QUALITY IN EVERY CONNECTION

2024

2024

INTEGRATED ANNUAL REPORT

MEGA

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MESSAGE FROM THE CHAIRMAN OF THE BOARD OF DIRECTORS

GRI: 2-22

Dear Shareholders,

It is an honor to address you and share the progress and achievements reached by Megacable throughout 2024, a year marked by the dynamism of our strategic projects and the sustained evolution of our operating capabilities.

Over the course of the year, we remained focused on two fundamental pillars for our Company's growth: Network Expansion and Evolution. Following an intensive deployment in 2023, infrastructure investment slowed significantly in 2024; however, we successfully concentrated efforts on strengthening our presence in expansion territories, without leaving behind legacy zones, and consistently moving forward in fulfilling the objectives set from the outset of these transformational projects.

In this regard, I am pleased to report that, by the end of 2024, **we surpassed 100,000 kilometers of distribution network, reaching coverage of over 17.4 million homes passed.** This milestone sets us firmly on the path to doubling the Company's size in terms of infrastructure and reaffirms our leadership as the telecommunications network with the highest growth in Mexico over the past three years.

Since the launch of our expansion project, we have achieved broader coverage, incorporating more than 60 cities or municipalities into our network, reinforcing our presence in key regions across the country.

We also made progress on our strategy to migrate clients still using HFC technology to a fiber-optic network. Thanks to this effort, 75% of our subscriber base is now connected through higher-speed, more stable, and higher-capacity technology, significantly exceeding the 63% recorded at the end of 2023.

It is worth noting that **100% of the distribution network deployed during the year was built using FTTH,** the industry's most advanced technology, enabling us to increase operational efficiency and deliver a better experience for our customers.

We will continue advancing the modernization of our infrastructure, aiming to ensure that our connectivity solutions remain at the forefront of the market and meet the demands of the digital future, while also reinforcing our path toward becoming a full-fiber company.

From a financial standpoint, it was once again a year of strong results. We recorded another year of double-digit growth in service revenues, driven mainly by the solid performance of our unique subscriber base, which surpassed 5.5 million users and once again achieved a historic record by adding more than 574 thousand new customers. This performance was further supported by the recovery of the business segment, which showed improved results throughout the year, as we anticipated at the close of 2023.

The beginning of the consolidation process in new markets has begun to generate efficiencies that will strengthen our profitability in the coming years in a sustained manner, while we continue to maintain one of the strongest balance sheets in the market. In line with this, at the end of the year, the net debt-to-EBITDA ratio stood at 1.52 times, supported by increased EBITDA generation and a slowdown in the pace of investments, remaining one of the lowest in the industry, even after a period of significant investment. We anticipate that this metric will continue to improve as the investment pace normalizes.

As part of our commitment to sustainability, in 2024 we completed the issuance of **sustainability-labeled bonds totaling Ps. 3,945 million.**

This strategic milestone enabled us to secure funding to continue the expansion and evolution of our infrastructure, integrating an ESG approach into our investment decisions.

These projects, in addition to enhancing our competitiveness, have enabled us to generate a direct impact in reducing Mexico's digital divide by accelerating access to high-quality services in communities that have historically faced limited and suboptimal connectivity. Today, more than 238 thousand families living in socially disadvantaged areas benefit directly from our solutions, enabling more Mexicans to get connected and access opportunities for education, employment, and development. This reinforces our commitment to a transformation that generates not only economic value but also lasting social impact.

In parallel, we have made progress in implementing initiatives focused on energy efficiency and decarbonization. During the year, we began operating photovoltaic systems installed in some of our facilities during 2023. These systems already supply part of our energy needs with a clean and renewable source. Additionally, we began operating various work centers under the Qualified User scheme, optimizing electricity supply, reducing environmental impact, and generating cost efficiencies.

We firmly believe that Megacable's growth must be aligned with a vision of responsible development. Therefore, we remain confident in our initiatives to reduce our carbon footprint and move toward a more environmentally respectful operating model, ensuring that our operations contribute positively to the communities where we are present.

Finally, none of what we achieved during the year would have been possible without the talent, commitment, and dedication of our more than 32,000 employees. Their ability to adapt to a changing environment and maintain a solid operation has been key to meeting our objectives. We deeply value their dedication and will continue to invest in their professional development, fully convinced that our success is closely linked to the well-being of our people.

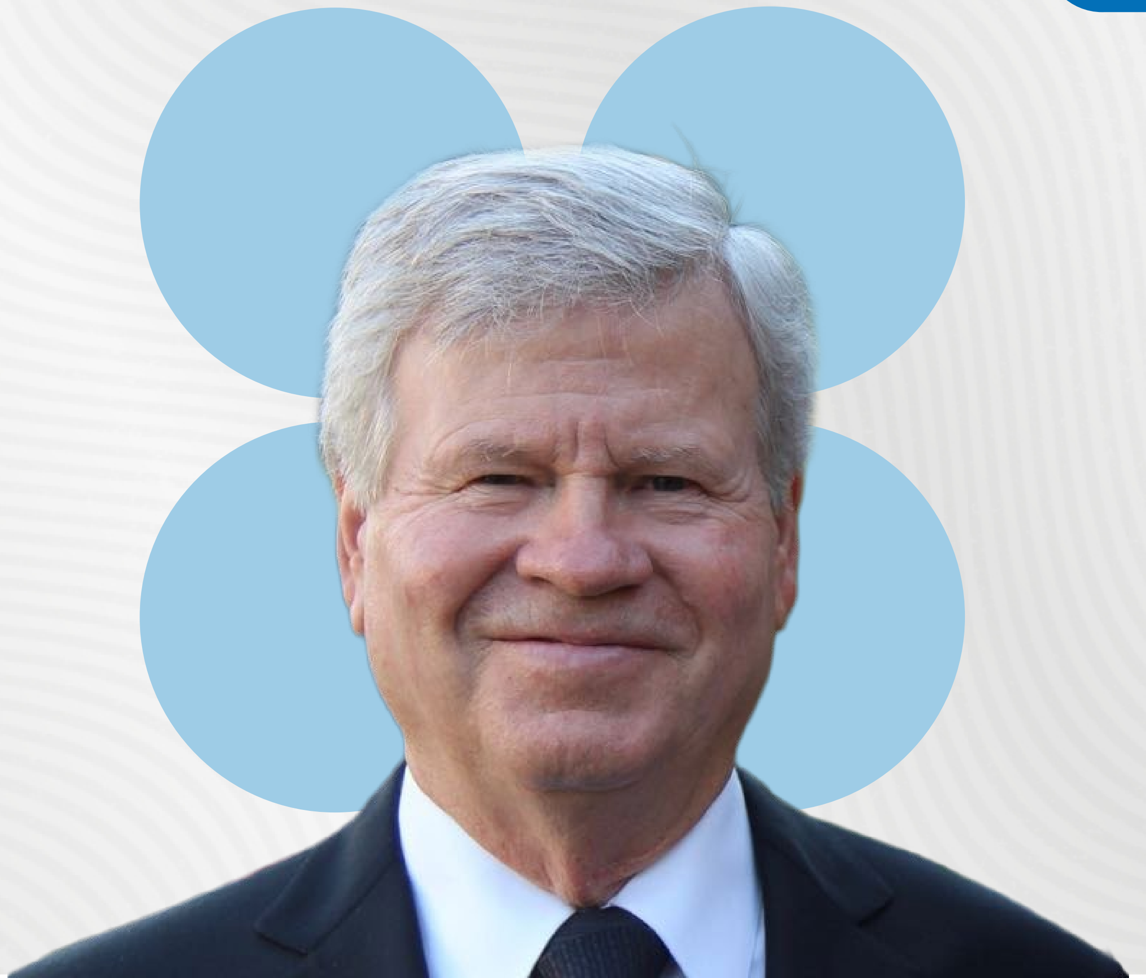
I extend my sincere gratitude to our Board of Directors and executive team for their leadership, strategic vision, and ability to make firm and responsible decisions at every stage of our growth journey. Their guidance has been essential in consolidating our strategy and continuing to transform Megacable into a more efficient, innovative, and sustainable company.

We look ahead to 2025 with enthusiasm. We are confident that it will be a year in which we will begin to see, on a larger scale, the materialization of the results of the expansion and evolution projects we have driven with determination in recent years. We will remain focused on strengthening our capabilities, innovating in our solutions, and creating sustainable value for all our stakeholders. With this conviction, we move forward with enthusiasm, responsibility, and a clear long-term vision.

Sincerely,

Francisco Javier R. Bours Castelo
Chairman of the Board of Directors

Manuel Urquijo Beltrán
Secretary of the Board of Directors



MESSAGE FROM THE CEO

GRI: 2-22

Dear Shareholders,

I am pleased to present Megacables's 2024 Integrated Annual Report, in which we share the main achievements, challenges, and results that shaped the course of this year.

This period was one of growth and success for the Company, marked by the beginning of the consolidation of our expansion projects, the evolution of our infrastructure, and sustained operational growth. Our focus on innovation, service quality, and value creation for all our stakeholders has allowed us to strengthen MEGA's position in legacy territories, as well as in the new cities where we recently began operations.

It is worth noting that this strong performance was achieved within a national macroeconomic environment that showed inflationary rebounds throughout the year, although with a gradual downward trend at year-end, closing at 4.21%. Nonetheless, the 20% increase in the minimum wage at the beginning of the year helped preserve consumers' purchasing power, resulting in a favorable market for telecommunications services.

Likewise, the presidential electoral process in Mexico, held during the first half of the year, created a scenario of relative uncertainty, typical of political transition periods, which are usually accompanied by possible adjustments in the regulatory framework and tend to influence both the volume and nature of investments.

Another highlight is the labor sector, which showed positive signs with an unemployment rate of 2.4%, one of the lowest in recent years. This context favored economic stability in households, increasing demand for high-quality digital services. In parallel, the advancement of digitalization, the growth of e-commerce, which in 2024 reached a value of over Ps. 790 billion, according to AMVO data, and the growing adoption of emerging technologies, according to INEGI, have driven the need for fast and reliable connectivity services like those offered by MEGA.

On the other hand, the exchange rate of the peso against the dollar showed volatility throughout the year. However, its impact on our network expansion and evolution projects was mitigated thanks to an efficient investment strategy and the strong performance achieved during 2023, which allowed us to optimize our investment pace in 2024, ensuring the continuity of our expansion without compromising our financial position. It is worth noting that our entire debt is denominated in pesos, so no adverse effect was recorded due to exchange rate volatility.

These conditions allowed us to capitalize on the investments made in previous years, driving sustained growth for our Company. Notably, this year we took a significant step in consolidating our financial strategy by incorporating sustainable financial instruments. At the beginning of the year, we completed our first issuance of sustainability-labeled bonds, totaling Ps. 3,945 million, ensuring the necessary resources to continue our expansion under a sustainable approach. We also formalized our first sustainability-linked credit line with BBVA for Ps. 1,263 million, further strengthening our responsible growth strategy.

In 2024, capital expenditures (CAPEX) amounted to Ps. 10,340 million, 20.1% lower than in 2023; as a result, its proportion over revenues also decreased by 11.8 percentage points, from 43.3% in 2023 to 31.5% in 2024. This effort allowed us to end the year with a net debt-to-EBITDA ratio of 1.52 times, one of the lowest in the sector. This indicator is expected to continue improving, driven by a slower pace of investment along with the gradual densification of new territories, which will boost EBITDA generation.

