy Protection Agency and private class actions for data breaches. The CCPA marked the beginning of a trend toward more stringent state data privacy legislation in the United States. For example, Virginia's Consumer Data Protection Act took effect on January 1, 2023, and Colorado, Utah, and Connecticut have adopted new state data protection laws, which are set to take effect later in 2023. Each of these laws will regulate the way that companies collect, use, and share personal information about certain consumers located in those states. Many similar laws have been proposed at the federal and state level that would impose restrictions on our ability to collect, use and disclose, and increase our obligations to safeguard, certain consumer information.

Given the breadth and depth of changes in global data protection obligations, compliance has caused us to expend significant resources, and such expenditures are likely to continue into the future as we continue our compliance efforts. Our failure to adhere to or successfully implement processes in response to changing regulatory requirements in this area could result in legal liability or impairment to our reputation in the marketplace, which could have a material adverse effect on our business, financial condition and results of operations.

These laws and regulations are subject to frequent changes and amendments, and sometimes conflict among the various jurisdictions and countries in which we do business. It also is possible that they may be interpreted and applied in a manner that is inconsistent with our data privacy and information security practices. If we are unable to develop and offer our products and services in a manner that meets legal requirements or if we violate or are perceived to violate any of these laws, regulations, or other obligations relating to data privacy, data protection, or information security, we may experience reduced demand for our products and services, harm to our reputation, or become subject to increased compliance costs, investigations, litigation, or regulatory action, which could expose us to significant fines, penalties, and other damages, or require us to make changes to our business practices, all of which could have a material adverse effect on our business, financial condition, and results of operations.

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 former Content business with TelevisaUnivision, our results of operations have been 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.

Furthermore, on October 27, 2022, our Board of Directors approved a reorganization proposal to spin-off certain businesses that are part of our Other Businesses segment, including our futbol operations, the Azteca Stadium, the gaming operations, and the publishing and distribution of magazines, as well as certain related assets and real estate. For more information regarding the potential spin-off, please see "Information on the Company—Business Overview—Other Businesses—Spin-off of Certain Businesses of Our Other Businesses Segment."

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 the Tax Cuts and Jobs Act of 2017 (the "TCJA"). The TCJA 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 TCJA also imposed 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.

On August 16, 2022, the United States enacted into law the Inflation Reduction Act of 2022 (the "IRA") into law. The IRA establishes a 15% corporate minimum tax effective for taxable years beginning after December 31, 2022, in addition to other changes to the U.S. federal income tax laws. At present, we do not expect the tax-related provisions of the IRA to have a material impact on our financial results.

Risk Factors Related to TelevisaUnivision

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"). 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 former Content business segment (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 former 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 post-closing adjustments. 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 of March 31, 2023, we owned a 44% 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 former Content business segment that we contributed 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 or refinance its debt, particularly in an increasing interest rate environment; (ii) cancellation, reductions or postponements of advertising; (iii) adverse global and national economic conditions, including inflationary pressures; (iv) changes in the size of the U.S. Hispanic population, including the impact of U.S. federal and state immigration legislation and policies on both the U.S. Hispanic population and persons emigrating from Latin America, as well as an increase in the preference among Hispanics for English-language programming, or Spanish-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, particularly in the New York, Los Angeles and Miami-Fort Lauderdale markets, where a large percentage of TelevisaUnivision's target audience lives; (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 multichannel video programming distributors; (x) possible strikes or other union job actions; (xi) the impact of new technologies as well as TelevisaUnivision's ability to successfully operate ViX, its recently launched streaming operations and premium streaming operations; and (xii) failure to develop, produce or acquire content for, attract customers for and/or profitably commercialize ViX as a Spanish-language streaming platform.

The COVID-19 pandemic has had, and continues 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. TelevisaUnivision's customers generally may cancel, reduce or postpone advertising orders without penalty. Customers have and may continue to further alter their purchasing activities in response to the current and future economic environment, and, among other things, customers may continue to change or scale back future purchases of advertising. Any material cancellations, reductions or postponements of advertising or reduced advertising rates for any of the foregoing reasons would adversely affect advertising revenues and could have a material adverse effect on TelevisaUnivision's business, financial condition and results of 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 began integrating our former Content business with its operations in January 2022. TelevisaUnivision continues to evaluate the estimates of synergies to be realized from the TelevisaUnivision Transaction, so the actual cost and/or revenue synergies could differ materially from the current estimates. It is uncertain if TelevisaUnivision will achieve the full amount of cost and/or revenue synergies on the anticipated schedule or at all. A failure to meet the challenges involved in integrating the businesses and to realize the anticipated benefits of the TelevisaUnivision Transaction could cause an interruption of, or a loss of momentum in, the activities of TelevisaUnivision's post-acquisition businesses. 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—TelevisaUnivision".

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 as Co-Chief Executive Officers of the Company. As a result, they do not devote all of their time to either TelevisaUnivision or 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

As of March 31, 2023, we owned a 44% 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

We are the largest shareholder of TelevisaUnivision, and 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 is deemed an "associate" (asociada) of ours under current applicable accounting standards. 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. In particular, the other major investors in TelevisaUnivision are in the business of making investments in companies and may, from time to time, acquire and hold interest in businesses that compete directly or indirectly with TelevisaUnivision, as well as businesses that represent major customers of TelevisaUnivision. Such investors may also pursue acquisition opportunities that may be complementary to the business of TelevisaUnivision, and as a result, those acquisition opportunities may not be available to TelevisaUnivision. Such transactions 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

As a result of the Telecom Reform, the regulatory framework was amended to allow foreign direct investment of 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. Notwithstanding the above, the trust governing the CPOs and our bylaws still 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, 2023 and our actual capital expenditures, investments in joint ventures and associates, and acquisitions for the years ended December 31, 2022, 2021 and 2020.

	Year Ended December 31,[1][2]			
	2023 (Expected)	2022 (Actual)	2021 (Actual)	2020 (Actual)
	(Millions of U.S. Dollars)			
Capital expenditures	U.S.$ 820.0	U.S.$ 859.8	U.S.$ 1,149.1	U.S.$ 939.4
GTAC[3]	11.6	8.4	6.4	6.3
Other acquisitions and investments	—	—	53.3	27.8
Total capital expenditures and investments	U.S.$ 831.6	U.S.$ 868.2	U.S.$ 1,208.8	U.S.$ 973.5

(1) Amounts in respect of some of the capital expenditures, investments and acquisitions we made in 2022, 2021 and 2020 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 2022, 2021 and 2020, 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 2023 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.

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.

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 50 countries through television networks, cable and pay-TV operators and over-the-top or "OTT" streaming services.

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 50 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 106 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, Nayarit 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 6.6 million subscriber base and 18.7 million homes passed as of December 31, 2022, 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, Disney+, HBO Max, amongst others. In July 2022, our cable companies were the first to launch ViX as a new SVOD streaming service, and in September 2022 we renewed our offer to simplify product selection according to our clients' needs through a modular concept.

As of December 31, 2022, our cable companies had 4.5 million cable television, or video RGUs, 6.0 million broadband RGUs and 5.2 million IP telephone lines in service, or voice RGUs. In addition, we currently have 240,207 mobile service subscriber 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 6.2 million video subscribers, of which 3.2% were commercial subscribers as of December 31, 2022.

The key components of our DTH strategy include:

- offering high quality content, exclusive broadcasts of sporting events, such as La Liga and La Copa del Rey (Spanish Soccer), The Bundesliga (German Soccer), 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, the World Padel Tour, 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 current global economic conditions, we continue to be among the leaders of the publishing business in Mexico and maintained a total approximate circulation of more than seven million magazines during 2022. Editorial Televisa publishes 31 titles, with six wholly owned trademarks and eight licensed trademarks from world renowned publishing houses, including Spanish language editions of some of the most prestigious brands in the world, as well as 15 digital platforms and two digital native brands. During 2022, 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 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, 2022, 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. For instance, our Board of Directors approved a reorganization proposal to spin-off certain businesses that comprise our Other Businesses segment. For a further discussion of the Spin-Off, see "—Other Businesses—Spin-off of Certain Business of Our Other Businesses Segment."

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 subscribers 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 a 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 economic 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 the telecommunications sector, which contained a limitation on the preponderant economic agent's 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 of 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 the preponderant economic agent's 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 would 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 would 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 would 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 would 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 (i) 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 (ii) 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 are committed to reducing our environmental impact and greenhouse gas emissions through specific programs, training, and monitoring and reporting of emissions. Our Environmental Management System covers energy management, climate change strategy, water risk and its impact, and waste emissions. We have also set environmental and ecological goals, 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. These goals align with public sector efforts, such as the United Nations (UN) Sustainable Development Goals (SDGs).

Furthermore, we focus on improving our social performance. We strive to enhance our employees' 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, in order to better understand the community's 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 Director being responsible for ESG-related issues under the supervision of the Corporate Risk Management Director (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. The Audit Committee is periodically informed about the Company's ESG initiatives and related activities.

We recognize that climate change risk is a global issue that may impact how we run our business and network, both today and in the future. We continue to look for ways to improve our understanding of climate-related risks and are working to integrate climate risk variables into our overall risk management process and establish formal multi-disciplinary procedures that engage our Board and management team.

Our sustainability achievements result from a regular enhancement of policies and programs to improve corporate performance. During 2022, the Company's many sustainability efforts continued to be recognized globally. For example, the Company was selected for the 2022 Dow Jones Sustainability MILA Pacific Alliance Index and for the DJS Emerging Markets Index. Also, the Company was included in three 2020 FTSE4Good Index Series: FTSE4Good Emerging Markets and FTSE4Good Emerging Latin America.

Further, the Company received the *Distintivo Empresa Socialmente Responsable 2022* (2022 Socially Responsible Company recognition), granted by *Centro Mexicano para la Filantropía* (Mexican Center for Philanthropy), 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 UN 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 2022, Fundación Televisa (or "Fundación") celebrated its 20th anniversary and remains committed to helping those most in need. As a result, we were able to impact the lives of 968,046 children and adults in both Mexico and the United States, investing (together with our 217 allies) more than Ps.337 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 communities. 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.

Our sustainability programs and initiatives are intended to help achieve 12 of 17 of the United Nations ("UN") Sustainable Development Goals ("SDG"), including (i) no poverty, (ii) zero hunger, (iii) good health and well-being, (iv) quality education, (v) gender equality, (vi) decent work and economic growth, (vii) reducing inequalities, (viii) sustainable cities and communities, (ix) climate action, (x) life on land, (xi) peace, justice and strong institutions, and (xii) partnership for the goals.

In 2022 we provided more than 58 million digital impacts and more than 114,000 TV media impacts, reaching more than 46 million people on television. At the same time, we helped more than 15 institutions and organizations through communication campaigns with television spaces.

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

Fundación has diverse programs for 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, Gol por México combines the passion for helping others with the passion for sports. Through this program, we have transformed soccer goals from the Mexican Soccer League into aid for the neediest communities in México. 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 155,748 students from public schools and 5,596 teachers and instructors, across Mexico, registered in our Cuantrix platform to learn basic coding skills.
- We had more than 8,890 middle-school girls participating in Technolochicas STEAM activities in Mexico and the United States.
- We had 38,645 recipients of Bécalos scholarships, reaching 19,040 scholarships for students and teachers developing employability competencies, 157 scholarships for students attending a program for talented youth, and 2,034 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 30,251 entrepreneurs in developing their business models through our POSiBLE program.

- We participated in far-reaching communication campaigns, including "Este Verano Juega" and "Semana de la Primer Infancia," which focused on delivering messages to promote early childhood stimulation, "Valores," which promoted civic values and the prevention of digital violence through fresh multimedia content and a series of videos reaching more than 43 million people in Mexico, and our "Vida Saludable" program, which promoted wellness and health, reaching more than 6.7 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 59,400 parents with practical tips weekly via SMS and our digital newsletter through our Empieza Temprano program.

- We transformed 961 soccer goals from the Mexican Soccer League to provide 35,893 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 65,000 attendees.

- We received the "CANUTO award," and honorific mention for best documentary film content for children given by the DocsMX Film Festival for the campaign "Este Verano Juega".

- We were winners of the JUNA KINO 2022 International Youth Film Festival for the best short film for the campaign "Este Verano Juega".

- Recognition by CEMEFI (Centro Mexicano para la Filantropía, A.C.), "Caracol de Plata" for the campaign "Bécalas" dedicated to empowering women.

- Recognized by CEMEFI and awarded with the ESR 2022 (Socially Responsible Company 2022).

By responsibly leveraging media, talent, partnerships and financial assets, the efforts led by Fundación reflect the commitment of the Company to social responsibility. 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, 2022, we classified our operations into three business segments: Cable, Sky and Other Businesses. Following the completion of the TelevisaUnivision Transaction on January 31, 2022, our former 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 former Content business, and we now classify the former Content business as a discontinued operation and since then it is no longer a business segment. Through the third quarter of 2019, our 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 772 pay-TV concessions in Mexico, and 2,130 integrated sole concessions for commercial use, 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. 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 106 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, primarily in Campeche, Coahuila, Durango, Estado de México, Guanajuato, Guerrero, Hidalgo, Jalisco, Michoacán, Puebla, Queretaro, San Luis Potosí, Sinaloa, Tabasco, Tamaulipas, Tlaxcala, Veracruz and Zacatecas. 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 39,000 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. These subscribers were integrated into each operator where coverage was available to take advantage of the fiber optic network.

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, 2020, 2021 and 2022, Innova's DTH satellite pay-TV service had 7,477,294, 7,408,075 and 6,257,059 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 639 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 2022, Sky offered exclusive content, which included La Liga and La Copa del Rey (Spanish Soccer), the Bundesliga (German Soccer), 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, the World Padel Tour, 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 2022, the Sky HD Package comprised 257 channels, as well as nine additional channels for pay-per-view. We expect to continue broadening our HD offering in the coming years.

As of December 31, 2022, 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, HBO Ps.489, Universe Ps.724 and monthly fees for high definition programming packages are: Silver Ps.169, 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.144 for standard definition, Ps.184 for Silver and Gold and Ps.214 for Platinum and Black packages for the decoder necessary to receive the service (or Ps.130 for standard definition, Ps.160 for Silver and Gold, 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 in high definition for SKY Prepaid is Ps.149 and the monthly rental fee for the decoder necessary to receive the service is Ps.100.

Sky devotes eight 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 2022, Sky had 640,294 broadband customers.

In 2022, Sky launched mobile services under the brand Blue Telecomm Cel which offers packages of 4GB, 7GB, 16GB, and 23 GB single-play mobile for Ps.289, Ps.399, Ps.599 and Ps.799, respectively. At the end of fiscal year 2022, Sky had 16,055 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 seven million copies in 2022, we publish 31 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 15 digital platforms that generated 215 million unique users on such platforms during 2022.

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 decreased from 34% of the total advertising revenue of the publishing business in 2021 to 28% in 2022 due to lower government spending on digital advertising.

Publishing Distribution. We estimate that we distribute more than 60%, 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 130 million Spanish-speaking people in Mexico. We also estimate that such distribution network reaches more than 8,300 points of sale in Mexico. In 2020, 2021, and 2022 51%, 52% and 48% 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 collectibles, 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 2022, the stadium hosted a significant number of events, which included Club America and Cruz Azul home matches, as well as qualifying games for the Mexican National Team. 2022 was a year during which the industry in which we participate was recovering from COVID-19. The stadium currently has a total seating capacity of approximately 84,500 fans. It also hosts a wide variety of private events and live events, including concerts and shows of Mexican and international artists and performers. For example, during December 2022, the Mexican regional band "Los Bukis" performed once in the stadium, while international star Bad Bunny performed twice in the stadium, with a combined total attendance of more than 190,000 fans. 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.

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. In November 2022, a regular season Monday Night Football game was played at the stadium with more than 78,000 fans in attendance.

Gaming Business. In 2006, we launched our gaming business, which consists of casinos and an online gaming site. As of December 31, 2022, 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.

Spin-off of Certain Bussinesses of Our Other Businesses Segment. Our Board of Directors approved a reorganization proposal to spin-off certain businesses that are part of our Other Businesses segment, including our *futbol* operations, the Azteca Stadium, the gaming operations, and the publishing and distribution of magazines, as well as certain related assets and real estate, which we refer to as the Spun-off Businesses. The businesses of Cable and Sky, our investment in TelevisaUnivision, broadcasting concessions and infrastructure, as well as other assets and real estate related to these businesses, would remain in the Company. It is expected that this proposed reorganization will be carried out through a spin-off, or the Spin-off, by creating a new controlling entity listed on the Mexican Stock Exchange that would hold the Spun-off Businesses and that would have the same shareholding structure as the Company. It is expected that the Spin-off will be completed in the first half of 2023.

The Spin-off remains subject to several conditions, including compliance with applicable law, as well as obtaining all required corporate and regulatory authorizations (see Note 3 to our consolidated year-end financial statements). Our shareholders approved the Spin-off at the shareholders meeting held on April 26, 2023.

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.

Content

We owned the former Content business prior to the completion of the TelevisaUnivision Transaction. Prior to the completion of such transaction, the former Content business generated revenues from advertising, network subscription, licensing and our feature film production and distribution business Videocine.

Discontinued Operations

Advertising

Advertising revenue was derived primarily from the sale of advertising time on television broadcast operations, which included the production of television programming and broadcasting of Channels 2, 4, 5 and 9 (the "Television Networks"), as well as the sale of advertising time on programs provided to pay television companies in Mexico and advertising revenue in the Company's former Internet business and the production of television programming and broadcasting for local television stations in Mexico. The broadcasting of the Company's former Television Networks was performed by television repeater stations in Mexico, either wholly-owned, majority-owned or minority-owned by the Company or otherwise affiliated with the Company's networks.

Network Subscription

Network Subscription revenue was derived from domestic and international programming services provided to independent cable television systems in Mexico and the Company's direct-to-home satellite and cable television businesses. These programming services for cable and pay-per-view television companies were provided in Mexico, other countries in Latin America, the United States and Europe. The programming services consisted of both programming produced by the Company and programming produced by others.

Licensing and Syndication

Licensing and Syndication revenue was derived from international program licensing and syndication fees. The Company's television programming was licensed and syndicated to customers abroad, including Univision.

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.1,244.0 million. By the end of 2022, GTAC had in operation 189 links and 160 nationwide nodes, and the services for customers grew to 3,699, of which 89% 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 five of its own routes (2,024 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.

TelevisaUnivision

We have a number of arrangements with TelevisaUnivision, the leading Spanish-language content and media company in the world, which features the largest Spanish-language library of owned content and industry-leading production capabilities that power its streaming, digital and linear television offerings, as well as its radio platforms. TelevisaUnivision's linear networks include the top-rated broadcast networks *Univision* and *UniMás* in the U.S. and *Las Estrellas* and *Canal 5* in Mexico. TelevisaUnivision is home to 36 Spanish-language cable networks, including *Galavisión* and *TUDN*, the No. 1 Spanish-language sports network in the U.S. and Mexico. With one of the most compelling portfolios of Spanish-language sports rights in the world, TelevisaUnivision has solidified itself as the home of soccer. TelevisaUnivision also owns and manages 59 television stations across the U.S., four broadcast channels in Mexico affiliated with 222 television stations and Videocine studio. TelevisaUnivision is home to premium streaming services ViX and Blim TV, which altogether host over 50,000 hours of high-quality, original Spanish-language programming from distinguished producers and top talent, and the SVOD global streaming tier ViX premium. Its prominent digital assets include *Univision.com*, *Univision NOW*, and several top-rated digital apps. TelevisaUnivision's radio operations, known as the *Uforia Audio Network*, the Home of Latin Music, encompasses 57 owned or operated U.S. radio stations, a live event series and a robust digital audio footprint.

Effective as of December 29, 2020, UHI and other parties affiliated with other investor groups 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 remained in effect and unchanged. 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%.

As of March 31, 2023, we owned a 44% 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. As a result, they do not devote all of their time to either TelevisaUnivision or 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 since February 2022, we no longer receive any royalties from TelevisaUnivision under the PLA.

TelevisaUnivision Transaction

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 former 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 of our former 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 post-closing adjustments. The combined company is referred to as TelevisaUnivision, Inc. 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 "—TelevisaUnivision", and subsequently in the completion of the TelevisaUnivision Transaction, as described earlier in this section under "—TelevisaUnivision". 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 TelevisaUnivision, see Notes 3, 9, 10, 14, 15, 20 and 28 to our consolidated year-end financial statements.

Competition

We compete with various 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), HBO Max, ViX, Paramount, Lionsgate, Universal +, and Apple TV+, 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 2022 had approximately 1 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 20 Mexican states. Pursuant to this concession, Cablemás provides cable television services, internet access and bidirectional data transmission services. In addition, Cablemás provides local and international 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 11 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 30 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.

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 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 in the same geographic coverage area 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 the 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 and TVSA 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. The trials were resolved favorably for the Company in the first instance, and the decisions will be reviewed by a superior court. 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 TVSA 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 were resolved in August 2022 by the Supreme Court of Justice, overriding the LFTR 2017 Reform, subsisting the Congress' authority to legislate again on Rights for Audiences. In addition, two associations and other persons filed two *amparo* suits challenging some provisions of the LFTR 2017 Reform. As a result of one of such proceedings, the courts ordered the repeal of the amendment of article 256 of the LFTR 2017 Reform, and the IFT has the authority to determine a date for entering into force of the General Guidelines on Rights for Audiences dated December 21, 2016, or to issue new guidelines. 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, 2022.

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] [6]	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. [8]	Mexico	100.0 %
Innova Holdings, S. de R.L. de C.V. [8]	Mexico	58.7 %
Innova, S. de R.L. de C.V. (Innova)[10]	Mexico	58.7 %
Other Businesses segment:		
Grupo Telesistema, S.A. de C.V. [15]	Mexico	100.0 %
Controladora de Juegos y Sorteos de México, S.A. de C.V.[2] [11] [14]	Mexico	100.0 %
Editorial Televisa, S.A. de C.V.[2] [12][14]	Mexico	100.0 %
Grupo Distribuidoras Intermex, S.A. de C.V.[2] [13][14]	Mexico	100.0 %
Significant Investee:		
TelevisaUnivision, Inc.[15]	United States of America	44.4 %

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

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

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

(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 the operations of our Gaming business.

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

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

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

(15) TelevisaUnivision, Inc., formerly known as Univision Holdings II, Inc., has been included as a significant investee pursuant to Rule 3-09 of Regulation S-X. We own shares of the capital stock of TelevisaUnivision, Inc. primarily through our subsidiaries Grupo Telesistema, S.A. de C.V. and Multimedia Telecom, S.A. 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 TelevisaUnivision or its subsidiaries 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 the longest term allowed by law at the time, which was 50 years.

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

As of December 31, 2022, our properties, excluding Azteca Stadium, represented approximately 5.06 million square feet of space, of which over 3.98 million square feet are located in Mexico City and the surrounding areas, and approximately 1.08 million square feet are located outside of Mexico City and the surrounding areas.

We currently own approximately 5.06 million square feet of space, 2.40 million square feet of which are leased to TelevisaUnivision or its subsidiaries, 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 TelevisaUnivision or its subsidiaries.

We also own or lease over a total of 64,614 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	3	Madrid, Spain(2)
		Zug, Switzerland(1)
Publishing activities		
Owned properties	2	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	3	San Antonio, Texas(2)
		Laredo, 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. This contract was renewed with SES until January 31, 2024, 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, 2023, 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.

Substantially all non-essential economic activities are open. However, a resurgence of COVID-19, an increase in infection rates or the effect of new variants could trigger a renewal of government 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 continuing impact of COVID-19 and new and emerging variants on our business will depend on the duration and extent of the COVID-19 pandemic, the impact of federal, state, local and foreign governmental actions, consumer behavior in response to the COVID-19 pandemic and such governmental actions, as well as economic and operating conditions in the aftermath of COVID-19. Due to the evolving and uncertain nature of the COVID-19 pandemic and the risk of new variants, we are not able to estimate the full extent that the COVID-19 pandemic may have on 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 former Content business segment (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 former 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 post-closing adjustments. Additionally, as part of the TelevisaUnivision Transaction, we received consideration of Ps.940 million for the transfer of rights of news content production to a related party other than TelevisaUnivision. As of March 31, 2023, we owned a 44% 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 closing of the TelevisaUnivision Transaction, our cash and cash equivalents increased by U.S. $3.0 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.$3.0 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 44.6% 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 former Content business segment. As a result of the completion of the TelevisaUnivision Transaction, we no longer consolidate the results of our former Content business segment.

Spin-off of Certain Businesses of Our Other Businesses Segment

On October 27, 2022, our Board of Directors approved a reorganization proposal to spin-off certain businesses that are part of our Other Businesses segment, including our futbol operations, the Azteca Stadium, the gaming operations, and the publishing and distribution of magazines, as well as certain related assets and real estate. For more information regarding the potential spin-off, please see "Information on the Company—Business Overview—Other Businesses—Spin-off of Certain Businesses of Our Other Businesses Segment."

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.

Following the TelevisaUnivision Transaction, which was closed on January 31, 2022, the results of the Content segment, as well as the Feature Film Distribution business, which was previously classified in the Other Businesses segment, are presented as part of discontinued operations in our consolidated financial statements for the years ended December 31, 2021 and 2020, as well as for the month ended January 31, 2022. Accordingly, these businesses are not presented as part of our segments in this report.

	Year Ended December 31,		
	2022	2021	2020
	(Millions of Pesos)[1]		
Revenues	Ps. 75,526.6	Ps. 73,915.4	Ps. 70,680.2
Cost of revenues	48,807.6	46,653.6	45,220.3
Selling expenses	9,422.9	8,099.6	8,414.4
Administrative expenses	12,061.9	12,189.5	11,216.0
Other (expense) income, net	(815.6)	3,716.2	628.7
Operating income	4,418.6	10,688.9	6,458.2
Finance expense, net	9,206.2	11,918.0	5,649.4
Share of (loss) income of associates and joint ventures, net	(7,378.2)	3,671.0	(5,739.7)
Income tax benefit (expense)	1,227.5	(1,673.0)	(858.9)
Net (loss) income from continuing operations	(10,938.3)	768.9	(5,789.8)
Income from discontinued operations, net	56,222.2	6,585.9	6,092.7
Net income	45,283.9	7,354.8	302.9
Net income attributable to non-controlling interests	571.7	1,299.0	1,553.2
Net income (loss) attributable to stockholders of the Company	Ps. 44,712.2	Ps. 6,055.8	Ps. (1,250.3)

(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, 2022, 2021 and 2020 included in this annual report due to differences in rounding.

Results of Operations

For segment reporting purposes, our consolidated cost of revenues, selling expenses and administrative expenses for the years ended December 31, 2022, 2021 and 2020 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,		
	2022	2021	2020
	(Millions of Pesos)[1]		
Revenues[2]	Ps. 75,526.6	Ps. 73,915.4	Ps. 70,456.9
Cost of revenues[2][3]	31,242.5	29,856.1	28,570.2
Selling expenses[2][3]	9,065.2	7,826.1	7,602.0
Administrative expenses[2][3]	7,329.2	6,855.9	6,305.6
Intersegment operations[4]	120.4	1.6	1.6
Operating segment income	**28,010.1**	**29,378.9**	**27,980.7**
Corporate expenses	1,538.1	2,351.3	2,223.6
Depreciation and amortization	21,117.4	20,053.3	19,922.0
Other (expense) income, net	(815.6)	3,716.2	628.7
Intersegment operations[4]	(120.4)	(1.6)	(1.6)
Disposed operations[2]	—	—	(4.0)
Operating income	**Ps. 4,418.6**	**Ps. 10,688.9**	**Ps. 6,458.2**

(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, 2022, 2021 and 2020 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 revenues, cost of revenues, 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 year ended December 31, 2020.

(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 revenues data for the indicated periods as a percentage of total segment revenues:

	Year Ended December 31,[1]		
Segment Revenues	2022	2021	2020
Cable	63.6 %	64.5 %	63.9 %
Sky	26.7	29.6	31.2
Other Businesses	9.7	5.9	4.9
Total segment revenues	100.0 %	100.0 %	100.0 %
Intersegment operations	(0.7)	(0.7)	(0.7)
Disposed operations	—	—	0.3
Total consolidated revenues	99.3 %	99.3 %	99.6 %

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

	Year Ended December 31,[1]		
	2022	2021	2020
Revenues			
Cost of revenues[2]	41.4 %	40.4 %	40.7 %
Selling expenses[2]	12.0	10.6	10.8
Administrative and corporate expenses[2]	11.7	12.4	12.1
Depreciation and amortization	27.9	27.1	28.2
Other expense (income), net	1.1	(5.0)	(0.9)
Consolidated operating income	5.9	14.5	9.1
Total consolidated revenues	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 revenues and total segment revenues data set forth in this annual report include revenues 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 revenues and operating segment income of each of our reportable business segments and intersegment operations, corporate expenses, depreciation and amortization, other (expense) income, net and disposed operations for the years ended December 31, 2022, 2021 and 2020. 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, 2022, we classified our operations into three business segments: Cable, Sky and Other Businesses.

	Year Ended December 31,		
	2022	2021	2020
	(Millions of Pesos)[1]		
Segment Revenues			
Cable	Ps. 48,411.8	Ps. 48,020.9	Ps. 45,367.1
Sky	20,339.0	22,026.6	22,134.7
Other Businesses[2]	7,338.8	4,388.2	3,480.9
Total Segment Revenues	76,089.6	74,435.7	70,982.7
Intersegment Operations[1]	(563.0)	(520.3)	(525.8)
Disposed Operations[2]	—	—	223.3
Total Consolidated Revenues	Ps. 75,526.6	Ps. 73,915.4	Ps. 70,680.2
Operating Segment Income			
Cable	Ps. 19,902.8	Ps. 20,285.0	Ps. 18,898.3
Sky	6,416.3	8,504.2	9,135.3
Other Businesses[2]	1,691.0	589.7	(52.9)
Total Operating Segment Income[3]	28,010.1	29,378.9	27,980.7
Corporate Expenses[3]	(1,538.1)	(2,351.3)	(2,223.6)
Depreciation and Amortization[3]	(21,117.4)	(20,053.3)	(19,922.0)
Other (Expense) Income, net	(815.6)	3,716.2	628.7
Intersegment Operations[4]	(120.4)	(1.6)	(1.6)
Disposed Operations[2]	—	—	(4.0)
Consolidated Operating Income[5]	Ps. 4,418.6	Ps. 10,688.9	Ps. 6,458.2

(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 revenues and total segment revenues data set forth in this annual report include revenues 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 revenues 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.

(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 (expense) income, net, intersegment operations and disposed operations in the years presented. See Note 26 to our consolidated year-end financial statements.

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, 2022
Compared to the Year Ended December 31, 2021

Total Segment Results

Revenues

Revenues increased by Ps.1,611.2 million, or 2.2%, to Ps.75,526.6 million for the year ended December 31, 2022 from Ps.73,915.4 million for the year ended December 31, 2021. This increase was due to revenue growth in the Cable and Other Businesses segments, which was partially offset by a decrease in revenues in our Sky segment.

Cost of Revenues

Cost of revenues increased by Ps.1,386.4 million, or 4.6%, to Ps.31,242.5 million for the year ended December 31, 2022 from Ps.29,856.1 million for the year ended December 31, 2021. This increase was mainly due to higher costs in our Cable and Other Businesses segments, which was partially offset by a decrease in cost in our Sky segment.

Selling Expenses

Selling expenses increased by Ps.1,239.1 million, or 15.8%, to Ps.9,065.2 million for the year ended December 31, 2022 from Ps.7,826.1 million for the year ended December 31, 2021. This increase was primarily attributable to higher selling expenses in our Sky and Cable segments.

Administrative and Corporate Expenses

Administrative and corporate expenses decreased by Ps.339.9 million, or 3.7%, to Ps.8,867.3 million for the year ended December 31, 2022 from Ps.9,207.2 million for the year ended December 31, 2021. The decrease mainly reflects lower corporate expenses and was partially offset by an increase in administrative expenses in our Cable and Sky segments.

Corporate expenses decreased by Ps.813.2 million, or 34.6%, to Ps.1,538.1 million in 2022, from Ps.2,351.3 million in 2021. This decrease was primarily due to a lower non-allocated corporate expense, which was partially offset by an increase in employee profit sharing and a higher share-based compensation expense.

Share-based compensation expense in 2022 and 2021 amounted to Ps.968.6 million and Ps.903.8 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 revenues are derived from the provision of cable and telecommunication services, as well as advertising revenues. Revenues 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. Revenues 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 revenues represented 63.6% and 64.5% of our segment revenues for the years ended December 31, 2022 and 2021, respectively, and increased by Ps.390.9 million, or 0.8%, to Ps.48,411.8 million for the year ended December 31, 2022 from Ps.48,020.9 million for the year ended December 31, 2021.

Total revenue generating units, or RGUs, exceeded 15.9 million for the year ended December 31, 2022. Total net additions for the year ended December 31, 2022 exceeded 1.3 million RGUs due to increases in all of our services.

Cable operating segment income decreased by Ps.382.2 million, or 1.9%, to Ps.19,902.8 million for the year ended December 31, 2022 from Ps.20,285.0 million for the year ended December 31, 2021, and the margin reached 41.1%. These decreases were primarily due to increases in personnel, commissions, broadband and signal costs and expenses, which were partially offset by an increase in revenues.

The following table sets forth the breakdown of RGUs per service type for our Cable segment as of December 31, 2022 and 2021.

	2022	2021
Video	**4,458,220**	**4,166,460**
Broadband (data)	**5,984,151**	**5,649,102**
Voice	**5,233,724**	**4,617,265**
Mobile	**240,207**	**156,051**
RGUs	**15,916,302**	**14,588,878**

Sky

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

Sky revenues represented 26.7% and 29.6% of our segment revenues for the years ended December 31, 2022 and 2021, respectively, and decreased by Ps.1,687.6 million, or 7.7%, to Ps.20,339.0 million for the year ended December 31, 2022 from Ps.22,026.6 million for the year ended December 31, 2021. This decrease was due to the decrease in the number of video and broadband RGUs for the year ended December 31, 2022. This decrease was partially offset by price increases implemented in March 2022. Total disconnections for the year ended December 31, 2022 were approximately 1.3 million RGUs. This was mainly driven by the loss of 1.2 million video RGUs and 101.6 thousand broadband and mobile net disconnections. In addition, Sky closed the year with 115,578 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, 2022 and 2021.

	2022	2021
Video	**6,257,059**	**7,408,075**
Broadband (data)	**640,294**	**727,226**
Voice	**453**	**601**
Mobile	**15,602**	**30,266**
RGUs	**6,913,408**	**8,166,168**

Sky operating segment income decreased by Ps.2,087.9 million, or 24.6%, to Ps.6,416.3 million for the year ended December 31, 2022 from Ps.8,504.2 million for the year ended December 31, 2021, and the margin totaled 31.5%. This decrease in operating segment income was due to the lower revenue and the amortization of some non-recurring costs and expenses of Ps.930.0 million related to the transmission rights of the 2022 Soccer World Cup.

Other Businesses

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

Other Businesses revenues represented 9.7% and 5.9% of our segment revenues for the years ended December 31, 2022 and 2021, respectively, and increased by Ps.2,950.6 million, or 67.2%, to Ps.7,338.8 million for the year ended December 31, 2022 from Ps.4,388.2 million for the year ended December 31, 2021. This increase was due to the ongoing reopening of the Mexican economy, primarily in our gaming, sports and special events businesses.

Other Businesses operating segment income increased by Ps.1,101.3 million, or 186.8%, to Ps.1,691.0 million for the year ended December 31, 2022 from Ps.589.7 million for the year ended December 31, 2021. This increase was primarily due to an increase in revenues, which was partially offset by an increase in cost of revenues and operating expenses.

Depreciation and Amortization

Depreciation and amortization expense increased by Ps.1,064.1 million, or 5.3%, to Ps.21,117.4 million for the year ended December 31, 2022 from Ps.20,053.3 million for the year ended December 31, 2021. This increase was primarily due to an increase in depreciation and amortization expense in our Cable and Other Businesses segments.

Other Income or Expense, Net

Other income or expense, net, decreased by Ps.4,531.8 million, to other expense, net of Ps.815.6 million for the year ended December 31, 2022, from other income, net of Ps.3,716.2 million for the year ended December 31, 2021. This decrease was primarily due to (i) the absence of a Ps.4,547.0 million pre-tax gain from the disposition of our former 40% equity stake in OCEN, a live entertainment company with operations primarily in Mexico, which sale was concluded in December 2021; and (ii) a Ps.425.8 million (U.S.$21.5 million) expense incurred in the fourth quarter of 2022 in connection with the provision for the settlement of a lawsuit, which was net of a related insurance reimbursement.

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 Mexican peso to the other currencies in which our monetary assets or liabilities are denominated varies.

Finance expense, net, decreased by Ps.2,711.8 million, or 22.8%, to Ps.9,206.2 million for the year ended December 31, 2022, from Ps.11,918.0 million for the year ended December 31, 2021. This decrease was primarily due to: (i) a Ps.1,591.1 million increase in interest income, primarily explained by a higher average amount of cash and cash equivalents during 2022; (ii) a Ps.1,072.5 million decrease in other finance expense, net, resulting primarily from a lower loss in fair value of our derivative contracts in 2022; and (iii) a Ps.397.8 million decrease in foreign exchange loss, net, resulting primarily from a 5.0% appreciation of the Mexican peso against the U.S. dollar on an average net U.S. dollar asset position for the year ended December 31, 2022, compared with a 2.5% depreciation of the Mexican peso against the U.S. dollar on an average net U.S. dollar liability position for the year ended December 31, 2021. These favorable variances were partially offset by a Ps.349.6 million increase in interest expense, primarily due to finance expense in connection with the prepayment of a portion of our long-term debt in 2022, which was partially offset by a decrease in interest expense derived from a lower average principal amount of our total debt in 2022.

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.11,049.2 million, to a share of loss of Ps.7,378.2 million in 2022, from a share of income of Ps.3,671.0 million in 2021. This unfavorable change reflected mainly (i) a share of loss of TelevisaUnivision (formerly known as Univision Holdings II, Inc. or UH II), resulting primarily from a goodwill impairment loss recognized by TelevisaUnivision in the fourth quarter of 2022; and (ii) the absence of a share of income in 2022 of an impairment loss reversal that we recognized in our share of income of UH II in 2021. These unfavorable variances were partially offset by a cash dividend paid to us in 2022 in connection with our investment in preferred shares of TelevisaUnivision in the aggregate amount of Ps.752.6 million (U.S.$37.8 million).

Income Taxes

Income tax benefit or expense changed by Ps.2,900.5 million to an income tax benefit of Ps.1,227.5 million in 2022, compared with an income tax expense of Ps.1,673.0 million in 2021. This change was mainly due to a loss before income taxes in 2022, compared to an income before income taxes in 2021, as well as a lower effective income tax rate in 2022 as compared to 2021 primarily as a result of (i) the income tax effects derived from our share in loss of TelevisaUnivision referred to above; and (ii) a higher inflationary tax gain resulting from both a higher inflation rate in Mexico in 2022 and a higher average net monetary liability position of certain companies in the Group during 2022.

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

Income from Discontinued Operations

In connection with the transaction that we closed with TelevisaUnivision on January 31, 2022 (the "TelevisaUnivision Transaction"), we present the results from our disposed businesses as income from discontinued operations in our consolidated statements of income for the current period and for any comparative period presented.

Income from discontinued operations, net, increased by Ps.49,636.3 million, to Ps.56,222.2 million in 2022, from Ps.6,585.9 million in 2021. This increase reflected primarily the net gain on disposition of discontinued operations in connection with the TelevisaUnivision Transaction that was closed on January 31, 2022, which was partially offset by the absence of net income of discontinued operations for the 11 months ended December 31, 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.727.3 million, or 56.0%, to Ps.571.7 million in 2022, compared with Ps.1,299.0 million in 2021. This decrease was primarily due to a lower portion of net income attributable to non-controlling interests in our Cable and Sky segments.

Net Income or Loss Attributable to Stockholders of the Company

Net income attributable to stockholders of the Company increased to Ps.44,712.2 million for the year ended December 31, 2022, from Ps.6,055.8 million for the year ended December 31, 2021. This increase of Ps.38,656.4 million was due to a:

- Ps.49,636.3 million favorable increased in income from discontinued operations;
- Ps.2,711.8 million decrease in finance expense, net;
- Ps.2,900.5 million increase in income taxes benefit or expense; and
- Ps.727.3 million decrease in net income attributable to non-controlling interests.

This increase was partially offset by a:

- Ps.11,049.2 million unfavorable change in share of income or loss of associates and joint ventures;
- Ps.4,531.8 million unfavorable change in other income or expense, net;
- Ps.1,064.1 million increase in depreciation and amortization; and
- Ps.674.4 million decrease in income before depreciation and amortization.

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

Total Segment Results

Revenues

Revenues increased by Ps.3,235.2 million, or 4.6%, to Ps.73,915.4 million for the year ended December 31, 2021 from Ps.70,680.2 million for the year ended December 31, 2020. This increase was due to revenue growth in the Cable and Other Businesses segments, which was partially offset by a decrease in revenues in our Sky segment.

Cost of Revenues

Cost of revenues increased by Ps.1,113.7 million, or 3.9%, to Ps.29,856.1 million for the year ended December 31, 2021 from Ps.28,742.4 million for the year ended December 31, 2020. This increase was mainly due to higher costs in our Cable, Sky and Other Businesses segments.

Selling Expenses

Selling expenses increased by Ps.186.1 million, or 2.4%, to Ps.7,826.1 million for the year ended December 31, 2021 from Ps.7,640.0 million for the year ended December 31, 2020. This increase was attributable to higher selling expenses in our Sky and Cable segments.

Administrative and Corporate Expenses

Administrative and corporate expenses increased by Ps.660.9 million, or 7.7%, to Ps.9,207.2 million for the year ended December 31, 2021 from Ps.8,546.3 million for the year ended December 31, 2020. The increase mainly reflects higher Corporate expenses and an increase in administrative expenses in our Cable and Sky segments.

Corporate expenses increased by Ps.127.7 million, or 5.7%, to Ps.2,351.3 million in 2021, from Ps.2,223.6 million in 2020. This increase was due to increased expenses associated with our employee profit sharing program and a higher share-based compensation expense.

Share-based compensation expense in 2021 and 2020 amounted to Ps.903.8 million and Ps.863.8 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 revenues, representing 64.5% and 63.9% of our segment revenues 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 revenues, representing 29.6% and 31.2% of our segment revenues 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.

Other Businesses

Other Businesses revenues, representing 5.9% and 4.9% of our segment revenues for the years ended December 31, 2021 and 2020, respectively, increased by Ps.907.3 million, or 26.1%, to Ps.4,388.2 million for the year ended December 31, 2021 from Ps.3,480.9 million for the year ended December 31, 2020. This increase was due mainly to our gaming and sports and special events businesses.

Other Businesses operating segment income increased by Ps.642.6 million, to an income of Ps.589.7 million for the year ended December 31, 2021 from a loss of Ps.52.9 million for the year ended December 31, 2020. This increase was primarily due to the increase in revenues 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 revenues 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.131.3 million, or 0.7%, to Ps.20,053.3 million for the year ended December 31, 2021 from Ps.19,922.0 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.3,087.5 million to other income, net of Ps.3,716.2 million for the year ended December 31, 2021, from other income, net of Ps.628.7 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) surcharges resulting from payments made in 2021 by three companies in our Cable, Sky and Content segments for income taxes for prior years; (iii) an increase in impairment adjustments primarily in connection with goodwill, intangible assets and property and equipment in our Other Businesses segment; (iv) a higher non-recurring severance expense in connection with dismissals of personnel in the Content and Cable segments; (v) 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 (vi) 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.6,268.6 million to Ps.11,918.0 million for the year ended December 31, 2021, from Ps.5,649.4 million for the year ended December 31, 2020. This increase reflected primarily: (i) a Ps.5,885.5 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.507.1 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.1,396.5 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.9,410.7 million, to a share of income of Ps.3,671.0 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.814.1 million, or 94.8%, to Ps.1,673.0 million in 2021, compared with Ps.858.9 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.

Income from Discontinued Operations

In connection with the transaction that we closed with TelevisaUnivision on January 31, 2022 (the "TelevisaUnivision Transaction"), we present the results from our disposed businesses as income from discontinued operations in our consolidated statements of income for the years ended December 31, 2021 and 2020.

Income from discontinued operations, net, increased by Ps.493.2 million, to Ps.6,585.9 million in 2021, from Ps.6,092.7 million in 2020, primarily related to net income from discontinued operations, which was partially offset by certain expenses and taxes incurred in 2021 in connection with the TelevisaUnivision Transaction.

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.254.2 million, or 16.4%, to Ps.1,299.0 million in 2021, compared with Ps.1,553.2 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.9,410.7 million favorable change in share of income or loss of associates and joint ventures, net;
- Ps.1,274.5 million increase in income before depreciation and amortization;
- Ps.3,087.5 million increase in other income, net;
- Ps.493.2 million favorable increase in income from discontinued operations; and
- Ps.254.2 million decrease in net income attributable to non-controlling interests.

These changes were partially offset by a:

- Ps.6,268.6 million increase in finance expense, net;
- Ps.814.1 million increase in income taxes; and

- Ps.131.3 million increase in depreciation and amortization.

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.		
	2022	2021	2020
(Appreciation) depreciation of the Peso as compared to the U.S. Dollar[1]	(5.0)%	2.8 %	6.0 %
Mexican inflation rate[2]	7.8	7.4	3.2
U.S. inflation rate	6.5	7.0	1.3
Increase (decrease) in Mexican GDP[3]	3.1	4.7	(8.2)

(1) Based on changes in the Interbank Rates, as reported by CitiBanamex, at the end of each period, which were as follows: Ps.19.9493 as of December 31, 2020, Ps.20.5031 as of December 31, 2021 and Ps.19.4760 as of December 31, 2022.

(2) Based on changes in the NCPI from the previous period, as reported by the Mexican Central Bank, which were as follows: 109.3 in 2020; 117.3 in 2021; and 126.5 in 2022.

(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 2022, 2021 and 2020:

	Year Ended December 31,		
	2022	2021	2020
	(Millions of U.S. Dollars)		
Revenues	U.S.$ 182	U.S.$ 142	U.S.$ 144
Operating costs and expenses	469	352	319

On a consolidated basis, in 2022, 2021 and 2020, our foreign-currency-denominated costs and expenses exceeded our foreign-currency-denominated revenues. As a result, we could be 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, 2022 and 2021 and for the years ended December 31, 2022, 2021 and 2020, 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, 2023. Our management does not expect the pronouncements effective for annual periods beginning on January 1, 2023 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, 2023 will have on our consolidated financial statements. Some amendments and improvements to certain IFRS standards became effective on January 1, 2023, and 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	*Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*	Postponed
IFRS 17 [(1)]	*Insurance Contracts*	January 1, 2023
Amendments to IAS 1 [(1)]	*Classification of Liabilities as Current or Non-current*	January 1, 2023
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
Amendments to IAS 12 [(1)]	*Deferred Tax related to Assets and Liabilities arising from a Single Transaction*	January 1, 2023
Amendment to IFRS 17 [(1)]	*Initial Application of IFRS 17 and IFRS 9 – Comparative Information*	January 1, 2023
Amendments to IFRS 16 [(1)]	*Lease Liability in a Sale and Leaseback*	January 1, 2024
Amendments to IAS 1 [(1)]	*Non-current Liabilities with Covenants*	January 1, 2024

(1) This new or amended IFRS Standard is not expected to have a significant impact on 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 by the IASB 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 became applicable to the Group's consolidated financial statements in connection with the closing of the TelevisaUnivision Transaction in the first quarter of 2022 (see Note 3 to our consolidated year-end financial statements). As permitted, we have applied these amendments in 2022 and disclosed this fact in our consolidated financial statements.

IFRS 17 *Insurance Contracts* ("IFRS 17") was issued by the IASB 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 became effective on January 1, 2023.

Amendments to IAS 1 *Classification of Liabilities as Current or Non-current* were issued by the IASB 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.

Amendments to IAS 8 *Definition of Accounting Estimates,* were issued by the IASB 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 by the IASB 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.

Amendments to IAS 12 *Deferred Tax related to Assets and Liabilities arising from a Single Transaction* were issued by the IASB 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 by the IASB 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.

Amendments to IFRS 16 *Lease Liability in a Sale and Leaseback*, were issued by the IASB in September 2022, and add to requirements in IFRS 16 Leases ("IFRS 16") explaining how a company accounts for a sale and leaseback after the date of the transaction. A sale and leaseback is a transaction for which a company sells an asset and leases the same asset back for a period of time from the new owner. IFRS 16 includes requirements on how to account for a sale and leaseback at the date the transaction takes place. However, IFRS 16 had not specified how to measure the transaction when reporting after that date. The amendments issued add to the sale and leaseback requirements in IFRS 16, thereby supporting the consistent application of the IFRS Standard. These amendments will not change the accounting for leases other than those arising in a sale and leaseback transaction. These amendments to IFRS 16 are effective for annual reporting periods beginning on or after January 1, 2024, with early application permitted.

Amendments to IAS 1 *Non-current Liabilities with Covenants*, were issued by the IASB in October 2022, to improve the information companies provide about long-term with covenants. IAS 1 Presentation of Financial Statements requires a company to classify debt as non-current only if the company can avoid settling the debt in the 12 months after the reporting date. However, a company's ability to do so is often subject to complying with covenants. For example, a company might have long-term debt that could become repayable within 12 months if the company fails to comply with covenants in that 12-month period. The amendments to IAS 1 specify that covenants to be complied with after the reporting date do not affect the classification of debt as current or non-current at the reporting date. Instead, the amendments require a company to disclose information about these covenants in the notes to the financial statements. The amendments are effective for annual reporting periods beginning on or after January 1, 2024, with early adoption permitted.

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

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 on that date (see Notes 3 and 28 to our consolidated year-end financial statements).

Through January 31, 2022, we produced a significant portion of programming for initial broadcast in Mexico, its 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 estimated the expected future benefit period over which a given program would generate revenues (generally, over a five-year period). We then amortized the production costs related to a given program over the expected future benefit period. Under this policy, we generally expensed approximately 70% of the production costs related to a given program in its initial broadcast run and deferred and expensed 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 estimated 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 its programming, including its consolidated subsidiaries and equity investees. To the extent that a given future expected benefit period was shorter than the estimate, we might 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 might have extended the amortization schedule for the remaining capitalized production costs.

We also entered 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, 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 might have extended the amortization schedule for the remaining portion of the purchase price or the license fee.

(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 greater 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 greater 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 2022 and 2021, 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 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 greater 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 judgment on the part of management. 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, 2022 and 2021 (in thousands of Pesos):

	Balance as of December 31, 2022	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. 773,209	Ps. —	Ps. 773,209	Ps. —
Publicly traded equity instruments	2,611,053	2,611,053	—	—
Derivative financial instruments	543,581	—	543,581	—
Total	Ps. 3,927,843	Ps. 2,611,053	Ps. 1,316,790	Ps. —
Liabilities:				
Derivative financial instruments	Ps. 71,401	Ps. —	Ps. 71,401	Ps. —
Total	Ps. 71,401	Ps. —	Ps. 71,401	Ps. —

	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. —

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 Note 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 TelevisaUnivision, 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 believe our working capital is sufficient for our present requirements, and we anticipate generating sufficient cash to satisfy our long-term liquidity needs.

During the year ended December 31, 2022, we had a net increase in cash and cash equivalents of Ps.25,302.8 million, as compared to a net decrease in cash and cash equivalents of Ps. 3,229.9 million during the year ended December 31, 2021.

Net cash provided by operating activities for the year ended December 31, 2022, amounted to Ps.12,467.6 million. Adjustments to reconcile income before income taxes to net cash provided by operating activities were mainly due to (i) depreciation and amortization of Ps.21,239.3 million, (ii) an interest expense of Ps.9,459.4 million, (iii) an impairment loss on trade notes and accounts receivable, and other receivables of Ps.1,172.6 million, (iv) an other finance loss, net of Ps.110.7 million, (v) a share of loss of associates and joint ventures of Ps.7,378.2 million, and (vi) a share-based compensation expense of Ps.1,665.9 million; this was partially offset by (i) gains on disposition of discontinued operations of Ps.75,192.4 million, (ii) unrealized foreign exchange gains of Ps.999.5 million, and (iii) income taxes paid for the year ended December 31, 2022, which amounted to Ps.12,118.0 million.

Net cash provided by investing activities for the year ended December 31, 2022, amounted to Ps.42,704.9 million and was primarily provided by proceeds from (i) disposition of discontinued operations of Ps.66,095.5 million, (ii) cash dividends from preferred shares of Ps.752.6 million, (iii) release of a holdback payment from our sale of OCEN in the amount of Ps.364.4 million, and (iv) a disposition of property, plant and equipment of Ps.264.1 million; this was partially offset by (i) investments in property, plant and equipment of Ps.17,315.4 million, (ii) other investments in intangible assets of Ps.1,807.2 million and (iii) long-term credit with a related party of Ps.5,738.8 million.

Net cash used in financing activities for the year ended December 31, 2022, amounted to Ps.29,769.3. million, and was primarily used for interest payments of Ps.8,893.0 million, derivative financial instruments of Ps.145.1 million, prepayment of long-term loans from Mexican banks of Ps.6,000.0 million, other payments of lease liabilities of Ps.991.0 million, dividend payments of Ps.1,053.3 million, repurchases of capital stock of Ps.629.3 million, partial prepayment of senior notes of Ps.10,099.6 million, and payments of lease liabilities of Ps.699.2 million.

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.

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

During 2023, we:

- expect to make aggregate capital expenditures for property, plant and equipment totaling approximately U.S.$820.0 million, of which approximately U.S.$620.0 million and approximately U.S.$160.0 million are for the expansion and improvements of our Cable and Sky segments, respectively, and the remaining amount is for our Other Businesses segment; 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.$11.6 million (Ps.225.1 million).

During 2022, we:

- made aggregate capital expenditures for property, plant and equipment totaling approximately U.S.$859.8 million, of which approximately U.S.$645.9 million and approximately U.S.$193.1 million were 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 U.S.$8.4 million (Ps.166.2 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 were 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).

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.

In August 2022, we completed a tender offer to purchase in cash a principal amount of U.S.$133.6 million of our 6.625% Senior Notes due 2025, U.S.$110.6 million of our 5.000% Senior Notes due 2045, and U.S.$47.8 million of our 5.250% Senior Notes due 2049, for an aggregate principal amount of U.S.$292.0 million. The aggregate tender consideration paid amounted to U.S.$294.8 million plus U.S.$5.5 million of accrued and unpaid interest on the settlement date of the tender offer.

Indebtedness. As of December 31, 2022, our consolidated long-term portion of debt amounted to Ps.104,240.6 million and our consolidated current portion of debt was Ps.2,761.1 million. 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. The consolidated debt is presented net of unamortized finance costs as of December 31, 2022 and 2021, in the aggregate amount of Ps.994.7 million and Ps.1,207.1 million, respectively, and interest payable in the aggregate amount of Ps.1,761.1 million and Ps.2,034.6 million in 2022 and 2021, 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.

In February 2023, Sky executed a revolving credit facility with a Mexican bank for an amount up to Ps.1,000 million and with a maturity in 2028. The funds may be used for general corporate purposes, including the repayment of debt. Under the terms of this revolving credit facility, Sky is required to comply with certain restrictive covenants and financial coverage ratios. In March 2023, upon the maturity of loans with two Mexican banks, Sky repaid the remaining portions of these loans in the aggregate principal amount of Ps.1,000 million with (i) available cash on hand in the amount of Ps.600 million and (ii) funds from this revolving credit facility in the principal amount of Ps.400 million, plus interest payable on a monthly basis at the annual interest rate of TIIE plus 0.85%. As of March 31, 2023, the unused principal amount of this revolving credit facility amounted to Ps.600 million.

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, 2022, net of unamortized finance costs and does not include related accrued interest payable (in millions of Pesos):

	2022[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. 85.9	Ps. 5,188.8	Ps. (46.1)	Ps. 5,142.7
4.625% Senior Notes due 2026 [2]	5.03 %	135.1	5,842.8	(14.5)	5,828.3
8.50% Senior Notes due 2032 [2]	9.00 %	151.8	5,842.8	(16.3)	5,826.5
6.625% Senior Notes due 2040 [2]	7.05 %	352.7	11,685.6	(107.7)	11,577.9
5% Senior Notes due 2045 [2]	5.39 %	125.1	17,321.1	(323.9)	16,997.2
6.125% Senior Notes due 2046 [2]	6.47 %	536.8	17,528.4	(109.7)	17,418.7
5.25% Senior Notes due 2049 [2]	5.59 %	71.8	13,675.9	(273.5)	13,402.4
Total U.S. dollar debt		1,459.2	77,085.4	(891.7)	76,193.7
Mexican peso debt:					
8.79% Notes due 2027 [3]	8.84 %	97.8	4,500.0	(11.4)	4,488.6
8.49% Senior Notes due 2037 [2]	8.94 %	48.8	4,500.0	(10.4)	4,489.6
7.25% Senior Notes due 2043 [2]	7.92 %	52.4	6,500.0	(48.4)	6,451.6
Bank loan [4]	11.57 %	77.0	10,000.0	(32.8)	9,967.2
Bank loans (Sky) [5]	10.17 %	25.9	3,650.0	—	3,650.0
Total Mexican peso debt		301.9	29,150.0	(103.0)	29,047.0
Total debt		1,761.1	106,235.4	(994.7)	105,240.7
Less: Current portion of long-term debt		1,761.1	1,000.0	—	1,000.0
Long-term debt, net of current portion		Ps. —	Ps. 105,235.4	Ps. (994.7)	Ps. 104,240.7
Lease liabilities:					
Satellite transponder lease agreement[6]					Ps. 2,807.2
Other lease agreement [7]					608.2
Lease liabilities[7]					4,953.6
Total lease liabilities					8,369.0
Less: Current portion					1,373.2
Lease liabilities, net of current portion					Ps. 6,995.8

(1) U.S. Dollar-denominated debt is translated into Pesos at an exchange rate of Ps.19.4760 per U.S. Dollar, the Interbank Rate, as reported by CitiBanamex, as of December 31, 2022.

(2) The Senior Notes due between 2025 and 2049, in the aggregate outstanding principal amount of U.S.$3,958 million and Ps.11,000 million as of December 31, 2022, 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. In addition, in August 2022, we completed a tender offer to purchase in cash a principal amount of U.S.$133.6 million of our 6.625% Senior Notes due 2025, U.S.$110.6 million of our 5.000% Senior Notes due 2045, and U.S.$47.8 million of our 5.250% Senior Notes due 2049, for an aggregate principal amount of U.S.$292.0 million. 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 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. 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) 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 14 to our consolidated year-end financial statements).

(7) Lease liabilities recognized beginning on January 1, 2019, under IFRS 16 *Leases*, in the aggregate amount of Ps.4,953.6 million and Ps.5,533.6 million, as of December 31, 2022 and 2021, respectively. These lease liabilities have terms which expired at various dates between 2021 and 2051.

(8) Lease liabilities also includes Ps.608.2 million and Ps.689.5 million, as of December 31, 2022 and 2021, 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, 2022, 2021 and 2020 was Ps.9,455.6 million, Ps.9,106.0 million and Ps.10,502.5 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]		
	2022	2021	2020
Interest payable in U.S. Dollars	U.S.$ 279.5	U.S.$ 287.6	U.S.$ 275.7
Amounts currently payable under Mexican withholding taxes[2]	12.5	13.4	13.4
Total interest payable in U.S. Dollars	U.S.$ 292.0	U.S.$ 301.0	U.S.$ 289.1
Peso equivalent of interest payable in U.S. Dollars	Ps. 5,879.7	Ps. 6,162.5	Ps. 6,220.4
Interest payable in Pesos	3,575.9	2,973.0	4,261.8
Discontinued operations	—	(29.5)	20.3
Total interest expense	Ps. 9,455.6	Ps. 9,106.0	Ps. 10,502.5

(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, 2022 (these amounts do not include future interest payments):

	Payments Due by Period				
	Total	Less Than 12 Months January 1, 2023 to December 31, 2023	12-36 Months January 1. 2024 to December 31, 2025	36-60 Months January 1,2026 to December 31, 2027	Maturities Subsequent to December 31, 2027
	(Thousands of U.S. Dollars)				
6.625% Senior Notes due 2025	U.S.$ 266,420	U.S.$ —	U.S.$ 266,420	U.S.$ —	U.S.$ —
8.5% Senior Notes due 2032	300,000	—	—	—	300,000
8.49% Senior Notes due 2037	231,054	—	—	—	231,054
6.625% Senior Notes due 2040	600,000	—	—	—	600,000
8.79% Notes due 2027	231,054	—	—	231,054	—
7.25% Senior Notes due 2043	333,744	—	—	—	333,744
5% Senior Notes due 2045	889,358	—	—	—	889,358
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	702,190	—	—	—	702,190
Syndicate loan due 2024	513,452	—	513,452	—	—
HSBC loan due 2023	32,091	32,091	—	—	—
Scotiabank loan due 2023	19,254	19,254	—	—	—
Scotiabank loan due 2026	136,065	—	—	136,065	—
Long-term debt	5,454,682	51,345	779,872	667,119	3,956,346
Accrued interest payable	90,422	90,422	—	—	—
Satellite transponder lease agreement	144,135	26,348	58,814	58,973	—
Other lease agreement	31,231	7,007	8,908	8,237	7,079
Lease liabilities	254,346	37,154	81,321	74,124	61,747
Total contractual obligations	U.S.$ 5,974,816	U.S.$ 212,276	U.S.$ 928,915	U.S.$ 808,453	U.S.$ 4,025,172

Contractual Obligations off the Balance Sheet

The following table summarizes our contractual obligations off the balance sheet as of December 31, 2022:

	Payments Due by Period				
	Total	Less Than 12 Months January 1, 2023 to December 31, 2023	12-36 Months January 1, 2024 to December 31, 2025	36-60 Months January 1, 2026 to December 31, 2027	Maturities Subsequent to December 31, 2027
	(Thousands of U.S. Dollars)				
Interest on debt[1]	U.S.$ 4,825,408	U.S.$ 270,065	U.S.$ 617,379	U.S.$ 515,574	U.S.$ 3,422,390
Interest on lease liabilities	160,926	32,934	56,162	37,627	34,203
Transmission rights[2]	521,820	55,737	67,447	126,295	272,341
Capital expenditures commitments	89,724	89,724	—	—	—
Satellite transponder commitments[3]	17,608	6,629	10,031	948	—
Committed financing to GTAC[4]	11,558	11,558	—	—	—
Total contractual obligations	U.S.$ 5,627,044	U.S.$ 466,647	U.S.$ 751,019	U.S.$ 680,444	U.S.$ 3,728,934

(1) Interest to be paid in future years on outstanding debt as of December 31, 2022, 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, 2022, are related to our former 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 2023 in the aggregate principal amount of Ps.225.1 million (U.S.$11.6 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 Board of TelevisaUnivision and former member of the Board of Grupo Financiero Banamex. 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. Co-Chief Executive Officer of TelevisaUnivision Mexico.	Executive Chairman of the Board of TelevisaUnivision. Member of the Boards of Liberty Latin America, Grupo Axo and Grupo Financiero Banorte and Innova (subsidiary of Grupo Televisa). Former member of the Board of Empresas Cablevisión (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 Galas 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 Ruiz Urquiza y Cia, S.C., representative of Arthur Andersen & Co. 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 and Apuestas Internacionales (subsidiary of Grupo Televisa). 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)	Chief Executive Officer of Grupo Jumex.	Member of the Board of Consorcio Ara, S.A.B. Former Chief Executive Officer of Grupo Televisa's Cable Division. 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 Chairman of the Audit Committee of Grupo Financiero Citibanamex, S.A. de C.V., Banco Nacional de México, S.A. and Citibanamex, Casa de Bolsa, S.A. de C.V., Member of the Board of Directors, Member of the Corporate Practices Committee and Chairman of the Audit Committee of Grupo Posadas, S.A.B. de C.V. 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, Innova (subsidiary of Grupo Televisa) and Grupo Axo. 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

Name and Date of Birth	Principal Occupation	Business Experience	First Elected
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
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)	Executive producer of newscast “En punto”.	Cast member on the debate program “Tercer Grado”. Former Research Professor and Director of Communication at Centro de Investigación y Docencia Económicas (CIDE).	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 Grupo Axo, Club de Industriales, ICA Fluor, Ica Tenedora, Innova (subsidiary of Grupo Televisa) and Controladora Vuela de Aviación, S.A.B. de C.V.	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", Instituto Tecnológico y de Estudios Superiores de Monterrey, Consejo Mexicano de Negocios, and Instituto Nacional de Ciencias Médicas y Nutrición "Salvador Zubirán".	April 2012
David M. Zaslav (01/15/60)	President, Chief Executive Officer and Director of Warner Bros. Discovery, Inc.	Member of the Boards of Sirius XM Radio, Inc., The Cable Center, the Paley Center for the Media, Business Roundtable, American Cinematheque, Quadio, Elie Wiesel Foundation, Syracuse University, Mt. Sinai Medical Center, the USC Shoah Foundation, and the Partnership for New York City.	April 2015
Alternate Directors:			
In alphabetical order:			
Herbert A. Allen III[(2)] (06/08/67)	President of Allen & Company LLC. Director of the Coca-Cola Company.	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 of TVSA and Televisa Regional.	Former Chief Executive Officer of Telesistema Mexicano.	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.	Alternate member of the Board of Managers and the Executive Committee of Innova (subsidiary 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 2023 annual stockholders' special and general meetings, which were held on April 26, 2023. 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. The number of directors elected to our Board of Directors is determined by our stockholders pursuant to our bylaws. No other governing body of the Company, including the Corporate Practices Committee, has the authority to set and/or limit the number of directors. Our stockholders' meetings held on April 26, 2023 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 ratified at our annual stockholders' meeting held on April 26, 2023, 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 26, 2023, 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 Board of TelevisaUnivision and former member of the Board of Grupo Financiero Banamex. 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. Co-Chief Executive Officer of TelevisaUnivision Mexico.	Executive Chairman of the Board of TelevisaUnivision. Member of the Boards of Liberty Latin America, Grupo Axo y Grupo Financiero Banorte and Innova (subsidiary of Grupo Televisa). Former member of the Board of Empresas Cablevisión (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, Innova (subsidiary of Grupo Televisa) and Grupo Axo. 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. Member of the Board of Managers and the Executive Committee of Innova (subsidiary of Grupo Televisa). Alternate member of the Board of Empresas Cablevisión (subsidiary of Grupo Televisa).	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, 2022, we paid our directors, alternate directors and officers for services in all capacities aggregate compensation of approximately Ps.963.3 million (U.S.$49.5 million using the Interbank Rate, as reported by CitiBanamex, as of December 31, 2022). 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 26, 2023, 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 26, 2023 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, 2022, we have made Ps.64.0 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, 2022 were approximately Ps.178.3 million.

Our compensation programs for officers play a key role in accomplishing the Company's operating and financial objectives. The primary goals of our compensation programs include (i) motivating our officers to maximize their contribution in order to accomplish the Company's objectives, (ii) aligning our officers' interests with the success of the Company and the creation of shareholder value, and (iii) attracting and retaining the most qualified employees for our various businesses.

We place great importance on our ability to attract and retain talented executives and on our capacity to implement incentive programs that motivate executives and reward performance. In general, our compensation programs are designed to take into consideration the specific objectives and circumstances of the business, the scope of an executive's responsibilities, and a determination of what is considered competitive compensation in the market for similar roles, to the extent such data is available. Our compensation programs provide the opportunity to reward executives for contributing to the annual and long-term financial, operational, and share price performance. We continue to refine our compensation programs in order to adjust to market conditions and strengthen the alignment between executive and shareholder interests.

Certain of our officers are entitled to receive performance bonuses. The amount and rules applicable vary among the different divisions and/or officers. In general, performance bonuses are determined based on a mix of financial and operational objectives as well as individual performance objectives tailored to each executive's role in the Company. 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, 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 expired 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. Such agreements may be updated and extended in the future under similar terms and conditions subject to relevant approvals.

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, investment and accounting services, through approved company providers, executives and Company personnel. The Company does not include the cost of these services in the aggregate amount of compensation set forth in "— Compensation of Directors and Officers".

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 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, 2022, approximately 19.0 million CPOs or CPO equivalents that were transferred to Plan Participants were sold in the open market from 2020 to 2022. Additional sales will continue to take place during or after 2023.

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, 2023, the special purpose trust created to implement the Long-Term Retention Plan owned approximately 151.7 million CPO equivalents. This figure is net of approximately 4.4 million, 52.9 million and 70.3 million CPO equivalents vested in 2020, 2021 and 2022, respectively and the return of CPOs or CPO equivalents as a result of awards terminated in previous years. Of such 151.7 million CPO equivalents, approximately 71% are in the form of CPOs and the remaining 29% are in the form of "A", "B", "D" and/or Series "L" Shares. As of March 31, 2023, approximately 56.8 million CPO equivalents have been reserved and will become vested between 2023 and 2024 at prices ranging from Ps.1.6 to Ps.31.13 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, 2022:

	Year Ended December 31,		
	2022	2021	2020
Total number of employees	37,374	46,786	43,287
Category of activity:			
Employees	37,339	46,717	43,215
Executives	35	69	72
Geographic location:			
Mexico	37,356	46,731	43,223
Latin America (other than Mexico)	2	2	2
U.S.	7	44	53
Europe	9	9	9

As of December 31, 2022, 2021 and 2020, approximately 27%, 38% and 39% 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.

Disclosure of a Registrant's Action to Recover Erroneously Awarded Compensation

Not applicable.

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 March 31, 2023. 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	44.4 %	67,814,604	0.1 %	107,886,870	0.1 %	107,886,870	0.1 %	15.5 %
Dodge & Cox (4)	8,152,555,000	6.8 %	7,174,248,400	12.9 %	11,413,577,000	13.5 %	11,413,577,000	13.5 %	11.1 %
BlackRock, Inc.(5)	5,501,282,900	4.6 %	4,841,128,952	8.7 %	7,701,796,060	9.1 %	7,701,796,060	9.1 %	7.5 %
FPR Partners, LLC(6)	3,994,494,000	3.3 %	3,515,154,720	6.3 %	5,592,291,600	6.6 %	5,592,291,600	6.6 %	5.4 %

(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, 2023. The number of shares issued and outstanding for legal purposes as of March 31, 2023 was 60,375,000,000 Series A Shares, 53,130,000,0000 Series B Shares, 84,525,000,000 Series D Shares and 84,525,000,000 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, 2023 was 57,651,133,875 Series A Shares, 50,732,997,810 Series B Shares, 80,711,587,425 Series D Shares and 80,711,587,425 Series L Shares in the form of CPOs, and an additional 56,057,675,939 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, 2023 does not include 108,954,645 CPOs and an additional 2,868,937,436 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 Dodge & Cox, as of February 14, 2023.

(5) Based solely on information included in the report on Schedule 13G by Blackrock, Inc. as of January 30, 2023.

(6) Based solely on information included in the report on Schedule 13G by FPR Partners LLC as of February 14, 2023.

The Major Stockholders

The Azcárraga Trust, a trust for the benefit of Emilio Azcárraga Jean, currently holds 44.4% 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, 2023, approximately 237.6 million of GDSs were held of record by 67 persons with U.S. addresses. Those GDSs represent 24.9% of the outstanding Series "A" Shares, 47.1% of the outstanding Series "B" Shares, 49.2% of the outstanding Series "D" Shares and 49.2% 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 former 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 former 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. 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 of March 31, 2023, we owned a 44% equity interest on an as-converted basis (excluding unvested and/or unsettled stock, restricted stock units and options) in TelevisaUnivision and we 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—TelevisaUnivision" and "Operating and Financial Review and Prospects—TelevisaUnivision Transaction".

Transactions and Agreements With Our Directors and Officers. During 2022, we entered into contracts leasing office space directly or indirectly from certain of our directors and officers for an aggregate amount of Ps.28.84 million. We estimate that the annual lease payments for 2023 will be equal to approximately Ps.25.32 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 provided consulting services and research in connection with the effects of TVSA's programming, especially dramas, on its viewing audience. Instituto de Investigaciones Sociales, S.C. provided TVSA with such services in 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, was a member of the Board of 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 Co-Chief Executive Officer, and Carlos Hank González, Members of the Board of the Company, are members and Carlos Hank González is President of the Board of Banorte. On April 30, 2022, the loan matured and was repaid in full.

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, purchase advertising services from us in connection with the promotion of their respective products and services from time to time, 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 the Company rendered certain advertising services to a Mexican subsidiary of Rappi, Inc., until the completion of the TelevisaUnivision Transaction where such interest was transferred.

Legal and Advisory Services. During 2022, 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. Our co-Chief Executive Officer Alfonso de Angoitia was a founding partner of the firm. Mr. de Angoitia requested a leave of absence in January 2002. In 2012, the leave of absence was formally terminated and Mr. de Angoitia officially ceased being a partner of the firm. Since 2002, when Mr. de Angoitia left the firm, he has not had any role or active participation at the firm, nor has he benefitted from participation in any economic distributions by the firm.

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. Furthermore, the Company typically considers different advisory services providers and obtains quotes for specific projects before engaging with such providers, and the Company customarily engages more than one firm.

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-101, 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, 2023, approximately 237.6 million GDSs were held of record by 67 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 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 these concessions, 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. 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.

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 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.

In August 2022, we completed a tender offer to purchase in cash a principal amount of U.S.$133.6 million of our 6.625% Senior Notes due 2025, U.S.$110.6 million of our 5.000% Senior Notes due 2045, and U.S.$47.8 million of our 5.250% Senior Notes due 2049, for an aggregate principal amount of U.S.$292.0 million.

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 —TelevisaUnivision".

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 October 22, 2021, the Company filed a motion to define the class period. On March 31, 2022, the discovery period concluded, with exceptions.

On July 20, 2022, the District Court issued a decision on the Company's class definition motion, defining the class period as April 11, 2013 through November 17, 2017, inclusive. On August 3, 2022, the Company filed a petition with the Court of Appeals seeking permission for leave to appeal the District Court's order. On November 15, 2022, the Court of Appeals denied the Company's petition. On August 5, 2022, the Company filed a motion for summary judgment.

On November 23, 2022, the Company announced that it had reached an agreement in principle to settle the securities class action. As set forth in that disclosure, the Company will be paying approximately U.S.$21.5 million of the total settlement amount of U.S.$95 million, with the remainder to be funded under the Company's insurance policies. As explained in the disclosure, while the Company continues to believe that the allegations in the case were without merit, it also believes that eliminating the distraction, expense, and risk of continued litigation is in the best interests of the Company and its shareholders. On December 28, 2022, the parties executed a memorandum of understanding memorializing the agreement in principle. On February 28, 2023, the parties executed a settlement agreement to fully resolve and settle the class's claims, which the lead plaintiff filed with the District Court the same day, along with a motion for preliminary approval of the settlement. On April 20, 2023, the District Court granted preliminary approval of the settlement agreement. The settlement remains subject to notice to the class, final approval by the District Court, and the satisfaction of customary conditions to effectiveness. Within twenty business days of receiving complete payment instructions, the Company must transfer the settlement amount to the designated escrow account that was established for the administration of the settlement.

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 2023, 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 2020, 2021 and 2022, 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%. In April 2022, the bank loan was fully prepaid, and the interest rate swap matured.

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 consequently, 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, 2023 and December 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.

During 2022, the Company entered into forward exchange rate agreements, primarily for capital expenditures that are expected to be made during 2023. As of March 31, 2023 and December 31, 2022, the notional amount outstanding was U.S.$37.8 million and U.S.$113.4 million, respectively. The net fair value of these agreements was a liability of Ps.146.1 million and Ps.34.8 million, respectively. 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.2.2 million as of March 31, 2023 and Ps.0.4 million as of December 31, 2022. 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, and the interest rate swap matured in October 2022.

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, and the interest rate swap matured in November 2022.

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.11.2 million as of December 31, 2022 and a liability of Ps.23.8 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.0.0 million as of December 31, 2022. 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.536.6 million as of March 31, 2023 and Ps.532.3 million as of December 31, 2022. The potential loss in fair value for such instruments from a hypothetical 50 bps adverse change in market interest rates would be approximately Ps.111.5 million as of March 31, 2023 and Ps.132.4 million as of December 31, 2022. 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%. In March 2022, the interest rate swap matured.

During 2022, *Empresas Cablevisión* entered into forward exchange rate agreements, primarily for capital expenditures that are expected to be made during 2023. As of March 31, 2023 and December 31, 2022, the notional amount outstanding was U.S.$12.9 million and U.S.$38.6 million, respectively. The net fair value of these agreements was a liability of Ps.49.4 million and Ps.12.0 million, respectively. 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, 2022. This sensitivity analysis assumes a downward parallel shift in the Mexican Peso.