On the operational front, we began the year with a clear growth vision. Driven by the strong execution of past investments, by the end of 2024 **we reached over 17.4 million homes passed,** representing a 12.9% increase compared to the end of 2023, with presence in all 32 states and in more than 550 municipalities.

This progress positions us as a key player in the national digital transformation, with a distribution network that exceeds 100 thousand kilometers, marking a milestone in Megacable's history.

With this growth, we are steadily moving closer to our goal of doubling the Company's size in terms of infrastructure, in line with our commitment the development and expansion of connectivity in Mexico. This is complemented by our focus on user experience, the evolution of our business models, and the ongoing migration to fiber-optic technology, pillars that strengthen our position as one of the leading providers of convergent services in Mexico. This transformation is firmly guiding us toward our goal of becoming a full-fiber company by 2028.

In 2024, we surpassed **5.5 million unique subscribers,** mainly driven by growing demand for high-speed internet services. This result was further supported by the addition of over 574 thousand net subscribers during the year, the highest figure in our history.

Growth was also reflected in our Revenue Generating Units (RGUs), which reached a record of nearly 14 million, driven by the performance of the Mass Market Segment. These results underscore our ability to offer comprehensive solutions that meet the connectivity needs of our customers.

A clear example of this progress is that, by the end of 2024, 75% of our customers were receiving their service through fiber, compared to 63% at the end of 2023. **This advancement represents an important step in offering greater stability, speed, and bandwidth capacity.**

We will continue investing in the modernization of our network to ensure our customers enjoy the best possible connectivity experience, with a focus on last-mile technology that reduces latency and optimizes service delivery.

In terms of financial performance, our 2024 results reflected the expected impact of our expansion and evolution strategy. We closed the year with total revenues of Ps. 32,840 million, representing double-digit growth compared to the previous year. Consolidated EBITDA reached Ps. 14,381 million in 2024, growing 8.5% year-over-year. These indicators not only reaffirm the efficiency and strength of our operations but also place us in a favorable position to strengthen profitability.

On this front, as previously anticipated, the consolidated EBITDA margin remained at 43.8%, supported by our focus on operational efficiency and financial discipline that defines us as a Company. As penetration in new territories continues to grow and these markets reach greater maturity, we expect a more pronounced recovery in the margin, further strengthening the profitability of our operations.

Turning to the business segments:

In the mass market segment, Internet service continued its upward trend in 2024, reaching 5'311,950 subscribers, a 12.5% increase compared to the previous year, with over 590 thousand net additions. This performance was driven by the rising demand for high-speed internet, the expansion of our fiber-optic infrastructure, and the continued strengthening of our service offering. The adoption of packages with higher speeds and customer preference for reliable connectivity solutions were key factors in this growth.

Video service closed the year with 3,849,157 subscribers, reflecting a 1.7% decline versus 2023. However, we implemented strategies to reduce our churn rate, mitigating the impact expected by the market and showing a clear slowdown toward the end of 2024.

Despite this contraction, Xview+ continued to gain relevance in the market, reaching 3'462,708 users, representing a 19.0% growth and more than 553 thousand net additions during the year. This performance reflects the growing preference for flexible and customizable content platforms, aligned with digital consumption trends.

Additionally, the resilient strategies we have implemented have enabled us to adapt to an environment in which the video segment has shown lower subscriber preference. As a result, we successfully diversified our service and content offerings, which was reflected in the growth of our video app subscriber base, which closed the year with 1 million users, a 32.2% annual increase.

Fixed-line service recorded a solid growth in 2024, reaching 4'766,956 subscribers, a 16.8% increase compared to the previous year, equivalent to 685 thousand net lines.

This progress was driven by our bundling strategy, which has strengthened customer loyalty and generated greater added value. The preference for integrated solutions that combine Fixed-line and Internet has been a key factor in the stability of this segment.

Mobile service saw significant growth during the year, reaching 554,322 active lines, a 27.9% increase compared to the previous year, equivalent to 121 thousand net additions. This result aligns with our strategy of strengthening the post-paid subscriber base.

The Corporate segment maintained stable revenue in 2024, reaching Ps. 5,659 million, reflecting a 4.6% growth compared to the previous year. Within this segment, MetroCarrier grew 7.5%, reflecting a broader adoption of advanced business solutions, while Ho1a recorded a 11.8% growth, driven by increased demand for technological and cybersecurity services. The evolution of our corporate solutions, including connectivity, private networks, and digital security services, has allowed this segment to remain a key component of our growth strategy.

In terms of sustainability, this area remains a key pillar of our strategy. Throughout the year, we made progress in implementing initiatives aimed at r**educing our carbon footprint and optimizing the energy consumption** of our infrastructure through the Qualified User model. This included the launch of eight work centers operating with energy supplied by providers with lower CO2 emission factors, as well as the completion and commissioning of photovoltaic panel installations at five work centers, harnessing solar energy for their operation.

In the social sphere, our commitment to employee well-being and development remained strong through expanded training programs focused on strengthening both technical and professional skills. In 2024, we trained over 39 thousand employees as part of our strategy to address the challenges of a constantly evolving industry. The culture of innovation and excellence that we promote has been key to advancing solidly, and we will continue to drive initiatives that support the growth and holistic well-being of our teams.

The talent and dedication of the people who are part of Megacable have been fundamental to achieving the results that set us apart today. In line with our expansion process, by the end of 2024, our workforce exceeded 32 thousand employees, expanding our operational capacity and reinforcing our presence across the country.

As a reflection of our ongoing social efforts, for the fourth consecutive year we were recognized with the Socially Responsible Company (ESR) Distinction, an award that fills us with pride and motivates us to continue actively working for our communities.

Looking ahead to 2025, we reaffirm our conviction in innovation, infrastructure development, and operational excellence. We are excited about the opportunities that lie ahead and confident in our ability to capitalize on a context of lower inflation and interest rates projected for the period. Our objective is to continue strengthening our position as industry leaders in telecommunications, maintaining a strong focus on customer experience, technological innovation, and long-term value creation.

We are deeply grateful for the trust of our investors, the loyalty of our customers, and the dedication of every member of the Megacable team. Together, we will continue strengthening our network, offering cutting-edge technological solutions, and connecting Mexico with the future. I am confident that, with the commitment and vision that define us, we will successfully face the challenges ahead and continue contributing to the development of a more connected, competitive, and sustainable country.

Sincerely,

Enrique Yamuni Robles
Chief Executive Officer

Manuel Urquijo Beltrán
Secretary of the Board of Directors

MEGA: CONNECTING MEXICO

About MEGA

GRI: 2-6

Since our founding in 1978, at MEGA we have been committed to contributing to Mexico's economic development and digitalization. We have achieved this goal by offering high-quality entertainment services and ensuring efficient connectivity through cutting-edge technologies, all at competitive prices.

Our offering includes a wide variety of packages and services designed for both the mass market and the corporate segment. In the corporate segment, we provide advanced solutions that include, among others, managed services, cybersecurity, IT consulting, and technological innovation.

The year 2024 was one of significant achievements for MEGA. Through sustainable growth and innovation, we reaffirmed our commitment to our stakeholders, demonstrating that they are a core part of our business vision. This year marked an important milestone for us: by consolidating the Expansion and Evolution phase of our network, we strengthened our **national presence, reaching more than 550 municipalities.**

The consolidation of the Network Expansion and Evolution projects has enhanced our capacity to connect more people and transform the user experience. We have integrated Fiber to the Home (FTTH) and Hybrid Fiber Coaxial (HFC) technologies, achieving a distribution network that now exceeds **100,000 kilometers.** These advancements position us to continue expanding our subscriber base, especially in newly added territories, while laying the groundwork for a more agile and efficient future.

Additionally, this Expansion has enabled us to reach over **17.4 million Mexican homes**, solidifying our position as the fastest-growing operator in infrastructure and subscribers during the period within the industry. This growth strengthens our market position and strategically positions us to continue moving forward.

MISSION

To provide entertainment and telecommunication services as well as technological, business and residential solutions that exceed the expectations of our customers.

VISION

To be the best telecommunications company in Mexico.

VALUES

- Honesty
- Work commitment
- Service attitude
- Respect for individuals
- Efficient resource use
- Loyalty

Our Services and Products

MASS MARKET

INTERNET

We offer high-quality symmetric[1] Internet service through our FTTH and HFC network, with speeds of up to 1 GB.

VIDEO

Our video packages are designed to deliver a personalized entertainment experience to our subscribers. In addition to a wide variety of content, we offer the ability to integrate different streaming platforms through our innovative Xview+ platform, ensuring that each user can access content tailored to their preferences.

TELEPHONY

We offer customized fixed-line telephony services, designed to meet the specific needs of each market segment.

MOBILE SERVICES

As part of the benefits we offer our subscribers, we primarily provide postpaid mobile phone service tailored to their needs. While we also offer prepaid options, our focus is on postpaid plans, delivering a more complete and convenient experience for our users.

[1] Internet network that offers the same upload and download speeds.

CORPORATE SEGMENT[2]

METROCARRIER

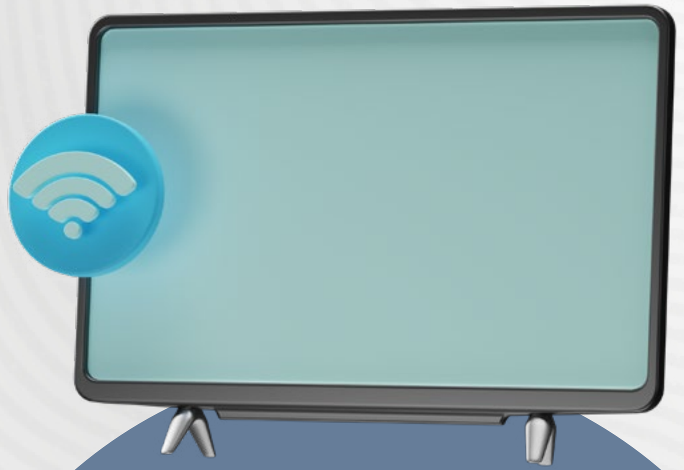
We offer a wide range of services and solutions designed to optimize business connectivity, including managed secure internet, cybersecurity, business telephony, virtual private networks (VPNs), managed WiFi, and last-mile links, among other options tailored to our clients' needs.

MCM TELECOM

We design and integrate platforms in hybrid and multi-cloud environments, ensuring operational continuity for our clients. Our solutions include SD-WAN networks, advanced protection, disaster recovery, and cloud-based services, all tailored to the specific needs of each business.

HO1A INNOVACIÓN

We provide specialized information technology and cybersecurity services designed to address the key challenges of the business environment. Our main offerings include data centers, cloud solutions, and managed IT services, all tailored to each organization's needs.



PRODUCTORA Y COMERCIALIZADORA DE TELEVISIÓN (PCTV)

PCTV produces five pay television channels: MeganoticiasMX, TVC Deportes, Pánico, Platino, and Cine Mexicano, which are distributed through cable systems in Mexico, Central America, and, in the case of MeganoticiasMX in the United States.

Additionally, we provide teleport ser vices for the transmission, reception, and transport of television signals, complemented by audiovisual content production solutions.

[2] As of 2025, MetroCarrier, MCM Telecom, and Ho1a Innovación were consolidated under the name of MCM Business Tech-Co.