During 2022, TVI entered into forward exchange rate agreements, primarily for capital expenditures that are expected to be made during 2023. As of March 31, 2023 and December 31, 2022, the notional amount outstanding was U.S.$9.3 million and U.S.$28.0 million, respectively. The net fair value of these agreements was a liability of Ps.35.5 million and Ps.7.6 million, respectively. 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, 2022. This sensitivity analysis assumes a downward parallel shift in the Mexican Peso.

During 2022, *Corporación Novavision* entered into forward exchange rate agreements, primarily for capital expenditures that are expected to be made during 2023. As of March 31, 2023 and December 31, 2022, the notional amount outstanding is U.S.$20.0 million and U.S.$58.0 million, respectively. The net fair value of these agreements was a liability of Ps.74.0 million and U.S.$16.9 million, respectively. The potential loss in fair value for such instruments from a hypothetical 1.0% adverse change in market exchange rate would be approximately Ps.0.6 million as of December 31, 2022. 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, 2022 and 2021. 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, 2022	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. 853.2	Ps. 857.0	Ps. 3.8	Ps. 89.5
Open-Ended Fund	773.2	773.2	—	—
Publicly traded equity instruments	2,611.0	2,611.0	—	—
Derivative financial instruments[1]	543.6	543.6	—	—
Liabilities:				
U.S. dollar-denominated debt:				
Senior Notes due 2025	5,188.8	5,295.2	106.4	635.9
Senior Notes due 2026	5,842.8	5,717.8	(125.0)	446.7
Senior Notes due 2032	5,842.8	6,934.2	1,091.4	1,784.9
Senior Notes due 2040	11,685.6	12,083.6	398.0	1,606.4
Senior Notes due 2045	17,321.1	14,975.5	(2,345.6)	(848.1)
Senior Notes due 2046	17,528.4	17,570.1	41.7	1,798.7
Senior Notes due 2049	13,675.9	12,199.7	(1,476.2)	(256.2)
Peso-denominated debt:				
Notes due 2027	4,500.0	4,238.6	(261.4)	162.5
Senior Notes due 2037	4,500.0	4,041.1	(458.9)	(54.8)
Senior Notes due 2043	6,500.0	4,046.7	(2,453.3)	(2,048.6)
Long-term notes payable to Mexican Banks	13,650.0	13,775.1	125.1	1,502.6
Lease Liabilities	8,369.1	8,497.1	128.0	977.7
Derivative financial instruments [1]	71.4	71.4	—	—

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	—	—

(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,	
	2022	2021
	(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.$ 2,319.9	U.S.$ 785.1
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]	(4,428.1)	(5,180.8)
Net liability position	U.S.$ (2,108.2)	U.S.$ (4,395.7)

(1) In 2022 and 2021, include U.S. Dollar equivalent amounts of U.S.$22.9 million and U.S.$17.7 million, respectively, related to other foreign currencies, primarily Euros and Swiss francs.

(2) In 2022 and 2021, include U.S. Dollar equivalent amounts of U.S.$25.4 million and U.S.$1.4 million, respectively, related to other foreign currencies, primarily Swiss francs and Euros.

(3) In 2022 and 2021, monetary liabilities included U.S.$2,578.5 million (Ps.50,219.6 million) and U.S.$1,300.6 million (Ps.26,666.7 million), respectively, related to long-term debt designed as a hedging instrument of the Group's investments in UH II and the investment in Open-Ended Fund (see Note 14 to our consolidated year-end financial statements).

At December 31, 2022, 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.916.0 million. 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.

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 a 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 2022, we received a U.S.$4.0 million 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, 2022, 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, 2022. 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, 2022.

The effectiveness of the Company's internal control over financial reporting as of December 31, 2022 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, 2022 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, 2022.

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, 2021 and 2022.

The chart below sets forth the total amount billed by our independent registered public accounting firms for services performed in the years 2022 and 2021, and breaks down these amounts by category of service:

	2022		2021	
	(in millions of Pesos)			
Audit Fees	Ps.	96.6	Ps.	104.8
Audit-Related Fees		4.6		19.5
Tax Fees		7.8		6.3
Other Fees		3.7		1.4
Total	Ps	112.7	Ps.	132.0

"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 includes fees billed for 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 2022, 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 tax consulting, social security and local contributions related services, and services in connection with the TelevisaUnivision Transaction, which were for concepts other than the audit of our Financial Statements. KPMG billed us for such services an amount of Ps.11.5 million, which represents 10.2% of the total amounts that KPMG billed us for on services rendered in 2022.

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. —	—	Ps. 10,000,000,000
February 1 to February 28	—	—	—	10,000,000,000
March 1 to March 31	—	—	—	10,000,000,000
April 1 to April 30	—	—	—	10,000,000,000
May 1 to May 31	—	—	—	10,000,000,000
June 1 to June 30	—	—	—	10,000,000,000
July 1 to July 31	—	—	—	10,000,000,000
August 1 to August 31	1,000,000	26.0356	26,035,571	9,973,964,429
September 1 to September 30	13,800,000	23.9190	330,082,220	9,643,882,209
October 1 to October 31	4,500,000	21.9033	98,564,720	9,545,317,489
November 1 to November 30	500,000	21.3718	10,685,889	9,534,631,601
December 1 to December 31	8,895,193	18.4321	163,957,529	9,370,674,072
Total	28,695,193	Ps. 21.9314		

(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.10,000,000,000 during 2021, and to Ps.10,000,000,000 for 2022 in accordance with the resolutions that our stockholders approved in the annual shareholders meeting held on April 27, 2022.

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	2,000,000	40.3572	320,063,866	—
February 1 to February 28	5,700,000	42.8551	325,763,866	—
March 1 to March 31	9,500,000	43.8307	335,263,866	—
April 1 to April 30	1,900,000	38.9873	337,163,866	—
May 1 to May 31	532,104	36.0170	337,695,970	—
June 1 to June 30	2,700,000	35.1008	340,395,970	—
July 1 to July 31	—	—	340,395,970	—
August 1 to August 31	26,330	29.0510	340,422,300	—
September 1 to September 30	—	—	340,422,300	—
October 1 to October 31	—	—	340,422,300	—
November 1 to November 30	—	—	340,422,300	—
December 1 to December 31	—	—	340,422,300	—
Total	22,358,434	Ps. 41.6021	—	—

(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.
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-101, 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 26, 2023.
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. (previously filed with the Securities and Exchange Commission as Exhibit 4.11 to the Registrant's Annual Report on Form 20-F for the year ended December 31, 2021 and incorporated herein by reference).
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 28, 2023.
12.2	— Co-CEO Certification pursuant to Section 302 of the Sarbanes-Oxley Act of 2002, dated April 28, 2023.
12.3	— Principal Financial Officer Certification pursuant to Section 302 of the Sarbanes-Oxley Act of 2002, dated April 28, 2023.
13.1	— Co-CEO Certification pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, dated April 28, 2023.
13.2	— Co-CEO Certification pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, dated April 28, 2023.
13.3	— Principal Financial Officer Certification pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, dated April 28, 2023.

Exhibit Number	Description of Exhibit
23.1	— Consent of KPMG Cárdenas Dosal, S.C.
23.2	Consent of Ernst & Young LLP, independent auditors of TelevisaUnivision, Inc.
99.1	Audited Financial Statements of TelevisaUnivision, Inc. as of and for the three years ended December 31, 2022.***
101	— The following materials from the Company's Annual Report on Form 20-F for the fiscal year ended December 31, 2022, formatted in eXtensible Business Reporting Language (XBRL): (i) Consolidated Statements of Financial Position as of December 31, 2022 and 2021; (ii) Consolidated Statements of Income for the Years Ended December 31, 2022, 2021 and 2020; (iii) Consolidated Statements of Comprehensive Income for the Years Ended December 31, 2022, 2021 and 2020; (iv) Consolidated Statements of Changes in Equity for the Years ended December 31, 2022, 2021 and 2020; (v) Consolidated Statements of Cash Flows for the Years Ended December 31, 2022, 2021 and 2020; and (vi) Notes to Consolidated Financial Statements for the Years Ended December 31, 2022, 2021 and 2020.
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.

*** The financial statements as of and for the three years ended December 31, 2022 of TelevisaUnivision, Inc., prepared by TelevisaUnivision, Inc. and audited by its independent auditors, Ernst & Young LLP, are included in this Annual Report pursuant to Rule 3-09 of Regulation S-X.

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 28, 2023

GRUPO TELEVISA, S. A. B. AND SUBSIDIARIES

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DECEMBER 31, 2022 AND 2021

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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, 2022 and 2021, 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, 2022, 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, 2022 and 2021, and the results of its operations and its cash flows for each of the years in the three-year period ended December 31, 2022, 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, 2022, 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 28, 2023 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.

Valuation of goodwill

As described in Note 13 to the consolidated financial statements, the goodwill balance as of December 31, 2022 was Ps. 13,904,998, of which Ps. 6,281,091 relates to the Cable segment cash-generating unit (CGU). The Group performs an impairment assessment of goodwill 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 CGU is determined based on the higher of value in use (VIU) using a discounted cash flow model and fair value less costs of disposal.

We identified the valuation of goodwill of the Cable segment CGU as a critical audit matter. Subjective auditor judgment was required in the evaluation of the forecasted revenue growth rate, the long-term growth rate and the discount rate assumptions used. Minor changes to these assumptions could have had a significant effect on the VIU of the CGU. In addition, specialized skills and knowledge were required to assess the long-term growth rate and the discount rate used to determine the VIU of the CGU.

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 Group's goodwill impairment testing process. This included controls related to the projection of the revenue growth rate, the determination of the long-term growth rate and the discount rate. We evaluated the Group's historical ability to project the revenue growth rate by comparing prior year projections to the current year actual growth rate. We evaluated the reasonableness of the revenue growth rate used by obtaining an understanding of future year projections and comparing the revenue growth rate assumption to those of comparable companies using data publicly available. We involved valuation professionals with specialized skills and knowledge, who assisted in:

- *evaluating the Group's long-term growth rate by comparing the rate to publicly available data for comparable entities, and*
- *evaluating the Group's discount rate by comparing the inputs used to publicly available data for comparable entities and assessing the resulting discount rate.*

/s/ KPMG Cárdenas Dosal S.C.

We have served as the Group's auditor since 2018.

Mexico City, Mexico
April 28, 2023

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, 2022, 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, 2022, 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, 2022 and 2021, 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, 2022, and the related notes (collectively, the consolidated financial statements), and our report dated April 28, 2023, 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 28, 2023

Consolidated Statements of Financial Position
As of December 31, 2022 and 2021
(In thousands of Mexican pesos)
(Notes 1, 2 and 3)

	Notes	2022	2021
ASSETS			
Current assets:			
Cash and cash equivalents	6	**Ps. 51,130,992**	Ps. 25,828,215
Trade accounts and notes receivable, net	7	**8,457,302**	13,093,011
Other accounts and notes receivable, net		**315,006**	1,026,218
Income taxes receivable		**6,691,366**	7,261,999
Other recoverable taxes		**6,593,730**	9,417,978
Derivative financial instruments	15	**11,237**	127
Due from related parties	20	**311,224**	874,852
Transmission rights and programming	8	**888,344**	7,591,669
Inventories		**1,448,278**	2,212,859
Contract costs		**1,918,287**	1,782,723
Reimbursement receivable	27	**1,431,486**	—
Other current assets		**2,379,571**	4,169,299
Total current assets		**81,576,823**	73,258,950
Non-current assets:			
Trade accounts and notes receivable, net of current portion	7	**438,376**	385,060
Due from related party	20	**6,365,038**	—
Derivative financial instruments	15	**532,344**	133,197
Transmission rights and programming	8	**1,022,782**	12,841,026
Investments in financial instruments	9	**3,389,485**	6,076,079
Investments in associates and joint ventures	10	**50,450,949**	26,704,235
Property, plant and equipment, net	11	**82,236,399**	87,922,126
Investment property, net	11	**2,873,165**	—
Right-of-use assets, net	12	**6,670,298**	7,604,567
Intangible assets and goodwill, net	13	**41,123,587**	42,255,881
Deferred income tax assets	24	**18,769,968**	33,173,148
Contract costs		**3,399,939**	3,215,591
Other assets		**258,378**	172,221
Total non-current assets		**217,530,708**	220,483,131
Total assets		**Ps. 299,107,531**	Ps. 293,742,081

The accompanying notes are an integral part of these consolidated financial statements.

	Notes	2022	2021
LIABILITIES			
Current liabilities:			
Current portion of long-term debt	14	**Ps. 1,000,000**	Ps. 4,106,432
Interest payable	14	**1,761,069**	2,034,577
Current portion of lease liabilities	14	**1,373,233**	1,478,382
Derivative financial instruments	15	**71,401**	149,087
Trade accounts payable and accrued expenses		**16,083,858**	22,874,341
Customer deposits and advances		**1,841,097**	8,998,556
Income taxes payable	24	**4,457,904**	7,680,800
Other taxes payable		**2,661,210**	4,416,960
Employee benefits		**1,384,808**	2,332,260
Due to related parties	20	**88,324**	82,070
Current portion of deferred revenue	20	**287,667**	—
Provision for lawsuit settlement agreement	27	**1,850,220**	—
Other current liabilities		**1,510,127**	2,516,057
Total current liabilities		**34,370,918**	56,669,522
Non-current liabilities:			
Long-term debt, net of current portion	14	**104,240,650**	121,685,710
Lease liabilities, net of current portion	14	**6,995,839**	8,202,177
Derivative financial instruments	15	**—**	23,798
Income taxes payable	24	**—**	104,825
Deferred revenue,net of current portion	20	**5,178,014**	—
Deferred income tax liabilities	24	**1,249,475**	2,210,609
Post-employment benefits	16	**771,468**	1,913,680
Other non-current liabilities		**2,171,262**	6,407,696
Total non-current liabilities		**120,606,708**	140,548,495
Total liabilities		**154,977,626**	197,218,017
EQUITY			
Capital stock	17	**4,836,708**	4,836,708
Additional paid-in capital		**15,889,819**	15,889,819
Retained earnings	18	**131,053,859**	88,218,188
Accumulated other comprehensive loss, net	18	**(10,823,878)**	(13,621,992)
Shares repurchased	17	**(12,648,558)**	(14,205,061)
Equity attributable to stockholders of the Company		**128,307,950**	81,117,662
Non-controlling interests	19	**15,821,955**	15,406,402
Total equity		**144,129,905**	96,524,064
Total liabilities and equity		**Ps. 299,107,531**	Ps. 293,742,081

The accompanying notes are an integral part of these consolidated financial statements.

Consolidated Statements of Income
For the years ended December 31, 2022, 2021 and 2020
(In thousands of Mexican pesos, except per CPO amounts)
(Notes 1, 2 and 3)

	Notes	2022	2021	2020
Revenues	26	**Ps. 75,526,609**	Ps. 73,915,432	Ps. 70,680,227
Cost of revenues	21	**48,807,606**	46,653,598	45,220,302
Selling expenses	21	**9,422,916**	8,099,607	8,414,382
Administrative expenses	21	**12,061,932**	12,189,542	11,216,013
Income before other income or expense	26	**5,234,155**	6,972,685	5,829,530
Other (expense) income, net	22	**(815,565)**	3,716,237	628,622
Operating income		**4,418,590**	10,688,922	6,458,152
Finance expense	23	**(11,357,273)**	(12,478,039)	(10,502,529)
Finance income	23	**2,151,109**	560,026	4,853,102
Finance expense, net		**(9,206,164)**	(11,918,013)	(5,649,427)
Share of (loss) income of associates and joint ventures, net	10	**(7,378,249)**	3,671,030	(5,739,668)
(Loss) income before income taxes		**(12,165,823)**	2,441,939	(4,930,943)
Income tax benefit (expense)	24	**1,227,462**	(1,673,054)	(858,895)
Net(loss) income from continuing operations		**(10,938,361)**	768,885	(5,789,838)
Income from discontinued operations,net	28	**56,222,185**	6,585,900	6,092,662
Net income		**Ps. 45,283,824**	Ps. 7,354,785	Ps. 302,824
Net income (loss) attributable to:				
Stockholders of the Company		**Ps. 44,712,180**	Ps. 6,055,826	Ps. (1,250,342)
Non-controlling interests	19	**571,644**	1,298,959	1,553,166
Net income		**Ps. 45,283,824**	Ps. 7,354,785	Ps. 302,824
Basic earnings (loss) per CPO attributable to stockholders of the Company:				
Continuing operations		**Ps. (4.06)**	Ps. (0.16)	Ps. (2.34)
Discontinued operations	25	**19.86**	2.33	1.90
Total		**Ps. 15.80**	Ps. 2.17	Ps. (0.44)
Diluted earnings (loss) per CPO attributable to stockholders of the Company:				
Continuing operations		**Ps. (4.06)**	Ps. (0.16)	Ps. (2.34)
Discontinued operations	25	**19.86**	2.33	1.90
Total		**Ps. 15.80**	Ps. 2.17	Ps. (0.44)

The accompanying notes are an integral part of these consolidated financial statements.

Consolidated Statements of Comprehensive Income
For the years ended December 31, 2022, 2021 and 2020
(In thousands of Mexican pesos)
(Notes 1, 2 and 3)

	Notes	2022	2021	2020
Net income		**Ps. 45,283,824**	Ps. 7,354,785	Ps. 302,824
Other comprehensive income (loss):				
Items that will not be reclassified to income:				
Remeasurement of post-employment benefit obligations	16	**158,119**	279,825	(344,313)
Warrants issued by UHI, net of hedge	9	**—**	—	(21,899,164)
Open-Ended Fund, net of hedge	9	**(131,957)**	(19,718)	(904,423)
Publicly traded equity instruments	9	**(906,658)**	(123,359)	(353,496)
Items that may be subsequently reclassified to income:				
Exchange differences on translating foreign operations		**(143,156)**	92,555	133,522
Cash flow hedges		**395,807**	1,927,601	(1,370,145)
Share of other comprehensive income (loss) of associates and joint ventures	10	**4,245,546**	245,714	(61,033)
Other comprehensive income (loss) before income taxes		**3,617,701**	2,402,618	(24,799,052)
Income tax (expense) benefit	24	**(833,121)**	(467,749)	7,936,914
Other comprehensive income (loss)		**2,784,580**	1,934,869	(16,862,138)
Comprehensive income (loss)		**Ps. 48,068,404**	Ps. 9,289,654	Ps. (16,559,314)
Comprehensive income (loss) attributable to:				
Stockholders of the Company		**Ps. 47,510,294**	Ps. 7,990,682	Ps. (18,127,641)
Non-controlling interests	19	**558,110**	1,298,972	1,568,327
Comprehensive income (loss)		**Ps. 48,068,404**	Ps. 9,289,654	Ps. (16,559,314)

The accompanying notes are an integral part of these consolidated financial statements.

Consolidated Statements of Changes in Equity
For the years ended December 31, 2022, 2021 and 2020
(In thousands of Mexican pesos)
(Notes 1, 2 and 3)

	Capital Stock (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 1,2020	Ps. 4,907,765	Ps. 15,889,819	Ps. 82,652,278	Ps. 1,320,451	Ps.(14,018,847)	Ps. 90,751,466	Ps. 14,873,767	Ps.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 3)	—	—	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
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
Comprehensive income	—	—	6,055,826	1,934,856	—	7,990,682	1,298,972	9,289,654
Balance at December 31,2021	4,836,708	15,889,819	88,218,188	(13,621,992)	(14,205,061)	81,117,662	15,406,402	96,524,064
Funding for acquisition of shares under the Long-term Retention Plan	—	—	—	—	(648,242)	(648,242)	—	(648,242)
Disposition of non-controlling interests of discontinued operations	—	—	—	—	—	—	(142,071)	(142,071)
Dividends	—	—	(1,053,392)	—	—	(1,053,392)	—	(1,053,392)
Repurchase of CPOs	—	—	—	—	(629,326)	(629,326)	—	(629,326)
Shares repurchased	—	—	—	—	(980,410)	(980,410)	—	(980,410)
Sale of shares	—	—	(3,080,729)	—	4,061,139	980,410	—	980,410
Cancellation of sale of shares	—	—	246,658	—	(246,658)	—	—	—
Share-based compensation	—	—	2,009,304	—	—	2,009,304	—	2,009,304
Other	—	—	1,650	—	—	1,650	(486)	1,164
Comprehensive income	—	—	44,712,180	2,798,114	—	47,510,294	558,110	48,068,404
Balance at December 31,2022	**Ps. 4,836,708**	**Ps. 15,889,819**	**Ps.131,053,859**	**Ps. (10,823,878)**	**Ps.(12,648,558)**	**Ps.128,307,950**	**Ps. 15,821,955**	**Ps.144,129,905**

The accompanying notes are an integral part of these consolidated finanvcial statements.

Consolidated Statements of Cash Flows

For the years ended December 31, 2022, 2021 and 2020
(In thousands of Mexican pesos)
(Notes 1, 2 and 3)

	2022	2021	2020
Operating Activities:			
(Loss) Income before income taxes from continued operations	**Ps. (12,165,823)**	Ps. 2,441,939	Ps. (4,930,943)
Income before income taxes from discontinued operations	**75,416,214**	11,658,624	10,461,667
Adjustments to reconcile income before income taxes to net cash provided by operating activities:			
Share of loss (income) of associates and joint ventures	**7,378,249**	(3,671,877)	5,739,668
Depreciation and amortization	**21,239,306**	21,418,369	21,260,787
Other amortization of assets	**353,232**	329,144	380,863
Impairment of long-lived assets	**—**	225,136	40,803
Gain on disposition of property and equipment	**(131,683)**	(279,593)	(74,175)
Impairment loss on trade notes and accounts receivable, and other receivables	**1,172,555**	1,276,990	1,387,431
Post-employment benefits	**151,389**	259,291	292,026
Interest income	**(89,268)**	(60,174)	(72,861)
Share-based compensation expense	**1,665,909**	1,088,413	984,356
Other finance loss (income), net	**110,739**	1,183,180	(89,323)
Gain on disposition of discontinued operations	**(75,192,421)**	—	—
Gain on disposition of investments, net	**—**	(4,547,029)	(789,873)
Cancellation of provision	**—**	—	691,221
Interest expense	**9,459,377**	9,135,531	10,482,168
Lawsuit settlement agreement	**418,734**	—	—
Unrealized foreign exchange (gain) loss, net	**(999,499)**	1,805,986	(2,596,198)
	28,787,010	42,263,930	43,167,617
(Increase) decrease in trade notes and accounts receivable	**(4,176,638)**	(2,000,397)	634,108
Decrease (increase) in transmission rights and programming	**1,241,568**	(6,049,514)	(54,274)
Decrease (increase) in due from related parties, net	**4,987,868**	18,959	(393,631)
Increase in inventories	**(588,954)**	(571,281)	(522,003)
Increase in other accounts and notes receivable and other current assets	**(2,217,989)**	(2,882,822)	(2,469,724)
(Decrease) increase in trade accounts payable and accrued expenses	**(122,945)**	850,760	1,065,101
Increase in deferred revenue,customer deposits and advances	**267,237**	3,060,769	185,143
(Decrease) increase in other liabilities and taxes payable	**(3,027,186)**	2,877,152	(96,832)
(Decrease) increase in post-employment benefits	**(564,382)**	923,196	326,892
Income taxes paid	**(12,118,014)**	(9,166,602)	(8,681,478)
	(16,319,435)	(12,939,780)	(10,006,698)
Net cash provided by operating activities	**12,467,575**	29,324,150	33,160,919
Investing activities:			
Disposition of investments in financial instruments	**—**	2,014,371	3,155,643
Disposition of OCEN and Radiópolis	**—**	4,625,291	1,248,000
Proceeds from disposition of discontinued operations	**66,095,454**	—	—
Long-term credit with related party	**(5,738,832)**	—	—
Disposition or investment in joint ventures	**(7,922)**	122,227	125,624
Dividends from preferred shares	**752,556**	—	—
Release of holdback payment of OCEN	**364,420**	—	—
Investment in other equity instruments	**—**	(1,122,178)	(602,466)
Dividends received	**10,000**	10,000	—
Investments in property, plant and equipment	**(17,315,387)**	(23,267,847)	(20,131,738)
Disposition of property, plant and equipment	**264,163**	672,424	1,520,417
Non-current trade account receivable	**87,663**	—	—
Other investments in intangible assets	**(1,807,183)**	(1,899,464)	(1,235,177)
Net cash provided by (used in) investing activities	**42,704,932**	(18,845,176)	(15,919,697)
Financing activities:			
Partial prepayment of Senior Notes due 2025, 2045 and 2049	**(10,099,581)**	—	—
Prepayment of long-term loans from Mexican banks	**(6,000,000)**	—	—
Proceeds from Mexican banks long-term loans	**—**	2,650,000	—
Repayment of Mexican peso debt	**(610,403)**	(242,489)	(492,489)
Prepayment of Mexican peso debt related to Sky	**—**	(1,750,000)	(2,750,000)
Payments of lease liabilities	**(699,263)**	(646,527)	(668,277)
Other payments of lease liabilities	**(991,048)**	(1,082,226)	(953,771)
Prepayment of other notes payable	**—**	—	(1,324,063)
Interest paid	**(8,893,000)**	(8,258,243)	(9,455,387)
Funding for acquisition of shares of the Long-term Retention Plan	**(648,242)**	(328,500)	(197,000)
Repurchases of CPOs under a share repurchase program	**(629,326)**	—	(195,597)
Repurchase of capital stock	**(980,410)**	(774,073)	(111,979)
Sale of capital stock	**980,410**	774,073	111,979
Dividends paid	**(1,053,392)**	(1,053,392)	—
Dividends paid of non-controlling interests	**—**	(328,774)	(1,420,477)
Derivative financial instruments	**(145,131)**	(2,692,241)	1,261,845
Net cash used in financing activities	**(29,769,386)**	(13,732,392)	(16,195,216)
Effect of exchange rate changes on cash and cash equivalents	**(100,344)**	23,540	(11,516)
Net Increase (decrease) in cash and cash equivalents	**25,302,777**	(3,229,878)	1,034,490
Cash and cash equivalents related to assets held for sale	**—**	—	571,338
Cash and cash equivalents at beginning of year	**25,828,215**	29,058,093	27,452,265
Cash and cash equivalents at end of year	**Ps. 51,130,992**	Ps. 25,828,215	Ps. 29,058,093

The accompanying notes are an integral part of these consolidated financial statements.

Notes to Consolidated Financial Statements

For the Years Ended December 31, 2022, 2021 and 2020
(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 ("DTH") 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 DTH 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, a leading media company producing, creating and distributing Spanish-speaking content through several broadcast channels in Mexico, the U.S. and over 50 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.

On January 31, 2022 the Company and TelevisaUnivision announced the closing of the transaction between the Group's media content and production assets and TelevisaUnivision (the "TelevisaUnivision Transaction") (see Note 3).

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, 2022 and 2021, and for the years ended December 31, 2022, 2021 and 2020, 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.

The consolidated statements of income of the Group for the years ended December 31, 2022, 2021 and 2020, have been prepared to present the discontinued operations following the TelevisaUnivision Transaction closed on January 31, 2022. Accordingly, the consolidated statements of income of the Group for the years ended December 31, 2021 and 2020, have been re-presented from those previously reported by the Company, to present in those periods the results from discontinued operations for the businesses disposed of by the Group on January 31, 2022 (see Notes 3 and 28).

These consolidated financial statements were authorized for issuance on March 31, 2023, and were also authorized for issuance on April 26, 2023, 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.

Discontinued Operations

A discontinued operation is a component of the Group that either has been disposed of or is classified as held for sale, for which its operations and cash flows can be clearly distinguished, operationally and for financial reporting purposes, from the rest of the Group and represents a separate major line of business or operations.

Classification as a discontinued operation occurs at the earlier of disposal or when the operation meets the criteria to be classified as held for sale.

When an operation is classified as a discontinued operation, the comparative consolidated statements of income are re-presented as if the operation had been discontinued from the start of the comparative period.

Subsidiaries of the Company

At December 31, 2022 and 2021, 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 [13]	100 %	Content and Other Businesses [2]
Televisa, S. de R. L. de C.V. (Televisa, S.A. de C.V. through May 2021) ("Televisa") [12]	100 %	Content [2]
Televisión Independiente de México, S.A. de C.V. ("TIM") [12]	100 %	Content [2]
G.Televisa-D, S.A. de C.V. [12]	100 %	Content [2]
Multimedia Telecom, S.A. de C.V. ("Multimedia Telecom") and subsidiary [13]	100 %	Content [2]
Ulvik, S.A. de C.V. [14]	100 %	Content and Other Businesses [2]
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 [13]	100 %	Content and Other Businesses [2]

(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. The Group's operations of the Content segment were discontinued following the closing of the TelevisaUnivision Transaction on January 31, 2022 (see Note 3).

(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, and through January 31, 2022, were part of the Group's former Content business. Televisa was a direct subsidiary of Grupo Telesistema through January 31, 2022.

(13) Multimedia Telecom and its direct subsidiary, Comunicaciones Tieren, S.A. de C.V. ("Tieren"), and Villacezán are indirect wholly-owned subsidiaries of Grupo Telesistema. As of December 31, 2022, Multimedia Telecom, Grupo Telesistema, Tieren, Villacezán, and Corporativo TD Sports, S.A. de C.V., a direct subsidiary of Grupo Telesistema, are the subsidiaries through which the Company owns shares of the capital stock of TelevisaUnivision (formerly known as Univision Holdings II, Inc. or UH II), the successor company of Univision Holdings, Inc. ("UHI") and the parent company of Univision Communications Inc. ("Univision"), representing 43.8%, 49.7%, 2.1%, 3.7% and 0.7% , respectively, of the Group's aggregate investment in shares of common stock issued by TelevisaUnivision as of December 31, 2022. Multimedia Telecom and Tieren were the subsidiaries through which the Company owned shares of the capital stock of UH II, 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 (see Notes 3, 10 and 20).

(14) A direct subsidiary of the company and the parent company of Televisa Corporación, S.A. de C.V., an indirect subsidiary of the company that provides services to certain companies in the Group's Other Businesses segment and, through January 31, 2022, provided services to certain companies in the Group's former Content segment.

Concessions and Permits

The Group's Cable, Sky and Other Businesses segments, require governmental concessions and special authorizations for the provision of telecommunications and broadcasting 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.

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. The payments made by the Group for these broadcasting concessions were accounted for as intangible assets in the Group's Content segment through January 31, 2022, and are accounted as intangible assets in the Group's Other Businesses segment after that date (see Notes 3, 13 and 26).

Renewal of broadcasting concessions for the broadcast programming operations over television stations for the signals of TelevisaUnivision, 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, 2022, 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 2024 to 2056
Other Businesses:	
Broadcasting concessions [(1)]	In 2042 and 2052
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 is being amortized over a period of 20 years beginning on January 1, 2022, by using the straight-line method. Through January 31, 2022, these broadcasting concessions were part of the Group's former Content segment, and after the TelevisaUnivision Transaction closed on that date, these concessions became part of the Group's Other Businesses segment (see Notes 3, 13 and 26).

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 one 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 TelevisaUnivision (formerly known as UH II) represented by approximately 44.4% and 35.5% of the outstanding total common and preferred shares of TelevisaUnivision on an as-converted basis (excluding unvested and/or unsettled stock, restricted stock units and options of TelevisaUnivision) as of December 31, 2022 and 2021, respectively (see Notes 3 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.

Any gain or loss resulting from a downstream transaction involving assets that constitute a business, as defined in IFRS 3 *Business Combinations*, between the Company (including its consolidated subsidiaries) and its associate or joint venture is recognized in full in the Group's financial statements. The Group adopted this accounting policy in connection with the TelevisaUnivision Transaction closed on January 31, 2022 (see Note 3), and in accordance with the guidelines of Amendments to IFRS 10 and IAS 28 Sale or *Contribution of Assets between an Investor and its Associate or Joint Venture*, and Effective Date of Amendments to IFRS 10 and IAS 28, issued by the IASB.

(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 TelevisaUnivision (formerly known as UH II) (hedged item), which amounted to U.S.$2,538.8 million (Ps.49,446,349) and U.S.$1,254.5 million (Ps.25,721,539) as of December 31, 2022 and 2021, 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 U.S.$871.6 million (Ps.17,387,699) as of December 29, 2020. 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 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 U.S.$39.7 million (Ps.773,209) and U.S.$46.1 million (Ps.945,176), as of December 31, 2022 and 2021, 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 non-current 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, 2022 and 2021, cash equivalents 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 1.53% for U.S. dollar deposits and 7.40% for Mexican peso deposits in 2022, and approximately 0.07% for U.S. dollar deposits and 4.36% for Mexican peso deposits in 2021.

(g) Transmission Rights and Programming

Transmission rights are valued at the lesser of acquisition cost and net realizable value.

Transmission rights are recognized from the point at which the legally enforceable license period begins. Until the license term commences and the programming rights are available, payments made are recognized as prepayments. Cost of revenues is calculated and recorded for the month in which transmission rights 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.

Through January 31, 2022, programming was comprised of programs, literary works, production talent advances and films. Programs and films were valued at the lesser of production cost, which consisted of direct production costs and production overhead, and net realizable value. Literary works were valued at the lesser of acquisition cost and net realizable value. Payments for production talent advances were initially capitalized and subsequently included as direct or indirect costs of program production. Cost of revenues was calculated and recorded for the month in which programs, literary works, production talent advances and films were matched with related revenues.

Through January 31, 2022, the Group's policy was to capitalize the production costs of programs which benefited more than one annual period and amortized them over the expected period of future program revenues based on the Company's historical revenue patterns and usage for similar productions.

(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"). 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 accounts and notes 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, and Investment Property

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.

The initial estimate of the costs of dismantling items of property, plant and equipment are recognized as incurred at the fair value of related dismantling obligations. These dismantling obligations are primarily related to the use of the Group's Cable segment networks during a particular period and presented as part of other long-term liabilities in the Group's consolidated statements of financial position. As of December 31, 2022 and 2021, the present value of the Group's dismantling obligations amounted to Ps.1,129,184 and Ps.933,880, respectively.

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	20-50 years
Technical equipment	3-30 years
Satellite transponders	15 years
Furniture and fixtures	10-15 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.

Investment Property

Beginning on February 1, 2022 the Group has investment property. Investment property is property of the Group (land or a building or part of a building or both) held by a lessee as a right-of-use asset to earn rentals rather than for use in the production or supply of goods or services or for administrative purposes, or sale in the ordinary course of business.

Land is not depreciated. Depreciation of investment property 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

The Group's investment property is measured at cost less any accumulated depreciation and any accumulated impairment losses.

(k) Lease Agreements

As a lessee, the Group recognizes a right-of-use asset representing its right to use the underlying asset in a lease agreement, and a lease liability representing its obligation to make lease payments.

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.

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.

The Group leases its investment property consisting of certain owned building and land property (see Note 11). These lease agreements are classified as operating leases from a lessor perspective.

(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-line 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 greater of 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 (see Note 13), 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 greater 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, 2022 and 2021.

(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, 2022 and 2021.

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 or other services, based on rates established by the Group. Such rates vary depending on when the advertisement is made or the service is provided, including the season, hour, day and type of programming.

Through January 31, 2022, in connection with its former Content business, the Group recognized customer deposits and advance agreements for advertising services in the consolidated statement of financial position, when these agreements were 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).

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. 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 assets 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.

Through January 31, 2022, the Group derived the majority of its revenues from media and entertainment-related business activities both in Mexico and internationally. Following the TelevisaUnivision Transaction, which was closed on January 31, 2022, the Group derives the majority of its revenues from telecommunications-related business activities, primarily from its Cable and Sky segment operations (see Notes 3 and 26). 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, were recognized at the time the advertising services were rendered. The advertising revenues of the Group's Content segment operations were discontinued on January 31, 2022, in connection with the TelevisaUnivision Transaction (see Note 3).

- Revenues from program services for network subscription and licensed and syndicated television programs were recognized when the programs were sold and became available for broadcast. These revenues were discontinued on January 31, 2022, in connection with the TelevisaUnivision Transaction (see Note 3).

- 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 were recognized as the films were exhibited. These revenues were discontinued on January 31, 2022, in connection with the TelevisaUnivision Transaction (see Note 3).

- 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. 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, 2022 and 2021, as follows:

	Cable	Sky	Total
Contract costs:			
At January 1, 2022	**Ps. 2,498,124**	**Ps. 2,500,190**	**Ps. 4,998,314**
Additions	**1,764,989**	**580,042**	**2,345,031**
Amount recognized in income	**(965,677)**	**(1,059,442)**	**(2,025,119)**
Total Contract Costs at **December 31, 2022**	**3,297,436**	**2,020,790**	**5,318,226**
Less:			
Current Contract Costs	**1,077,417**	**840,870**	**1,918,287**
Total Non-current Contract Costs	**Ps. 2,220,019**	**Ps. 1,179,920**	**Ps. 3,399,939**

	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

(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. The profit sharing is paid to employees on a yearly basis and calculated by the Mexican companies in the Group at the statutory rate of 10% on their respective adjusted income in accordance with the Federal Labor Law. Beginning in 2021, there is a cap on the payment of profit sharing of up to three months of salary per employee (see Note 24).

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, 2022, 2021 and 2020, 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.968,628, Ps.903,764 and Ps.863,782 for the years ended December 31, 2022, 2021 and 2020, respectively, of which Ps.968,628, Ps.1,066,863 and Ps.962,806 was credited in consolidated stockholders' equity for each of those years, respectively (see Note 17).

(z) New and Amended IFRS Standards

The Group adopted some amendments and improvements to certain IFRS Standards that became effective in 2022, 2021 and 2020, which 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, 2023.

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	*Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*	Postponed
IFRS 17 [(1)]	*Insurance Contracts*	January 1, 2023
Amendments to IAS 1 [(1)]	*Classification of Liabilities as Current or Non-current*	January 1, 2023
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
Amendments to IAS 12 [(1)]	*Deferred Tax related to Assets and Liabilities arising from a Single Transaction*	January 1, 2023
Amendment to IFRS 17 [(1)]	*Initial Application of IFRS 17 and IFRS 9 - Comparative Information*	January 1, 2023
Amendments to IFRS 16 [(1)]	*Lease Liability in a Sale and Leaseback*	January 1, 2024
Amendments to IAS 1 [(1)]	*Non-current Liabilities with Covenants*	January 1, 2024

[(1)] This new or amended IFRS Standard is not expected to have a significant impact on 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 by the IASB 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 became applicable to the Group's consolidated financial statements in connection with the closing of the TelevisaUnivision Transaction in the first quarter of 2022 (see Note 3). As permitted, the Group has applied these amendments in 2022 and disclosed this fact in its consolidated financial statements.

IFRS 17 *Insurance Contracts* ("IFRS 17") was issued by the IASB 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 became effective on January 1, 2023.

Amendments to IAS 1 *Classification of Liabilities as Current or Non-current* were issued by the IASB 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.

Amendments to IAS 8 *Definition of Accounting Estimates,* were issued by the IASB 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 by the IASB 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.

Amendments to IAS 12 *Deferred Tax related to Assets and Liabilities arising from a Single Transaction* were issued by the IASB 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 by the IASB 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.

Amendments to IFRS 16 *Lease Liability in a Sale and Leaseback*, were issued by the IASB in September 2022, and add to requirements in IFRS 16 Leases ("IFRS 16") explaining how a company accounts for a sale and leaseback after the date of the transaction. A sale and leaseback is a transaction for which a company sells an asset and leases the same asset back for a period of time from the new owner. IFRS 16 includes requirements on how to account for a sale and leaseback at the date the transaction takes place. However, IFRS 16 had not specified how to measure the transaction when reporting after that date. The amendments issued add to the sale and leaseback requirements in IFRS 16, thereby supporting the consistent application of the IFRS Standard. These amendments will not change the accounting for leases other than those arising in a sale and leaseback transaction. These amendments to IFRS 16 are effective for annual reporting periods beginning on or after January 1, 2024, with early application permitted.

Amendments to IAS 1 *Non-current Liabilities with Covenants*, were issued by the IASB in October 2022, to improve the information companies provide about long-term with covenants. IAS 1 Presentation of Financial Statements requires a company to classify debt as non-current only if the company can avoid settling the debt in the 12 months after the reporting date. However, a company's ability to do so is often subject to complying with covenants. For example, a company might have long-term debt that could become repayable within 12 months if the company fails to comply with covenants in that 12-month period. The amendments to IAS 1 specify that covenants to be complied with after the reporting date do not affect the classification of debt as current or non-current at the reporting date. Instead, the amendments require a company to disclose information about these covenants in the notes to the financial statements. The amendments are effective for annual reporting periods beginning on or after January 1, 2024, with early adoption permitted.

3. Disposition of OCEN and Radiópolis, TelevisaUnivision Transaction and Reorganization Proposal

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) was 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 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 received cash proceeds in the aggregate amount of Ps.5,206,000. 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, 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 Note 20). In the second quarter of 2022, Live Nation paid to the Company the holdback amount of Ps.364,420, and a purchase price adjustment of Ps.35,950 in connection with this transaction (see Notes 20 and 22).

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 statement of income for the year ended December 31, 2020. 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 Univision Holdings II, Inc. ("UH II," the successor company of UHI), 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, UH II would receive all assets, intellectual property and library related to the News division of the Group's Content business but would 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 Mexican Institute of Telecomunications (Instituto Federal de Telecomunicaciones or "IFT ") announced its approval of this transaction. As of December 31, 2021, the Group consolidated the results of its Content business as the Group had not ceased to exercise control of this business segment as of that date; and presented 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 substantive. On January 24, 2022, the Company and UH II announced that 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 closed by the parties on January 31, 2022 (the "TelevisaUnivision Transaction"). In connection with the TelevisaUnivision Transaction, the Group recognized an income from disposition of discontinued operations in the aggregate amount of Ps.93,066,741 in its consolidated statement of income for the year ended December 31, 2022, comprising a consideration in cash received from TelevisaUnivision in the aggregate amount of U.S.$2,971.3 million (Ps.61,214,741), a consideration in common and preferred stock of TelevisaUnivision, in the aggregate amount of U.S.$1,500.0 million (Ps.30,912,000), and a cash consideration received from Tritón Comunicaciones, S.A. de C.V. ("Tritón," a company of the Azcárraga family) in the amount of Ps.940,000, related to the rights for the production of news content for Mexico. Also, in connection with the TelevisaUnivision Transaction, the Group (i) began to present and disclose the results of operations of its disposed businesses as discontinued operations in its consolidated statements of income for any comparative prior period and for the month ended January 31, 2022; (ii) recognized a net gain on disposition of discontinued operations of Ps.56,065,530, for the year ended December 31, 2022, and a net loss on disposition of discontinued operations of Ps.1,943,647 for the year ended December 31, 2021; and (iii) recognized as deferred income a prepayment made by TelevisaUnivision in the aggregate amount of U.S.$276.2 million (Ps.5,729,377), for the use of concession rights owned by the Group, which was classified as current and non-current liabilities in the Group's consolidated statement of financial position, and amounted to Ps.287,667 and Ps.5,178,014, respectively, as of December 31, 2022. In the fourth quarter of 2022, the Group concluded the disposition of certain assets and liabilities that were classified as held for sale in the Group's consolidated statement of financial position in connection with the TelevisaUnivision Transaction (see Notes 2, 10 and 28).

On October 27, 2022, the Board of Directors of the Company approved a reorganization proposal to separate from the Group some businesses that are part of its Other Businesses segment, including its interests in professional sports and live entertainment, gaming, and magazine publishing and distribution, as well as certain related assets and real estate (the "Spin-off Businesses"). It is expected that this proposed reorganization will be carried out through a spin-off (*escisión*) from the Company, creating a new controlling entity listed on the Mexican Stock Exchange that would hold the Spin-off Businesses, and that would have the same shareholding structure as the Company. The Company's management considers that this plan will allow both the Group and the new entity resulting from the spin-off, to focus on their respective business models and growth opportunities, thereby enhancing their ability to generate better conditions for access to capital, financing sources and investors, that are aligned with each business. It is expected that the reorganization will be completed in the first half of 2023. The reorganization will be subject to several conditions, including compliance with applicable law, as well as obtaining all required corporate and regulatory authorizations, and the approval of the spin-off at the Company's shareholder's meeting. As of December 31, 2022, the Group continued to present its Other Businesses segment as a reportable segment of continuing operations, and the Spinoff Businesses as part of the Group's Other Businesses segment, as the required Company's stockholders and regulatory approvals had not been obtained by the Group as of that date, and those approvals are considered substantive.

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 2022 and 2021, 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, 2022, was as follows:

	Foreign Currency Amounts (Thousands)	Year-End Exchange Rate	Mexican Pesos
Assets:			
U.S. dollars	**2,372,570**	**Ps. 19.4760**	**Ps. 46,208,173**
Euros	**20,720**	**20.8878**	**432,795**
Swiss francs	**2,009**	**21.1275**	**42,445**
Other currencies	**—**	**—**	**3,032**
Liabilities:			
U.S. dollars [(1)]	**4,411,584**	**Ps. 19.4760**	**Ps. 85,920,010**
Euros	**237**	**20.8878**	**4,950**
Swiss francs	**23,281**	**21.1275**	**491,869**
Other currencies	**—**	**—**	**33**

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

(1) As of December 31, 2022 and 2021, monetary liabilities include U.S.$2,578.5 million (Ps.50,219,558) and U.S.$1,300.6 million (Ps.26,666,715), respectively, related to long-term debt designated as a hedging instrument of the Group's investments in TelevisaUnivision (formerly known as UH II) and Open-Ended Fund (see Note 14).

As of March 31, 2023, the exchange rate was Ps.18.0275 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,	
	2022	2021
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.$ 2,319.9**	U.S.$ 785.1
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]	**(4,428.1)**	(5,180.8)
Net liability position	**U.S.$ (2,108.2)**	U.S.$ (4,395.7)

(1) As of December 31, 2022 and 2021, this line includes U.S. dollar equivalent amounts of U.S.$22.9 million and U.S.$17.7 million, respectively, related to other foreign currencies, primarily Euros and Swiss francs.

(2) As of December 31, 2022 and 2021, this line includes U.S. dollar equivalent amounts of U.S.$25.4 million and U.S.$1.4 million, respectively, related to other foreign currencies, primarily Swiss francs and Euros.

(3) As of December 31, 2022 and 2021, monetary liabilities include U.S.$2,578.5 million (Ps.50,219,558) and U.S.$1,300.6 million (Ps.26,666,715), respectively, related to long-term debt designated as a hedging instrument of the Group's investments in UH II and the investment in Open-Ended Fund (see Note 14).

At December 31, 2022, 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.915,996 in the consolidated statement of income. 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.

(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 changes 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 and the effect that they would have had on the Group's financial instruments at December 31, 2022 and 2021. 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's 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, 2022	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. 853,163**	**Ps. 857,006**	**Ps. 3,843**	**Ps. 89,544**
Open-Ended Fund	**773,209**	**773,209**	**—**	**—**
Publicly traded equity instruments	**2,611,053**	**2,611,053**	**—**	**—**
Derivative financial instruments [1]	**543,581**	**543,581**	**—**	**—**
Liabilities[2] [3]:				
U.S. dollar-denominated debt:				
Senior Notes due 2025	**5,188,796**	**5,295,218**	**106,422**	**635,944**
Senior Notes due 2026	**5,842,800**	**5,717,764**	**(125,036)**	**446,740**
Senior Notes due 2032	**5,842,800**	**6,934,235**	**1,091,435**	**1,784,859**
Senior Notes due 2040	**11,685,600**	**12,083,611**	**398,011**	**1,606,372**
Senior Notes due 2045	**17,321,136**	**14,975,508**	**(2,345,628)**	**(848,077)**
Senior Notes due 2046	**17,528,400**	**17,570,118**	**41,718**	**1,798,730**
Senior Notes due 2049	**13,675,853**	**12,199,681**	**(1,476,172)**	**(256,204)**
Peso-denominated debt:				
Notes due 2027	**4,500,000**	**4,238,640**	**(261,360)**	**162,504**
Senior Notes due 2037	**4,500,000**	**4,041,135**	**(458,865)**	**(54,752)**
Senior Notes due 2043	**6,500,000**	**4,046,705**	**(2,453,295)**	**(2,048,625)**
Long-term loans payable to Mexican banks	**13,650,000**	**13,775,125**	**125,125**	**1,502,638**
Lease liabilities	**8,369,072**	**8,497,104**	**128,032**	**977,742**
Derivative financial instruments [1]	**71,401**	**71,401**	**—**	**—**

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	—	—

(1) Given the nature and the tenor of these derivative financial instruments, an increase of 10% in 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 issued by the Group are within Level 1 of the fair value hierarchy as there are quoted market prices for such notes. 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 any counterparties.

The Group historically has not realized 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, 2022 and 2021, the Group held cash and cash equivalents of Ps.51,130,992 and Ps.25,828,215, 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 below are the contractual undiscounted cash flows (except for lease liabilities that are stated at present value).

	Less Than 12 Months January 1, 2023 to December 31, 2023	12-36 Months January 1, 2024 to December 31, 2025	36-60 Months January 1, 2026 to December 31, 2027	Maturities Subsequent to December 31, 2027	Total
At December 31, 2022					
Debt [1]	**Ps. 1,000,000**	**Ps. 15,188,796**	**Ps. 12,992,800**	**Ps. 77,053,789**	**Ps. 106,235,385**
Lease liabilities	**1,373,233**	**2,902,742**	**2,752,640**	**1,340,457**	**8,369,072**
Trade and other liabilities	**28,107,852**	**531,617**	**173,898**	**2,237,215**	**31,050,582**
Interest on debt [2]	**5,259,796**	**12,024,064**	**10,041,317**	**66,654,473**	**93,979,650**
Interest on lease liabilities	**641,423**	**1,093,813**	**732,818**	**666,139**	**3,134,193**

	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

[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, 2022 and 2021, based on contractual interest rates 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

Beginning on January 31, 2022, the Group is no longer engaged in the Content business operations as a result of the closing of the TelevisaUnivision Transaction on that date (see Notes 3 and 28).

Through January 31, 2022 the Group produced a significant portion of programming for initial broadcast 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 estimated the expected future benefit period over which a given program would generate revenues (generally, over a five-year period). The Group then amortized the production costs related to a given program over the expected future benefit period. Under this policy, the Group generally expensed approximately 70% of the production costs related to a given program in its initial broadcast run and deferred and expensed the remaining production costs over the remainder of the expected future benefit period (see Note 2 (g)).

The Group estimated 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 might 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 might have extended the amortization schedule for the remaining capitalized production costs.

The Group also entered 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 might have extended the amortization schedule for the remaining portion of the purchase price or the license fee.

(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 greater 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 greater 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 2022 and 2021, 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 greater 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 judgment on the part of management. 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, 2022 and 2021, consisted of:

		2022		2021
Cash and bank accounts	**Ps.**	**2,041,883**	Ps.	1,180,817
Short-term investments [1]		**49,089,109**		24,647,398
Total cash and cash equivalents	**Ps.**	**51,130,992**	Ps.	25,828,215

[1] Highly-liquid investments with an original maturity of three months or less at the date of acquisition.

7. Trade Accounts and Notes Receivable, Net

Current trade accounts and notes receivable, net as of December 31, 2022 and 2021, consisted of:

		2022		2021
Non-interest bearing notes received in 2021 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.**	**—**	Ps.	1,499,335
Trade accounts receivable		**10,489,336**		14,955,334
Loss allowance		**(2,032,034)**		(3,361,658)
	Ps.	**8,457,302**	Ps.	13,093,011

Non-current trade receivables as of December 31, 2022 and 2021, amounted to Ps.438,376 and Ps.385,060, respectively, and consisted of non-current trade accounts receivable in our Cable Segment.

As of December 31, 2022 and 2021, the aging analysis of the current trade accounts and notes receivable that were past due is as follows:

		2022		2021
1 to 90 days	**Ps.**	**2,350,853**	Ps.	4,367,863
91 to 180 days		**1,066,211**		1,459,188
More than 180 days		**1,811,592**		2,785,308

The carrying amounts of the Group's trade accounts and notes receivables denominated in other than peso currencies are as follows:

		2022		2021
U.S. dollar	**Ps.**	**338,123**	Ps.	1,714,490
Other currencies		**6,077**		46,255
At December 31	**Ps.**	**344,200**	Ps.	1,760,745

Movements on the Group for loss allowance of trade accounts and notes receivables are as follows:

		2022		2021
At January 1	**Ps.**	**(3,361,658)**	Ps.	(4,249,133)
Provision for credit losses		**(1,189,594)**		(1,263,083)
Write-off of receivables		**1,576,375**		2,260,182
Reclassifications		**(40,018)**		(109,624)
Disposed operations		**982,861**		—
At December 31	**Ps.**	**(2,032,034)**	Ps.	(3,361,658)

The maximum exposure to credit risk of the trade accounts and notes receivable as of December 31, 2022 and 2021 is the carrying amount of each class of receivables (see Note 4).

8. Transmission Rights and Programming

At December 31, 2022 and 2021, transmission rights and programming consisted of:

		2022		2021
Transmission rights	**Ps.**	**1,911,126**	Ps.	14,743,043
Programming		**—**		5,689,652
		1,911,126		20,432,695
Non-current portion of:				
Transmission rights		**1,022,782**		9,823,088
Programming		**—**		3,017,938
		1,022,782		12,841,026
Current portion of transmission rights and programming	**Ps.**	**888,344**	Ps.	7,591,669

Transmission rights and programming charged to consolidated cost of revenues for the years ended December 31, 2022, 2021 and 2020, amounted to Ps.2,497,519, Ps.14,577,558 and Ps.12,691,287, respectively which included Ps.1,211,927, Ps.12,704,761 and Ps.10,988,850, corresponding of discontinued operations, for the years ended December 31, 2022, 2021 and 2020, respectively (see Note 21).

9. Investments in Financial Instruments

At December 31, 2022 and 2021, the Group had the following investments in financial instruments:

		2022		2021
Equity instruments measured at FVOCIL:				
Open-Ended Fund [(1)]	**Ps.**	**773,209**	Ps.	945,176
Publicly traded equity instruments [(2)]		**2,611,053**		3,517,711
Other equity instruments [(3)]		**—**		1,607,969
		3,384,262		6,070,856
Other		**5,223**		5,223
	Ps.	**3,389,485**	Ps.	6,076,079

(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 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) As of December 31, 2021, 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 TelevisaUnivision Transaction (see Note 3).

A roll forward of investments in financial assets at FVOCIL for the years ended December 31, 2022 and 2021 is presented as follows:

	Open-Ended Fund (1)	Publicly Traded Equity Instruments	Other Equity Instruments	Total
At January 1, 2022	**Ps. 945,176**	**Ps. 3,517,711**	**Ps. 1,607,969**	**Ps. 6,070,856**
Disposition of investments	**—**	**—**	**(1,607,969)**	**(1,607,969)**
Change in fair value in other comprehensive loss	**(171,967)**	**(906,658)**	**—**	**(1,078,625)**
At December 31, 2022	**Ps. 773,209**	**Ps. 2,611,053**	**Ps. —**	**Ps. 3,384,262**

	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

(1) The foreign exchange loss and gain derived from the investment in the Open-Ended Fund for the years ended December 31, 2022 and 2021, respectively, was hedged by a foreign exchange gain and loss derived from Senior Notes designated as hedging instruments for the years ended December 31, 2022 and 2021, respectively, in the amount of Ps.114,046 and Ps.99,673, respectively (see Notes 14 and 23).

The maximum exposure to credit risk of the investments in financial instruments as of December 31, 2022 and 2021 is the carrying amounts of the financial assets (see Note 4).

10. Investments in Associates and Joint Ventures

At December 31, 2022 and 2021, the Group had the following investments in associates and joint ventures accounted for by the equity method:

	Ownership as of December 31,			
	2022	2021	2022	2021
Associates:				
TelevisaUnivision and subsidiaries	**44.4 %**	35.5 %	**Ps. 49,446,349**	Ps. 25,721,539
Other			**51,864**	164,903
Joint ventures:				
Grupo de Telecomunicaciones de Alta Capacidad, S.A.P.I. de C.V. and subsidiaries (collectively "GTAC") (1)	**33.3 %**	33.3 %	**750,169**	614,147
Periódico Digital Sendero, S.A.P.I. de C.V. and subsidiary (collectively, "PDS") (2)	**50.0 %**	50.0 %	**202,567**	203,646
			Ps. 50,450,949	Ps. 26,704,235

(1) 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 were paid at dates agreed by the parties, between 2013 and 2021. During the year ended December 31, 2021, GTAC paid principal and interest to the Group in connection with this credit facility in the aggregate principal amount of Ps.97,342. 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.1,243,955, 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 2032. During the years ended December 31, 2022 and 2021, GTAC paid principal and interest to the Group in connection with these supplementary loans in the aggregate principal amount of Ps.146,386 and Ps.147,413, respectively. The net investment in GTAC as of December 31, 2022 and 2021, included amounts receivable in connection with these supplementary loans to GTAC in the aggregate amount of Ps.853,163 and Ps.755,973, respectively. These amounts receivable are in substance a part of the Group's net investment in this investee (see Note 15).

(2) The Group accounts for its investment in PDS under the equity method, due to its 50% interest in this joint venture. As of December 31, 2022 and 2021, the Group's investment in PDS included intangible assets and goodwill in the aggregate amount of Ps.113,837.

TelevisaUnivision

The Group accounts for its investment in common stock of TelevisaUnivision (formerly known as UH II), the parent company of Univision Communications Inc. ("Univision"), under the equity method due to the Group's ability to exercise significant influence, as defined under IFRS Standards, over TelevisaUnivision operations. The Group has the ability to exercise significant influence over the operating and financial policies of TelevisaUnivision because (i) it owned 9,290,999 and 5,701,335 shares of Class A Common Stock shares of TelevisaUnivision as of December 31, 2022 and 2021, respectively, and 750,000 Series B Preferred shares of TelevisaUnivision as of December 31, 2022 and 2021 representing 44.4% and 35.5% of the outstanding common and preferred shares of TelevisaUnivision on an as-converted basis, (excluding unvested and/or unsettled stock, restricted stock units and options of TelevisaUnivision), respectively, and 45.1% and 40.1% of the outstanding voting common shares TelevisaUnivision, respectively; and (ii) it has designated three members of the Board of Directors of TelevisaUnivision, one of which serves as the Chairman. The Chairman does not presently have a 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. 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.

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. 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. 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. This transaction closed on December 29, 2020, and 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.

On April 13, 2021, the Group and UHI announced a transaction agreement in which the Group's content and media assets would be combined with UH II, the successor company of UHI, and the Group would continue to participate in UH II, with an equity stake of approximately 45% following the closing of the transaction. 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. 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 an as-converted 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 in the amount of U.S.$228.6 million (Ps.5,455,356) for its net investment in shares of UHI might no longer exist or might have decreased. As a result, of this assessment, 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.

On January 31, 2022, the Group increased its investment in shares of TelevisaUnivision in the aggregate fair value amount of U.S.$1,500 million (Ps.30,912,000) comprised 3,589,664 Class A Common Stock shares of TelevisaUnivsion, in the amount of U.S.$750 million (Ps.15,456,000), and 750,000 Series B Cumulative Convertible Preferred Stock shares ("Series B Preferred Shares") of TelevisaUnivision, with a annual preferred dividend of 5.5% payable on a quarterly basis, in the amount of U.S.$750 million (Ps. 15,456,000). The Series B Preferred Shares are entitled or permitted to vote on any matter required or permitted to be voted upon by the stockholders of TelevisaUnivision. The investment in Series B Preferred Shares of TelevisaUnivision has been classified by the Group as investments in associates and joint ventures because this investment has in substance potential voting rights and gives access to the returns associated with an ownership in TelevisaUnivision. For the year ended December 31, 2022, the Group received from TelevisaUnivision a preferred dividend in cash in the aggregate amount of U.S.$37.8 million (Ps.752,556), which was accounted for in share of income of associates in the Group's consolidated statement of income for the year ended December 31, 2022. In connection with the TelevisaUnivision Transaction, and other observable indications that the value of the Group's net investment in TelevisaUnivision increased significantly during 2022 (including internal valuations of the recoverable amount of TelevisaUnivision), in the second quarter of 2022, the Group's management assessed whether there was any indication that the remaining impairment loss recognized by the Group in the first quarter of 2020 for its net investment in shares of TelevisaUnivision might no longer exist or might have decreased. As a result of this assessment, 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 TelevisaUnivision since the last impairment loss was recognized, and the carrying amount of such net investment was increased to an amount lower than its recoverable amount. The reversal of the impairment loss amounted to U.S.$29.5 million (Ps.593,838) 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, 2022. The Group recognized a share in loss of TelevisaUnivision for the year ended December 31, 2022, primarily in connection with a goodwill impairment loss recognized by TelevisaUnivision in the fourth quarter of 2022 (see Notes 1, 2 (a), 3, 9, 15, 20, 23 and 28).

A roll forward of investments in associates and joint ventures for the years ended December 31, 2022 and 2021, is presented as follows:

	2022	2021
At January 1	**Ps. 26,704,235**	Ps. 22,813,531
Reversal of impairment loss	**593,838**	4,161,704
Share of loss of associates and joint ventures, net	**(8,724,643)**	(490,674)
Share of other comprehensive income of associates	**4,245,546**	245,714
Long-term loans granted to GTAC, net	**166,223**	131,604
Foreign currency translation adjustments	**(3,261,758)**	505,183
GTAC payments of principal and interest	**(146,386)**	(244,755)
Disposition of OCEN	**—**	(503,872)
Dividends from PDS	**(10,000)**	(10,000)
Investment in Flyacross (other associate)	**—**	43,855
Consideration in common and preferred stock of TelevisaUnivision (see Notes 3 and 28)	**30,912,000**	—
Other	**(28,106)**	51,945
At December 31	**Ps. 50,450,949**	Ps. 26,704,235

IFRS summarized financial information of TelevisaUnivision (formerly known as UH II, the successor company of UHI) as of December 31, 2022 and 2021, and for the years then ended, and UHI for the year ended December 31, 2020, is set forth below.

IFRS summarized financial information of TelevisaUnivision (formerly known as UH II) as of December 31, 2022 and 2021, respectively (amounts in thousands of U.S. dollars):

	2022	2021
Current assets (include cash and cash equivalents for U.S.$538,600 and U.S.$647,000, respectively)	**U.S.$ 2,444,700**	U.S.$ 2,579,100
Non-current assets	**15,764,400**	11,729,470
Total assets	**18,209,100**	14,308,570
Current liabilities (include financial liabilities for U.S.$60,100 and U.S.$54,000, respectively)	**1,405,000**	691,600
Non-current liabilities (include financial liabilities for U.S.$628,100 and U.S.$631,437, respectively)	**13,600,800**	10,619,970
Total liabilities	**15,005,800**	11,311,570
Total net assets	**U.S.$ 3,203,300**	U.S.$ 2,997,000

The table below reconciles the summarized financial information of TelevisaUnivision (formerly known as UH II) to the carrying amount of the Group's interest TelevisaUnivision as of December 31, 2022 and 2021, respectively (amounts in thousands of U.S. dollars):

	2022		2021	
Ownership as of December 31		**44.4 %**		35.5 %
Group's share of net assets	**U.S.$**	**1,423,488**	U.S.$	1,065,225
Group's share of net assets	**Ps.**	**27,723,859**	Ps.	21,840,404
Goodwill, purchase price allocation and other adjustments		**21,722,490**		3,881,135
Carrying amount of the Group's interest in TelevisaUnivision	**Ps.**	**49,446,349**	Ps.	25,721,539

IFRS summarized financial information of TelevisaUnivision (formerly known as UH II, the successor company of UHI) for the years ended December 31, 2022, 2021 and 2020 (amounts in thousands of U.S. dollars):

	2022	2021	2020
Revenue	**U.S.$ 4,609,600**	U.S.$ 2,841,000	U.S.$ 2,541,900
Depreciation and amortization	**524,300**	251,500	152,800
Interest income	**11,400**	400	1,100
Interest expense	**610,300**	420,387	427,500
(Expense) income from continuing operations	**(1,203,200)**	550,128	45,537
Income tax (expense) benefit	**(232,400)**	36,872	(9,137)
Net (loss) income	**(1,435,600)**	587,000	36,400
Other comprehensive income (loss)	**471,113**	32,000	(23,700)
Total comprehensive (loss) income	**(964,487)**	619,000	12,700
Preferred dividends received from TelevisaUnivision	**37,812**	—	—

The table below reconciles the summarized financial information of TelevisaUnivision (formerly known as UH II, the successor company of UHI) to the carrying amount of the Group's interest in TelevisaUnivision for the years ended December 31, 2022, 2021 and 2020 (amounts in thousands of U.S. dollars):

	2022	2021	2020
Net (loss) income	**U.S.$ (637,955)**	U.S.$ 208,638	U.S.$ 3,635
Other comprehensive income (loss)	**209,354**	11,374	(2,367)
Net (loss) income	**Ps. (12,555,817)**	Ps. 4,232,441	Ps. 78,133
Other comprehensive income (loss)	**4,245,660**	232,773	(50,872)
Purchase price allocation and other adjustments:			
Net income (loss) adjustments	**3,790,887**	(4,834,744)	(79,163)
Other comprehensive loss adjustments	**—**	—	(6,657)
Group's interest in UHI:			
Net loss	**(8,764,930)**	(602,303)	(1,030)
Other comprehensive income (loss)	**4,245,660**	232,773	(57,529)
Reversal of impairment (impairment loss)	**593,838**	4,161,704	(5,455,356)

Combined condensed balance sheet information related to the Group's share in associates other than TelevisaUnivision (formerly known as UH II) as of December 31, 2022 and 2021, 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:

	2022	2021
Current assets	**Ps. 17,896**	Ps. 196,110
Non-current assets	**39,213**	118,207
Total assets	**57,109**	314,317
Current liabilities	**26,952**	154,957
Non-current liabilities	**1,295**	23,459
Total liabilities	**28,247**	178,416
Net assets	**Ps. 28,862**	Ps. 135,901
Goodwill, purchase price allocation and other adjustments	**23,002**	29,002
Carrying amount of the Group's interest in associates	**Ps. 51,864**	Ps. 164,903

Combined condensed balance sheet information related to the Group's share in joint ventures as of December 31, 2022 and 2021, 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:

	2022	2021
Current assets	**Ps. 181,740**	Ps. 159,619
Non-current assets	**796,426**	651,674
Total assets	**978,166**	811,293
Current liabilities	**101,167**	75,110
Non-current liabilities	**891,263**	788,200
Total liabilities	**992,430**	863,310
Net liabilities	**Ps. (14,264)**	Ps. (52,017)
Goodwill, purchase price allocation and other adjustments	**113,837**	113,837
Long-term loans granted to GTAC, net	**853,163**	755,973
Carrying amount of the Group's interest in joint ventures	**Ps. 952,736**	Ps. 817,793

The Group recognized its share of comprehensive income (loss) of associates and joint ventures other than TelevisaUnivision (formerly known as UH II, the successor company of UHI) for the years ended December 31, 2022, 2021 and 2020, as follows:

	2022	2021	2020
Share of income (loss) of associates and joint ventures, net	**Ps. 40,287**	Ps. 111,629	Ps. (283,282)
Share of other comprehensive (loss) income of associates and joint ventures:			
Foreign currency translation adjustments, net	**—**	58	1,757
Other items of comprehensive (loss) income, net	**(114)**	12,883	(5,261)
	(114)	12,941	(3,504)
Share of comprehensive income (loss) of associates and joint ventures	**Ps. 40,173**	Ps. 124,570	Ps. (286,786)

11. Property, Plant and Equipment, Net, and Investment Property, Net

Property, Plant and Equipment, Net

Changes in the carrying amounts of property, plant and equipment for the years ended December 31, 2022 and 2021, are 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, 2021	Ps. 14,886,912	Ps. 157,262,188	Ps. 6,026,094	Ps. 1,263,800	Ps. 3,122,232	Ps. 9,198,382	Ps. 3,605,636	Ps. 12,873,670	Ps. 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	15,202,600	172,795,206	6,026,094	1,298,803	3,407,907	9,514,099	3,728,496	14,535,546	226,508,751
Additions	3,329	13,978,378	—	35,064	118,028	201,745	23,279	2,955,564	17,315,387
Dismantling cost	—	195,304	—	—	—	—	—	—	195,304
Retirements and reclassifications to other accounts	(91,077)	(6,171,083)	—	(148,546)	(523,397)	(558,400)	(331,212)	974,880	(6,848,835)
Transfers from intangibles assets, net	—	—	—	—	—	—	—	(502,017)	(502,017)
Transfers investment property	(3,867,138)	—	—	—	—	—	—	—	(3,867,138)
Transfers and reclassifications	226,903	5,900,361	—	29,147	24,357	84,970	128,544	(6,394,282)	—
Effect of translation	(15,030)	(148,110)	—	(41)	(148)	(655)	(47)	1,086	(162,945)
December 31, 2022	**Ps. 11,459,587**	**Ps. 186,550,056**	**Ps. 6,026,094**	**Ps. 1,214,427**	**Ps. 3,026,747**	**Ps. 9,241,759**	**Ps. 3,549,060**	**Ps. 11,570,777**	**Ps. 232,638,507**
Accumulated depreciation:									
January 1, 2021	Ps. (5,307,759)	Ps. (103,248,870)	Ps. (3,971,069)	Ps. (718,471)	Ps. (2,031,266)	Ps. (7,106,312)	Ps. (2,573,540)	Ps. —	Ps. (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	(5,543,209)	(115,601,703)	(4,253,483)	(777,003)	(2,165,903)	(7,397,072)	(2,848,252)	—	(138,586,625)
Depreciation of the year	(211,805)	(16,063,925)	(282,414)	(93,462)	(210,362)	(495,891)	(221,854)	—	(17,579,713)
Retirements	252,367	3,520,999	—	70,413	406,901	215,279	182,517	—	4,648,476
Transfers investment property	993,973	—	—	—	—	—	—	—	993,973
Effect of translation	2,248	118,584	—	36	82	784	47	—	121,781
December 31, 2022	**Ps. (4,506,426)**	**Ps. (128,026,045)**	**Ps. (4,535,897)**	**Ps. (800,016)**	**Ps. (1,969,282)**	**Ps. (7,676,900)**	**Ps. (2,887,542)**	**Ps. —**	**Ps. (150,402,108)**
Carrying amount:									
January 1, 2021	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
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
December 31, 2022	**Ps. 6,953,161**	**Ps. 58,524,011**	**Ps. 1,490,197**	**Ps. 414,411**	**Ps. 1,057,465**	**Ps. 1,564,859**	**Ps. 661,518**	**Ps. 11,570,777**	**Ps. 82,236,399**

(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. Depreciation charged to income for the year ended December 31, 2022 and 2021, was Ps.17,579,713 and Ps.17,730,550, respectively, which included Ps.73,473 and Ps.884,103, corresponding to the depreciation of discontinued operations, respectively.

Property, plant and equipment include the following carrying amounts of technical equipment leased to subscribers in the Cable and Sky segments as of December 31, 2022 and 2021:

	2022	2021
Subscriber leased set-top equipment	**Ps. 54,493,281**	Ps. 47,813,940
Accumulated depreciation	**(34,231,392)**	(30,316,415)
	Ps. 20,261,889	Ps. 17,497,525

Property, plant and equipment include the following carrying amounts of dismantling costs (technical equipment) related to incurred obligations in the Cable segment as of December 31, 2022 and 2021:

	2022	2021
Dismantling costs	**Ps. 1,133,071**	Ps. 937,767
Accumulated depreciation	**(522,651)**	(433,426)
	Ps. 610,420	Ps. 504,341

Investment Property, Net

Beginning in the first quarter of 2022, in connection with the TelevisaUnivision Transaction, the Group leases some buildings and land to TelevisaUnivision under operating lease agreements. These operating lease agreements contain initial non-cancellable periods between 7 and 19 years. Subsequent renewals are negotiated with the lessee and average renewal periods are of five years. The leased buildings and land are in Mexico City and include the Group's *San Angel* and *Chapultepec* facilities and part of the Company's headquarters. These properties are classified as investment properties in accordance with IFRS Standards given that such properties are held by the Group primarily to earn rentals rather than for use in the production or supply of goods or services or for administrative purposes, or sale in the ordinary course of business (see Note 3).

Changes in the carrying amount of investment property for the year ended December 31, 2022, are as follows:

	Buildings and Land
Cost:	
Reclassification from property, plant and equipment in the first quarter of 2022	**Ps. 3,867,138**
December 31, 2022	**Ps. 3,867,138**
Accumulated depreciation:	
Reclassification from property, plant and equipment in the first quarter of 2022	**(910,264)**
Depreciation of the period	**(83,709)**
December 31, 2022	**Ps. (993,973)**
Carrying amount:	
December 31, 2022	**Ps. 2,873,165**

Depreciation charges are presented in Note 21.

As of December 31, 2022, the fair value of the Group's investment property amounted to Ps.8,837,686, as measured by an independent appraiser who holds a recognized and relevant professional qualification and experience in the investment property being valued.

Net lease income from investment property, net of direct operating expenses amounted to Ps.311,343,for the year ended December 31, 2022, and was accounted for as a reduction of the Group's corporate expense included in administrative expenses (see Note 21).

A maturity analysis of undiscounted lease payments to be received by the Group as of December 31, 2022 for buildings and land subject to operating leases is presented as follows (Thousands of U.S. dollars):

Year	Undiscounted Lease Payments
2023	U.S.$ 22,037
2024	22,037
2025	22,037
2026	22,037
2027	22,037
Thereafter	310,981

12. Right-of-use Assets, Net

Changes in the carrying amounts of right-of-use assets for the years ended December 31, 2022 and 2021, are as follows:

	Buildings	Satellite Transponders	Technical Equipment	Computer Equipment	Others	Total
Cost:						
January 1, 2021	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
Additions	**797,811**	**—**	**99,209**	**56,332**	**71,759**	**1,025,111**
Retirements	**(1,147,014)**	**—**	**—**	**(375,045)**	**137,786**	**(1,384,273)**
Effect of translation	**(561)**	**—**	**—**	**—**	**—**	**(561)**
December 31, 2022	**Ps. 5,939,460**	**Ps. 4,275,619**	**Ps. 2,098,782**	**Ps. 118,648**	**Ps. 531,005**	**Ps. 12,963,514**
Accumulated depreciation:						
January 1, 2021	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)
Depreciation of the year	**(610,652)**	**(285,041)**	**(135,527)**	**(35,986)**	**(89,808)**	**(1,157,014)**
Retirements	**513,267**	**—**	**335**	**82,289**	**(13,787)**	**582,104**
Effect of translation	**364**	**—**	**—**	**—**	**—**	**364**
December 31, 2022	**Ps. (1,812,859)**	**Ps. (2,921,673)**	**Ps. (1,255,968)**	**Ps. (37,039)**	**Ps. (265,677)**	**Ps. (6,293,216)**
Carrying amount:						
January 1, 2021	Ps. 4,287,905	Ps. 1,924,029	Ps. 895,716	Ps. —	Ps. 104,515	Ps. 7,212,165
December 31, 2021	Ps. 4,573,386	Ps. 1,638,987	Ps. 878,797	Ps. 354,019	Ps. 159,378	Ps. 7,604,567
December 31, 2022	**Ps. 4,126,601**	**Ps. 1,353,946**	**Ps. 842,814**	**Ps. 81,609**	**Ps. 265,328**	**Ps. 6,670,298**

Depreciation charges are presented in Note 21. Depreciation charged to income for the years ended December 31, 2022 and 2021, was Ps.1,157,014 and Ps.1,148,048, respectively, which included Ps.16,978 and Ps.84,310, corresponding to the depreciation of discontinued operations, respectively.

13. Intangible Assets and Goodwill, Net

As of December 31, 2022 and 2021, intangible assets and goodwill are summarized as follows:

	2022			2021		
	Cost	Accumulated Amortization	Carrying Amount	Cost	Accumulated Amortization	Carrying Amount
Intangible assets and goodwill with indefinite useful lives:						
Trademarks	**Ps. 32,828**	**Ps. —**	**Ps. 32,828**	Ps. 35,242	Ps. —	Ps. 35,242
Concessions	**15,166,067**	**—**	**15,166,067**	15,166,067	—	15,166,067
Goodwill	**13,904,998**	**—**	**13,904,998**	14,036,657	—	14,036,657
	29,103,893	**—**	**29,103,893**	29,237,966	—	29,237,966
Intangible assets with finite useful lives:						
Trademarks	**2,227,096**	**(2,115,570)**	**111,526**	2,227,096	(2,043,442)	183,654
Concessions	—	—	—	553,505	(553,505)	—
Licenses and software	**15,111,644**	**(10,952,399)**	**4,159,245**	14,831,874	(9,672,946)	5,158,928
Subscriber lists	**8,791,701**	**(7,874,480)**	**917,221**	8,806,951	(7,574,668)	1,232,283
Payments for renewal of concessions	**5,824,365**	**(287,668)**	**5,536,697**	5,825,559	—	5,825,559
Other intangible assets	**6,252,593**	**(4,957,588)**	**1,295,005**	5,446,636	(4,829,145)	617,491
	38,207,399	**(26,187,705)**	**12,019,694**	37,691,621	(24,673,706)	13,017,915
	Ps. 67,311,292	**Ps. (26,187,705)**	**Ps. 41,123,587**	Ps. 66,929,587	Ps. (24,673,706)	Ps. 42,255,881

Changes in intangible assets and goodwill with indefinite useful lives in 2022 and 2021, were as follows:

	2022			
	Trademarks	Concessions	Goodwill	Total
Cost:				
Balance at beginning of period	**Ps. 35,242**	**Ps. 15,166,067**	**Ps. 14,036,657**	**Ps. 29,237,966**
Retirements	**(2,429)**	**—**	**(131,659)**	**(134,088)**
Effect of translation	**15**	**—**	**—**	**15**
Balance at end of period	**Ps. 32,828**	**Ps. 15,166,067**	**Ps. 13,904,998**	**Ps. 29,103,893**

	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

Changes in intangible assets with finite useful lives in 2022 and 2021, were as follows:

	2022						
	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. 14,831,874**	**Ps. 8,806,951**	**Ps. 5,825,559**	**Ps. 5,446,636**	**Ps. 37,691,621**
Additions	**—**	**—**	**965,046**	**—**	**—**	**842,137**	**1,807,183**
Transfers from property, plant and equipment	**—**	**—**	**502,017**	**—**	**—**	**—**	**502,017**
Retirements and impairment adjustments	**—**	**(553,505)**	**(1,206,643)**	**(10,386)**	**(1,194)**	**(118)**	**(1,771,846)**
Transfers and reclassifications	**—**	**—**	**35,921**	**—**	**—**	**(35,921)**	**—**
Effect of translation	**—**	**—**	**(16,571)**	**(4,864)**	**—**	**(141)**	**(21,576)**
Balance at end of period	**2,227,096**	**—**	**15,111,644**	**8,791,701**	**5,824,365**	**6,252,593**	**38,207,399**
Accumulated amortization:							
Balance at beginning of period	**(2,043,442)**	**(553,505)**	**(9,672,946)**	**(7,574,668)**	**—**	**(4,829,145)**	**(24,673,706)**
Amortization of the year	**(72,128)**	**—**	**(1,640,543)**	**(315,062)**	**(287,668)**	**(103,469)**	**(2,418,870)**
Other amortization of the year [1]	**—**	**—**	**—**	**—**	**—**	**(353,232)**	**(353,232)**
Retirements and impairment adjustments	**—**	**553,505**	**610,038**	**10,386**	**—**	**63,074**	**1,237,003**
Transfers and reclassifications	**—**	**—**	**(264,968)**	**—**	**—**	**264,968**	**—**
Effect of translation	**—**	**—**	**16,020**	**4,864**	**—**	**216**	**21,100**
Balance at end of period	**(2,115,570)**	**—**	**(10,952,399)**	**(7,874,480)**	**(287,668)**	**(4,957,588)**	**(26,187,705)**
	Ps. 111,526	**Ps. —**	**Ps. 4,159,245**	**Ps. 917,221**	**Ps. 5,536,697**	**Ps. 1,295,005**	**Ps. 12,019,694**

	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 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
Accumulated 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

[1] Other amortization of the year relates primarily to amortization of soccer player rights, which is included in consolidated cost of revenues.

Amortization charges are presented in Note 21. Amortization charged to income for the years ended December 31, 2022 and 2021, was Ps.2,418,870 and Ps.2,539,771, respectively, which included Ps.31,423 and Ps.396,654, corresponding to the amortization of discontinued operations, respectively. Additional amortization charged to income for the years ended December 31, 2022 and 2021, was Ps.353,232 and Ps.329,144, respectively, primarily in connection with amortization of soccer player rights.

The changes in the net carrying amount of goodwill, indefinite-lived trademarks and concessions for the year ended December 31, 2022 and 2021, were as follows:

	Balance as of January 1, 2022	Acquisitions	Retirements	Foreign Currency Translation Adjustments	Impairment Adjustments	Transfers	Balance as of December 31, 2022
Goodwill:							
Cable	Ps. 13,794,684	Ps. —	Ps. —	Ps. —	Ps. —	Ps. —	**Ps. 13,794,684**
Other Businesses [1]	241,973	—	(131,659)	—	—	—	**110,314**
	Ps. 14,036,657	Ps. —	Ps. (131,659)	Ps. —	Ps. —	Ps. —	**Ps. 13,904,998**
Indefinite-lived trademarks (see Note 3):							
Cable	Ps. 32,813	Ps. —	Ps. —	Ps. 15	Ps. —	Ps. —	**Ps. 32,828**
Other Businesses	2,429	—	(2,429)	—	—	—	**—**
	Ps. 35,242	Ps. —	Ps. (2,429)	Ps. 15	Ps. —	Ps. —	**Ps. 32,828**
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**

[1] Through January 31, 2022, this goodwill was part of the Group's former Content business.

	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

During the second half of 2020, the Group monitored the market associated with its Publishing business, which is classified into the Other Businesses segment, which 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 amounts and recorded an aggregate impairment charge in connection with trademarks of Ps.40,803, in other expense, net, in the consolidated statement of income for the year ended December 31, 2020 (see Note 22).

The key assumptions used for either fair value or value in use calculations of goodwill and intangible assets in 2022, were as follows (see Note 15):

	Cable	
	Minimum	Maximum
Value in use calculations:		
Long-term growth rate	**4.90 %**	**4.90 %**
Discount rate	**11.50 %**	**12.30 %**
Pre-tax discount rate	**13.20 %**	**15.30 %**
Fair value calculations:		
Multiple of sales	**2.0**	**2.9**
Multiple of EBITDA (as defined)	**5.5**	**7.1**

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

Management has identified that a reasonable possible change in the key assumptions identified above could cause the carrying amount to exceed in 2022 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 1.2% increase in the discount rate (equivalent to a 120 basis point change) or a 1.6% decrease in the long term growth rate (equivalent to a 160 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 ended December 31, 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, 2022 and 2021, were as follows:

	2022					2021
	Effective Interest Rate	Interest Payable	Principal	Finance Costs	Principal, Net of Finance Costs	Principal, Net of Finance Costs
U.S. dollar Senior Notes:						
6.625% Senior Notes due 2025 [1]	7.60 %	Ps. 85,939	Ps. 5,188,796	Ps. (46,107)	**Ps. 5,142,689**	Ps. 12,177,355
4.625% Senior Notes due 2026 [1]	5.03 %	135,115	5,842,800	(14,489)	**5,828,311**	6,131,473
8.5% Senior Notes due 2032 [1]	9.00 %	151,751	5,842,800	(16,337)	**5,826,463**	6,132,826
6.625% Senior Notes due 2040 [1]	7.05 %	352,678	11,685,600	(107,746)	**11,577,854**	12,187,745
5% Senior Notes due 2045 [1]	5.39 %	125,097	17,321,136	(323,875)	**16,997,261**	20,107,046
6.125% Senior Notes due 2046 [1]	6.47 %	536,807	17,528,400	(109,710)	**17,418,690**	18,338,293
5.250% Senior Notes due 2049 [1]	5.59 %	71,798	13,675,853	(273,503)	**13,402,350**	15,093,468
Total U.S. dollar debt		1,459,185	77,085,385	(891,767)	**76,193,618**	90,168,206
Mexican peso debt:						
8.79% Notes due 2027 [2]	8.84 %	97,789	4,500,000	(11,403)	**4,488,597**	4,486,238
8.49% Senior Notes due 2037 [1]	8.94 %	48,818	4,500,000	(10,453)	**4,489,547**	4,488,822
7.25% Senior Notes due 2043 [1]	7.92 %	52,361	6,500,000	(48,355)	**6,451,645**	6,449,277
Bank loans [3]	11.57 %	77,003	10,000,000	(32,757)	**9,967,243**	15,939,483
Bank loans (Sky) [4]	10.17 %	25,913	3,650,000	—	**3,650,000**	3,650,000
Bank loans (TVI) [5]		—	—	—	**—**	610,116
Total Mexican peso debt		301,884	29,150,000	(102,968)	**29,047,032**	35,623,936
Total debt [6]		1,761,069	106,235,385	(994,735)	**105,240,650**	125,792,142
Less: Current portion of long-term debt		1,761,069	1,000,000	—	**1,000,000**	4,106,432
Long-term debt, net of current portion		Ps. —	Ps. 105,235,385	Ps. (994,735)	**Ps. 104,240,650**	Ps. 121,685,710

	2022	2021
Lease liabilities:		
Satellite transponder lease agreement [7]	**Ps. 2,807,184**	Ps. 3,457,524
Other lease agreement [8]	**608,250**	689,483
Lease liabilities [9]	**4,953,638**	5,533,552
Total lease liabilities	**8,369,072**	9,680,559
Less: Current portion	**1,373,233**	1,478,382
Lease liabilities, net of current portion	**Ps. 6,995,839**	Ps. 8,202,177

(1) The Senior Notes due between 2025 and 2049, in the aggregate outstanding principal amount of U.S.$3,958 million as of December 31, 2022 and Ps.11,000,000 as of December 31, 2022 and 2021, 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 terms of these Senior Notes contain covenants that limit the ability of the Company and certain restricted subsidiaries, 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"). In March 2022, the Company completed a partial redemption of U.S.$200 million aggregate principal amount of its 6.625% Senior Notes due 2025, in the aggregate amount of U.S.$221.3 million, including U.S.$220.9 million of the applicable redemption price and U.S.$0.4 million of accrued and unpaid interest on the redemption date. In August 2022, the Company concluded a tender offer to purchase in cash a principal amount of U.S.$133.6 million of its 6.625% Senior Notes due 2025, U.S.$110.6 million of its 5.000% Senior Notes due 2045, and U.S.$47.8 million of its 5.250% Senior Notes due 2049, for an aggregate principal amount of U.S.$292.0 million. The aggregate tender consideration paid amounted to U.S.$294.8 million plus U.S.$5.5 million of accrued and unpaid interest on the settlement date (see Note 23).

(2) In 2017, the Company issued Notes ("Certificados Bursátiles") due 2027, through the BMV in the aggregate principal amount of Ps.4,500,000, with interest payable semi-annually at an annual rate of 8.79%. 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 terms of the Notes due 2027 contain covenants that limit the ability of the Company and certain restricted subsidiaries appointed by the Company's Board of Directors, 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 interest payable on a monthly basis at a rate of 28-day TIIE plus a range between 125 and 130 basis points, and principal maturities in 2022 and 2023. In February and March 2022, the Company prepaid these outstanding long-term loans in the aggregate principal amount of Ps.6,000,000 and paid related accrued interest in the aggregate amount of Ps.37,057. 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 payable on a monthly basis 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 a 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 a 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 interest payable on a monthly basis and 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 of 28-day TIIE plus 90 basis points. The funds from these loans were used for general corporate purposes, including the prepayment of Sky´s indebtedness. Under the terms of this credit agreement, 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 (see Note 30).

(5) As of December 31, 2021, included an outstanding balance in the aggregate principal amount of Ps.610,404, in connection with credit agreements entered into by TVI with Mexican banks, with maturities between 2020 and 2022, bearing interest payable on a monthly basis at an annual rate of TIIE plus a range between 100 and 125 basis points. In the second quarter of 2022, TVI repaid all of its outstanding indebtedness at maturity including a principal amount of Ps.549,781 and related accrued interest in the amount of Ps.3,569.

(6) Principal amount of total debt as of December 31, 2021, is presented net of unamortized finance costs in the aggregate amount of Ps.1,207,057.

(7) In March 2010, Sky entered into a lease agreement with Intelsat Global Sales & Marketing Ltd. ("Intelsat") by which 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 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).

(9) Lease liabilities recognized beginning on January 1, 2019, under IFRS 16 *Leases*, in the aggregate amount of Ps.4,953,638 and Ps.5,533,552, as of December 31, 2022 and 2021, respectively. These lease liabilities have terms which expired or will expire at various dates between 2021 and 2051.

As of December 31, 2022 and 2021, the outstanding principal amounts of Senior Notes of the Company that have been designated as hedging instruments of the Group's investment in TelevisaUnivision (formerly known as UH II) and Open-Ended Fund (hedged items), were as follows (see Notes 2 (e) and 4):

	December 31, 2022		December 31, 2021	
Hedged Items	**Millions of U.S. Dollars**	**Thousands of Mexican Pesos**	**Millions of U.S. Dollars**	**Thousands of Mexican Pesos**
Investment in shares of TelevisaUnivision (formerly known as UH II) (net investment hedge)	**U.S.$ 2,538.8**	**Ps. 49,446,349**	U.S.$ 1,254.5	Ps. 25,721,539
Open-Ended Fund (foreign currency fair value hedge)	**39.7**	**773,209**	46.1	945,176
Total	**U.S.$ 2,578.5**	**Ps. 50,219,558**	U.S.$ 1,300.6	Ps. 26,666,715

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, 2022 and 2021, 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, 2022	Year Ended December 31, 2021
Recognized in:		
Comprehensive gain (loss)	**Ps. 3,375,804**	Ps. (604,856)
Total foreign exchange gain (loss) derived from hedging Senior Notes	**Ps. 3,375,804**	Ps. (604,856)
Offset against:		
Foreign currency translation (loss) gain derived from the hedged net investment in shares of TelevisaUnivision (formerly known as UH II)	**Ps. (3,261,758)**	Ps. 505,183
Foreign exchange (loss) gain derived from the hedged Open-Ended Fund	**(114,046)**	99,673
Total foreign currency translation and foreign exchange (loss) gain derived from hedged assets	**Ps. (3,375,804)**	Ps. 604,856

Maturities of Debt and Lease Liabilities

Debt maturities for the years subsequent to December 31, 2022, are as follows:

	Nominal	Unamortized Finance Costs
2023	Ps. 1,000,000	Ps. —
2024	10,000,000	32,757
2025	5,188,796	46,107
2026	8,492,800	14,489
2027	4,500,000	11,403
Thereafter	77,053,789	889,979
	Ps. 106,235,385	Ps. 994,735

Future minimum payments under lease liabilities for the years subsequent to December 31, 2022, are as follows:

2023	Ps. 2,014,656
2024	2,047,781
2025	1,948,773
2026	1,870,879
2027	1,614,579
Thereafter	2,006,597
	11,503,265
Less: Amount representing interest	(3,134,193)
	Ps. 8,369,072

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, 2022 and 2021, is as follows:

		Cash Flow		Non-Cash Changes			
	Balance as of January 1, 2022	New Debt	Payments	Discontinued operation	New Debt and Leases	Foreign Exchange Income	Interest	Balance as of December 31, 2022
Debt	Ps. 126,999,199	Ps. —	Ps. (16,709,984)	Ps. —	Ps. —	Ps. (4,053,830)	Ps. —	**Ps. 106,235,385**
Satellite transponder lease agreement	3,457,524	—	(494,021)	—	—	(156,319)	—	**2,807,184**
Other lease agreement	689,483	—	(205,242)	—	99,545	—	24,464	**608,250**
Lease liabilities	5,533,552	—	(991,048)	(485,362)	490,987	(23,498)	429,007	**4,953,638**
Total debt and lease liabilities	Ps. 136,679,758	Ps. —	Ps. (18,400,295)	Ps. (485,362)	Ps. 590,532	Ps. (4,233,647)	Ps. 453,471	**Ps. 114,604,457**

		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 agreement	3,818,559	—	(460,210)	—	99,175	—	3,457,524
Other lease agreement	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

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 might 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 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. This credit facility remained unused through its maturity in the first quarter of 2022.

In February 2022, the Company executed a revolving credit facility with a syndicate of banks for up to an amount equivalent to U.S.$650 million payable in Mexican pesos, which funds may be used for the repayment of existing indebtedness and other corporate purposes, with a maturity in February 2025. As of December 31, 2022, this credit facility remained unused. Under the terms of this credit facility, the Company is required to comply with certain restrictive covenants and financial coverage ratios.

15. Financial Instruments

The Group's financial instruments presented in the consolidated statements of financial position included cash and cash equivalents, 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, 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, 2022 and 2021, were as follows:

	2022		2021	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Assets:				
Cash and cash equivalents	**Ps. 51,130,992**	**Ps. 51,130,992**	Ps. 25,828,215	Ps. 25,828,215
Trade notes and accounts receivable, net	**8,457,302**	**8,457,302**	13,093,011	13,093,011
Long-term loan and interest receivable from GTAC (see Note 10)	**853,163**	**857,006**	755,973	760,143
Open-Ended Fund (see Note 9)	**773,209**	**773,209**	945,176	945,176
Publicly traded equity instruments (see Note 9)	**2,611,053**	**2,611,053**	3,517,711	3,517,711
Other equity instruments (see Note 9)	**—**	**—**	1,607,969	1,607,969
Liabilities:				
Senior Notes due 2025, 2032 and 2040	**Ps. 22,717,196**	**Ps. 24,313,064**	Ps. 30,754,650	Ps. 39,592,552
Senior Notes due 2045	**17,321,136**	**14,975,508**	20,503,100	24,205,140
Senior Notes due 2037 and 2043	**11,000,000**	**8,087,840**	11,000,000	8,722,100
Senior Notes due 2026 and 2046	**23,371,200**	**23,287,882**	24,603,720	31,714,380
Senior Notes due 2049	**13,675,853**	**12,199,681**	15,377,325	19,307,154
Notes due 2027	**4,500,000**	**4,238,640**	4,500,000	4,509,405
Long-term loans payable to Mexican banks	**13,650,000**	**13,775,125**	20,260,404	20,417,854
Lease liabilities	**8,369,072**	**8,497,104**	9,680,559	9,830,878

The carrying amounts (based on estimated fair values), notional amounts, and maturity dates of the Group's derivative financial instruments as of December 31, 2022 and 2021, were as follows:

December 31, 2022: Derivative Financial Instruments	Carrying Amount	Notional Amount (U.S. Dollars in Thousands)	Maturity Date
Assets:			
Derivatives recorded as accounting hedges (cash flow hedges):			
Interest rate swaps [f]	**Ps. 11,237**	Ps. 2,500,000	February 2023
Interest rate swaps [b]	**532,344**	Ps. 10,000,000	June 2024
Total assets	**Ps. 543,581**		
Liabilities:			
Derivatives not recorded as accounting hedges:			
TVI's forwards [i]	**Ps. 7,650**	U.S.$ 27,963	January through June 2023
Empresas Cablevisión's forwards [j]	**12,047**	U.S.$ 38,649	January through June 2023
Sky's forwards [k]	**16,903**	U.S.$ 58,000	January through June 2023
Forwards [l]	**34,801**	U.S.$ 113,388	January through June 2023
Total liabilities	**Ps. 71,401**		

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 swaps [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 swaps [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		

(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 as of December 31, 2021. Under these agreements, the Company received monthly payments based on aggregate notional amounts of Ps.87,600 and made 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.57,843 and Ps.58,847 in other comprehensive income or loss as of December 31, 2022 and 2021, respectively. In the years ended as of December 31, 2022 and 2021, TVI recorded a gain (loss) of Ps.145 and Ps.(1,118), 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, 2022 and 2021. Under these agreements, the Company receives monthly payments based on aggregate notional amounts of Ps.10,000,000 as of December 31, 2022 and 2021, 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 or income of Ps.507,663 in other comprehensive income or loss as of December 31, 2022. In 2022, the Company recorded a gain of Ps.56,253 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 as of December 31, 2021. Under these agreements, the Company received monthly payments based on aggregate notional amounts of Ps.522,804 as of December 31, 2021, at an annual variable rate of 28- days TIIE and made 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.1,131 and Ps.2,015 in other comprehensive income or loss as of December 31, 2022 and 2021, respectively. TVI recorded a loss of Ps.1,961 and Ps.17,501 for this transaction agreement in consolidated other finance income or expense as of December 31, 2022 and 2021, 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 received monthly payments based on an aggregate notional amount of Ps.2,000,000, at an annual variable rate of 28 days of TIIE and made 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.9,031 in other comprehensive income or loss as of December 31, 2022 and 2021, respectively. In 2022 and 2021, the Company recorded a loss of Ps.3,874 and Ps.56,263, 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 received monthly payments based on an aggregate notional amount of Ps.1,500,000, at an annual variable rate of 28 days of TIIE and made 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.6,697 in other comprehensive income or loss as of December 31, 2022 and 2021, respectively. In 2022, the Company recorded a loss of Ps.457 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.19,612 in other comprehensive income or loss as of December 31, 2022 and 2021, respectively. In 2022, the Company recorded a gain of Ps.387 in consolidated other finance income or expense.

(g) As of December 31, 2021, 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, at an average exchange rate of Ps.21.1433. 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 for this transaction agreement in other comprehensive income or loss as of December 31, 2021. In 2022 and 2021, the Company recorded a loss of Ps.31,850 and Ps.725,209 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 received monthly payments based on aggregate notional amounts of Ps.9,385,347, at an annual variable rate of 28 days of TIIE, and made monthly payments based on the same notional amount at an annual fixed rate of 6.0246%. In 2022 and 2021, the Company recorded a gain of Ps.341 and Ps.62,679 in consolidated other finance income or expense, respectively.

(i) As of December 31, 2022, TVI had foreign currency contracts (forwards) in the aggregate notional amount of U.S.$28.0 million at an average rate of Ps.20.0975. As a result of the change in fair value of these agreements in the year ended December 31, 2022, the Company recorded a loss of Ps.13,269 in consolidated other finance income or expense.

(j) As of December 31, 2022, Empresas Cablevisión had foreign currency contracts (forwards) in the aggregate notional amount of U.S.$38.6 million at an average rate of Ps.20.1365. As a result of the change in fair value of these agreements in the year ended December 31, 2022, the Company recorded a loss of Ps.18,396 in consolidated other finance income or expense.

(k) As of December 31, 2022, Sky had foreign currency contracts (forwards) in the aggregate notional amount of U.S.$58.0 million at an average rate of Ps.20.1170. As a result of the change in fair value of these agreements in the year ended December 31, 2022, the Company recorded a loss of Ps.31,368 in consolidated other finance income or expense.

(l) As of December 31, 2022 and 2021, the Company had foreign currency contracts (forwards) in the aggregate notional amount of U.S.$113.4 million and U.S.$57.6 million at an average rate of Ps.20.1289 and Ps.21.5927, respectively. As a result of the change in fair value of these agreements, in the years ended December 31, 2022 and 2021, the Company recorded a loss of Ps.66,690 and Ps.56,447 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, 2022 and 2021, 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, 2022 and 2021:

	Balance as of December 31, 2022	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. 773,209**	Ps. —	Ps. 773,209	Ps. —
Publicly traded equity instruments	**2,611,053**	2,611,053	—	—
Derivative financial instruments	**543,581**	—	543,581	—
Total	**Ps. 3,927,843**	Ps. 2,611,053	Ps. 1,316,790	Ps. —
Liabilities:				
Derivative financial instruments	**Ps. 71,401**	Ps. —	Ps. 71,401	Ps. —
Total	**Ps. 71,401**	Ps. —	Ps. 71,401	Ps. —

	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. —

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 Note 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 TelevisaUnivision (formerly known as 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 some 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.

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:

	2022	2021
Discount rate	**10.2 %**	7.8 %
Salary increase	**5.2 %**	5.0 %
Inflation rate	**3.7 %**	3.5 %

Had the discount rate of 10.2% used by the Group in 2022 been decreased by 50 basis points, the impact on defined benefit obligation would have been an increase to Ps.1,314,138 as of December 31, 2022.

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.

The reconciliation between defined benefit obligations and post-employment benefit liability in the consolidated statements of financial position as of December 31, 2022 and 2021, is presented as follows:

	As of December 31, 2022		
	Pensions	Seniority Premiums	2022
Vested benefit obligations	Ps. 323,414	Ps. 261,857	**Ps. 585,271**
Unvested benefit obligations	403,549	288,413	**691,962**
Defined benefit obligations	726,963	550,270	**1,277,233**
Fair value of plan assets	459,618	46,147	**505,765**
Underfunded status of the plans	Ps. 267,345	Ps. 504,123	**Ps. 771,468**
Post-employment benefit liability	Ps. 267,345	Ps. 504,123	**Ps. 771,468**

	As of December 31, 2021		
	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

The components of net periodic pensions and seniority premiums cost for the years ended December 31, 2022 and 2021 consisted of the following:

	2022	2021
Service cost	**Ps. 94,416**	Ps. 175,648
Interest cost	**99,889**	193,313
Prior service cost for plan amendments	**(7,070)**	(40,124)
Interest on plan assets	**(35,846)**	(69,546)
Net periodic cost	**Ps. 151,389**	Ps. 259,291

The Group's defined benefit obligations, plan assets, funded status and balances in the consolidated statements of financial position as of December 31, 2022 and 2021, associated with post-employment benefits, are presented as follows:

	Pensions	Seniority Premiums	2022	2021
Defined benefit obligations:				
Beginning of year	Ps. 2,442,697	Ps. 741,668	**Ps. 3,184,365**	Ps. 3,276,400
Retirement of discontinued operation	(1,577,973)	(228,740)	**(1,806,713)**	—
Service cost	33,003	61,413	**94,416**	175,648
Interest cost	58,085	41,804	**99,889**	193,313
Benefits paid	(38,552)	(47,658)	**(86,210)**	(222,035)
Remeasurement of post-employment benefit obligations	(148,125)	(53,319)	**(201,444)**	(198,837)
Past service cost	(42,172)	35,102	**(7,070)**	(40,124)
End of year	726,963	550,270	**1,277,233**	3,184,365
Fair value of plan assets:				
Beginning of year	978,892	291,793	**1,270,685**	1,195,749
Retirement of discontinued operation	(493,447)	(202,147)	**(695,594)**	—
Return on plan assets	29,423	6,423	**35,846**	69,546
Contributions	—	—	**—**	6,972
Remeasurement on plan assets	(34,669)	(8,656)	**(43,325)**	80,988
Benefits paid	(20,581)	(41,266)	**(61,847)**	(82,570)
End of year	459,618	46,147	**505,765**	1,270,685
Unfunded status of the plans	Ps. 267,345	Ps. 504,123	**Ps. 771,468**	Ps. 1,913,680

The changes in the net post-employment liability in the consolidated statements of financial position as of December 31, 2022 and 2021, are as follows:

	Pensions	Seniority Premiums	2022	2021
Net post-employment liability at beginning of year	Ps. 1,463,805	Ps. 449,875	**Ps. 1,913,680**	Ps. 2,080,651
Retirement of discontinued operation	(1,084,526)	(26,593)	**(1,111,119)**	—
Net periodic cost	19,493	131,896	**151,389**	259,291
Contributions	—	—	**—**	(6,972)
Remeasurement of post-employment benefits	(113,456)	(44,663)	**(158,119)**	(279,825)
Benefits paid	(17,971)	(6,392)	**(24,363)**	(139,465)
Net post-employment liability at end of year	Ps. 267,345	Ps. 504,123	**Ps. 771,468**	Ps. 1,913,680

The post-employment benefits as of December 31, 2022 and 2021, and remeasurements adjustments for the years ended December 31, 2022 and 2021, are summarized as follows:

	2022	2021
Pensions:		
Defined benefit obligations	**Ps. 726,963**	Ps. 2,442,697
Plan assets	**459,618**	978,892
Unfunded status of plans	**267,345**	1,463,805
Remeasurements adjustments [1]	**(113,456)**	(327,898)
Seniority premiums:		
Defined benefit obligations	**Ps. 550,270**	Ps. 741,668
Plan assets	**46,147**	291,793
Unfunded status of plans	**504,123**	449,875
Remeasurements adjustments [1]	**(44,663)**	48,073

(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, 2022 and 2021, was as follows:

	2022	2021
Equity securities [1]	**36.1 %**	32.7 %
Fixed rate instruments	**63.9 %**	67.3 %
Total	**100.0 %**	100.0 %

[1] Included within plan assets at December 31, 2022 and 2021, are shares of the Company held by the trust with a fair value of Ps.23,865 and Ps.119,851, respectively.

The weighted average expected long-term rate of return of plan assets of 10.17% and 7.79% were used in determining net periodic pension cost in 2022 and 2021, 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, 2022 and 2021:

	Balance as of December 31, 2022	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. 23,865**	Ps. 23,865	Ps. —	Ps. —
Mutual funds (fixed rate instruments) [2]	**21,685**	21,685	—	—
Money market securities [3]	**255,588**	255,588	—	—
Other equity securities	**145,327**	145,327	—	—
Total investment assets	**446,465**	446,465	—	—
Cash management	**59,300**	—	—	—
Total investment assets and cash management	**Ps. 505,765**	Ps. 446,465	Ps. —	Ps. —

	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. —

[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 2022 and 2021 and does not expect to make significant contributions to its plan assets in 2023.

The weighted average duration of the defined benefit plans as of December 31, 2022 and 2021, were as follows:

	2022	2021
Seniority Premiums	**8.7 years**	9.0 years
Pensions	**3.8 years**	5.1 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, 2022, 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	(717.4)	(5,606.3)	114,750.2
Series "B" Shares	57,046.9	(631.3)	(4,765.9)	51,649.7
Series "D" Shares	87,006.6	(1,004.3)	(3,832.4)	82,169.9
Series "L" Shares	87,006.6	(1,004.3)	(3,832.4)	82,169.9
Total	352,134.0	(3,357.3)	(18,037.0)	330,739.7
Shares in the form of CPOs	290,849.7	(3,357.3)	(12,811.0)	274,681.4
Shares not in the form of CPOs	61,284.3	—	(5,226.0)	56,058.3
Total	352,134.0	(3,357.3)	(18,037.0)	330,739.7
CPOs	2,485.9	(28.7)	(109.5)	2,347.7

(1) As of December 31, 2022, 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, 2022, the Company repurchased 3,357.3 million shares, in the form of 28.7 million CPOs, in the amount of Ps.629,326, in connection with such share repurchase program. 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, 2022 and 2021, 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, 2021	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
Acquired [1]	(717.4)	(631.3)	(1,004.3)	(1,004.3)	(3,357.3)	(28.7)
Forfeited [2]	(155.5)	(136.9)	(217.8)	(217.8)	(728.0)	(6.2)
Acquired [2]	(598.0)	(526.3)	(837.3)	(837.3)	(2,798.9)	(23.9)
Released [2]	2,136.1	1,480.7	2,355.6	2,355.6	8,328.0	67.3
As of December 31, 2022	**114,750.2**	**51,649.7**	**82,169.9**	**82,169.9**	**330,739.7**	**2,347.7**

(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, 2022, the restated for inflation tax value of the Company's common stock was Ps.60,103,280. 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, 2022, approximately 26.1 million CPOs or CPO equivalents that were transferred to LTRP participants were sold in the open market during 2021 and 2022. Additional sales will continue to take place during or after 2023.

The special purpose trust created to implement the LTRP as of December 31, 2022 had approximately 152.3 million CPOs or CPO equivalents. This figure is net of approximately 4.4 million, 52.9 million and 38.5 million CPOs or CPO equivalents vested in 2020, 2021 and 2022, respectively. Of the 152.3 million CPOs or CPO equivalents approximately 70.7% are in the form of CPOs and the remaining 29.3% 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, 2022, approximately 86.7 million CPOs or CPO equivalents are held by a company trust and will become vested between 2023 and 2025 at prices ranging from Ps.38.32 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 year ended December 31, 2022, the trust for the LTRP increased the number of shares and CPOs held for the purposes of this Plan in the amount of (i) 2,798.9 million shares of the Company in the form of 23.9 million CPOs, which were acquired in the amount of Ps.980,410; and (ii) 728.0 million shares of the Company in the form of 6.2 million CPOs, in connection with forfeited rights under this Plan.

Following the completion of the TelevisaUnivision Transaction, the Board of Directors of the Company approved: (i) to cancel certain sale contracts for 10.8 million CPOs, corresponding to unvested conditional to sales under the LTRP to certain officers and employees of the Company in 2019, 2020 and 2021; and (ii) to release 8.0 million CPOs under the corresponding grants to such individuals. The CPOs released under such grants were sold at Ps.1.60 per CPO. In connection with this approval, the Company cancelled 10.8 million CPOs under such contracts and recognized the release of 7.1 million CPOs in the first half of 2022.

In addition to the LTRP, the Company entered into conditional sale contracts with certain officers of the Group, primarily in February 2022, for 24.7 million CPOs, of which 23.9 million of CPOs and 0.8 million of CPOs were released as a share-based expense in the first quarter and second quarter of 2022, respectively.

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, 2021 and 2022, the Company made a funding for acquisition of shares in the aggregate amount of Ps.328,500 and Ps.648,242, respectively, to the trust held for the Company's LTRP.

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 certain officers and employees of the Company under the Company's LTRP, based on the following arrangements and weighted-average assumptions:

	Long-Term Retention Plan				
Arrangements:					
Year of grant	2018	2019	2020	2021	2022
Number of CPOs or CPOs equivalent granted	32,500	72,558	39,200	38,800	27,500
Contractual life	3.00 years	2.67 years	3.00 years	3.00 years	3.00 years
Assumptions:					
Dividend yield	0.55 %	0.82 %	1.38 %	0.94 %	0.92 %
Expected volatility [(1)]	25.38 %	30.47 %	35.13 %	43.74 %	45.75 %
Risk-free interest rate	7.17 %	6.88 %	5.74 %	5.51 %	9.17 %
Expected average life of awards	3.00 years	2.67 years	3.00 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, 2022 and 2021 is presented below (in Mexican pesos and thousands of CPOs):

	2022		2021	
	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	**176,858**	**31.22**	160,365	39.36
Conditionally sold	**27,500**	**10.00**	38,800	8.62
Paid by employees	**(15,047)**	**30.10**	(8,633)	38.30
Forfeited	**(18,580)**	**70.14**	(13,674)	64.96
Outstanding at end of year	**170,731**	**30.68**	176,858	31.22
To be paid by employees at end of year	**83,985**	**44.79**	60,155	52.69

As of December 31, 2022 and 2021, the weighted-average remaining contractual life of the stock conditionally sold to employees under the LTRP is 1.29 years and 1.28 years respectively.

In addition to the LTRP, the Company entered into conditional sale contracts with members of its Board of Directors for 1.0 and 1.7 million CPOs in August 2021and July 2022 respectively, with vesting periods of eight and nine months, respectively and with certain officers of the Group for 7.5 and 17.2 million CPOs in December 2021 and January 2022 respectively, with vesting periods of 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, 2021	Ps. 2,139,007	Ps. 83,391,732	Ps. (1,250,342)	Ps. 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 attributable to stockholders of the Company	—	—	6,055,826	6,055,826
Balance at December 31, 2021	2,139,007	80,023,355	6,055,826	88,218,188
Appropriation of net income relating to 2021	—	6,055,826	(6,055,826)	—
Dividends	—	(1,053,392)	—	(1,053,392)
Sale of repurchased shares	—	(3,080,729)	—	(3,080,729)
Cancellation of sale of shares	—	246,658	—	246,658
Share-based compensation	—	2,009,304	—	2,009,304
Other	—	1,650	—	1,650
Net income attributable to stockholders of the Company	—	44,712,180	—	44,712,180
Balance at December 31, 2022	**Ps. 2,139,007**	**Ps. 128,914,852**	**Ps. —**	**Ps. 131,053,859**

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, 2022 and 2021, 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 2022, 2021 and 2020. 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 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 unit, which was paid in cash in May 2021, in the aggregate amount of Ps.1,053,392.

In April 2022, 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 unit, which was paid in cash in May 2022, 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, 2022, cumulative earnings that have been subject to income tax and can be distributed by the Company free of Mexican income tax amounted to Ps.88,820,912.

(b) Accumulated Other Comprehensive Income or loss:

	Open-Ended Fund	Other Equity Instruments	Warrants Exercised 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, 2021	Ps. 1,524,860	Ps. 638,406	Ps. (23,602,220)	Ps. 850,241	Ps. (1,350,451)	Ps. (1,915,508)	Ps. (136,448)	8,434,272	Ps. (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. (23,602,220)	Ps. 934,473	Ps. (1,058,754)	Ps. 12,093	Ps. 109,266	7,962,961	Ps. (13,621,992)
Changes in other comprehensive income	(131,957)	(906,658)	—	(124,179)	150,343	395,807	4,245,546	(830,788)	2,798,114
Accumulated at December 31, 2022	**Ps. 1,373,185**	**Ps. (391,611)**	**Ps. (23,602,220)**	**Ps. 810,294**	**Ps. (908,411)**	**Ps. 407,900**	**Ps. 4,354,812**	**7,132,173**	**Ps. (10,823,878)**

19. Non-controlling Interests

Non-controlling interests as of December 31, 2022 and 2021, consisted of:

	2022	2021
Capital stock	**Ps. 1,099,009**	Ps. 1,100,312
Additional paid-in capital	**2,970,693**	2,986,354
Legal reserve	**215,475**	215,736
Retained earnings from prior years (1) (2)	**10,822,975**	9,649,348
Net income for the year	**571,644**	1,298,959
Accumulated other comprehensive income (loss):		
Cumulative result from foreign currency translation	**155,621**	174,598
Remeasurement of post-employment benefit obligations on defined benefit plans	**(13,462)**	(18,905)
	Ps. 15,821,955	Ps. 15,406,402

(1) In 2021, the holding companies of the Sky segment paid a dividend to its equity owners in the aggregate amount of Ps.750,000, of which Ps.309,174, was 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.

Amounts of consolidated current assets, non-current assets, current liabilities and non-current liabilities of Empresas Cablevisión and Sky as of December 31, 2022 and 2021, are set forth as follows:

	Empresas Cablevisión		Sky	
	2022	2021	2022	2021
Assets:				
Current assets	**Ps. 7,461,520**	Ps. 6,653,310	**Ps. 6,019,166**	Ps. 5,689,494
Non-current assets	**23,172,533**	24,099,561	**18,266,359**	19,590,056
Total assets	**30,634,053**	30,752,871	**24,285,525**	25,279,550
Liabilities:				
Current liabilities	**5,176,500**	5,755,703	**4,183,480**	3,685,208
Non-current liabilities	**4,076,876**	4,308,115	**5,367,448**	7,041,237
Total liabilities	**9,253,376**	10,063,818	**9,550,928**	10,726,445
Net assets	**Ps. 21,380,677**	Ps. 20,689,053	**Ps. 14,734,597**	Ps. 14,553,105

Amounts of consolidated revenues, net income and total comprehensive income of Empresas Cablevisión and Sky for the years ended December 31, 2022 and 2021, are set forth as follows:

	Empresas Cablevisión		Sky	
	2022	2021	2022	2021
Revenues	**Ps. 16,128,549**	Ps. 16,849,160	**Ps. 20,339,075**	Ps. 22,026,616
Net-income	**760,576**	1,135,053	**224,989**	1,281,472
Total comprehensive income	**748,916**	1,134,181	**181,491**	1,304,822

Amounts of consolidated summarized cash flows of Sky and Empresas Cablevisión for the years ended December 31, 2022 and 2021, are set forth as follows:

	Empresas Cablevisión		Sky	
	2022	2021	2022	2021
Cash flows from operating activities	**Ps. 4,319,496**	Ps. 5,594,662	**Ps. 5,227,892**	Ps. 6,004,261
Cash flows used in investing activities	**(3,406,227)**	(5,144,521)	**(3,934,993)**	(5,236,815)
Cash flows used in by financing activities	**(590,249)**	(740,046)	**(1,233,044)**	(1,350,432)
Net increase (decrease) in cash and cash equivalents	**Ps. 323,020**	Ps. (289,905)	**Ps. 59,855**	Ps. (582,986)

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, 2022, 2021 and 2020, were as follows:

	2022	2021	2020
Revenues, other income and interest income:			
Royalties (Univision) [(a)]	**Ps. 660,842**	Ps. 8,548,036	Ps. 8,155,338
Programming production and transmission rights [(b)]	**1,453,875**	738,650	707,247
Telecom services [(c)]	**205,591**	57,759	97,754
Administrative services [(d)]	**115,190**	7,371	13,561
Advertising [(e)]	**1,854,152**	10,417	36,385
Interest income [(f)]	**618,921**	49,736	64,809
Lease [(i)]	**408,893**	—	—
	Ps. 5,317,464	Ps. 9,411,969	Ps. 9,075,094
Costs and expenses:			
Donations	**Ps. 26,229**	Ps. 26,606	Ps. 26,729
Advertising	**297,497**	—	—
Administrative services [(d)]	**127,762**	19,410	1,529
Technical services [(g)]	**391,896**	295,915	459,960
Programming production, transmission rights and telecom [(h)]	**4,499,464**	787,487	674,270
	Ps. 5,342,848	Ps. 1,129,418	Ps. 1,162,488

(a) The Group received royalties from Univision for programming provided pursuant to an amended PLA, pursuant to which Univision had the right to broadcast certain Televisa content in the United States. The amended PLA included a provision for certain yearly minimum guaranteed advertising, with a value of U.S.$10.8 million (Ps.211,829), U.S.$35.1 million (Ps.712,417) and U.S.$42.6 million (Ps.909,159), for the fiscal years 2022, 2021 and 2020, respectively, to be provided by Univision, at no cost, for the promotion of certain of the Group's businesses. This advertising did not have commercial substance for the Group, as it was related to activities that were 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 TelevisaUnivision Transaction, which was closed on that date (see Notes 3, 9, 10 and 30).

(b) Services rendered to Univision in 2022, 2021 and 2020. In 2022 includes transmission costs of concession rights owned by the Group.

(c) Services rendered to a subsidiary of AT&T, Inc. ("AT&T") in 2022, 2021 and 2020, 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. In 2022 includes a provision of administrative services to Tritón and certain companies of TelevisaUnivision.

(e) Advertising services rendered to Univision in 2021, and OCEN and Univision in 2020. In 2022 the Cable and Sky segments received advertising revenue from TelevisaUnivision.

(f) Includes mainly interest income from GTAC. In 2022 includes interest income from the long-term loan of the Group.

(g) In 2022, 2021 and 2020, 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 2022 and 2021. The Group paid royalties to Univision for programming provided pursuant to a Mexico License Agreement, under which the Group had 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 TelevisaUnivision Transaction, which was closed on that date (see Notes 3, 9, 10 and 30). It also includes payments by telecom services to GTAC in 2022, 2021 and 2020. Includes payments for transmission rights to AT&T in 2022 and 2021. Includes the cost of programming of TelevisaUnivision for the Cable and Sky segments in 2022.

(i) Includes operating lease agreements with certain companies of TelevisaUnivision and Tritón.

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 and 2020 amounted to Ps.19,983 and Ps.19,433, 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 2022, 2021 and 2020, 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.16,861, Ps.57,925 and Ps.52,848, respectively.

(5) During 2022, 2021 and 2020, 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.18,021, Ps.20,006 and Ps.121,789, respectively.

(6) In 2022, 2021 and 2020, 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.25,320, Ps.34,478 and Ps.32,784, respectively.

During 2022, 2021 and 2020, the Group paid to its directors, alternate directors and officers an aggregate compensation of Ps.963,254, Ps.1,115,354 and Ps.936,794, 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.178,340, Ps.212,310 and Ps.196,584 as of December 31, 2022, 2021 and 2020, respectively. Cumulative contributions made by the Group to the pension and seniority premium plans on behalf of these directors and officers amounted to Ps.64,042, Ps.76,241 and Ps.71,744 as of December 31, 2022, 2021 and 2020, 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 amounted to Ps.1,224,000, and the related service net cost for the year ended December 31, 2020, amounted to Ps.225,804. In 2020, the Group made contributions to a trust (plan assets) for funding this deferred compensation in the aggregate amount of Ps.435,500. 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 as of December 31, 2020, 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, 2022 and 2021, amounted to Ps.337,450 and Ps.207,640, respectively, 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, 2022 and 2021, amounted to Ps.129,810 and 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, 2022 and 2021, were as follows:

	2022	2021
Current receivables:		
TelevisaUnivision (formerly known as UH II) [2]	**Ps. 136,944**	Ps. 819,355
Cadena de las Américas, S.A. de C.V. [1]	**40,186**	—
Televisa, S. de R.L. de C.V. [1]	**22,650**	—
Televisa Producciones, S.A. de C.V. [1]	**15,535**	—
Tritón Comunicaciones, S.A. de C.V.	**11,140**	—
ECO Producciones, S.A. de C.V. [1]	**10,792**	—
Other	**73,977**	55,497
	Ps. 311,224	Ps. 874,852
Non-current receivables:		
Televisa, S. de R.L. de C.V. [1] [3]	**Ps. 6,365,038**	Ps. —
Current payables:		
AT&T/ DirectTV	**Ps. 40,183**	Ps. 54,598
Desarrollo Vista Hermosa, S.A. de C.V. [1]	**15,189**	—
Other	**32,952**	27,472
	Ps. 88,324	Ps. 82,070

[1] An indirect subsidiary of TelevisaUnivision.

[2] Receivables from TelevisaUnivision were related primarily to the PLA as of December 31, 2021.

[3] In January 2022, Televisa, S. de R.L. de C.V. entered into a long-term credit agreement with the Company in the principal amount of Ps.5,738,832, with a fixed annual interest rate of 10.2%. Under the terms of this agreement, principal and interest are payable at maturity on April 30, 2026, and prepayments of principal can be made by debtor at any time without any penalty. As of December 31, 2022, amounts receivable from Televisa, S. de R. L. de C.V. in connection with this long-term credit amounted to Ps.6,365,038.

The Group recognized as deferred income a prepayment made by TelevisaUnivision in the aggregate amount of U.S.$276.2 million (Ps.5,729,377), for the use of concession rights owned by the Group, which was classified as current and non-current liabilities in the Group's consolidated statement of financial position, an amounted to Ps.287,667 and Ps.5,178,014, respectively, as of December 31, 2022 (see Note 3).

All significant account balances included in amounts due from affiliates bear interest, in 2022 and 2021, were charged average interest rates of 10.6 % and 6.6%, 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, included deposits and advances from affiliates and other related parties, in an aggregate amount of Ps. 146,354, 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 Revenues, Selling Expenses and Administrative Expenses

Through January 31, 2022 cost of revenues included the production costs of programming, acquired programming and transmission rights at the moment of broadcasting or at the time the produced programs were sold and became available for broadcast, as they were part of the Group's former Content business (see Note 8).

After January 31, 2022, cost of revenues include cost of acquired programming and transmission rights at the moment of broadcasting, 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 revenues, selling expenses and administrative expenses for the years ended December 31, 2022, 2021 and 2020, were as follows:

	2022	2021	2020
Cost of revenues	**Ps. 17,918,347**	Ps. 17,126,606	Ps. 16,858,777
Selling expenses	**357,681**	273,479	774,394
Administrative expenses	**3,194,636**	2,982,361	2,669,676
Discontinued operations	**121,874**	1,365,067	1,338,803
	Ps. 21,592,538	Ps. 21,747,513	Ps. 21,641,650

The amounts of expenses related to IFRS 16 included in cost of revenues, selling expenses and administrative expenses for the year ended December 31, 2022, were as follows:

	2022
Expenses relating to variable lease payment not included in the measurement of the lease liability	**Ps. 639,261**
Expenses relating to short-term leases and leases of low-value assets	**194,016**
Total	**Ps. 833,277**

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, 2022, 2021 and 2020, were as follows:

	2022	2021	2020
Short-term employee benefits	**Ps. 15,064,471**	Ps. 12,807,423	Ps. 14,042,004
Other short-term employee benefits	**1,130,535**	1,711,945	1,396,804
Share-based compensation	**968,628**	903,764	863,782
Post-employment benefits	**151,389**	140,857	101,132
Discontinued operations	**251,350**	6,531,559	4,190,730
	Ps. 17,566,373	Ps. 22,095,548	Ps. 20,594,452

22. Other Income or Expense, Net

Other (expense) income for the years ended December 31, 2022, 2021 and 2020, is analyzed as follows:

	2022	2021	2020
Gain on disposition of OCEN [1]	**Ps. 35,950**	Ps. 4,547,029	Ps. —
Gain on disposition of Radiópolis [2]	**—**	—	932,449
Donations (see Note 20)	**(27,233)**	(2,000)	(45,919)
Legal and financial advisory and professional services [3]	**(218,731)**	(191,609)	(421,760)
Gain on disposition of property and equipment	**76,579**	38,665	67,570
Deferred compensation (see Note 20) [4]	**(129,810)**	(207,640)	(225,804)
Dismissal severance expense [5]	**(126,695)**	(194,187)	(128,042)
Surcharges for payments of taxes of prior years [6]	**—**	(400,641)	—
Impairment adjustments [7]	**—**	(97,293)	(40,803)
Income for cash reimbursement received from Imagina [8]	**—**	—	167,619
Lawsuit settlement agreement, net [9]	**(425,762)**	—	—
Other, net	**137**	223,913	323,312
	Ps. (815,565)	Ps. 3,716,237	Ps. 628,622

(1) In 2022, included a purchase price adjustment paid to the Company on disposal of OCEN in the second quarter of 2022. In 2021, included a payment in cash on disposal of 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.

(6) In 2021, included surcharges for taxes paid by three subsidiaries of the Company in connection with tax assessments of prior years.

(7) In 2021 and 2020, included 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.

(9) In the fourth quarter 2022, the Company announced a settlement agreement for a class action lawsuit and recognized an expense of U.S.$21.5 million (Ps.425,762) resulting from a related provision for the amount to be paid by the Company, net of an expected insurance reimbursement (see Note 27).

23. Finance Expense, Net

Finance (expense) income, net, for the years ended December 31, 2022, 2021 and 2020, included:

	2022	2021	2020
Interest expense [1]	**Ps. (9,455,578)**	Ps. (9,105,998)	Ps. (10,502,529)
Other finance expense, net [2]	**(110,739)**	(1,183,180)	—
Foreign exchange loss, net [4]	**(1,790,956)**	(2,188,861)	—
Finance expense	**(11,357,273)**	(12,478,039)	(10,502,529)
Interest income [3]	**2,151,109**	560,026	1,067,066
Other finance income, net [2]	**—**	—	89,323
Foreign exchange gain, net [4]	**—**	—	3,696,713
Finance income	**2,151,109**	560,026	4,853,102
Finance expense, net	**Ps. (9,206,164)**	Ps. (11,918,013)	Ps. (5,649,427)

[1] Interest expense for the years ended December 31, 2022, 2021 and 2020 included: (i) interest related to lease liabilities that were recognized beginning on January 1, 2019, in accordance with the guidelines of IFRS 16 *Leases*, in the aggregate amount of Ps.450,454, Ps.431,419 and Ps.461,895, respectively; (ii) interest related to satellite transponder lease agreement and other lease agreement that were recognized in the aggregate amount of Ps.257,938, Ps.275,371 and Ps.75,378, respectively; (iii) interest related to dismantling obligations incurred primarily in connection with the Group's Cable segment networks, in the aggregate amount of Ps.123,209, Ps.48,624 and Ps.921,658, respectively; and (iv) amortization of finance costs in the aggregate amount of Ps.292,189, Ps.179,212 and Ps.180,500, respectively; and finance expense related to prepayment of long-term debt in the aggregate amount of Ps.490,430, for the year ended December 31, 2022 (see Notes 2 and 14).

[2] Other finance income or expense, net, included fair value gain or loss from derivative financial instruments (see Note 15).

[3] This line item included primarily interest income from cash equivalents.

[4] Foreign exchange gain or loss, net, for the years ended December 31, 2022, 2021 and 2020 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 asset or liability position, excluding designated hedging long-term debt of the Group's investments in TelevisaUnivision (formerly known as UH II) and Open-Ended Fund (see Notes 2(e), 4 and 14). The exchange rate of the Mexican peso against the U.S. dollar was of Ps.19.4760, Ps.20.5031 and Ps.19.9493, as of December 31, 2022, 2021 and 2020, respectively.

24. Income Taxes

The income tax benefit (expense) for the years ended December 31, 2022, 2021 and 2020, was comprised of:

	2022	2021	2020
Income taxes, current [1]	**Ps. (2,384,491)**	Ps. (1,356,052)	Ps. (2,262,956)
Income taxes, deferred	**3,611,953**	(317,002)	1,404,061
	Ps. 1,227,462	Ps. (1,673,054)	Ps. (858,895)

[1] The current income tax of Mexican companies payable in Mexico represented 90%, 96% and 93% of total current income taxes in 2022, 2021 and 2020, respectively.

The Mexican corporate income tax rate was 30% in 2022, 2021 and 2020.

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, 2022 and 2021, in connection with the 2014 Tax Reform, is as follows:

	2022	2021
Tax losses of subsidiaries, net	**Ps. 183,256**	Ps. 771,873
Less: Current portion [(a)]	**183,256**	667,048
Non-current portion [(b)]	**Ps. —**	Ps. 104,825

(a) Accounted for as current income taxes payable in the consolidated statement of financial position as of December 31, 2022 and 2021.

(b) Accounted for as non-current income taxes payable in the consolidated statement of financial position as of December 31, 2022 and 2021.

Maturities of income tax payable as of December 31, 2022, in connection with the 2014 Mexican Tax Reform, are as follows:

2023	Ps. 183,256
	Ps. 183,256

The following items represent the principal differences between income taxes computed at the statutory rate and the Group's provision for income taxes.

	% 2022	% 2021	% 2020
Statutory income tax rate	**(30)**	30	30
Differences between accounting and tax bases, including tax inflation gain that is not recognized for accounting purposes	**17**	20	25
Tax loss carryforwards	**(6)**	4	7
2014 Tax Reform	**1**	—	—
Foreign operations	**7**	(1)	(2)
Disposition of investments	**—**	(3)	—
Disposition of Radiópolis	**—**	—	3
Share of income in associates and joint ventures, net	**13**	6	2
(Reversal of impairment) Impairment loss in investment in shares of TelevisaUnivision	**(2)**	(8)	30
Discontinued operations	**(10)**	—	—
Effective income tax rate	**(10)**	48	95

The Group has recognized the benefits from tax loss carryforwards of Mexican companies in the Group as of December 31, 2022 and 2021. The years of expiration of tax loss carryforwards as of December 31, 2022, are as follows:

Year of Expiration		Tax Loss Carryforwards for Which Deferred Taxes Were Recognized
2023	Ps.	4,051
2024		266,660
2025		3,283,424
2026		5,291,187
2027		426,624
Thereafter		9,550,617
	Ps.	18,822,563

As of December 31, 2022, tax loss carryforwards of Mexican companies in the Group for which deferred tax assets were not recognized amounted to Ps.8,151,553 and will expire between 2023 and 2032.

During 2022, 2021 and 2020, certain Mexican subsidiaries utilized operating tax loss carryforwards in the amounts of Ps.11,944,218, Ps.2,618,821 and Ps.6,160,740, respectively.

In addition 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.14,899,329. As of December 31, 2022, tax loss carryforwards derived from this disposal for which deferred taxes were recognized amounted to Ps.14,899,329, will expire in 2025.

As of December 31, 2022, tax loss carryforwards of subsidiaries in South America, the United States, and Europe amounted to Ps.2,501,359, of which Ps.1,698,340 have not date to expire and what remains will expire between 2023 and 2034.

The deferred income taxes as of December 31, 2022 and 2021, were principally derived from the following temporary differences and tax loss carryforwards:

	2022	2021
Assets:		
Accrued liabilities	**Ps. 4,323,561**	Ps. 7,128,606
Loss allowance	**607,773**	946,559
Customer advances	**2,335,751**	1,854,424
Derivative financial instruments	**—**	615
Property, plant and equipment, net	**3,923,889**	3,704,746
Prepaid expenses and other items	**—**	4,508,914
Tax loss carryforwards:		
Operating	**4,552,116**	6,240,930
Capital [1]	**5,564,452**	5,160,921
Tax credit carryforward [2]	**—**	5,738,832
Liabilities:		
Investments	**(700,285)**	(1,733,507)
Prepaid expenses and other items	**(560,183)**	—
Derivative financial instruments	**(130,879)**	—
Intangible assets and transmission rights	**(2,642,515)**	(2,807,484)
Deferred income tax assets of Mexican companies	**17,273,680**	30,743,556
Deferred income tax assets of certain foreign subsidiaries	**246,813**	218,983
Deferred income tax assets, net	**Ps. 17,520,493**	Ps. 30,962,539

(1) Includes the benefit from tax loss carryforwards derived from the disposal in 2014 of the Group's investment in GSF, in the amount of Ps.4,469,799 and Ps.4,145,649 in 2022 and 2021, 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:

	2022	2021
At January 1	**Ps. 30,962,539**	Ps. 26,213,382
Statement of income credit (charge)	**3,611,953**	(317,002)
Other comprehensive income ("OCI") credit (charge)	**145,406**	(619,304)
Tax credit	**—**	5,738,832
Reserve for low value	**—**	(861)
Discontinued operations	**(9,410,332)**	(52,508)
Disposed operations	**(7,789,073)**	—
At December 31	**Ps. 17,520,493**	Ps. 30,962,539

The roll-forward of deferred income tax assets and liabilities for the year 2022, was as follows:

	At January 1, 2022	Credit (Charge) to Consolidated Statement of Income (Continuing Operations)	(Charge) to Consolidated Statement of Income (Discontinued Operations)	Credit (Charge) to OCI and Retained Earnings	Disposed Operations (see Note 3)	At December 31, 2022
Assets:						
Accrued liabilities	Ps. 7,128,606	Ps. (2,805,045)	Ps. —	Ps. —	Ps. —	**Ps. 4,323,561**
Loss allowance	946,559	(338,786)	—	—	—	**607,773**
Customer advances	1,854,424	1,283,170	(801,843)	—	—	**2,335,751**
Derivative financial instruments	615	(615)	—	—	—	**—**
Property, plant and equipment, net	3,704,746	219,143	—	—	—	**3,923,889**
Prepaid expenses and other items	4,508,914	(842,078)	(1,569,159)	(47,436)	(2,050,241)	**—**
Tax loss carryforwards	11,401,851	1,349,105	(2,634,388)	—	—	**10,116,568**
Deferred income tax assets of foreign subsidiaries	218,983	27,830	—	—	—	**246,813**
Tax Credit	5,738,832	—	—	—	(5,738,832)	**—**
Liabilities:						
Investments	(1,733,507)	969,922	(248,284)	311,584	—	**(700,285)**
Prepaid expenses and other items	—	(560,183)	—	—	—	**(560,183)**
Derivative financial instruments	—	(12,137)	—	(118,742)	—	**(130,879)**
Intangible assets and transmission rights	(2,807,484)	4,321,627	(4,156,658)	—	—	**(2,642,515)**
Deferred income tax assets, net	Ps. 30,962,539	Ps. 3,611,953	Ps. (9,410,332)	Ps. 145,406	Ps. (7,789,073)	**Ps. 17,520,493**

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 tax (charge) credit relating to components of other comprehensive income (loss) is as follows:

	2022		
	Before Tax	Tax (Charge) Credit	After Tax
Remeasurement of post-employment benefit obligations	**Ps. 158,119**	**Ps. (47,436)**	**Ps. 110,683**
Exchange differences on translating foreign operations	**(143,156)**	**(978,527)**	**(1,121,683)**
Derivative financial instruments cash flow hedges	**395,807**	**(118,742)**	**277,065**
Open-Ended Fund	**(131,957)**	**39,587**	**(92,370)**
Other equity instruments	**(906,658)**	**271,997**	**(634,661)**
Share of income or loss of associates and joint ventures	**4,245,546**	**—**	**4,245,546**
Other comprehensive income	**Ps. 3,617,701**	**Ps. (833,121)**	**Ps. 2,784,580**
Current tax		**Ps. (978,527)**	
Deferred tax		**145,406**	
		Ps. (833,121)	

	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 income	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	

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, 2022 and 2021, the unrecognized deferred tax liabilities in connection with the Group's investment in PDS amounted to an aggregate of Ps.43,628 and Ps.44,945, respectively.

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.

The Economic Plan for 2023 does not include any changes to the Mexican Income Tax Law, the Mexican Value Added Tax Law or the Mexican Federal Tax Code. In the Federal Income Law for 2023 approved by the Mexican Congress, the withholding income tax rate applicable to the payments of interest made by Mexican financial entities is increased from 0.08% to 0.15%.

2021 and 2022 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 provide Specialized Services must comply with a registration procedure with the Mexican Ministry of Labor. The registry is public.

- The employee profit sharing obligation is capped at an amount per employee. The maximum profit sharing payable per employee is the higher of a three-months' salary and the average 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 is not 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 are also not 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.

In December 2022, the final phase to amend Articles 76 and 78 of the Federal Labor Law was approved, under which employees will be entitled to more mandatory and paid vacation days. The amendment became effective on January 1, 2023. The amendment established that workers who have completed one year of service will enjoy an annual and continuous paid vacation period of at least twelve working days, and that it will increase by two working days, up to twenty, for each additional year of service. As of the sixth year, the vacation period will increase by two days for every five additional years of service.

25. Earnings per CPO/Share

Basic Earnings per CPO/Share

For the years ended December 31, 2022 and 2021, the weighted average for basic earnings per CPO/Share 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):

	2022	2021
Total Shares	**331,143,326**	327,524,800
CPOs	**2,353,417**	2,326,366
Shares not in the form of CPO units:		
Series "A" Shares	**55,792,921**	55,339,297
Series "B" Shares	**187**	187
Series "D" Shares	**239**	239
Series "L" Shares	**239**	239

Basic earnings (loss) per CPO and per each Series "A," Series "B," Series "D," and Series "L" Share (not in the form of a CPO unit) attributable to stockholders of the Company for the years ended December 31, 2022, 2021 and 2020, are presented as follows:

	2022		2021		2020	
	Per CPO	Per Share (*)	Per CPO	Per Share (*)	Per CPO	Per Share (*)
Continuing operations	**Ps. (4.06)**	**Ps. (0.03)**	Ps. (0.16)	Ps. 0.00	Ps. (2.34)	Ps. (0.02)
Discontinued operations	**19.86**	**0.17**	2.33	0.02	1.90	0.02
Basic earnings (loss) per CPO/Share attributable to stockholders of the Company	**Ps. 15.80**	**Ps. 0.14**	Ps. 2.17	Ps. 0.02	Ps. (0.44)	Ps. 0.00

(*) Series "A," "B," "D," and "L" Shares not in the form of CPO units.

Diluted Earnings per CPO/Share

Diluted earnings per CPO and per Share attributable to stockholders of the Company are calculated in connection with CPOs and shares in the LTRP.

For the years ended December 31, 2022 and 2021, the weighted average for diluted earnings per CPO/Share 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):

	2022	2021
Total Shares	**351,466,191**	352,134,036
CPOs	**2,480,187**	2,485,895
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 (loss) per CPO and per each Series "A," Series "B," Series "D," and Series "L" Share (not in the form of a CPO unit) attributable to stockholders of the Company for the years ended December 31, 2022, 2021 and 2020, are presented as follows:

	2022		2021		2020	
	Per CPO	Per Share (*)	Per CPO	Per Share (*)	Per CPO	Per Share (*)
Continuing operations	**Ps. (4.06)**	**Ps. (0.03)**	Ps. (0.16)	Ps. 0.00	Ps. (2.34)	Ps. (0.02)
Discontinued operations	**19.86**	**0.17**	2.33	0.02	1.90	0.02
Diluted earnings (loss) per CPO/Share attributable to stockholders of the Company	**Ps. 15.80**	**Ps. 0.14**	Ps. 2.17	Ps. 0.02	Ps. (0.44)	Ps. 0.00

(*) 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. On January 31, 2022, the Content business and other related net assets were disposed of by the Group in conjunction with the TelevisaUnivision Transaction. Beginning in the first quarter of 2022, the Group's operating results of its former Content business through January 31, 2022, are classified as discontinued operations, including the corresponding information for earlier period (see Notes 3 and 28). Through December 31, 2022, 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, as well as 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, equipment rental to subscribers, and national advertising sales.

Other Businesses

The Other Businesses segment included the Group's domestic operations in sports and show business promotion, soccer, publishing distribution, gaming, and transmission concessions and facilities.

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. On January 31, 2022, the feature-film production and distribution business was disposed of by the Group in conjunction with the TelevisaUnivision Transaction. Beginning in the first quarter of 2022, the Group's operating results of the feature-film production and distribution business through January 31, 2022, are classified as discontinued operations, including the corresponding information for earlier periods (see Notes 3 and 28).

The table below presents information by segment and a reconciliation to consolidated total of continuing operations for the years ended December 31, 2022, 2021 and 2020:

	Total Revenues	Intersegment Revenues	Consolidated Revenues	Segment Income
2022:				
Cable	**Ps. 48,411,776**	**Ps. 151,403**	**Ps. 48,260,373**	**Ps. 19,902,785**
Sky	**20,339,038**	**3,804**	**20,335,234**	**6,416,270**
Other Businesses	**7,338,790**	**407,788**	**6,931,002**	**1,691,041**
Segment totals	**76,089,604**	**562,995**	**75,526,609**	**28,010,096**
Reconciliation to consolidated amounts:				
Corporate expenses	**—**	**—**	**—**	**(1,538,085)**
Intersegment operations	**(562,995)**	**(562,995)**	**—**	**(120,424)**
Depreciation and amortization expense	**—**	**—**	**—**	**(21,117,432)**
Consolidated revenues and operating income before other expense	**75,526,609**	**—**	**75,526,609**	**5,234,155** [1]
Other expense, net	**—**	**—**	**—**	**(815,565)**
Consolidated revenues and operating income	**Ps. 75,526,609**	**Ps. —**	**Ps. 75,526,609**	**Ps. 4,418,590** [2]

	Total Revenues	Intersegment Revenues	Consolidated Revenues	Segment Income
2021:				
Cable	Ps. 48,020,929	Ps. 54,919	Ps. 47,966,010	Ps. 20,285,023
Sky	22,026,616	1,858	22,024,758	8,504,169
Other Businesses	4,388,141	463,477	3,924,664	589,745
Segment totals	74,435,686	520,254	73,915,432	29,378,937
Reconciliation to consolidated amounts:				
Corporate expenses	—	—	—	(2,351,342)
Intersegment operations	(520,254)	(520,254)	—	(1,608)
Depreciation and amortization expense	—	—	—	(20,053,302)
Consolidated revenues and operating income before other income	73,915,432	—	73,915,432	6,972,685 [1]
Other income, net	—	—	—	3,716,237
Consolidated revenues and operating income	Ps. 73,915,432	Ps. —	Ps. 73,915,432	Ps. 10,688,922 [2]

	Total Revenues	Intersegment Revenues	Consolidated Revenues	Segment Income
2020:				
Cable	Ps. 45,367,108	Ps. 59,071	Ps. 45,308,037	Ps. 18,898,301
Sky	22,134,701	225	22,134,476	9,135,346
Other Businesses	3,480,932	466,490	3,014,442	(52,971)
Segment totals	70,982,741	525,786	70,456,955	27,980,676
Reconciliation to consolidated amounts:				
Disposed operations [3]	223,272	—	223,272	(3,991)
Corporate expenses	—	—	—	(2,223,616)
Intersegment expenses	(525,786)	(525,786)	—	(1,555)
Depreciation and amortization expense	—	—	—	(19,921,984)
Consolidated revenues and operating income before other income	70,680,227	—	70,680,227	5,829,530 [1]
Other income, net	—	—	—	628,622
Consolidated revenues and operating income	Ps. 70,680,227	Ps. —	Ps. 70,680,227	Ps. 6,458,152 [2]

(1) This amount represents income before other income or expense, net.

(2) This amount represents consolidated operating income.

(3) Through the third quarter of 2019, the former Radio operations the Group were reported as part of the Group's Other Businesses segment. In 2020, the Radio operations were classified as disposed operations of the Group 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, 2022, 2021 and 2020:

	Segment Assets at Year-End	Segment Liabilities at Year-End	Additions to Property, Plant and Equipment
2022:			
Continuing operations:			
Cable	**Ps. 121,786,224**	**Ps. 23,278,943**	**Ps. 13,011,456**
Sky	**24,590,186**	**9,570,547**	**3,891,684**
Other Businesses	**16,285,203**	**3,779,852**	**273,881**
Corporate asset	**—**	**—**	**68,750**
Disposed operations	**—**	**—**	**69,616**
Total	**Ps. 162,661,613**	**Ps. 36,629,342**	**Ps. 17,315,387**
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

Segment assets reconcile to total assets as of December 31, 2022 and 2021, as follows:

	2022	2021
Segment assets	**Ps. 162,661,613**	Ps. 246,925,110
Investments attributable to:		
Cable	**750,169**	614,146
Content	**—**	31,920,796
Other Businesses[1]	**3,643,916**	245,372
TelevisaUnivision	**49,446,349**	—
Goodwill attributable to:		
Cable	**13,794,684**	13,794,684
Content	**—**	241,973
Other Businesses[1]	**110,314**	—
Other assets	**68,700,486**	—
Total assets	**Ps. 299,107,531**	Ps. 293,742,081

(1) Includes investments and goodwill that through January 31, 2022 were part of the Group's former Content business.

Equity method gain (loss) recognized in income for the years ended December 31, 2022, 2021 and 2020 attributable to equity investments in Cable, was Ps.38,833, Ps.161,468 and Ps.(7,826), respectively.

Equity method (loss) gain recognized in income for the years ended December 31, 2022, 2021 and 2020 attributable to equity investments in TelevisaUnivision, was Ps.(7,418,536), Ps.3,560,248 and Ps.(5,456,386), respectively. Through January 31, 2022 were part of the Group's former Content business.

Equity method gain (loss) recognized in income for the years ended December 31, 2022, 2021 and 2020 attributable to equity investments in Other Businesses, was Ps.1,454, Ps.(49,839) and Ps.(275,456), respectively.

Segment liabilities reconcile to total liabilities as of December 31, 2022 and 2021, as follows:

	2022	2021
Segment liabilities	**Ps. 36,629,342**	Ps. 75,685,991
Debt not allocated to segments	**101,590,649**	121,532,026
Other liabilities	**16,757,635**	—
Total liabilities	**Ps. 154,977,626**	Ps. 197,218,017

Geographical segment information:

	Total Revenues	Segment Assets at Year-End	Additions to Property, Plant and Equipment
2022:			
Mexico	**Ps. 73,845,741**	**Ps. 149,520,957**	**Ps. 17,102,445**
Other countries [1]	**1,680,868**	**13,140,656**	**212,942**
	Ps. 75,526,609	**Ps. 162,661,613**	**Ps. 17,315,387**
2021:			
Mexico	Ps. 72,076,755	Ps. 230,559,883	Ps. 22,859,403
Other countries [1]	1,838,677	16,365,227	408,444
	Ps. 73,915,432	Ps. 246,925,110	Ps. 23,267,847
2020:			
Mexico	Ps. 68,638,166	Ps. 215,395,954	Ps. 19,707,436
Other countries [1]	2,042,061	11,920,509	424,302
	Ps. 70,680,227	Ps. 227,316,463	Ps. 20,131,738

[1] The United States is the largest country from which revenue is derived.

Revenues are attributed to geographical segment based on the location of customers.

Disaggregation of Total Revenues

The table below present total revenues of continuing operations for each reportable segment disaggregated by major service/product lines and primary geographical market for the years ended December 31, 2022, 2021 and 2020:

	Domestic	Export	Abroad	Total
2022:				
Cable:				
Digital TV Service [(a)]	**Ps. 16,054,150**	**Ps. —**	**Ps. —**	**Ps. 16,054,150**
Advertising	**2,073,346**	**—**	**—**	**2,073,346**
Broadband Services [(a)]	**19,197,699**	**—**	**—**	**19,197,699**
Telephony [(a)]	**5,259,768**	**—**	**—**	**5,259,768**
Other Services	**627,303**	**—**	**—**	**627,303**
Enterprise Operations	**4,940,564**	**—**	**258,946**	**5,199,510**
Sky:				
DTH Broadcast Satellite TV [(a)]	**17,970,812**	**—**	**1,101,419**	**19,072,231**
Advertising	**1,183,495**	**—**	**—**	**1,183,495**
Pay-Per-View	**71,003**	**—**	**12,309**	**83,312**
Other Businesses:				
Gaming	**2,493,534**	**—**	**—**	**2,493,534**
Soccer, Sports and Show Business Promotion	**2,189,093**	**308,194**	**—**	**2,497,287**
Publishing - Magazines	**275,755**	**—**	**—**	**275,755**
Publishing - Advertising	**152,820**	**—**	**—**	**152,820**
Publishing Distribution	**261,077**	**—**	**—**	**261,077**
Transmission Concessions Rights and Facilities of production	**1,658,317**	**—**	**—**	**1,658,317**
Segment totals	**74,408,736**	**308,194**	**1,372,674**	**76,089,604**
Intersegment eliminations	**(562,995)**	**—**	**—**	**(562,995)**
Consolidated total revenues	**Ps. 73,845,741**	**Ps. 308,194**	**Ps. 1,372,674**	**Ps. 75,526,609**

	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
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
Transmission Concessions Rights and Facilities of production	212,406	—	—	212,406
Segment totals	72,597,009	71,661	1,767,016	74,435,686
Intersegment eliminations	(520,254)	—	—	(520,254)
Consolidated total revenues	Ps. 72,076,755	Ps. 71,661	Ps. 1,767,016	Ps. 73,915,432

	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
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
Transmission Concessions Rights and Facilities of production	237,887	—	—	237,887
Segment totals	68,940,680	146,324	1,895,737	70,982,741
Disposed operations: Radio - Advertising (see Note 3)	223,272	—	—	223,272
Intersegment eliminations	(525,786)	—	—	(525,786)
Consolidated total revenues	Ps. 68,638,166	Ps. 146,324	Ps. 1,895,737	Ps. 70,680,227

(a) Digital TV Service revenues include revenue from leasing set-top equipment to subscribers in the Cable segment in the amount of Ps.5,899,902, Ps.5,678,042 and Ps.5,514,984, for the years ended December 31, 2022, 2021 and 2020, respectively. DTH Broadcast Satellite TV revenues include revenue from leasing set-top equipment to subscribers in the Sky segment in the amount of Ps.7,783,254, Ps.9,338,664 and Ps.9,212,317, for the years ended December 31, 2022, 2021 and 2020 respectively. Revenue from leasing set-top equipment to subscribers is recognized when services are rendered to subscribers. Set-top equipment is part of the Group's property, plant and equipment and is leased to subscribers through operating lease contracts.

Revenues from external customers for the years ended December 31, 2022, 2021 and 2020 are presented by sale source, as follows:

	2022	2021	2020
Services	**Ps. 59,788,397**	Ps. 57,331,417	Ps. 54,397,074
Royalties	**1,187,135**	689,870	669,294
Goods	**683,740**	775,318	805,690
Leases [1]	**13,867,337**	15,118,827	14,808,169
Total	**Ps. 75,526,609**	Ps. 73,915,432	Ps. 70,680,227

[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, Lawsuit Settlement Agreement and Contingencies

Commitments

As of December 31, 2022, the Group had commitments for transmission rights to be acquired, mainly related to special events, in the aggregate amount of U.S.$521.8 million (Ps.10,162,968) with various payment commitments to be made between 2023 and 2031.

At December 31, 2022, the Group had commitments in an aggregate amount of Ps.1,747,473, of which Ps.12,292, were commitments related to gaming operations, Ps.40,304, were commitments to acquire television technical equipment, Ps.167,040, were commitments for the acquisition of software and related services, and Ps.1,527,837, were construction commitments for building improvements and technical facilities.

As of December 31, 2022, in connection with a long-term credit facility, the Group had commitments to provide financing to GTAC in the principal amounts of U.S.$4.0 million (Ps.77,904) and Ps.147,194 in 2023 (see Note 10).

At December 31, 2022, the Group had the following aggregate minimum annual commitments (undiscounted) for the use of satellite transponders:

	Thousands of U.S. Dollars
2023	**U.S.$ 6,629**
2024	**6,540**
2025	**3,491**
2026 and thereafter	**948**
	U.S.$ 17,608

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.

In October 2022, The Company, Televisa, S. de R.L. de C.V. and certain subsidiaries of the Company of the Cable and Sky segments (the "Complainants") obtained favorable *amparo* resolutions from a Federal specialized judge, ruling the determination by the IFT of substantial power in the market of restricted television and audio services in 35 municipalities of Mexico as a result of the acquisition of the residential optical fiber-to-the home and related assets from Axtel, S.A.B. de C.V. on 2018, to be unconstitutional. In the event the authority challenges this resolution, the Complainants would continue defending the judgment and will seek to extend the effects of its protection.

Lawsuit Settlement Agreement

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 October 22, 2021, the Company filed a motion to define the class period. On March 31, 2022, the discovery period concluded, with exceptions.

On July 20, 2022, the District Court issued a decision on the Company's class definition motion, defining the class period as April 11, 2013 through November 17, 2017, inclusive. On August 3, 2022, the Company filed a petition with the Court of Appeals seeking permission for leave to appeal the District Court's order. On November 15, 2022, the Court of Appeals denied the Company's petition. On August 5, 2022, the Company filed a motion for summary judgment.