2024 Highlights

Financial and Operating Results

Service Revenue
Ps. $32,840
million
+9.9% YoY

Telecom Business Segment Revenue
Ps. $5,283
million
+4.9% YoY

Consolidated EBITDA
+8.5% YoY
Ps.
$14,381
million

Employees
32,506 employees
+3.7% YoY

17,429,385
Homes Passed
+12.9% YoY

Distribution network kilometers
101,895 km
+8.8% YoY

Revenue Generating Units (RGUs)
13,928,063 RGUs
+9.5% YoY

Unique Subscribers
5,520,179 +11.6% YoY

Internet Subscribers
5,311,950 +12.5% YoY

Video Subscribers
3,849,157 -1.7% YoY

Telephony Subscribers
4,766,956 +16.8% YoY

Key Results from the Network Expansion and Evolution Projects

Subscribers with services delivered through Fiber to the Home (FTTH) technology.

75.3% of our subscriber base now receives service through this technology.

Homes Passed and Network Kilometers

Since 2021, we have added over 8.1 million homes passed and built nearly 36.7 thousand kilometers of distribution network.

New Unique Subscribers

In the last two years, our unique subscriber base has grown by more than 1.1 million net additions, reflecting the demand for our services in both organic and expansion territories.

Outstanding Results 2024

GRI: 3-3, 201-1

Financial Results

Concept	2022 (MXN million)	2023 (MXN million)	2024 (MXN million)	Var.% 2024 vs. 2023
Service revenue	$27,156	$29,871	$32,840	9.9%
Service cost	$7,403	$8,644	$9,151	5.9%
OPEX	$13,238	$15,187	$17,771	17.0%
Consolidated EBITDA	$12,734	$13,256	$14,381	8.5%
Consolidated EBITDA margin	46.9%	44.6%	43.8%	
Adjusted EBITDA for cable operations	$12,040	$12,611	$13,728	8.9%
Adjusted EBITDA margin for cable operations	49.0%	46.2%	45.4%	
Net profit (controlling interest)	$3,585	$2,842	$2,287	-19.5%
Cash and cash equivalents	$1,384	$1,539	$4,228	174.7%
Total assets	$60,608	$68,484	$73,282	7.0%
Total liabilities	$24,427	$32,629	$37,625	15.3%
Stockholders' equity	$36,182	$35,855	$35,657	-0.6%

Operating Results

Concept	2022	2023	2024	Var.% 2024 vs. 2023
Homes passed	11'560,218	15'437,907	17'429,385	12.9%
Network kilometers	76,236	93,665	101,895	8.8%
Internet subscribers	4'137,860	4'721,552	5'311,950	12.5%
Internet penetration rate / homes passed	35.8%	30.6%	30.5%	
Video subscribers	3'675,615	3'914,090	3'849,157	-1.7%
Video penetration rate / homes passed	31.8%	25.4%	22.1%	
Telephony subscribers	3'404,125	4'082,055	4'766,956	16.8%
Telephony penetration rate / homes passed	29.4%	26.4%	27.4%	
Unique subscribers	4'397,994	4'945,826	5'520,179	11.6%
Revenue Generating Units	11'217,600	12'717,697	13'928,063	9.5%
RGUs per unique subscriber	2.55	2.57	2.52	

Supply Chain

GRI: 2-6, 3-3, 204-1

At Megacable, we ensure the quality and continuity of our services through close relationships with our suppliers. We work exclusively with companies that operate under ethical principles and stand out for their competitiveness in the market. Our suppliers include consultants, subcontractors, sales agents, resellers, managers, customs brokers, law firms or accountants, and companies that provide assistance in obtaining permits or inspection certificates, as well as any other business or commercial partner that provides services or essential products for our operations.

In 2024, we published our **Supplier Code of Conduct,** which outlines the minimum standards our suppliers are expected to follow in the following areas:

- Non-discrimination and anti-harassment
- Anti-money laundering
- Ban on forced and child labor
- Promotion of occupational health and safety conditions
- Efficient use of resources
- Responsible waste management
- Anti-corruption and conflict of interest measures

With this approach, at Megacable we reinforce our commitment to sustainability, integrity, transparency, and best practices within our supply chain.

Year	Total number of suppliers	Total number of local suppliers[3]	Percentage paid to local suppliers (%)
2023	5,414	5,336	99.8%
2024	6,316	6,176	81.8%

[3] Organization or individual that provides a product or service to Megacable and is headquartered in the same geographic market.

CONNECTING WITH THE WORLD

Materiality Analysis

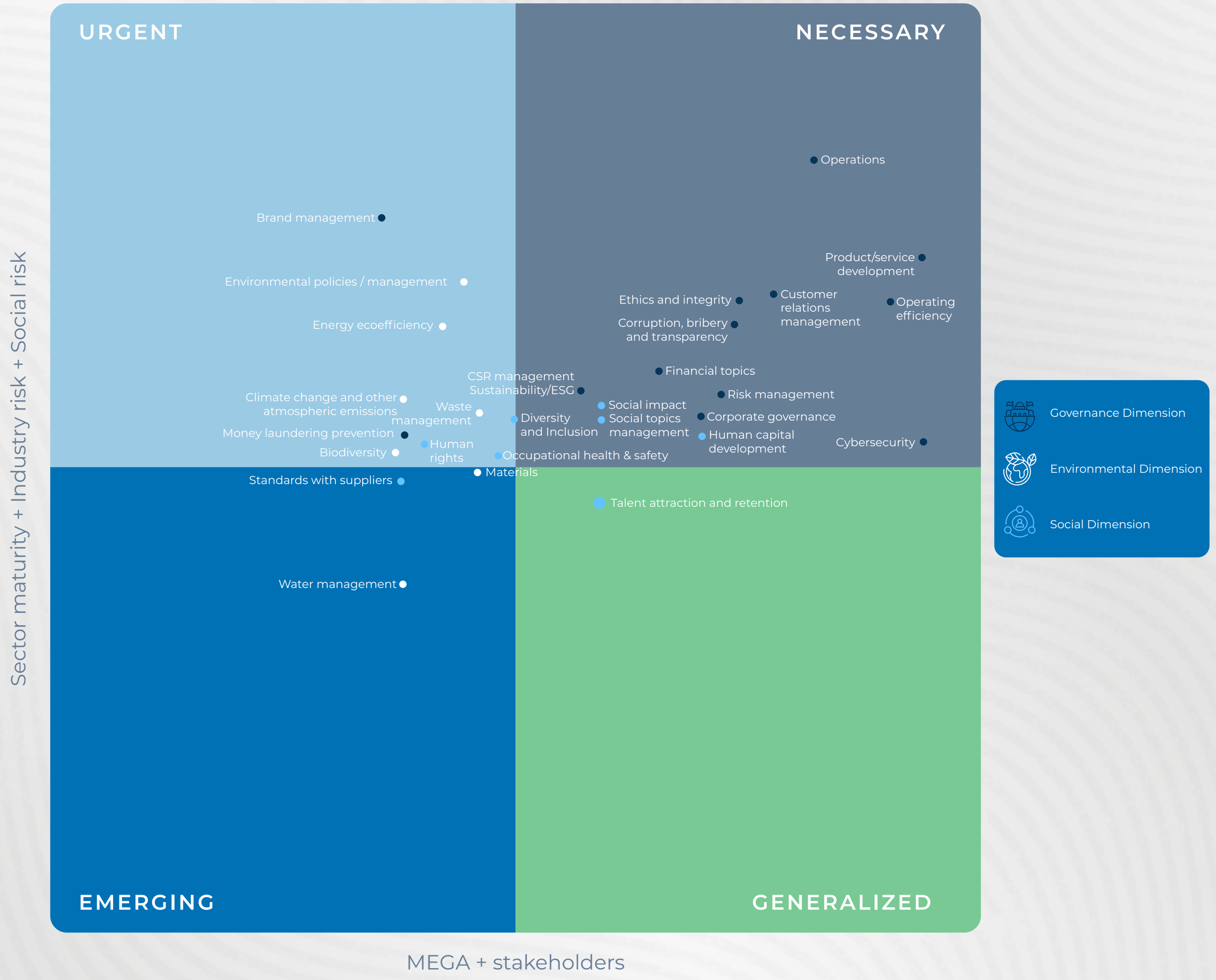
GRI: 2-29, 3-1, 3-2

In 2021, we carried out our first materiality assessment to identify key material topics and evaluate the most significant trends, risks, and opportunities for sustainability and high-impact areas within MEGA. To do so, we adopted the methodology of a specialized external consultant and followed the recommendations of the Global Reporting Initiative (GRI), allowing us to obtain comparable results and address areas for improvement.

The identification of material topics was conducted through both qualitative and quantitative analysis, considering factors such as the maturity of the sector, specific risks associated with each topic, and the related social risks.

In 2022, we defined our stakeholder groups and engaged them to gather feedback and validate the topics identified in the initial materiality matrix.

Through stakeholder surveys, we validated the risks, opportunities, performance indicators, and strategic goals that are relevant both to them and to us.
This process culminated in the development of our first impact materiality matrix.



At the end of 2024, we updated our materiality assessment, aligning with market best practices and fulfilling our commitment to review it every three years or whenever required by business needs or compliance with international standards. The implementation of our new sustainability model and strategy, based on this assessment, will be reflected in the next Integrated Annual Report

To consult the double materiality assessment, please refer to Annex I of this Report.

Communication Channels

At MEGA, we have various communication channels that allow us to maintain appropriate and objective interaction with our stakeholders.

STAKEHOLDERS (EXAMPLES OF GROUPS AND COMMUNICATION CHANNELS)	TYPE OF ENGAGEMENT			
	Shareholders	Subscribers and Customers	Employees	Business partners
Internal communication			Constant	
Email	Constant	Constant	Constant	Constant
Surveys	Recurring	Constant	Annual	Annual
Interviews	Constant			Constant
Events	Constant		Recurring	Recurring
Whistleblowing line	Constant	Constant	Constant	Constant
Media (newspaper, radio and magazines)	Recurring		Recurring	
Website	Constant	Constant	Constant	Constant
Volunteering program			Recurring	
Social networks	Constant	Constant	Constant	Constant
Annual reports	Annual	Annual	Annual	Annual
Quarterly reports	Recurring			Recurring
Annual meetings	Annual		Annual	Annual
Quarterly meetings	Recurring			
Monthly meetings			Recurring	
Weekly meetings			Constant	
Workshops			Recurring	
Phone calls	Constant	Constant	Constant	Constant

Annual | Recurring (monthly, quarterly) | Constant

Sustainability Model

GRI: 2-23, 2-24

Aware of the impact our operations have on the environment, we have decided to incorporate best practices and ESG indicators into our sustainability strategy. In this way, we have aligned our strategy with the United Nations Sustainable Development Goals.

To advance in achieving these objectives, we have designed our Sustainability Model, which organizes our material topics into three core pillars: Environmental Culture, Ethics and Organizational Quality, and Operational and Financial Development.

As part of our commitment to sustainability, and in line with the update of the materiality matrix, in 2025 we will implement the updated version of our sustainability model and strategy. This process will allow us to properly manage MEGA's sustainability, ensuring its alignment with the identified priority topics and the most recent international standards. Through this process, we aim to consolidate a broader and more integrated approach that strengthens our ability to generate long-term value and meet the expectations of our stakeholders.

Model Pillars

Environmental Culture

Developing a sustainable operation is fundamental for MEGA. As participants in the telecommunications industry, one of the key aspects of our strategy is energy consumption and how we can transform our operations toward more sustainable energy sources, reducing their environmental impact.