On November 23, 2022, the Company announced that it had reached an agreement in principle to settle the securities class action. As set forth in that disclosure, the Company will be paying approximately U.S.$21.5 million of the total settlement amount of U.S.$95 million, with the remainder to be funded under the Company's insurance policies. As explained in the disclosure, while the Company continues to believe that the allegations in the case were without merit, it also believes that eliminating the distraction, expense, and risk of continued litigation is in the best interests of the Company and its shareholders. On December 28, 2022, the parties executed a memorandum of understanding memorializing the agreement in principle. On February 28, 2023, the parties executed a settlement agreement to fully resolve and settle the class's claims, which the lead plaintiff filed with the District Court the same day, along with a motion for preliminary approval of the settlement. On March 17, 2023, the District Court held a conference to discuss the motion for preliminary approval of the settlement. The District Court directed the parties to revise the settlement agreement to clarify certain issues relating to a potential award of attorneys' fees. The Company is working with lead plaintiff to submit to the District Court a revised settlement agreement that comports with the District Court's direction. The settlement is subject to approval by the District Court, notice to the class, and the satisfaction of customary conditions to effectiveness.

In the fourth quarter of 2022, the Company recognized a provision for the settlement of this class action lawsuit in the amount of U.S.$95.0 million (Ps.1,850,220), and a receivable for a related reimbursement in the amount of U.S.$73.5 million (Ps.1,431,486) to be funded by the Company's insurance contracts, which were classified in current liabilities and assets, respectively, in the Group's consolidated statement of financial position as of December 31, 2022. The net amount of U.S.$21.5 million (Ps.425,762) was recognized in other expense in the Group's consolidated statement of income for the year ended December 31, 2022 (see Note 22).

Contingencies

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 these financial statements, it is not possible to determine if the outcome would be adverse or favorable to the Company.

On June 19, 2020, the tax authority initiated a tax audit of an indirect subsidiary of the Company that carries out operations in the soccer business. The purpose of the tax audit was to verify compliance with tax provisions for the period from January 1 to December 31, 2014, regarding federal taxes as direct subject, as well as its withholding of income tax and value added tax. On August 9, 2022, the authorities informed the subsidiary of 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 December 8, 2022, such entity was notified of the outcome of the audit, in which a tax liability was determined for an amount of Ps.575 million, for income tax of the abovementioned fiscal year. On January 31, 2023, an administrative proceeding (*recurso de revocación*) was filed before the Legal department of the Tax Authority against such tax liability, which is in process of being resolved. As of the date these financial statements, the Company has not determined whether the outcome would be adverse to the Company's interests.

The matters discussed as contingencies in the previous paragraphs did not require the recognition of a provision as of December 31, 2022.

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. Income from Discontinued Operations, Net

The operations of the Group's former Content segment and feature-film production and distribution business were discontinued on January 31, 2022, in connection with the closing of the TelevisaUnivision Transaction. As a result, the Group's consolidated statements of income for the years ended December 31, 2022, 2021 and 2020, present the results of operations of the Group's former Content segment and feature-film production and distribution business as net income from discontinued operations for the month ended January 31, 2022, and for the years ended December 31, 2021 and 2020. Accordingly, the Group's consolidated statements of income for the years ended December 31, 2021 and 2020, have been modified from those previously reported by the Company for those years to present the results from discontinued operations for the businesses disposed of by the Group on January 31, 2022 (see Note 3).

Income from discontinued operations, net, for the years ended December 31, 2022, 2021 and 2020, is presented as follows:

	2022	2021	2020
Net income from discontinued operations	**Ps. 156,655**	Ps. 8,529,547	Ps. 6,092,662
Gain (loss) on disposition of discontinued operations, net	**56,065,530**	(1,943,647)	—
Income from discontinued operations, net	**Ps. 56,222,185**	Ps. 6,585,900	Ps. 6,092,662

Net income from discontinued operations for the years ended December 31, 2022, 2021 and 2020, is presented as follows:

	2022	2021	2020
Revenues	**Ps. 2,302,875**	Ps. 35,822,423	Ps. 32,457,395
Cost of revenues and operating expenses	**1,922,035**	22,818,205	20,973,331
Income before other expense	**380,840**	13,004,218	11,484,064
Other expense, net	**19,796**	397,584	394,994
Operating income	**361,044**	12,606,634	11,089,070
Finance (expense) income, net	**(137,251)**	151,788	(627,403)
Share of income of associates, net	**—**	847	—
Income before income taxes	**223,793**	12,759,269	10,461,667
Income taxes	**67,138**	4,229,722	4,369,005
Net income from discontinued operations	**Ps. 156,655**	Ps. 8,529,547	Ps. 6,092,662

In connection with the TelevisaUnivision Transaction, the Group has recognized an income from disposition of discontinued operations in the aggregate amount of Ps. 93,066,741 in its consolidated statement of income for the year ended December 31, 2022, comprising a consideration in cash from TelevisaUnivision in the aggregate amount of U.S.$2,971.3 million (Ps.61,214,741); consideration in the form of common and preferred stock of TelevisaUnivision, in the aggregate amount of U.S.$1,500.0 million (Ps.30,912,000); and a cash consideration received from Tritón Comunicaciones, S.A. de C.V., a company of the Azcárraga family, in the amount of Ps.940,000, related to the purchase of the rights for the production of news content for Mexico. The gain on disposition of discontinued operations related to the TelevisaUnivision Transaction, net of income taxes, amounted to Ps.56,065,530, for the year ended December 31, 2022, and a loss of Ps.1,943,647, for the year ended December 31, 2021, and consisted of the total consideration received by the Group for the shares of those companies that were disposed of by the Group on January 31, 2022, and certain other net assets and rights that were transferred by the Group to TelevisaUnivision and Tritón, less the carrying amounts of these consolidated net assets as of January 31, 2022, and related expenses and income taxes incurred by the Group in connection with the TelevisaUnivision Transaction for the years ended December 31, 2022 and 2021 (see Note 3).

Gain or (loss) on disposition of discontinued operations, net, for the years ended December 31, 2022, and 2021, is presented as follows:

	2022	2021
Gain (loss) on disposition of discontinued operations before income taxes	**Ps. 75,192,421**	Ps. (1,100,645)
Income taxes	**19,126,891**	843,002
Gain (loss) on disposition of discontinued operations, net	**Ps. 56,065,530**	Ps. (1,943,647)

The total carrying amount of the consolidated net assets disposed of by the Group on January 31, 2022, in connection with the TelevisaUnivision Transaction is presented, as follows:

	2022
ASSETS	
Current assets:	
Cash and cash equivalents	**Ps. (1,890,141)**
Trade accounts and notes receivable, net	**(1,997,862)**
Other accounts, taxes receivable and notes receivable, net	**(2,388,939)**
Transmission rights and programming	**(7,162,846)**
Other current assets	**(2,312,941)**
Total current assets	**(15,752,729)**
Non-current assets:	
Transmission rights and programming	**(8,513,024)**
Investments in financial instruments	**(1,721,654)**
Property, plant and equipment, net	**(3,955,680)**
Right-of-use assets, net	**(2,179,704)**
Intangible assets and goodwill, net	**(623,818)**
Deferred income tax assets	**(7,847,995)**
Other assets	**(9,716)**
Total non-current assets	**(24,851,591)**
Total assets	**Ps. (40,604,320)**
LIABILITIES	
Current liabilities:	
Current portion of lease liabilities	**Ps. 470,686**
Trade accounts payable and accrued expenses	**6,856,041**
Customer deposits and advances	**2,071,060**
Due from related parties	**5,383,763**
Other current liabilities	**1,983,995**
Total current liabilities	**16,765,545**
Non-currents liabilities:	
Lease liabilities, net of current portion	**1,703,747**
Post-employment benefits	**1,105,376**
Other non-current liabilities	**4,246,327**
Total non-current liabilities	**7,055,450**
Total liabilities	**Ps. 23,820,995**
Desconsolidation net assets	**3,598,567**
Total net assets	**Ps. (13,184,758)**
Consideration received, satisfied in cash	**Ps. 67,985,597**
Cash and cash equivalents disposed of	**(1,890,143)**
Net cash inflows	**Ps. 66,095,454**

Cash flows provided by (used in) discontinued operations

	2022	2021	2020
Net cash provided by operating activities	**Ps. —**	Ps. 6,993,434	Ps. 4,546,516
Net cash provided by (used in) investing activities	**66,025,838**	(2,016,523)	(864,053)
Net cash used in financing activities	**(15,218)**	(758,999)	(757,024)
Net cash flows	**Ps. 66,010,620**	Ps. 4,217,912	Ps. 2,925,439

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. 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.

For year ended December 31, 2022, 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.

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.

Substantially all non-essential economic activities are open. However, a resurgence of COVID-19, an increase in infection rates or the effect of new variants could trigger a renewal of governmental restrictions on non-essential activities, including but not limited to temporary shutdowns or additional guideline, which could be expensive or burdensome to implement, and which may affect the Group´s operations. The magnitude of the continuing impact of COVID-19 and new and emerging variants 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, consumer behavior in response to the COVID-19 pandemic and such governmental actions, as well as economic and operating conditions in the aftermath of COVID-19. Due to the evolving and uncertain nature of the COVID-19 pandemic and the risk of new variants, the Company's management is not able to estimate the full extent of the impact that COVID-19 may have in the Group's businesses, financial position and results of operations over the near, medium or long-term.

30. Events after the Reporting Period

In February 2023, the Company's Board of Directors approved a proposed dividend of Ps.0.35 per CPO payable in the second quarter of 2023, subject to approval of the Company's stockholders.

In February 2023, Sky executed a revolving credit facility with a Mexican bank for an amount up to Ps.1,000,000, and with a maturity in 2028. The funds may be used for general corporate purposes, including the repayment of debt. Under the terms of this revolving credit facility, Sky is required to comply with certain restrictive covenants and financial coverage ratios. In March 2023, upon the maturity of loans with two Mexican banks, Sky repaid the remaining portions of these loans in the aggregate principal amount of Ps.1,000,000 with (i) available cash on hand in the amount of Ps.600,000 and (ii) funds from this revolving credit facility in the principal amount of Ps.400,000, plus interest payable on a monthly basis at the annual interest rate of TIIE plus 0.85%. As of March 31, 2023, the unused principal amount of this revolving credit facility amounted to Ps.600,000.

In March 2023, the Company received funds derived from insurance contracts in the amount of U.S.$73.5 million (Ps.1,325,600) in connection with a provision for the settlement of a class action lawsuit (see Note 27).

On April 20, 2023, the District Court granted preliminary approval of the settlement agreement discussed in Note 27. The settlement remains subject to notice to the class, final approval by the District Court, and the satisfaction of customary conditions to effectiveness. Within twenty business days of receiving of complete payment instructions, the Company must transfer the settlement amount to the designated escrow account that was established for the administration of the settlement.

On April 26, 2023, the Company's stockholders approved, among other resolutions, (i) the audited consolidated financial statements of the Company as of December 31, 2022, and for the year ended on that date; (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 2023; (iii) the cancellation in May 2023 of 8,294.7 million shares of the Company's capital stock in the form of 70.9 million CPOs, which were repurchased by the Company in 2022 and 2023; and (iv) a reorganization to separate from the Company certain businesses of the Group's Other Businesses segment, including the soccer operations, the Azteca Stadium, gaming operations, and publishing and distribution of magazines. This reorganization will be implemented through a partial spin-off (*escisión*) of the Company and the creation of a new holding company of the spun-off businesses, which will be listed on the Mexican Stock Exchange and will have conditions, including compliance with applicable law, as well as obtaining all required corporate and regulatory authorizations (see Note 3).

Exhibit 1.1

English Version for Reference Purposes Only

Translation

BY-LAWS

CHAPTER I

CORPORATE NAME, DOMICILE, DURATION, CORPORATE PURPOSE AND NATIONALITY

ARTICLE FIRST.- The company shall be named "**GRUPO TELEVISA**", a corporate name which must always be followed by the words "**SOCIEDAD ANÓNIMA BURSÁTIL**" (Limited Liability Stock Corporation) or by its abbreviation "**S.A.B.**".

ARTICLE SECOND.- The corporate domicile of the company shall be MEXICO CITY, FEDERAL DISTRICT, but it may establish agencies and branches anywhere within the Mexican Republic or abroad and agree upon conventional domiciles, without it being understood as having changed the corporate domicile.

ARTICLE THIRD.- The duration of the company shall be NINETY-NINE years starting from the execution date hereof.

ARTICLE FOURTH.- The purpose of the Company is to:

I. Promote, incorporate, establish, organize, manage, take an interest in the capital and equity of all kinds of corporations, civil partnerships, associations or industrial, commercial or services companies, or of another kind, either national and foreign, as well as to participate in their management or winding up.

II. Purchase, sell, lease, exchange, encumber, manage with all kinds of real estate and safeguard of income-producing assets or the collection of credits and their interest.

III. Perform all kind of acts and enter into all kind of contracts and agreements allowed by the Mexican law, both with individuals and legal entities of private or public nature, including all kind of trusts, and to obtain therefrom concessions, licenses, permits and authorizations directly or indirectly related to its corporate purpose.

Only for purposes of carrying out the activities described above, the Company may carry out the following:

a) The acquisition, negotiation, safeguard and disposal of any title, shares, bonds, debentures, rights, assets, currencies, financial instruments, negotiable instruments, securities and equity interests of limited companies, civil partnerships or associations of any kind, both national and foreign, including the granting or receipt of the guarantees related to the aforementioned activities.

b) To take out or grant loans, granting or receiving the corresponding guarantees, issue debentures with or without a specific guarantee, to accept, draw, endorse and guarantee all kinds of negotiable instruments and grant bonds or guarantees of any kind with respect to the obligations undertaken by the Company or of the issued certificates accepted by third parties.

c) To receive all kinds of specialized services or technical, administrative, audit, financial, accounting, legal, oversight, organization, marketing, research, development, engineering, cleaning, safety, maintenance counseling and, in general, any kind of services not related to the industrial or commercial activities of this Company, whether of the Mexican Republic or abroad.

d) To produce, obtain, acquire, use, exploit, transfer, register or dispose of all kinds of patents, trademarks or trade names, franchises or industrial property rights, either in Mexico or abroad.

e) To produce, use and exploit works which may be protected under copyrights and related rights, as well as to acquire, exploit and transfer the title thereon or carry out acts at law related to the foregoing.

f) To lease, sublease, take and grant in bailment, use, possess, acquire, purchase, sell, build, repair, dispose of and operate, under any legal title, all kinds of equipment, warehouses, storehouses, plants, offices, rooms, premises and other establishments necessary or convenient for the attainment of the Company's purposes, including the acquisition and disposal of movable and immovable property and rights in rem which are deemed and considered essential and allowed by the law.

g) To represent individuals or legal entities, national or foreign, both in the United Mexican States and abroad which are directly related to the Company's activities and act as representative, agent, intermediary, mediator, agent, consignee, agent or commission agent thereof.

h) To take out all kinds of financing or loans, with or without specific guarantee, to grant loans to limited companies or civil partnerships in which the Company has an interest or business relationships and issue debentures and commercial paper, to accept, draw, endorse or guarantee all kinds of negotiable instruments and grant bonds or guarantees of any kind with respect to the obligations undertaken or the certificates issued or accepted by third parties, with which the Company has business relationships.

i) To grant all kinds of guarantees with respect to debentures or negotiable instruments at the expense of companies in which the Company has an interest, as well as of other companies or people with which the Company has a business relationship.

j) In general, to carry out or enter into all kinds of acts, agreements and related, ancillary or supplementary transactions which are necessary or convenient for the attainment of the aforementioned purposes.

ARTICLE FIFTH.- The capital stock will be represented by Series "A", "B", "D" and "L" shares, in accordance with the provisions set forth in Article Six of these By-laws.

Series "A", "B" and "D" shares may only be acquired by:

ONE. Individuals of Mexican nationality;

TWO. Mexican companies whose articles of association or By-laws contain a foreigner exclusion clause, whereby only Mexican individuals and Mexican companies whose articles of incorporation, in turn, contain a foreigner exclusion clause may be shareholders;

THREE Mexican credit institutions, guarantee institutions, insurance institutions, financial leasing companies, financial factoring companies, credit unions and Mexican investment companies, all of which must have a foreigner exclusion clause in their by-laws;

FOUR. Credit institutions, acting as trustees in trusts for funds or stock assignment/allotment and acquisition plans and retirement plans for Mexican employees, executives and workers; and

FIVE. Credit institutions, acting as trustees according to the Foreign Investment Law (Ley de Inversion Extranjera) and the Regulations of the Foreign Investment Law (Reglamento de la Ley de Inversion Extranjera) and the National Foreign Investments Registry (Registro Nacional de Inversiones Extranjeras).

The Company shall not admit, directly or indirectly, as shareholders those holding Series "A", Series "B" or Series "D" shares, foreign investors nor companies with a foreigner admission clause. Should such investors or companies acquire Series "A", Series "B" or Series "D" shares, the Company will not grant them any shareholders' rights whatsoever. The foregoing, in the understanding, however, that such investors and corporations may hold ordinary participation certificates issued based on the Company's shares, regardless of the series represented by such shares, provided that the trust to which such shares are affected is considered and has been authorized as a neutral investment in accordance with the applicable law.

Series "L" shares shall be considered neutral investment shares and may be acquired by Mexican investors and by foreign individuals or corporations and economic units, or by the persons or entities included in sections II and III of article Second of the Foreign Investment Law. The "L" Series shares will not be computed for the purpose of determining the amount and proportion of the foreign investors' participation in the capital stock, according to the applicable legal provisions.

In the event that any present or future foreigner, directly or indirectly, acquires Series "L" shares, by the mere fact of the acquisition thereof, formally undertakes, before the Ministry of Foreign Affairs, to consider itself a national with respect to the Series "L" shares that it acquires or of which it is the holder, as well as the assets, rights, concessions, participations or interests which are owned by the Company, or else with respect to the rights and obligations resulting from the agreement with respect to which the Company is a party with Mexican authorities, and to refrain from invoking the protection of its Government, under penalty, otherwise, of forfeiting to the acquired shares in favor of the Nation.

Holders of ordinary participation certificates issued based on Series "A", "B", "D" and "L" shares of the Company, who are foreign nationals or Mexican companies with a foreigner admission clause, may only and exclusively exercise the corporate rights associated with the Series "L" shares, which may not confer upon their holders, in any case, the right to appoint more than two members of the Company's Board of Directors.

Under no circumstances shall foreign governments or states be admitted as shareholders of the Company.

Control over the Company, at no time and under no circumstances, may be held, individually or jointly, de jure or de facto, by foreign individuals, legal entities of a nationality other than Mexican and/or Mexican companies with a majority of foreign capital. For purposes of this paragraph, "control" shall have the meaning provided in Section Two of Article Nine hereof.

ARTICLE SIXTH.- Capital stock is fixed.

The subscribed and paid-in capital stock is $2,366,460,665.59648 M.N. (two thousand three hundred sixty-six million four hundred sixty thousand six hundred sixty-five pesos 59648/100000 (fifty-nine thousand six hundred forty-eight diagonal one zero zero zero zero zero), NATIONAL CURRENCY), represented by 343,839,298,257 (three hundred forty-three thousand eight hundred thirty-nine million two hundred ninety-eight thousand two hundred fifty-seven) nominative shares, without par value, which will be divided into four series of shares, as follows:

i) Series "A" comprised by up to 119,301,613,375 (one hundred nineteen thousand three hundred one million six hundred thirteen thousand three hundred seventy-five) ordinary shares;

ii) Series "B" comprised by up to 55,487,207,692 (fifty-five thousand four hundred eighty-seven million two hundred seven thousand six hundred ninety-two) ordinary shares;

iii) Series "D" comprised by up to 84,525,238,595 (eighty-four thousand five hundred twenty-five million two hundred thirty-eight thousand five hundred ninety-five) shares with limited voting rights and preferential dividends, issued in accordance with Article One Hundred and Thirteen of the Mexican Companies Law (Ley General de Sociedades Mercantiles); and

iv) Series “L” comprised by up to 84,525,238,595 (eighty-four thousand five hundred twenty-five million two hundred thirty-eight thousand five hundred ninety-five) voting shares and other restricted corporate rights.

Series “A” and Series “B” will be comprised of ordinary shares, with full voting rights that will, at all times, represent 100% (one hundred percent) of the total ordinary shares. The sum of the Series “A” and Series “B” shares will represent, at least, 50% (fifty percent) plus one share of the Company’s capital stock and, therefore, at no time and under no circumstances, will the total number of ordinary shares be equal to, or less than, the sum of the Series “D” and “L” shares.

Series “D” will be comprised of shares with limited voting rights and preferred dividends issued pursuant to article one hundred and thirteen of the Mexican Companies Law, which will never represent, in addition to the Series “L” shares, a number equal to or greater than the total number of outstanding ordinary shares.

Series “L” will be comprised of restricted voting shares and with the limitation of other corporate rights, which will never represent, in addition to Series “D” shares, a number equal to or greater than the total number of outstanding ordinary shares.

The Company may entrust shares representing its capital stock and/or ordinary participation certificates, with credit institutions, in order to establish option plans in order to purchase or subscribe such securities, for the benefit of its executives and employees or for the benefit of the executives and employees of its subsidiaries, or of persons rendering services to the Company, its subsidiaries or to the companies in which it participates.

The Company may issue unsubscribed shares, which will be kept in the Company’s treasury for delivery as long as they are subscribed and paid for.

Likewise, the Company may issue unsubscribed shares for their placement among the investing public, pursuant to the terms and provided that the conditions established for such purpose by Article 53 (fifty-three) of the Securities Market Law (Ley del Mercado de Valores) and other applicable legal provisions are met, including the obtainment of the public offering authorization from the National Banking and Securities Commission (Comisión Nacional Bancaria y de Valores). The preemptive subscription right referred to in Article 132 (one hundred and thirty-two) of the Mexican Companies Law and Article Eleventh of these By-laws shall not be applicable in case of capital increases through public offerings.

ARTICLE SEVENTH.- Within their corresponding Series, each share shall grant equal rights and obligations to its holders.

Each Series “A” and Series “B” common share shall confer the right to 1 (one) vote at Shareholders Meetings.

I. The holders of Series “A” shares shall have the right to appoint and remove eleven proprietary members of the Board of Directors and their corresponding alternates, as well as the Chairman of the Board of Directors, to appoint or ratify the appointment of the Company’s Chairman or Chief Executive Officer and the Secretary and Alternate Secretaries of the Board of Directors, pursuant to the provisions set forth in Article Twenty-Second of these By-laws. Holders of Series “A” shares shall have all the ordinary patrimonial or pecuniary rights conferred by law and by these By-laws, including, without limitation, profit sharing and the preferential right to subscribe for such series’ new issued shares, in the proportion corresponding to them within the series itself.

II. The holders of Series “B” shares shall have the right to appoint and remove five proprietary members of the Board of Directors and their corresponding alternates, pursuant to the provisions set forth in Article Twenty-Second of these By-laws. Holders of Series “B” shares shall have all the ordinary patrimonial or pecuniary rights conferred by law and by these By-laws, including, without limitation, profit sharing and the preemptive right to subscribe for such series’ new issued shares, in the proportion corresponding to them within the series itself.

III. Series “D” shares shall confer upon their holders their voting right, at the rate of one vote per share, in accordance with article one hundred and thirteen of the Mexican Companies Law, that is, when shareholders are summoned to hear any of the matters referred to in sections I, II, IV, V, VI and VII of article one hundred and eighty-two of the Mexican Companies Law and shall be entitled to the privileges set forth in such article. Consequently, Series “D” shares confer upon their holders their voting right, at the rate of one vote per share, when the General Extraordinary Shareholders Meeting meets to discuss any of the following matters:

1 (one). Extension of the Company’s duration.

2 (two). Company’s early dissolution.

3 (three). Change in the Company’s corporate purpose.

4 (four). Change in the Company’s nationality.

5 (five). Company’s transformation; and

6 (six). Merger with another Company.

The holders of Series “D” shares, by resolution adopted by a Special Meeting called for such purpose, shall have the right to appoint and remove two proprietary members of the Board of Directors and their corresponding alternates, through the favorable vote of at least fifty percent of the holders of the outstanding Series “D” shares and whose resolution shall be notified to the General Ordinary Shareholders Meeting, through the person whom may have acted as secretary at the corresponding Special Meeting. The Proprietary and Alternate Directors whom are appointed by the holders of Series “D” shares, must comply with the requirements referred to in Article Twenty-First hereof. Except as provided in Article Twenty-Seventh of these By-laws, the removal of the Directors appointed by the holders of Series “D” shares shall be resolved at a Special Meeting and subsequently notified to the General Ordinary Shareholders Meeting in the same manner as the appointments.

In addition, the holders of the Series “D” shares will have the voting right, with respect to the cancellation of the registration of the Company’s Series “D” shares or with respect to other securities issued with respect of such shares before the National Securities Registry (Registro Nacional de Valores) and in other national or foreign stock exchanges in which they are inscribed or registered.

Holders of Series “D” shares will have the preferential right to subscribe such series’ new issued shares, in the proportion corresponding to them within the series itself.

The holders of Series “D” shares shall also be entitled to the payment of dividends referred to in articles sixteen fraction I, one hundred and twelve and one hundred and seventeen of the Mexican Companies Law, on the same terms as the other Company’s shareholders, after deduction of the minimum preferential dividend that has been covered as per the second paragraph of article one hundred and thirteen of the Mexican Companies Law, in accordance with the following:

a. According with article one hundred and thirteen of the Mexican Companies Law, no dividends may be assigned to the holders of ordinary shares without first paying those of Series “D” with a limited vote an annual dividend consisting of 0.00034177575 (zero point zero zero zero three four one seven seven five seven five) pesos, National Currency, per share, equivalent to five percent over the theoretical value of the Series “D” shares which amounts to 0.00683551495 (zero point zero zero six eight three five five one four nine five) pesos, National Currency, per share. When dividends are not declared in any fiscal year or are less than five percent, they shall be covered within the following years in accordance with the aforementioned priority.

b. Once the dividend provided for in paragraph a. above has been paid, if the General Shareholders Meeting declares the payment of additional dividends, the holders of Series “A”, “B” and “L” shares shall receive the same dividend amount which may have been received by the holders of Series “D” shares according to paragraph a. above, in order for all shareholders to receive the same dividend amount.

c. If the Company pays additional dividends, holders of all Series "A", "B", "D" and "L" shares will receive, per share, the same dividend amount, so that each Series "D" share will receive additional dividends in the same form and amount as each of the Series "A", "B" or "L" shares.

IV. Holders of Series "L" shares with restricted voting rights and with the limitation on other corporate rights will be entitled to attend and vote at the rate of one vote per share, solely and exclusively at such Series' Special Meetings and at the Extraordinary Shareholders Meetings that meet to discuss the following matters: (i) Company's transformation; (ii) Merger with another company or companies, whenever the Company is merged; and (iii) Cancellation of the Company's registration of Series "L" shares or other securities issued in respect of such shares before the National Securities Registry. The holders of Series "L" shares, by resolution adopted by a Special Meeting called for such purpose, shall be entitled to appoint and remove two proprietary members of the Board of Directors and their corresponding alternates, which shall be done by the favorable vote of at least fifty percent of the holders of the outstanding Series "L" shares, and whose resolution shall be notified to the General Ordinary Shareholders Meeting, through the person whom acted as secretary at the corresponding Special Meeting. The Proprietary and Alternate Directors appointed by the holders of Series "L" shares, if any, must comply with the requirements referred to in Article Twenty-First hereof. Except as provided in Article Twenty-Seventh of these By-laws, the removal of the Directors appointed by the holders of Series "L" shares shall be resolved at a Special Meeting and subsequently notified to the General Ordinary Shareholders Meeting in the same manner as the appointments. The holders of Series "L" shares will have the same patrimonial or pecuniary rights as the holders of the Series "A" and Series "B" ordinary shares, including the participation in profits and the preferential right to subscribe the new shares issued from that Series "L", in the proportion corresponding to them within the Series "L" itself.

ARTICLE EIGHTH.- The Company may acquire shares representing its capital stock or credit instruments representing such shares, without the prohibition referred to in the first paragraph of Article 134 (one hundred and thirty-four) of the Mexican Companies Law being applicable.

The acquisition of own shares shall be carried out in accordance with the provisions set forth in article 56 (fifty-six) of the Securities Market Law and other provisions in force at the time of the transaction, including those issued by the National Banking and Securities Commission.

ARTICLE NINTH.- First Section. The Company shall keep a share registry, in accordance with articles one hundred and twenty-eight and one hundred and twenty-nine of the Mexican Companies Law, either directly or in accordance with article 57 (fifty-seven), fraction IV, section b) of the Securities Market Law, which may be in charge of the Secretary of the Company's Board of Directors; of an institution for the deposit of securities, of a credit institution or of the person indicated by the Board of Directors to act in the name and on behalf of the Company as Registrar agent.

For a term that will expire precisely on December tenth of the year two thousand eight, the Company's shares will necessarily be documented in titles that unite one or more Series "A" shares, Series "B" shares, Series "D" shares, Series "L" shares and, if applicable, such other series as the shareholders meeting may determine. In this way, as soon as the shares representing the capital stock are organized by means of these securities, the Company will register, for such term, in its share registry, only the "A", "B", "D", "L" shares and, if applicable, the other series in question, in the form of these securities and only at the end of such term, the Company will be able to acknowledge and register the shares corresponding to the different series independently. The securities referred to in this paragraph shall be entrust for the purpose of having the trustee issue ordinary certificates of participation listed on the securities markets.

The provisions provided in the precedent paragraph shall not be applicable (i) with respect to Series "A" shares or any other series held by the person holding the majority of Series "A" shares and permanent shareholder of the Company or any of its beneficiaries, successors or assigns or to credit institutions acting as trustees on behalf of any of them and (ii) with respect to Series "A" shares or any other series which, as the case may be, are contributed or affected in favor of credit institutions acting as trustees in trusts constituted for the purpose of establishing plans for the benefit of employees and executives of the Company or its subsidiaries, or for the benefit of persons rendering services to the Company, its subsidiaries or the companies in which these participate, same which, by virtue thereof, may hold shares of these series independently in the such trusts' trust estate.

The stock registry shall remain closed during the periods from the fifth business day prior to the holding of any Shareholders Meeting, up to and including the date in which such Meeting is held. No entry shall be made into the Registry during such periods.

However, the Board of Directors or the Executive Committee, indistinctly, may order that such registry be closed, when they deem it convenient, with greater anticipation, provided that it is so specified in the call and that such call is published at least ten days in advance to the closing of said registry. Likewise, the Board of Directors or the Executive Committee may cancel any registrations made in the registry in the event of non-compliance with respect to the provisions set forth in Section Second hereof.

The Company shall consider as legitimate holders those holders whom are registered as such within the share registry itself, considering the provisions set forth in article seventy-eight of the Securities Market Law, the latter, subject to the provisions set forth in Section Second hereof.

Section Second. (A) Any Person (as defined below) who individually or jointly with a Related Person (as defined below), intends to acquire ordinary Shares (as defined below) or rights in ordinary Shares, by any means or title, directly or indirectly, either in an act or in a succession of acts with no time limit between them, the consequence of which is that its shareholding individually or jointly with the Shares a Related Person acquires, has acquired or intends to acquire or its ownership of rights over ordinary Shares, individually or jointly with the rights over Shares a Related Person acquires, has acquired or intends to acquire, directly or indirectly, is equal to or greater than 10% (ten percent) of the total ordinary Shares; (B) any Person whom, individually or jointly with a Related Person, intends to acquire ordinary Shares or rights over ordinary Shares, by any means or title, directly or indirectly, either through one act or in a succession of acts with no time limit between them, representing individually or jointly with the Shares a Related Person acquires, has acquired or intends to acquire, 10% (ten percent) or more of the total of the ordinary Shares; (C) any Person whom is a Competitor (as defined below) of the Company or of any Subsidiary (as defined below) or Affiliate (as defined below) of the Company, who individually or jointly with a Related Person, intends to acquire Shares or rights over Shares, by any means or title, directly or indirectly, either in one act or in a succession of acts without any time limit between them, the consequence of which is that its shareholding individually or jointly with the Shares a Related Person acquires, has acquired or intends to acquire or its ownership of rights over Shares, individually or jointly with the rights over Shares a Related Person acquires, has acquired or intends to acquire, directly or indirectly, is equal to or greater than 5% (five per cent) of the total Shares issued; and (D) any Person whom is a Competitor of the Company or of any Subsidiary or Affiliate of the Company, whom individually or jointly with a Related Person, intends to acquire Shares or rights over Shares, by any means or title, directly or indirectly, either in one act or in a succession of acts with no time limit between them, that individually or jointly with the Shares that a Related Person acquires, has acquired or intends to acquire, represent 5% (five percent) or more of the total Shares issued, shall require the prior written authorization of the Board of Directors and/or the Shareholders Meeting, as indicated below. For these purposes, the corresponding Person shall comply with the following:

I. Board of Directors' approval:

1 (one). The Person in question must submit a written authorization request to the Board of Directors. Such request must be addressed and delivered without any doubt to the Chairman of the Board of Directors, with a copy to the Secretary and to the Alternate Secretaries of the Board itself. The application must state and detail the following:

(a) the number and class or series of Shares with respect to which the Person concerned or any Related Person thereto (i) is the owner or co-owner, either directly or through any Person or through any relative by consanguinity, affinity or civil to the fifth degree or any spouse or concubine or through any other person; or (ii) in respect of which it has, shares or enjoys any right, whether contractually or otherwise;

(b) the number and class or series of Shares that the Person concerned or any Related Person thereto intends to acquire (i) either directly or through any Person in which it has any interest or participation, whether in the capital stock or in the management, administration or operation or else, through any relative by consanguinity, affinity or civil up to the fifth degree or any spouse or concubinary or through any other person;

(c) the number and class or series of Shares with respect to which it purports to obtain or share any right, whether by contract or otherwise;

(d) (i) the percentage that the Shares referred to in section (a) above represent, with respect to the total Shares issued by the Company; (ii) the percentage that the Shares referred to in section (a) above represent with respect to the corresponding class or series; (iii) the percentage that the Shares referred to in sections (b) and (c) above represent, with respect to the total Shares issued by the Company; and (iv) the percentage that the Shares referred to in sections (b) and (c) above represent with respect to the corresponding class or series;

(e) the identity and nationality of the Person or group of Persons intending to acquire the Shares, provided that if any such Person is a legal entity, trust or its equivalent, or any other vehicle, entity, enterprise or form of economic or trade association, the identity and nationality of the partners or shareholders, settlors and trustees, or their equivalent, members of the technical committee, or its equivalent, successors, members or associates must be specified, as well as the identity and nationality of the Person or Persons whom control (as defined in this concept below), directly or indirectly, the legal entity, trust or its equivalent, vehicle, entity, company or economic or mercantile association in question, until the natural person or persons holding any right, interest or participation of any nature in the legal entity, trust or its equivalent, vehicle, entity, company or economic or commercial association in question are identified;

(f) the reasons and objectives for which it intends to acquire the Shares which are the subject of the authorization requested, mentioning in particular whether it intends to acquire, directly or indirectly, (i) Shares additional to those referred to in the application for authorization, (ii) a Significant Shareholding or (iii) Control of the Company;

(g) whether if it is, directly or indirectly, a Competitor of the Company itself or of any Subsidiary or Affiliate of the Company and whether it has the power to acquire the Shares lawfully in accordance with these By-laws and the applicable law; in addition, it must be specified if whether the Person intending to acquire the Shares in question has relatives by consanguinity, affinity or civil to the fifth degree or any spouse or concubine, whom may be considered a Competitor of the Company or of any Subsidiary or Affiliate of the Company, or if it has any economic relationship with a Competitor or any interest or participation in either the equity or the management, administration or operation of a Competitor, directly or through any Person or relative by consanguinity, affinity or civil to the fifth degree or any spouse or concubine;

(h) the origin of the economic resources which it intends to use in order to pay the price of the Shares subject matter to the application; in the event that the resources originate from any financing, the identity and nationality of the Person providing such resources shall be specified and the documentation signed by such Person, accrediting and explaining the conditions of such financing, shall be submitted together with the authorization application; and

(i) if it is part of any economic group, comprised by one or more Related Persons, which as such, in an act or succession of acts, intends to acquire Shares or rights therein or, if applicable, if such economic group owns Shares or rights therein:

(j) if it has received economic resources as result of a loan or in any other capacity from a Related Person or if it has provided economic resources on loan or in any other capacity to a Related Person for purposes of paying the price of the Shares;

(k) the identity and nationality of the financial institution that would act as the lead broker if the acquisition in question is made through a public offer.

2 (two). Within ten (10) days following the date of receipt of the authorization request referred to in numeral I.1 (Roman numeral one point one) above, the Chairman or the Secretary or, in the absence of the latter, any Alternate Secretary, shall call upon the Board of Directors to discuss and decide on the aforementioned authorization request. The calls for meetings of the Board of Directors must be made in writing and sent by the Chairman or the Secretary or, in the absence of the latter, by any Alternate Secretary, to each of the proprietary directors and alternates with at least forty-five (45) days in advance to the date on which the meeting must take place, by registered mail, private messenger service, telegram, telex, telecopier or fax, to their domiciles or to such places as the directors themselves have indicated, in writing, in order to be summoned for the matters referred to herein . Alternate directors shall only deliberate and vote if the corresponding proprietary director does not attend the meeting called. The calls must specify the time, date, place of meeting and the respective Agenda.

For the purposes of this Article of the By-laws, resolutions adopted outside a Board meeting shall not be rendered valid.

3 (three). Except as provided in the last paragraph of this subsection I.3 (Roman numeral one point three), the Board of Directors shall decide on any authorization application submitted to it within sixty (60) days after the date in which such application is submitted to it. The Board of Directors may, in any case, and without incurring any liability, submit the authorization request to the general extraordinary shareholders meeting so that the latter may resolve the matter. Notwithstanding the foregoing, it shall be the general extraordinary shareholders meeting whom necessarily decides on any authorization request in the following cases:

(a) when the acquisition of Shares which is the subject matter of the application involves a change of Control in the Company; or

(b) when, having been called in terms of the provisions hereof, the Board of Directors could not have been installed for any reason; or

(c) when, having been called in terms of the provisions hereof, the Board of Directors does not rule on the authorization request submitted to it, except in cases whereby it does not rule because it has requested the documentation or clarifications referred to in the next paragraph.

The Board of Directors may request from the Person who intends to acquire the Shares in question such additional documentation and clarifications as it may deem necessary in order to resolve on the authorization request submitted to it, including the documentation accrediting the veracity of the information referred to in paragraphs I.1 (Roman numeral one point one) (a) to I.1 (Roman numeral one point one) (k) of this Article. In the event that the Board of Directors requests the aforementioned clarifications or documentation, the sixty (60) days term provided set forth in the first paragraph of this section I.3 (Roman numeral one point three) shall be computed starting from the date on which the aforementioned Person makes or delivers, as the case may be, the clarifications or documentation requested by the Board of Directors itself, through its Chairman, the Secretary or any Alternate Secretary.

4 (four). In order for the Board to validly meet, at least 75% (seventy-five percent) of the corresponding proprietary or alternate directors must be present, and their agreements and resolutions, in order to be rendered valid, must be adopted by the favorable vote of the majority of the directors present. The Chairman of the Board shall have the deciding vote in the event of a tie.

The meetings of the Board of Directors called in order to resolve on the aforementioned authorization requests shall consider and adopt resolutions only in relation to the authorization request referred to in this numeral I. The meetings of the Board of Directors called in order to resolve on the authorization requests shall consider and adopt resolutions only in relation to the authorization request referred to in this numeral I.

5 (five). In the event that the Board of Directors authorizes the proposed acquisition of Shares and that such acquisition involves the acquisition of a Significant Shareholding (as defined below) without such acquisition exceeding half of the ordinary Shares with voting rights or implying a change of Control in the Company, the Person intending to acquire the Shares in question must make a public offer to purchase, at a price payable in cash, the percentage of Shares equivalent to the percentage of ordinary Shares with voting rights which it intends to acquire or for 10% (ten per cent) of the Shares, whichever is greater.

The public purchase offer to which this subsection I.5 (Roman numeral one point five) refers must be made simultaneously in Mexico and in the United States of America within sixty (60) days following the date on which the acquisition of the Shares in question may have been authorized by the Board of Directors. The price paid for the Shares shall be the same, regardless of the corresponding class or series.

In the event that there are securities or instruments representing two or more shares representative of the Company's capital stock and shares issued and independently outstanding, the price of the latter shall be determined by dividing the price of the aforementioned securities or instruments by the number of the underlying shares thereby represented.

6 (six). Any Person whom is a Competitor of the Company or a Competitor of any Subsidiary or Affiliate of the Company, whom intends to acquire Shares or rights over Shares, by any means or title, directly or indirectly, either in one act or in a succession of acts without time limit between them, the consequence of which is that their shareholding or their ownership of rights over Shares, directly or indirectly, is equal to or greater than 5% (five per cent) of the total Shares issued and any Person whom is a Competitor of the Company or of any Subsidiary or Affiliate of the Company, whom intends to acquire Shares or rights over Shares, by any means or title, directly or indirectly, either in an act or in a succession of acts with no time limit between them, representing 5% (five per cent) or more of the total Shares issued, shall require the prior written authorization of the Shareholders Meeting. The corresponding authorization request must be submitted to the Board of Directors, which must be cited in accordance with the provisions set forth in I.1 (Roman numeral one point two). and I.2 (Roman numeral one point two) hereof. The Board of Directors may deny the requested authorization or submit the authorization request in question to the consideration of the general extraordinary shareholders meeting so that the latter may resolve on the matter.

II. The shareholders meeting approval:

1 (one). In the event that the authorization request referred to herein is submitted to the consideration of the general extraordinary shareholders meeting, the Board of Directors, through the Chairman or the Secretary or, in the absence of the latter, by any Alternate Secretary, shall call its own general extraordinary shareholders meeting.

2 (two). For purposes of the provisions set forth herein, the notice of the general extraordinary shareholders' meeting must be published in the official newspaper corresponding to the Company's domicile and in two of the largest circulation daily newspapers in such domicile, at least thirty (30) days prior to the date set for the corresponding meeting; in case of a second call, the publication must also be made with at least thirty (30) days before the date set for the holding of the corresponding meeting; in the understanding that this last notice may not be published until after the date for which the meeting was called on a first notice and it may have not been installed.

The notice shall contain the Agenda and must be signed by the Chairman or the Secretary or, in the absence of the latter, by any Alternate Secretary of the Board of Directors.

3 (three). For purposes of this Article, in order for a general extraordinary shareholders meeting to be deemed legally assembled by virtue of first or subsequent notice, at least 85% (eighty-five per cent) of the ordinary Shares with voting rights must be duly represented and its resolutions will be valid when adopted by the favorable vote of the holders of Shares representing at least 75% (seventy-five per cent) of the ordinary Shares with voting rights.

As soon as the notice for the shareholders meeting referred to herein is published, the information and documents relating to the Agenda and, therefore, the authorization request provided for in numeral I.1 (Roman numeral one point one) hereof, as well as any opinion and/or recommendation which the Board of Directors may have issued in relation to the aforementioned authorization request, must be immediately placed at their disposal, free of charge, at the offices of the Company's Secretariat.

4 (four). In the event that the general extraordinary shareholders meeting authorizes the proposed Share acquisition and such acquisition involves the acquisition of a Significant Shareholding (as defined below) without such acquisition exceeding one-half of the ordinary Shares with voting rights or implying a change of Control in the Company, the Person intending to acquire the Shares in question must make a public purchase offer, at a price payable in cash, for the percentage of Shares equivalent to the percentage of ordinary Shares with voting rights it intends to acquire or for 10% (ten per cent) of the Shares, whichever is greater.

The public purchase offer referred to in paragraph 4 (four) above will have to be simultaneously made in Mexico and in the United States of America within sixty (60) days following the date on which the corresponding Share acquisition was authorized by the general extraordinary shareholders meeting. The price paid for the Shares shall be the same, irrespective of the corresponding class or series. In the event that there are securities or instruments representing two or more shares representing the Company's capital stock and shares issued and independently outstanding, the price of the latter shall be determined by dividing the price of the aforementioned securities or instruments by the number of underlying shares thereby represented.

5 (five). In the event that the general extraordinary shareholders meeting authorizes the proposed acquisition of Shares and such acquisition implies a change of Control in the Company, the Person intending to acquire the Shares in question must make a public purchase offer for 100% (one hundred per cent) minus one of the outstanding Shares, at a price payable in cash not lower than the price that is higher than the following:

a. the Share's book value in accordance with the last quarterly income statement approved by the Board of Directors, or

b. the highest closing price of any of the three hundred and sixty-five (365) days prior to the date of the authorization granted by the general extraordinary shareholders meeting, or

c. the highest price paid for Shares, at any time, by the Person acquiring the Shares subject to the application authorized by the general extraordinary shareholders meeting.

The public purchase offer referred to in paragraph 5 (five) above must simultaneously be made in Mexico and in the United States of America within sixty (60) days following the date on which the acquisition of the corresponding Shares was authorized by the general extraordinary shareholders meeting. The price paid for the Shares shall be the same, regardless of the corresponding class or series. In the event that there are securities or instruments representing two or more shares representative of the Company's capital stock and shares issued and independently outstanding, the price of the latter shall be determined by dividing the price of the aforementioned securities or instruments by the number of underlying shares thereby represented.

6 (six). The Person whom carries out any Share acquisition authorized by the general extraordinary shareholders meeting shall not be entered into the Company's share registry until such time as the public purchase offer referred to in items II.4 (Roman numeral two point four) and II.5 (Roman numeral two point five) above has been completed. Consequently, such Person may not exercise the corporate or economic rights corresponding to the Shares which acquisition may have been authorized until such time as the public purchase offer has been concluded.

In the case of Persons whom are already considered Company's shareholders and, therefore, are registered within the Company's share registry, the acquisition of Shares which may be authorized by the general extraordinary shareholders meeting will not be registered within the Company's share registry until such time as the public purchase offer has been concluded and, consequently, such Persons may not exercise the corporate or economic rights corresponding to the acquired Shares.

The Board of Directors and the Shareholders Meeting, as the case may be, shall have the right to determine whether one or more Persons intending to acquire Shares are acting in a joint, coordinated or concerted manner with others, in which case, the Persons in question shall be considered as a single person for the purposes hereof.

Likewise, the Board of Directors and the Shareholders Meeting, as the case may be, may determine the cases whereby the Shares held by different Persons shall, for the purposes hereof, be considered as Shares held by the same Person. To that effect, it shall be understood that Shares of the same Person are the Shares held by a Person, in addition to the Shares (i) which are held by any relative by consanguinity, affinity or civil up to the fifth degree or any spouse or concubine of that Person or (ii) which are owned by any corporate entity, trust or its equivalent, vehicle, entity, company or economic or commercial association, when that legal person, trust or commercial trust or its equivalent, vehicle, entity, company or

economic or commercial association is Controlled by the aforementioned Person or (iii) which are owned by any Person Related to such Person.

In their evaluation of the authorization requests referred to herein, the Board of Directors and/or the Shareholders Meeting, as the case may be, shall take into account the factors they deem pertinent, considering the Company's interests as well as those of its shareholders, including financial, market, business and other factors.

In order for a general extraordinary shareholders meeting, which is intended to deal with a merger, a spin-off or an increase or reduction in the Company's capital stock involving a change of Control in the Company, to be considered as having been legally called by virtue of a first or subsequent call, at least 85% (eighty-five per cent) of the ordinary Shares with voting rights must be represented therein and its resolutions will be valid when adopted by the favorable vote of the holders of Shares representing at least 75% (seventy-five per cent) of the ordinary Shares with voting rights.

The Person whom acquires Shares without having complied with any of the formalities, requirements and other provisions set forth herein shall not be registered in the Company's share registry and consequently, such Person may not exercise the corporate or economic rights corresponding to such Shares, including specifically the exercise of the voting right at shareholders meetings. In the case of Persons whom are already Company's shareholders and are, therefore, registered within the Company's share registry, the acquisition of Shares carried out without having complied with any of the formalities, requirements and other provisions set forth herein will not be registered within the Company's share registry and, consequently, such Persons may not exercise the corporate or economic rights corresponding to such Shares, including, specifically, the exercise of the voting right at shareholders meetings. In cases whereby any of the formalities, requirements and other provisions set forth herein have not been met, the certificates or list referred to in the first paragraph of article 78 (seventy-eight) of the Securities Market Law shall not evidence ownership of the Shares or accredit the right to attend shareholders meetings and registration within the Company's share registry, nor shall they legitimize the exercise of any action, including those of a procedural nature.

The authorizations granted by the Board of Directors or by the Shareholders Meeting pursuant to the provisions of this Article shall cease to have effect if the information and documentation, on the basis of which such authorizations were granted, is not or ceases to be true.

In addition and pursuant to the provisions set forth in article 2117 (two thousand one hundred and seventeen) of the Federal Civil Code, any Person whom acquires Shares in violation of the provisions hereof shall be obligated to pay a conventional penalty to the Company for an amount equivalent to the market value of all the Shares which it may have acquired without the authorization referred to herein. In case of acquisitions of Shares carried out in violation of the provisions set forth herein and made free of charge, the conventional penalty shall be for an amount equivalent to the market value of the Shares subject to the corresponding acquisition.

The provisions of Section Second hereof shall not be applicable with respect to (a) acquisitions or transfers of Shares made by succession, whether by inheritance or legacy, or (b) the acquisition of Shares (i) by the Person whom, directly or indirectly, has the power or possibility of appointing the largest number of members of the Company's board of directors; (ii) by any corporation, trust or its equivalent, vehicle, entity, enterprise or other form of economic or commercial association which is under Control of the Person referred to in (i) above; (iii) by succession of property with respect to the Person referred to in (i) above; (iv) by the ascendants or descendants in a straight line up to the third degree corresponding to the Person referred to in subsection (i) above; or (v) by the Person referred to in subsection (i) above, when its repurchasing the Shares of any corporation, trust or its equivalent, vehicle, entity, enterprise, form of economic or commercial association, ascendants or descendants referred to in subsections (ii) and (iv) above; and (vi) by the Company or its Subsidiaries, or by trusts constituted by the Company itself or by its Subsidiaries or by any other Person Controlled by the Company or by its Subsidiaries.

For the purposes hereof, the following terms or concepts shall have the following meanings:

"Shares" means the shares representing the Company's capital stock, whatever their class or series may be, or any title, security or instrument issued with respect to such shares or conferring any right over such shares or convertible into such shares, including specifically ordinary participation certificates representing the Company's shares.

"Affiliate" means any Company which Controls, is Controlled by, or is under Common Control with, any Person.

"Competitor" means any Person engaged, directly or indirectly, (i) in the business of television production, television broadcasting, pay-per-view television programming, distribution of television programs, direct-to-home satellite services, periodicals, publishing and distribution thereof, music recording, cable television or any other medium known or to be known, radio production, radio broadcasting, promotion of professional sports and other entertainment events, radiolocation services, film production and distribution, dubbing, the operation of any Internet portal and/or (ii) any activity performed by the Company or by its Subsidiaries representing 5% (five percent) or more of the Company's and its subsidiaries consolidated income.

"Control", "Controlling" or "Controlled" means: (i) owning a majority of the voting ordinary shares representative of a company's capital stock or of securities or instruments issued on the basis of such shares; or (ii) the power or possibility of appointing the majority of the members of the board of directors or the administrator of a legal entity, trust or trust or its equivalent, vehicle, entity, company or other form of economic or commercial association, either directly or indirectly, through the exercise of the voting right corresponding to the shares or equity interests owned by a Person, with respect to any agreement in the sense that the voting right corresponding to shares or equity interests corresponding to the company owned by a third party is exercised in the same way in which the voting right corresponding to the shares or equity interests of the company owned by the aforementioned Person is exercised or in any other way; or (iii) the authority to determine, directly or indirectly, the policies and/or decisions corresponding to the management or operation of a legal entity or trust or its equivalent, vehicle, entity, enterprise or any other form of economic or commercial association;

"Significant Shareholding" means the ownership or holding, directly or indirectly, of 20% (twenty percent) or more of the Common Shares with voting rights.

"Person" means any individual or legal entity, corporation, trust or its equivalent, vehicle, entity, company or any other form of economic or commercial association or any of their Subsidiaries or Affiliates or, if so determined by the Board of Directors or the Shareholders' Meeting, any group of Persons acting in a joint, concerted or coordinated manner in accordance with the provisions set forth herein.

"Related Person" means any individual or legal entity, corporation, trust or its equivalent, vehicle, entity, company or any other form of economic or commercial association, or any relative by consanguinity, affinity or civil up to the fifth degree or any spouse or concubine, or any of the Subsidiaries or Affiliates of all of the foregoing, (i) which are part of the same economic or interest group as the Person intending to acquire Shares or which is a Subsidiary or Affiliate thereof or (ii) acting together with the Person intending to acquire Shares.

"Subsidiary" means any corporation with respect to which a Person owns a majority of the shares representing its capital stock or with respect to which a Person has the right to appoint the majority its board of directors' members or its administrator.

The provisions contained herein shall apply regardless of the laws and general provisions relating to the mandatory securities acquisition on the markets on which the Shares or other securities issued in connection therewith or rights derived therefrom are listed (i) which must be disclosed to the authorities or (ii) which must be carried out through a public offer.

The amendment of Section Second hereof shall require the prior written authorization of the National Banking and Securities Commission.

This agreement shall be registered before the Public Registry of Commerce corresponding to the Company's corporate domicile and shall be noted on the titles of the shares representing the Company's capital stock, so that it may be effective against third parties.

ARTICLE TENTH.- Legal entities controlled by the Company may not acquire, directly or indirectly, shares representing the Company's capital stock or credit instruments representing such shares, except in those cases provided for by the Securities Market Law and in the event that such legal entities acquire Company's shares in order to comply with options or sale plans granted or designed, or which may be granted or designed in favor of employees or officers corresponding to such persons or to the Company, provided that the number of such acquired shares does not exceed 25% (Twenty-five percent) of the Company's total outstanding shares and there is no prohibition in this respect in the applicable legislation.

CHAPTER III
CAPITAL INCREASES AND DECREASES

ARTICLE ELEVENTH.- Capital increases shall be carried out by resolution of the General Extraordinary Shareholders Meeting and the subsequent amendment to the By-laws. When the corresponding resolutions are adopted, the Shareholders Meeting decreeing the increase or any subsequent Shareholders Meeting shall establish the terms and bases according to which such increase shall be carried out. The foregoing, subject to the provisions of Section Second of Article Ninth hereof.

With respect to capital increases, the issuance of shares may be agreed upon, but in no case may the Series "L" or Series "D" shares exceed the maximum amount referred to in Article Sixth hereof.

Capital increases shall be carried out by means of: (i) capitalization of stockholders' equity accounts referred to in Article One Hundred and Sixteen of the Mexican Companies Law, (ii) payment in cash or in kind, (iii) capitalization of liabilities, or (iv) according to Article fifty-three of the Securities Market Law, in which case the preemptive subscription right referred to in article one hundred and thirty-two of the Mexican Companies Law shall not be applicable. In increases by capitalization of stockholders' equity accounts, all holders of shares shall be entitled to their proportional share with respect to such accounts. With respect to increases for payment in cash or in kind or for capitalization of liabilities, the shareholders holding the existing outstanding shares at the time the increase is determined shall have preference, with the prerogatives and limitations established by the applicable law of each country, as the case may be, in order to subscribe the new shares which are issued or placed into circulation so as to represent the increase, in proportion to the shares held within the corresponding Series at the time of the increase, during a term of at least fifteen days provided for such purpose by the Shareholders Meeting decreeing the increase. Such term shall be computed from the date in which the corresponding notice is published within the corporate domicile's official newspaper (which, for the purposes of these By-laws, the shareholders have given such character to the Federation's Official Gazette) and in one of the largest daily circulation newspapers at the corporate domicile, or calculated from the date the Shareholders Meeting is held, in the event that all the shares into which the corporate capital is divided have been represented at the Shareholders Meeting.

In case after the expiration of the term during which the shareholders should exercise the preference hereby granted to them, some shares still remain unsubscribed, they may be offered for subscription and payment, under the conditions and terms established by the Shareholders Meeting decreeing the capital increase itself, or in accordance with the terms established by the Board of Directors, the Executive Committee or the Delegates appointed by the Shareholders Meeting for this purpose, in the understanding that the price at which the shares are offered to third parties may not be lower than the price at which they were offered to the Company's shareholders for subscription and payment.

ARTICLE TWELFTH.- The capital stock may be reduced by resolution of the Extraordinary Shareholders Meeting, in accordance with the rules set forth herein. Reductions in the capital stock will be adopted by resolution of the General Extraordinary Shareholders Meeting and the consequent amendment of the By-laws, complying, in any cases, with the provisions set forth in Article Ninth and, where applicable, One Hundred and Thirty Five of the Mexican Companies Law. Likewise, the capital stock may be reduced in accordance with the provisions set forth in Article Fifty-Sixth of the Securities Market Law. The foregoing, also subject to the provisions contained in Section Second of Article Ninth hereof.

Decreases in capital stock may be made in order to absorb losses, to reimburse shareholders or to release them from unmade payments, for the acquisition of the Company's own shares or, as the case may be, for the amortization of shares with distributable profits, as well as in any other case in accordance with applicable law.

In no case may capital stock decreases shall be made or repurchase shares representing the corporate capital stock or securities representing them in such manner that the number of outstanding Series "L" or Series "D" shares exceeds the maximum referred to in Article Sixth hereof.

Capital stock decreases in order to absorb losses shall be made proportionally in all capital shares, without it being necessary to cancel shares, since these do not contain par value.

The Company may redeem shares with distributable profits, without reducing its capital stock, for which, the Extraordinary Shareholders Meeting agreeing on the redemption, in addition to the provisions set forth in Article One Hundred and Thirty-Six of the Mexican Companies Law, shall observe the following rules:

a) The Shareholders Meeting may resolve to redeem shares to all shareholders, which shall be carried out in such a way that, after such redemption, the shareholders preserve the same percentages with respect to the capital stock and the shareholding they previously held.

b) When the redemption of shares is carried out through their acquisition on the stock exchange, through a public purchase offer, the Shareholders Meeting, after adopting the corresponding resolutions, may authorize the Board of Directors to specify the number of shares which will be redeemed and to designate the person whom will act as intermediary or purchasing agent, as well as any other provisions which may be rendered necessary.

c) The titles corresponding to the redeemed shares will be extinguished.

In no case may shares be redeemed in such a way that the number of outstanding Series "L" or Series "D" shares exceeds the maximum number referred to in Article Sixth hereof.

ARTICLE THIRTEENTH.- The definitive titles or provisional certificates representing the shares shall be nominative and may cover one or more shares, shall contain the mentions referred to in Article One Hundred and Twenty-five of the Mexican Companies Law, the indication of the Series to which they correspond, shall bear the text contained in Article Sixth and Article Ninth hereof, and shall be subscribed by two Board of Directors' proprietary members.

The signatures of the aforementioned administrators may be handwritten or printed in facsimile, provided, in the case of the latter, that the original of the corresponding signatures is deposited before the Public Registry of Commerce of the corporate domicile. In case of definitive titles, these shall bear the nominative coupons numbered in accordance with the applicable law or as determined by the Board of Directors.

CHAPTER IV

SHAREHOLDERS MEETINGS

ARTICLE FOURTEENTH.- Shareholders Meetings shall be General or Special and Extraordinary or Ordinary.

Extraordinary Meetings shall be those called in order to deal with any of the matters indicated in article One Hundred Eighty-two of the Mexican Companies Law and Articles Ninth, Section Second, Twenty-First and Twenty-third hereof, and those other acts which, by express provision of the law or these By-laws, must be dealt with, deliberated upon and resolved at an Extraordinary Meeting. Likewise, Extraordinary Meetings will be those which agree on the cancellation of the registration of the Company's shares before the National Securities Registry and in other national stock exchanges or foreign markets before which they are registered. All others shall be rendered Ordinary Meetings.

Special Meetings will be those which meet in order to deal with the following matters, as they correspond to the corresponding Series and will be subject to the provisions set forth in Article Twenty Fifth hereof, and, insofar as it is not provided herein, to the provisions applicable to Extraordinary Meetings:

(i) Special Meetings of Series "D" Shares:

Special meetings of Series "D" Shares will be held by the shareholders of such Series in order to:

(a) Appoint and remove the Board of Directors' proprietary members and their corresponding alternates which Series "D" is responsible for appointing in accordance with the provisions of Articles Seventh, Twenty Sixth and other relative articles hereof.

(b) Discuss and approve, in advance, any proposal which may prejudice the rights conferred by these By-laws on Series "D" shares and not on those of the other series.

(ii) Special Meetings of Series "L" Shares:

Special meetings of Series "L" Shares will be held by the shareholders of such Series in order to:

(a) Appoint and remove the Board of Directors' proprietary members and their corresponding alternates which Series "L" is responsible for appointing in accordance with the provisions of Articles Seventh, Twenty Sixth and other relative articles hereof.

(b) Discuss and approve, in advance, any proposal which may prejudice the rights conferred by these By-laws on Series "L" shares and not on those of the other series.

ARTICLE FIFTEENTH.- Calls for Shareholders Meetings must be carried out by the Board of Directors or by any of the Audit or Corporate Practices Committees in accordance with the terms of the Securities Market Law; however, shareholders representing at least ten percent of the capital stock, with voting rights, as applicable, may request, in writing, at any time, that the Board of Directors or any of the Audit or Corporate Practices Committees, through their corresponding Chairman, call a General Shareholders Meeting in order to discuss the matters specified in their request, in accordance with article one hundred and eighty four of the Mexican Companies Law. The foregoing, regardless of the provisions contained in Article Ninth, Section Second hereof.

Any shareholder owning a voting share shall have the same right, in any of the cases referred to in article One Hundred Eighty-Five of the Mexican Companies Law. If the call is not made within fifteen days following the date of the request, a Civil or District Judge within the Company's domicile shall make it at the request of any of the interested parties, whom must exhibit their shares for this purpose.

ARTICLE SIXTEENTH.- Calls for Shareholders Meetings must be published in the official newspaper of the Company's domicile or in one of the largest daily circulation newspapers therein, and may be published in a newspaper with wide circulation in Manhattan, New York, United States of America, at least fifteen days prior to the date set for the Shareholders Meeting, in case of a call for the General Ordinary Shareholders Meeting, and at least eight days prior to the date set for the Shareholders Meeting, in case of a call to the General Extraordinary Meeting or to the Special Shareholders Meeting. In case of a second call, the publication must be made at least eight days prior to the date set for the holding of the corresponding meeting, regardless if the meeting is general or special, ordinary or extraordinary.

Shareholders meetings may be called by the Board of Directors, by the Chairman and/or the Secretary of the Board of Directors and by any of the Audit or Corporate Practices Committees, through their corresponding Chairman. The calls shall contain the Agenda and must be signed by the person or persons making them, in the understanding that if they are made by the Board of Directors, the signature of the Secretary or the Alternate Secretary shall suffice. The notice referred to in this paragraph shall be made and published in the form and terms set forth in Article Ninth, Section Second hereof, when dealing with the resolution of the matters referred to therein.

When Shareholders Meetings are held in order to discuss matters in which the holders of Series "D" and Series "L" shares do not have a voting right, they may be held without prior notice, if the total of the Series "A" and Series "B" shares were completely represented at the time of voting. If at Shareholders Meeting, whether General, Special, Ordinary or Extraordinary, all the shareholders with a voting right at the corresponding Shareholders Meeting are present, such Meeting may resolve on matters of any nature and even on those not contained in the corresponding Agenda.

ARTICLE SEVENTEENTH.- Shareholders whom are registered within the share registry kept by the Company as owners of one or more shares thereof shall be admitted to the Shareholders Meeting, which Registry shall be considered as having been closed five days prior to the date set for the holding of the Shareholders Meeting. The foregoing, regardless of the provisions set forth in Article Ninth, Section Second hereof.

In order to attend the Shareholders Meetings, the shareholders must exhibit the corresponding admission card, which shall be issued only at the request of the persons whom are registered as holders of shares within the Company's share registry, which request must be submitted at least forty-eight hours before the time scheduled or the Shareholders Meeting, together with the deposit, at the Company's Secretariat, of the corresponding share certificates or titles or the deposit certificates or evidence thereof issued by an securities deposit institution, by a credit institution, national or foreign, or by authorized brokerage firms. The shares deposited in order to have the right to attend the Shareholders Meetings shall not be returned until after they have been held, by delivery of the receipt issued by them in favor of the shareholder.

The Company may, in accordance with section VII of article 280 (two hundred and eighty) of the Securities Market Law, request that such registry of nominative shares be kept by a securities deposit institution authorized for such purpose.

ARTICLE EIGHTEENTH.- Shareholders may be represented at Meetings by the person or persons appointed by them by means of a power of attorney necessarily granted in accordance with the form prepared for such purpose by the Company, which must meet, in addition to the requirements set forth in article Forty-Nine of the Securities Market Law, the following information requirements: (a) the mention, express and under penalty of committing perjury, in the sense of whether the shareholder (or holder of titles referring to the shares representing the Company's capital stock) and/or his/her spouse or concubine, as well as his/her relatives by consanguinity, affinity or civil, up to the fifth degree, without any limitation, is (are) a Competitor (as such term is defined in Article Ninth Section Second hereof) of the Company or of any of its subsidiaries; (b) the mention, express and under penalty of committing perjury, of whether such shareholder (or holder of titles referring to the shares representing the Company's capital stock), or his spouse or concubine, as well as his relatives by consanguinity, affinity or civil, up to the fifth degree, without any limitation, is the owner(s) or beneficiary(ies) as of that date, directly or indirectly, of Company's shares (or of titles referring to these) representing 5% (five percent) or more of the total shares issued by the Company, or, as the case may be, direct or indirect holders or beneficiaries of rights of any kind over Company's shares (or over titles referring to these) representing such percentage; (c) the mention, express and under penalty of committing perjury, of whether any Related Person (as defined in Article Ninth, Section Second hereof) with respect to such shareholder (or holder of securities referring to shares representing the Company's capital stock) owns shares or rights over shares issued by the Company; (d) the identity and nationality of each shareholder (or holder of securities referring to the shares representing the Company's capital stock) whom is to be represented at the meeting by means of the power of attorney granted as previously mentioned, in the understanding that if the power of attorney is being granted in favor of a legal entity, trustee of a trust or its equivalent, or any other vehicle, entity, company or form of economic or commercial association, the identity and nationality of the partners or shareholders, beneficiaries of a trust and trustees or their equivalent, members of the technical committee or its equivalent, successors in title, members or associates must be specified, as well as the identity and nationality of the Controlling Person or Persons (as defined in Article Ninth Section Second), directly or indirectly, to the corresponding legal entity, trust or its equivalent, vehicle, entity, company or economic or commercial association, until the corresponding person or persons are identified; and (e) any other requirement determined by the Board of Directors.

The Board of Directors and the Company's Executive Committee, indistinctly, shall be authorized to establish exceptions with respect to the requirements set forth in the preceding paragraph.

The members of the Board of Directors, the Audit Committee, the Corporate Practices Committee and/or the external auditor may not be entitled to represent shareholders at any Meeting.

ARTICLE NINETEENTH.- The Shareholders Meetings' minutes shall be recorded in the corresponding Book and shall be signed by the Meeting's Chairman and Secretary.

ARTICLE TWENTIETH.- The shareholders meetings shall be chaired by the Chairman of the Board of Directors and, in his or her absence, by the Vice-Chairmen of the Board, if any, in the order in which their appointments were made. In his/her absence, the meetings shall be chaired by the person appointed by the majority vote of the shareholders present.

The secretary whom shall act at the shareholders' meeting shall be the same person who holds the same position at the Board of Directors and, in the absence thereof, by the Board's alternate secretaries, in the order in which their appointments were made. Failing this, the secretary shall be the person designated for this purpose by the shareholders present by a majority of votes. The President shall appoint scrutineers to count the shares present.

ARTICLE TWENTY-FIRST.- General Ordinary Shareholders Meetings shall be held at least once a year, within four months following the close of the fiscal year. In addition to the matters specified in the Agenda, and in the applicable legislation itself, they must discuss, approve or modify and resolve the relevant matters in relation with:

1 (one) - the Board of Directors' report in accordance with Article One Hundred and Seventy-two b) of the Mexican Companies Law;

2 (two) - the discussion, approval or amendment of the reports of the Chairmen or Chairman of the Corporate Practices Committee and of the Audit Committee, and the report of the Chief Executive Officer;

3 (three) - become aware of the Board of Directors' opinion on the contents of the Chief Executive Officer's report;

4 (four) - the consolidated and unconsolidated financial statements audited by an independent public accountant, including the corresponding complementary and explanatory notes;

5 (five) - such other reports, opinions and documents as may be established by the applicable law;

6 (six).- decide on the application of the result for the financial year;

7 (seven) - the appointment and, if applicable, removal of the members of the Board of Directors and their corresponding alternates and to qualify the independent nature of the directors;

8 (eight) - the appointment and, as the case may be, removal of the Chairman of the Board of Directors, the Chairman or Chief Executive Officer of the Company, and the appointment of the Secretary and Alternate Secretaries, who may not be members of the Board, and the determination of their remuneration; and

9 (nine).- the determination of the maximum amount of resources which may be allocated to the purchase of own shares, pursuant to the provisions set forth in the Securities Market Law.

10 (ten) - the appointment of the members of the Executive Committee and the appointment or removal of the Chairman of the Audit Committee and of the Corporate Practices Committee.

The appointment and/or removal of the Board of Directors' Chairman and Secretary and Alternate Secretaries shall correspond to the holders of Series "A" shares.

In accordance with the provisions set forth in Articles Seventh and Twenty-Second hereof, in order for the meeting to resolve favorably on the matters listed from 1 (one) to 9 (nine) above, the favorable vote of the majority of the Series "A" shares represented at the corresponding General Ordinary Shareholders Meeting will be required.

The Extraordinary Meeting will meet whenever it is necessary in order to deal with any of the matters within its competence, including all those matters which, expressly provided by the law or by these By-laws, are reserved to its exclusive competence and deliberation. Based on section XII of article 182 (one hundred and eighty-two) of the Mexican Companies Law, the following matters, in particular, shall be for the exclusive competence and deliberation of the General Extraordinary Meeting:

(i) An increase or decrease in the Company's capital stock.

(ii) The change in the Company's corporate purpose.

(iii) The issuance of preferential shares.

(iv) The redemption, by the Company, of its own shares and the issuance of shares in good standing (acciones de goce), without this being applicable to share repurchases referred to in article Fifty-Six (56) of the Securities Market Law and article Eighth hereof.

(v) The issuance of any kind of bonds or debentures.

(vi) The Company's merger.

(vii) The Company's spin-off.

(viii) The resolution on the exercise of the responsibility action and other acts referred to in Articles Thirty Eight (38) of the Securities Market Law and One Hundred and Sixty One (161) and One Hundred and Sixty Two (162) of the Mexican Companies Law.

(ix) The resolution of the matters referred to in Article Ninth, Section Second hereof.

(x) Any amendment to the By-laws.

The matters referred to in paragraphs (i) to (x) above shall be subject to the quorum for installation and voting set forth in Article Twenty Third hereof.

The Series "D" and "L" Special Shareholders Meetings in charge of appointing the proprietary and alternate members of the Board of Directors corresponding to each one of such Series, respectively, in terms of Articles Seventh, Twenty Sixth and other relative articles hereof, must be held at least once a year, within the four months following the closing of each fiscal year, prior to the holding of the General Ordinary Meeting in which the Board of Directors is appointed. The appointment of directors carried out by each of the Special Meetings shall be communicated to the corresponding General Ordinary Meeting, through the person whom has acted as secretary of each of the Special Meetings.

The proprietary and alternate Directors to be appointed by the Series "D" and Series "L" Special Shareholders Meetings as referred to above, must be independent from the Company, for which purpose they will not be considered as independent, including, but not limited to: (a) any Company's shareholder, (b) any employee of any shareholder of the Company or of any company which is under the Control (as defined in Article Ninth Section Second hereof) of any shareholder, (c) those persons who do not hold such character in accordance with the provisions set forth in the Securities Market Law and other applicable provisions, (d) those persons who the corresponding Shareholders Meeting determines as not being independent, (e) any consultant or service provider who receives more than 1% (one percent) of its income from any shareholder, (f) those persons who are partners or employees of corporations or associations providing advisory or consulting services to the Corporation or to companies belonging to the same economic group with respect to which the Corporation is a part of, whose income resulting from the provision of such services represents 10% (ten percent) or more of its income, (g) employees of a foundation, association or civil partnership whom receive significant donations from the Corporation, (h) general directors or senior executives of a company on which board of directors the Company's Chairman, the Vice-Chairmen, the General Manager or any other senior executive are serving, (i) those persons who are deemed to be a Competitor (as such term is defined in Article Ninth Section Second hereof) of the Company or any of its Subsidiaries or Affiliates or Related Persons (as such concepts are defined

in Article Ninth Section Second hereof), (j) those persons who are significant shareholders, officers, directors, customers, suppliers, creditors or debtors of a Competitor (as such term is defined in Article Ninth Section Second hereof) of the Company or any of its Subsidiaries or Affiliates or Related Persons (as such concepts are defined in Article Ninth Section Second hereof), (k) those persons who, directly or indirectly, have a business or contractual relationship with a Competitor of the Company or that of its Subsidiaries or Affiliates or Related Persons (as defined in Article Ninth Section Second hereof) or have or have had the legal representation or who are attorneys-in-fact for a Competitor of the Company or that of its Subsidiaries or Affiliates or Related Persons (as defined in Article Ninth Section Second hereof) or receive, directly or indirectly, any fee, benefit or economic benefit from a Competitor of the Company or that of its Subsidiaries or Affiliates or Related Persons (as defined in Article Ninth, Section Second hereof), (l) those persons who, directly or indirectly, render their services or advise a Competitor of the Company or that of its Subsidiaries or Affiliates or Related Persons (as these concepts are defined in Article Ninth Section Second hereof), regardless of the amount of the fees, benefits, remuneration or economic benefits they receive from that Competitor or by those persons whom, directly or indirectly, have rendered their services or have advised a Competitor of the Company or that of its Subsidiaries or Affiliates or Related Persons (as these concepts are defined in Article Ninth Section Second hereof) or have received any honorarium, benefit, compensation or economic benefit from a Competitor of the Company or that of its Subsidiaries or Affiliates or Related Persons (as defined in Article Ninth, Second Section hereof) during the 5 (five) years prior to the date in which it is intended to appoint the corresponding person to act as a Company's member, (m) those persons who directly or through any Person or any Related Person (as defined in Article Ninth of the Second Section hereof) directly or through any Person or any Related Person (as defined in Article Ninth of the Second Section hereof) to them, are shareholders of a Person (as defined in Article Ninth Second Section hereof) who owns 10% (ten percent) or more of the shares issued by the Company or has the right, individually or jointly with a Related Person (as defined in Article Ninth Second Section hereof), to exercise a voting right on shares issued by the Company, representing 10% (ten percent) or more of the capital stock, and (n) the spouse or concubine, as well as their relatives by consanguinity, affinity or civil status, up to the fifth degree, without any limitation, of the persons referred to in (a) to (k) above.

ARTICLE TWENTY-SECOND.- In order for an Ordinary Shareholders Meeting to be considered legally convened on a first call, at least fifty percent of the ordinary shares with voting rights must be represented therein and, except as set forth below, its resolutions shall be rendered valid when adopted by the vote of the majority of the shares present. In the event of second or subsequent call, Ordinary Shareholders Meetings may be validly held regardless of the number of ordinary shares represented at the Meeting and, except as hereinafter provided, their resolutions shall be rendered valid when adopted by the majority vote of the ordinary shares represented at the Meeting.

For an Ordinary Shareholders Meeting to validly adopt resolutions, either on first or subsequent call, on the matters mentioned below, the favorable vote of the majority of the Series "A" shares represented at the corresponding Meeting will necessarily be required:

(i) The Board of Directors' report presented to the Shareholders Meeting in accordance with Article One Hundred and Seventy-two b) of the Mexican Companies Law;

(ii) The report of the Chairman of the Audit Committee, the report of the Corporate Practices Committee and the report of the Chief Executive Officer;

(iii) Consolidated and unconsolidated financial statements audited by an independent public accountant, including accompanying notes and clarifications.

(iv) the application of results, including, expressly, the payment of dividends in cash or shares, in any form.

(v) The appointment and, if applicable, removal of the 11 (eleven) members comprising the Board of Directors and their corresponding Alternates, corresponding to the Series "A" shares.

(vi) The appointment and, as the case may be, removal of the Board of Directors' Chairman, the Company's Chairman or Chief Executive Officer, the Secretary and Alternate Secretaries.

(vii) The establishment of the amount that may be destined for the acquisition of own shares, as well as to establish the percentage of the capital stock susceptible of such operations.

(viii) The appointment and, when appropriate, removal of the Chairman of the Audit Committee and the Chairman of the Corporate Practices Committee.

(ix) The appointment and, if applicable, removal of the Company's members of the Executive Committee, the Audit Committee and the Corporate Practices Committee, in the event that it is the shareholders meeting in charge of designating or removing them.

Likewise, at the Ordinary Shareholders Meeting dealing with the appointment and/or, if applicable, removal of the proprietary and alternate members of the Company's Board of Directors, voting must necessarily be carried out and computed separately for each series of shares represented at the meeting itself. Accordingly, (i) the shareholders holding Series "A" shares shall appoint and/or remove at the General Ordinary Meeting, by the resolution of the majority of the Series "A" shares represented at the meeting, the eleven proprietary members and their corresponding alternates whom, pursuant to Articles Seventh and Twenty-sixth hereof, are in charge of designating and/or removing such Series "A", as well as the Chairman and the Secretary and Alternate Secretaries of the Board of Directors and the Chairman or Chief Executive Officer of the Company, in which case the shareholders corresponding to other series will be prevented from participating in the corresponding deliberations and resolutions; and (ii) the shareholders holding Series "B" shares will appoint and/or, if applicable, remove, at the General Ordinary Meeting, by resolution of the majority of such Series "B" shares thereby represented, the five proprietary members and their corresponding alternates whom, pursuant to Articles Seventh and Twenty Sixth, are responsible for appointing and/or removing such Series "B", in which case the shareholders of other series will be prevented from participating in the corresponding deliberations and resolutions.

ARTICLE TWENTY-THIRD.- The Extraordinary Meetings shall be considered legally installed and their resolutions shall be deemed valid, according to the following rules:

I. First Notice.

I.1 (Roman numeral one point one). Based on section XII of article 182 (one hundred and eighty-two) of the Mexican Companies Law, in case of a meeting held by virtue of a first notice for the purpose of deliberating and resolving on the acts listed below, at least, seventy-five percent of the shares with voting rights must be represented therein and their resolutions shall be rendered valid when adopted by the favorable vote of the shareholders representing at least fifty percent of the voting shares, provided that such percentage includes the favorable vote of the majority of the Series "A" shares represented at the meeting:

(i) An increase or decrease in the Company's capital stock.

(ii) A change in the Company's corporate purpose.

(iii) The issuance of preferential shares.

(iv) The redemption, by the Company, of its own shares and the issuance of shares in good standing (acciones de goce), without this being applicable to share repurchases referred to in article 56 (fifty-six) of the Securities Market Law and article eighth hereof.

(v) The issuance of any kind of bonds or debentures.

(vi) The Company's merger.

(vii) The Company's spin-off.

(viii) Any amendment to the By-laws.

(ix) Amortization by the Company of its capital stock's shares with distributable profits and issuance of shares with limited voting rights, preferential shares or of any class other than ordinary shares.

(x) Increase in capital stock pursuant to Article 53 (fifty-three) of the Securities Market Law.

(xi) Other matters for which the applicable law or the By-laws expressly require a special quorum.

In any case, the provisions of Article Twenty-Fourth hereof must be observed.

I.2 (Roman numeral one point two). Based on section XII of article 182 (one hundred and eighty-two) of the Mexican Companies Law, regarding a meeting gathered by virtue of a first notice for purposes of deliberating and resolving on the exercise of the responsibility action and other acts referred to in articles Thirty-eight (38) of the Securities Market Law and One Hundred and Sixty-One (161) and One Hundred and Sixty-two (162) of the Mexican Companies Law, against any of the members of the Board of Directors, of the Audit Committee or of the Corporate Practices Committee, at least eighty-five percent of the voting shares must be represented at the meeting, and its resolutions will be rendered valid when adopted by the favorable vote of the shareholders representing at least fifty percent of the voting shares, provided that such percentage includes the favorable vote of the majority of the Series "A" shares represented at the meeting.

In any case, the provisions set forth in Article Twenty-Fourth of these By-laws must be observed.

I.3 (Roman numeral one point three). Based on section XII of article 182 (one hundred and eighty-two) of the Mexican Companies Law, in case of a meeting held by virtue of a first call for the purposes of deliberating and resolving on the acts referred to in Article Ninth Section Second hereof, at least eighty-five percent of the voting shares must be represented at the meeting and their resolutions shall be rendered valid when adopted by the favorable vote of the shareholders representing at least seventy-five percent of the voting shares pursuant to the provisions set forth in such provision, provided that such percentage includes the favorable vote of the majority of the Series "A" shares represented at the meeting.

II. Second Notice.

II.1 (Roman numeral two point one). In case of a meeting called by virtue of a second or subsequent notice in order to deliberate and resolve on the acts listed below, at least fifty percent of the voting shares must be represented at the meeting and its resolutions shall be rendered valid when adopted by the favorable vote of the shareholders representing at least fifty percent of the voting shares, provided that such percentage includes the favorable vote of the majority of the Series "A" shares represented at the meeting:

(i) An increase or decrease in the Company's capital stock.

(ii) A change in the Company's corporate purpose.

(iii) The issuance of preferential shares.

(iv) The redemption, by the Company, of its own shares and the issuance of shares in good standing (acciones de goce), without this being applicable to share repurchases referred to in article 56 (fifty-six) of the Securities Market Law and article Eighth hereof.

(v) The issuance of any kind of bonds or debentures.

(vi) The Company's merger.

(vii) The Company's spin-off.

(viii) Any amendment to the By-laws.

(ix) Amortization, by the Company, of its capital stock's shares with distributable profits and issuance of shares with limited voting rights, preferential shares or of any class other than ordinary shares.

(x) Increase in capital stock pursuant to Article 53 (fifty-three) of the Securities Market Law.

(xi) Other matters for which the applicable law or the By-laws expressly require a special quorum.

In any case, the provisions of Article Twenty-Fourth hereof must be observed.

II.2 (Roman numeral two point two). This is a meeting gathered by virtue of second or subsequent notice for purposes of deliberating and resolving on the exercise of the liability action and other acts referred to in Articles Thirty Eight (38) of the Securities Market Law and One Hundred and Sixty One (161) and One Hundred and Sixty Two (162) of the Mexican Companies Law, against any of the members of the Board of Directors, the Audit Committee or the Corporate Practices Committee, At least eighty-five per cent of the voting shares must be represented at the meeting, and its resolutions shall be rendered valid when adopted by the favorable vote of the shareholders representing at least fifty per cent of the voting shares, provided that such percentage includes the favorable vote of the majority of the Series "A" shares represented at the meeting.

In any case, the provisions of Article Twenty-Fourth hereof must be observed.

II.3 (Roman numeral two point three). In case of a Shareholders Meeting called by virtue of a second or subsequent notice for purposes of deliberating and resolving on the acts referred to in Article Ninth Section Second hereof, at least fifty percent of the voting shares must be represented at the meeting and its resolutions shall be rendered valid when adopted by the favorable vote of the shareholders representing, at least fifty percent of the voting shares pursuant to such provision of the By-laws, provided that this percentage includes the favorable vote of the majority of the Series "A" shares represented at the meeting.

ARTICLE TWENTY-FOURTH.- In order for the resolutions adopted at the Extraordinary Shareholders Meetings, by virtue of first or subsequent notice in order to discuss some of the matters in which the holders of Series "L" shares or, as the case may be, of Series "D" shares have the voting right, to be validly adopted, it shall be required, in addition to the requirements established in the preceding Article, that they be approved by the majority of the Series "A" shareholders. Likewise, the approval of the Special Meeting of Series "D" or Series "L" shareholders, as applicable, will be required for the resolutions of the General Extraordinary Meetings in order to be valid regarding the cancellation of the registration of the Series "D" or Series "L" shares, as the case may be, or of the securities representing them, in the National Securities Registry and in other domestic or foreign stock exchanges in which they are registered.

ARTICLE TWENTY-FIFTH.- Special Meetings shall be considered legally installed and their resolutions shall be rendered valid, in accordance with the following rules:

ONE). In order for the Series "D" and "L" shareholders' Special Meetings to be validly installed by virtue of a first notice, the shares representing at least seventy-five percent of the outstanding Series "D" or Series "L" shares, as the case may be, must be present or represented, and their resolutions must be adopted by the favorable vote of the shareholders representing at least fifty percent of the outstanding Series "D" or Series "L" shares, as the case may be.

TWO). In order for the Series "D" and "L" shareholders' Special Meetings to be validly installed by virtue of a second or subsequent notice, the shares representing at least fifty percent of the outstanding Series "D" or Series "L" shares, as the case may be, shall be required to be present or represented, and their resolutions must be adopted by the favorable vote of the shareholders representing at least fifty percent of the outstanding Series "D" or Series "L" shares, as the case may be. Likewise, in the case of a second or subsequent call, such call must be published in accordance with article Sixteenth hereof, expressing such circumstance, once the Special Meeting on first notice has not been installed.

CHAPTER V
THE COMPANY'S ADMINISTRATION

SECTION I
GENERALITIES

ARTICLE TWENTY-SIXTH.- The management and administration of the Company's business and assets shall be entrusted to a Chairman or Chief Executive Officer and a Board of Directors, the latter comprised by twenty proprietary members, who shall be appointed in accordance with the following:

(i) Series "A" shareholders shall have the right to appoint eleven proprietary members and their corresponding alternates; such appointment shall be made in accordance with the provisions set forth in Article Twenty-Second and other relative provisions hereof;

(ii) Series "B" shareholders shall have the right to appoint five proprietary members and their corresponding alternates; such appointment shall be made in accordance with the provisions set forth in Article Twenty-Second and other relative provisions hereof;

(iii) Series "D" shareholders shall have the right to appoint two proprietary members and their corresponding alternates; such appointment shall be made pursuant to the provisions of Articles Seventh, Twenty-First, Twenty-Fifth and other relative articles hereof, in the understanding that the persons whose appointment is made must comply with the requirements provided in said Article Twenty-First; and

(iv) Series "L" shareholders shall have the right to appoint two proprietary members and their corresponding alternates; such appointment shall be made pursuant to the provisions of Articles Seventh, Twenty-First, Twenty-Fifth and other relative articles hereof, in the understanding that the persons whose appointment is made must comply with the requirements provided in said Article Twenty-First.

In accordance with the provisions set forth in article 24 (twenty-four) of the Securities Market Law, at least twenty-five percent of the proprietary directors must be independent directors, who in order to be considered as such must not be in any of the situations referred to in the Securities Market Law and Article Twenty-First hereof. An alternate will be appointed for each proprietary director, in the understanding that the alternate directors with respect to the independent directors must hold the same capacity. The alternates appointed by the Series "A", "B", "D" or "L" shareholders may only replace the proprietary directors appointed by the same Series.

Likewise, the directors appointed by the Series "D" or Series "L" shareholders will necessarily be independent in accordance with the provisions set forth in Article Twenty-First hereof.

The General Ordinary Shareholders' Meeting may appoint honorary life directors, who may attend the Board of Directors' meetings, with voice but without a vote, and their presence or absence shall not be taken into account in order to determine the number of persons comprising the Board of Directors or the quorum required for the Board's legal operation.

The shareholders or group of minority shareholders may appoint the number of proprietary directors and alternates to which they are entitled, in accordance with the provisions set forth in the following Article.

ARTICLE TWENTY-SEVENTH.- The majority of the members of the Company's Board of Directors must be Mexican nationals. The following may not be members of the Board of Directors of the Company: (i) persons who participate in the Board of Directors or any other decision-making or operational body of any legal entity, other than the Company or its subsidiaries, holding one or more public telecommunications networks concessions in Mexico; and (ii) persons whom are partners or shareholders, directly or indirectly, of other legal entities, other than the Company or its subsidiaries, holding one or more public telecommunications networks concessions in Mexico, except in those cases in which its participation in the capital stock does not enable it to appoint one or more members of its governing body or of any other decision-making or operational body.

When any shareholder or group of shareholders having and exercising the use of the minority right in order to appoint directors hereby conferred is prevented from participating in the deliberation and appointment of the remaining directors which may correspond to corresponding Series, in the understanding that, in order to compute the majority of votes required to carry out the appointment of the latter directors, the votes of the minority shareholders that have exercised the aforementioned right will not be computed or considered.

Minority shareholders representing at least ten percent of the capital stock, represented exclusively by Series "A" ordinary shares, pursuant to article one hundred and forty-four of the Mexican Companies Law and the Securities Market Law, may appoint one proprietary director and its corresponding alternate for each ten percent of the capital stock thereby represented. Appointments made by minority shareholders will be exclusively made within the number of directors corresponding to this Series "A" of shares.

Minority shareholders representing at least ten percent of the capital stock, represented exclusively by Series "B" ordinary shares, pursuant to article one hundred and forty-four of the Mexican Companies Law and the Securities Market Law, may appoint one proprietary director and its corresponding alternate for each ten percent of the capital stock thereby represented. Appointments made by minority shareholders will be made exclusively within the number of directors corresponding to this Series "B" of shares.

Series "D" and Series "L" shareholders representing at least ten percent of the capital stock in one or both series of shares shall have the right to appoint at least one director and its corresponding alternate at each of such series' Special Meetings held for that purpose. In the absence of this minorities designation during these Special Meetings, each of these series' shareholders shall have the right to appoint two directors and their corresponding alternates, by majority vote in each of these series' Special Meetings held separately for this purpose. In case of the latter, the appointments, as well as the substitutions and revocations of the directors appointed by each of these series, shall be agreed upon at a Special Meeting. Appointments made by minority shareholders will be made exclusively within the number of directors corresponding to Series "D" or Series "L" shares, as the case may be.

In the case of Series "D" and Series "L" shares, the minority right provided herein must be exercised, at all times, at the Special Meeting in charge of appointing the corresponding directors, according to the corresponding capital stock Series pursuant to Article Twenty Five hereof. If this minority right is not exercised in the corresponding Special Meeting, it shall be precluded in its terms.

The directors appointed by the Series "D" and Series "L" shareholders pursuant to the provisions hereof must be independent, pursuant to the provisions contained in Article Twenty-First hereof.

Appointments of directors appointed by the holders of Series "A" shares may not be revoked until such revocation is resolved at the Ordinary Meeting with the favorable vote of the majority of the holders of Series "A" shares. Likewise, the appointments of the directors appointed by the holders of Series "B" shares may not be revoked until such revocation is resolved at the Ordinary Meeting with the favorable vote of the majority of the holders of Series "B" shares.

The appointments of the directors appointed by the holders of Series "D" and "L" shares may not be revoked until such revocation is resolved by the Special Meeting whose director is concerned in accordance with Articles Seventh, Fourteenth and Twenty-First above or, if such revocation is intended to be made at an General Ordinary Meeting, until the appointments of all the other directors are also revoked.

ARTICLE TWENTY-EIGHTH.- Except for the proprietary and alternates directors referred to in the last paragraph of Article Twenty-First of these By-laws, which must comply with the independence requirements established herein, the proprietary and alternates directors may or may not be shareholders. Directors shall continue to perform their duties, even when the term for which they have been appointed has expired or by resignation, for up to thirty calendar days, in case of an absence in the appointment of the substitute or when the latter does not take office, without being subject to the provisions set forth in article 154 (one hundred and fifty-four) of the Mexican Companies Law.

ARTICLE TWENTY-NINTH.- A. When appointing Directors, the Ordinary Shareholders Meeting shall appoint from among them the Chairman and, if applicable, one or more Vice-Chairmen of the Board of Directors. The meeting shall appoint a secretary and one or two alternate secretaries, in the understanding that these will not be a part of the Board of Directors.

B. In case the meeting does not make the appointments indicated in the previous paragraph, the Board of Directors shall make the appointments.

C. When the Chairman and the Secretary are absent, they will be respectively replaced by the Vice-Chairmen in the order of their designation, and by the Alternate Secretary, respectively, and, in case these are also absent, the Board will appoint those who must replace the proprietary members.

D. The Chairman of the Board shall hold the powers set forth herein as well as those conferred upon him or her as a result of his or her appointment. The Chairman of the Board shall represent such body before all kinds of authorities and individuals, except as provided in point B. of Article thirty-third of these By-laws; likewise, he or she shall ensure the compliance of these By-laws, of the Company's regulations as well as the due execution of the resolutions adopted by the shareholders meetings, the board itself or the Board's executive committee or other committees.

E. The Chairman of the Board shall have the broadest general power of attorney for lawsuits and collections and for acts of administration, with all the general powers and even the special powers required by Law or special clause, in accordance with the first two paragraphs of article two thousand five hundred and fifty-four and two thousand five hundred and eighty-seven of the Federal CIVIL CODE and its correlative articles of the Civil Code for the Federal District and the Civil Codes of the other States of the Mexican Republic or abroad, depending on the place where they are exercised. It shall also have a general power of attorney for acts of ownership, in accordance with the provisions set forth in the third paragraph of article two thousand five hundred and fifty-four of the Federal Civil Code and its correlative articles of the Civil Code for the Federal District and the Civil Codes of the other States of the Mexican Republic or abroad, depending on the place where they are exercised, and to draw, accept, endorse, grant and guarantee, or in any other manner subscribe credit instruments (títulos de crédito), in accordance with the provisions of article nine of the General Law of Credit Instruments and Transactions.

F. The general and special managers shall indistinctly have the Company's and the Board of Directors' legal representation before any natural or legal person, or before any kind of authorities of any order and degree, whether municipal, local or federal, fiscal, judicial, civil, criminal, administrative, labor or any other nature, in all controversies, arbitrations and lawsuits to which the Company is a party and shall have the authorities mentioned in point B. of Article Thirty Third hereof. Consequently, the Chairman and the other members of the Board of Directors, the members of the Executive Committee, the Chairman and the Executive Vice-Presidents of the Company and other officers are not authorized to represent the Board or the Company in any controversy, arbitration or lawsuit to which the Company is a party, except as referred to at the beginning of paragraph F hereof.

ARTICLE THIRTIETH.

A. The Board of Directors shall meet at the Company's corporate domicile or at any other place, as the Board itself may determine or as it may otherwise be necessary.

B. Board meetings may be held at any time when called by the Chairman, the Chairman of the Audit Committee, the Chairman of the Corporate Practices Committee or 25% (twenty-five percent) of the Directors or by the Secretary or Alternate Secretary. The Board shall meet at least four times in each financial year. The foregoing, regardless of the provisions set forth in Article Ninth, Section Second hereof.

C. Notices for Board meetings must be made in writing and sent by the Secretary or, in his/her absence, by any of the Alternate Secretaries to each of the Proprietary Directors with at least ten days in advance, by registered mail, private courier, telegram, telex or fax, to their domiciles or to the places which the Directors themselves have indicated in writing for this purpose. In the event that a Proprietary Director is unable to attend the meeting that is called, the corresponding alternate directors must be called by the quickest possible means in the manner hereby established or, failing that, by the Shareholders Meeting which appointed them. The notices must specify the time, date, place and Agenda of the corresponding meeting. The Company's external auditor may be called to the Board of Directors meetings, which he/she will attend as a guest with the right to speak but without the right to vote, refraining from being present with respect to those matters on the agenda in which he/she has a conflict of interest or which may compromise his/her independence. The foregoing, with the exception of the provisions set forth in Article Ninth, Section Second hereof.

D. When all Board of Directors proprietary members or their corresponding alternates are present and in agreement with the Agenda, it will not be necessary to exhaust the formalities for the notice. The foregoing shall not be applicable in the cases set forth in Article Ninth, Section Second hereof.

E. The Board of Directors' meetings shall consider and adopt resolutions only in relation to the matters provided in the Agenda. Matters may be included on the Agenda at the request of any director, provided that such inclusion is unanimously approved by the directors there present.

F. In order for the Board to meet validly, at least half of the corresponding proprietary or alternate directors must be present, and their agreements and resolutions, in order to be rendered valid, must be adopted by the favorable vote of the majority of the directors there present. The foregoing, except for the provisions set forth in Article Ninth Section Second hereof, in which case the installation of such body and the resolutions adopted therein shall attend to the installation and voting quorums referred to therein.

G. Each director shall have one vote. However, the Chairman of the Board shall have a casting vote in the event of a tie.

H. The Board of Directors may adopt resolutions in lieu of a meeting by the unanimous vote of the proprietary directors or their corresponding alternates. Such resolutions shall, for all legal purposes, have the same validity as if they may have been adopted by the directors at a board of directors' meeting, provided that they are confirmed in writing. The document evidencing each director's written confirmation must be sent to the Chairman, Secretary or Alternate Secretary of the Board of Directors of the Company, who will transcribe the respective resolutions in the corresponding meeting minutes book, and will certify that such resolutions were adopted in accordance with the provisions set forth herein. The foregoing shall not be applicable with respect to the meetings and resolutions, if any, adopted by the Board of Directors whilst resolving the acts referred to in Article Ninth Section Second hereof, in which case such body's meeting shall be required to be called and installed for such purpose, under the terms and subject to the provisions contained in Article Ninth Section Second hereof.

ARTICLE THIRTY-FIRST.- Minutes shall be prepared with respect to each Board meeting within the corresponding book, whereby the agreements and resolutions adopted shall be recorded and signed by the Chairman and the Secretary, or whomever is acting instead of them.

ARTICLE THIRTY-SECOND.- In the absence of an express appointment by the Shareholders Meeting, the Board of Directors, in its first Session immediately after the Shareholders Meeting which appointed its members, it shall appoint, from among its members, the Chairman and, if applicable, one or more Vice-Chairmen. The Board of Directors may also appoint the Secretary and one or two Alternate Secretaries, who may not be members of the Board of Directors.

The Chairman of the Board of Directors shall chair the sessions of the Board of Directors and, in his/her absence, they shall be chaired by the Vice-Chairmen of the Board, in the order of their appointments. In the absence of the aforementioned persons, the sessions shall be chaired by one of the members designated by the majority vote of the other attendees.

Copies or certificates of the Board meetings minutes and Shareholders Meetings minutes, as well as of the entries contained in the Company's non-accounting books and records and, in general, of any document found in the Company's files, may be authorized and certified by the Secretary or by the Alternate Secretary, who, in the absence of designation of other person, shall be permanent Delegates in order to appear before the Notary Public of their choosing in order to formalize the minutes of the Shareholders Meetings, of the Board of Directors' meetings and of the Executive Committee's meetings, as well as to grant, as delegates, the powers granted by the Board itself. Likewise, the Secretary or Alternate Secretary shall be responsible for drafting and recording, within their corresponding books, the Shareholders Meetings' minutes, Board of Directors' meetings minutes and of the Executive Committee's meetings minutes, as well as issuing certificates and certifications in relation therewith and with the appointments, signatures and authorities of the Company's officers.

SECTION II
POWERS AND DUTIES OF THE BOARD OF DIRECTORS

ARTICLE THIRTY-THIRD.- A. Except for the legal representation delegated onto the Company's general managers and special managers, in order to represent it in all controversies, arbitrations and lawsuits to which it is a party with the powers mentioned in point B. hereof, the board of directors shall have the broadest powers in order to enter into all agreements and carry out all acts and operations not expressly reserved by law or by the By-laws to the shareholders meeting, to manage, direct and supervise the Company's affairs, to fulfill the Company's corporate purpose and to legally represent the Company before any individual and judicial, criminal, civil, labor or administrative authority, whether federal, state or municipal, with such broad authority as is appropriate in law, including, without limitation, those mentioned in the following paragraphs.

1 (one). To manage the business and social assets, with broad powers of administration in accordance with article two thousand five hundred and fifty-four, second paragraph, of the Federal Civil Code and its correlatives of the Civil Code for the Federal District and the Civil Codes of the other States of the Mexican Republic, depending on the place in which it is exercised;

2 (two). To exercise ownership acts with respect to the Company's movable and immovable assets or of its real or personal rights, in accordance with the third paragraph of article two thousand five hundred and fifty-four of the Federal Civil Code and its correlatives of the Civil Code for the Federal District and of the Civil Codes of the other States of the Mexican Republic or abroad, depending on the place in which it is exercised.

3 (three). To manage the Company's business as well as its movable and immovable assets, with general powers of attorney for lawsuits and collections, with all general powers and even those special powers required by law or special clause, in accordance with the first paragraph of article two thousand five hundred and fifty-four (2,554) and two thousand five hundred and eighty-seven (2,587), except for the authority indicated in section IV of the Federal CIVIL CODE and its correlatives of the Civil Code for the Federal District and the Civil Codes of the other States of the Mexican Republic or abroad, depending on the place where it is practiced, so that it shall represent the Company before any individual or legal entity, or before any class of authorities of any order and degree, whether municipal, local or federal, fiscal, judicial, civil, criminal, administrative, or of any other nature, before any class of labor boards, whether federal or local and other labor authorities, and before arbitrators and arbiters.

4 (four). File denouncements, complaints and criminal charges and grant pardons referred to in article ninety-three (93) of the Federal Criminal Code and its correlatives of the Criminal Code for the Federal District and the Criminal Codes of the other States of the Mexican Republic, depending on the place where it is so exercised, as well as to cooperate and collaborate with the Public Prosecutor's Office, and demand reparation for the damage resulting from the crime.

5 (five). Initiate and desist from all kinds of lawsuits, challenges, incidents, appeals and ordinary or extraordinary appeals, actions and procedures whether civil, commercial, criminal, administrative, contentious and labor, including initiating the amparo trial and desist from it.

6 (six). Assign assets, settle, receive payments, present tenders, make bids and improvements in auctions, arbitrate,

7 (seven). To draw, accept, endorse, grant and guarantee, or in any other way subscribe credit instruments, pursuant to the provisions set forth in article nine (9) of the General Law of Negotiable Instrument and Credit Transactions;

8 (eight). To contract or grant loans granting or receiving the corresponding guarantees; to issue obligations with or without a specific guarantee; to accept, issue, endorse and guarantee all kinds of credit instruments and to any kind of bonds or guarantees with respect to the obligations contracted by the Company or the securities issued or accepted by third parties;

9 (nine). Contributing movable and immovable assets to other companies and subscribe shares or acquire participations or parts of interest in other companies;

10 (ten). To cancel any registrations made within the share registry in the event of non-compliance with the provisions set forth in Article Ninth, Section Second hereof.

11 (eleven). To appoint and remove the directors, including the Chief Executive Officer, appointment or removal that must be approved by the majority of the shareholders owning Series "A" shares, general managers, special managers, managers, sub-managers, external auditors and attorneys-in-fact which are necessary for the due attention of the affairs of the Company and those of its subsidiaries, explaining to them their faculties, duties and compensations, as long as they have not been appointed by the shareholders meeting;

12 (twelve). To grant and revoke such powers as they deem appropriate, with or without a substitution right, being able to grant therein the powers that these By-laws confer on the Board of Directors, as the case may be, preserving the exercise thereof;

13 (thirteen). To decide on the acquisition or disposal of assets, the granting of guarantees or on the assumption of liabilities, for the amounts, in the cases, and subject to the exceptions provided for in the Securities Market Law.;

14 (fourteen). To authorize both the temporary acquisition of shares representing the Company's capital stock, in accordance with these By-laws and the applicable law, and to appoint, for such purpose, the person or persons responsible for the acquisition and its subsequent placement;

15 (fifteen). To propose, negotiate and approve the terms and conditions for the establishment of programs for, and/or the issuance and placement of, promissory notes and other debt instruments at both the national and international levels; to appoint the persons in charge of carrying out their negotiation to whom general or special powers of attorney may be conferred, as well as to appoint representatives abroad for the purposes related therewith.

16 (sixteen). To open and close bank accounts on behalf of the Company, as well as to make deposits and draw against them and to appoint persons to draw against them;

17 (seventeen). Establish branches and agencies of the Company at any part of the Mexican Republic or abroad;

18 (eighteen). Formulate internal work regulations;

19 (nineteen). Execute the shareholders meeting's resolutions, delegate its functions to one or more of the Directors, Company's officers or attorneys-in-fact designated for this purpose, so that they may exercise them in the business or businesses and in accordance with the terms and conditions indicated by the Board itself;

20 (twenty). To determine expenditures; to approve the annual budgets of the Company, their amendments, as well as any extraordinary items;

21. (twenty-one). Formulate financial statements;

22 (twenty-two). Call meetings;

23 (twenty-three). To establish the Executive Committee, the Audit Committee and the Corporate Practices Committee, in accordance with these By-laws and to appoint and remove their members, as well as to establish such special committees or commissions, as it deems necessary, for the development of the Company's operations, establishing the powers and obligations of such committees or commissions,the number of members and the manner in which to appointing their members, as well as the rules governing their operation, in the understanding that such committees or commissions will not have powers which, according to the Law or these By-laws, correspond exclusively to the shareholders meeting or to the Board of Directors. The foregoing is notwithstanding the fact that the Chairman or Chief Executive Officer may establish operational committees in order to resolve the Company's day-to-day affairs.

24 (twenty-four). To know, deliberate and resolve on the matters referred to in Article Ninth Section Second hereof in the terms and with strict compliance with what is provided therein.

25 (twenty-five). To submit to the General Shareholders Meeting, which is held on the occasion of the close of the fiscal year, the annual report of the Audit Committee, the report of the Corporate Practices Committee, the report of the General Director referred to in Article 172 (one hundred and seventy-two) of the Mexican Companies Law and the Securities Market Law, as well as such other reports, opinions and documents as may be required pursuant to and in accordance with the Securities Market Law, the Mexican Companies Law and other applicable legal provisions.

26 (twenty-six). In general, to carry out the acts and operations which are necessary or convenient for the Company's corporate purpose as well as those that the Securities Market Law attributes or entrusts to it, except for those expressly reserved by Law or by these By-laws to the meeting or other corporate body.

The meeting may limit or regulate such powers. No member of the Board of Directors may exercise, jointly or separately, any of the powers set forth in point A. hereof, except when expressly authorized by the Board of Directors or by the Shareholders Meeting, or when otherwise provided for herein.

B. General and special managers are granted the Company's legal representation as well as the legal representation of the Board of Directors and the Executive Committee or the other Board's Committees, so that they may appear indistinctly before any individual or legal entity, or before any kind of authorities of any order and degree, whether municipal, local or federal, fiscal, judicial, civil, criminal, administrative, labor or of any other nature, to defend the Company's best interests, in all controversies, arbitrations and lawsuits to which it is a party. Whilst exercising their offices, the general and special managers shall jointly or separately enjoy the following powers:

i) General power of attorney for lawsuits and collections, to be exercised jointly or separately, with all the general powers and even the special powers which according to the Law require special power or clause, in accordance with the first paragraph of Article Two Thousand Five Hundred and Fifty-Four and Article Two Thousand Five Hundred and Eighty-Seven, except for the power indicated in section V of the Federal CIVIL CODE and its correlatives articles of the Civil Code for the Federal District and the Civil Codes of the other States of the Mexican Republic or abroad, depending on the place where it is exercised, so that they will be able to represent the Board of Directors, the Executive Committee and the Company before all kinds of individuals or legal entities or authorities of any order and degree, whether municipal, local or federal, fiscal, judicial, civil, criminal, administrative, labor or any other kind, and may initiate and desist from all kinds of lawsuits, actions and procedures whether civil, commercial, criminal, administrative, contentious and labor, including promoting and desisting from amparo proceedings, answering and making questions, settling, receiving payments, presenting positions, tendering and improving bids, arbitrating, attempting and pursuing lawsuits, incidents, appeals and ordinary or extraordinary appeals, recusing, filing complaints, criminal complaints and accusations and granting the pardon referred to in article ninety-three of the Federal Criminal Code, and its correlatives articles of the Criminal Code for the Federal District and the Criminal Codes of the other States of the Mexican Republic where it is exercised, to cooperate as a civil party with the Public Ministry, as well as to demand the reparation for the damage resulting from the crime, being authorized to sign as many public or private documents as may be necessary for the full fulfillment hereof.

ii) Manage the Company's labor relations, for which reason they may enter into, terminate, amend and terminate individual and collective labor contracts, establish and modify labor conditions, issue internal labor regulations, and, in general, appear before individuals and all labor authorities, especially those listed in article five hundred and twenty-three (523) of the Federal Labor Law, as well as before the Institute of the National Housing Fund for Workers (Instituto del Fondo Nacional de la Vivienda para los Trabajadores) (INFONAVIT for its Spanish acronym), the Mexican Social Security Institute (Instituto Mexicano del Seguro Social) (IMSS for its Spanish acronym) and the Fund for the Promotion and Guarantee of Expenditures by Workers (Fondo de Fomento y Garantía para el Consumo de los Trabajadores) (FONACOT for its Spanish acronym), in order to carry out all the necessary steps and formalities for the solution of the matters offered to the Company, with respect to which they will appear in their capacity as representatives in accordance with article eleven (11) of the Federal Labor Law, which expressly provides that: "The directors, administrators, managers and other persons exercising management functions in the company or establishment, will be considered employer's representatives and as such oblige it in its relations with the workers". Consequently, in relation therewith, they may exercise the aforementioned powers, that is, appear as directors and, therefore, as Company's representatives, in accordance with articles eleven (11), six hundred and ninety-two (692), second fraction, seven hundred and eighty-six (786) and eight hundred and seventy-six (876) of the Federal Labor Law, as well as to appear at the conciliation hearings in which the Company is cited by the Labor Boards, with all the general powers and even the special powers required by law or special clause.

(iii). To appear indistinctly on behalf of the Board of Directors, the Executive Committee and the Company in conciliation proceedings before the Federal Consumer Protection Agency (Procuraduría Federal del Consumidor) and its delegations within the Mexican Republic, considering them duly empowered for such purpose, being able to carry out all types of formalities and proceedings in relation to matters in which the Company has an interest, being authorized to sign any corresponding act or document.

(iv). General power for acts of administration, in accordance with the second paragraph of article two thousand five hundred and fifty-four of the Federal Civil Code, and its correlative articles in the Civil Code for the Federal District and in the Civil Codes of the other States of the Mexican Republic or abroad, depending on the place in which it is exercised, with all the general powers and even the special powers that according to the Law require special power or clause, in order to exercise it jointly or separately.

General managers shall be individually authorized in order to grant general or special powers within the powers vested in them, retaining their exercise and revoking them, in accordance with articles Two Thousand Five Hundred and Seventy-Four (2,574) and Two Thousand Five Hundred and Ninety-Three (2,593) of the Civil Code in force for the Federal District and its correlative articles of the place where it is exercised.

C. Duties, Liability and Limitations of Liability of the Directors.

1 (one). Duty of Diligence. The Board of Directors' members must act in accordance with the duty of diligence provided in the Securities Market Law.

2 (two). Duty of Loyalty. The Board of Directors' members and its secretary must act in accordance with the duty of loyalty contemplated by the Securities Market Law.

3 (three). Liability Action. The liability resulting from the violation of the duty of diligence or the duty of loyalty shall be act exclusively in favor of the Company or of the legal entity controlled by it and may be exercised by the Company or by the shareholders who, individually or jointly, hold shares, whether common or with limited voting rights, restricted or without voting rights, representing five percent (5%) or more of the capital stock. The corresponding claimant may only settle in court the amount of the indemnity for damages in case the Board of Directors has approved the terms and conditions of the corresponding judicial agreement.

4 (four). Excluding Liability. The Board of Directors' members shall not be liable for any damages caused onto the Company or to the legal entities controlled by it, when the corresponding director acts in good faith and any liability exclusion is updated in accordance with the provisions set forth in the Securities Market Law and other applicable legislation.

SECTION III
THE EXECUTIVE COMMITTEE

ARTICLE THIRTY-FOURTH.

A. The Company may have an Executive Committee comprised by the number of proprietary or alternate members of the Board of Directors of the Company or by any other persons who are not directors, which are indistinctly appointed by the Company's Board of Directors or by the Chairman or Chief Executive Officer. The persons appointed to this Executive Committee shall form a collegiate body delegated by the Board. If this power is exercised by both the Company's Board of Directors and the Chairman or Chief Executive Officer, the appointments made by the latter shall prevail.

B. The Board of Directors and the Company's Chairman or Chief Executive Officer may appoint an alternate member for each proprietary member of the Executive Committee they may have appointed. The alternate members shall take office in the absence of the proprietary members for who they may have been expressly appointed. If the Company's Board of Directors or the Chairman or Chief Executive Officer, at the time of their appointment, have not indicated a special order for this purpose, the alternates shall be called in the order in which they may have been appointed.

C. The Executive Committee's members shall hold office for one year, unless they are relieved of their duties by resolution of the Company's Board of Directors or by the Chairman or Chief Executive Officer, but, in any case, they shall continue in office until the persons appointed to replace them take office; they may be re-elected and shall receive such remuneration as the Board of Directors or, as the case may be, the Company's Chairman or Chief Executive Officer may determine.

D. When appointing the members of the Company's Executive Committee, the Board of Directors or the President or Chief Executive Officer, they shall appoint, from among them, the Chairman and, where appropriate, one or more Vice-Chairmen of the Executive Committee.

E. The positions of the Executive Committee's Secretary and Alternate Secretaries shall be held by the same persons occupying such positions at the Board of Directors.

F. When the Chairman and the Secretary are absent, they shall be replaced respectively by the Vice-Chairmen, in the order of their appointment, and by the Assistant Secretary, respectively, and, if these are also absent, the other members of the Committee shall appoint those who must replace the proprietary members.

G. The Committee's Chairman shall have a very broad general power of attorney for lawsuits and collections and for acts of administration, with all the general powers and even the special powers required by law or special clause, in accordance with the first two paragraphs of article two thousand five hundred and fifty-four and two thousand five hundred and eighty-seven of the Federal Civil Code, and its correlative articles of the Civil Code for the Federal District and the Civil Codes of the other States of the Mexican Republic or abroad, depending on the place where it is exercised. It shall also hold general power of attorney for acts of ownership, in accordance with the provisions set forth in the third paragraph of article two thousand five hundred and fifty-four of the Federal Civil Code and its correlative articles of the Civil Code for the Federal District and of the Civil Codes of the other States of the Mexican Republic or abroad in which it is exercised, and in order to draw, accept, endorse, grant and guarantee, or in any other manner subscribe credit instruments, in accordance with the provisions set forth in article nine of the General Law of Credit Instruments and Transactions.

H. The Executive Committee shall meet at the Chairman's request, any of the Vice-Chairmen, the Secretary, the Alternate Secretary or any two of the Executive Committee's members, with five days notice given to the other members of the Executive Committee. The Company's external auditor may be called to the Executive Committee's meetings, who shall attend with a voice but no vote. The notice must be sent by mail, private courier, telegram, telefax, messenger or any other means ensuring that the Committee's members receive it, at least five days prior to the date of the meeting.

I. The notice shall specify the time, date, place and the corresponding Agenda for the meeting which shall be signed by the person making it. A notice will not be necessary when all of the Executive Committee's members meet.

J. For the Executive Committee's meetings to be considered legally installed, the attendance of at least the majority of its members shall be required. The resolutions of the Executive Committee shall be approved by the favorable vote of the majority of its members present at each meeting.

K. The Executive Committee may adopt resolutions in lieu of a meeting by the unanimous vote of the proprietary members or their respective alternates. Such resolutions shall, for all legal effects, have the same validity as if they may have been adopted by the members gathered at a committee's meeting, provided that they are confirmed in writing. The document evidencing the written confirmation of each member shall be sent to the Chairman, Secretary or Alternate Secretary of the Executive Committee of the Company, whom shall transcribe the respective resolutions in the corresponding book of minutes, and shall certify that such resolutions were adopted in accordance with the provisions set forth herein.

L. The Executive Committee shall hold the powers granted to the Board of Directors in paragraph A. of Article Thirty Third hereof, except for those indicated in numerals Thirteen, Fourteen, Twenty (in this case, unless the shareholders meeting may have empowered the Executive Committee in order to execute the resolutions adopted at the shareholders meeting itself), Twenty-two, Twenty-three, Twenty-four, Twenty-five, Twenty-six, as well as those expressly reserved to the Board of Directors or other Committee by the applicable law. Likewise, the Executive Committee is empowered to create Special Committees and to appoint the persons whom must integrate them, indicating their authorities, duties and remunerations.

M. The Executive Committee shall not engage in any of the activities reserved by the Securities Market Law and other applicable laws, or by these By-laws, to the Shareholders Meeting, to the Board of Directors, to any other Committee or to the Chairman or Chief Executive Officer. The Executive Committee may not, in turn, delegate all its powers to any person but may grant general and special powers when it deems it appropriate as well as to indicate the persons whom must carry out its resolutions. In the absence of such indication, the Chairman, the Vice Chairman(en), the Secretary and the Alternate Secretary shall be empowered to jointly (any two of them) carry them out.

N. The Executive Committee must inform the Board of Directors, through its Chairman, of the resolutions it adopts when, in the Committee's opinion, relevant events or acts for the Company arise.

O. Minutes shall be prepared with respect to each Executive Committee's meeting and shall be transcribed in a special book; the resolutions adopted shall be recorded in the minutes, signed by those acting as Chairman and Secretary.

SECTION IV
THE COMPANY'S CHAIRMAN OR CHIEF EXECUTIVE OFFICER

ARTICLE THIRTY-FIFTH.- The Company shall have a Chairman or Chief Executive Officer, who shall be appointed by the Board of Directors. This appointment must be approved or ratified by a majority vote of the holders of Series "A" shares represented at the corresponding General Shareholders Meeting.

The functions pertaining to management, conduction and execution of the Company's business and that of the legal entities controlled by the Company shall be the Chairman's or Chief Executive Officer's responsibility in accordance with the provisions set forth in the Securities Market Law, subject to the strategies, policies and guidelines approved by the Board of Directors.

The Chairman or Chief Executive Officer, for the exercise of his/her functions and activities, as well as for the due fulfillment of his/her obligations, will be assisted by the corresponding directors appointed for such purpose and by any employee of the Company or by the legal entities controlled by the Company.

The Company's Chairman or Chief Executive Officer, by the mere fact of his or her appointment, shall be the Company's main executive and, in addition to the powers corresponding to him or her under applicable law, shall have the following powers:

A) To execute the resolutions and measures issued by the Shareholders Meetings, by the Board of Directors and by the Executive Committee.

B) Appoint and remove the Company's Vice Presidents, as well as other officers, employees, external auditors and attorneys-in-fact which may be necessary for the due attention to the affairs of the Company and those pertaining to its subsidiaries, indicating their powers, duties and remunerations.

C) To manage business and social assets, with broad power of administration in the terms of article two thousand five hundred and fifty-four, second paragraph, of the Federal Civil Code, and its correlative articles of the Civil Code for the Federal District and the Civil Codes of the other States of the Mexican Republic or abroad, depending on the place in which it is exercised.

D) Manage the Company's business and the movable and immovable property thereof, with general power of attorney for lawsuits and collections, with all general powers and even the special powers required by law or special clause, in accordance with the first paragraph of article two thousand five hundred and fifty-four and two thousand five hundred and eighty-seven of the Federal Civil Code, and its correlative articles of the Civil Code for the Federal District and the Civil Codes of the other States of the Mexican Republic or abroad, depending on the place where it is exercised, so it shall represent the Company before any natural or legal person, or before any class of authorities of any order and degree, whether municipal, local or federal, fiscal, judicial, civil, criminal, administrative or of any other nature, before all kinds of labor boards, whether federal or local and other labor authorities, and before arbitrators and arbiters.

E) File denouncements, complaints and criminal charges and grant the pardon referred to in article ninety-three of the Federal Criminal Code and its correlative articles of the Criminal Code for the Federal District, and the other states of the Mexican Republic where it is exercised, cooperate as a civil party with the Public Prosecutor's Office, as well as demand reparation for the damage resulting from the crime.

F) Attempt and desist from all kinds of trials, challenges, incidents, appeals and ordinary or extraordinary appeals, actions and procedures, whether civil, commercial, criminal, administrative, contentious and labor, including promoting the amparo trial and desist from it.

G) Subject to the terms and conditions established by the Board of Directors, it shall also have general power for acts of ownership, in the terms of the third paragraph of article two thousand five hundred and fifty-four of the Federal Civil Code, and its correlative articles of the Civil Code for the Federal District and the Civil Codes of the other States of the Mexican Republic or abroad, depending on the place where it is exercised.

H) To draw, accept, endorse, grant and guarantee, or in any other manner subscribe credit instruments, in accordance with the provisions of article nine of the General Law of Credit Instruments and Transactions.

I) It shall be empowered to the Company appoint attorneys-in-fact, granting them the powers it deems pertinent, within the sphere corresponding to it, and may revoke the powers it has granted.

J) To open and cancel bank accounts in the name of the Company, as well as to make deposits and draw against them and to appoint persons to draw against them.

K) To appoint attorneys-in-fact in order to attend the company's Shareholders Meetings in whose capital this Company participates and in order to vote on the matters for which they were called.

L) To appoint the members of the Company's Executive Committee.

M) The creation of Special Committees and the appointment of the persons which must integrate them, indicating their powers, duties and remunerations.

The Chairman or Chief Executive Officer shall likewise have the functions and duties provided for in the Securities Market Law.

CHAPTER VI
THE COMPANY'S SURVEILLANCE

ARTICLE THIRTY-SIXTH.- The surveillance of the management, conduction and execution of the Company's business as well as that of the legal entities controlled by the Company shall be responsibility of the Board of Directors through the Corporate Practices Committee and the Audit Committee, as well as through the legal entity that carries out the Company's external audit.

The Company will have a Corporate Practices Committee and an Audit Committee, in accordance with the provisions set forth in the Securities Market Law and other applicable legal provisions. The auditing and corporate practices functions may be carried out by a single Committee.

The Corporate Practices Committee and the Audit Committee, in accordance with the provisions set forth in the applicable law, shall have the following functions:

1 (one). Corporate Practices Committee. The Corporate Practices Committee shall have the functions referred to in the Securities Market Law, the general provisions issued for this purpose by the National Banking and Securities Commission and other applicable legal provisions, as well as those determined by the Shareholders Meeting or by the Board of Directors. It shall also perform all those functions with respect to which it must submit a report in accordance with the provisions set forth in the Securities Market Law.

2 (two). Audit Committee. The Audit Committee shall have the functions referred to in the Securities Market Law, the general provisions issued for this purpose by the National Banking and Securities Commission and other applicable legal provisions, as well as those determined by the Shareholders Meeting or by the Board of Directors. It shall also perform all those functions with respect to which it must submit a report in accordance with the provisions of the Securities Market Law.

ARTICLE THIRTY-SEVENTH.- The members of the Board of Directors, the members of the Executive Committee, of the Audit Committee or of the Corporate Practices Committee, the Secretaries, or the corresponding alternates of all of the foregoing, shall have no obligation whatsoever in order to provide guarantees so as to ensure the fulfillment of the responsibilities in which they may incur during the performance of their offices, unless the Shareholders Meeting appointing them establishes such obligation.

CHAPTER VII
FINANCIAL YEAR AND FINANCIAL INFORMATION

ARTICLE THIRTY-EIGHTH.- The Company's fiscal year will coincide with the calendar year. In the event that the Company goes into liquidation or is merged, its fiscal year will conclude in advance on the date on which it goes into liquidation or merges and it will be considered that a fiscal year exists during all the time in which the Company is under liquidation, the latter must coincide with what the applicable fiscal laws establish for this purpose.

ARTICLE THIRTY-NINTH.- Within four months following each fiscal year's closing, the Board of Directors and the Chairman or Chief Executive Officer shall prepare, in accordance with the provisions of the Securities Market Law, at least the following information:

a) The report referred to in article 172 (one hundred and seventy-two) paragraph b) of the Mexican Companies Law.

b) The report on the operations and activities in which the Board of Directors has intervened pursuant to the provisions set forth in the Securities Market Law.

c) The report referred to in article 172 (one hundred and seventy-two) of the Mexican Companies Law, except as provided in paragraph b) thereof.

d) Any other reports, opinions and documents required pursuant to the provisions contained in the Securities Market Law and the Mexican Companies Law.

CHAPTER VIII
PROFITS AND LOSSES

ARTICLE FOURTIETH.- The following applications shall be made with respect to the net profits corresponding to each fiscal year shown in the financial statements, once the necessary amounts have been deducted: (i) make payments or provisions in order to pay the corresponding taxes; (ii) such separations as may be required by law; (iii) where applicable, amortization of losses from previous financial years; and (iv) payments which may have been made from general expenses of the financial year in order to remunerate the Board of Directors' members and the Chief Executive Officer:

1 (one). Five percent in order to constitute, increase or, as the case may be, replenish the reserve fund, until such fund is equivalent to twenty percent of the paid-in capital stock.

2 (two). The amounts which the Shareholders Meeting agrees to allocate for creations or increases of general or special reserves, including, where appropriate, the reserve for the acquisition of own shares or securities representing them, referred to in Article Eighth hereof.

3 (three). From the carry over, the sum which is necessary in order to cover the shareholders' dividends, if any, declared by resolution of the Shareholders Meeting and in accordance with Article Seventh hereof, shall be taken.

4 (four). The surplus, if any, shall remain at the Shareholders Meeting's disposal, or at the disposal of the Board of Directors, in case of the latter, if so authorized by the Shareholders Meeting itself. The Shareholders Meeting may provide the surplus with the application it deems appropriate for the interests of the company and those of its shareholders.

5 (five). In the case of capitalization of the total equity's accounts, all shareholders shall be entitled to the proportional part corresponding to such accounts, for which purpose they shall receive shares of the class or series determined by the shareholders meeting.

ARTICLE FORTY-FIRST.- Losses, if any, shall be borne by all shareholders in proportion to the number of their shares, without their liability exceeding the amount of their contributions.

CHAPTER IX
DISSOLUTION AND LIQUIDATION

ARTICLE FORTY-SECOND.- The company shall be dissolved in any of the cases provided for in article two hundred and twenty-nine of the Mexican Companies Law.

ARTICLE FORTY-THIRD.- Once the Company has been dissolved, it shall be placed into liquidation. The Extraordinary Shareholders Meeting shall appoint one or more liquidators, owners being able to appoint the corresponding alternates, if so desired, whom shall have the powers determined by law or by the Shareholders Meeting appointing them.

ARTICLE FORTY-FOURTH.- Once the Company has been dissolved, it shall be placed into liquidation, which shall be the responsibility of one or more liquidators. In order to adopt valid resolutions with respect to the appointment and/or removal of the liquidator or liquidators, the favorable vote of the majority of the Series "A" shares represented at the corresponding General Extraordinary Shareholders Meeting shall be necessary. The liquidator or liquidators appointed pursuant to the provisions set forth herein and in the Mexican Companies Law shall carry out the liquidation in accordance with the bases, if any, determined by the Shareholders Meeting and, failing that, in accordance with the following provisions and contained in the corresponding chapter of the Mexican Companies Law itself:

a). They shall conclude business as they see fit;

b). They will cover the credits and pay the debts by disposing of the Company's assets which require to be sold for this purpose;

c). Prepare the Final Liquidation Balance; and

d). Once the Final Liquidation Balance is approved, they will distribute the distributable liquid asset as follows:

d.1 (d point one). The shareholders holding the Series "D" shares will be paid the cumulative preferential dividend equivalent to five percent of the theoretical value of the shares corresponding to them which may have not been covered, as indicated, before distributing the distributable carryover.

d.2 (d point two). Subsequently, once the dividend referred to in paragraph d.1 (d point one) above has been paid, the shareholders holding Series "D" shares shall be paid a reimbursement per share equivalent to their theoretical value consisting of 0.00683551495 (zero point zero zero six eight three five five one four nine five) pesos, National Currency per share.

d.3 (d point three). Once the concepts referred to in points d.1 (d point one) and d.2 (d point two) above have been paid, a payment per share will be made to each of the shareholders holding Series "A", "B" and "L" shares, equivalent to that which may have been received by each of the shareholders holding Series "D" shares, in accordance with those two previous paragraphs.

d.4 (d point four). The remainder shall be equally distributed among all the shareholders and in proportion to the number of shares (held by each of them) and their amount exhibited.

In case of a disagreement between the liquidators, the Audit Committee shall call a Shareholders Meeting in order to resolve any conflicting issues.

ARTICLE FORTY-FIFTH.- During the liquidation, the Shareholders Meeting will meet in the manner provided for herein, it or the liquidators will carry out functions equivalent to those corresponding to the Board of Directors during the Company ordinary course of business, and the Audit and Corporate Practices Committees will continue performing, with respect to the liquidator or liquidators, the functions, that during the validity of the corporate agreement, they perform with respect to the Board of Directors.

CHAPTER X
JURISDICTION AND COMPETENCE

ARTICLE FORTY-SIXTH.- For the interpretation and compliance of these By-laws, the shareholders expressly submit themselves to the jurisdiction of the competent federal courts of Mexico City, Federal District, for which reason they waive any other jurisdiction which may correspond to them due to their domicile.

CHAPTER XI
SPECIAL PROVISIONS

ARTICLE FORTY-SEVENTH.- In the event of cancellation of the shares' registration representing the Company's capital stock or of securities representing them from the National Securities Registry, the provisions of Article 108 (one hundred and eight) of the Securities Market Law and other applicable provisions must be complied with and the persons referred to in such article shall be subject to the provisions thereof.

In the event that the Company requests the cancellation of the shares' registration in the National Securities Registry, in accordance with the provisions of article 108 (one hundred and eight), section II of the Securities Market Law, it shall be exempt from carrying out the public offering referred to in such legal provision, provided that it accredits the National Banking and Securities Commission having the consent on behalf of the shareholders representing at least 95% (ninety-five percent) of the Company's capital stock, granted by means of a meeting resolution; that the offered amount for shares placed among the general investing public amount to less than 300,000 (three hundred thousand) investment units, and to incorporate the trust referred to in the last paragraph of section II above, as well as to notify the cancellation and constitution of such trust through the stock exchange's applicable electronic information system.

ARTICLE FORTY-EIGHTH.- The provisions contained in the Securities Market Law, the Mexican Companies Law and other applicable legal provisions shall apply to all matters not provided for herein.

Exhibit 8.1

Grupo Televisa, S.A.B.
Subsidiaries, Associates, and Joint Ventures
as of December 31, 2022

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
Coisa, Consultores Industriales, S.A. de C.V.	Mexico
Corporación Kante, S.A. de C.V. (2)	Mexico
Controladora de Juegos y Sorteos de México, S.A. de C.V. (4)	Mexico
Apuestas Internacionales, S.A. de C.V. (4)	Mexico
Magical Entertainment, S. de R.L. de C.V. (4)	Mexico
Telestar de Occidente, S.A. de C.V. (4)	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
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
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
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

Name of Company	Country of Incorporation
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
TV Cable de Oriente, S.A. de C.V.	Mexico
FTTH de México, S.A. de C.V.	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. (4)	Mexico
Auto Rent Acuario, S. de R.L. de C.V.	Mexico
Televisa Argentina, S.A. (1)	Argentina
Editorial Televisa Colombia, S.A. (1) (4)	Colombia
Editorial Televisa Colombia Cultural, S.A. (2)	Colombia
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. (4)	Mexico
VeneTel Servicios Publicitarios, S.A. (1)	Venezuela

Name of Company	Country of Incorporation
Factum Más, S.A. de C.V.	Mexico
Grupo Distribuidoras Intermex, S.A. de C.V. (4)	Mexico
Distribuidora Bolivariana, S.A. (2)	Peru
Distribuidora Intermex, S.A. de C.V. (4)	Mexico
Distribuidora Panamex, S.A. (1)	Panama
Gonarmex, S.A. de C.V. (4)	Mexico
Samra, S.A. (1) (4)	Ecuador
Distribuidora Los Andes, S.A. (1) (4)	Ecuador
Vanipubli Ecuatoriana, S.A. (1)	Ecuador
Grupo Telesistema, S.A. de C.V. (3)	Mexico
Altavista Sur Inmobiliaria, S.A. de C.V.	Mexico
Corporativo TD Sports, S.A. de C.V. (3)	Mexico
En Vivo Espectáculos, S. de R.L. de C.V.	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. (3)	Mexico
Comunicaciones Tieren, S.A. de C.V. (3)	Mexico
TelevisaUnivision, Inc. (Formerly known as Univision Holdings II, Inc. and subsidiaries) (*)	United States of America
Villacezán, S.A. de C.V. (3)	Mexico
CVQ Espectáculos, S.A. de C.V.	Mexico
Club de Fútbol América, S.A. de C.V. (4)	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
Fútbol del Distrito Federal, S.A. de C.V. (4)	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
Productora Contadero, S.A. de C.V. (*) (1)	Mexico
Servicios Administrativos DYE, S.A. de C.V. (4)	Mexico
Inmobiliaria Amber, S.A. de C.V.	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
SOC Servicio Operativo Centralizado, S.A. de C.V. (4)	Mexico
Teleinmobiliaria, S. de R.L. de C.V.	Mexico
Televisa Transmedia, S.A. de C.V.	Mexico
TelevisaUnivision, Inc. (Formerly known as Univision Holdings II, Inc. and subsidiaries) (*)	United States of America
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 Peninsular, S.A. de C.V.	Mexico
Terma, S.A. de C.V.	Mexico
Todos los Jugadores, S.A. de C.V. (*)	Mexico
Kapa Capital, S.A. de C.V.	Mexico
Multimedia CTI, S.A. de C.V.	Mexico
Promo-Industrias Metropolitanas, S.A. de C.V. (3)	Mexico
Telesistema Mexicano, S.A. de C.V. (2)	Mexico
Ulvik, S.A. de C.V.	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) Companies with investment in shares of TelevisaUnivision, Inc.
(4) Companies that are expected to be separated from Grupo Televisa, S.A.B. through a Spin-off in the second quarter of 2023, in connection with a proposed reorganization to create a new controlling entity to be listed on the Mexican Stock Exchange. For more information regarding the Spin-off, please see "Information on the Company—Business Overview—Other Businesses—Spin-off of Certain Businesses of Our Other Businesses Segment" in the Form 20-F.

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 28, 2023

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 28, 2023

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 28, 2023

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, 2022, 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 28, 2023

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, 2022, 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 28, 2023

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, 2022, 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 28, 2023

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- 266477) of our reports dated April 28, 2023, 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 28, 2023

Exhibit 23.2

CONSENT OF INDEPENDENT AUDITORS

We consent to the incorporation by reference in the following Registration Statements of Grupo Televisa, S.A.B.:

(a) Registration Statement on Form S-8 (No. 333-126827); and

(b) Registration Statement on Form F-3 (No. 333-266477).

of our report dated April 28, 2023, with respect to the consolidated financial statements of TelevisaUnivision, Inc. included in this Annual Report on Form 20-F of Grupo Televisa, S.A.B. for the year ended December 31, 2022.

/s/ Ernst & Young LLP

New York, New York
April 28, 2023

Exhibit 99.1

TELEVISAUNIVISION, INC. AND SUBSIDIARIES INDEX

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Consolidated Statements of Changes in Redeemable Convertible Preferred Stock and Stockholders' Equity for the year ended December 31, 2022 and for the periods from May 18, 2021 through December 31, 2021 and from January 1, 2021 through May 17, 2021 (Successor entity), from January 1, 2021 through May 17, 2021 and for the year ended December 31, 2020 (Predecessor entity)	7
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ey.com

Report of Independent Auditors

Board of Directors and Stockholders of
TelevisaUnivision, Inc. and subsidiaries

Opinion

We have audited the consolidated financial statements of TelevisaUnivision, Inc. and subsidiaries (the Company), which comprise the consolidated balance sheets as of December 31, 2022 and 2021 (Successor entity), and the related consolidated statements of operations, comprehensive (loss) income, changes in redeemable convertible preferred stock and stockholder's equity and cash flows for the year ended December 31, 2022, and for the periods from January 1, 2021 through May 17, 2021 and May 18, 2021 through December 31, 2021 (Successor entity) and the period from January 1, 2021 through May 17, 2021 and for the year ended December 31, 2020 (Predecessor entity), and the related notes (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company at December 31, 2022 and 2021 (Successor entity), and the results of its operations and its cash flows for the year ended December 31, 2022 and the periods from January 1, 2021 through May 17, 2021 and May 18, 2021 through December 31, 2021 (Successor entity) and the period from January 1, 2021 through May 17, 2021 and for the year ended December 31, 2020 (Predecessor entity) in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Company and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free of material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free of material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Ernst & Young LLP

April 28, 2023

TELEVISAUNIVISION, INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
(In thousands, except share and per-share data)

	December 31, 2022 (Successor entity)	December 31, 2021 (Successor entity)
ASSETS		
Current assets:		
Cash and cash equivalents	$ 538,600	$ 647,000
Restricted cash	—	1,071,300
Accounts receivable, less allowance for doubtful accounts of $25,800 in 2022 and $4,400 in 2021	971,200	669,000
Program rights and prepayments	68,800	91,800
Income taxes	143,100	6,300
Prepaid expenses and other	327,400	92,000
Total current assets	2,049,100	2,577,400
Property and equipment, net	1,113,000	466,300
Intangible assets, net	6,579,200	5,194,100
Goodwill	6,319,800	5,325,900
Program rights and prepayments	731,500	41,000
Investments	239,100	98,100
Operating lease right-of-use assets	176,000	164,100
Deferred tax assets	131,300	—
Other assets	155,400	70,000
Total assets	$ 17,494,400	$ 13,936,900
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable and accrued liabilities	$ 1,041,200	$ 549,600
Deferred revenue	204,100	68,400
Current operating lease liabilities	45,900	43,200
Current portion of long-term debt and finance lease obligations	113,800	30,400
Total current liabilities	1,405,000	691,600
Long-term debt and finance lease obligations	9,911,400	8,468,600
Deferred tax liabilities, net	818,800	966,300
Deferred revenue	70,800	167,500
Noncurrent operating lease liabilities	171,800	169,400
Other long-term liabilities	186,500	105,000
Total liabilities	12,564,300	10,568,400
Redeemable Convertible Preferred Stock:		
Series A Preferred Stock, par value $1,000 per share, 500,000 authorized, none issued at December 31, 2022 and 100,000 issued at December 31, 2021)	$ —	$ 369,400
Series B Preferred Stock, par value $1,000 per share, 750,000 authorized and issued at December 31, 2022	852,600	—
Series C Preferred Stock, par value $1,000 per share, 1,008,640 authorized and 1,008,014 issued at December 31, 2022	1,007,100	—
Stockholders' equity:		
Class A Common Stock, par value $0.001 per share, 50,000,000 authorized, 19,564,852 issued at December 31, 2022 and 14,224,992 issued at December 31, 2021	—	—
Class C Subordinated Common Stock, par value $.001 per share, 5,000,000 authorized, 842,128 issued at December 31, 2021	—	—
Additional paid-in-capital	3,417,400	2,263,700
Treasury stock, at cost: 128,004 shares	(9,600)	—
Accumulated (deficit) retained earnings	(822,900)	719,300
Accumulated other comprehensive income	485,500	16,100
Total stockholders' equity	3,070,400	2,999,100
Total liabilities, redeemable convertible preferred stock, and stockholders' equity	$ 17,494,400	$ 13,936,900

See Notes to Consolidated Financial Statements.

TELEVISAUNIVISION, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF OPERATIONS
(In thousands)

	Successor entity			Predecessor entity	
	Year Ended December 31, 2022	Period from May 18, 2021 through December 31, 2021	Period from January 1, 2021 through May 17, 2021	Period from January 1, 2021 through May 17, 2021	Year Ended December 31, 2020
Revenue	$ 4,625,900	$ 1,864,100	$ —	$ 976,900	$ 2,541,900
Direct operating expenses	1,751,100	718,200	—	377,000	930,300
Selling, general and administrative expenses	1,359,500	534,500	—	230,300	673,000
Impairment loss	1,663,200	9,300	—	92,900	243,200
Restructuring, severance and related charges	68,500	59,300	—	7,600	46,100
Depreciation and amortization	524,300	198,600	—	52,900	152,800
(Gain) loss on dispositions	(40,600)	900	—	500	9,900
Operating income	(700,100)	343,300	—	215,700	486,600
Other expense (income):					
Interest expense	572,200	252,100	—	167,400	427,500
Interest income	(11,400)	(400)	—	—	(1,100)
Amortization of deferred financing costs	12,600	2,600	—	6,200	12,600
(Gain) loss on refinancing of debt	(5,400)	4,100	—	—	57,700
Loss (gain) on investments	41,300	(23,400)	(637,000)	(16,000)	(32,600)
Acquisition related costs and other, net	65,700	13,900	—	4,000	67,700
(Loss) income before income taxes	(1,375,100)	94,400	637,000	54,100	(45,200)
Provision (benefit) for income taxes	167,100	8,900	3,200	5,900	(21,400)
Net (loss) income attributable to Successor/Predecessor entity	$ (1,542,200)	$ 85,500	$ 633,800	$ 48,200	$ (23,800)

See Notes to Consolidated Financial Statements.

TELEVISAUNIVISION, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE (LOSS) INCOME
(In thousands)

	Successor entity			Predecessor entity	
	Year Ended December 31, 2022	Period from May 18, 2021 through December 31, 2021	Period from January 1, 2021 through May 17, 2021	Period from January 1, 2021 through May 17, 2021	Year Ended December 31, 2020
Net (loss) income	$ (1,542,200)	$ 85,500	$ 633,800	$ 48,200	$ (23,800)
Other comprehensive income (loss), net of tax:					
Unrealized gain (loss) on hedging activities	165,000	32,100	—	16,900	(22,300)
Reclassification of hedging activities to income	(17,300)	(15,700)	—	—	(700)
Unrealized gain on pension activities, net of taxes	7,800	—	—	—	—
Currency translation adjustment	313,900	(300)	—	(100)	(700)
Other comprehensive income (loss)	469,400	16,100	—	16,800	(23,700)
Comprehensive (loss) income attributable to Successor/Predecessor entity	$ (1,072,800)	$ 101,600	$ 633,800	$ 65,000	$ (47,500)

See Notes to Consolidated Financial Statements.

TELEVISAUNIVISION, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY
(In thousands)

	Univision Holdings, Inc. and Subsidiaries Stockholders' Equity (Predecessor entity)							
	Redeemable Convertible Preferred Stock		Common Stock		Additional Paid-in-Capital	Retained Earnings (Accumulated Deficit)	Accumulated Other Comprehensive (Loss) Income	Total
	Shares '000	Amount	Shares '000	Amount				
Predecessor Balance, December 31, 2019	—	$ —	6,535	$ —	$ 5,519,200	$ (4,936,700)	$ (134,500)	$ 448,000
Net loss	—	—	—	—	—	(23,800)	—	(23,800)
Other comprehensive loss	—	—	—	—	—	—	(23,700)	(23,700)
Repurchase and cancellation of common stock	—	—	(1,939)	—	(100,200)	—	—	(100,200)
Exercise of warrants	—	—	4,591	—	—	—	—	—
Conversion of class B and class C to class A common stock	—	—	4,588	—	—	—	—	—
Issuance of series A preferred stock	100	100,000	—	—	—	—	—	—
Share-Based compensation	—	—	261	—	24,900	—	—	24,900
Predecessor Balance, December 31, 2020	100	$ 100,000	14,036	$ —	$ 5,443,900	$ (4,960,500)	$ (158,200)	$ 325,200
Net income	—	—	—	—	—	48,200	—	48,200
Other comprehensive income	—	—	—	—	—	—	16,800	16,800
Net share settlement on equity awards to employees	—	—	—	—	(800)	—	—	(800)
Share-Based compensation	—	—	—	—	4,000	—	—	4,000
Predecessor Balance, May 17, 2021	100	$ 100,000	14,036	$ —	$ 5,447,100	$ (4,912,300)	$ (141,400)	$ 393,400

	TelevisaUnivision, Inc. (formerly known as Univision Holdings II, Inc.) and Subsidiaries Stockholders' Equity (Successor entity)								
	Redeemable Convertible Preferred Stock		Common Stock		Additional Paid-in-Capital	Treasury Stock	Retained Earnings (Accumulated Deficit)	Accumulated Other Comprehensive (Loss) Income	Total
	Shares '000	Amount	Shares '000	Amount					
Successor Balance, January 1, 2021	100	$ 100,000	4,167	$ —	$ 215,300	$ —	$ —	$ —	$ 215,300
Net income	—	—	—	—	—	—	633,800	—	633,800
Successor Balance, May 18, 2021	100	$ 100,000	4,167	$ —	$ 215,300	$ —	$ 633,800	$ —	$ 849,100
Issuance of equity consideration due to UH Holdco Business Combination	—	269,400	10,028	—	2,024,200	—	—	—	2,024,200
Share-based awards assumed due to UH Holdco Business Combination	—	—	—	—	5,400	—	—	—	5,400
Net income	—	—	—	—	—	—	85,500	—	85,500
Other comprehensive income	—	—	—	—	—	—	—	16,100	16,100
Repurchase of common stock	—	$ —	(7)	$ —	$ (1,000)	$ —	$ —	$ —	$ (1,000)
Net share settlement on equity awards to employees	—	—	—	—	(3,200)	—	—	—	(3,200)
Share-Based compensation	—	—	37	—	23,000	—	—	—	23,000
Successor Balance, December 31, 2021	100	$ 369,400	14,225	$ —	$ 2,263,700	$ —	$ 719,300	$ 16,100	$ 2,999,100
Net loss	—	—	—	—	—	—	(1,542,200)	—	(1,542,200)
Other comprehensive income	—	—	—	—	—	—	—	469,400	469,400
Equity issuance to effectuate the TelevisaUnivision transaction	—	—	3,590	—	742,600	—	—	—	742,600
Conversion of preferred shares into common shares	(100)	(369,400)	1,845	—	369,400	—	—	—	369,400
Issuance of series B preferred stock	750	852,600	—	—	—	—	—	—	—
Issuance of series C preferred stock	1,008	1,007,100	—	—	—	—	—	—	—
Repurchase of common stock	—	—	(128)	—	(3,700)	(9,600)	—	—	(13,300)
Net share settlement on equity awards to employees	—	—	—	—	(4,100)	—	—	—	(4,100)
Share-Based compensation	—	—	33	—	86,000	—	—	—	86,000
Dividend payments	—	—	—	—	(37,800)	—	—	—	(37,800)
Capital contribution	—	—	—	—	1,300	—	—	—	1,300
Successor Balance, December 31, 2022	1,758	$ 1,859,700	19,565	$ —	$ 3,417,400	$ (9,600)	$ (822,900)	$ 485,500	$ 3,070,400

See Notes to Consolidated Financial Statements.

TELEVISAUNIVISION, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
(In thousands)

	Successor entity			Predecessor entity	
	Year Ended Decemebr 31, 2022	Period from May 18, 2021 through Decemebr 31, 2021	Period from January 1, 2021 through May 17, 2021	Period from January 1, 2021 through May 17, 2021	Year Ended December 31, 2020
Cash flows from operating activities:					
Net (loss) income	$ (1,542,200)	$ 85,500	$ 633,800	$ 48,200	$ (23,800)
Adjustments to reconcile (loss) income to net cash provided by operating activities:					
Depreciation	197,300	60,100	—	31,000	96,000
Amortization of intangible assets	327,000	138,500	—	21,900	56,800
Amortization of deferred financing costs	12,600	2,600	—	6,200	12,600
Amortization of program rights and prepayments	909,400	171,800	—	69,600	159,300
Deferred income taxes	45,200	(200)	3,200	(2,600)	(18,100)
Non-cash deferred advertising commitments.	(27,400)	(38,100)	—	(17,500)	(54,500)
Impairment loss	1,663,200	9,300	—	92,900	243,200
Debt extinguishment expense	17,600	4,100	—	—	56,600
Share-based compensation	87,500	23,000	—	4,000	19,200
(Gain) loss on dispositions	(40,600)	900	—	500	9,900
Other non-cash items	(24,800)	(63,200)	(637,000)	(16,100)	(23,000)
Changes in assets and liabilities:			—		
Accounts receivable, net	88,900	(104,200)	—	67,000	(24,000)
Program rights and prepayments	(1,049,800)	(186,800)	—	(76,400)	(154,800)
Prepaid expenses and other	(15,900)	(49,800)	—	(4,800)	(27,800)
Accounts payable and accrued liabilities	10,900	131,600	—	(42,500)	70,700
Deferred revenue	(318,300)	(6,100)	—	(2,100)	1,600
Other long-term liabilities	(17,500)	(14,900)	—	6,500	(900)
Other assets	(5,500)	(2,700)	—	22,900	(69,800)
Net cash provided by operating activities	317,600	161,400	—	208,700	329,200
Cash flows from investing activities:					
Capital expenditures	(133,700)	(29,700)	—	(12,500)	(22,400)
Proceeds on sale of investments and other assets	60,000	—	—	34,200	26,300
Investments and other acquisitions, net of cash acquired	(43,000)	(2,000)	—	(31,300)	—
Acquisition of businesses, net of cash acquired	(3,202,900)	—	—	—	—
Net cash (used in) provided by investing activities	(3,319,600)	(31,700)	—	(9,600)	3,900
Cash flows from financing activities:					
Proceeds from issuance of long-term debt	2,937,300	3,013,800	—	—	3,866,400
Proceeds from revolving debt	—	107,100	—	—	727,900
Payments of long-term debt and finance leases	(1,969,800)	(1,977,700)	—	(54,500)	(3,908,600)
Payments of revolving debt	—	(117,100)	—	(63,200)	(654,700)
Payments of financing fees	(83,300)	(36,100)	—	—	(131,600)
Payments of swap interest	(9,900)	(9,700)	—	—	—
Dividend payments	(37,800)	—	—	—	—
Repurchase of common stock	(13,300)	(1,000)	—	—	(100,200)
Issuance of preferred shares	—	—	—	—	100,000
Tax payment related to net share settlement	(4,100)	(3,200)	—	(800)	—
Proceeds from stock options exercised	300	—	—	—	—
Capital contribution, net of fees	1,002,400	8,300	—	—	—
Net cash provided by (used in) financing activities	1,821,800	984,400	—	(118,500)	(100,800)
Net (decrease) increase in cash, cash equivalents, and restricted cash	(1,180,200)	1,114,100	—	80,600	232,300
Effect of exchange rate changes on cash, cash equivalents, and restricted cash	5,300	—	—	—	—
Cash, cash equivalents, and restricted cash, beginning of period	1,720,100	606,000	—	525,400	293,100
Cash, cash equivalents, and restricted cash, end of period	$ 545,200	$ 1,720,100	$ —	$ 606,000	$ 525,400
Supplemental disclosure of cash flow information:					
Interest paid	$ 590,400	$ 315,600	$ —	$ 131,800	$ 428,500
Income taxes paid (refunded)	$ 206,300	$ 4,400	$ —	$ 3,100	$ (5,200)
Finance lease obligations incurred to acquire assets	$ 1,800	$ —	$ —	$ 2,300	$ —

See Notes to Consolidated Financial Statements.

1. Company Background

Nature of operations—TelevisaUnivision, Inc. ("TelevisaUnivision"), (formerly known as Univision Holdings II, Inc. ("UH Holdco") or Searchlight III UTD L.P. ("Searchlight")) is a holding company and the ultimate parent of Univision Communications Inc. Searchlight was originally formed on February 19, 2020 and held a 26.04% equity investment in Univision Holdings, Inc. ("UHI"), see Note 5. *The Searchlight/ForgeLight Transaction.* Effective May 18, 2021, UH Holdco became the owner of 100% of the issued and outstanding capital stock of UHI, (see "May 18, 2021 Reorganization Transaction" below). UHI owns Broadcast Media Partners Holdings, Inc. ("Broadcast Holdings") which owns Univision Communications Inc., (together with its subsidiaries, collectively referred to herein as "UCI"). UH Holdco was renamed TelevisaUnivision upon the completion of the TelevisaUnivision Transaction (see "TelevisaUnivision Transaction" below). TelevisaUnivision together with its subsidiaries, are collectively referred to herein as the "Company", except where the context indicates otherwise.

As the leading Spanish-language media and content company in the world, TelevisaUnivision features the largest Spanish- language library of owned content and industry-leading production capabilities that power its streaming, digital and linear television offerings, as well as its radio platforms. The Company's linear networks include the top-rated broadcast networks *Univision* and *UniMás* in the U.S. and Las Estrellas and Canal 5 in Mexico. TelevisaUnivision is home to 36 Spanish-language cable networks, including *Galavisión* and TUDN, the No. 1 Spanish-language sports network in the U.S. and Mexico. With the most compelling portfolio of Spanish-language sports rights in the world, TelevisaUnivision has solidified as the home of soccer. TelevisaUnivision also owns and manages 59 television stations across the U.S., four broadcast channels in Mexico affiliated with 222 television stations and Videocine studio. TelevisaUnivision is home to premium streaming services ViX, and Blim TV, which altogether host over 50,000 hours of high-quality, original Spanish-language programming from distinguished producers and top talent, and the SVOD global streaming platform ViX+. The company's prominent digital assets include *Univision.com*, *Univision NOW*, and several top-rated digital apps. The Radio operations, known as the *Uforia Audio Network*, the Home of Latin Music, which encompasses 57 owned or operated U.S. radio stations, a live event series and a robust digital audio footprint. Additionally, the Company incurs corporate expenses separate from the linear/digital and radio operations which include general corporate overhead and unallocated, shared company expenses related to human resources, finance, legal and executive services which are centrally managed and support the Company's operating and financing activities. Unallocated assets include the retained interest in the Company's accounts receivable facility, fixed assets and deferred financing costs that are not allocated to the segments.