- Energy Eco-efficiency
- Waste Management
- Environmental Policies

Operating and Financial Evolution

This pillar highlights our commitment to our stakeholders to create economic value. As a public Company, we are committed to following best practices to ensure transparency in our information, ensuring our operations are presented in a precise and reasonable manner.

- Operations
- Financial Topics
- Supplier Standards
- Brand Management

Corporate Ethics and Quality

At MEGA, we consider it essential to actively contribute to the development of the communities where we operate, as well as to the well-being of our workforce, which we consider our most valuable asset. We are focused on generating and implementing the necessary mechanisms to ensure the integrity of our employees, promote equal opportunities, and ensure respect for human rights across all our workplaces. Additionally, we have implemented and will continue improving tools to prevent unethical practices within the Organization.

- Human Rights
- Diversity
- Money laundering prevention
- Corruption
- Social Issues Management
- Social Impact
- Corporate Social Responsibility Management
- Health and Safety

Sustainability Strategy

Our Sustainability Strategy focuses on key actions to integrate sustainability into the Company's business model. Each of the Model's pillars is incorporated into this Strategy, comprehensively addressing the material topics identified and aligned with the United Nations Sustainable Development Goals.

This approach has allowed us to define specific lines of action to address the Company's material topics, which are organized as follows:

Environmental Culture

POLICIES AND ENVIRONMENTAL MANAGEMENT:

- Update the "Environment, Health and Safety Policy."
- Update the "Sustainability Policy".
- Establish a waste management policy.

INDICATORS AND MANAGEMENT SYSTEM:

- Define performance indicators related to water consumption and waste management.
- Implement an environmental management system.

TELECOMMUNICATIONS NETWORK:

- Continue implementing technologies that improve energy efficiency, extend infrastructure lifespan, and reduce the environmental impact of operations.

* For more information regarding the Company's sustainability management and regulatory framework, please consult the following link: https://inversionistas.megacable.com.mx/en/policy

Corporate Ethics and Quality

POLICIES AND PROCESSES:

- Update the "Environment, Health and Safety Policy."
- Develop policies and processes related to the social impact of the Company's operations.
- Establish a Corporate Social Responsibility work plan, including procedures, policies, and formats.

TRAINING AND IMPLEMENTATION:

- Establish a human rights action plan.
- Establish an "Anti-Money Laundering" policy.
- Implement training for employees on social topics.

Operating and Financial Evolution

QUALITY AND CONTINUOUS IMPROVEMENT:

- Define and implement strategies to increase customer and subscriber satisfaction.

BRAND IMAGE AND REGULATIONS:

- Align the Company's commercial image with applicable regulations.

SUPPLIER POLICIES AND STANDARDS:

- Define standards for suppliers and train them on the Supplier Code of Conduct.

RECOGNITION AND CERTIFICATIONS:

- Publish the Company's awards, recognitions, and certifications.

SUSTAINABLE FINANCING:

- Issue sustainable financing sources to meet the Company's sustainability goals and commitments.

ESG Progress

Since 2021, at Megacable we have been working to integrate sustainability into our operations. Each year has been key to strengthening these initiatives and fostering the continuous improvement of our sustainability strategy. Among our main ESG milestones are the implementation of indicators to measure and reduce our carbon footprint, access to sustainable financing sources, and the update of our materiality matrix.

These actions demonstrate the Company's commitment to generating sustained value for itself and its stakeholders.

ESG Milestones

2021

- Launch of Megacable's first materiality assessment.

2022

- Definition and involvement of the Company's stakeholders in identifying material indicators.
- Update of the Code of Ethics.
- Launch of the ESCALA whistleblower platform.

2023

- Formalization of Megacable's Sustainability Strategy.
- Creation of a sustainable regulatory framework.
- Publication of Megacable's Sustainability Model in the 2022 Annual Report.
- Publication of the Operating Policy for the Sustainable Finance Committee.
- Development and publication of the Sustainable Finance Framework.
- SPO rating (Second Party Opinion).

2024

- Publication of the Company's first Integrated Annual Report.
- Issuance of the first sustainable bonds.
- Publication of the Supplier Code of Conduct.
- Publication of the Diversity Policy.
- Initial results of the Qualified User and Photovoltaic projects.
- Update of the materiality assessment.
- Definition of Environmental Performance Indicators.

2025

- Development of an internal regulatory framework for Waste Management.
- Publication of the first allocation and impact report of sustainable financial instruments.
- Update of the Sustainability Strategy and Model
- Climate risk analysis

CONNECTING WITH OUR EMPLOYEES

Workforce

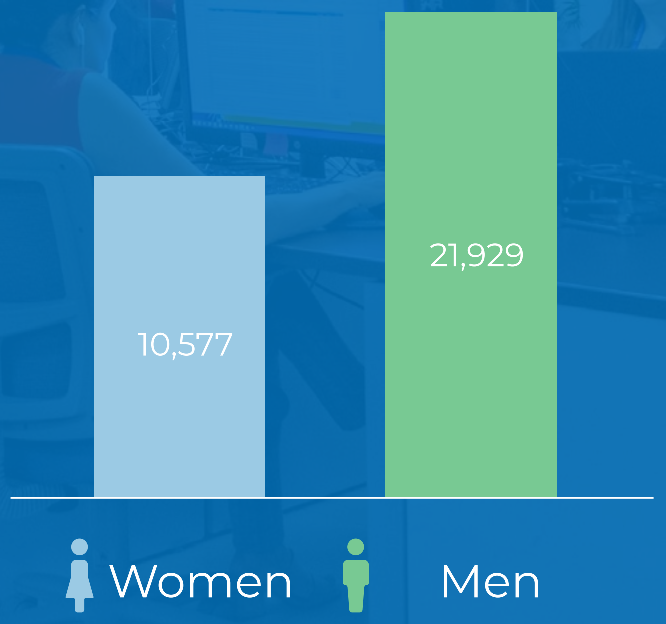
GRI: 2-7, 2-30, 3-3, 402-1, 405-1

At Megacable, the talent and vocation of our employees are key to achieving our objectives. Aware of this, we continuously strive to offer a safe, inclusive work environment with fair employment opportunities. We aim for each employee to feel valued and aligned with the Company's mission, vision, and values.

As part of our business strategy, we prioritize the incorporation of outstanding professionals into our community, driven by efficiency and performance. To achieve this objective, we follow the Company's guidelines below:

At the end of 2024, our team was composed of 32,506 employees[4], 98.4% of whom had permanent contracts, while the remaining 1.6% were temporary staff. Regarding gender distribution, 67.5% of our workforce were men and 32.5% were women.

Within the Company, we actively promote diversity and inclusion with the firm purpose of building an equitable, respectful, and balanced work environment, where everyone has equal opportunities for development and professional growth.



[4] The figures presented do not include external employees.

WORKFORCE BY GENDER AND TYPE OF CONTRACT

Type of contract	2022		2023		2024		Var. % 2024 vs 2023	
	Women	Men	Women	Men	Women	Men	Women	Male
Temporary	150	176	201	474	186	340	-7.5%	-28.3%
Permanent	8,597	18,410	9,843	20,820	10,391	21,589	5.6%	3.7%
Total	**8,747**	**18,586**	**10,044**	**21,294**	**10,577**	**21,929**	**5.3%**	**3.0%**

WORKFORCE BY GENDER AND AGE GROUP [5]

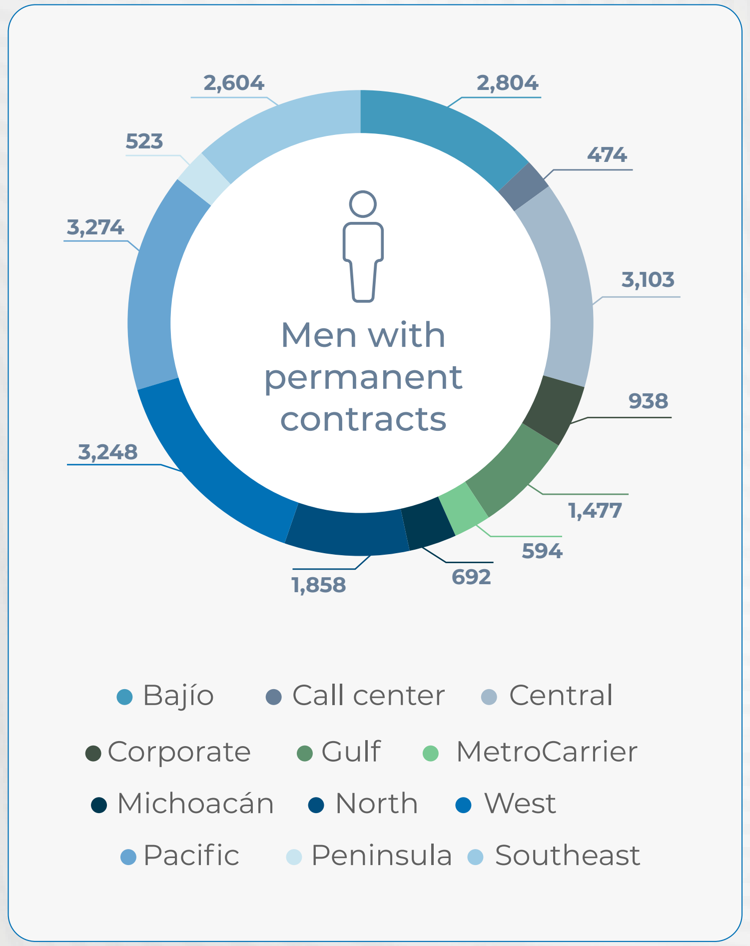
Age group	2023		2024		Var. % 2024 vs 2023	
	Women	Men	Women	Men	Women	Men
-30 years	3,265	7,203	3,492	7,236	7.0%	0.5%
30–50 years	5,926	12,483	5,995	12,703	1.2%	1.8%
+50 years	853	1,608	1,089	1,991	27.7%	23.8%
Total	**10,044**	**21,294**	**10,577**	**21,929**	**5.3%**	**3.0%**

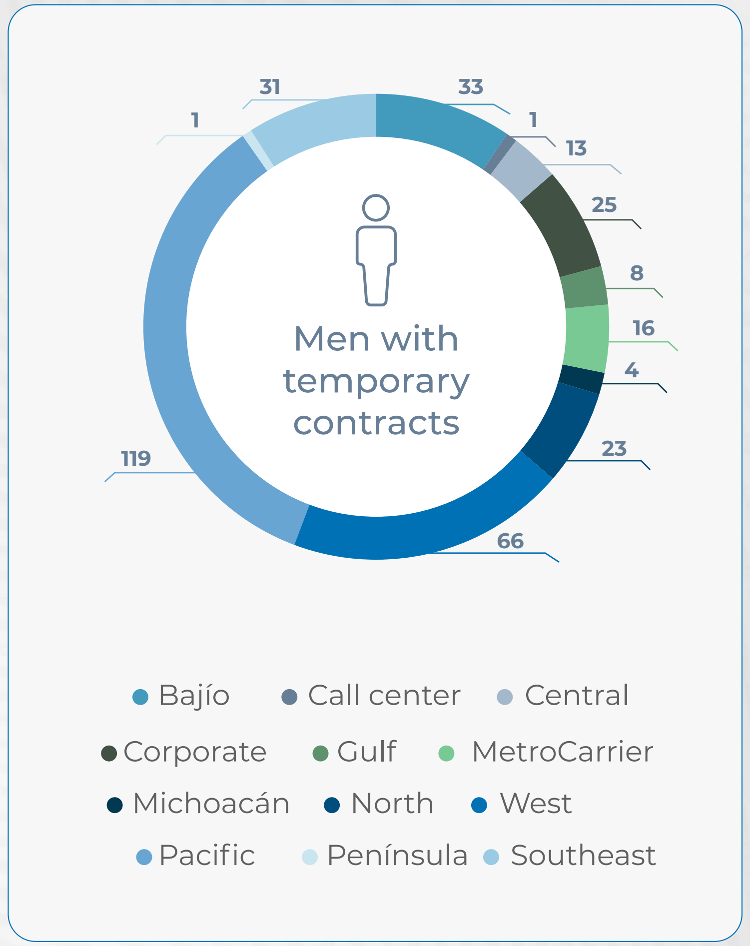
[5] The breakdown of employees by age group and gender for 2022 is excluded, as this indicator was not measured during that year.