TelevisaUnivision Transaction—On January 31, 2022 Grupo Televisa, S.A.B ("Televisa"; NYSE:TV; BMV:TLEVISA CPO) and UH Holdco announced the completion of the transaction between Televisa's media content and production assets and UCI (the "TelevisaUnivision Transaction"). The combined new company, which was named TelevisaUnivision, Inc., creates the world's leading Spanish-language media and content company. TelevisaUnivision produces and delivers premium content for its own platforms and for others, while also providing innovative solutions for advertisers and distributors globally. As a result of the TelevisaUnivision Transaction, TelevisaUnivision reaches nearly 60% of the respective TV audiences in both the U.S. and Mexico. Across television, digital, streaming, and audio, the Company reaches over 100 million Spanish speakers every day, holding leading positions in both markets. See Note 3. *TelevisaUnivision Transaction.*

May 18, 2021 Reorganization Transaction—On May 18, 2021, UH Holdco became the owner of 100% of the issued and outstanding capital stock of UHI through a series of transactions pursuant to the Reorganization Agreement, dated as of March 12, 2021, (the "Reorganization"). Prior to the Reorganization, UH Holdco (formerly known as Searchlight) held a non-controlling interest in UHI, see Note 5. *The Searchlight/ForgeLight Transaction.* Upon consummation of the Reorganization, Searchlight was converted into a Delaware corporation named Univision Holdings II, Inc. (which was subsequently re-named TelevisaUnivision, Inc. as the closing of the TelevisaUnivision Transaction. Pursuant to the Reorganization, the following transactions, among others, were effected contemporaneously:

- the existing stockholders of UHI (other than UH Holdco) exchanged their shares of UHI for the same number and class of shares of UH Holdco;

- the existing parent of UH Holdco converted its equity interests into the same number and class of shares of UH Holdco; and

- UH Holdco issued shares of common stock for aggregate consideration of $8.3 million to a new investor, which common stock represented approximately 1.1% of the issued and outstanding stock of UH Holdco.

The Reorganization required Federal Communications Commission approval and was effectuated primarily to (i) prepare for the TelevisaUnivision Transaction and other potential strategic transactions, (ii) facilitate a new investment in UH Holdco and (iii) allow Televisa to recognize significant capital tax losses. Through the Reorganization, UH Holdco acquired a controlling financial interest in UHI. As a result, the Reorganization was accounted for under Financial Accounting Standards Board's Accounting Standards Codification ("ASC") Topic 805, Business Combinations ("ASC 805") ("UH Holdco Business Combination").

See Note 4. *Acquisition of UHI.*

Pursuant to the Reorganization, UH Holdco's stockholders adopted a certificate of incorporation and UH Holdco adopted a certificate of designations, powers, preferences and rights that together provided for, among other things, the authorization of 50,000,000 shares of Class A common stock, 50,000,000 shares of Class B common stock, 5,000,000 shares of Class C subordinated common stock (which was subdivided into four sub-classes) and 500,000 shares of preferred stock (of which 100,000 shares were designated as Series A preferred stock). Immediately following the Reorganization, the issued and outstanding capital stock of the Company consisted of Class A common stock, Class C subordinated common stock and Series A preferred stock. On January 31, 2022, the Series A preferred stock was converted into 1,845,293 Class A common stock.

Radio Stations Sale - On June 3, 2022, the Company entered into an agreement to sell 18 non-strategic radio stations. On December 30, 2022, the Company completed the sale of 17 non-strategic radio stations and expects to complete the sale of the final station in 2023. The Company recorded a gain of $28.3 million in the Gain /loss on disposition within the consolidated statements of operations.

2. Summary of Significant Accounting Policies

Basis of presentation—The accompanying consolidated financial statements have been prepared in accordance with generally accepted accounting principles ("GAAP") in the United States.

The Company reassessed its reportable segments and aggregated its linear/digital and radio operating segments into one reportable segment, Media and Entertainment. These changes impacted the company's reportable segment beginning in the third quarter of 2022 but did not impact the Company's consolidated financial statements. All prior period segment information has been recast to reflect the change in reportable segment. See Note 25. *Segments*.

Predecessor and Successor Reporting—On May 18, 2021, the Company consummated the acquisition of all outstanding and issued equity interests of UHI, pursuant to the Reorganization Agreement, and owns 100% of UHI and its wholly owned subsidiaries. The UH Holdco Business Combination is accounted for under the scope of ASC 805, in which UH Holdco was deemed to be the accounting acquirer. Due to the primary activity for the acquirer prior to the acquisition limited to a step-up gain and equity earnings in UHI, UHI is deemed the "Predecessor". Accordingly, the business combination is accounted for using the acquisition method which requires the Company to record the fair value of assets acquired and liabilities assumed from UHI. See Note 1. *Company Background* and Note 4. *Acquisition of UHI.*

The financial statements separate the Company's presentation into distinct periods between the Successor entity (TelevisaUnivision) and the Predecessor entity (UHI). Due to the significance of remeasuring the Company's prior equity interest in UHI held before the UH Holdco Business Combination (See Note 4. *Acquisition of UHI)* we have presented a stub period statement of operations, redeemable convertible preferred stock and stockholders' equity, and cash flows for the period prior to the consummation of the UH Holdco Business Combination (January 1, 2021 to May 17, 2021) and a stub period statement of operations, redeemable convertible preferred stock and stockholders' equity, and cash flows for the periods on or after May 18, 2021, after the consummation of the UH Holdco Business Combination. As a result of the application of the acquisition method of accounting under the scope of ASC 805 as of the closing of the UH Holdco Business Combination, the financial statements for Predecessor entity and for the Successor entity are presented on a different basis of accounting and are, therefore not comparable.

Principles of consolidation—The consolidated financial statements include the accounts and operations of the Company and its majority owned and controlled subsidiaries. All intercompany accounts and transactions have been eliminated. Non-controlling interests have been recognized where a controlling interest exists, but the Company owns less than 100% of the controlled entity. Non-controlling interest is recorded for the period of an investment's equity which is not controlled by the Company. The Company has consolidated the special purpose entities associated with its accounts receivable facility (see Note 17. *Debt*). This determination was based on the fact that these special purpose entities lack sufficient equity to finance their activities without additional support from the

Company and, additionally, that the Company retains the risks and rewards of their activities. The consolidation of these special purpose entities does not have a significant impact on the Company's consolidated financial statements.

The Company accounts for investments over which it has significant influence but not a controlling financial interest using the equity method of accounting. Under the equity method of accounting, the Company's share of the earnings and losses of these companies is included in Acquisition related costs and other, net in the accompanying consolidated statements of operations of the Company. For equity investments which are not accounted for under the equity method, the Company measures these investments at fair value, with changes in fair value recognized in earnings. The Company holds equity positions in several small early-stage entities which may not have readily determinable fair values. For such securities, the Company utilizes the measurement alternative to carry these investments at cost minus impairment, if any, plus or minus changes resulting from observable price changes in orderly transactions for identical or similar investments of the same issuer. A security will be considered identical or similar if it has identical or similar rights to the equity securities held by the Company. The Company reviews its investments in equity securities without readily determinable fair values for impairment each reporting period when there are qualitative factors or events that indicate possible impairment. Factors the Company considers in making this determination include negative changes in industry and market conditions, financial performance, business prospects, and other relevant events and factors. When indicators of impairment exist, the Company prepares quantitative assessments of the fair value of its investments in equity securities, which require judgment and the use of estimates. When the Company's assessment indicates that the fair value of the investment is below its carrying value, the Company writes down the investment to its fair value and records the corresponding charge in Acquisition related costs and other, net, within the Company's consolidated statements of operations.

Use of estimates—The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses, including impairments, during the reporting period. Actual results could differ from those estimates. Significant items subject to such estimates and assumptions include the valuation of derivatives, pension and post retirement benefits, lease assets and liabilities, investments, property, plant and equipment, definite lived intangibles, indefinite-lived intangibles and goodwill; amortization of program rights and prepayments; and reserves for income tax uncertainties and other contingencies.

Foreign Currency—The reporting currency of the Company is the U.S. dollar. The functional currency of most of the Company's international subsidiaries is the local currency. Financial statements of subsidiaries whose functional currency is not the U.S. dollar are translated at exchange rates in effect at the balance sheet date for assets and liabilities and at average exchange rates for revenues and expenses for the respective periods. Translation adjustments are recorded in accumulated other comprehensive loss. Foreign currency transaction gain and losses resulting from the conversion of the transaction currency to functional currency are included in other income (expense), net.

Cash equivalents—The Company considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents.

Fair value measurements—The Company utilizes valuation techniques that maximize the use of observable inputs and minimize the use of unobservable inputs to the extent possible. The Company determines fair value based on assumptions that market participants would use in pricing an asset or liability in the principal or most advantageous market. When considering market participant assumptions in fair value measurements, the following fair value hierarchy distinguishes between observable and unobservable inputs, which are categorized in one of the following levels:

- Level 1 Inputs: Unadjusted quoted prices in active markets for identical assets or liabilities accessible to the reporting entity at the measurement date.

- Level 2 Inputs: Other than quoted prices included in Level 1, inputs that are observable for the asset or liability, either directly or indirectly, for substantially the full term of the asset or liability.

- Level 3 Inputs: Unobservable inputs for the asset or liability used to measure fair value to the extent that observable inputs are not available, thereby allowing for situations in which there is little, if any, market activity for the asset or liability at measurement date.

Revenue—Advertising—The Company generates advertising revenue from the sale of advertising on broadcast and cable networks, local television and radio stations. The Company also generates revenue from the sale of display, mobile and video advertising, as well as sponsorships, on our various digital properties. In some cases, the network advertising sales are subject to ratings guarantees that require the Company to provide additional advertising time if the guaranteed audience levels are not achieved. Revenues for any

audience deficiencies are deferred until the guarantee audience levels are met, by providing additional advertisements. Advertising contracts, which are generally short-term, are billed monthly, with payments due shortly after the invoice date.

Advertising revenue from the sale of advertising on broadcast and cable networks, local television and radio stations is recognized when advertising spots are aired and performance guarantees, if any, are achieved. The achievement of performance guarantees related to U.S. broadcasting operations are based on audience ratings from an independent research company. If there is a guarantee to deliver a targeted audience rating, revenues are recognized based on the proportion of the audience rating delivered to the total guaranteed in the contract. For impression-based digital advertising, revenue is recognized when "impressions" are delivered, while revenue from non-impression-based digital advertising (primarily sponsorship) is recognized over the period that the advertisement run. "Impressions" are defined as the number of times that an advertisement appears in content viewed by users of the Company's digital properties. Sponsorship advertisement revenue is recognized ratably over the contract period.

Subscriber Fee—Subscriber fee revenue includes fees charged for the right to view the programming content of the Company's broadcast networks, cable networks and stations through a variety of distribution platforms and viewing devices. Subscriber fee revenue is principally comprised of fees received from multichannel video programming distributors ("MVPDs") and third-party live streaming services ("virtual MVPD's" or "vMVPD") for carriage of the Company's networks and for authorizing carriage ("retransmission consent") of Univision and UniMás broadcast networks aired on the Company's owned television stations as well as fees for digital content. Typically, the Company's networks and stations are aired by MVPDs and vMVPDs pursuant to multi-year carriage agreements that provide for the level of carriage that the Company's networks and stations will receive, and if applicable, for annual rate increases. Subscriber fee revenue is largely dependent on the market demand for the content that the Company provides, the contractual rate-per-subscriber negotiated in the agreements, and the number of subscribers that receive the Company's networks or content. Subscriber fees received from cable and satellite MVPDs are recognized as revenue in the period during which services are provided. Subscriber fee revenues are net of the amortization of any capitalized amounts paid to MVPDs. The Company defers these capitalized amounts and amortizes such amounts through the term of the agreement.

Additionally, the Company's subscriber fee revenue includes monthly fees related to access to our SVOD global streaming platform. Subscribers are billed on a monthly basis in advance of obtaining access to the platform. Subscription fees related to the SVOD service are recognized ratably over the term of the subscription.

The Company also receives retransmission consent fees related to television stations that the Company does not own (referred to as "affiliates") that are affiliated with Univision and UniMás broadcast networks. The Company has agreements with its affiliates whereby the Company negotiates the terms of retransmission consent agreements for substantially all of its Univision and UniMás stations with MVPDs. As part of these arrangements, the Company shares the retransmission consent fees received with certain of its affiliates.

Program Licensing—The Company licenses programming content for digital streaming and to other cable and satellite providers. Program licensing revenue is recognized when the content is delivered, and all related obligations have been satisfied. For licenses of internally-produced television programming, each individual episode delivered represents a separate performance obligation and revenue is recognized when the episode is made available to the licensee for exhibition and the license period has begun. All revenue is recognized only when it is probable that the Company will collect substantially all of the consideration for the program licensing.

Other Revenue—The Company classifies revenue from contractual commitments (including non-cash advertising and promotional revenue) primarily related to Televisa as Other Revenue. The Company also recognizes other revenue related to support services provided to joint ventures and related to spectrum access in channel sharing arrangements. From time to time the Company enters into transactions involving its spectrum.

Program rights and prepayments—The Company produces and acquires program rights to exhibit programming on its broadcast and cable networks and digital streaming platforms. Program rights principally consist of television series, specials, movies, and sporting events. Program rights aired on the Company's broadcast and cable networks and digital streaming platforms is sourced from a wide range of third-party producers, wholly-owned production studios, and sports associations. Costs for internally-produced and acquired programming rights, including prepayments for such costs, are recorded within the non-current portion of "Program rights and prepayments" on the Consolidated balance sheet, with the exception of content acquired with an initial license period of 12 months or less and prepaid sports rights expected to air within 12 months.

The Company capitalizes costs for produced program rights, including direct production costs, development costs, print costs, and production overhead, of original programs when incurred. For licensed program rights, the costs incurred to acquire programming are capitalized as a program right and prepayment and a corresponding liability payable to the licensor are recorded when (i) the cost of the programming is reasonably determined; (ii) the programming has been accepted in accordance with the terms of the agreement;

(iii) the programming is available for its first showing or telecast and (iv) the license period has commenced. Programming rights and prepayments includes advance payments for rights to air sporting events that will take place in the future.

For purposes of amortization and impairment, the capitalized content costs are classified based on their predominant monetization strategy. Programs rights are either monetized individually or as part of a film group. The substantial majority of our program rights and prepayments are predominantly monetized as a film group on our broadcast and cable networks and digital streaming platforms. For programming rights that are predominantly monetized as part of our broadcast and cable networks film group, which includes acquired programming rights and internally-produced television programs, capitalized costs are amortized based on an estimate of the timing of our usage of and benefit from such programming, generally resulting in an accelerated or straight-line amortization pattern. For programming rights that are predominantly monetized as part of our recently launched digital streaming platform, due to a lack of historical information with respect to usage pattern on our digital platform, programming rights that are being predominantly monetized as part of this film group are generally amortized on a straight-line basis over an estimated economic life of six (6) years or the lesser of a license period, if applicable. Adjustments to projected usage are applied prospectively in the period of the change. For programming costs that are predominantly monetized on an individual basis, program rights are amortized utilizing an individual-film-forecast- computation method over the title's life cycle based upon the ratio of current period revenue to estimated remaining total expected revenue. Acquired program costs for multi-year sports programming arrangements are amortized over the license period based on the ratio of current-period direct revenue to estimated remaining total direct revenue over the remaining contract period. Amortization expense of program rights and prepayments is included in "Direct Operating Expense," in the Company's consolidated statement of operations.

All program rights and prepayments on the Company's balance sheet are subject to regular recoverability assessments. The Company has a three-year development cycle which begins with the initial capitalization of the development costs. Film development costs that have not been set for production are expensed within three years unless they are abandoned earlier, in which case these projects are written down to their estimated fair value in the period the decision to abandon the project is determined.

The Company's predominant monetization strategy determines how the impairment testing is performed for program rights and prepayments whenever events or changes in circumstances indicate that the carrying amount of content monetized on its own or as a film group may exceed its estimated fair value. In addition, a change in the predominant monetization strategy is considered a triggering event for impairment testing before a title is accounted for as part of a film group. If the carrying value of an individual monetized content or film group, exceeds the estimated fair value, an impairment charge will be recorded in the amount of the difference. For content that is predominately monetized individually, we utilize estimates including ultimate revenues and additional costs to be incurred (including exploitation and participation costs), in order to determine whether the carrying value of the program rights is impaired. In the event the Company decides not to air a program, an impairment loss reducing the corresponding asset to zero is recorded to reflect the programming asset abandonment.

Accounting for goodwill, other intangibles and long-lived assets—Goodwill and other intangible assets with indefinite lives are tested annually for impairment on October 1 or more frequently if circumstances indicate a possible impairment exists.

The Company first assesses the qualitative factors for reporting units that carry goodwill. A reporting unit is defined as an operating segment or one level below an operating segment. In performing a qualitative assessment, the Company considers relevant events and circumstances that could affect the reporting unit fair value. These circumstances may include macroeconomic conditions, industry and market considerations, cost factors, overall financial performance, and entity-specific events, business plans, and strategy. The Company considers the totality of these events, in the context of the reporting unit, and determines if it is more likely than not that the fair value of the reporting unit is less than its carrying amount. If the qualitative assessment results in a conclusion that it is more likely than not that the fair value of a reporting unit exceeds the carrying value, then no further testing is performed for that reporting unit.

When a qualitative assessment is not used, or if the qualitative assessment is not conclusive and it is necessary to calculate fair value of a reporting unit, then the impairment analysis for goodwill is performed at the reporting unit level. The quantitative impairment test is used to identify potential impairment by comparing the fair value of a reporting unit with its carrying amount, including goodwill. If the carrying value exceeds the fair value, an impairment charge is recognized equal to the difference between the carrying value of the reporting unit and its fair value, considering the related income tax effect of any goodwill deductible for tax purpose.

In performing the quantitative assessment, we measure the fair value of the reporting unit using a combination of the income and market approaches. The assessment requires us to make judgments and involves the use of significant estimates and assumptions. Under the income approach, the Company calculated the present value of the reporting unit's estimated future cash flows (discounted cash flow analysis). Significant estimates and assumptions include the amount and timing of expected future cash flow, risk-adjusted discount rates based on a weighted-average cost of capital ("WACC") adjusted for the relevant risk associated with business-specific characteristics and the uncertainty related to the reporting unit's ability to execute on its projected cash flows. The expected cash flows

used in the income approach are based on the Company's most recent forecast and budget and, for years beyond the budget, the Company's estimates, which are based, in part, on forecasted growth rates. Assumptions used in the estimate of future cash flows, including the WACC, are assessed based on the reporting units' current results and forecasted future performance, as well as macroeconomic and industry specific factors.

Determining fair value using a market approach considers multiples of financial metrics based on both acquisitions and trading multiples of a selected peer group of companies. From the comparable companies, a representative market multiple is determined which is applied to financial metrics to estimate the fair value of a reporting unit.

The Company also has indefinite-lived intangible assets, such as television and radio broadcast licenses and tradenames. The Company's television and radio broadcast licenses have indefinite lives because the Company expects to renew them and renewals are routinely granted with little cost, provided that the licensee has complied with the applicable rules and regulations of the Federal Communications Commission ("FCC"). Historically, all material television and radio licenses that have been up for renewal have been renewed. The Company is unable to predict the effect that further technological changes will have on the television and radio industry or the future results of its television and radio broadcast businesses. Indefinite-lived intangible assets are tested for impairment annually or more frequently if circumstances indicate a possible impairment exists.

The fair value of the television and radio broadcast licenses is determined using the direct valuation method which is classified as a Level 3 measurement. Under the direct valuation method, the fair value of the television and radio broadcast licenses is calculated at the network or market level as applicable. The application of the direct valuation method attempts to isolate the income that is properly attributable to the television and radio broadcast licenses alone (that is, apart from tangible and identified intangible assets). It is based upon modeling a hypothetical "greenfield" build-up to a "normalized" enterprise that, by design, lacks inherent goodwill and whose only other assets have essentially been paid for (or added) as part of the build-up process. Under the direct valuation method, it is assumed that rather than acquiring television and radio broadcast licenses as part of a going concern business, the buyer hypothetically develops television and radio broadcast licenses and builds a new operation with similar attributes from inception. Thus, the buyer incurs start-up costs during the build-up phase. Initial capital costs are deducted from the discounted cash flow model which results in a value that is directly attributable to the indefinite-lived intangible assets. The key assumptions used in the direct valuation method are market revenue growth rates, market share, profit margin, duration and profile of the build-up period, estimated start-up capital costs and losses incurred during the build-up period, the risk-adjusted discount rate and terminal values. The market revenue growth rate assumption is impacted by, among other things, factors affecting the local advertising market for local television and radio stations. This data is populated using industry normalized information representing an average FCC license within a market.

Univision Network and *UniMás* network programming is broadcast on the television stations. FCC broadcast licenses associated with the *Univision Network* and *UniMás* stations are tested for impairment at their respective network level. Broadcast licenses for television stations that are not dependent on network programming are tested for impairment at the local market level. Radio broadcast licenses are tested for impairment at the local market level.

The Company has the option to first assess qualitative factors to determine whether it is more likely than not that an indefinite-lived intangible asset is impaired as a basis for determining whether it is necessary to perform the quantitative impairment test. If the qualitative assessment determines that it is more likely than not that the fair value of the intangible asset is more than its carrying amount, then the Company concludes that the intangible asset is not impaired.

If the Company does not choose to perform the qualitative assessment, or if the qualitative assessment determines that it is more likely than not that the fair value of the indefinite-lived intangible asset is less than its carrying amount, then the Company calculates the fair value of the intangible asset and compares it to the corresponding carrying value. If the carrying value of the indefinite-lived intangible asset exceeds its fair value, an impairment loss is recognized for the excess carrying value over the fair value.

For the Company's broadcast license impairment testing, significant unobservable inputs utilized included discount rates and terminal growth rates. The fair value of the indefinite-lived intangible assets is classified as a Level 3 measurement.

Long-lived assets, such as property and equipment, intangible assets with definite lives, channel-sharing arrangements and program right prepayments are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Recoverability of assets to be held and used is measured by a comparison of the carrying amount of an asset to its estimated undiscounted future cash flows expected to be generated by the asset. If the carrying amount of an asset exceeds its estimated undiscounted future cash flows, an impairment charge is recognized by the amount by which the carrying amount of the asset exceeds the fair value of the asset.

Derivative instruments—The Company recognizes all derivative instruments as either assets or liabilities in the balance sheet at their respective fair values. Derivatives designated and qualifying as a hedge of the exposure to variability in expected future cash flows, or other types of forecasted transactions, are considered cash flow hedges. The Company may enter into derivative contracts that are intended to economically hedge certain of its risks, even though hedge accounting does not apply or the Company elects not to apply hedge accounting.

For all hedging relationships, the Company formally documents the hedging relationship and its risk-management objective and strategy for undertaking the hedge, the hedging instrument, the hedged transaction, the nature of the risk being hedged, how the hedging instrument's effectiveness in offsetting the hedged risk will be assessed prospectively and retrospectively, and a description of the method used to measure ineffectiveness. The Company also formally assesses, both at the inception of the hedging relationship and on an ongoing basis, whether the derivatives that are used in hedging relationships are highly effective in offsetting changes in cash flows of hedged transactions. For derivative instruments that are designated and qualify as part of a cash flow hedging relationship, the gain or loss on the derivative is reported as a component of other comprehensive income (loss) and reclassified into earnings in the same period or periods during which the hedged transaction affects earnings. For derivative instruments not designated as hedging instruments, the derivative is marked to market with the change in fair value recorded directly into interest expense. The Company classifies cash flows from its derivative transactions as cash flow from operating activities in the consolidated statement of cash flows. For derivative transactions that have an other-than-insignificant financing element, all cash flows are classified as cash flows from financing activities in the consolidated statement of cash flows.

The Company discontinues hedge accounting prospectively when (i) it determines that the derivative is no longer effective in offsetting cash flows attributable to the hedged risk; (ii) the derivative expires or is sold, terminated, or exercised; (iii) the cash flow hedge is de-designated because a forecasted transaction is not probable of occurring; or (iv) management determines to remove the designation of the cash flow hedge. In all situations in which hedge accounting is discontinued and the derivative remains outstanding, the Company continues to carry the derivative at its fair value on the balance sheet and recognizes any subsequent changes in its fair value in earnings, and any associated balance in accumulated other comprehensive income (loss) will be reclassified into interest expense in the same periods during which the forecasted transactions that originally were being hedged affect earnings. When it is probable that a forecasted transaction will not occur, the Company discontinues hedge accounting and recognizes immediately in earnings gains and losses that were accumulated in other comprehensive income (loss) related to the hedging relationship.

Treasury Stock—When stock is acquired for purposes other than formal or constructive retirement, the purchase price of the acquired stock is recorded in a separate treasury stock account, which is separately reported as a reduction of equity.

Property and equipment and related depreciation—Property and equipment are carried at historical cost. Depreciation is calculated using the straight-line method over the estimated useful lives of the assets. The Company removes the cost and accumulated depreciation of its property and equipment upon the retirement or disposal of such assets and the resulting gain or loss, if any, is then recognized. Land improvements are depreciated up to 15 years, buildings and improvements are depreciated up to 50 years, broadcast equipment over 5 to 20 years and furniture, computer and other equipment over 3 to 7 years. Property and equipment financed with finance leases are amortized over the shorter of their useful life or the remaining life of the lease. Repairs and maintenance costs are expensed as incurred.

Deferred financing costs—Deferred financing costs consist of payments made by the Company in connection with its debt offerings, primarily ratings fees, legal fees, accounting fees, private placement fees and costs related to the offering circular and other related expenses. Deferred financing costs are amortized over the life of the related debt using the effective interest method.

Advertising and promotional costs—The Company expenses advertising and promotional costs in the period in which they are incurred. The Company recorded advertising and promotional costs of $306.1 million, $49.7 million, $10.5 million and $24.0 million for years ended December 31, 2022 (Successor), for the periods from May 18 through December 31, 2021 (Successor) and from January 1, 2021 through May 17, 2021, and December 31, 2020, respectively.

Share-based compensation—Compensation expense relating to share-based payments is recognized in earnings using a fair-value measurement method. The Company uses the straight-line attribution method of recognizing compensation expense over the requisite service period which generally matches the stated vesting schedule. The Company's stock options vest over periods of between three and five years from the date of grant. The Company's restricted stock unit awards vest over periods of between three and four years from the date of grant. The fair value of each new stock option award is estimated on the date of grant using the Black-Scholes-Merton option-pricing model. The Black-Scholes-Merton option-pricing model was developed for use in estimating the value of traded options that have no vesting restrictions and are fully transferable. In addition, option-pricing models require the input of highly subjective assumptions. Inherent in this model are assumptions related to stock price, expected stock-price volatility, expected term, risk-free interest rate and dividend yield. The risk-free interest rate is based on data derived from public sources. In general, the estimated stock

price is based on comparable public company information and the Company's estimated discounted cash flows. The expected stock-price volatility is primarily based on comparable public company information. Expected term and dividend yield assumptions are based on management's estimates. The fair value of restricted stock units awarded to employees is measured at estimated intrinsic value at the date of grant. The Company accounts for forfeitures when they occur.

Post-employment benefits—The Company has pensions and seniority premiums (post-employment benefits) for its Mexican employees which are funded through irrevocable trusts. The post-employment benefits liability or asset increases or decreases 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.

Income taxes—Income taxes are accounted for under the asset and liability method. Deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases and operating loss and tax credit carryforwards. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The Company classifies all deferred tax assets and liabilities, net as noncurrent on the consolidated balance sheet. Valuation allowances are established when management determines that it is more likely than not that some portion or the entire deferred tax asset will not be realized. The future realization of deferred tax assets depends on the existence of sufficient taxable income of the appropriate character in either the carry back or carry forward period under the tax law for the deferred tax asset. In a situation where the net operating losses are more likely than not to expire prior to being utilized the Company has established the appropriate valuation allowance. If estimates of future taxable income during the net operating loss carryforward period are reduced the realization of the deferred tax assets may be impacted. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period that includes the enactment date. The Company recognizes the effect of income tax positions only if those positions are more likely than not of being sustained. Recognized income tax positions are measured at the largest amount that is greater than 50% likely of being realized. Changes in recognition or measurement are reflected in the period in which the change in judgment occurs. The Company recognizes interest and penalties, if any, related to uncertain income tax positions in income tax expense. There is considerable judgment involved in assessing whether deferred tax assets will be realized and in determining whether positions taken on the Company's tax returns are more likely than not of being sustained.

Concentration of credit risk—Financial instruments that potentially subject the Company to concentrations of credit risk include primarily cash and cash equivalents, trade receivables and financial instruments used in hedging activities. The Company's objective for its cash and cash equivalents is to invest in high-quality money market funds that are prime AAA rated, have diversified portfolios and have strong financial institutions backing them. The Company sells its services and products to a large number of diverse customers in a number of different industries, thus spreading the trade credit risk. No one customer represented more than 10% of revenue of the Company for the year ended December 31, 2022 (Successor) and for the periods from May 18, 2021 through December 31, 2021 (Successor) and from January 1, 2021 through May 17, 2021 (Predecessor), and for the year ended December 31, 2020 (Predecessor) or more than 10% of the Company's accounts receivable as of December 31, 2022 and December 31, 2021. The Company extends credit based on an evaluation of the customers' financial condition and historical experience. The Company monitors its exposure for credit losses and maintains allowances for anticipated losses. The counterparties to the agreements relating to the Company's financial instruments consist of major international institutions. The Company does not believe that there is significant risk of nonperformance by these counterparties as the Company monitors the credit ratings of such counterparties and limits the financial exposure with any one institution.

Securitizations—Securitization transactions in connection with UCI's accounts receivable facility are classified as debt on the Company's balance sheet and the related cash flows from any advances or reductions are reflected as cash flows from financing activities. UCI sells to investors, on a revolving non-recourse basis, a percentage ownership interest in certain accounts receivable through wholly owned special purpose entities. UCI retains interests in the accounts receivable that have not been sold to investors. The retained interest is subordinated to the sold interest in that it absorbs 100% of any credit losses on the sold receivable interests. UCI services the receivables sold under the accounts receivable facility.

Recently adopted —In October 2021, the FASB issued ASU 2021-08, *Business Combinations (Topic 805), Accounting for Contract Assets and Contract Liabilities from Contracts with Customers*, which changes how entities will recognize assets acquired and liabilities assumed in a business combination, including contract assets and contract liabilities arising from revenue contracts with customers. The provisions of ASU 2021-08 will require acquiring entities to recognize and measure contract assets and contract liabilities acquired in a business combination in accordance with ASU 2014-09 (Topic 606), Revenue from Contracts with Customers, as if it had originated the contracts. The provisions of ASU 2021-08 are effective for fiscal years beginning after December 15, 2022, with early adoption permitted, including adoption in an interim period. An entity that early adopts in an interim period is required to apply the amendments (i) retrospectively to all business combinations for which the acquisition date occurs on or after the beginning of the fiscal year that includes the interim periods of early adoption and (ii) prospectively to all business combinations that occur on or after the date of initial application. The Company early adopted this guidance during the fourth quarter of 2022. The adoption of this guidance did not have a material impact on the Company's consolidated financial statements for prior acquisitions in the current annual period, and the impact in future periods will be dependent on the contract assets and contract liabilities acquired in future business combinations.

Subsequent events—The Company evaluates subsequent events and the evidence they provide about conditions existing at the date of the balance sheet as well as conditions that arose after the balance sheet date but before the financial statements are issued. The effects of conditions that existed at the date of the balance sheet date are recognized in the financial statements. Events and conditions arising after the balance sheet date but before the financial statements are issued are evaluated to determine if disclosure is required to keep the financial statements from being misleading. To the extent such events and conditions exist, disclosures are made regarding the nature of events and the estimated financial effects for those events and conditions. For purposes of preparing the accompanying consolidated financial statements and the following notes to these financial statements, the Company evaluated subsequent events through April 28, 2023, the date the financial statements were issued.

3. TelevisaUnivision Transaction

On January 31, 2022 (the "acquisition date"), Televisa and UH Holdco (together with its wholly owned subsidiary, Univision Communications Inc.) announced the completion of the TelevisaUnivision Transaction. As a result, UH Holdco through its subsidiary Univision acquired a 100% equity interest in Televisa's content and media business and is deemed to be the accounting acquirer. Accordingly, the TelevisaUnivision Transaction is accounted as a business combination under the scope of ASC 805. The TelevisaUnivision Transaction created the world's leading Spanish-language media and content company, producing and delivering premium content for its own platforms and for others, while also providing innovative solutions for advertisers and distributors globally.

The total consideration consisted of $3,146.5 million in cash and total equity consideration of $1,545.4 million, comprised of UH Holdco Class A common stock and Series B participating preferred stock of UH Holdco, with an annual cumulative dividend of 5.5%. The fair value of the equity consideration was determined using a contingent claims analysis. The TelevisaUnivision Transaction was financed through (i) $1.0 billion of UH Holdco Series C preferred stock investment led by the SoftBank Latin American Fund ("SoftBank"), along with ForgeLight, with participation from Google and The Raine Group, (ii) $1.05 billion of 4.0% Term loan due 2029 and (iii) $1.05 billion of 4.5% Senior Secured Notes due 2029, see Note 17. *Debt.* Prior to the transaction, the Company had an obligation to provide future advertising and promotion time at no charge to Televisa. Concurrent with the transaction, this obligation was settled. See Note 16. *Related Party Transactions.*

The fair value of the assets acquired and liabilities assumed was determined based on assumptions that reasonable market participants would use in the principal (or most advantageous) market for the business. The Company's purchase accounting is not yet complete and will be finalized in the first quarter of 2023; the determination of the fair value of certain leased assets and the impact on intangible assets is preliminary and subject to revision. The measurement period adjustments are reflected in the purchase price allocation table below.

The following represents the purchase price allocation for the TelevisaUnivision Transaction:

	January 31, 2022 (Fair Value)
Cash consideration	$ 3,146,500
Equity consideration	1,545,400
Total consideration transferred	**4,691,900**
Cash and cash equivalents	85,400
Accounts receivables, net	356,400
Other current assets	782,000
Property and equipment, net	630,300
Intangible assets, net	1,723,300
Other non-current assets	811,700
Total identifiable assets acquired	**4,389,100**
Current liabilities	(953,300)
Long-term debt and finance lease obligations	(584,300)
Other non-current liabilities	(395,800)
Goodwill	**$ 2,236,200**

As of December 31, 2022 (Successor), we recorded measurement period adjustments to our provisional estimates of deferred tax liabilities as we received more information with respect to acquired book to tax basis differences and updates in valuations received from the Company's valuation specialists during the year. We also finalized a working capital resulting in an adjustment of $25.9 million to the total consideration transferred and goodwill. These adjustments reduced goodwill by $28.2 million. During the first quarter of 2023, the Company completed the purchase accounting for the TelevisaUnivision Transaction, which resulted in an increase in goodwill of $12.4 million.

The Company recorded net deferred tax assets of $364.5 million from the TelevisaUnivision Transaction primarily related to licenses, content rights, and advanced deposits for taxes. Such amounts are included in the table as Other non-current assets and Other non-current liabilities.

A summary of intangible assets acquired and the estimated useful life of these assets as of the acquisition date:

Description of intangible assets:	Fair Value (Successor)	Estimated Useful Life in Years
Broadcast and Multi System Operator Relationships	$ 400,000	15.5
Advertiser Relationships	810,000	12
Mexico Broadcast License	273,300	20
Televisa tradenames	240,000	Indefinite
Total intangible assets acquired	**$ 1,723,300**	

The Televisa's content and media assets business purchase price was $4,691.9 million which has resulted in the goodwill recognition of $2,236.2 million, assigned to the Media and Entertainment reportable segment. The full amount of Goodwill is not deductible for tax purposes. The Goodwill recognized is due to the (i) expected cash flow savings related to the elimination of the Program License Agreement with Televisa, (ii) ability to generate in-house content beyond the existing content library which would be expected to drive advertising, subscription and streaming revenue, (iii) existing assembled workforce and know how acquired as part of the transaction, and (iv) continuous push and ability to add new MSO and advertiser relationships to further grow the combined business.

The Company used discounted cash flow ("DCF") analyses, which represent Level 3 fair value measurements, to assess certain components of its purchase price allocation as a result of the acquisition. The fair value of the programming contents acquired was determined using an income approach based on existing portfolio usage and historical content decay curves. The fair value of trade names and trademarks was determined using an income approach based on the relief from royalty method. The fair value for MSO and advertiser relationships was determined using the multi-period excess earnings method. The fair value for Broadcast license in Mexico, which was renewed on January 1, 2022, and the fair value for property, plant and equipment were determined using the current cost method. For the fair value estimates, the Company used: (i) projected discounted cash flows, (ii) historical and projected financial information, (iii) synergies including cost savings, (iv) royalty rates and (v) attrition and decay rates, as relevant, that market participants would consider when estimating fair values. The Company is amortizing the acquired identifiable definite-lived intangible assets over their estimated useful lives from the acquisition date. The Transaction resulted in the Company recording deferred tax assets related to the step up in tax basis of certain assets and deferred tax liability related to acquired intangibles not amortizable for tax purposes.

The Company incurred $103.1 million of acquisition-related expenses, of which $47.3 million were expensed and included in Acquisition related costs and other, net and $55.8 million primarily related to financing fees which were capitalized and recorded as deferred financing costs and presented as a direct reduction of the Company's long-term debt in the consolidated balance sheet.

The financial results of Televisa's content and media business are included in the Company's financial statements, beginning January 31, 2022. For the year ended December 31, 2022, the Company included $1,432.5 million of revenue and $431.0 million of net loss in the Consolidated statement of operations related to Televisa's content and media business.

Unaudited Pro Forma Impact of the TelevisaUnivision Transaction and the Reorganization

The following unaudited information represents the supplemental pro forma results of the Company's Consolidated Statements of Operations as if the TelevisaUnivision Transaction and the Acquisition of UHI (see Note 4) (presented on a combined basis) had occurred on January 1, 2021, for both the twelve months ended December 31, 2022 and 2021 after giving effect to certain adjustments, including depreciation and amortization of the assets acquired and interest expenses of the new debt. For the years ended December 31, 2022 and 2021, pro forma adjustments include an increase in depreciation and amortization expense of $5.2 million and $57.9 million, respectively, and increase in interest expense of $5.8 million and $88.5 million, respectively related to new debt adjustments in purchase accounting. To present transaction-related costs in the beginning of the earliest comparative period presented pro forma adjustments include a reduction in transaction-related costs of $47.3 million for the year ended December 31, 2022. The unaudited pro forma financial information includes adjustments required under the acquisition method of accounting, is presented for informational purposes only and is not necessarily indicative of the results that would have been achieved had these acquisitions occurred on the aforementioned dates.

	December 31, 2022 Pro Forma	December 31, 2021 Pro Forma
Revenue	$ 4,711,800	$ 4,183,300
Net (loss) income	(1,454,700)	349,800

4. Acquisition of UHI

The Reorganization discussed in Note 1. *Company Background* was accounted for by UH Holdco in accordance with the acquisition method of accounting pursuant to ASC 805, as UH Holdco obtained a controlling financial interest in UHI and UHI constitutes a business with inputs, processes, and outputs. Accordingly, the acquisition of UHI constitutes the acquisition of a business for purposes of ASC 805 and due to the change in control of UHI, was accounted for using the acquisition method. The fair value of assets deemed acquired and liabilities assumed was determined based on assumptions that reasonable market participants would use in the principal (or most advantageous) market for the asset or liability.

Prior to the Reorganization date, UH Holdco accounted for its 26.04% interest in UHI as an equity-method investment with a balance of $227.9 million. The acquisition-date fair value of the previous equity interest was $849.1 million and is included in the measurement of the total UH Holdco Business Combination consideration. The Company recognized a gain of $621.2 million as a result of remeasuring its prior equity interest in UHI held before the business combination. The gain was included in (Gain) loss on investments within the Company's consolidated statement of operations for the period January 1, 2021 through May 17, 2021. The Company determined the fair value of its previously-held equity interest in UHI using the business enterprise value approach as discussed further below.

The Company's management, with the assistance of a third-party valuation firm, estimated the fair value of the Company's assets and liabilities as of the Reorganization Date.

The following represents the purchase price allocation for the UH Holdco Business Combination.

(All amounts in thousands)	Fair Value (Successor)
Equity consideration	$ 2,015,900
Redeemable preferred shares	369,400
Share-based awards assumed due to business combination	5,400
Consideration transferred	2,390,700
Fair value of previously-held equity interest	849,100
Total purchase consideration	**3,239,800**
Cash and cash equivalents	603,700
Accounts receivable	561,800
Other current assets	123,700
Property and equipment	489,400
Intangible assets	5,336,000
Other non-current assets	339,800
Total identifiable assets acquired	**7,454,400**
Accounts payable and accrued liabilities	409,700
Other liabilities	723,200
Long term debt assumed	7,446,700
Deferred tax liabilities	960,900
Net identifiable assets acquired	**(2,086,100)**
Goodwill	**5,325,900**

Intangible assets balances comprises the following:

Description	Fair Value (Successor)	Useful Life in Years
Broadcast and Multi System Operator Relationships	$ 2,090,000	14
TV FCC License	1,901,600	Indefinite
Advertiser Relationships	520,000	8-9
Trade names / Trademarks - Non amortizable	462,200	Indefinite
Radio FCC License	307,300	Indefinite
Trade names / Trademarks - Amortizable	19,900	5-10
Tower Customer Relationships	35,000	20
Total intangible assets acquired	$ 5,336,000	

UHI's fair value was determined using the business enterprise valuation approach that discounted UHI's projected cash flows based on a probability weighted scenario of the TelevisaUnivision Transaction occurring or not occurring and associated weighted average cost of capital. UHI's fair value was estimated to be $10,422.5 million which resulted in recognition of Goodwill of $5,325.9 million, which has been assigned to the Media and Entertainment reportable segment. The Goodwill recognized is due to the expected significant synergies from the TelevisaUnivision Transaction such as (i) improved monetization of the combined libraries and advertising inventory resulting from the TelevisaUnivision Transaction, leading to anticipated revenue synergies, (ii) anticipated costs synergies from relocation of personnel and production to Mexico and procurement efficiencies due to economies of scale and (iii) anticipated significant recurring subscriber fee and streaming revenue as a result of the launching of the global Spanish Language streaming service.

The Company used discounted cash flow ("DCF") analyses, which represent Level 3 fair value measurements, to assess certain components of its purchase price allocation. The fair value of tradenames and trademarks was determined using an income approach based on the relief from royalty method. The fair value for broadcast, MSO relationships, advertiser relationships and tower customer relationships was determined using the multi-period excess earnings method. The fair value for FCC license was determined using the greenfield method. The fair value of property, plant and equipment was determined using the current cost method. The fair value of interest-bearing debt was determined using publicly-traded prices. For the fair value estimates, the Company used: (i) projected discounted cash flows, (ii) historical and projected financial information, (iii) synergies including cost savings, (iv) royalty rates and (v) attrition rates, as relevant, that market participants would consider when estimating fair values. The Company is amortizing the

acquired identifiable definite-lived intangible assets over their estimated useful lives from the acquisition date. The acquisition of UHI did not result in a step-up in the basis of any of the Company's assets (including Goodwill) for U.S. federal income tax purposes.

Transaction costs incurred in the UH Holdco Business Combination were immaterial and expensed in the Successor period.

5. The Searchlight/ForgeLight Transaction

On December 29, 2020, pursuant to a Stock Purchase Agreement dates as of February 24, 2020 and related transactions, Searchlight and ForgeLight ("Searchlight/ ForgeLight Transaction") completed their acquisition of a portion, and UHI repurchased and canceled the remaining portion in connection with its issuance of new Series A preferred stock of UHI to Liberty Global Ventures Limited ("Liberty"), of UHI Class A and Class B common stock from Madison Dearborn Partners, LLC, Providence Equity Partners Inc., Saban Capital Group, Inc., TPG Global, LLC, Thomas H. Lee Partners, L.P. and their respective affiliates (collectively, the "Original Sponsors") and certain other institutional investors and management stockholders of UHI. In connection with the Searchlight/ForgeLight Transaction, UHI entered into a subscription agreement with Liberty pursuant to which Liberty subscribed for shares of a newly designated series of preferred stock of UHI, the Series A preferred stock, with an aggregate purchase price equal to the value of stock repurchased and canceled by UHI as described above. Grupo Televisa neither sold nor acquired any shares of UHI common stock. Following the consummation of Searchlight/ForgeLight Transaction, UHI's stockholders included Searchlight, ForgeLight and Grupo Televisa as holders of common stock, Liberty, as a holder of Series A preferred stock, which was convertible into the UHI's common stock, and members of management, as holders of equity awards, which, subject to vesting in accordance with their terms, settle into shares of common stock. As a result of the Searchlight/ForgeLight Transaction, UCI funded transaction costs of $68.0 million which were expensed as incurred and are included in Acquisition related costs and other, net within the Predecessor's consolidated statement of operations.

6. Cash, Cash Equivalents and Restricted Cash

The following table provides the balance sheet details that sum to the total of cash, cash equivalents and restricted cash in the statement of cash flows.

	December 31, 2022 (Successor)	December 31, 2021 (Successor)	December 31, 2020 (Predecessor)
Cash and cash equivalents	$ 538,600	$ 647,000	$ 523,700
Restricted cash related to debt	—	1,071,300	—
Restricted cash included in Prepaid expenses and other	5,100	300	200
Restricted cash included in Other assets	1,500	1,500	1,500
Total cash, cash equivalents and restricted cash shown in the statement of cash flows	$ 545,200	$ 1,720,100	$ 525,400

Amounts included in restricted cash related to debt as of December 31, 2021 (Successor) consists of the escrow amounts for the 4.500% Senior Secured Notes due 2029 deposited in escrow for the TelevisaUnivision Transaction and were released from escrow at closing (See Note 17. *Debt* and Note 3. *TelevisaUnivision Transaction)*. Amounts included in restricted cash within Prepaid expenses and other and Other assets as of December 31, 2022 (Successor) pertain to escrow amounts for certain lease, grant payments and transition service agreement on the non-strategic radio stations sold on December 30, 2022. Amounts included in restricted cash within Prepaid expenses and other, and Other assets as of December 31, 2021 (Successor) and December 31, 2020 (Predecessor) pertain to escrow amounts for certain lease and grant payments.

7. Property and Equipment

Property and equipment consists of the following:

	December 31, 2022		
	U.S.	Mexico	Total
Land and improvements	$ 67,500	$ 27,400	$ 94,900
Buildings and improvements	364,900	32,800	397,700
Broadcast and production equipment	436,300	117,600	553,900
Furniture, computer and other equipment	356,100	143,600	499,700
Land, building, transponder equipment and vehicles financed with finance leases	100,900	383,800	484,700
	1,325,700	705,200	2,030,900
Accumulated depreciation	(874,500)	(43,400)	(917,900)
Property and equipment, net	$ 451,200	$ 661,800	$ 1,113,000

	December 31, 2021		
	U.S.	Mexico	Total
Land and improvements	$ 70,600	$ —	$ 70,600
Buildings and improvements	361,200	—	361,200
Broadcast and production equipment	434,100	—	434,100
Furniture, computer and other equipment	288,300	—	288,300
Land, building, transponder equipment and vehicles financed with finance leases	119,600	—	119,600
	1,273,800	—	1,273,800
Accumulated depreciation	(807,500)	—	(807,500)
Property and equipment, net	$ 466,300	$ —	$ 466,300

For the year ended December 31, 2022 (Successor) and for the periods from May 18, 2021 through December 31, 2021 (Successor) and from January 1, 2021 through May 17, 2021 (Predecessor) and for the year ended December 31, 2020 (Predecessor), depreciation expense on property and equipment was $197.3 million, $60.1 million, $31.0 million, $96.0 million, respectively. Accumulated depreciation related to assets financed with finance leases at December 31, 2022 (Successor) and December 31, 2021 (Successor) is $87.9 million and $70.6 million, respectively.

8. Leases

The Company has long-term operating leases expiring on various dates for office, studio, automobile and tower rentals. The Company's operating leases, which are primarily related to buildings and tower properties, have various renewal terms and escalation clauses. The Company also has long-term finance lease obligations for facilities and transmission and technical equipment assets that are used to transmit and receive its network signals in the U.S. and Mexico. Our leases generally have remaining terms ranging from 3 to 45 years and often contain renewal options to extend the lease for periods ranging from 5 years to 25 years. For leases that contain renewal options, we include the renewal period in the lease term if it is reasonably certain that the option will be exercised.

We evaluate whether our contractual arrangements contain leases at the inception of such arrangements. Specifically, we consider whether we can control the underlying asset and have the right to obtain substantially all of the economic benefits or outputs from the asset. Contracts containing a lease are further evaluated for classification as an operating or finance lease where the Company is a lessee. Our right-of-use operating lease assets represent our right to use an underlying asset for the lease term, and our operating lease liabilities represent our obligation to make lease payments. The underlying assets under finance leases are recorded as components of property and equipment and the corresponding finance lease liability is recorded as a component of long-term debt and finance lease obligations. Variable lease payments consist primarily of common area maintenance and service related costs, personnel costs, utilities and taxes, which are not included in the recognition of ROU assets and related lease liabilities. Our lease agreements do not contain any material residual value guarantees or material restrictive covenants.

Both the operating lease right to use asset and liability are recognized as of the lease commencement date at the present value of the lease payments over the lease term. Most of our leases do not provide an implicit rate that can readily be determined. Therefore, we use a discount rate based on our incremental borrowing rate, which is determined using secured borrowings of companies with similar credit ratings and adjusted for the Company's current issuing rates for senior secured debt. The Company combines the lease and non-lease components of lease payments in determining right of use assets and related lease liabilities. If the lease includes one or more options to extend the term of the lease, the renewal option is considered in the lease term if it is reasonably certain the Company will exercise the option(s). Lease expense is recognized on a straight-line basis over the term of the lease. As permitted by ASC 842, leases with an initial term of twelve months or less ("short-term leases") are not recorded on the accompanying balance sheet. Lease cost for finance leases includes the amortization of the Right-Of-Use ("ROU") asset included within property and equipment, which is amortized on a straight-line basis and recorded to Depreciation and amortization, and interest expense on the finance lease liability, which is calculated using the interest method and recorded to Interest expense.

The Company has operating subleases which have been accounted for by reference to the underlying asset subject to the lease rather than by reference to their associated right-of-use asset.

The components of lease costs are as follows:

	Year Ended December 31, 2022 (Successor)	Period from May 18, 2021 through December 31, 2021 (Successor)	Period from January 1, 2021 through May 17, 2021 (Predecessor)	Year Ended December 31, 2020 (Predecessor)
Finance Lease cost				
Amortization of right-of-use assets	$ 36,400	$ 6,600	$ 4,100	$ 7,300
Interest on lease liabilities	25,100	1,700	1,000	2,900
Operating lease cost (a)	28,500	16,500	10,000	30,000
Variable lease cost and other (b)	44,200	—	—	—
Short term lease cost	18,300	1,600	100	2,200
Total lease cost	$ 152,500	$ 26,400	$ 15,200	$ 42,400

(a) For the year ended December 31, 2022 (Successor) and for the periods from May 18, 2021 through December 31, 2021 (Successor) and from January 1, 2021 through May 17, 2021 (Predecessor) and for the year ended December 31, 2020 (Predecessor), the Company recorded total sublease income associated with operating leases of $10.2 million, $6.1 million, $3.8 million and $9.5 million, respectively, primarily recorded as an offset to the rent expense in Restructuring, severance and related charges within the Company's consolidated statement of operations.

(b) Represents variable lease costs that are not based on an index or rate related to finance leases arrangements acquired in the TelevisaUnivision Transaction between the Company and Televisa and its affiliates, for the buildings, transmission and technical equipment assets required to transmit and receive broadcast signals in Mexico. For further details on related party balances and transactions, See Note 16. *Related Party Transactions*.

The Company's finance and operating leases weighted average discount rate and remaining lease term are as follows:

	Year Ended December 31, 2022 (Successor)	Year Ended December 31, 2021 (Successor)	Year Ended December 31, 2020 (Predecessor)
Finance leases			
Discount rate	6.96 %	5.30 %	5.74 %
Period (years)	21.0	17.4	15.5
Operating leases			
Discount rate	5 %	4.40 %	7.70 %
Period (years)	7.9	7.2	7.4

Fair value for the impairment of right-of-use assets are determined with Level 3 inputs by using the discounted cash flows associated with the head lease obligation and associated sublease income. For the year ended December 31, 2022 (Successor) and for the periods from May 18, 2021 through December 31, 2021 (Successor) and from January 1, 2021 through May 17, 2021 (Predecessor) and for the year ended December 31, 2020 (Predecessor), the Company recognized non-cash impairment losses in continuing operations of zero, zero, $4.3 million and $3.3 million related to operating lease right-of-use assets as a result of the Company's decision to cease occupying the leased space.

Cash paid for amounts included in the measurement of operating and finance lease liabilities were as follows:

	Year Ended December 31, 2022 (Successor)	Year Ended December 31, 2021 (Successor)	Year Ended December 31, 2020 (Predecessor)
Finance lease liabilities	$ 33,400	$ 9,900	$ 10,000
Operating lease liabilities	45,200	42,400	45,000
Total	$ 78,600	$ 52,300	$ 55,000

The expected future payments relating to the Company's operating and finance lease liabilities at December 31, 2022 (Successor) are as follows:

	Operating	Finance
2023	$ 44,400	$ 55,200
2024	37,300	52,000
2025	40,500	46,400
2026	34,800	33,300
2027	30,100	32,000
2028 and thereafter	81,300	564,100
Total minimum payments	$ 268,400	$ 783,000
Less amounts representing interest	50,700	387,800
Present value of minimum payments	$ 217,700	$ 395,200

9. Goodwill and Other Intangible Assets

The carrying value and changes in the carrying value of goodwill were as follows:

	Balance
As of May 17, 2021 (Successor)	$ —
Goodwill resulting from acquisition of UHI (See Note 4)	5,325,900
As of December 31, 2021 (Successor)	5,325,900
Goodwill resulting from acquisitions (See Note 3 and 15)	2,333,000
Impairment loss	(1,498,000)
Foreign exchange impact	158,900
As of December 31, 2022 (Successor)	$ 6,319,800

See Note 2. *Summary of Significant Accounting Policies* for further discussion of the Company's assessments of impairment of goodwill and indefinite-lived intangible assets.

Goodwill which associated with our linear/digital reporting unit was tested quantitatively as of October 1, 2022. Based on our annual impairment assessment process for goodwill, the Company had a $1,498.0 million impairment during the fiscal year ended December 31, 2022 (Successor) which primarily reflects an increased discount rate and reduced estimated future cash flows as a result of macroeconomic conditions, and is recorded in the Impairment loss within in the Consolidated statement of operations.

Indefinite-Lived Intangible Assets other than Goodwill

For the year ended December 31, 2022 (Successor), the Company recognized a non-cash impairment loss of $128.4 million related to certain television broadcast licenses due to the macro-conditions affecting traditional television in the United States. For the period from May 18, 2021 through December 31, 2021 (Successor), the Company recognized an impairment loss of $3.4 million related to certain television broadcast licenses due to the decision not to renew such licenses. For the period from January 1, 2021 through May 17, 2021 (Predecessor), due to market indicators in connection with determining the fair value of intangible assets as of the Reorganization Date, the Company recognized an impairment loss of $68.3 million related to certain radio broadcast licenses. In 2020, the Company recorded an impairment loss of $87.2 million primarily related to certain radio broadcast licenses, resulting from the scaling back in the overall market of advertising purchases due to COVID-19 and a $54.1 million write-down of TV FCC licenses due to the requirement to sell certain minor operating stations in the linear/digital operations as part of the Searchlight/ForgeLight transaction and impacted by the COVID-19 pandemic.

Definite-Lived Intangible Assets

The were no impairment losses for the year ended December 31, 2022 (Successor), for the periods from May 18, 2021 through December 31, 2021 (Successor) and from January 1, 2021 through May 17, 2021 (Predecessor). The Company recognized impairment losses on the tradename in the radio operations of $14.4 million during 2020 resulting from the scaling back in the overall market of advertising purchases due to COVID-19.

The Company has various intangible assets with definite lives that are being amortized on a straight-line basis. Advertiser relationships are primarily being amortized through 2029, Broadcast and Multi System Operator relationships are primarily being amortized through 2035, Mexican Broadcast license primarily being amortized through 2041 and other amortizable intangibles. For the year ended December 31, 2022 (Successor), and for the periods from May 18, 2021 through December 31, 2021 (Successor) and from January 1, 2021 through May 17, 2021 (Predecessor) and for the year ended December 31, 2020 (Predecessor), the Company incurred amortization expense of $327.0 million, $138.5 million, $21.9 million and $56.8 million, respectively.

The following is an analysis of the Company's intangible assets currently being amortized, intangible assets not being amortized and estimated amortization expense for the years ending December 31, 2023 through 2027:

	As of December 31, 2022 (Successor)		
	Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount
Intangible Assets Being Amortized			
Broadcast and Multi System Operator relationships	$ 2,410,000	$ 259,500	$ 2,150,500
Advertiser relationships	1,330,000	172,500	1,157,500
Mexican Broadcast license	273,300	13,900	259,400
Other amortizable intangibles	159,800	18,000	141,800
Total	$ 4,173,100	$ 463,900	$ 3,709,200
Intangible Assets Not Being Amortized			
Broadcast licenses			2,184,000
Trade names and other assets			707,300
Total			2,891,300
Impairment loss			(143,700)
Foreign exchange rate impact			122,400
Total intangible assets, net			$ 6,579,200

	As of December 31, 2021 (Successor)		
	Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount
Intangible Assets Being Amortized			
Broadcast and Multi System Operator relationships	$ 2,010,000	$ 89,200	$ 1,920,800
Advertiser relationships	635,000	44,100	590,900
Other amortizable intangibles	20,100	1,200	18,900
Total	$ 2,665,100	$ 134,500	$ 2,530,600
Intangible Assets Not Being Amortized			
Broadcast licenses			2,205,500
Trade names and other assets			458,000
Total			2,663,500
Total intangible assets, net			$ 5,194,100

The Company's estimated amortization expense is approximately $332.0 million, $331.8 million $331.6 million, $328.3 million and $324.8 million for each of the years ending December 31, 2023, 2024, 2025, 2026 and 2027, respectively.

10. Accounts Payable and Accrued Liabilities

Accounts payable and accrued liabilities consist of the following:

	December 31, 2022 (Successor)	December 31, 2021 (Successor)
Trade accounts payable	$ 242,900	$ 56,400
Accrued compensation	162,700	116,900
Accrued interest	79,100	51,100
Program rights obligations	63,200	23,900
Income tax payable	23,600	4,400
Studio production payable	47,200	—
Accrued revenue obligations	35,300	43,900
Accrued Value Added Tax (VAT) payable	33,400	200
Related party obligations (See Note 16)	30,000	31,000
Accrued restructuring, severance and related charges	26,600	32,500
Interest rate swap liability	—	35,300
Other accounts payable and accrued liabilities	297,200	154,000
	$ 1,041,200	$ 549,600

Restructuring, Severance and Related Charges

The Company's restructuring, severance and related charges, net of reversals, for the year ended December 31, 2022 (Successor), for the periods from May 18, 2021 through December 31, 2021 (Successor) and from January 1, 2021 through May 17, 2021 (Predecessor) and for the year ended December 31, 2020 (Predecessor) are summarized below.

	Year Ended December 31, 2022 (Successor)	Period from May 18, 2021 through December 31, 2021 (Successor)	Period from January 1, 2021 through May 17, 2021 (Predecessor)	Year Ended December 31, 2020 (Predecessor)
Restructuring:				
Activities initiated prior to 2020	$ 100	$ 1,200	$ 500	$ 7,100
Activities initiated in 2020	6,300	5,500	7,100	34,500
Activities initiated in 2021	—	52,600	—	—
Activities related to recent acquisitions	56,700	—	—	—
Severance for individual employees and related charges	5,400	—	—	4,500
Total restructuring, severance, and related charges	$ 68,500	$ 59,300	$ 7,600	$ 46,100

The restructuring activities initiated prior to 2020 were primarily intended to rationalize costs. The restructuring activities initiated in 2020 were due to further initiatives to rationalize costs and the disruption caused by the COVID-19 pandemic. The restructuring activities initiated in 2021 were due to further initiatives to rationalize costs. The restructuring activities related to the recent acquisitions, including the TelevisaUnivision Transaction, are expected to be completed by December 31, 2023. Future charges arising from additional activities associated with these restructuring activities cannot be estimated but are not expected to be material.

Severance for individual employees and related charges relate primarily to severance arrangements with former employees unrelated to the Company's restructuring activities.

The following tables present the restructuring charges, net of reversals, by segment for the year ended December 31, 2022 (Successor), for the periods from May 18, 2021 through December 31, 2021 (Successor) and from January 1, 2021 through May 17, 2021 (Predecessor) and during the year ended December 31, 2020 (Predecessor).

	Year Ended December 31, 2022 (Successor)		
	Employee Termination Benefits	Contract Termination Costs/Other	Total
Charges Resulting From Restructuring Activities Initiated Prior to 2020			
Media and Entertainment	$ —	$ 100	$ 100
Corporate	—	—	—
Charges Resulting From Restructuring Activities Initiated in 2020			
Media and Entertainment	—	6,300	6,300
Corporate	—	—	—
Charges Resulting From Restructuring Activities Initiated in 2021			
Media and Entertainment	—	—	—
Corporate	—	—	—
Charges Related to Recent Acquisitions			
Media and Entertainment	27,900	5,200	33,100
Corporate	11,600	12,000	23,600
Consolidated	$ 39,500	$ 23,600	$ 63,100

	Period from May 18, 2021 through December 31, 2021 (Successor)			Period from January 1, 2021 through May 17, 2021 (Predecessor)		
	Employee Termination Benefits	Contract Termination Costs/Other	Total	Employee Termination Benefits	Contract Termination Costs/Other	Total
Charges Resulting From Restructuring Activities Initiated Prior to 2020						
Media and Entertainment	$ —	$ 400	$ 400	$ —	$ 200	$ 200
Corporate	—	800	800	—	300	300
Charges Resulting From Restructuring Activities Initiated in 2020						
Media and Entertainment	(400)	4,100	3,700	900	2,400	3,300
Corporate	(100)	1,900	1,800	1,300	2,500	3,800
Charges Resulting From Restructuring Activities Initiated in 2021						
Media and Entertainment	6,400	3,200	9,600	—	—	—
Corporate	11,500	31,500	43,000	—	—	—
Consolidated	$ 17,400	$ 41,900	$ 59,300	$ 2,200	$ 5,400	$ 7,600

	Year Ended December 31, 2020 (Predecessor)		
	Employee Termination Benefits	Contract Termination Costs/Other	Total
Charges Resulting From Restructuring Activities Initiated Prior to 2020			
Media and Entertainment	$ (200)	$ 2,600	$ 2,400
Corporate	—	4,700	4,700
Charges Resulting From Restructuring Activities Initiated in 2020			
Media and Entertainment	17,300	1,200	$ 18,500
Corporate	9,600	6,400	16,000
Consolidated	$ 26,700	$ 14,900	$ 41,600

The following tables present the activity in the restructuring liabilities for the years ended December 31, 2022 (Successor) and December 31, 2021 (Successor).

	Accrued Restructuring as of December 31, 2021 (Successor)	Restructuring Expense	Reversals	Cash Payments and Other	Accrued Restructuring as of December 31, 2022 (Successor)
Restructuring Activities Initiated Prior to 2020					
Employee termination benefits	$ 500	$ —	$ —	$ —	$ 500
Contract termination costs/other	—	100	—	(100)	—
Restructuring Activities Initiated in 2020					
Employee termination benefits	1,900	—	—	(1,900)	—
Contract termination costs/other	—	6,300	—	(6,300)	—
Restructuring Activities Related to Recent Acquisitions					
Employee termination benefits	15,000	39,500	—	(30,800)	23,700
Contract termination costs/other	15,100	20,800	(3,600)	(29,900)	2,400
Consolidated	$ 32,500	$ 66,700	$ (3,600)	$ (69,000)	$ 26,600

	Accrued Restructuring as of May 18, 2021 (Successor)	Restructuring Expense	Reversals	Cash Payments and Other	Accrued Restructuring as of December 31, 2021 (Successor)
Restructuring Activities Initiated Prior to 2020					
Employee termination benefits	$ 500	$ —	$ —	$ —	$ 500
Contract termination costs/other	200	1,200	—	(1,400)	—
Restructuring Activities Initiated in 2020					
Employee termination benefits	6,900	1,200	(600)	(5,600)	1,900
Contract termination costs/other	5,100	6,100	—	(11,200)	—
Restructuring Related to Recent Acquisitions					
Employee termination benefits	—	18,000	(300)	(2,700)	15,000
Contract termination costs/other	—	34,700	—	(19,600)	15,100
Consolidated	$ 12,700	$ 61,200	$ (900)	$ (40,500)	$ 32,500

During the period from January 1, 2021 to May 17, 2021, the Predecessor expensed $6.6 million, net reversals and made cash payments of $14.7 million.

Employee termination benefits accrued as of December 31, 2022 (Successor) are expected to be paid within twelve months from December 31, 2022. Contract termination costs and other costs primarily relate to non-employees related items and lease obligations for leased properties no longer used for which the remaining obligations is recorded as part of the lease liability. All of the restructuring activities accrued as of December 31, 2022 (Successor) and December 31, 2021 (Successor) are included in current liabilities in the consolidated balance sheet.

11. Revenue Contract Balances

Contract Liabilities

For certain contractual arrangements, the Company receives cash consideration prior to providing the associated services resulting in deferred revenue recognition. In addition, the Company has recorded non-cash deferred revenue in connection with an obligation to Televisa to provide future advertising and promotion time. See Note 16. *Related Party Transactions*, under the heading “Televisa.”

The following table presents the deferred revenue for the Media and Entertainment segment as follows:

	December 31, 2022 (Successor)	December 31, 2021 (Successor)
Current portion:		
Deferred advertising and licensing revenue	$ 150,100	$ —
Televisa deferred advertising	10,300	52,900
Other deferred revenue	43,700	15,500
Total current deferred revenue	$ 204,100	$ 68,400
Non-current portion:		
Televisa deferred advertising	$ 26,200	$ 144,400
Other deferred revenue	44,600	23,100
Total non-current deferred revenue	$ 70,800	$ 167,500
Total deferred revenue	$ 274,900	$ 235,900

As result of the TelevisaUnivision Transaction and the settlement of our pre-existing obligation to provide free advertising to Televisa (See Note 16. Related Party Transactions), the Company entered into a new arrangement and committed to provide free advertising for use by Televisa and its Subsidiaries at no cost for promotion of the soccer team and related assets of Club Futbol America S.A. de C.V., a subsidiary of Televisa, through the 2025/2026 Mexican soccer season, which was determined to have a fair value of $45.7 million at the acquisition date. Remaining amounts owed under this arrangements are within the caption “Televisa deferred advertising” in the table above.

At December 31, 2022 (Successor), approximately $192.2 million of revenue was recognized that was included in the deferred revenue balance at December 31, 2021 (Successor). During the periods from May 18, 2021 through December 31, 2021 (Successor) and from January 1, 2021 through May 17, 2021 (Predecessor), approximately $45.7 million and $21.7 million, respectively, of revenue was recognized that was included in the deferred revenue balance at December 31, 2020 (Predecessor).

12. Program Rights and Prepayments

The table below present the components of the Company’s capitalized program rights and prepayments:

	December 31, 2022 (Successor)	December 31, 2021 (Successor)
Film group monetization:		
Internally produced program rights		
Completed and released	$ 231,500	$ 5,400
Completed and not released	4,400	—
In-production	150,400	800
Licensed movies and series program rights	302,700	25,300
Individual monetization:		
Licensed program rights and prepayments including sport rights	111,300	101,300
Total program rights and prepayments, at cost	800,300	132,800
Current portion	(68,800)	(91,800)
Noncurrent portion	$ 731,500	$ 41,000

Program rights amortization which is recorded in direct operating expense and program rights impairments which are recorded in the impairment loss line within Consolidated statement of operations were as follows:

	Year Ended December 31, 2022 (Successor)	Period from May 18, 2021 through December 31, 2021 (Successor)	Period from January 1, 2021 through May 17, 2021 (Predecessor)	Year Ended December 31, 2020 (Predecessor)
Film group monetization:				
Program rights amortization	445,100	7,000	4,200	18,900
Program rights impairment	19,000	—	—	7,700
Individual monetization:				
Program rights amortization	464,300	164,800	65,400	140,400
Program rights impairment	2,500	5,900	19,700	64,500
Total program rights amortization and impairment expense	$ 930,900	$ 177,700	$ 89,300	$ 231,500

Total expected amortization by fiscal year of completed (released and not released) produced, licensed and acquired library content on the balance sheet as of December 31, 2022 is as follows:

	Monetized As a Group	Monetized Individually	Total
Produced content			
Completed and released			
2023	$ 139,900	$ —	$ 139,900
2024	50,000	—	50,000
2025	29,200	—	29,200
Completed and not released	—	4,900	4,900
2023			
Licensed content - Program rights and advances			
2023	89,300	65,000	154,300
2024	70,100	27,100	97,200
2025	77,800	7,400	85,200

13. Financial Instruments and Fair Value Measures

The carrying amounts of certain financial instruments, including cash and cash equivalents, accounts receivable, accounts payable and accrued liabilities approximate their fair value.

Accounts Receivable – The Company's accounts receivable arise from the sale of advertising on broadcast and cable networks, local television and radio stations that generate advertising revenue. The Company also generates revenue from the sale of display, mobile and video advertising, as well as sponsorships, on our various digital properties. In addition, accounts receivable arise through subscriber fee revenue from fees charged for the right to view the programming content of the Company's broadcast networks, cable networks and stations through a variety of distribution platforms and viewing devices. Subscriber fee revenue is principally comprised of fees received from MVPDs and vMVPDs for carriage of the Company's networks and for carriage of the Univision and UniMás broadcast networks aired on the Company's owned television stations as well as fees for digital content.

The Company considers a number of factors in estimating the credit losses associated with its accounts receivable including historical experience, the current financial condition of an individual customer and overall market conditions. The Company evaluates its credit losses on a customer by customer basis.

The following table provides the details of the Company's allowance for doubtful accounts:

	Balance as of December 31, 2021 (Successor)	Provision for expected credit losses	Write-offs	Recoveries	Foreign currency exchange rate impact and others	Balance as of December 31, 2022 (Successor)
Allowance for doubtful accounts	$ 4,400	$ 20,100	$ (2,300)	$ (200)	$ 3,800	$ 25,800

	Balance as of May 18, 2021 (Successor)	Provision for expected credit losses	Write-offs	Recoveries	Balance as of December 31, 2021 (Successor)
Allowance for doubtful accounts	$ 7,200	$ (1,400)	$ (1,200)	$ (200)	$ 4,400

During the period from January 1, 2021 to May 17, 2021, the Predecessor recorded provision for expected credit losses of $0.8 million, write-offs of $0.6 million and recognized $0.2 million of recoveries.

Interest Rate Swaps—The Company uses interest rate swaps to manage its interest rate risk. These interest rate swaps are measured at fair value primarily using significant other observable inputs (Level 2). In adjusting the fair value of its derivative contracts for the effect of nonperformance risk, the Company has considered the impact of netting and any applicable credit enhancements, such as collateral postings, thresholds, mutual puts, and guarantees. See Note 18. *Interest Rate Swaps*.

The majority of inputs into the valuations of the Company's interest rate swap derivatives include market-observable data such as interest rate curves, volatilities, and information derived from, or corroborated by market-observable data. Additionally, a specific unobservable input used by the Company in determining the fair value of its interest rate derivatives is an estimation of current credit spreads to appropriately reflect both its own nonperformance risk and the respective counterparty's nonperformance risk in the fair value measurements. The inputs utilized for the Company's own credit spread are based on implied spreads from its privately placed debt securities with an established trading market. For counterparties with publicly available credit information, the credit spreads over the LIBOR used in the calculations represent implied credit default swap spreads obtained from a third-party credit data provider. Once these spreads have been obtained, they are used in the fair value calculation to determine the credit valuation adjustment ("CVA") component of the derivative valuation. Based on the Company's assessment of the significance of the CVA, it is not considered a significant input. The Company has determined that its derivative valuations in their entirety are classified as Level 2 measurements. The Company made an accounting policy election to measure the credit risk of its derivative financial instruments that are subject to master netting agreements on a net basis by counterparty portfolio.

Equity Investments Not Accounted for Under the Equity Method—The fair value of the Entravision Communications Corporation ("Entravision") investment is based on the market value of Entravision's Class A common stock which is a Level 1 input. See Note 14. *Investments*.

Asset measured at fair value on a nonrecurring basis—The Company's non-financial assets, such as goodwill, intangible assets, Right of Use assets, property and equipment, are adjusted to fair value when an impairment is recognized and purchase accounting occurs. The Company's financial assets, comprising equity securities without readily determinable fair values, are adjusted to fair value when observable price changes are identified or an impairment is recognized. Such fair value measurements are based predominantly on Level 3 inputs.

Fair Value of Debt Instruments—The carrying amount and fair value of the Company's debt instruments as of December 31, 2022 (Successor) and December 31, 2021 (Successor) are set out in the following tables. The fair values of the credit facilities are based on market prices (Level 1). The fair values of the senior notes are based on market yield curves based on credit rating (Level 2). See Note 17. *Debt* for information on recent financing transactions.

	As of December 31, 2022 (Successor)	
	Carrying Amount	Fair Value
Replacement bank senior secured revolving credit facility maturing in 2025	$ —	$ —
Replacement bank senior secured revolving credit facility maturing in 2027	—	—
Bank senior secured term loan facility maturing in 2024	361,400	360,800
Bank senior secured term loan facility maturing in 2026	1,912,900	1,900,400
New Term Loan A Facility maturing in 2027	484,600	481,400
Bank senior secured term loan facility maturing in January 2029	998,900	1,010,800
New Term Loan B Facility maturing in June 2029	480,100	490,000
Senior Secured Notes:		
5.125% Senior Secured Notes due 2025	1,493,700	1,409,100
6.625% Senior Secured Notes due 2027	1,578,000	1,450,900
4.500% Senior Secured Notes due 2029	1,034,300	876,200
7.375% Senior Secured Notes due 2030	891,400	860,500
Accounts receivable facility maturing in 2026	100,000	100,000
Note payable with Grupo Televisa	294,700	294,700
	$ 9,630,000	$ 9,234,800

	As of December 31, 2021 (Successor)	
	Carrying Amount	Fair Value
Replacement bank senior secured revolving credit facility maturing in 2025	$ —	$ —
Bank senior secured term loan facility maturing in 2024	1,897,900	1,897,400
Bank senior secured term loan facility maturing in 2026	1,926,300	1,956,400
Senior Secured Notes:		
5.125% Senior Secured Notes due 2025	1,500,000	1,495,200
9.500% Senior Secured Notes due 2025	396,000	397,100
6.625% Senior Secured Notes due 2027	1,593,200	1,617,300
4.500% Senior Secured Notes due 2029	1,031,900	1,064,700
Accounts receivable facility maturing in 2026	100,000	100,000
	$ 8,445,300	$ 8,528,100

14. Investments

The carrying value of the Company's unconsolidated investments is as follows:

	December 31, 2022 (Successor)	December 31, 2021 (Successor)
Entravision	$ 44,900	$ 63,400
Equity method investments:		
Combate	28,600	30,500
Other equity method investments	1,900	2,700
Equity investments without readily determinable values	163,700	1,500
Total investments	$ 239,100	$ 98,100

Entravision

The Company holds 9.4 million shares of Entravision Class U shares which have limited voting rights and are not publicly traded but are convertible into Class A common stock upon sale of these shares to a third party. The Company considers these Class U shares to have a readily determinable fair value based on Entravision's Class A shares. The fair value of the Company's investment of Entravision as of December 31, 2022 (Successor) is $44.9 million and as of December 31, 2021 (Successor) was $63.4 million. For the year ended December 31, 2022 (Successor), the Company recorded a loss on this investment of $18.5 million in Acquisition related costs and other, net within the Company's consolidated statement of operations related to changes in the fair value of Entravision's shares. For the periods from May 18, 2021 through December 31, 2021 (Successor) and from January 1, 2021 through May 17, 2021 (Predecessor), and for the year ended December 31, 2020 (Predecessor), the Company recorded a gain on this investment of $25.3 million and $12.4 million and $1.2 million, respectively, in Acquisition related costs and other, net within the Company's consolidated statement of operations related to changes in the fair value of Entravision's shares.