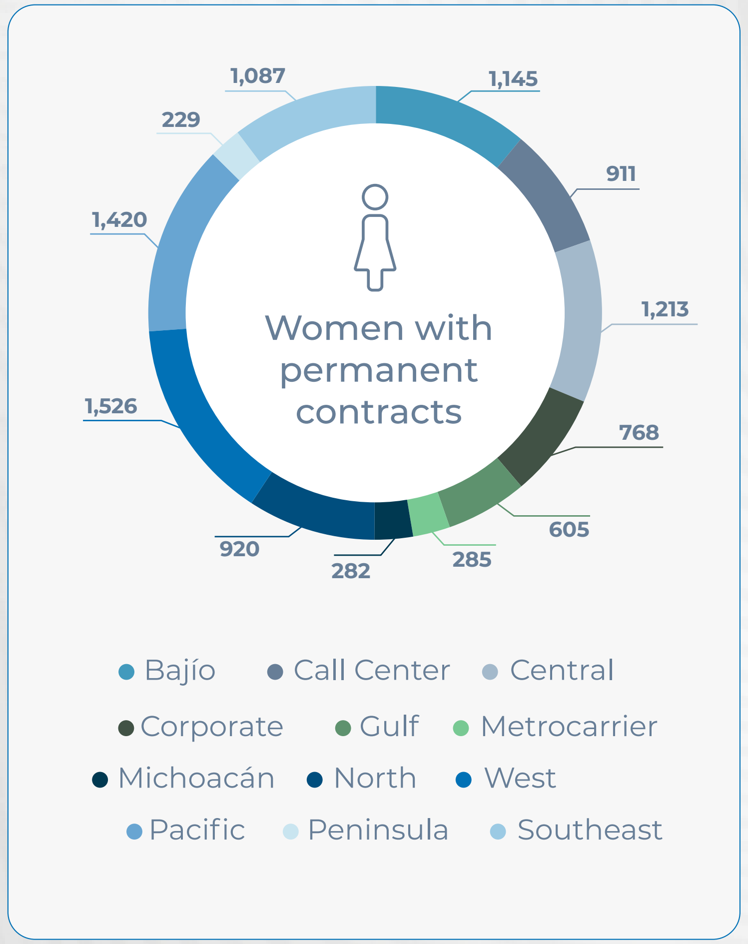
WORKFORCE BY GENDER AND POSITION TYPE

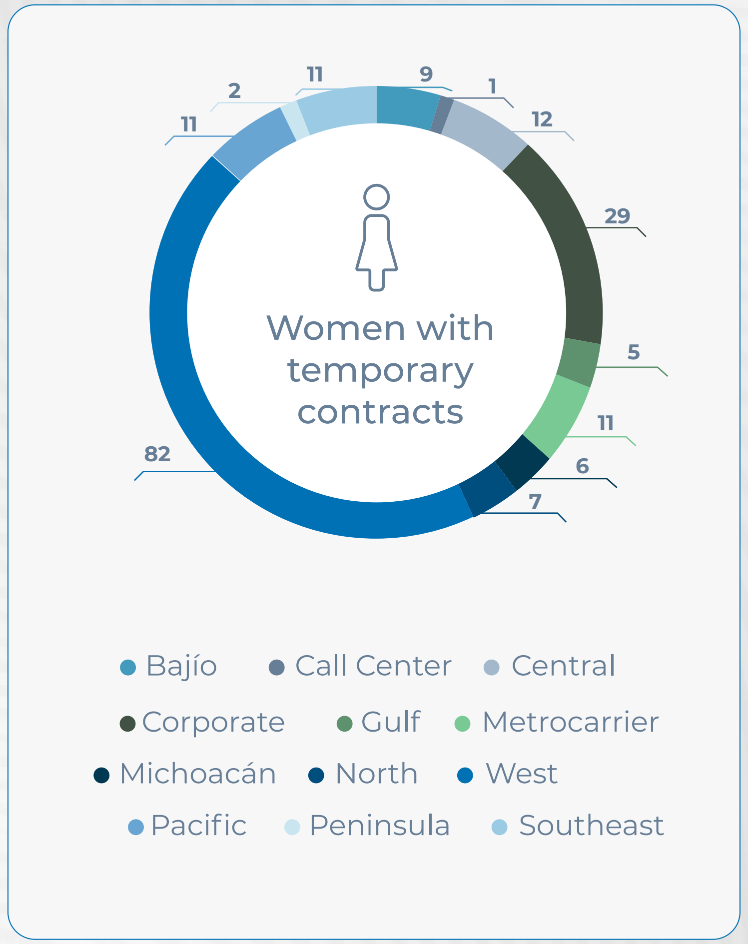
Position type	2022		2023		2024		Var. % 2024 vs 2023	
	Women	Men	Women	Men	Women	Men	Women	Men
Executive Management	1	14	1	13	1	13	0.0%	0.0%
Operator	6,358	14,122	7,484	16,196	7,779	16,677	3.9%	3.0%
Administrative	1,177	1,850	1,303	2,107	1,425	2,107	9.4%	0.0%
Supervision	696	1,493	696	1,785	743	1,820	6.8%	2.0%
Management	183	500	202	584	211	582	4.5%	-0.3%
General Management	106	323	125	371	139	468	11.2%	26.1%
Coordination	134	172	165	200	180	223	9.1%	11.5%
Support	92	112	68	38	99	39	45.6%	2.6%
Total	**8,747**	**18,586**	**10,044**	**21,294**	**10,577**	**21,929**	**5.3%**	**3.0%**

Workforce by gender, location and type of contract [6]









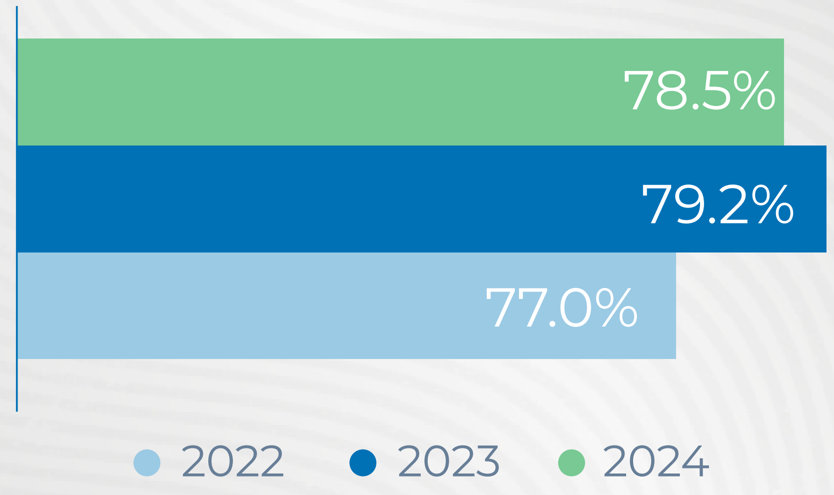
[6] The regions presented correspond to the territorial operational division defined by the Company.

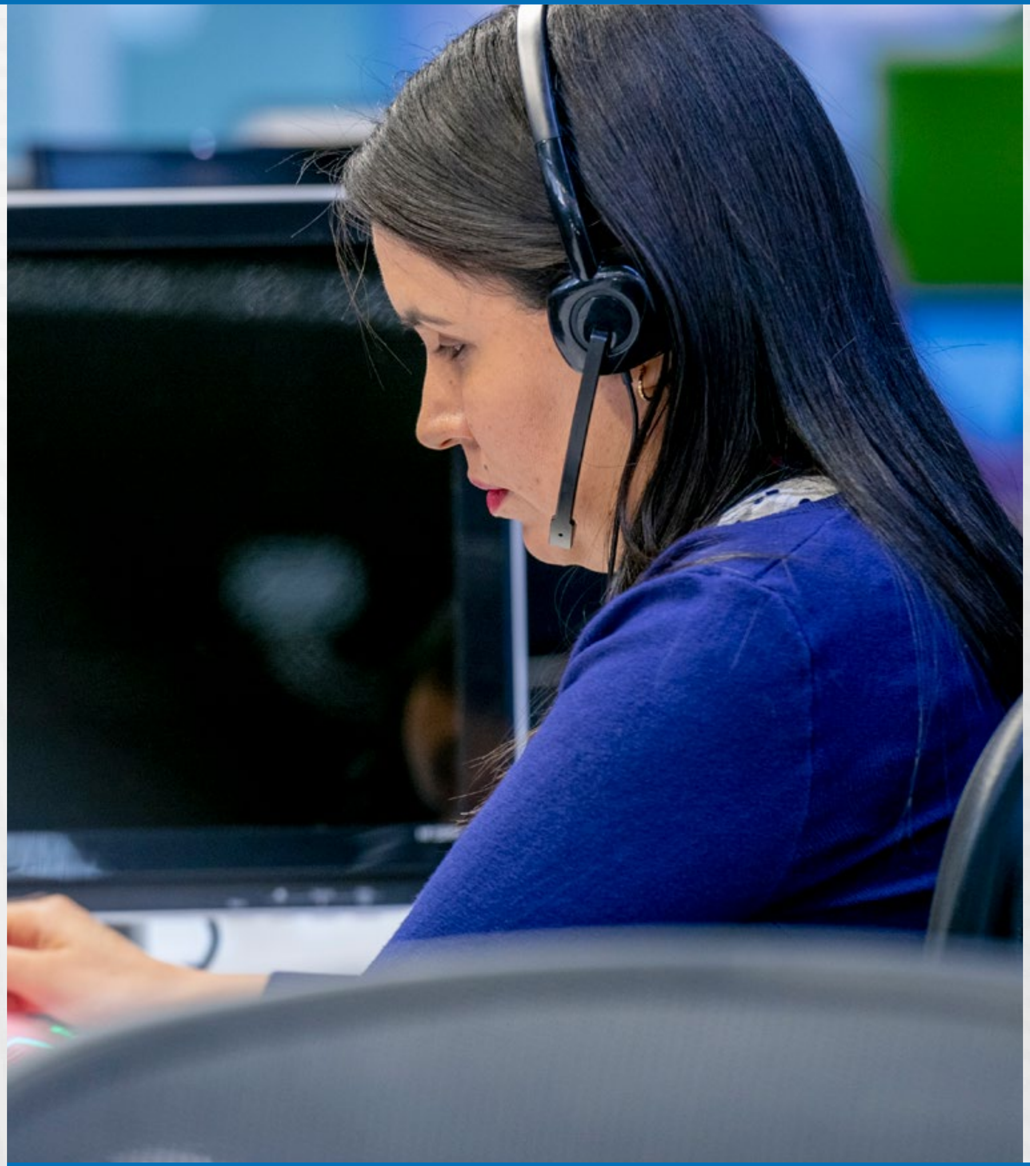
Unions

At the end of 2024, 78.5% of our workforce was affiliated with one of the three most representative unions in the country. At Megacable, we maintain agreements with the Sindicato Industrial de Trabajadores y Artistas de Televisión y Radio, Similares y Conexos de la República Mexicana (SITATYR), the Sindicato de Trabajadores de la Industria de la Radiodifusión, Televisión, Telecomunicaciones, Similares y Conexos de la República Mexicana (STIRTT), both part of the Confederación de Trabajadores de México (CTM), as well as with the Sindicato Nacional de Trabajadores y Empleados en Telecomunicaciones y Servicios (SNTETS), affiliated with the Confederación Revolucionaria de Obreros y Campesinos (CROC).