Equity Method Investments

Combate

On April 9, 2021, the Company acquired a 27.6% equity interest in Combate Americas, LLC ("Combate") a premier Hispanic Mixed Martial Arts sports franchise and includes reality TV programming, live events and mobile programming for $32.1 million. The carrying value of the Company's investment in Combate as of December 31, 2022 (Successor) is $28.6 million and as of December 31, 2021 (Successor) was $30.5 million. For the year ended December 31, 2022 (Successor), the Company recorded a loss of $1.9 million, in Acquisition related costs and other, net within the Company's consolidated statements of operations related to the equity investment in Combate. For the periods from May 18, 2021 through December 31, 2021 (Successor) and from January 1, 2021 through May 17, 2021 (Predecessor), the Company recorded a loss of $1.6 million and zero, respectively, in Acquisition related costs and other, net within the Company's consolidated statements of operations related to the equity investment in Combate.

Other - As of December 31, 2022 (Successor), the Company holds equity method investments in several small early-stage entities of $1.9 million, primarily related to investments acquired as part of the TelevisaUnivision Transaction.

Equity investments without readily determinable fair values

The Company holds several equity positions in small early-stage entities in various industries and these equity investment do not have readily determinable fair values. As of December 31, 2022 (Successor), the Company had a carrying value of $163.7 million, of which $76.6 million relates to investments acquired as part of the TelevisaUnivision Transaction and the remaining balance primarily relates to investments made during the year, net of write downs. For the year ended December 31, 2022 (Successor), the Company recorded a write down of $20.2 million related to these investments within Acquisition related costs and other, net, which reflect the investments actual and expected financial performance under the current macro-conditions. During the first quarter of 2021 the Company sold its investment in fuboTV Inc. for approximately $34.2 million. For the periods from May 18, 2021 through December 30, 2021 (Successor) and from January 1, 2021 through May 17, 2021 (Predecessor), the Company recorded a net gain of zero and $3.5 million, respectively, in Acquisition related costs and other, net from the sale of its investment in fuboTV Inc. For the year ended December 31, 2020 (Predecessor), the Company recorded a net gain of $21.7 million, in Acquisition related costs and other, net within the Company's consolidated statement of operations primarily as a result of investments' financing transactions.

15. Acquisitions

Pantaya Acquisition

On September 13, 2022, the Company acquired a 100% equity interest in Pantaya, LLC ("Pantaya"), a U.S. streaming platform focused on Spanish-language content for a preliminary purchase consideration of $141.7 million (subject to a working capital adjustment and the transfer of some Puerto Rican radio assets which are pending FCC approval). The acquisition of Pantaya is accounted for as a business combination under the scope of ASC 805. The Pantaya acquisition enhanced our ongoing digital transformation by bringing together highly complementary streaming assets and building up our subscriber base.

The fair value of the assets acquired and liabilities assumed was determined based on assumptions that reasonable market participants would use in the principal (or most advantageous) market for the business. The Company's purchase accounting remains preliminary and the allocation of the preliminary purchase price to certain assets acquired and liabilities assumed is provisional. These amounts will be subject to review and possible revision during the measurement period, which the Company expects to extend through September 2023. The subsequent adjustment of the provisional amounts may be material. Adjustments to initial preliminary fair value of the assets acquired and assumed liabilities during the measurement period, are recorded during the period in which the adjustment are determined, including the effect on earnings of any amounts we would have recorded in previous periods if the accounting had been completed (i.e. the historical reported financial statements will not be retrospectively adjusted).

The fair value for the e-commerce and wholesale/partner relationships was determined using the multi-period excess earnings method. The summary of intangible assets acquired and the estimated useful life as of the acquisition date (amounts in thousands).

	Preliminary Fair Value	Estimated Useful Life in Years
e-commerce relationships	$ 13,100	4.5
Wholesale / Partner relationships	11,500	3.5
Total intangible assets acquired	**$ 24,600**	

The Pantaya acquisition resulted in the recognition of preliminary Goodwill of $96.8 million which is assigned to the Media and Entertainment reportable segment and is pending finalization of purchase accounting. The full amount of Goodwill is not deductible for tax purposes. The Goodwill recognized is due to (i) the ability to integrate the Pantaya subscribers into the Company's ViX+, subscription streaming service and (ii) existing Pantaya assembled workforce and know-how acquired as part of the transaction.

The Pantaya acquisition did not materially affect the Company's results. The Company incurred $4.2 million of acquisition related costs which are expensed and recorded within the Acquisition related costs and other, net.

VIX, Inc. Acquisition

On January 30, 2021, the Predecessor acquired VIX, Inc., a leading independent ad-supported streaming service that offers video-on-demand content to U.S. Hispanics and consumers throughout Latin America for approximately $23.6 million (net of cash acquired and subject to certain adjustments). The acquisition of VIX, Inc. did not materially affect the Company's results. The Company incurred immaterial acquisition costs.

16. Related Party Transactions

Televisa, Searchlight, ForgeLight, Liberty and Google

Management Services Agreement

An affiliate of ForgeLight (the "Consultant") and the Company's Chief Executive Officer, Mr. Wade Davis, have entered into a management services agreement with UHI and UCI dated January 28, 2021. The term of the management services agreement is indefinite, subject to certain rights of termination and resignation by either party. In compensation for the services provided under the management services agreement, UCI has agreed to pay the Consultant an annual management services fee of $3.0 million, a supplemental fee in a target amount of 100% of the management services fee, certain aircraft allowances and certain other benefits. In addition, during the quarter ended March 31, 2021, the Predecessor issued to the Consultant an equity grant of Class C subordinated common stock of UHI in an amount equal to 5% of the outstanding stock of the Predecessor on a fully diluted, post-issuance basis. The shares of Class C subordinated common stock issued in the equity grant are subject to time-based vesting and automatic vesting upon the occurrence of certain specified events. If the Consultant is terminated or resigns under certain circumstances, the Company has agreed to pay a termination fee of 150% of the management services fee over the twelve months following such termination or resignation and a prorated portion of the supplemental fee.

Google Agreements

In connection with the TelevisaUnivision Transaction, on January 31, 2022, Google LLC ("Google") became an investor in UH Holdco. As of December 31, 2022, Google held 14.9% of UH Holdco's Series C preferred shares. On April 13, 2021, the Company and certain of its Affiliates entered into a suite of commercial agreements with Google and certain of its Affiliates, to provide the Company with the technology framework necessary for the Company's engineering team to build its streaming platform for the ViX streaming services. These commercial arrangements include, most notably, a $1.1 billion commitment to purchase Google's cloud services over eight years and a $61.0 million commitment to purchase advertising and related services over five years. Later in 2021, the Company also entered into an agreement to launch its stations and services on Google's YouTubeTV vMVPD platform. Other ordinary course agreements between Google and the Company also exist, such as a market developer agreement for inclusion of the Company's streaming apps in Google's Play store.

Other Agreements and Transactions

Pursuant to the Amended and Restated Stockholders Agreement, dated as of May 18, 2021, entered into by UCI, UH Holdco, and Broadcast Media Partners Holdings, Inc., with Searchlight, ForgeLight, Liberty and Televisa, UCI's Board of Directors and any observers to the Board of Directors are entitled to reimbursement by UCI of any reasonable out-of-pocket expenses incurred by such directors or observers in connection with attending any meeting of the Board of Directors or any committee thereof. There were no out-of-pocket expenses in 2022 or 2021.

Searchlight and ForgeLight are private investment firms that may have investments in companies that may do business with the Company.

Televisa Transactions

Program License Agreement (as amended, the "PLA")

Prior to the TelevisaUnivision Transaction and pursuant to the program license agreement entered into effective 2011 (the "2011 PLA") and a predecessor program license agreement (the "Prior PLA") between Televisa and UCI, UCI committed to provide future advertising and promotion time at no charge to Televisa, with a cumulative historical fair value of $970.0 million. The book value remaining under these advertising and promotion time commitments as of December 31, 2021 (Successor) was $197.3 million, based on the fair value of UCI's advertising commitments determined in the Reorganization purchase accounting and is recorded as deferred revenue (See Note 11. *Revenue Contract Balances*). As result of the TelevisaUnivision Transaction and the termination of the 2011 PLA and Prior PLA, the remaining deferred revenue balance of $196.5 million for advertising and promotion time was settled in full, and separately, as part of the total consideration exchanged in the TelevisaUnivision Transaction. No gain or loss was recorded in conjunction with settling this pre-existing contractual relationship as the $196.5 million deferred revenue obligation as of the settlement date was determined to be equal to its fair value. The PLA deferred revenue balance was settled through a combination of cash and non- cash consideration, including commitment to provide free advertising for use by Televisa and its Subsidiaries at no cost for promotion of the soccer team and related assets of Club Futbol America S.A. de C.V., a subsidiary of Televisa, through the 2025/2026 Mexican soccer season, which was determined to have a fair value of $45.7 million.

For the year ended December 31, 2022 (Successor), for the periods from May 18, 2021 through December 31, 2021 (Successor) and from January 1, 2021 through May 17, 2021 (Predecessor) and for the year ended and December 31, 2020 (Predecessor), UCI satisfied its commitment for the periods resulting in revenue recognized of $10.0 million, $22.1 million, $16.8 million and $49.4 million, respectively. The deferred revenue is earned and revenue is recognized as advertising revenue as the related advertising and promotion time is provided.

During the fourth quarter of 2021, UCI and Televisa agreed to a reduction in deferred advertising commitments specific to fiscal 2021, respectively, which resulted in a $14.7 million reduction to other direct operating expense for the year ended December 31, 2021 (Successor).

Prior to the TelevisaUnivision Transaction, Televisa received royalties based on 16.45% of substantially all of UCI's Spanish language media and entertainment revenue and an incremental 2.0% in royalty payments above a contractually defined revenue base ($1.63 billion). Included in the year ended December 31, 2022 (Successor) period, UCI recorded a license fee to Televisa of $30.6 million representing the final period from January 1, 2022 until January 31, 2022. UCI had accrued license fees to Televisa of $31.0 million as of December 31, 2021 (Successor), which is included in accounts payable and accrued liabilities on the consolidated balance sheets.

As discussed in Note 3. *TelevisaUnivision Transaction*, on April 13, 2021, a definitive agreement was entered into (the "Transaction Agreement") pursuant to which, among other things, a subsidiary of UHI agreed to acquire Televisa's content and media assets (other than certain assets related to the news content business and concessions). The TelevisaUnivision Transaction closed on January 31, 2022. As a result of the TelevisaUnivision Transaction, the Company and its subsidiaries, on the one hand, and Televisa and its subsidiaries, on the other hand, have entered into a number of commercial agreements with respect to certain broadcasting rights, licenses, leasing agreements, and transition services.

The following table lists the significant related party arrangements between the Company and Televisa and its affiliates as of December 31, 2022:

Description	Consolidated Balance Sheet Location	December 31, 2022
Accounts receivables (a)	Accounts receivables, less allowance for doubtful accounts	$ 45,900
Prepaid assets	Prepaid expenses and other	300
Accrued interest	Accounts payable & accrued liabilities	32,200
Accrued expenses (a)	Accounts payable & accrued liabilities	30,000
Televisa deferred advertising - current	Deferred revenue	10,300
Televisa deferred advertising - non current	Deferred revenue (non current)	26,200
Note Payable	Long-term debt and finance lease obligations	294,700
Finance lease obligation and related assets - current	Current portion of long-term debt and finance lease obligations	39,500
Finance lease obligation and related assets - non current	Long-term debt and finance lease obligations	272,800

(a) Accounts receivables primarily relates to advertising and subscription revenue with Televisa and its affiliates. The Company recognized $267.1 million primarily of subscription revenue from Televisa for the year ended December 31, 2022. Accrued expenses primarily relates to administrative services provided by Televisa and its affiliates, net of certain related party receivables.

Univision Holdings, Inc. and TelevisaUnivision, Inc.

During the year ended December 31, 2022 (Successor), the Company repurchased shares of common stock of $13.3 million and made tax payments related to net share settlement equity awards to Univision employees of $4.1 million.

During the period from January 1, 2021 through May 17, 2021 (Predecessor), UHI made tax payments related to net share settlement on its equity awards to employees of $0.8 million. During the period from May 18, 2021 through December 31, 2021 (Successor), UH Holdco repurchased shares of common stock of $1.0 million and made tax payments related to net share settlement equity awards to Univision employees of $3.2 million.

During the year ended December 31, 2022 (Successor), the Company paid Series B cumulative preferred stock dividends on behalf of TelevisaUnivision of $37.8 million.

17. Debt

Long-term debt consists of the following:

	December 31, 2022 (Successor)	December 31, 2021 (Successor)
Replacement bank senior secured revolving credit facility maturing in 2025	$ —	$ —
Replacement bank senior secured revolving credit facility maturing in 2027	—	—
Bank senior secured term loan facility maturing in 2024	361,400	1,897,900
Bank senior secured term loan facility maturing in 2026	1,912,900	1,926,300
New Term Loan A Facility maturing in 2027	484,600	—
Bank senior secured term loan facility maturing in January 2029	998,900	—
New Term Loan B Facility maturing in June 2029	480,100	—
Senior Secured Notes:		
5.125% Senior Secured Notes due 2025	1,493,700	1,500,000
9.500% Senior Secured Notes due 2025	—	396,000
6.625% Senior Secured Notes due 2027	1,578,000	1,593,200
4.500% Senior Secured Notes due 2029	1,034,300	1,031,900
7.375% Senior Secured Notes due 2030	891,400	—
Accounts receivable facility maturing in 2026	100,000	100,000
Note payable to Grupo Televisa	294,700	—
Finance lease	395,200	53,700
	10,025,200	8,499,000
Less current portion	(113,800)	(30,400)
Long-term debt and finance lease and other obligations	$ 9,911,400	$ 8,468,600

Approximately $83.1 million and $26.9 million of deferred financing costs are presented as a direct reduction of the Company's long-term debt in the consolidated balance sheet as of December 31, 2022 (Successor) and December 31, 2021 (Successor), respectively. At December 31, 2022 (Successor) and December 31, 2021 (Successor), other assets include $1.3 million and $0.7 million, respectively, of deferred financing costs related to the Company's revolving credit facilities. The following table details the principal and carrying values of the Company's long-term debt as of December 31, 2022 (Successor). The difference between principal and carrying value is made up of the $83.1 million of deferred financing costs discussed above and $66.3 million of unamortized fair value adjustments resulting from the Reorganization and the discount arising the new debt issuance.

	Principal	Fair Value Adjustments/ (Discount) and (Deferred Financing Costs)	Carrying Value
Bank senior secured term loan facility maturing in 2024	$ 361,300	$ 100	$ 361,400
Bank senior secured term loan facility maturing in 2026	1,934,300	(21,400)	1,912,900
New Term Loan A Facility maturing in 2027	487,500	(2,900)	484,600
Bank senior secured term loan facility maturing in January 2029	1,042,100	(43,200)	998,900
New Term Loan B Facility maturing in June 2029	497,500	(17,400)	480,100
Senior Secured Notes:			
5.125% Senior Secured Notes due 2025	1,479,400	14,300	1,493,700
6.625% Senior Secured Notes due 2027	1,500,000	78,000	1,578,000
4.500% Senior Secured Notes due 2029	1,050,000	(15,700)	1,034,300
7.375% Senior Secured Notes due 2030	900,000	(8,600)	891,400
Accounts receivable facility maturing in 2026	100,000	—	100,000
Note payable with Grupo Televisa	294,700	—	294,700
Finance lease	395,200	—	395,200
	$ 10,042,000	$ (16,800)	$ 10,025,200

Debt Instruments

2022 Financing Transactions

On August 26, 2022, UCI issued $400.0 million in additional aggregate principal amount of its existing 7.375% Senior Secured Notes due 2030 (the "additional 2030 notes"). The additional 2030 notes were issued under the same indenture governing the initial 2030 notes, have the same terms as the initial 2030 notes and are treated as a single series with the initial 2030 notes. The additional 2030 notes were priced at 101.500%. As of December 31, 2022, after giving effect to the issuance of the additional 2030 notes, UCI has $900.0 million aggregate principal amount of its 7.375% Senior Secured Notes due 2030 outstanding.

On June 24, 2022, UCI issued senior secured debt of $1.5 billion made up of (i) a $500.0 million bank senior secured term loan A facility maturing in 2027 (the "New Term Loan A Facility"), (ii) a $500.0 million bank senior secured term loan B facility maturing in June 2029 (the "New Term Loan B Facility") and (iii) $500.0 million in aggregate principal amount of 7.375% Senior Secured Notes due 2030 (the "initial 2030 notes"). UCI utilized the debt issuance proceeds to (x) redeem all of the outstanding 9.5% Senior Secured Notes due 2025 of $370.0 million and (y) make a $1,130.0 million partial prepayment of the bank senior secured term loan B facility maturing in 2024 (the "2024 term loans").

On January 31, 2022, UCI entered into a new bank credit agreement (the "2022 Credit Agreement") with JPMorgan Chase Bank, N.A., as administrative agent, which provided a new senior secured term loan B facility of $1,050.0 million with a maturity date of January 31, 2029 (the "January 2029 term loans"). The 2022 Credit Agreement was further amended on June 24, 2022 to provide for the New Term Loan B Facility, which is treated as a separate class of term loans from the January 2029 term loans. As of December 31, 2022, UCI had two separate credit agreements (i) the 2007 Credit Agreement with Goldman Sachs, as administrative agent, and (ii) the 2022 Credit Agreement (defined above).

Senior Secured Credit Facilities

Bank senior secured revolving credit facility — At December 31, 2022 (Successor), UCI had no outstanding balance on the bank revolving credit facility and UCI had $610.0 million available for borrowing under its bank revolving credit facility following the June 2020 Amendment (as defined below).

On June 24, 2020, UCI entered into an amendment (the "June 2020 Amendment") to the 2007 Credit Agreement governing UCI's senior secured revolving credit facility and senior secured term loan facility, which are referred to collectively as the "Senior Secured Credit Facilities." The June 2020 Amendment, among other things, (a) provided for a new class of revolving credit commitments that refinanced and decreased the commitments under the then existing revolving credit facility from $850.0 million to $610.0 million (with a letter of credit sub-facility thereunder of $175.0 million), subject to an unused commitment fee in an amount equal to 0.35% per annum on the average unused daily revolving credit balance, which mature on April 30, 2025 (subject to an earlier maturity if certain indebtedness of UCI is not repaid or refinanced on or prior to the dates set forth in the credit agreement), and revolver drawings will typically bear interest at LIBOR (with no floor) and a margin of 3.75% per annum (with leveraged-based step downs consistent with the existing credit agreement); and (b) facilitated the incurrence of replacement term loans in an aggregate principal amount of approximately $2.0 billion (the "2026 term loans") to refinance a portion of the 2024 term loans, with the replacement term loans having a maturity date of March 15, 2026 and amortizing at 1.0% per annum on a quarterly basis, commencing on September 30, 2020. The replacement term loans will typically bear interest at LIBOR (with a LIBOR floor of 1.00% per annum) plus an applicable margin of 3.75% per annum (with no leveraged-based step downs).

Approximately $1,922.7 million of 2024 term loans were not amended in the June 2020 Amendment, and continue to have a maturity date of March 15, 2024 and bear interest at the rates otherwise set forth in the existing credit agreement.

On June 24, 2022, UCI entered into an amendment (the "June 2022 Amendment") to its Senior Secured Credit Facilities to, among other things, establish a new class of revolving credit commitments in an aggregate principal amount of $522.0 million, which shall have a five year maturity date (subject to an earlier maturity if certain indebtedness of UCI is not repaid or refinanced on or prior to the dates set forth in the credit agreement; such early date, the "Springing Maturity Date") and accrue interest at the Term SOFR rate with an interest rate margin tied to UCI's leverage ratio ranging from 2.75%-3.75% per annum for Term SOFR loans and ranging from 1.75%-2.75% per annum for base rate loans (each with leverage-based step downs), which shall replace substantially all of the existing senior secured revolving credit facility described above, with exception to Deutsche Bank AG New York Branch's $88.0 million commitment which matures on April 30, 2025 (subject to the springing maturity date provided in the June 2020 Amendment); provided that, UCI may, in its sole discretion and subject to the terms of the Senior Secured Credit Facilities, elect to terminate any of such non-extended commitments under the senior secured revolving credit facility altogether and/or cause any of such non-extended commitments to be assigned to a lender who will cause them to be a part of the new class of revolving credit commitments. The extended senior

secured revolving credit facility and non-extended senior secured revolving credit facility are collectively referred to as the "senior secured revolving credit facilities".

Bank senior secured term loan facility maturing in 2024 – On June 24, 2022, UCI partially prepaid the principal balance of $1,130.0 million of the 2024 term loans using the proceeds from the issuance of New Term Loan A Facility, the New Term Loan B Facility and the initial 2030 notes. On August 26, 2022, UCI used the net proceeds from the additional 2030 notes issuance to prepay an additional $406.0 million of the 2024 term loans. As of December 31, 2022 (Successor), the total aggregate outstanding principal amount of the 2024 term loans was $361.3 million and the unamortized fair value adjustment as a result of the Reorganization was $0.1 million. The 2023 term loans will mature on March 15, 2024.

Bank senior secured term loan facility maturing in 2026 – As of December 31, 2022 (Successor), the total aggregate principal amount of the 2026 term loans was $1,934.3 million, the unamortized deferred financing costs balance was $6.7 million, and the unamortized fair value adjustment as a result of the Reorganization was $14.7 million. In July 2021, UCI entered into an amendment of its senior secured credit agreement to reprice the 2026 term loans to LIBOR plus a margin of 3.25% per annum with a 0.75% per annum LIBOR floor. The repriced 2026 term loans have a maturity date of March 15, 2026 and amortize at 1.0% per annum on a quarterly basis, commencing on September 30, 2021.

Bank senior secured term loan facility maturing in 2027 - On June 24, 2022, UCI entered into the June 2022 Amendment to its Senior Secured Credit Facilities to, among other things, (a) establish a non-fungible tranche of senior secured "term A" loans (the "Term Loan A Facility") and (b) make a prepayment of the 2024 term loans. The Term Loan A Facility has a five-year maturity date (subject to the Springing Maturity Date) and has an interest rate margin tied to UCI's leverage ratio ranging from 2.75%-3.75% per annum for Term SOFR loans and ranging from 1.75%-2.75% per annum for base rate loans (each with leverage-based step downs). The loans under the Term Loan A Facility amortize at 5.0% per annum on a quarterly basis, commencing on September 30, 2022. UCI used the proceeds from the issuance of the Term Loan A Facility to fund the partial prepayment of the 2024 terms loans. The partial prepayment occurred concurrently with the closing of the Term Loan A Facility on June 24, 2022. As of December 31, 2022 (Successor), the total aggregate principal amount of the Term Loan A Facility was $487.5 million, and the unamortized deferred financing costs balance was $2.9 million.

Bank senior secured term loan facilities maturing in 2029 – On January 31, 2022, UCI entered into the 2022 Credit Agreement, which initially provided for the January 2029 term loans that were funded in full in connection with the closing of the TelevisaUnivision Transaction on January 31, 2022. UCI may choose to pay interest on the January 2029 term loans at either a LIBOR-based rate (with a LIBOR floor of 0.75%) or a base rate, in each case plus a margin of (i) 2.250% per annum for base rate loans or (ii) 3.250% per annum for LIBOR rate loans, subject to mechanisms to replace LIBOR upon certain circumstances with a new reference rate. The January 2029 term loans are subject to amortization in equal quarterly installments (commencing on June 30, 2022) of principal in an aggregate amount equal to 1.00% per annum, with the remaining balance payable at the final date of maturity. The January 2029 term loans are guaranteed by Broadcast Holdings and UCI's material, wholly-owned restricted domestic subsidiaries (subject to certain exceptions), and are secured by, among other things, substantially all of the assets of UCI, Broadcast Holdings and UCI's material, wholly-owned restricted domestic subsidiaries (subject to certain exceptions). The priority of security interests and related creditors' rights for the January 2029 term loans are set forth in an intercreditor agreement. As of December 31, 2022 (Successor), the total aggregate principal amount of the January 2029 term loans was $1,042.1 million, and the unamortized deferred financing costs balance was $43.2 million.

On June 24, 2022, UCI entered into the June 2022 Amendment of the 2022 Credit Agreement to, among other things, (a) establish a new class of incremental first lien term B loans constituting the New Term Loan B Facility and (b) make a prepayment of the 2024 term loans (the term loans outstanding under the 2022 Credit Agreement, as amended, are referred to collectively as the "New Term Loan Facility"). The loans under the New Term Loan B Facility bear an interest rate margin of 4.25% per annum for Term SOFR loans and 3.25% per annum for base rate loans. The loans under the New Term Loan B Facility have a maturity date of June 24, 2029 and amortize at 1.0% per annum on a quarterly basis, commencing on September 30, 2022. As of December 31, 2022 (Successor), the total aggregate principal amount of the New Term Loan B Facility was $497.5 million, the unamortized deferred financing costs balance was $3.7 million, and the unamortized discount was $13.7 million.

The 2022 Credit Agreement provides for an incremental facility that UCI may use to add one or more incremental term loan facilities, increase commitments under the existing term loan facility and/or add one or more incremental revolving loan facilities by up to (i) a fixed amount of $750.0 million, plus (ii) an unlimited amount of additional first-lien obligations so long as the consolidated first-lien leverage ratio, on a pro forma basis, does not exceed 6.00:1.00 or, if incurred in connection with an acquisition or other investment permitted under the credit agreement, would be leverage neutral, plus (iii) an unlimited amount of additional junior lien obligations, so long as the consolidated secured leverage ratio, on a pro forma basis, does not exceed 7:00:1.00, plus (iv) an unlimited amount of additional unsecured debt, so long as the consolidated total leverage ratio, on a pro forma basis, does not exceed 8.50:1.00, in each case, subject to other customary conditions and exceptions.

Additionally, UCI will be permitted to further refinance (whether by repayment, conversion or extension) its existing Senior Secured Credit Facilities and the New Term Loan Facility (in addition to the new incremental facilities described above) with certain permitted additional first-lien, second-lien, senior and/or subordinated indebtedness, in each case if certain conditions are met.

UCI used the net proceeds from the New Term Loan Facility as described above.

In addition, mandatory prepayments will be required to prepay amounts outstanding under the New Term Loan Facility in an amount equal to:

- 100% (which percentage will be reduced upon the achievement of specified performance targets) of net cash proceeds from certain asset dispositions by UCI or any of its restricted subsidiaries, subject to certain exceptions, ratable sharing provisions and reinvestment provisions; and
- 100% of the net cash proceeds from the issuance or incurrence after the closing date of any additional debt by UCI or any of its restricted subsidiaries (excluding debt permitted under the 2022 Credit Agreement, other than any indebtedness which serves to refinance or extend indebtedness then outstanding under the 2022 Credit Agreement, which shall be required to prepay loans as set forth in such credit agreement).

Voluntary prepayments of principal amounts outstanding under loans governed by the 2022 Credit Agreement will be permitted at any time; however, if a prepayment of principal is made with respect to an adjusted LIBOR loan or a Term SOFR loan, as applicable, on a date other than the last day of the applicable interest period, the lenders will require compensation for any funding losses and expenses incurred as a result of the prepayment. Under certain circumstances, a prepayment of all or any portion of the term loans governed by the 2022 Credit Agreement pursuant to a repricing transaction may be subject to a prepayment premium equal to 1.00% of the principal amount so prepaid.

The 2022 Credit Agreement contains restrictive covenants which, among other things, limit the incurrence of additional indebtedness, investments, dividends, transactions with affiliates, asset sales, acquisitions, mergers and consolidations, prepayments of subordinated indebtedness, liens and encumbrances and other matters customarily restricted in such agreements. The 2022 Credit Agreement does not contain any financial maintenance covenant.

The 2022 Credit Agreement contains customary events of default, including without limitation, payment defaults, breaches of representations and warranties, covenant defaults, cross-defaults to certain other indebtedness in excess of specified amounts, certain events of bankruptcy and insolvency, judgment defaults in excess of specified amounts, failure of any material provision of any guaranty or security document supporting the term loans thereunder to be in full force and effect, and a change of control.

The Company used the proceeds from the issuance of the New Term Loan B Facility to fund the partial prepayment of the 2024 term loans. The partial prepayment occurred concurrently with the closing of the New Term Loan B Facility on June 24, 2022.

For the year ended December 31, 2022, the effective interest rate related to UCI's senior secured term loans was 4.96% including the impact of interest rate swaps and 5.27% excluding the impact of interest rate swaps. UCI is permitted to further refinance (whether by repayment, conversion or extension) UCI's senior secured credit facilities (including the extended credit facilities) with certain permitted additional first-lien, second-lien, senior and/or subordinated indebtedness, in each case, if certain conditions are met.

5.125% Senior Secured Notes due 2025

The 5.125% senior notes due 2025 (the "5.125% 2025 senior notes") are ten-year notes. On February 19, 2015, UCI issued $750.0 million aggregate principal amount of 5.125% 2025 senior notes, pursuant to an indenture dated as of February 19, 2015. UCI issued an additional $810.0 million in aggregate principal amount of the 5.125% 2025 notes on April 21, 2015. The 5.125% 2025 senior notes mature on February 15, 2025 and pay interest on February 15 and August 15 of each year, commencing on August 15, 2015. Interest on the 5.125% 2025 senior notes accrues at a fixed rate of 5.125% per annum and is payable in cash. On September 5, 2017, UCI purchased $80.6 million aggregate principal amount of its 5.125% 2025 senior notes through asset sale offers at a purchase price of 100% of the principal amount thereof plus accrued and unpaid interest thereon to, but not including, the date of purchase. At December 31, 2022 (Successor), the outstanding principal balance of the 5.125% 2025 senior notes was $1,479.4 million and the unamortized fair value adjustment as a result of the Reorganization was $14.3 million.

On and after February 15, 2020, the 5.125% 2025 senior notes may be redeemed, at UCI's option, in whole or in part, at any time and from time to time at the redemption prices set forth below. The 5.125% 2025 senior notes will be redeemable at the applicable redemption price (expressed as percentages of principal amount of the 5.125% 2025 senior notes to be redeemed) plus accrued and unpaid interest thereon to the applicable redemption date if redeemed during the twelve-month period beginning on February 15 of each

of the following years: 2021 (101.708%), 2022 (100.854%), 2023 and thereafter (100.000%). If UCI undergoes a change of control, as defined under its debt agreements, it may be required to offer to purchase the 5.125% 2025 senior notes from holders at a purchase price equal to 101% of the principal amount plus accrued interest. Subject to certain exceptions and customary reinvestment rights, UCI is required to offer to repay the 5.125% 2025 senior notes at par with the proceeds of certain assets sales.

UCI utilized the net proceeds from the issuance of the $750.0 million 5.125% 2025 senior notes to fund a tender offer to purchase a portion or any and all of UCI's $1,200.0 million aggregate principal amount of 6.875% senior secured notes due 2019, including any fees and expenses relating to and in connection with the tender offer, and UCI also used the net proceeds from the issuance of the $810.0 million 5.125% 2025 senior notes to fund a tender offer to purchase a portion or any and all of UCI's $750.0 million aggregate principal amount of the 7.875% senior secured notes due 2020, including any fees and expenses relating to and in connection with the tender offer.

9.500% Senior Secured Notes due 2025

On April 28, 2020, UCI issued $370.0 million aggregate principal amount of the 9.500% senior secured notes due 2025 (the "9.5% 2025 senior notes") at an original issuance discount of 99.026%, plus accrued and unpaid interest from April 28, 2020. The 9.5% 2025 senior notes will mature on May 1, 2025. UCI will pay interest on the 9.5% 2025 senior notes at a fixed rate of 9.500% per annum semi-annually in cash in arrears on May 1 and November 1 of each year, commencing on November 1, 2020. UCI may redeem the 9.5% 2025 senior notes, at UCI's option, in whole or in part, upon not less than 10 nor more than 60 days' notice at any time and from time to time at the redemption prices forth below. The 9.5% 2025 senior notes will be redeemable at the applicable redemption price (expressed as percentages of principal amount of the 9.5% 2025 senior notes to be redeemed) plus accrued and unpaid interest thereon to, but excluding, the applicable redemption date if redeemed during the twelve month period beginning on May 1 of each of the following years: 2022 (104.750%), 2023 (102.375%) and 2024 and thereafter (100.000%). At any time prior to May 1, 2022, UCI may redeem the 9.5% 2025 senior notes at a redemption price equal to 100% of the principal amount of the 9.5% 2025 senior notes to be redeemed plus accrued and unpaid interest plus the greater of (i) 1.0% of the principal amount and (ii) the excess, if any, of (A) an amount equal to the present value at such redemption date of (1) the redemption price of such note at May 1, 2022, plus (2) all required interest payments due on such note through May 1, 2022 (excluding accrued but unpaid interest to, but excluding, the redemption date), computed using a discount rate equal to the Treasury Rate (as defined in the indenture) as of such redemption date plus 50 basis points; over (B) the principal amount of such note to be redeemed on such redemption date.

At any time, or from time to time, until May 1, 2022, UCI may, at UCI's option, use the net cash proceeds of one or more equity offerings to redeem up to 40% of the then outstanding aggregate principal amount of the 9.5% 2025 senior notes issued under the indenture at a redemption price equal to 109.500% of the aggregate principal amount thereof, plus accrued and unpaid interest thereon, provided that (i) at least 50% of the aggregate principal amount of 9.5% 2025 senior notes issued under the indenture remains outstanding and (ii) UCI makes such redemption not more than 180 days after the consummation of any such equity offering. In addition, if UCI undergoes a change of control, it may be required to offer to purchase the 9.5% 2025 senior notes from holders at a purchase price equal to 101% of the principal amount plus accrued interest. Subject to certain exceptions and customary reinvestment rights, UCI is required to offer to repay the 9.5% 2025 senior notes at par with the proceeds of certain assets sales.

UCI utilized the net proceeds from the issuance of $370.0 million aggregate principal amount of the 9.5% 2025 senior notes to fund the redemption of the 6.750% senior secured notes due 2022, including accrued and unpaid interest. The redemption occurred on May 28, 2020.

On June 24, 2022, UCI redeemed all of the outstanding 9.5% 2025 senior notes, funding such redemption using the net proceeds from the issuance of the 2030 senior notes (defined below) and the New Term Loan B Facility.

6.625% Senior Secured Notes due 2027

On June 18, 2020, UCI issued $1,500.0 million aggregate principal amount of 6.625% senior secured notes due 2027 (the "2027 senior notes") at par, plus accrued and unpaid interest from June 18, 2020. The 2027 senior notes will mature on June 1, 2027. UCI will pay interest on the 2027 senior notes at a fixed rate of 6.625% per annum semi-annually in cash in arrears on June 1 and December 1 of each year, commencing on December 1, 2020. UCI may redeem the 2027 senior notes, at UCI's option, in whole or in part, upon not less than 10 nor more than 60 days' notice at any time and from time to time at the redemption prices forth below. The 2027 senior notes will be redeemable at the applicable redemption price (expressed as percentages of principal amount of the 2027 senior notes to be redeemed) plus accrued and unpaid interest thereon to, but excluding, the applicable redemption date if redeemed during the twelve-month period beginning on June 1 of each of the following years: 2023 (103.313%), 2024 (101.656%) and 2025 and thereafter (100.000%). At any time prior to June 1, 2023, UCI may redeem the 2027 senior notes at a redemption price equal to 100% of the principal amount of the 2027 senior notes to be redeemed plus accrued and unpaid interest plus the greater of (i) 1.0% of the principal

amount and (ii) the excess, if any, of (A) an amount equal to the present value at such redemption date of (1) the redemption price of such note at June 1, 2023, plus (2) all required interest payments due on such note through June 1, 2023 (excluding accrued but unpaid interest to, but excluding, the redemption date), computed using a discount rate equal to the Treasury Rate (as defined in the indenture) as of such redemption date plus 50 basis points; over (B) the principal amount of such note to be redeemed on such redemption date. At December 31, 2022 (Successor), the outstanding principal balance of the 2027 senior notes was $1,500.0 million and the unamortized fair value adjustment as a result of the Reorganization was $78.0 million.

At any time, or from time to time, until June 1, 2023, UCI may, at UCI's option, use the net cash proceeds of one or more equity offerings to redeem up to 40% of the then outstanding aggregate principal amount of the 2027 senior notes issued under the indenture at a redemption price equal to 106.625% of the aggregate principal amount thereof, plus accrued and unpaid interest thereon, provided that (i) at least 50% of the aggregate principal amount of 2027 senior notes issued under the indenture remains outstanding and (ii) UCI makes such redemption not more than 180 days after the consummation of any such equity offering. In addition, if UCI undergoes a change of control, it may be required to offer to purchase the 2027 senior notes from holders at a purchase price equal to 101% of the principal amount plus accrued interest. Subject to certain exceptions and customary reinvestment rights, UCI is required to offer to repay the 2027 senior notes at par with the proceeds of certain assets sales.

UCI used the net proceeds from the issuance of the 2027 senior notes to fund the redemption of the 5.125% senior secured notes due 2023 (the "2023 senior notes"), including related fees and expenses. The redemption occurred on July 20, 2020. In addition, UCI prepaid $265.0 million aggregate principal amount of the 2024 term loans with a portion of the proceeds of the 2027 senior notes.

4.500% Senior Secured Notes due 2029

On May 21, 2021, UCI issued $1,050.0 million aggregate principal amount of 4.500% Senior Secured Notes due 2029 (the "2029 senior notes") at par plus accrued and unpaid interest from May 21, 2021. The 2029 senior notes will mature on May 1, 2029. UCI will pay interest on the Notes at a fixed rate of 4.500% per annum semi-annually in cash in arrears on May 1 and November 1 of each year. UCI used the net proceeds from the issuance of the Notes to finance a portion of the TelevisaUnivision Transaction and to pay certain related transaction fees and expenses. At December 31, 2022 (Successor), the outstanding principal balance of the 2029 senior notes was $1,050.0 million and the unamortized deferred financing costs balance was $15.7 million.

The Notes are jointly and severally guaranteed by substantially all of UCI's material, direct and indirect wholly-owned restricted domestic subsidiaries (subject to certain exceptions) that guarantee its Senior Secured Credit Facilities. The Notes and the related guarantees are secured by a first priority lien, subject to permitted liens, on substantially all of the assets of the Company and UCI's material, wholly-owned restricted domestic subsidiaries (subject to certain exceptions) and the guarantors' property and assets that secure obligations under UCI's Senior Secured Credit Facilities, UCI's New Term Loan Facility and existing senior notes.

Upon consummation of the offering of the 2029 senior notes, (i) the net proceeds of this offering were deposited into a segregated escrow account and (ii) UCI deposited into such escrow account an amount of cash that, when taken together with the net proceeds of this offering, would have be sufficient to fund a special mandatory redemption of the 2029 senior notes on April 13, 2022. Upon the closing of the TelevisaUnivision Transaction on January 31, 2022, the proceeds of the offering were used to pay a portion of the purchase price for the TelevisaUnivision Transaction and the amounts deposited in respect of pre-funded interest were returned to UCI.

UCI may redeem the 2029 senior notes, at UCI's option, in whole or in part, upon not less than 10 nor more than 60 days' notice at any time and from time to time at the redemption prices forth below. The 2029 senior notes will be redeemable at the applicable redemption price (expressed as percentages of principal amount of the 2029 senior notes to be redeemed) plus accrued and unpaid interest thereon to, but excluding, the applicable redemption date if redeemed during the twelve-month period beginning on May 1 of each of the following years: 2024 (102.250%), 2025 (101.125%) and 2026 and thereafter (100.000%). At any time prior to May 1, 2024, UCI may redeem the 2029 senior notes at a redemption price equal to 100% of the principal amount of the 2029 senior notes to be redeemed plus accrued and unpaid interest plus the greater of (i) 1.0% of the principal amount and (ii) the excess, if any, of (A) an amount equal to the present value at such redemption date of (1) the redemption price of such 2029 senior note at May 1, 2024, plus (2) all required interest payments due on such 2029 senior note through May 1, 2024 (excluding accrued but unpaid interest to, but excluding, the redemption date), computed using a discount rate equal to the Treasury Rate (as defined in the indenture) as of such redemption date plus 50 basis points; over (B) the principal amount of such 2029 senior notes to be redeemed on such redemption date.

At any time, or from time to time, until May 1, 2024, UCI may, at UCI's option, use the net cash proceeds of one or more equity offerings to redeem up to 40% of the then outstanding aggregate principal amount of the 2029 senior notes issued under the indenture at a redemption price equal to 104.500% of the aggregate principal amount thereof, plus accrued and unpaid interest thereon, provided that (i) at least 50% of the aggregate principal amount of the 2029 senior notes issued under the indenture remains outstanding

and (ii) UCI makes such redemption not more than 180 days after the consummation of any such equity offering. In addition, if UCI undergoes a change of control, it may be required to offer to purchase the 2029 senior notes from holders at a purchase price equal to 101% of the principal amount plus accrued interest.

7.375% Senior Secured Notes due 2030

UCI issued $500.0 million aggregate principal amount of 7.375% senior secured notes due 2030 on June 24, 2022, at an original issuance discount of 99.255%, plus accrued and unpaid interest from June 24, 2022, and $400.0 million additional aggregate principal amount of the 2030 senior notes on August 26, 2022 at a premium of 101.500%, plus accrued and unpaid interest from June 24, 2022 (collectively, the "2030 senior notes").

The 2030 senior notes will mature on June 30, 2030. UCI will pay interest on the 2030 senior notes at a fixed rate of 7.375% per annum semi-annually in cash in arrears on June 30 and December 30 of each year, commencing December 30, 2022. At December 31, 2022 (Successor), the outstanding principal balance of the 2030 senior notes was $900.0 million, the unamortized deferred financing costs balance was $10.9 million and the unamortized premium was $2.3 million.

UCI may redeem the 2030 senior notes, at UCI's option, in whole or in part, upon not less than 10 nor more than 60 days' notice at any time and from time to time at the redemption prices set forth below. The Notes will be redeemable at the applicable redemption price (expressed as percentages of principal amount of the 2030 senior notes to be redeemed) plus accrued and unpaid interest thereon to, but excluding, the applicable redemption date if redeemed during the twelve-month period beginning on June 30 of each of the following years: 2025 (103.688%), 2026 (101.844%) and 2027 and thereafter (100.000%). At any time prior to June 30, 2025, UCI may redeem the 2030 senior notes at a redemption price equal to 100% of the principal amount of the 2030 senior notes to be redeemed plus accrued and unpaid interest plus the greater of (i) 1.0% of the principal amount and (ii) the excess, if any, of (A) an amount equal to the present value at such redemption date of (1) the redemption price of such note at June 30, 2025, plus (2) all required interest payments due on such note through June 30, 2025 (excluding accrued but unpaid interest to, but excluding, the redemption date), computed using a discount rate equal to the Treasury Rate (as defined in the indenture) as of such redemption date plus 50 basis points; over (B) the principal amount of such note to be redeemed on such redemption date.

At any time, or from time to time, until June 30, 2025, UCI may use the net cash proceeds of one or more equity offerings to redeem up to 40% of the then outstanding aggregate principal amount of the notes issued under the indenture at a redemption price equal to 107.375% of the aggregate principal amount thereof, plus accrued and unpaid interest thereon, provided that (1) at least 50% of the aggregate principal amount of notes originally issued under the indenture remains outstanding and (2) UCI makes such redemption not more than 180 days after the consummation of any such equity offering. In addition, if UCI undergoes a change of control, it may be required to offer to purchase the 2030 senior notes from holders at a purchase price equal to 101% of the principal amount plus accrued interest.

UCI used the net proceeds from the issuance of the 2030 senior notes and the bank senior secured term loan facility maturing in June 2029 to fund the redemption of all $370.0 million outstanding aggregate principal amount of its 9.500% 2025 senior notes and discharged all obligations under the indenture pursuant to which the 9.500% 2025 senior notes were issued. The redemption occurred concurrently with the closing of the 2030 senior notes on June 24, 2022.

Accounts Receivable Facility

On October 5, 2021, UCI renewed its accounts receivable sale facility (as amended, the "Facility"), which, among other things, (i) extended the expiration date of the Facility to October 5, 2026, (ii) increased the letter of credit sublimit to $160.0 million under the revolving component of the Facility and (iii) lowered the interest rate on the borrowings under the Facility to a LIBOR market index rate (with a floor of 0.00%) plus a margin of 1.40% per annum. Interest is paid monthly on the Facility.

Under the terms of the Facility, certain subsidiaries of UCI sell accounts receivable on a true sale and non-recourse basis to their respective wholly-owned special purpose subsidiaries, and these special purpose subsidiaries in turn sell such accounts receivable to Univision Receivables Co., LLC, a bankruptcy-remote subsidiary in which certain special purpose subsidiaries of UCI and its parent, Broadcasting Partners, each holds a 50% voting interest (the "Receivables Entity"). Thereafter, the Receivables Entity sells to investors, on a revolving non-recourse basis, senior undivided interests in such accounts receivable pursuant to the Receivables Purchase Agreement. UCI (through certain special purpose subsidiaries) holds a 100% economic interest in the Receivables Entity. The assets of the special purpose entities and the Receivables Entity are not available to satisfy the obligations of UCI or its other subsidiaries.

The Facility is comprised of a $100.0 million term component and a $300.0 million revolving component that is subject to the availability of qualifying receivables. At December 31, 2022 (Successor), UCI had $100.0 million outstanding under the term component and none outstanding under the revolving component, and the interest rate was 5.205% applicable to both the term component and the revolving component. In addition, at December 31, 2022 (Successor), there was $52.3 million of outstanding letters of credit against the accounts receivable revolving component resulting in $247.7 million being available for borrowing under the accounts receivable revolving facility. In addition, the Receivables Entity is obligated to pay a commitment fee to the purchasers, such fee to be calculated based on the unused portion of the Facility. The Receivables Purchase Agreement contains customary default and termination provisions, which provide for the early termination of the Facility upon the occurrence of certain specified events including, but not limited to, failure by the Receivables Entity to pay amounts due, defaults on certain indebtedness, change in control, bankruptcy and insolvency events. The Receivables Entity is consolidated in the Company's consolidated financial statements.

Note Payable to Grupo Televisa

As of December 31, 2022, UCI (through one of its wholly-owned subsidiaries) has an unsecured note payable to Grupo Televisa with an outstanding principal balance of $294.7 million with a maturity date of April 30, 2026 and a fixed annual rate of 10.2%.

Gain / Loss on Refinancing of Debt

For the year ended December 31, 2022 (Successor), UCI recorded a gain on refinancing of debt of $5.4 million, as a result of the redemption of the 9.5% Senior Notes due 2025 and the write-off of unamortized premium of the partially paid down 2024 Term Loan. For the periods from May 18, 2021 through December 31, 2021 (Successor) and from January 1, 2021 through May 17, 2021 (Predecessor), the Company recorded a loss on refinancing of debt of $4.1 million and zero, respectively. For the year ended December 31, 2020 (Predecessor), UCI recorded a loss on refinancing of debt of $57.7 million. The loss includes the premium, fees, the write-off of certain unamortized deferred financing costs and the write-off of certain unamortized premium related to instruments that were repaid.

Other Matters Related to Debt

Voluntary prepayment of principal amounts outstanding under the Senior Secured Credit Facilities and/or the New Term Loan Facility is permitted at any time; however, if a prepayment of principal is made with respect to an adjusted LIBOR loan on a date other than the last day of the applicable interest period, the lenders will require compensation for any funding losses and expenses incurred as a result of the prepayment. Additionally, as noted above, certain prepayments of the New Term Loan Facility during the first six months of the New Term Loan Facility may require the payment of a 1.00% prepayment premium on the amounts so prepaid.

The agreements governing the Senior Secured Credit Facilities, the New Term Loan Facility and the senior secured notes contain various covenants and a breach of any covenant could result in an event of default under those agreements. If any such event of default occurs, the lenders of the Senior Secured Credit Facilities, the New Term Loan Facility or the holders of the senior secured notes may elect (after the expiration of any applicable notice or grace periods) to declare all outstanding borrowings, together with accrued and unpaid interest and other amounts payable thereunder, to be immediately due and payable. In addition, an event of default under the indentures governing the senior secured notes would cause an event of default under the Senior Secured Credit Facilities and the New Term Loan Facility, and the acceleration of debt under the Senior Secured Credit Facilities and/or the New Term Loan Facility or the failure to pay that debt when due would cause an event of default under the indentures governing the senior secured notes (assuming certain amounts of that debt were outstanding at the time). The lenders under the Senior Secured Credit Facilities also have the right upon an event of default thereunder to terminate any commitments they have to provide further borrowings. Further, following an event of default under the Senior Secured Credit Facilities, the lenders will have the right to proceed against the collateral. The Senior Secured Credit Facilities, the New Term Loan Facility, the 2029 senior notes, the 2027 senior notes, the 9.5% 2025 senior notes, and the 5.125% 2025 senior notes are secured by, among other things (a) a first priority security interest in substantially all of the assets of UCI, and UCI's material restricted domestic subsidiaries (subject to certain exceptions), as defined, including without limitation, all receivables, contracts, contract rights, equipment, intellectual property, inventory, and other tangible and intangible assets, subject to certain customary exceptions; (b) a pledge of (i) all of the present and future capital stock of each subsidiary guarantor's direct domestic subsidiaries and the direct domestic subsidiaries of UCI and (ii) 65% of the voting stock of each of UCI's and each guarantor's material direct foreign subsidiaries, subject to certain exceptions; and (c) all proceeds and products of the property and assets described above. In addition, the Senior Secured Credit Facilities and the New Term Loan Facility (but not the Notes, 2027 senior notes, 9.5% 2025 senior notes, or the 5.125% 2025 senior notes) are secured by all of the assets of Broadcast Holdings and a pledge of the capital stock of UCI and all proceeds of the foregoing.

Additionally, the agreements governing the Senior Secured Credit Facilities, the New Term Loan Facility and the senior secured notes include various restrictive covenants (including in the credit agreement governing the Senior Secured Credit Facilities when there are certain amounts outstanding under the senior secured revolving credit facility thereunder on the last day of a fiscal quarter, a first lien debt ratio covenant) which, among other things, limit the incurrence of indebtedness, making of investments, payment of dividends, transactions with affiliates, asset sales, acquisitions, mergers and consolidations, prepayments of other indebtedness, liens and encumbrances and other matters customarily restricted in such agreements. The credit agreements governing the Senior Secured Facilities and the New Term Loan Facility and the indentures governing the senior secured notes thereunder allow UCI to make certain pro forma adjustments for purposes of calculating certain financial ratios, some of which would be applied to adjusted operating income before depreciation and amortization ("Bank Credit Adjusted OIBDA"). UCI is in compliance with these covenants under the agreements governing its Senior Secured Credit Facilities, New Term Loan Facility and senior secured notes.

UCI may from time to time designate a subsidiary as "unrestricted subsidiaries" for purposes of its credit agreements governing the Senior Secured Credit Facilities and the New Term Loan Facility and indentures governing the senior secured notes. As unrestricted subsidiaries, the operations of these subsidiaries are excluded from, among other things, covenant compliance calculations and compliance with the affirmative and negative covenants of the credit agreements governing the Senior Secured Credit Facilities the New Term Loan Facility and indentures governing the senior secured notes. UCI may redesignate these subsidiaries as restricted subsidiaries at any time at its option, subject to compliance with the terms of its credit agreements governing the Senior Secured Credit Facilities and the New Term Loan Facility and indentures governing the senior secured notes.

The subsidiary guarantors under the Company's Senior Secured Credit Facilities, the New Term Loan Facility and senior secured notes are substantially all of UCI's domestic subsidiaries. The subsidiaries that are not guarantors include certain immaterial subsidiaries, special purpose subsidiaries that are party to UCI's Facility and the designated unrestricted subsidiaries. The guarantees are full and unconditional and joint and several. Univision Communications Inc. has no independent assets or operations.

UCI and its subsidiaries, affiliates or significant shareholders may from time to time, in their sole discretion, purchase, repay, redeem or retire any of UCI's outstanding debt or equity securities (including any privately placed debt securities with an established trading market), in privately negotiated or open market transactions, by tender offer or otherwise.

Contractual maturities of long-term debt as of December 31, 2022 (Successor) are as follows:

Year	Amount
2023	$ 60,100
2024	421,400
2025	1,539,500
2026 (a)	2,310,700
2027	1,903,000
Thereafter	3,412,100
	9,646,800
Less current portion	(60,100)
Long-term debt, excluding finance leases	$ 9,586,700

(a) Includes the term component of the Company's accounts receivable sale facility and Note Payable to Grupo Televisa.

18. Interest Rate Swaps

The Company's objectives in using interest rate derivatives are to add stability to interest expense and to manage its exposure to interest rate movements. To accomplish these objectives, the Company primarily uses interest rate swaps as part of its interest rate risk management strategy. These interest rate swaps involve the receipt of variable amounts from a counterparty in exchange for the Company making fixed-rate payments over the life of the agreements without exchange of the underlying notional amount. UCI has agreements with each of its interest rate swap counterparties which provide that UCI could be declared in default on its derivative obligations if repayment of the underlying indebtedness is accelerated by the lender due to UCI's default on the indebtedness. UCI does not enter into derivatives for trading purposes.

Derivatives Designated as Hedging Instruments

During 2019, the Company entered into three new interest rate swaps which effectively converted the interest payable on $750 million of variable rate debt into fixed rate debt, at a weighted-average rate of approximately 1.86% through June 30, 2021 (Successor), when they matured.

On February 28, 2020, two forward-starting interest rate swaps that converted the interest payable on $2.5 billion of variable rate debt into fixed rate debt, at a weighted-average rate of approximately 2.94% became effective and will mature in February 2024. On September 10, 2021, the Company modified these two outstanding forward-starting interest rate swaps to extend the maturity from February 2024 to February 2026 and the floor was reduced from 1.00% to 0.75%. The weighted average interest rate as of December 31, 2022 (Successor) was therefore approximately 2.26%. As a result of this modification, there was an other-than-insignificant financing element identified which result in our swap settlement payments being classified as financing cash flows.

As a result of the Reorganization and UH Holdco's election of pushdown accounting, all predecessor Other Comprehensive Income ("OCI") balances were adjusted to zero and all swap contracts and at the Reorganization date the Company redesignated its two swaps totaling $2.5 billion as hedges under the successor financials. For the period from May 18, 2021 through June 30, 2021 (Successor), there was no material gain or loss recorded in interest expense for the three swap contracts totaling $750 million which matured on June 30, 2021 (Successor).

As of December 31, 2022 (Successor), the Company has two remaining effective cash flow hedges, as shown in the table below.

	Number of Instruments	Current Notional (in whole dollars)
Interest Rate Derivatives		
Interest Rate Swap Contracts (February 2020 through February 2026)	2	$ 2,500,000,000

Impact of Interest Rate Derivatives on the Consolidated Financial Statements

The table below presents the fair value of the Company's derivative financial instruments, as well as their classification on the consolidated balance sheets:

	Consolidated Balance Sheet Location	As of December 31, 2022 (Successor)	As of December 31, 2021 (Successor)
Derivatives Designated as Hedging Instruments			
Interest Rate Swap Contracts—Current Assets	Prepaid expenses and other	$ 64,100	$ —
Interest Rate Swap Contracts—Non-Current Assets	Other assets	$ 77,500	$ —
Interest Rate Swap Contracts—Current Liabilities	Accounts payable and accrued liabilities	$ —	$ 35,300
Interest Rate Swap Contracts—Non-Current Liabilities	Other long-term liabilities	$ —	$ 45,300

The Company does not offset the fair value of interest rate swaps in an asset position against the fair value of interest rate swaps in a liability position on the balance sheet. Because all of the Company's interest rate swaps were in an asset position as of December 31, 2022 (Successor), if the Company had presented the fair value of the interest rate swaps on a net basis by counterparty, there would be no change to the consolidated balance sheet as of that date. Because all of the Company's interest rate swaps were in a liability position as of December 31, 2021 (Successor), if the Company had presented the fair value of the interest rate swaps on a net basis by counterparty, there would be no change to the consolidated balance sheet as of that date. As of December 31, 2022 (Successor), UCI has not posted any collateral related to any of the interest rate swap contracts.

The table below presents the effect of the Company's derivative financial instruments designated as cash flow hedges on the consolidated statements of operations and the consolidated statements of comprehensive income (loss) for the year ended December 31, 2022 (Successor), for periods from May 18, 2021 through December 31, 2021 (Successor) and from January 1, 2021 through May 17, 2021 (Predecessor) and for the year ended December 31, 2020 (Predecessor):

Derivatives Designated as Cash Flow Hedges	Amount of Gain or (Loss) Recognized in Other Comprehensive Income (Loss) on Derivative	Location of Gain or (Loss) Reclassified from AOCLI into Income	Amount of Gain or (Loss) Reclassified from AOCLI into Income[(a)]	Total Interest Expense on the Statement of Operations
Successor, For the year ended December 31, 2022	$ 212,600	Interest expense	$ 13,700	$ 572,200
Successor, Period from May 18, 2021 through December 31, 2021	$ 15,900	Interest expense	$ (6,200)	$ 252,100
Predecessor, Period from January 1, 2021 through May 17, 2021	$ 1,800	Interest expense	$ (20,900)	$ 167,400
Predecessor, For the year ended December 31, 2020	$ (77,600)	Interest expense	$ (46,700)	$ 427,500

(a) In 2020, the amount of gain or (loss) reclassified from accumulated other comprehensive (loss) income ("AOCLI") into income includes amounts that have been reclassified related to current effective hedging relationships as well as amortizing AOCLI amounts related to discontinued cash flow hedging relationships which matured on February 28, 2020. In 2021, the amount of gain or (loss) reclassified from AOCLI into income includes amounts that have been reclassified related to current effective hedging relationships and for the period from May 18, 2021 through December 31, 2021 (Successor), amortizing AOCLI amounts related to the de-designation and re-designation of the hedges as a result of the Reorganization and subsequent modification of the outstanding swaps. In 2022, the amount of gain or (loss) reclassified from accumulated other comprehensive (loss) income ("AOCLI") into income includes amounts that have been reclassified related to current effective hedging relationships as well as amortizing AOCLI amounts related to the off market component of the hedges as a result of the Reorganization and subsequent modification of the outstanding swaps. For the year ended December 31, 2022 (Successor), the Company amortized approximately $23.3 million of reduction to interest expense on activities from AOCLI. For the period from May 18, 2021 through December 31, 2021 (Successor), the Company amortized approximately $21.2 million of a reduction to interest expense on hedging activities from AOCLI related to the de-designation and re-designation of the hedges as a result of the Reorganization and subsequent modification of the outstanding swaps. There were no corresponding unrealized gains (or losses) on hedging activities amortized from AOCLI into interest expense for the period from January 1, 2021 through May 17, 2021 (Predecessor). For the year ended December 31, 2020 (Predecessor), the Company amortized approximately $1.0 million of reduction to interest expense on activities from AOCLI.

During the next twelve months, from December 31, 2022 (Successor), approximately $87.8 million of net unrealized gain will be reclassified from AOCLI to interest expense (inclusive of the amounts being amortized related to discontinued cash flow hedging relationships).

19. Capital Stock

On January 31, 2022, (the "acquisition date"), Televisa and UH Holdco (together with its wholly owned subsidiary, Univision Communications Inc.) announced the completion of the TelevisaUnivision Transaction, See Note 3. *TelevisaUnivision Transaction*.

In connection with the consummation of the TelevisaUnivision Transaction, UH Holdco changed its name to TelevisaUnivision, Inc. ("TelevisaUnivision") and filed a certificate of incorporation providing for the following classes of capital stock:

- 50,000,000 shares of Class A common stock, with a par value of $0.001 per share;
- 50,000,000 shares of Class B common stock, with a par value of $0.001 per share;
- 5,000,000 shares of Class C subordinated common stock , with a par value of $0.001 per share, which were further divided into four subclasses; 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, and
- 5,000,000 shares of preferred stock (of which 100,000 shares were designated as Series A preferred stock, 750,000 shares were designated as Series B preferred stock, pursuant to a certificate of designation filed on January 31, 2022, and 1,008,640 shares were designated as Series C preferred stock, pursuant to a certificate of designation filed on January 31, 2022), with a par value of $1,000 per share.

On the acquisition date, TelevisaUnivision issued the following shares of capital stock:

- 3,589,664 shares of Class A common stock to Grupo Televisa, S.A.B. and its affiliates for an aggregate principal amount of $750.0 million;
- 750,000 shares of Class B preferred stock to Grupo Televisa and its affiliates for an aggregate principal amount of $852.6 million;
- 1,008,014 shares of Class C preferred stock to, among other parties, Forgelight, Google, SoftBank Latin American Fund and The Raine Group for an aggregate principal amount of $1,007.1 million; and
- 1,000 shares of Series D preferred stock to Guggenheim Securities, LLC. for an aggregate principal amount of $1.0 million.

Immediately following the acquisition date, the issued and outstanding capital stock of the Company consisted of Class A common stock, Class C subordinated common stock, Series B preferred stock, Series C preferred stock and Series D preferred stock.

On May 18, 2021, pursuant to the May 2021 Reorganization, UH Holdco's stockholders adopted a certificate of incorporation and UH Holdco adopted a certificate of designations, powers, preferences and rights that together provided for, among other things, the authorization of:

- 50,000,000 shares of Class A common stock, with a par value of $0.001 per share;
- 50,000,000 shares of Class B common stock, with a par value of $0.001 per share;
- 5,000,000 shares of Class C subordinated common stock , with a par value of $0.001 per share, which were further divided into four subclasses; 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, and
- 500,000 shares of preferred stock (of which 100,000 shares were designated as Series A preferred stock), with a par value of $1,000 per share;.

Immediately following the May 2021 Reorganization, the issued and outstanding capital stock of the Company consisted of Class A common stock, Class C subordinated common stock and Series A preferred stock.

Description of Common Stock

Pursuant to the Reorganization, on May 18, 2021, UH Holdco became the owner of 100% of the issued and outstanding capital stock of UHI and the existing stockholders of UHI (other than the predecessor to UH Holdco, which previously held a non-controlling financial interest in UHI) exchanged their shares for the same number and class of shares of UH Holdco. UH Holdco was renamed TelevisaUnivision, Inc. on January 31, 2022 in connection with the TelevisaUnivision Transaction.

Holders of the Company's common stock are entitled to the rights, preferences, privileges and limitations summarized below.

Voting Rights: Holders of Class A common stock have all voting powers and voting rights, and vote together as a single class, with each share entitled to one vote.

Directors will be elected by the stockholders subject to the board designation rights of certain stockholders set forth in the stockholders agreement among certain stockholders of the Company (the "Stockholders Agreement").

Dividend Rights: Except as a described below with respect to shares of Class C Subordinated common stock, holders of common stock will share, on a pro rata basis, in any dividend declared by the Company's board, subject to the rights of the holders of outstanding shares of Series A preferred stock and any other preferred stock and the approval rights of Class A common stockholders with respect to certain dividends provided for in the Certificate of Incorporation.

Each of the sub-classes of the Class C Subordinated common stock is subject to a liquidation preference that is reduced by dividends or distributions paid to holders of the Company's common stock. The holders of shares of Class A common stock, Class B common stock, and any sub-class of Class C Subordinated common stock whose liquidation preference has been reduced to $0.00 will share, on a pro rata basis, in any dividend declared by the Company's board. The shares of any sub-class of Class C Subordinated common stock whose liquidation preference has not been reduced to $0.00 will not share in any dividend declared by the Company's board.

Stock Split, Reverse Stock Splits and Stock Dividends: In the event of a subdivision, increase or combination in any manner (by stock split, reverse stock split, stock dividend or other similar manner) of the outstanding shares of any class of common stock, the outstanding shares of the other classes of common stock will be adjusted proportionally, subject to approval rights of Class A common stockholders with respect to certain stock split and reverse stock splits provided for in the Certificate of Incorporation.

Conversion Rights:

Optional Conversions. The following conversion rights are exercisable at the holder's option, subject in certain cases to federal stock ownership regulations applicable to U.S. broadcast companies and restrictions set forth in the Certificate of Incorporation and the Stockholders Agreement:

- Each share of Class A common stock may be converted at any time into one share of Class B common stock;
- Each share of Class B common stock may be converted into one share of Class A common stock;
- In the event of any registered public offering, holders of Class C Subordinated common stock shall have the option, but not the obligation, to convert shares of Class C Subordinated common stock into shares of Class A common stock to be sold in such public offering (or shares of Class B common stock if the shares sold are required to be non-voting). Each share of any sub-class of Class C Subordinated common stock converted for such sale shall be converted into a number of shares of Class A common stock or Class B common stock, as applicable, equal to (i) the value of a share of such sub-class of Class C Subordinated stock as determined by a third-party valuation firm as of the time of such public offering, divided by (ii) the offering/sale price of a share of Class A common stock or Class B common stock, as applicable.

Mandatory Conversions. The Company may require a holder of Class A common stock to convert its shares of Class A common stock into shares of Class B common stock if such holder does not provide certain information required by the Certificate of Incorporation or if the Company concludes in its sole discretion that such holder's ownership or exercise of rights of ownership would result in certain events, in each case in relation to the application of federal communications laws.

Liquidation Rights: In the event of voluntary or involuntary liquidation, dissolution or winding up of the Company, holders of common stock will share, on a pro rata basis, in any distribution of the assets of the Company to the stockholders, subject to the rights of the holders of outstanding shares of Series A preferred stock and any other preferred stock; provided that holders of shares of Class C Subordinated common stock will share in such distributions only to the extent such shares would share in a dividend, as further described under "—Dividend Rights" above.

Preferred Stock: Subject to the consent rights of various parties under the Stockholders Agreement and the Certificate of Incorporation and the rights of the holders of outstanding shares of preferred stock, the Company's board is authorized to provide for the issuance of preferred stock in one or more series. See Note 16. *Related Party Transactions*, under the heading "Redeemable Shares."

Series A Preferred Stock

In connection with the Stock Purchase Agreement dated February 24, 2020, on December 29, 2020 (Predecessor), UHI authorized and issued 100,000 Series A convertible preferred stock (the "Series A preferred stock") to Liberty through the Certificate of Designation ("CoD"), each with a stated value of $1,000 (the "Series A Stated Price"), for an aggregate principal amount of $100.0 million. The Series A preferred stock are not entitled or permitted to vote on any matter required or permitted to be voted upon by the stockholders of the Company. Due to the Reorganization, the Series A preferred stock consisting of 100,000 shares in UHI were exchanged for same number shares and class in UH Holdco. As of December 31, 2021 (Successor), the Series A preferred stock of $369.4 million due to fair value re-measurement at the Reorganization and was classified as temporary equity and presented in Redeemable Convertible Preferred Shares within the Consolidated Balance Sheet.

As a result of the TelevisaUnivision Transaction, Liberty converted their Series A preferred stock into 1,845,293 Class A common stock of TelevisaUnivision.

Series B Preferred Stock

Voting Rights: Holders of Series B preferred stock have the right to vote along with holders of the class A common stock on an as-converted basis.

Dividend Rights: The Series B preferred stock is entitled to preferential cumulative dividends equal to 5.5% per annum. Holders of Series A preferred stock will share with holders of common stock in any dividend declared by the Company's board as if such shares were converted into common stock on the record date of such dividend.

Conversion Rights and Anti-Dilution Adjustments: Each share of Series B preferred stock may be converted at the option of the holder at any time into a number of shares of Class A common stock or Class B common stock equal to $1,000 divided by the conversion price then in effect. At the date of issuance of the Series A preferred stock, the conversion price was $4.16 per common share. The conversion price and the securities into which shares of Series B preferred stock are convertible are subject to customary anti-dilution adjustments in the event of dividends, subdivisions, combinations or reclassifications of common stock.

Redemption:

Redemption By the Company. The Company may redeem each share of Series B preferred stock at any time after the later of the fifth anniversary of the issuance date or the consummation of an initial public offering under certain circumstances.

Redemption at the Option of the Holder. Each share of Series B preferred stock is entitled to a preference upon liquidation of the Company equal to at least the Accumulated Stated Value described therein, and thereafter will share ratably in any distributions or payments on an as-converted basis with the holders of Common Stock.

Liquidation Rights: In the event of voluntary or involuntary liquidation, dissolution or winding up of the Company, holders of Series B preferred stock will share, on a pro rata basis, with any other capital stock that ranks on a *pari passu* basis with it in any distribution of the assets of the Company to the stockholders in an amount equal to the greater of (i) $1,000 per share of Series B preferred stock and (ii) the amount payable upon such liquidation, dissolution or wind-up in respect of the number of shares of common stock into which shares of Series B preferred stock were convertible immediately prior thereto. Such distribution to the Series B preferred stock will be made prior to any payment to the common stock or other junior stock.

As of December 31, 2022 (Successor) the Series B Preferred Stock of $852.6 million are classified as temporary equity and presented in Redeemable Shares within the Consolidated Balance Sheet.

Series C Preferred Stock

In connection with the TelevisaUnivision Transaction, the Company issued 1,000,000 shares of the Series C preferred stock to Forgelight, Google, SoftBank Latin American Fund and The Raine Group, among others.

Voting Rights: Holders of Series C preferred stock have the right to vote along with holders of the class A common stock on an as-converted basis.

Dividend Rights: Holders of Series C preferred stock will share with holders of common stock in any dividend declared by the Company's board as if such shares were converted into common stock on the record date of such dividend.

Conversion Rights and Anti-Dilution Adjustments: Each share of Series C preferred stock may be converted at the option of the holder at any time into a number of shares of Class A common stock or Class B common stock equal to $1,000 divided by the conversion price then in effect. At the date of issuance of the Series C preferred stock, the conversion price was $4.78 per common share. The conversion price and the securities into which shares of Series C preferred stock are convertible are subject to customary anti-dilution adjustments in the event of dividends, subdivisions, combinations or reclassifications of common stock.

Redemption:

Redemption By the Company. The Company may redeem each share of Series C preferred stock at any time after the later of the fifth anniversary of the issuance date or the consummation of an initial public offering under certain circumstances.

Redemption at the Option of the Holder. Each share of Series C preferred stock is entitled to a preference upon liquidation of the Company equal to at least the Accumulated Stated Value described therein, and thereafter will share ratably in any distributions or payments on an as-converted basis with the holders of Common Stock.

Liquidation Rights: In the event of voluntary or involuntary liquidation, dissolution or winding up of the Company, holders of Series C preferred stock will share, on a pro rata basis, with any other capital stock that ranks on a *pari passu* basis with it in any

distribution of the assets of the Company to the stockholders in an amount equal to the greater of (i) $1,000 per share of Series C preferred stock and (ii) the amount payable upon such liquidation, dissolution or wind-up in respect of the number of shares of common stock into which shares of Series C preferred stock were convertible immediately prior thereto. Such distribution to the Series C preferred stock will be made prior to any payment to the common stock or other junior stock.

As of December 31, 2022 (Successor) the Series C Preferred Stock of $1,007.1 million are classified as temporary equity and presented in Redeemable Shares within the Consolidated Balance Sheet.

Treasury Stock

In November 2022, the Company repurchased 128,004 shares of its Class A common stock. Such repurchased shares were designated as treasury stock.

20. Accumulated Other Comprehensive (Loss) Income

Comprehensive income (loss) is reported in the consolidated statements of comprehensive income (loss) and consists of net income (loss) and other gains (losses) that affect stockholders' equity but, under GAAP, are excluded from net income (loss). For the Company, items included in other comprehensive income (loss) are foreign currency translation adjustments, unrealized gain (loss) on hedging activities and the amortization of unrealized (gain) loss on hedging activities, pension and post-retirement benefits.

The following tables present the changes in accumulated other comprehensive (loss) income by component for the year ended December 31, 2022 (Successor), the periods from May 18, 2021 through December 31, 2021 (Successor) and from January 1, 2021 through May 17, 2021 (Predecessor) and for the year ended December 31, 2020 (Predecessor), respectively. All amounts are net of tax.

(Predecessor)	Gains and (Losses) on Hedging Activities	Currency Translation Adjustment	Total
Balance as of December 31, 2019	$ (129,800)	$ (4,700)	$ (134,500)
Other comprehensive loss before reclassifications	(22,300)	(700)	(23,000)
Amounts reclassified from accumulated other comprehensive loss	(700)	—	(700)
Net other comprehensive loss	(23,000)	(700)	(23,700)
Balance as of December 31, 2020	$ (152,800)	$ (5,400)	$ (158,200)

(Predecessor)	Gains and (Losses) on Hedging Activities	Currency Translation Adjustment	Total
Balance as of December 31, 2020	$ (152,800)	$ (5,400)	$ (158,200)
Other comprehensive income before reclassifications	16,900	(100)	16,800
Amounts reclassified from accumulated other comprehensive loss	—	—	—
Net other comprehensive income	16,900	(100)	16,800
Balance as of May 17, 2021	$ (135,900)	$ (5,500)	$ (141,400)

(Successor)	Gains and (Losses) on Hedging Activities	Currency Translation Adjustment	Total
Balance as of May 17, 2021	$ (135,900)	$ (5,500)	$ (141,400)
Pushdown accounting adjustments	135,900	5,500	141,400
Balance as of May 18, 2021	—	—	—
Other comprehensive income before reclassifications	32,100	(300)	31,800
Amounts reclassified from accumulated other comprehensive income	(15,700)	—	(15,700)
Net other comprehensive income	16,400	(300)	16,100
Balance as of December 31, 2021	$ 16,400	$ (300)	$ 16,100

(Successor)	Gains and (Losses) on Hedging Activities	Unrealized Gain on Pension Activities	Currency Translation Adjustment	Total
Balance as of December 31, 2021	$ 16,400	$ —	$ (300)	$ 16,100
Other comprehensive income before reclassifications	165,000	—	313,900	478,900
Amounts reclassified from accumulated other comprehensive loss	(17,300)	—	—	(17,300)
Unrealized gain on pension activities, net of taxes	—	7,800	—	7,800
Net other comprehensive income	147,700	7,800	313,900	469,400
Balance as of December 31, 2022	$ 164,100	$ 7,800	$ 313,600	$ 485,500

The following tables present the activity within other comprehensive income (loss) and the tax effect related to such activity.

	2020		
	Pretax	Tax (provision) benefit	Net of tax
Year Ended December 31, 2020			
Unrealized loss on hedging activities	$ (30,000)	$ 7,700	$ (22,300)
Amortization of unrealized gain on hedging activities	(900)	200	(700)
Currency translation adjustment	(700)	—	(700)
Predecessor, Other comprehensive loss	$ (31,600)	$ 7,900	$ (23,700)

	2021		
	Pretax	Tax (provision) benefit	Net of tax
Period from January 1, 2021 through May 17, 2021			
Unrealized gain on hedging activities	$ 22,700	$ (5,800)	$ 16,900
Amortization of unrealized gain on hedging activities	—	—	—
Currency translation adjustment	(100)	—	(100)
Predecessor, Other comprehensive income	$ 22,600	$ (5,800)	$ 16,800
Pushdown accounting adjustment	(22,600)	5,800	(16,800)
Other comprehensive income balance at May 18, 2021	$ —	$ —	$ —
Period from May 18, 2021 through December 31, 2021			
Unrealized gain on hedging activities	$ 43,200	$ (11,100)	$ 32,100
Amortization of unrealized gain on hedging activities	(21,100)	5,400	(15,700)
Currency translation adjustment	(300)	—	(300)
Successor, Other comprehensive income	$ 21,800	$ (5,700)	$ 16,100

	2022		
	Pretax	Tax (provision) benefit	Net of tax
Year Ended December 31, 2022			
Unrealized gain on hedging activities	$ 222,200	$ (57,200)	$ 165,000
Amortization of unrealized gain on hedging activities	(23,300)	6,000	(17,300)
Unrealized gain on pension activities, net of taxes	7,800	—	7,800
Currency translation adjustment	313,900	—	313,900
Successor, Other comprehensive income	$ 520,600	$ (51,200)	$ 469,400

For the year ended December 31, 2022, for the periods from May 18, 2021 through December 31, 2021 (Successor) and from January 1, 2021 through May 17, 2021 (Predecessor), for the year ended December 31, 2020, unrealized gain on hedging activities is primarily due to the change in one-month LIBOR rates for interest rate swaps. Amounts reclassified from accumulated other comprehensive (loss) income related to hedging activities are recorded to interest expense. See Note 18. *Interest Rate Swaps* for further information related to amounts reclassified from accumulated other comprehensive (loss) income.

21. Income Taxes

Earnings from continuing operations before provision for income taxes:

	Successor entity			Predecessor entity	
	Year Ended December 31, 2022	Period from May 18, 2021 through December 31, 2021	Period from January 1, 2021 through May 17, 2021	Period from January 1, 2021 through May 17, 2021	Year Ended December 31, 2020
Domestic	$ (886,000)	$ 93,100	$ 637,000	$ 53,300	$ (46,200)
International	(511,300)	1,300	—	800	1,000
Total Pretax earnings	$ (1,397,300)	$ 94,400	$ 637,000	$ 54,100	$ (45,200)

The income tax provision for continuing operations for the year ended December 31, 2022 and for the periods from May 18, 2021 through December 31, 2021 and from January 1, 2021 through May 17, 2021 (Successor entity), from January 1, 2021 through May 17, 2021 and for the year ended December 31, 2020 (Predecessor entity) comprised the following charges and (benefits):

	Successor entity			Predecessor entity	
	Year Ended December 31, 2022	Period from May 18, 2021 through December 31, 2021	Period from January 1, 2021 through May 17, 2021	Period from January 1, 2021 through May 17, 2021	Year Ended December 31, 2020
Current:					
Federal	$ 52,600	$ 850	$ —	$ 250	$ (4,500)
State	19,600	8,000	—	8,000	700
Foreign	49,800	250	—	250	500
Total current income tax (benefit) expense	122,000	9,100	—	8,500	(3,300)
Deferred:					
Federal	32,900	3,600	2,700	1,500	(9,800)
State	(1,000)	(3,600)	500	(4,100)	(8,300)
Foreign	13,300	(200)	—	—	—
Total deferred income tax (benefit) expense	45,200	(200)	3,200	(2,600)	(18,100)
Income tax (benefit) expense	$ 167,200	$ 8,900	$ 3,200	$ 5,900	$ (21,400)

For the years ended December 31, 2022 and for the periods from May 18, 2021 through December 31, 2021 and from January 1, 2021 through May 17, 2021 (Successor entity), the period from January 1, 2021 through May 17, 2021 and for the year December 31, 2020 (Predecessor entity), a reconciliation of the federal statutory tax rate to the Company's effective tax rate for continuing operations is as follows:

	Successor entity			Predecessor entity	
	Year Ended December 31, 2022	Period from May 18, 2021 through December 31, 2021	Period from January 1, 2021 through May 17, 2021	Period from January 1, 2021 through May 17, 2021	Year Ended December 31, 2020
Federal statutory tax rate	21.0 %	21.0 %	21.0 %	21.0 %	21.0 %
State and local income taxes, net of federal tax benefit	3.5	3.0	0.1	5.8	16.8
Effect of international operations	(2.9)	—	—	—	—
Valuation allowance	(4.0)	(8.8)	—	(15.2)	—
Equity based compensation	(0.6)	—	—	4.7	(8.2)
Searchlight step-up gain on investment	—	—	(20.6)	—	—
Televisa settlements (non-taxable)	—	(7.6)	—	(7.6)	25.3
Transaction related costs	(0.4)	1.5	—	1.1	(7.1)
Goodwill impairment	(28.4)	—	—	—	—
Other	(0.2)	0.3	—	1.2	(0.5)
Total effective tax rate	(12.0)%	9.4 %	0.5 %	11.0 %	47.3 %

As a result of the TelevisaUnivision Transaction (See Note 3. *TelevisaUnivision Transaction)*, the Company's international operations that are subject to local income taxes has increased significantly. The acquired entities operate in territories where the statutory rate is in excess of the 21% U.S. federal statutory rate. With the exception of certain licenses and other assets acquired directly by the Company, the Transaction was a non-taxable business combination resulting in goodwill that is not tax deductible.

In response to COVID-19, the Coronavirus Aid, Relief, and Economic Security Act (the "CARES Act") was signed into law on March 27, 2020. The CARES Act provides numerous tax and other stimulus measures. The Company benefited from the technical correction for qualified leasehold improvements, which changes 39-year property to 15-year property, be eligible for 100% tax bonus depreciation, acceleration of refunds of previously generated Alternative Minimum Tax credits and the creation of certain refundable employee retention credits.

The Company's deferred tax assets and liabilities as of December 31, 2022 (Successor) and December 31, 2021 (Successor) are as follows:

	December 31, 2022 (Successor)	December 31, 2021 (Successor)
Deferred tax assets:		
Tax loss carry-forwards	$ 305,200	$ 399,300
Advanced deposits for taxes	200,900	—
Investments related	34,600	25,300
Interest	99,500	35,400
Tax credits	104,400	61,000
Compensation related costs	42,500	21,100
Lease liability	193,800	54,800
Accrued liabilities	119,800	13,300
Debt related	12,900	63,400
Other	81,300	78,600
Valuation allowance	(443,400)	(377,600)
Total deferred tax assets	751,500	374,600
Deferred tax liabilities:		
Property, equipment and intangible assets	(1,360,100)	(1,298,700)
Right of use asset	(78,900)	(42,200)
Other	—	—
Total deferred tax liability	(1,439,000)	(1,340,900)
Net deferred tax liability	$ (687,500)	$ (966,300)

At December 31, 2022 (Successor), the Company has various state tax effected net operating loss carryforwards of approximately $23.5 million (based on the current state income apportionment, the Company would require approximately $495.3 million of future taxable income to fully utilize such net operating loss carryforwards), which will expire in 2023 through 2035. We have $182.9 million of tax losses in various international territories that begin to expire in 2023 and $136.1 million of tax losses with an indefinite carryforward period. In addition, we have $30.5 million of foreign tax credit carryforwards at December 31, 2022. The utilization of these carryforwards as an available offset to future tax is subject to limitations under current local income tax laws. These carryforwards begin to expire in fiscal year 2029.

At December 31, 2022 (Successor), the Company has capital loss carryforwards for federal income tax purposes of approximately $692.7 million, resulting in a deferred tax asset of $182.0 million for federal and state income tax purposes. Management assessed the realizability of this deferred tax asset and provided a full valuation allowance as it was not more-likely-than-not to be realized.

At December 31, 2022 (Successor), the Company has recorded a deferred tax asset of $200.9 million related to an advanced deposit for Mexican corporate income taxes. This amount is expected to be realized by end of fiscal year 2025.

The ultimate realization of deferred tax assets is dependent upon the generation of future taxable income during the periods in which those temporary differences become deductible. Management considers the scheduled reversal of deferred tax liabilities (including the impact of available carryback and carryforward periods), projected future taxable income, and tax-planning strategies in making this assessment.

At December 31, 2022 (Successor) and December 31, 2021 (Successor), the Company maintained a valuation allowance in the amount of $443.4 million and $377.6 million, respectively. These valuation allowances were primarily comprised of capital loss carryforwards of $182.0 million and $233.5 million, foreign deferred tax assets of $162.5 million and $67.2 million, and state tax credits in the amount of $64.0 million and $53.5 million, in each respective year, as it is more likely than not that the benefits of these deductible differences will not be realized. The change of ($65.8) million to the valuation allowance is driven by a $109.8 million increase primarily related to current year deferred tax assets recorded in foreign jurisdictions for which no benefit is provided due to uncertainty with respect to their realization, offset by a decrease in the valuation allowance due to the utilization of capital loss carry forwards in the current year as a result of a discrete transaction.

A reconciliation of the beginning and ending amount of unrecognized tax benefits is as follows:

Predecessor, Balance at December 31, 2019	$	18,100
Addition based on tax positions related to current year		2,100
Increase for tax position of prior years		10,700
Settlements		(1,500)
Lapse in statute of limitations		(1,100)
Predecessor, Balance at December 31, 2020	$	28,300
Addition based on tax positions related to current year		1,400
Increase for tax position of prior years		800
Predecessor, Balance at May 17, 2021	$	30,500
Addition based on tax positions related to current year		2,000
Increase for tax position of prior years		1,200
Lapse in statute of limitations		(1,100)
Successor, Balance at December 31, 2021	$	32,600
Addition based on tax positions related to current year		3,800
Decrease for tax position of prior years		(1,500)
Lapse in statute of limitations		(1,400)
Settlements		(500)
Successor, Balance at December 31, 2022	$	33,000

For the year ended December 31, 2022 (Successor), the periods from May 18, 2021 through December 31, 2021 (Successor) and from January 1, 2021 through May 17, 2021 (Predecessor) and for the year ended December 31, 2020 (Predecessor) the total amount of unrecognized tax benefits that, if recognized, would affect the effective tax rate is approximately $26.2 million, $14.7 million, $11.1 million and $16.4 million in the aggregate respectively. The Company recognizes interest and penalties, if any, related to uncertain income tax positions in income tax expense. The Company had approximately $12.4 million and $11.5 million of accrued interest and penalties related to uncertain tax positions as of December 31, 2022 (Successor) and December 31, 2021 (Successor), respectively. The Company recognized interest expense and penalties of $0.9 million, $1.8 million, $0.4 million, and ($1.1) million related to uncertain tax positions for the year ended December 31, 2022 (Successor), the periods from May 18, 2021 through December 31, 2021 (Successor) and from January 1, 2021 through May 17, 2021 (Predecessor) and for the year ended December 31, 2020 (Predecessor), respectively. It is reasonably possible that certain income tax examinations may be concluded, or statutes of limitation may lapse, during the next twelve months, which could result in a decrease in unrecognized tax benefits of approximately $9.0 million that would, if recognized, impact the effective tax rate.

The Company and its subsidiaries file income tax returns with the IRS and various state and international jurisdictions. The Company files a consolidated federal income tax return for U.S. purposes and has substantially concluded all U.S. federal income tax matters for years through 2020. Tax authorities are also conducting examinations of Company subsidiaries in various international and state and local jurisdictions. The Company has concluded substantially all income tax matters for all major jurisdictions through 2017.

22. Share-Based Compensation

On December 1, 2010, UHI established the 2010 Equity Incentive Plan (the “2010 Plan”), which replaced the amended and restated 2007 Equity Incentive Plan (the “2007 Plan”). The 2010 Plan expired on January 2, 2021. On June 16, 2021, UHI II established the 2021 Equity Incentive Plan (the “2021 Plan”).

The 2010 Plan reflected the recapitalization of UHI and Broadcast Holdings whereby the original Class A common stock and Class L common stock of UHI and shares of Preferred Stock of Broadcast Holdings were converted to new classes of stock of UHI. Shares and strike prices for awards made under the 2007 Plan were converted to reflect such capital structure.

Both the 2021 Plan and 2010 Plan were adopted to attract, retain and motivate officers and employees of, consultants to, and non-employee directors. Under the 2021 Plan, the maximum number of shares that may be issued pursuant to awards made under the plan is 2,350,000 shares of all classes of stock. The Committee or Board of Directors, as applicable, may grant options, stock appreciation rights, restricted stock, restricted stock units or other stock-based awards. Awards may also be made under the 2021 Plan, in the Board of Directors or Committee's sole discretion, in assumption of, or substitution for, outstanding awards previously granted by UH II or an affiliate or a company acquired by UH II or an affiliate or a company with which UH II combines. Upon the exercise of a stock option award or the vesting of a restricted stock unit, shares of UH II common stock are issued from authorized but unissued shares.

The exercise price of stock options granted pursuant to the 2021 Plan and 2010 Plan may not be less than 100% of the fair market value of UH II's common stock on the date of grant. No non-qualified stock option or stock appreciation right award will be exercisable after ten years from the date granted. The number of shares subject to an award, the consequences of a participant's termination of service with UH II or any subsidiary or affiliate, and the dates and events on which all or any portion of an award shall be vested and non-forfeitable is set out in an individual award agreement.

As a result of the Reorganization and UH Holdco's election of pushdown accounting, the non-vested restricted stock units granted prior to the Reorganization Date were exchanged from UHI to UH Holdco and accounted for as a modification. The Company determined the fair value of the non-vested restricted stock units for these awards based on their equity value as of the Reorganization Date. The fair value portion of the non-vested restricted stock units attributable to periods prior to the May 18, 2021 Reorganization Date (Predecessor periods) of $5.4 million was recorded to additional paid-in-capital while the fair value attributable to periods following the Reorganization date (Successor periods) of $87.3 million will be recognized as compensation cost over a weighted- average period of 3.5 years.

The Company's share-based compensation pre-tax expense is presented below:

	Year Ended December 31, 2022 (Successor)	Period from May 18, 2021 through December 31, 2021 (Successor)	Period from January 1, 2021 through May 17, 2021 (Predecessor)	Year Ended December 31, 2020 (Predecessor)
Employee share-based compensation	$ 87,500	$ 23,000	$ 4,000	$ 19,200

The total income tax benefit for share-based compensation recognized in the consolidated statements of operations (including restricted stock units) for the year ended December 31, 2022 (Successor), for the periods from May 18, 2021 through December 31, 2021 (Successor), and January 1, 2021 through May 17, 2021 (Predecessor) and the year ended December 31, 2020 (Predecessor) were $9.1 million, $5.9 million, $1.0 million and $4.9 million, respectively.

Stock Options

A summary of stock options as of December 31, 2022 (Successor) and the changes during the year then ended is presented below:

	Stock Options	Weighted Average Price	Weighted Average Remaining Contractual Term (years)	Aggregate Intrinsic Value (thousands)
Balance at December 31, 2021	135,163	$ 320.66	4.3	—
Granted	1,178,771	$ 205.18		
Exercised	(14,192)	$ 150.40		
Forfeited, canceled, or expired	(124,036)	$ 238.13		
Outstanding at December 31, 2022	1,175,706	$ 214.59	6.9	500
Exercisable at December 31, 2022	333,779	$ 232.49	6.4	

The weighted-average grant-date fair value of options granted during the year ended December 31, 2022 (Successor), the periods from May 18, 2021 through December 31, 2021 (Successor) and January 1, 2021 through May 17, 2021 (Predecessor) and during the year ended December 31, 2020 (Predecessor) was $49.61, $46.38, zero, and zero, respectively. The majority of the Company's stock options are time-based and vest over periods of between three and five years. The total intrinsic value of options exercised during the year ended December 31, 2022 (Successor), the periods from May 18, 2021 through December 31, 2021 (Successor) and January 1, 2021 through May 17, 2021 (Predecessor) and the year ended December 31, 2020 (Predecessor) was $0.5, zero, zero, and zero million, respectively. Total unrecognized compensation cost related to unvested stock options that will vest upon satisfaction of service conditions as of December 31, 2022 (Successor) is $33.1 million, which is expected to be recognized over a weighted-average period of 2.5 years.

Restricted Stock Units

The following table presents the changes in the number of restricted stock unit awards during the year ended December 31, 2022 (Successor):

	Restricted Stock Unit Awards		Weighted Average Price
Outstanding at December 31, 2021	664,225	$	19.17
Granted	850,319	$	164.69
Issued	(243,040)	$	119.28
Surrendered/Canceled	(21,345)	$	144.66
Outstanding at December 31, 2022	1,250,159	$	145.07

The restricted stock unit awards vest over periods of between three and four years from the date of grant. The fair value of restricted stock units awarded to employees is measured at estimated intrinsic value at the date of grant. The weighted-average grant-date fair value of restricted stock units granted during the year ended December 31, 2022 (Successor), the periods from May 18, 2021 through December 31, 2021 (Successor), January 1, 2021 through May 17, 2021 (Predecessor) and the year ended December 31, 2020 (Predecessor) was $145.07, $144.93, $15.16, and $51.67, respectively. The total fair value of shares vested during the year ended December 31, 2022 (Successor), the periods from May 18, 2021 through December 31, 2021 (Successor), January 1, 2021 through May 17, 2021 (Predecessor) and the year ended December 31, 2020 (Predecessor) was $6.8 million, $7.1 million, $6.1 million, and $10.0 million, respectively. Total unrecognized compensation cost related to unvested restricted stock awards that will vest upon satisfaction of service conditions as of December 31, 2022 (Successor) is $139.4 million, which is expected to be recognized over a weighted-average period of 2.1 years.

23. Pension, Post-retirement and Other Employee Benefits

As a result of the TelevisaUnivision Transaction (See Note 3. *TelevisaUnivision Transaction),* the Company assumed the pension and post-retirement benefits obligations relating to a defined benefit plan for its Mexican employees. The Company also assumed a legal indemnity post-employment benefits, which, pursuant to Mexican Labor Law, provides benefits for employees who are dismissed unjustifiably and entitles such employees to three months of salary, plus 20 days of salary per year of service.

Defined Benefit Plan

The defined benefit retirement pension plan and seniority premiums plan (the "Pension Plan") covers Mexican based employees. Under the provisions of the Mexican Labor Law, seniority premiums plans are payable based on salary and years of service to employees who resign or are terminated prior to reaching retirement age. After retirement age, employees are no longer eligible for seniority premiums plans.

Expense recognized in relation to the Pension Plan is based upon actuarial valuations 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. Inherent in those valuations are key assumptions including discount rates and, where applicable, expected returns on assets. Discount rates are based on a bond portfolio approach that includes high-quality debt instruments with maturities matching the Company's expected benefit payments from the plans. Expected returns on assets are based on the weighted-average expected rate of return and capital market forecasts for each asset class employed 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. Benefits are generally based on the employee's compensation and years of service.

The actuarial assumptions to determine the present value of defined benefit obligations are as follows:

	December 31, 2022
Discount rate	10.15 %
Salary increase	5.25 %
Inflation rate	3.75 %

The actuarial assumptions to determine the net periodic pension costs for the defined benefit obligations are as follows:

	December 31, 2022
Discount rate	10.15 %
Expected return on plan assets	10.15 %
Salary increase	5.25 %

The components of net periodic pensions and seniority premiums costs for the year ended December 31, 2022 (Successor), other than the service costs component, are included in Acquisition related costs and other, net within the Consolidated statement of operations, consisted of the following:

	December 31, 2022
Service cost	$ 3,800
Interest cost	5,700
Expected return on plan assets	(1,900)
Net periodic cost	$ 7,600

The Company's defined benefit obligations, plan assets, and the funded status balances of our retirement pension plans as of December 31, 2022 (Successor) as follows:

	Retirement Pension Plans
Plan assets:	
Fair value of plan assets, beginning of the year	$ —
Acquisition	31,700
Actual return on plan assets	1,900
Benefits paid	(5,600)
Foreign currency exchange rate impact	(1,200)
Balance as of December 31, 2022	$ 26,800
Benefit obligations: Benefit obligation, beginning of the year	$ —
Acquisition	(84,700)
Service cost	(3,800)
Interest cost	(5,700)
Benefits paid	5,600
Actuarial gain	5,600
Foreign currency translation	4,700
Balance as of December 31, 2022	$ (78,300)
Funded Status	
Overfunded (underfunded) status as of December 31, 2022	$ (51,500)

The net unfunded amounts related to the Company's defined benefit plans are recorded within other long-term liabilities within the Company's consolidated balance sheet.

Plan Assets - Pension and Seniority Premiums

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.

The weighted average asset allocation by asset category was as follows:

	December 31, 2022
Equity securities	33 %
Fixed rate instruments	67 %
Total	100 %

The weighted average expected long-term rate of return of plan assets of 5.88% as of December 31, 2022 (Successor). 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 plan assets are measured at fair value annually. The Company plan assets in the aggregate amount of $26.8 million as of December 31, 2022 (Successor) includes primarily investments in equity securities and mutual funds (fixed rate instruments). Investments in equity securities, are measured at the closing price reported on the active market on which the individual securities are traded. Investments in mutual funds consist of fixed rate instruments and are measured at the net asset value provided by the administrator of the fund. The plan assets return for $1.9 million for the year ended December 31, 2022 (Successor).

The weighted average durations of the defined benefit plans were as follows:

	December 31, 2022
Pensions	5.2 years
Seniority Premiums	7.2 years

Pension and Seniority Premiums - Expected Benefit Payments

The following table presents the estimated future benefit payments expected to be paid out for of our retirement pension plans over the next ten years:

Year	Amount
2023	$ 13,700
2024	9,400
2025	9,000
2026	10,600
2027	10,600
Thereafter	$ 60,600

Legal Indemnity Pension Plan

The legal indemnity post-employment benefits plan, which is governed by the Mexican Labor Law, covers employees who are dismissed unjustifiably and provides that such employees are entitled to three months of salary, plus 20 days of salary per year of service.

The components of net periodic cost of the legal indemnity pension plan for the year ended December 31, 2022 (Successor), are recorded as severance charges in the Restructuring, severance and related charges within the Consolidated statement of operations and consisted of the following:

	December 31, 2022
Service cost	$ 5,200
Interest cost	4,200
Net periodic cost	$ 9,400

The Company's unfunded legal indemnity obligation as of December 31, 2022 (Successor), associated with post-employment benefits, is presented as follows:

	Legal Indemnity
Legal indemnity obligation:	
Benefit obligation, beginning of year	$ —
Acquisition	(73,700)
Service cost	(5,200)
Interest cost	(4,200)
Actuarial gain	2,200
Benefits paid	14,900
Foreign currency exchange rate impact	(3,600)
Balance as of December 31, 2022	$ (69,600)

The legal indemnity obligation is recorded within other long-term liabilities within the Company's consolidated balance sheet.

Legal Indemnity Pension Plan - Expected Benefit Payments

The following table presents the estimated future benefit payments expected to be paid out for the defined benefits plans over the next ten years (in thousands):

Year	Legal Indemnity
2023	$ 9,200
2024	9,800
2025	10,300
2026	10,400
2027	11,200
Thereafter	57,700

Other Employee Benefits

UCI has a 401(k) retirement savings plan (the "401(k) Plan") covering all eligible employees over the age of 21. The 401(k) Plan allows the employees to defer a portion of their annual compensation, and UCI may match a portion of the employees' contributions generally after the first day of service. Since April 1, 2021, UCI matched 100% of the first 3% of eligible employee compensation that was contributed to the 401(k) Plan. From May 1, 2020 through March 31, 2021, UCI elected to not match any eligible employee compensation that was contributed to the 401(k) Plan. As of April 1, 2018 through April 30, 2020, UCI matched 100% of the first 3% of eligible employee compensation that was contributed to the 401(k) Plan. For the year ended December 31, 2022 (Successor), the periods from May 18, 2021 through December 31, 2021 (Successor) and from January 1, 2021 through May 17, 2021 (Predecessor) and for the year ended December 31, 2020 (Predecessor), UCI recognized expense for matching cash contributions of $18.2 million, $4.7 million, $1.0 million and $3.1 million, respectively.

24. Contingencies and Commitments

Contingencies

The Company maintains insurance coverage for various risks, where deemed appropriate by management, at rates and terms that management considers reasonable. The Company has deductibles for various risks, including those associated with windstorm and earthquake damage. The Company self-insures its employee medical benefits and its media errors and omissions exposures. In management's opinion, the potential exposure in future periods, if uninsured losses were to be incurred, should not be material to the consolidated financial position or results of operations.

The Company is subject to various lawsuits and other claims in the normal course of business. In addition, from time to time, the Company receives communications from government or regulatory agencies concerning investigations or allegations of noncompliance with law or regulations in jurisdictions in which the Company operates.

The Company establishes reserves for specific liabilities in connection with regulatory and legal actions that the Company deems to be probable and estimable. The Company believes the amounts accrued in its financial statements are sufficient to cover all probable liabilities. In other instances, the Company is not able to make a reasonable estimate of any liability because of the uncertainties related to the outcome and/or the amount or range of loss. The Company does not expect that the ultimate resolution of pending regulatory and legal matters in future periods will have a material effect on the Company's financial condition or result of operations.

In July 2017, the Financial Conduct Authority (the authority that regulates LIBOR) announced it intends to stop compelling banks to submit rates for the calculation of LIBOR after 2021. However, for U.S dollar LIBOR, the relevant date has been deferred to June 30, 2023 for certain tenors (including one and three months), at which time the LIBOR administrator has indicated that it intends to cease publication of U.S. dollar LIBOR. Despite this deferral, the LIBOR administrator has advised that no new contracts using U.S. dollar LIBOR should be entered into after December 31, 2021. These actions indicate that the continuation of U.S. LIBOR on the current basis cannot and will not be guaranteed after June 30, 2023.

The Alternative Reference Rates Committee ("ARRC") has identified the Secured Overnight Financing Rate ("SOFR") as the rate that represents best practice as the alternative to USD-LIBOR for use in derivatives and other financial contracts that are currently indexed to USD-LIBOR. ARRC developed a paced market transition plan to SOFR from USD-LIBOR and organizations are currently working on industry wide and company specific transition plans as it relates to derivatives and cash markets exposed to USD-LIBOR. The Company has material Term Loans that are indexed to USD-LIBOR and that will automatically transition to Term SOFR + ARRC in July 2023.

Commitments

In the normal course of business, UCI enters into multi-year contracts for programming content, sports rights, research and other service arrangements and in connection with joint ventures.

The Company has long-term operating leases expiring on various dates for office, studio, automobile and tower rentals. The Company's operating leases, which are primarily related to buildings and tower properties, have various renewal terms and escalation clauses. The Company also has long-term finance lease obligations for facilities and transmission and technical equipment assets that are used to transmit and receive its network signals in the U.S. and Mexico.

The following is a schedule by year of future minimum payments under programming and other non-lease related contracts as of December 31, 2022 (Successor):

Year	Programming and Other (a)
2023	$ 860,900
2024	565,600
2025	610,800
2026	154,400
2027	426,800
Thereafter	1,345,400
Total minimum payments	$ 3,963,900

(a) Other amounts in commitments are associated with research tools, information technology and other contractual obligations.

25. Segments

During the quarter ended September 30, 2022, the Company reassessed its reportable segments and aggregated its two operating segments (linear/digital and radio) into one reportable segment, Media and Entertainment. In making this decision, the Company considered that the business activities and economic characteristics of each operation are similar in their development, production, and licensing of audio and visual content; distribution methods; monetization of content through advertising revenues that target one class of customers, Spanish speaking audience who utilize our various platforms; and similar OIBDA margin percentages. The Company has restated the segment reporting for the prior periods presented to align with the current reportable segment, Media and Entertainment.

The Company's operating segments have been determined in accordance with the Company's internal management structure, which is organized based on operating activities that are reviewed by the Company's chief operating decision maker. The Company evaluates performance based on several factors. In addition to considering primary financial measures including revenue, management evaluates operating performance for planning and forecasting future business operations by considering Adjusted OIBDA (as defined below). Adjusted OIBDA eliminates the effects of certain items the Company does not consider indicative of its core operating performance.

Based on its customers and type of content, the Company has linear/digital and radio operations. The Company's linear networks operations include the *Univision* and *UniMás* broadcast networks; 9 cable networks, including *Galavisión* and *TUDN*; and the Company's owned or operated television stations. Further, the TelevisaUnivision Transaction brought in 4 broadcast channels, 27 pay-TV channels, and the Videocine movie studio. The digital operations include digital properties consisting of online and mobile websites and applications including *Univision.com*, free ad-based video on demand (AVOD) streaming service ViX, formerly known as PrendeTV, a subscription streaming service, ViX+ and Blim, a TV subscription video-on demand service in Mexico. The radio operations, known as the *Uforia Audio Network,* includes the Company's owned and operated radio stations; a live event series; and the *Uforia* music application which includes the digital audio elements of *Univision.com*.

The Company incurs corporate expenses separate from the linear/digital and radio operating segments which include general corporate overhead and unallocated, shared company expenses related to human resources, finance, legal, other corporate departments and executive function which are centrally managed and support the Company's operating and financing activities. Unallocated assets include the retained interest in the Company's accounts receivable facility, fixed assets and deferred financing costs that are not allocated to its operating segments. The operating segments have separate financial information which is used by the chief operating decision maker to evaluate performance and allocate resources. The reporting segment results reflected in the disclosures below illustrate how management evaluates its financial performance and allocates resources.

Adjusted OIBDA represents operating income before depreciation, amortization and certain additional adjustments to operating income. In calculating Adjusted OIBDA the Company's operating income is adjusted for share-based compensation and other non-cash charges, restructuring and severance charges, as well as certain unusual and infrequent items and other non-operating related items.

Adjusted OIBDA is not, and should not be used as, an indicator of or alternative to operating income or income (loss) as reflected in the consolidated financial statements. It is not a measure of financial performance under GAAP and it should not be considered in isolation or as a substitute for measures of performance prepared in accordance with GAAP. Since the definition of Adjusted OIBDA may vary among companies and industries, it should not be used as a measure of performance among companies.

The Media and Entertainment reportable segment information is presented in the following table:

	Year Ended December 31, 2022 (Successor)	Period from May 18, 2021 through December 31, 2021 (Successor)	Period from January 1, 2021 through May 17, 2021 (Predecessor)	Year Ended December 31, 2020 (Predecessor)
Disaggregated revenues:				
Advertising:				
US	$ 1,797,000	$ 1,086,700	$ 540,800	$ 1,334,300
Mexico	968,800	—	—	—
Total	$ 2,765,800	$ 1,086,700	$ 540,800	$ 1,334,300
Subscriber and licensing:				
US	$ 1,360,200	$ 711,100	$ 401,200	$ 1,107,600
Mexico	380,000	—	—	—
Total	$ 1,740,200	$ 711,100	$ 401,200	$ 1,107,600
Other:				
US	$ 36,200	$ 66,300	$ 34,900	$ 100,000
Mexico	83,700	—	—	—
Total	$ 119,900	$ 66,300	$ 34,900	$ 100,000
Revenue:				
US	$ 3,193,400	$ 1,864,100	$ 976,900	$ 2,541,900
Mexico	1,432,500	—	—	—
Consolidated	$ 4,625,900	$ 1,864,100	$ 976,900	$ 2,541,900
Depreciation and amortization:				
Media and Entertainment	$ 508,700	$ 188,300	$ 47,700	$ 134,600
Corporate	15,600	10,300	5,200	18,200
Consolidated	$ 524,300	$ 198,600	$ 52,900	$ 152,800
Operating (loss) income:				
Media and Entertainment	$ (488,500)	$ 493,500	$ 247,800	$ 632,200
Corporate	(211,600)	(150,200)	(32,100)	(145,600)
Consolidated	$ (700,100)	$ 343,300	$ 215,700	$ 486,600
Adjusted OIBDA:				
Media and Entertainment	$ 1,791,100	$ 711,000	$ 396,300	$ 1,046,600
Corporate	(136,300)	(72,900)	(19,600)	(80,300)
Consolidated	$ 1,654,800	$ 638,100	$ 376,700	$ 966,300
Capital expenditures:				
Media and Entertainment	$ 115,500	$ 22,200	$ 9,500	$ 14,100
Corporate	18,200	7,500	3,000	8,300
Consolidated	$ 133,700	$ 29,700	$ 12,500	$ 22,400

	December 31, 2022 (Successor)	December 31, 2021 (Successor)
Total assets:		
Media and Entertainment	$ 16,207,900	$ 11,574,200
Corporate	1,286,500	2,481,200
Consolidated	$ 17,494,400	$ 14,055,400

Presented below on a consolidated basis is a reconciliation of net (loss) income, which is the most directly comparable GAAP financial measure, to the non-GAAP measure Adjusted OIBDA:

	Year Ended December 31, 2022 (Successor)	Period from May 18, 2021 through December 31, 2021 (Successor)	Period from January 1, 2021 through May 17, 2021 (Successor Entity)	Period from January 1, 2021 through May 17, 2021 (Predecessor)	Year Ended December 31, 2021 (Predecessor)
Net (loss) income attributable to Successor/ Predecessor entity	$ (1,542,200)	$ 85,500	$ 633,800	$ 48,200	$ (23,800)
Provision (benefit) for income taxes	167,100	8,900	3,200	5,900	(21,400)
(Loss) income before income taxes	(1,375,100)	94,400	637,000	54,100	(45,200)
Other expense (income):					
Interest expense	572,200	252,100	—	167,400	427,500
Interest income	(11,400)	(400)	—	—	(1,100)
Amortization of deferred financing costs	12,600	2,600	—	6,200	12,600
(Gain) loss on refinancing of debt [a]	(5,400)	4,100	—	—	57,700
(Gain) loss on investments [b]	41,300	(23,400)	(637,000)	(16,000)	(32,600)
Acquisition related costs and other, net [c]	65,700	13,900	—	4,000	67,700
Operating income	(700,100)	343,300	—	215,700	486,600
Depreciation and amortization	524,300	198,600	—	52,900	152,800
Impairment loss [d]	1,663,200	9,300	—	92,900	243,200
Restructuring, severance and related charges	68,500	59,300	—	7,600	46,100
(Gain) loss on dispositions [e]	(40,600)	900	—	500	9,900
Share-based compensation	87,500	23,000	—	4,000	19,200
Purchase price adjustment [f]	45,000	—	—	—	—
Other adjustments to operating income [g]	7,000	3,700	—	3,100	8,500
Adjusted OIBDA	$ 1,654,800	$ 638,100	$ —	$ 376,700	$ 966,300

(a) (Gain) loss on refinancing of debt is a result of UCI's refinancing transactions.

(b) (Gain) loss on investments is primarily comprised of income or expense arising from the non-cash fair value adjustments on the Company's investments.

(c) Acquisition related costs and other, net is primarily comprised of acquisition and transaction related costs and other costs.

(d) Impairment loss in 2022 is related to goodwill, the write down of program rights, tradenames and television broadcast licenses. Impairment loss in 2021 is related to the write-down of radio broadcast licenses, program rights, television broadcast licenses, charges on certain lease assets and other assets. Impairment loss in 2020 is related to the write-down of broadcast licenses, program rights, charges on certain lease assets and other intangibles asset.

(e) Gain on dispositions in 2022 primarily relates to the sale of certain non-strategic radio stations and the retirement of fixed assets. Loss on disposition in 2021 primarily related to the write-off of facility-related assets and in 2020 to the sale of certain assets.

(f) Purchase price adjustment relates to the fair value step-up of the program rights acquired as part of the TelevisaUnivision Transaction.

(g) Other adjustments to operating income are primarily comprised of unusual and infrequent items as permitted by the Company's 2007 Credit Agreement, including operating expenses in connection with COVID-19.

The Company is providing the supplemental information below which is the portion of the Company's revenue equal to the royalty base used to determine the license fee payable by the Company under the program license agreement with Televisa. As a result of the TelevisaUnivision Transaction on January 31, 2022, the Company was no longer subject to a license fee under its program license agreement with Televisa.

	Month Ended January 31, 2022 (Successor)	Period from May 18, 2021 through December 31, 2021 (Successor)	Period from January 1, 2021 through May 17, 2021 (Predecessor)	Year Ended December 31, 2020 (Predecessor)
Consolidated Revenue	$ 216,500	$ 1,864,100	$ 976,900	$ 2,541,900
Less:				
Radio revenue (including Radio digital revenue)	(14,600)	(163,900)	(70,800)	(190,100)
Other adjustments to arrive at revenue included in royalty base	(13,100)	(128,500)	(36,400)	(117,700)
Royalty base used to calculate Televisa license fee	$ 188,800	$ 1,571,700	$ 869,700	$ 2,234,100

26. International Financial Reporting Standards

The consolidated financial statements of TelevisaUnivision are prepared in accordance with GAAP which differs in certain respects from International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"). Under both GAAP and IFRS, as a result of the Reorganization transaction (See Note 1. *Company Background* and 4. *Acquisition of UHI*), on May 18, 2021 (the "Reorganization Date"), the consolidated financial statements and certain footnote disclosures included herein are presented in two distinct periods to indicate the application of two different bases of accounting, which may not be comparable, between the periods presented. The periods prior to the Reorganization Date are identified as "Predecessor" and the periods after the Reorganization Date are identified as "Successor". In addition, and as result of the Reorganization, certain historical GAAP to IFRS differences have been eliminated. Below are the IFRS differences that existed as of and for the year ended December 31, 2022 (Successor) and for each applicable period presented as described below.

a. Share-Based Payments

Under GAAP, the Company accounts for share-based payment awards that vest in installments based on service conditions on a straight-line basis. In addition, deferred tax assets for awards that are expected to result in a future tax deduction are calculated based on the cumulative GAAP expense recognized. Under IFRS 2, Share-based payment, as amended, compensation expense associated with share-based payment awards is accounted for using the accelerated method (straight-line basis over the requisite service period for each separately vesting portion of the award). Deferred tax assets are calculated based on the estimated tax deduction determined at each reporting date under applicable tax law.

The following summarizes the adjustments related to the income statement and balance sheet accounts for the periods presented:

	Year Ended December 31, 2022 (Successor)		
	As reported	Adjustment	As adjusted
Direct operating expenses	$ 1,751,100	$ 2,400	$ 1,753,500
Selling, general and administrative expenses	1,359,500	46,400	1,405,900
Provision (benefit) for income taxes	167,100	14,700	181,800

	Period from May 18, 2021 through December 31, 2021 (Successor)			Period from January 1, 2021 through May 17, 2021 (Predecessor)		
	As reported	Adjustment	As adjusted	As reported	Adjustment	As adjusted
Direct operating expenses	$ 718,200	$ 1,000	$ 719,200	$ 377,000	$ (100)	$ 376,900
Selling, general and administrative expenses	534,500	15,300	549,800	230,300	(600)	229,700
Provision (benefit) for income taxes	8,900	(1,500)	7,400	5,900	3,200	9,100

	Year Ended December 31, 2020 (Predecessor)		
	As reported	Adjustment	As adjusted
Direct operating expenses	$ 930,300	$ (600)	$ 929,700
Selling, general and administrative expenses	673,000	(4,800)	668,200
Restructuring, severance and related charges	46,100	(1,300)	44,800
(Benefit) provision for income taxes	(21,400)	8,900	(12,500)

	As of December 31, 2022 (Successor)			As of December 31, 2021 (Predecessor)		
	As reported	Adjustment	As adjusted	As reported	Adjustment	As adjusted
Goodwill[1]	$ 6,319,800	$ 18,100	$ 6,337,900	$ 5,325,900	$ 18,100	$ 5,344,000
Deferred tax assets	131,300	7,800	139,100	—	7,600	7,600
Deferred tax liabilities, net	818,800	39,100	857,900	966,300	24,200	990,500
Additional paid-in capital	3,417,400	65,100	3,482,500	2,263,700	16,300	2,280,000
Accumulated (deficit) retained earnings	(822,900)	(78,300)	(901,200)	719,300	(14,800)	704,500

[1] Goodwill adjustment reflects impact of cumulative GAAP to IFRS tax differences related to share based payments at the time of the Company's reorganization that occurred on May 18, 2021. Please see Note 4. *Acquisition of UHI* for further discussion.

b. Deferred Financing Costs

On April 18, 2020, the Company entered into a series of transactions which culminated in the issuance of 9.5% Senior Secured Notes due 2025 and the redemption of 6.75% Senior Secured Notes due 2022 on May 28, 2020. See Note 17. *Debt.* Under GAAP, the Company capitalized $7.0 million related to third party costs that were incurred with the issuance of 9.5% Senior Secured Notes due 2025 and will expense them over the terms of the newly issued note. Under IFRS, in accordance with IFRS 9 - Financial Instruments (here after 'IFRS 9'), third-party costs associated with this substantial modification are expensed as incurred.

On June 18, 2020, the Company entered into a series of transactions which culminated in the issuance of 6.625% Senior Secured Notes due 2027 and the redemption of 5.125% Senior Secured Notes due 2023 on July 20, 2020. See Note 17. *Debt*. Under GAAP, the Company capitalized $25.0 million related to third party costs that were incurred with the issuance of 6.625% Senior Secured Notes due 2027 and will expense them over the terms of the newly issued notes. Under IFRS, in accordance with IFRS 9, third-party costs associated with this substantial modification are expensed as incurred.

On June 24, 2020, the Company entered into the June 2020 Amendment to the credit agreement governing the Company's Senior Secured Credit Facilities. See Note 17. *Debt*. Under GAAP, for the period ended December 31, 2020 (Predecessor), the Company recorded a loss on extinguishment of debt of $42.3 million of third-party costs related to the June 2020 Amendment. Under IFRS, in accordance with IFRS 9, third-party costs associated with this modification are capitalized and amortized over the remaining term of the modified debt. Additionally, $7.0 million of unamortized costs (from the $15.1 million from the March 2017 Amendment), which represents the proportional amount of unamortized costs, were amortized over the remaining term of the modified debt until May 17, 2021 (Predecessor), when this IFRS difference as well as those noted above were eliminated as part of the Reorganization. There were $42.1 million of remaining unamortized third-party costs capitalized under IFRS as of May 17, 2021. These costs were not recorded in the UH Holdco Business Combination purchase accounting which eliminated the GAAP to IFRS difference in the Successor reporting period.

In July 2021, the Company entered into an amendment to the credit agreement governing the Company's Senior Secured Credit Facilities. See Note 17. *Debt*. Under GAAP, for the period ended December 31, 2021 (Successor), the Company recorded a loss on refinancing of debt of $4.1 million of third-party costs related to this amendment. Under IFRS, in accordance with IFRS 9, third-party costs associated with this modification are capitalized and amortized over the remaining term of the modified debt.

On June 24, 2022, the Company issued senior secured debt of $1.5 billion made up of (i) Bank senior secured term loan facility maturing on June 24, 2027 of $500.0 million, (ii) Bank senior secured term loan facility maturing on June 30, 2029 of $500.0 million and (i) 7.375% Senior Secured Notes due June 30, 2030 of $500.0 million. The Company utilized the debt issuance proceeds to (i) redeem all of the outstanding 9.5% 2025 senior notes of $370.0 million and (ii) make a $1,130 million partial prepayment of the bank senior secured term loan facility maturing in 2024. Under GAAP, the Company capitalized $17.8 million related to third party costs that were incurred with the issuance of the senior secured debt and will be expensed over the respective terms. Under IFRS, in accordance with IFRS 9, these third-party costs are expensed as incurred. On August 26, 2022, $400.0 million additional aggregate principal amount of the 2030 senior notes were issued and the proceeds were used to make a $406.0 million partial prepayment of the bank senior secured

term loan facility maturing in 2024. The Company incurred immaterial third party costs related to the issuance of the senior secured debt resulting in no material GAAP to IFRS difference.

The following summarizes the adjustments related to the income statement and balance sheet accounts for the periods presented:

	Year Ended December 31, 2022 (Successor)		
	As reported	Adjustment	As adjusted
Amortization of deferred financing costs	$ 12,600	$ (600)	$ 12,000
(Gain) loss on refinancing of debt	(5,400)	17,800	12,400
Provision (benefit) for income taxes	167,100	(4,400)	162,700

	Period from May 18, 2021 through December 31, 2021 (Successor)			Period from January 1, 2021 through May 17, 2021 (Predecessor)		
	As reported	Adjustment	As adjusted	As reported	Adjustment	As adjusted
Amortization of deferred financing costs	$ 2,600	$ 400	$ 3,000	$ 6,200	$ 1,600	$ 7,800
Loss on refinancing of debt	4,100	(4,100)	—	—	—	—
(Benefit) provision for income taxes	8,900	900	9,800	5,900	(400)	5,500

	Year Ended December 31, 2020 (Predecessor)		
	As reported	Adjustment	As adjusted
Amortization of deferred financing costs	$ 12,600	$ 2,800	$ 15,400
Loss on refinancing of debt	57,700	(10,200)	47,500
(Benefit) provision for income taxes	(21,400)	1,900	(19,500)

	As of December 31, 2022 (Successor)			As of December 31, 2021 (Predecessor)		
	As reported	Adjustment	As adjusted	As reported	Adjustment	As adjusted
Goodwill[1]	$ 6,319,800	$ 3,800	$ 6,323,600	$ 5,325,900	$ 3,800	$ 5,329,700
Long-term debt and finance lease obligations	9,911,400	13,500	9,924,900	8,468,600	(3,700)	8,464,900
Deferred tax liabilities, net	818,800	300	819,100	966,300	4,700	971,000
Accumulated (deficit) retained earnings	(822,900)	(10,000)	(832,900)	719,300	2,800	722,100

[1] Goodwill adjustment reflects impact of cumulative GAAP to IFRS tax differences related to deferred financing costs at the time of the Company's reorganization that occurred on May 18, 2021. Please see Note 4. *Acquisition of UHI* for further discussion.

c. Leases

With the adoption of ASC 842 on January 1, 2019, the Company recorded its operating leases and associated liabilities on its Consolidated Balance Sheet. GAAP preserves the distinction between operating and finance leases whereas under IFRS all leases except as it relates to short-term or low value leases, are recognized as finance leases.

The following summarizes the adjustments related to the income statement and balance sheet accounts for the periods presented:

	Year Ended December 31, 2022 (Successor)		
	As reported	Adjustment	As adjusted
Direct operating expenses	$ 1,751,100	$ (6,000)	$ 1,745,100
Selling, general and administrated expenses	1,359,500	(900)	1,358,600
Finance expense	—	10,000	10,000
Provision (benefit) for income taxes	167,100	(800)	166,300

	Period from May 18, 2021 through December 31, 2021 (Successor)			Period from January 1, 2021 through May 17, 2021 (Predecessor)		
	As reported	Adjustment	As adjusted	As reported	Adjustment	As adjusted
Direct operating expenses	$ 718,200	$ (100)	$ 718,100	$ 377,000	$ (600)	$ 376,400
Selling, general and administrated expenses	534,500	(2,200)	532,300	230,300	(1,700)	228,600
Finance expense	—	7,800	7,800	—	5,400	5,400
Provision (benefit) for income taxes	8,900	(1,400)	7,500	5,900	(800)	5,100

	Year Ended December 31, 2020 (Predecessor)		
	As reported	Adjustment	As adjusted
Direct operating expenses	$ 930,300	$ (200)	$ 930,100
Selling, general and administrated expenses	673,000	(7,200)	665,800
Finance expense	—	15,100	15,100
Provision (benefit) for income taxes	(21,400)	(2,000)	(23,400)

	As of December 31, 2022 (Successor)			As of December 31, 2021 (Successor)		
	As reported	Adjustment	As adjusted	As reported	Adjustment	As adjusted
Goodwill[1]	$ 6,319,800	$ (6,800)	$ 6,313,000	$ 5,325,900	$ (6,800)	$ 5,319,100
Operating right-of-use assets	176,000	(8,600)	167,400	164,100	(5,500)	158,600
Deferred tax assets	131,300	9,000	140,300	—	8,200	8,200
Accumulated (deficit) retained earnings	(822,900)	(6,400)	(829,300)	719,300	(4,100)	715,200

[1] Goodwill adjustment reflects the impact of cumulative GAAP to IFRS tax differences related to leases at the time of the Company's reorganization that occurred on May 18, 2021. Please see Note 4. *Acquisition of UHI* for further discussion.

d. Program Rights Impairment

Under GAAP, program rights are tested for impairment on a stand-alone basis and impaired if the book value exceeds the fair value due to diminished forecasted profitability. Under IAS 36, Impairment of Assets, program rights are tested for impairment as a part of their associated cash-generating unit ("CGU") and no impairment is recognized if the associated CGU is not impaired, or if the CGU is impaired, until any associated goodwill is fully impaired. Under both GAAP and IFRS, cancelled program rights which will never be broadcasted are considered obsolete and fully impaired.

The following summarizes the adjustments related to the income statement and balance sheet accounts for the periods presented:

	Year Ended December 31, 2022 (Successor)		
	As reported	Adjustment	As adjusted
Direct operating expenses	$ 1,751,100	$ —	$ 1,751,100
Impairment loss	1,663,200	(7,600)	1,655,600
Provision (benefit) for income taxes	167,100	2,000	169,100

	Period from May 18, 2021 through December 31, 2021 (Successor)			Period from January 1, 2021 through May 17, 2021 (Predecessor)		
	As reported	Adjustment	As adjusted	As reported	Adjustment	As adjusted
Direct operating expenses	$ 718,200	$ 4,200	$ 722,400	$ 377,000	$ 29,800	$ 406,800
Impairment loss	9,300	(5,900)	3,400	92,900	(19,600)	73,300
Provision (benefit) for income taxes	8,900	400	9,300	5,900	(2,600)	3,300

	Year Ended December 31, 2020 (Predecessor)		
	As reported	Adjustment	As adjusted
Direct operating expenses	$ 930,300	$ 8,100	$ 938,400
Impairment loss	243,200	(63,500)	179,700
(Benefit) provision for income taxes	(21,400)	14,300	(7,100)

	As of December 31, 2022 (Successor)			As of December 31, 2021 (Successor)		
	As reported	Adjustment	As adjusted	As reported	Adjustment	As adjusted
Program rights and prepayments (current)	$ 68,800	$ 9,300	$ 78,100	$ 91,800	$ 1,700	$ 93,500
Goodwill[1]	6,319,800	14,800	6,334,600	5,325,900	14,800	5,340,700
Program rights and prepayments (non- current)	731,500	—	731,500	41,000	—	41,000
Deferred tax liabilities, net	818,800	17,200	836,000	966,300	15,200	981,500
Accumulated (deficit) retained earnings	(822,900)	6,800	(816,100)	719,300	1,300	720,600

[1] Goodwill adjustment reflects the impact of cumulative GAAP to IFRS tax differences related to program rights and prepayments at the time of the Company's reorganization that occurred on May 18, 2021. Please see Note 4. *Acquisition of UHI* for further discussion.

e. Media Networks CGU Impairments

Under GAAP, long-lived assets, intangible assets with definite lives and indefinite lives are tested for impairment at an individual asset level and is allocated to the reportable unit. Under IFRS, the Company tests such assets for impairment at a CGU level, allocated to CGUs or groups of CGUs. An accounting adjustment is made to reflect differences due to the level in which assets may be tested for impairment.

During the year ended December 31, 2022, under GAAP the Company recorded Goodwill impairment of $1,498.0 million, FCC Television license impairment of $128.4 million and Tradename impairment of $15.3 million. Under IFRS, the Company performed an impairment analysis at the CGU level and recorded an impairment of $1,473.6 million that was allocated in its entirety to Goodwill as IFRS requires that if a CGU is impaired that impairment is allocated first to reduce goodwill to zero, then, subject to certain limitations, the carrying amount of other assets in the CGU are reduced pro rata based on the carrying amount of each asset. As a result the FCC Television license and Tradenames impairment charges under GAAP were reversed.

The following summarizes the adjustments related to the income statement and balance sheet for each applicable period presented:

	Year Ended December 31, 2022 (Successor)		
	As reported	Adjustment	As adjusted
Impairment loss	$ 1,663,200	$ (168,100)	$ 1,495,100
Provision (benefit) for income taxes	167,100	37,000	204,100

	As of December 31, 2022 (Successor)		
	As reported	Adjustment	As adjusted
Intangible assets, net	$ 6,579,200	$ 143,700	$ 6,722,900
Goodwill	6,319,800	24,400	6,344,200
Deferred tax liabilities, net	818,800	37,000	855,800
Accumulated (deficit) retained earnings	(822,900)	131,100	(691,800)

f. Radio CGU Impairment

Under GAAP, long-lived assets, intangible assets with definite lives and indefinite lives are tested for impairment at an individual asset level and is allocated to the reportable unit. Under IFRS, the Company tests such assets for impairment at a CGU level is allocated to CGUs or groups of CGUs. An accounting adjustment is made to reflect differences due to the level in which assets may be tested for impairment.

The following summarizes the adjustments related to the income statement and the balance sheet for each applicable period presented.

	Period from May 18, 2021 through December 31, 2021 (Successor)			Period from January 1, 2021 through May 17, 2021 (Predecessor)		
	As reported	Adjustment	As adjusted	As reported	Adjustment	As adjusted
Impairment loss	$ 9,300	$ —	$ 9,300	$ 92,900	$ (68,300)	$ 24,600
Provision (benefit) for income taxes	8,900	—	8,900	5,900	17,600	23,500

	Year Ended December 31, 2020 (Predecessor)		
	As reported	Adjustment	As adjusted
Impairment loss	$ 243,200	$ (28,900)	$ 214,300
(Benefit) provision for income taxes	(21,400)	7,400	(14,000)

	As of December 31, 2022 (Successor)			As of December 31, 2021 (Successor)		
	As reported	Adjustment	As adjusted	As reported	Adjustment	As adjusted
Goodwill[1]	$ 6,319,800	$ 25,000	$ 6,344,800	$ 5,325,900	$ 25,000	$ 5,350,900
Deferred tax liabilities, net	$ 818,800	$ 25,000	$ 843,800	966,300	25,000	991,300

[1] Goodwill adjustment reflects the impact of cumulative GAAP to IFRS tax differences related to indefinite lived assets within the radio cash generating unit at the time of the Company's reorganization that occurred on May 18, 2021. Please see Note 4. *Acquisition of UHI* for further discussion.

g. Preferred Shares

Under GAAP, the Convertible Preferred Shares are classified as temporary equity and presented as Redeemable Shares within the Consolidated Balance Sheet. Under IFRS, the Convertible Preferred Shares discussed below are accounted as a convertible financial instrument with an embedded derivative liability in accordance with IFRS 9. Under IFRS, the bifurcated derivative liability of the Convertible Preferred Shares is marked-to-market at each reporting period, with corresponding changes going through Finance expense or income.

Series A Preferred Shares - As noted in Note 16. *Related Party Transactions*, the Series A preferred shares were converted into 1,845,293 class A common stock resulting in the reclassification to shareholders' equity of amounts recorded within other long-term liabilities and derivative financial liabilities related to the debt and embedded derivative liability component of the Series A preferred shares. Prior to this conversion the Company recorded a mark-to-market adjustment to Finance expense of $7.6 million in January 2022 to increase the amount of the recorded bifurcated derivative liability component under IFRS. Additionally, upon conversion the Company also reclassified to shareholders' equity a deferred tax asset of $70.4 million recorded under IFRS relating to the cumulative mark-to-market adjustments of the derivative liability component of the Series A preferred shares prior to their conversion to Class A common stock.

For the period from January 1, 2021 through May 17, 2021 (Predecessor) and prior to the consummation of the Reorganization, there was a $265.8 million mark-to-market adjustment of the bifurcated derivative liability component under IFRS of the Series A preferred shares recorded as Finance expense, along with a $69.3 million deferred tax benefit, to reflect the increase in value for these shares as a result of the probable TelevisaUnivision Transaction.

Series B Preferred Shares - On January 31, 2022, the Company authorized and issued 750,000 Series B cumulative convertible Preferred Shares to Grupo Televisa, which were recorded at fair value of $852.6 million, pursuant to the TelevisaUnivision Transaction (refer to Note 3. *TelevisaUnivision Transaction*). The Company recorded a mark-to-market adjustment to Finance income of $46.4 million to decrease the amount of the recorded bifurcated derivative liability component under IFRS for the year ended December 31, 2022. The Company paid Series B preferred stock dividends of $37.8 million which are recorded as interest expense under IFRS. This stock dividend was recorded as a reduction of shareholders' equity under GAAP.

Series C Preferred Shares - On January 31, 2022, the Company authorized 1,008,640 and issued 1,008,014 Series C convertible Preferred Shares to Soft Bank, Google, ForgeLight, Raine Group, and Other for $1,007.1 million, issued to finance the TelevisaUnivision Transaction (refer to Note 3. *TelevisaUnivision Transaction*). The Company recorded a mark-to-market adjustment to Finance income of $86.4 million to decrease the amount of the recorded bifurcated derivative liability component under IFRS for the year ended December 31, 2022.

The following tables summarizes the adjustments related to the income statement and the balance sheet for each applicable period presented:

	Year Ended December 31, 2022 (Successor)		
	As reported	Adjustment	As adjusted
Interest expense	$ 572,200	$ 37,800	$ 610,000
Finance expense	—	7,900	7,900
Finance (income)	—	(133,100)	(133,100)
Provision (benefit) for income taxes	167,100	22,500	189,600

	Period from May 18, 2021 through December 31, 2021 (Successor)			Period from January 1, 2021 through May 17, 2021 (Predecessor)		
	As reported	Adjustment	As adjusted	As reported	Adjustment	As adjusted
Interest expense	$ 252,100	$ (1,800)	$ 250,300	$ 167,400	$ 3,600	$ 171,000
Finance expense	—	6,300	6,300	—	265,800	265,800
Provision (benefit) for income taxes	8,900	(1,100)	7,800	5,900	(69,300)	(63,400)

	As of December 31, 2022 (Successor)			As of December 31, 2021 (Successor)		
	As reported	Adjustment	As adjusted	As reported	Adjustment	As adjusted
Goodwill[1]	$ 6,319,800	$ (69,300)	$ 6,250,500	$ 5,325,900	$ (69,300)	$ 5,256,600
Derivative financial liabilities	—	387,500	387,500	—	374,000	374,000
Other long-term liabilities	186,500	1,340,500	1,527,000	105,000	—	105,000
Deferred tax liabilities, net	818,800	22,900	841,700	966,300	(70,500)	895,800
Redeemable shares	1,859,700	(1,859,700)	—	369,400	(369,400)	—
Additional paid-in-capital	3,417,400	(57,300)	3,360,100	2,263,700	—	2,263,700
Accumulated (deficit) retained earnings	(822,900)	96,800	(726,100)	719,300	(3,400)	715,900

[1] Goodwill adjustment reflects the impact of cumulative GAAP to IFRS tax differences related to preferred shares at the time of the Company's reorganization that occurred on May 18, 2021. Please see Note 4. *Acquisition of UHI* for further discussion.

h. Deferred Revenue

Under GAAP (ASC 805 Business Combinations and ASU 2021-08: Accounting for Contract Assets and Contract Liabilities from Contracts with Customers), contract liabilities from contracts with customers assumed in business combination are recognized and measured in accordance with ASC 606. Under IFRS (IFRS 3 – Business Combinations), contract liabilities assumed in business combination are recognized and measured at fair value at the acquisition date.

The following tables summarizes the adjustments related to the income statement and the balance sheet for each applicable period presented:

	Year Ended December 31, 2022 (Successor)		
	As reported	Adjustment	As adjusted
Revenue	$ 4,625,900	$ (16,300)	$ 4,609,600
Provision (benefit) for income taxes	167,100	(4,200)	162,900

	As of December 31, 2022 (Successor)		
	As reported	Adjustment	As adjusted
Goodwill	$ 6,319,800	$ (16,300)	$ 6,303,500
Deferred tax liabilities, net	818,800	(4,200)	814,600
Accumulated deficit	(822,900)	(12,100)	(835,000)

i. Interest Rate Swap

The Company's objectives in using interest rate derivatives are to add stability to interest expense and to manage its exposure to interest rate movements. To accomplish these objectives, the Company primarily uses interest rate swaps as part of its interest rate

risk management strategy. As of December 31, 2022 (Successor), the Company has two remaining effective cash flow hedges. See Note 18. *Interest Rate Swaps.* Under GAAP (ASC 815 – Derivatives and Hedging), hedge ineffectiveness is not separately measured and recognized in income each reporting period. If the hedge is highly effective, all changes in the fair value of the derivative hedging instrument is deferred into other comprehensive income (OCI) and subsequently reclassified to earnings when the hedge transaction affects earnings.

Under IFRS 9, for cash flow hedges, the effective portion of the change in the fair value of the hedging instrument is also deferred into OCI. However, the amount recognized in OCI should be the lower of (1) the cumulative gain or loss on the hedging instrument from the inception of the hedge, and (2) the cumulative change in the fair value (present value) of the expected cash flows on the hedged item from the inception of the hedge. The remaining ineffective portion of the change in the fair value of the hedging instrument (if any) is recognized immediately in profit or loss.

The following summarizes the adjustments related to the income statement and balance sheet for each applicable period presented:

	Year Ended December 31, 2022 (Successor)		
	As reported	Adjustment	As adjusted
Interest expense	$ 572,200	$ 300	$ 572,500
Provision (benefit) for income taxes	167,100	(100)	167,000

	Period from May 18, 2021 through December 31, 2021 (Successor)			Period from January 1, 2021 through May 17, 2021 (Predecessor)		
	As reported	Adjustment	As adjusted	As reported	Adjustment	As adjusted
Interest expense	$ 252,100	$ (900)	$ 251,200	$ 167,400	$ —	$ 167,400
Provision for income taxes	8,900	200	9,100	5,900	—	5,900

	As of December 31, 2022 (Successor)			As of December 31, 2021 (Successor)		
	As reported	Adjustment	As adjusted	As reported	Adjustment	As adjusted
Deferred tax liabilities, net	$ 818,800	$ 100	$ 818,900	$ 966,300	$ 200	$ 966,500
Accumulated (deficit) retained earnings	(822,900)	500	(822,400)	719,300	700	720,000
Accumulated other comprehensive income	485,500	(600)	484,900	16,100	(900)	15,200

j. Pensions and post-employment benefits

As a result of the TelevisaUnivision Transaction (refer to Note 3. *TelevisaUnivision Transaction*), the Company assumed a legal indemnity post-employment benefits under the Mexican Labor Law. The plan covers for employees who are dismissed unjustifiably and such employees are entitled to three months of salary plus 20 days of salary per year of service.

Under GAAP - ASC 715, the Company records the liability when it is probable that the benefits will be paid and the amount can be reasonably estimated. Under IFRS (IAS 19 – Employee Benefits), the Company records the liability when there is a legal or constructive obligation, which is met at the earlier of recognizing the restructuring, severance and related costs or when the Company can no longer withdraw the offer of the benefits. The Company records the legal indemnity related expenses as actual payments occur under IFRS.

The following summarizes the adjustments required for each applicable period presented:

	Year Ended December 31, 2022 (Successor)		
	As reported	Adjustment	As adjusted
Restructuring, severance and related charges	$ 68,500	$ 5,500	$ 74,000
Provision (benefit) for income taxes	167,100	(1,400)	165,700

	As of December 31, 2022 (Successor)		
	As reported	Adjustment	As adjusted
Goodwill	$ 6,319,800	$ (73,700)	$ 6,246,100
Deferred tax liabilities, net	818,800	(1,400)	817,400
Other long-term liabilities	186,500	(69,600)	116,900
Accumulated deficit	(822,900)	(4,100)	(827,000)
Accumulated other comprehensive income	485,500	1,400	486,900

k. Classification of Consolidated Statement of Operations Line Items

Under IFRS, in addition to the adjustments noted above, the classification of certain income and expense items differ from the classifications under GAAP. The reclassifications, after required adjustments, are summarized below:

- Under GAAP, the Company presents "Depreciation and amortization" as a separate line item on its consolidated statements of operations, while such costs are classified based on their function under IFRS. Accordingly, depreciation and amortization have been reclassified to "Cost of sales" and "Administrative expenses" for each period presented based on their function. Similarly, a portion of rent expense attributable to operating leases under U.S. GAAP has been reclassified to "Cost of sales" and "Administrative expenses" based on the underlying lease. For the year ended December 31, 2022 (Successor), $508.7 million was reclassified to "Cost of sales" and $15.6 million to "Administrative expenses." For the periods from May 18, 2021 through December 31, 2021 (Successor), $184.1 million was reclassified to "Cost of sales" and $10.3 million to "Administrative expenses." For the period from January 1, 2021 through May 17, 2021 (Predecessor), $47.7 million was reclassified to "Cost of sales" and $5.2 million to "Administrative expenses." For the year ended December 31, 2020 (Predecessor), $134.6 million was reclassified to "Cost of sales" and $18.2 million to "Administrative expenses."

- Under GAAP, the Company presents "Restructuring, severance and related charges" as a separate line item on its consolidated statements of operations. These amounts have been reclassified to "Other expense, net." For the year ended December 31, 2022 (Successor), for the periods from May 18, 2021 through December 31, 2021 (Successor) and from January 1, 2021 through May 17, 2021 (Predecessor) and for the year ended December 31, 2020 (Predecessor), $74.0 million, $59.3 million, $7.6 million and $44.8 million, respectively, has been reclassified to "Other expense, net."

- Under GAAP, the Company presents "Selling, general and administrative expenses" within one line item on its consolidated statements of operations while such costs are classified based on the function into two separate line items under IFRS: "Selling expenses" and "Administrative expenses." Accordingly, for the year ended December 31, 2022 (Successor) $896.1 million was reclassified to "Selling expenses" and $508.9 million to "Administrative expenses". For the period from May 18, 2021 through December 31, 2021 (Successor) $327.0 million was reclassified to "Selling expenses" and $220.7 million to "Administrative expenses." For the period from January 1, 2021 through May 17, 2021 (Predecessor) $153.7 million was reclassified to "Selling expenses" and $74.4 million to "Administrative expenses." For the year ended December 31, 2020 (Predecessor), $414.7 million was reclassified to "Selling expenses" and $246.3 million to "Administrative expenses."

- Under GAAP, the Company presents "Loss (gain) on dispositions" as a separate line item on its consolidated statements of operations while such costs are classified within "Other expense, net" under IFRS. Accordingly, for the year ended December 31, 2022 (Successor), for the periods from May 18, 2021 through December 31, 2021 (Successor) and from January 1, 2021 through May 17, 2021 (Predecessor) and for the year ended December 31, 2020 (Predecessor), $40.6 million, $0.9 million, $0.5 million and $9.9 million loss (gain) on dispositions, respectively, has been reclassified to "Other expense, net."

- Under GAAP, the Company presents "Impairment loss" as a separate line item on its consolidated statements of operations while such costs are classified within "Other expense, net" under IFRS. Accordingly, for the year ended December 31, 2022 (Successor), for the periods from May 18, 2021 through December 31, 2021 (Successor) and from January 1, 2021 through May 17, 2021 (Predecessor) and for the year ended December 31, 2020 (Predecessor), $1,487.5 million, $3.4 million, $5.0 million and $150.8 million, respectively, has been reclassified to "Other expense, net".

- Under GAAP, the Company presents "Loss (gain) on investments" as a non-operating component of its consolidated statements of operations and under IFRS, this is classified as "Other expense, net," a component of operating income. Accordingly, for the year ended December 31, 2022 (Successor), for the periods from May 18, 2021 through December 31, 2021 (Successor), January 1, 2021 through May 17, 2021 (Successor Entity), January 1, 2021 through May 17, 2021 (Predecessor), and for the year ended December 31, 2020 (Predecessor), $41.3 million loss, $25.3 million gain, $624.4 million gain, $15.9 million gain and $22.9 million gain, respectively, has been reclassified to "Other expense, net," a component of operating income.

- Under GAAP, the Company presents "Acquisition related costs and other, net" as a non-operating component of its consolidated statements of operations and under IFRS, this is classified as "Other expense, net," a component of operating income. Accordingly, for the year ended December 31, 2022 (Successor), for the periods from May 18, 2021 through December 31, 2021 (Successor) and from January 1, 2021 through May 17, 2021 (Predecessor) and for the year ended December 31, 2020 (Predecessor), $45.0 million expense, $13.9 million expense, $4.0 million expense and $67.7 million expense, respectively, has been reclassified to "Other expense, net," a component of operating income.

- Under GAAP, the Company presents "Interest expense," "Interest income," "Amortization of deferred financing costs" and "Loss on refinancing of debt" as separate line items on its consolidated statements of operations. Under IFRS, such costs are classified within "Finance expense" or "Finance income," as applicable. Accordingly, interest expense, amortization of deferred financing costs, and loss on refinancing of debt have been reclassified to "Finance expense" for all periods presented, while interest income has been reclassified to "Finance income" for all periods presented. This resulted in $652.6 million, $266.4 million, $450.0 million and $505.4 million, being reclassified to "Finance expense" for the year ended December 31, 2022 (Successor), for the periods from May 18, 2021 through December 31, 2021 (Successor) and from January 1, 2021 through May 17, 2021 (Predecessor) and for the year ended December 31, 2020 (Predecessor), respectively. In addition, for the year ended December 31, 2022 (Successor), for the periods from May 18, 2021 through December 31, 2021 (Successor) and from January 1, 2021 through May 17, 2021 (Predecessor) and for the year ended December 31, 2020 (Predecessor), $144.5 million, $0.4 million, zero and $1.1 million, respectively, has been reclassified to "Finance income."

- Under GAAP, the Company presents (income) loss on equity method investments as part of "(Gains) loss on investments" on its consolidated statements of operations, while this is classified within "Share of gain of associates and joint ventures, net" under IFRS. Accordingly, for the year ended December 31, 2022 (Successor), for the periods from May 18, 2021 through December 31, 2021 (Successor), January 1, 2021 through May 17, 2021 (Successor Entity), January 1, 2021 through May 17, 2021 (Predecessor), and for the year ended December 31, 2020 (Predecessor), $20.7 million loss, $1.9 million loss, $12.6 million gain, $0.1 million gain and $9.7 million gain, respectively, has been reclassified to "Share of (income) loss of associates and joint ventures, net."

l. Classification of Consolidated Balance Sheet Line Items

Under IFRS, in addition to the adjustments noted above, the classification of certain assets and liabilities differ from the classifications under GAAP. The reclassifications, after required adjustments, are summarized below:

- Under GAAP, the Company presented interest rate swaps within "Other assets" and "Other long-term liabilities," while the current portion of the liability was presented in "Accounts payable and accrued liabilities" on its consolidated balance sheet, while under IFRS, derivatives are presented as a separate line item. As of December 31, 2022 (Successor), $77.5 million has been reclassified to "Derivative financial assets" and $64.1 million has been reclassified to "Current derivative financial assets." As of December 31, 2021 (Successor), $45.3 million has been reclassified to "Derivative financial liabilities" and $35.3 million has been reclassified to "Current derivative financial liabilities."

- Under GAAP, the Company presented program rights and prepayments as "Program rights and prepayments" on its consolidated balance sheet, while under IFRS, this is presented as "Transmission rights and programming." As of December 31, 2022 (Successor) and December 31, 2021 (Successor), $464.4 million and $93.5 million was reclassified to "Transmission rights and programming" within current assets, respectively. As of December 31, 2022 (Successor) and December 31, 2021 (Successor), $345.2 million and $41.0 million was reclassified to "Transmission rights and programming" within noncurrent assets, respectively.

- Under GAAP, the Company presents all investments in one line item "Investments" on its consolidated balance sheet, while under IFRS, investments are presented into separate categories based on their nature: "Investments in financial instruments" and "Investments in associates and joint ventures." Accordingly, as of December 31, 2022 (Successor), $208.6 million and $30.5 million has been reclassified to "Investment in financial instruments" and "Investments in associates and joint ventures," respectively. As of December 31, 2021 (Successor), $64.9 million and $33.2 million has been reclassified to "Investment in financial instruments" and "Investments in associates and joint ventures," respectively.

- Under GAAP, the Company presents "Goodwill" as a separate line item on its consolidated balance sheet, while under IFRS, goodwill is presented within "Intangible assets, net." Accordingly, as of December 31, 2022 (Successor) and December 31, 2021 (Successor), $6,239.8 million and $5,311.5 million, respectively, has been reclassified to "Intangible assets, net."

- Under GAAP, the Company presents "Accrued interest" as part of "Accounts payable and accrued liabilities" on its consolidated balance sheet. Under IFRS, accrued interest is presented within the current portion of long-term debt. Accordingly, $46.9 million and $51.1 million of accrued interest has been reclassified to "Current portion of long-term debt and interest payable" as of December 31, 2022 (Successor) and December 31, 2021 (Successor), respectively.

- Under GAAP, the Company presents other taxes payable as part of "Accounts payable and accrued liabilities" on its consolidated balance sheet. Under IFRS, other taxes payable is presented as a separate line on the balance sheet. Accordingly, $52.1 million and $10.5 million of other taxes payable has been reclassified to "Other taxes payable" as of December 31, 2022 (Successor) and December 31, 2021 (Successor), respectively.

- Under GAAP, the Company presents current income taxes payable as part of "Accounts payable and accrued liabilities" on its consolidated balance sheet. Under IFRS, current income taxes payable is presented as a separate line on the balance sheet. As of December 31, 2022 (Successor) and December 31, 2021 (Successor) there was zero and zero, respectively, of income tax receivable, which was reclassified from "Accounts payable and accrued liabilities" to "Other current assets." As of December 31, 2022 (Successor) and December 31, 2021 (Successor) the income taxes payable included in "Accounts payable and accrued liabilities" was $23.6 million and $4.4 million, respectively.

- Under GAAP, the Company presents employee benefits payable as part of "Accounts payable and accrued liability" and "Other long-term liabilities" on its consolidated balance sheet. Under IFRS, employee benefits payable is presented as a separate line on the balance sheet. Accordingly, as of December 31, 2022 (Successor), $98.1 million and $1.7 million has been reclassified from "Accounts payable and accrued liabilities" and "Other long-term liabilities," respectively, to "Employee Benefits" and "Post-employment benefits," respectively. As of December 31, 2021 (Successor), $102.3 million and $2.1 million has been reclassified from "Accounts payable and accrued liabilities" and "Other long-term liabilities," respectively, to "Employee Benefits" and "Post-employment benefits," respectively.

- Under GAAP, the Company presents finance lease obligations as part of "Current portion of long-term debt and finance lease obligations" and "Long-term debt and finance lease obligations" on its consolidated balance sheet. Under IFRS, finance lease obligations are presented separately from long-term debt. Accordingly, finance lease obligations (current and non-current) have been reclassified to a separate line on the consolidated balance sheet. Similarly, the operating lease liabilities recorded as right-of-use liabilities due to the adoption of ASC 842 has been reclassified to "Finance lease obligations." As of December 31, 2022 (Successor), $60.1 million has been reclassified to "Current portion of finance lease obligations" and $240.5 million has been reclassified to "Finance lease obligations, net of current portion." As of December 31, 2021 (Successor), $54.0 million has been reclassified to "Current portion of finance lease obligations" and $212.3 million has been reclassified to "Finance lease obligations, net of current portion."

- Under GAAP, the Company presents deferred tax assets and liabilities on a net basis within "Deferred tax liabilities, net." Under IFRS, deferred tax assets and liabilities are presented on a gross basis and accordingly, items have been reclassified to reflect the gross presentation. As of December 31, 2022 (Successor) and December 31, 2021 (Successor), $781.6 million and $389.9 million, respectively, inclusive of the GAAP to IFRS differences discussed above, has been reclassified to "Deferred income tax assets."

- Under GAAP, the Company presents capitalized software costs within "Property and equipment, net" on its consolidated balance sheet. Under IFRS, capitalized software costs are presented within "Intangible assets, net." Accordingly, $90.2 million and $8.5 million has been reclassified to "Intangible assets, net," as of December 31, 2022 (Successor) and December 31, 2021 (Successor), respectively.

- Under GAAP, the Company presents post-employment benefits as part of "Other long-term liabilities" on its consolidated balance sheet. Under IFRS, post-employment benefits are presented as a separate line item within the balance sheet. As of December 31, 2022 (Successor), $60.1 million has been reclassified from "Other long-term liabilities" to "Post-employment benefits", including $1.7 million of employee benefits payable disclosed above.

- Under GAAP, the Company presents balances due from related parties within "Accounts receivable, net", "Prepaid expenses and other assets", and balance to related parties within "Accounts payable and accrued liabilities", "Deferred revenue", "Current portion of long-term debt and finance lease obligations" and "Long-term debt and finance lease obligations" on its consolidated balance sheet, respectively. Under IFRS, related party balances are presented as separate line items as "Due from related parties" and "Due to related parties" as applicable. As of December 31, 2022 (Successor), $46.2 million was reclassified from "Accounts receivable, net" and "Prepaid expenses and other assets" to "Due from related parties", $112.0 million was reclassified from "Accounts payable and accrued liabilities", "Deferred revenue" current portion, "Current portion of long-term

debt and finance lease obligations" to "Due to related parties" and $593.7 million was reclassified from "Long-term debt and finance lease obligations" and "Deferred revenue noncurrent" to "Due to related parties noncurrent". As of December 31, 2021 (Successor), zero was reclassified from "Accounts receivable, net" to "Due from related parties" and $30.9 million was reclassified from "Accounts payable and accrued liabilities" to "Due to related parties."

m. Net (Loss) Income and Stockholders' Equity Reconciliation Between GAAP and IFRS

The table below summarizes the adjustments to net (loss) income and stockholders' equity which would be required if IFRS had been applied instead of GAAP:

	Year Ended December 31, 2022 (Successor)	Period from May 18, 2021 through December 31,2021 (Successor)	Period from January 1, 2021 through May 17, 2021 (Successor Entity)	Period from January 1, 2021 through May 17, 2021 (Predecessor)	Year Ended December 31, 2020 (Predecessor)
Net (loss) income as reported under GAAP	$ (1,542,200)	$ 85,500	$ 633,800	$ 48,200	$ (23,800)
Share-based payments (a)	(63,500)	(14,800)	—	(2,500)	(2,200)
Deferred financing costs (b)	(12,800)	2,800	—	(1,200)	5,500
Leases (c)	(2,300)	(4,100)	—	(2,300)	(5,700)
Program rights impairment (d)	5,600	1,300	—	(7,600)	4,100
Media networks CGU impairmenrt (e)	131,100	—	—	—	—
Radio CGU impairment (f)	—	—	—	50,700	21,500
Preferred shares (g)	64,900	(3,400)	—	(200,100)	—
Deferred revenue (h)	(12,100)	—	—	—	—
Interest rate swap (i)	(200)	700	—	—	—
Pension and post-employment benefits (j)	(4,100)	—	—	—	—
Net (loss) income under IFRS	$ (1,435,600)	$ 68,000	$ 633,800	$ (114,800)	$ 36,400

	December 31, 2022 (Successor)	December 31, 2021 (Successor)
Stockholders' equity as reported under GAAP	$ 3,070,400	$ 2,999,100
Share-based payments (a)	(13,200)	1,500
Deferred financing costs (b)	(10,000)	2,800
Leases (c)	(6,400)	(4,100)
Program rights impairment (d)	6,800	1,300
Media networks CGU impairment (e)	131,100	—
Preferred shares (g)	39,500	(3,400)
Deferred revenue (h)	(12,100)	—
Interest rate swap (i)	(100)	(200)
Pension and post-employment benefits (j)	(2,700)	—
Stockholders' equity under IFRS	$ 3,203,300	$ 2,997,000