These agreements are reviewed annually regarding wages and every two years for general clauses. Likewise, any modification is communicated to our employees at least two weeks in advance, allowing us to ensure a transparent employment relationship aligned with their interests and current regulations.

TOTAL UNIONIZED EMPLOYEES





Talent Attraction and Retention

GRI: 3-3, 201-3, 401-1, 401-2, 401-3

We provide our employees with the tools to strengthen their skills and the opportunities to grow professionally within the Company, fostering their development and supporting talent retention. Through our internal portal, we facilitate access to available positions within the Company, and each year we organize the Virtual Job Fair, where we publish job opportunities nationwide. These initiatives allow our employees to take on new challenges and advance in their professional careers.

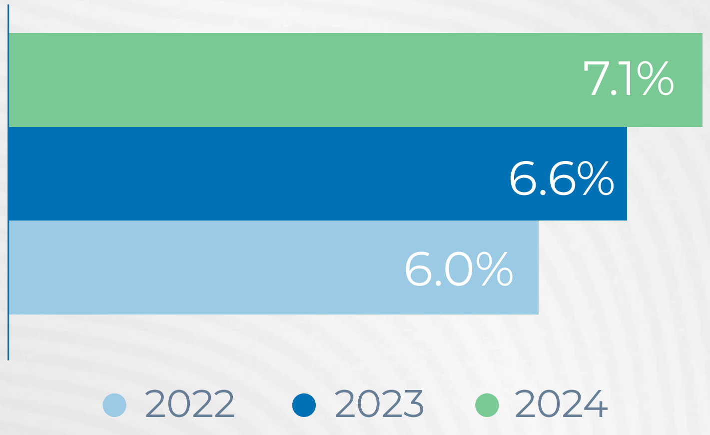
7,148
Nationwide **vacancies** during 2024

3,132
Vacancies filled by internal candidates during 2024

ATTRACTION OF NEW TALENT BY GENDER AND AGE GROUP						
Age group	2023		2024		Var.% 2024 vs 2023	
	Women	Men	Women	Men	Women	Men
- 30 years	4,416	9,372	4,717	9,860	6.8%	5.2%
30-50 years	4,900	8,520	4,776	8,818	-2.5%	3.5%
+50 years	813	1,342	821	1,251	1.0%	-6.8%
Total	**10,129**	**19,234**	**10,314**	**19,929**	**1.8%**	**3.6%**

During 2024, we recorded an average monthly turnover rate of 7.1%. We continue to promote various initiatives and programs focused on attracting and retaining top talent, with the aim of providing the highest quality services.

AVERAGE MONTHLY TURNOVER RATE



We provide all our employees with benefits that exceed those established by the Federal Labor Law. Additionally, we establish agreements with companies to offer extra benefits and programs specifically designed to enhance job satisfaction and the well-being of our team.

Benefits	Temporary Employees	Permanent Employees
Year-end bonus (Aguinaldo)	✓	✓
Vacation	✓	✓
Vacation bonus	✓	✓
IMSS (Social Security)	✓	✓
Life insurance	✓	✓
Savings fund	✓	✓
Grocery vouchers	✓	✓
Transportation assistance	✓	✓
Marriage support	✓	✓
Maternity leave	✓	✓
Paternity leave	✓	✓
Bereavement support	✓	✓
Parking	✗	✓
Performance bonuses	✗	✓
Major Medical Expenses Insurance*	✗	✓
Retirement plans	✗	✓
Professional growth opportunities	✓	✓
Mentoring and training courses	✓	✓
Programs to strengthen managerial and leadership skills	✗	✓
Educational scholarships	✗	✓
*Only for General Managers and Executive Team Members		

We recognize the importance of maintaining a healthy work-life balance and strive to support our employees during key moments in their family life. Parental leave is a right we offer to our entire workforce.

During 2024, a total of 306 women and 883 men made **use of parental leave.**

In 2024, the return-to-work rate after parental leave was 87.3% for women and 100% for men, reflecting a high level of workforce reintegration. Among those who returned, 100% of women and 78.5% of men remained with the Company 12 months after their return. This highlights the importance of this benefit in talent retention. At MEGA, we understand that providing adequate support during parental leave not only benefits our employees but also strengthens the long-term employment relationship, fostering a sense of belonging and professional development within the Company.

Pension Plan

We have a voluntary pension plan available for executives, managers, and certain coordinators. Employees with access to this benefit may choose a contribution percentage between 1% and 5% of their salary, with the option to modify that percentage each year during the month of February.

The Company contributes progressively to this plan based on the employee's length of service:

From 0 to 4.99 years: the Company contributes **20%** of the amount contributed by the employee.

From 5 to 9.99 years: the Company contributes **40%** of the amount contributed by the employee.

From 10 years onward: the Company matches **100%** of the employees' contribution.

The funds are managed through a pension plan administrator, where both employee and employer contributions are deposited. The Company performs a monthly reconciliation to ensure compliance with the obligations assumed under the plan and is currently able to cover 100% of such obligations in accordance with the established statutes.

The coverage estimate is based on a comparison between the assets accumulated with the administrator and the outstanding contribution commitments, with the difference recorded as a liability. In the event of an employee's departure, the acquired rights are delivered along with their savings and generated interest, in accordance with the plan's conditions.

This approach ensures the financial strength of the scheme and guarantees the fulfillment of obligations in the short, medium, and long term, without the need to implement contingency strategies for future coverage.

Training

GRI: 3-3, 404-1, 404-2, 404-3

Each year, we provide our employees with the necessary resources to develop the skills and competencies that enable them to perform their duties efficiently while preparing to take on future responsibilities within the Company. We are convinced that continuous training not only ensures optimal and safe performance but also fosters innovation and improves the quality of our services.

	2022	2023	2024	Var.% 2024 vs. 2023
Trained employees	27,250	38,137	39,339	3.2%
Training hours	598,802	786,639	798,337	1.5%
Average training hours per employee	22.0	20.6	20.3	-1.6%
Total courses delivered	159	141	205	45.4%

Training provided during	Men	Women
Executive Management	11	1
General Management	332	109
Coordination	163	139
Management	540	190
Supervision	2,095	807
Administrative	1,749	1,208
Operator	22,111	9,831
Support	33	20

Our course catalog covers key topics for the development of daily activities within the Company. In the commercial area, we offer specialized training such as Sales Digitalization, Dimme7 Update, Mega Móvil Management and Support, and the Reclassification Program, among others. In the area of customer service, we provide training on topics such as Xview+ Certification, Revenue Process, and Use and Safeguarding of Payment Terminals.

Additionally, we offer essential institutional courses, such as the Code of Ethics, Personal Data Protection, Access Control to Facilities, and Information Security.

As part of our development programs, we provide our workforce with various opportunities to strengthen their skills and advance their professional growth. These programs include one-on-one coaching, designed to offer personalized support in developing specific competencies, as well as educational scholarships, which cover a wide range of options such as courses, certifications, workshops, master's degrees, and specializations, with the aim of supporting our employees' continuous learning.

During 2024, a total of 2,083 scholarships were granted to employees. The number of beneficiaries by type of scholarship is detailed below.

Type of scholarship	Employees
Course	1,558
High school	341
Diploma program	125
Certification	30
Coaching	27
Workshop	2
Total	**2,083**

A notable example of these efforts was the 2024 High School Program graduation, held on January 30, 2025, which marked a milestone with **156 employees completing their studies nationwide.** This achievement reflects the effectiveness of our initiatives to promote education as a driver of professional development.

[7] By its Spanish acronym, Dispositivo Inteligente Móvil Megacable.

Performance Analysis

Each year, we evaluate the performance of our workforce. It is important to note that only employees who meet the minimum required seniority of one year and are not union members are considered for this review process.

During 2024, this process was carried out **for 2,127 employees**

Job category	Women	Men
Executive Management	1	11
General Management	82	274
Administrative	764	995
Total	847	1,280

Evaluation Process

Our performance evaluation process provides a comprehensive view of each of our employees, as their performance is assessed not only by their direct supervisor but also by their subordinates and peers. This approach allows us to identify areas for improvement and properly monitor potential candidates for promotions. The process is divided into the following stages:

1. Identify participants based on the minimum required seniority.
2. Develop the evaluation matrices by the Human Resources team, selecting the roles of evaluators and verifying that reporting lines are correct.
3. Review the matrices and apply any necessary adjustments.
4. Launch the process, ensuring the assigned period for completion is 15 calendar days.
5. Conclude the process and analyze the results obtained.
6. Present the results to the Executive Management and Deputy Executive Management.
7. Follow up with employees who received low scores to define improvement actions.

Occupational Health and Safety Management System

GRI: 3-3, 403-1, 403-2, 403-3, 403-4, 403-5, 403-6, 403-8, 403-9

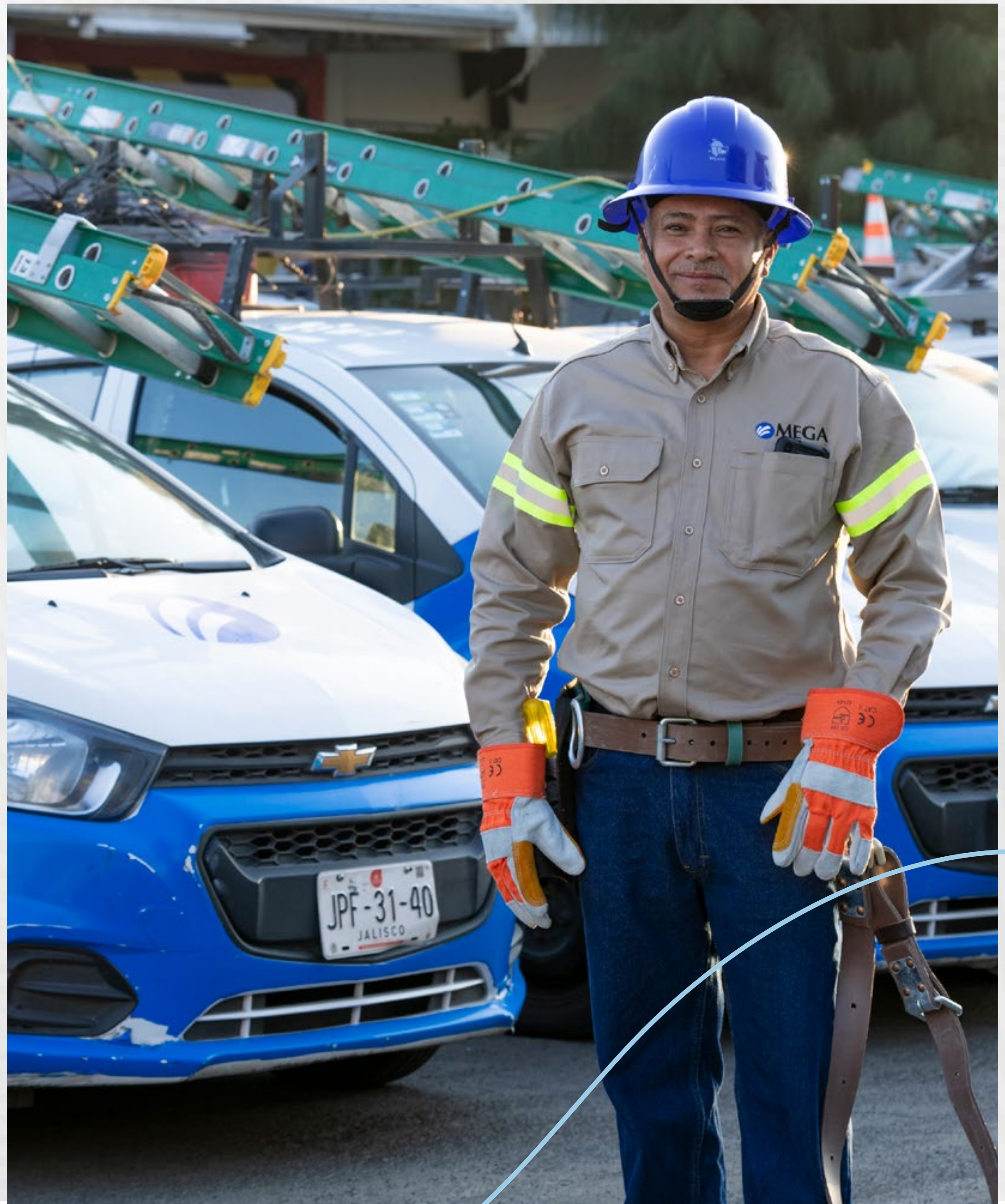
At Megacable, one of our main objectives is to ensure a safe and healthy work environment. To achieve this, we have implemented a nationwide occupational health and safety management system that covers 100% of our employees, both temporary and permanent, as well as employees from external companies providing services at our facilities.

Our system complies with NOM-030-STPS-2009 and is aligned with the regulations established by the Ministry of Labor and Social Welfare (STPS), the Mexican Social Security Institute (IMSS), and Civil Protection.

SYSTEM COMPONENTS

- Internal Civil Protection programs aimed at ensuring the safety of all employees in emergency situations.
- Periodic health and safety training designed to keep our team up to date on best preventive practices.
- Safety and Hygiene Committee inspections to assess working conditions and ensure compliance with safety standards.
- Occupational risk analyses focused on identifying and mitigating potential hazards in the workplace.
- Health campaigns and fairs that promote overall well-being and encourage healthy habits among employees.
- Vaccination programs focused on protecting our workforce against preventable diseases.
- Periodic medical check-ups to provide comprehensive health monitoring for our employees.
- Incident prevention program, which includes proper use of personal protective equipment and clear procedures for accident investigation.

We have an occupational health and safety management system designed to ensure a safe and healthy work environment for all our employees and providers.



Workplace Risks

We have formally established a procedure for identifying and managing occupational risks in our operational activities. This approach allows us to prevent potential workplace accidents that could endanger the integrity of our employees within our work centers and during field activities.

The process for identifying and managing occupational risks covers the following aspects:

Collaboration with external providers **specialized in safety.**

Periodic walkthroughs conducted by the Environmental, Health, and Safety Coordination.

Risk assessments conducted annually and quarterly.

Compliance with the following regulations:
NOM-09-STPS
NOM-05-STPS
NOM-02-STPS
NOM-04-STPS
NOM-017-STPS
NOM-029-STPS

The Safety and Hygiene Committee composed of the Safety and Hygiene Coordinator and the Occupational Physician, is responsible for overseeing the Occupational Health and Safety Management System in our Company. Among its main duties are the identification of hazards, risks, and unsafe acts in the workplace; the formulation of recommendations to prevent accidents and improve safety conditions; and the reporting of any obstruction in emergency equipment. The committee is also in charge of ensuring compliance with applicable regulations and of developing institutional policies, guidelines, and standards related to occupational health and safety.

Within the structure designed to safeguard the integrity of our operations, multifunctional brigades play a key role in safety and emergency prevention at our work centers. Composed of employees from various departments and systems, these brigades receive specialized training to intervene in crisis situations such as fires, evacuations, and first aid. Their training enables them to act as first responders, providing support in mitigating and managing emergencies, thus contributing to maintaining a safe and secure work environment for all.

WORKPLACE ACCIDENTS

Our Accident Investigation Procedure aims to ensure that any accident, occupational illness, or property damage is properly investigated and, if necessary, reported to the Ministry of Labor and Social Welfare (STPS). Corrective and preventive actions are then implemented to prevent recurrence.

Due to the nature of our activities, the most recorded workplace accidents include falls from heights, car crashes, ankle sprains, and animal bites.

During 2024, a total of 3,487 work-related accidents were recorded.

IDENTIFIED RISKS AND PREVENTIVE MEASURES

Risk	How it was determined	How it caused/contributed to the accident	Actions taken by MEGA
Irregular floors	Maintenance inspections	Unstable work surfaces	Repairs by the maintenance team
Electrocution	Walkthroughs by the Health & Safety team	Installation/maintenance of networks	Induction courses, proper PPE*
Falls from heights	Observations during work at heights	Improper use of safety equipment	Training and supervision
Run-overs	Risk assessments in transit zones	Lack of signage	Signage and safety barriers
Muscle strain	Repetitive task analysis	Repetitive movements without rest	Ergonomics and scheduled breaks
Heat stroke	Inspections of outdoor work areas	Prolonged sun exposure	Hydration and shaded break areas
Cuts	Assessment of tools and materials usage	Improper use of tools	Training and use of PPE
Vehicle collisions	Route and transport condition analysis	Driving in adverse conditions	Training in safe driving and vehicle handling
Contusions	Work area inspections	Impact with objects	Space organization and signage
Animal attacks	Observations in areas with fauna present	Unexpected encounters with animals	Protective equipment and animal-handling training

HEALTH AND SAFETY INDICATORS

	2023		2024		Var.% 2024 vs 2023	
Metric	Women	Men	Women	Men	Women	Men
Work-related accident rate	12.2%	12.3%	10.1%	15.1%		
Number of recorded accidents	1,224	2,602	1,087	3,300	-11.2%	26.8%
Number of work-related deaths	0	2	0	5	0%	150%
Work-related death rate	0.0%	0.1%	0.0%	0.2%		
Number of accidents with serious consequences	0	3	0	12	0%	300%
Rate of accidents with serious consequences	0.0%	1.4%	0.0%	0.1%		
Number of lost days	11,200	44,800	14,758	51,452	31.8%	14.8%
Lost days rate	111	210	137	236	23.4%	12.4%
Total hours worked	25,030,287	53,189,361	23,467,080	47,707,296	-6.2%	-10.3%
Absenteeism rate	3.01%		3.91%			

* PPE = Personal Protective Equipment

Well-being and Quality of Life

We offer our employees agreements with healthcare specialists at affordable prices, including laboratories, ophthalmology clinics, optical offices, among others, as a measure to promote their well-being. In addition, we have medical offices at several of our work centers.

We ensure the confidentiality of our employees' medical records, which are shared only with the patient and are safeguarded by authorized medical personnel of the Company. We also comply with current regulations, such as NOM-04-SSA3 and the General Data Protection Law, ensuring the proper handling and protection of personal information.

A total of 21 visits were conducted by medical personnel from the PrevenIMSS program, benefiting **2,461 employees with preventive healthcare services at our work centers.** Additionally, we organized blood donation campaigns at various Company sites.

Below is the breakdown of participants in the blood donation campaigns, by region:

Region	Total registrations	Successful donations
Corporate	35	15
MetroCarrier	26	11
Toluca	107	78
Guadalajara	28	19
Total	**194**	**123**

Health and Safety Participation and Communication

To ensure that our employees are properly informed and trained in occupational health and safety, we use various communication channels:

Ongoing digital training
Through our UNIMEGA training platform, we offer courses related to workplace safety. These courses give our employees the opportunity to acquire and update their knowledge in a convenient and accessible manner.

Organizational communications
We send periodic emails to keep our employees informed about key occupational health and safety topics, providing updates, reminders, and relevant tips.

Communication boards
We install communication boards in strategic areas within our work centers, where essential information on occupational health and safety is displayed, including emergency procedures and safety recommendations.

On-site training
We deliver on-site training sessions aimed at technical teams or other key employees, with a focus on correct job performance and accident prevention.

Health and Safety Training

At Megacable, we provide training with the aim of mitigating safety risks and ensuring the well-being of our employees. The topics covered include the following:

- Onboarding training
- Use of fire extinguishers
- Disability management
- Asset security policy
- Road safety
- Work at heights
- Emergency brigades

During 2024, a total of **110,723 hours of safety** training were provided to employees.

CONNECTING WITH COMMUNITIES

GRI: 3-3, 203-1, 203-2, 413-1

Within the Company, our goal goes beyond delivering top-quality services; we also strive to generate a positive impact in the communities where we operate. As a Socially Responsible Company, we are committed to engaging with our surroundings to improve the quality of life of residents.

As part of our social contribution initiatives, we facilitate access to connectivity free of charge or at preferential rates for organizations with a social and educational focus, aiming to strengthen their efforts in service of the community.

During 2024, Megacable supported 160 non-profit organizations, civil associations, and schools by providing them with free and preferential-rate internet connectivity.

Community Participation

We focus on supporting key social causes that directly impact the well-being of our communities, such as education, health, nutrition, animal care, environmental protection, and the development of municipal public infrastructure. Additionally, as a reflection of this commitment, we allocate resources to promote projects that help improve living conditions in the regions where we operate.

During 2024, we allocated Ps. $6,489,219 to charitable causes.

We also uphold our commitment to community engagement through various social responsibility initiatives, strengthening strategic partnerships with organizations that share our vision of generating positive and sustainable change.

During the year, we carried out the “Adopt a Tree” campaign, aimed at contributing to environmental protection. As part of this initiative, we distributed a total of 2,508 trees to employees at our corporate offices and Guadalajara-area systems, as well as to citizens interested in joining the cause.

As a reflection of our continued efforts with our stakeholders, in 2024 we received the ESR (Socially Responsible Company) Distinction for the fourth consecutive year. This recognition is awarded to companies in Mexico that demonstrate a strong commitment to corporate social responsibility. Maintaining this distinction reaffirms our commitment to a sustainable business model and to generating efficient value.

ESR Empresa Socialmente Responsable

Commitment to Inclusion and Accessibility

Aligned with our commitment to inclusion, we have Comprehensive Service Centers (CIS) that are accessible to individuals with disabilities. These spaces have been adapted to ensure a comfortable and equitable experience for all our customers. As of the end of 2024, we operated 166 CIS nationwide with special accessibility features, including access ramps, which facilitate service delivery to our clients. We believe in the importance of removing barriers and promoting accessibility and inclusion, ensuring that every person can manage their services easily and without limitations.

Additionally, we have optimized our payment system to ensure that all users, regardless of their location, can complete their transactions with ease. In addition to traditional methods, we have incorporated new payment options through convenience stores, shopping centers, and electronic platforms, expanding the available alternatives and offering greater convenience and flexibility to our subscribers. With these improvements, we facilitate access to our services and ensure an efficient and accessible payment experience for all users.

CONNECTING WITH THE ENVIRONMENT

Energy

GRI: 3-3, 302-1, 302-3, 302-4, 302-5

At Megacable, energy efficiency is a fundamental pillar of our sustainability strategy. For this reason, we promote actions aimed at improving energy performance, reducing consumption intensity, and strengthening the resilience of our operations in the face of climate change challenges.

Our energy consumption comes from various supply sources, allowing us to ensure both efficiency and continuity in our activities. We use gasoline, natural gas, and diesel primarily to operate our vehicle fleet, which is used for maintenance of the distribution network, as well as for providing maintenance, installation, and direct sales services in our subscribers' homes. Electricity, in turn, powers the operation of offices, work centers, essential equipment, and the distribution network.

Energy Sources

Year	GASOLINE	DIESEL	NATURAL GAS[8]	ELECTRICITY
2022	483,340.5 GJ	7,762.9 GJ		728,990.1 GJ
2023	622,380.2 GJ	13,035.6 GJ	1.3 GJ	577,691.8 GJ
2024	643,050.7 GJ	14,972.0 GJ	1.3 GJ	588,004.8 GJ

[8] Natural gas consumption for 2022 is excluded, as this resource was not measured during that year.

Energy Consumption

During 2024, total energy consumption reached 1,246,028.6 GJ, reflecting a 2.7% increase compared to the 1,213,108.9 GJ reported at the end of 2023. This increase is mainly due to the expansion of the data universe considered in our electricity consumption measurement, the increased use of our vehicle fleet, and the inclusion of diesel consumption in power generators for the Data Center. These actions reflect our commitment to enhancing the accuracy of our energy performance monitoring.

Throughout the year, we continued the main projects related to network infrastructure: the Evolution and Expansion of our network.

As part of the Evolution project, since 2020 we have migrated more than 40,000 kilometers of HFC technology to FTTH. This transition eliminates the need for intermediate power sources to energize the network, allowing us to optimize electricity consumption and reduce the carbon footprint associated with its operation.

Meanwhile, the Expansion project has enabled us to continue growing our presence nationwide, with the construction of more than 34,000 additional kilometers of fiber network. This has helped extend connectivity to more Mexican families through cutting-edge technology.

Thanks to both initiatives, by the end of 2024, 75% of our subscriber base was already receiving their service through fiber optic technology.

In addition, we achieved a 21.7% reduction in energy consumption associated with the use of power sources compared to 2023.

Regarding mobility, we continued modernizing our vehicle fleet. By the end of the year, we had 69 units operating on natural gas, a more efficient alternative with lower greenhouse gas emissions.

As part of our strategy to diversify energy sources, in 2024 we began obtaining operational results from our solar generation projects installed in cities such as Toluca, Guasave, Puebla, León, and San Cristóbal de las Casas.

During 2024, a total of 4,047.0 GJ were generated through our solar generation projects.

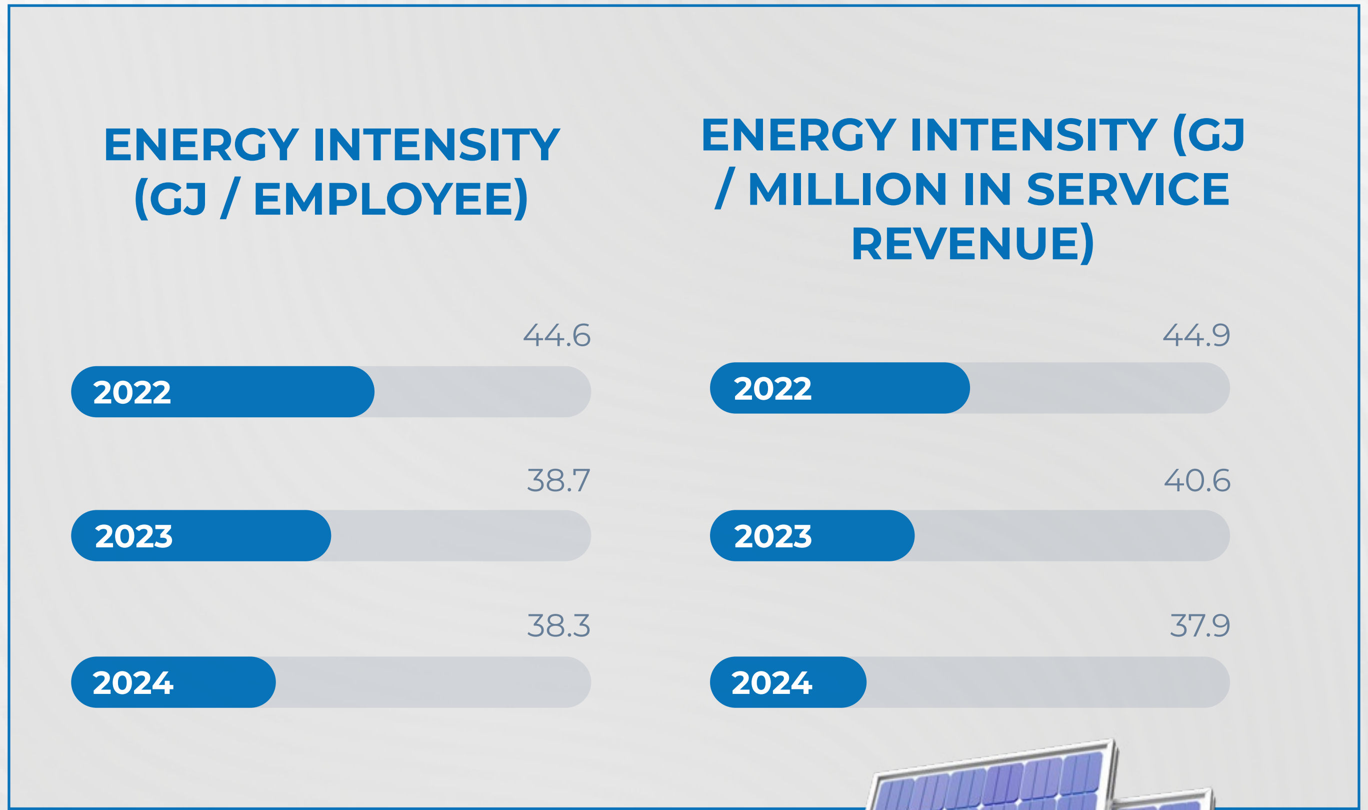
For 2025, this project will be implemented in additional cities, and we therefore expect a greater impact in the coming periods.

We also continued the transition of several work centers to the Qualified User model, which began in 2023.

This model has allowed **us to supply 87,642.3 GJ** through providers with a lower emission factor compared to the Federal Electricity Commission.

To date, the project is operational in cities such as León, Puebla, Hermosillo, Mazatlán, Querétaro, and Guadalajara.

Finally, as part of our sustainability strategy, we continuously monitor the energy intensity of our operations. Despite the accelerated growth in recent years, we have prioritized the efficient use of our resources. Indicators such as energy intensity per operating unit demonstrate our ability to grow responsibly, driving a more efficient and environmentally conscious performance.



Water Resources

GRI: 3-3, 303-1, 303-3, 303-4, 303-5

Given the increasing water stress that Mexico is facing, we have taken on the responsibility of managing water use efficiently and consciously. Our commitment is reflected in the implementation of strategies aimed at optimizing consumption and reducing water waste. Aware of the challenges associated with drought and water availability, we continuously work to strengthen our water resilience through actions that promote a more responsible use of this shared resource.

Continuous monitoring

We continuously monitor water consumption at our work centers through consumption logs based on the water bills from each location. This practice allows us to identify usage patterns, detect optimization opportunities, and implement measures to reduce consumption whenever possible.

Water-saving technologies

We have implemented efficient solutions for our water use, such as low-flow toilets installed in CIS locations and offices. These technologies help minimize water extraction and waste, contributing to a more responsible use of the resource.

Water storage systems

We also have infrastructure for water storage at our facilities. Since our primary source of water supply comes from the municipal network, this measure ensures continuous availability, especially in cases of interruptions or supply shortages.

TOTAL MEGALITERS OF WATER WITHDRAWN

2022	472.5 ML
2023	548.7 ML
2024	497.4 ML

TOTAL MEGALITERS OF WATER WITHDRAWN IN WATER-STRESSED AREAS

2022	326.9 ML
2023	293.7 ML
2024	396.3 ML

Water Discharge

Within the Company, we are aware that water discharge can impact water quality and aquatic ecosystems. Therefore, we implement strategies to reduce our discharge into the municipal drainage system, promoting water reuse in activities that do not require potable water, such as irrigation and cooling of our servers.

TOTAL MEGALITERS OF WATER DISCHARGED

2022	425.2 ML
2023	493.8 ML
2024	447.7 ML

TOTAL MEGALITERS OF WATER DISCHARGED IN WATER-STRESSED AREAS

2022	294.2 ML
2023	264.3 ML
2024	356.7 ML

Greenhouse Gas Emissions

GRI: 3-3, 305-1,305-2, 305-4, 305-5

As a telecommunications Company, we align our operations with climate action, fully aware of the role we play in the current national context. We recognize that measurable contributions are essential to assess the progress of our sustainability strategy.

Through the measurement of our carbon footprint, we implement initiatives that guide our operations toward progressive decarbonization. Our main environmental impact comes from electricity consumption, both in our work centers and in network operations.

In line with international best practices, we began evaluating Scope 3 emissions at the end of the year. Although these indirect emissions are not yet included in our consolidated carbon footprint, we are strengthening our technical capabilities to move toward more accurate and comprehensive measurement.

Our commitment is to progressively expand the scope of our measurement to provide a comprehensive view of our impact and reinforce our climate action efforts.

Carbon Footprint - Tons of CO_2 equivalent

	2022	2023	2024
Scope 2	88,086.3	70,285.8	70,268.6
Scope 1	35,442.6	46,207.0	47,513.9
Total	123,528.9	116,492.8	117,782.5

Scope 1 Emissions

2022	2023	2024
Fuels from mobile sources (Gasoline and Diesel)	Fuels from mobile sources (Gasoline, Natural Gas, and Diesel) Refrigerant gases (R-22 and R 410-A)	Fuels from mobile sources (Gasoline, Natural Gas, and Diesel) Diesel for Data Center power generators Refrigerant Gases (R 410-A)

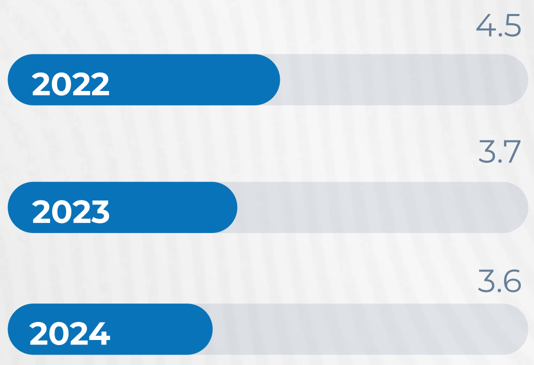
Scope 2 Emissions

2022	2023	2024
Energy supplied by CFE	Energy supplied by CFE	Energy supplied by CFE Energy supplied under the Qualified User model Energy generated by solar panels

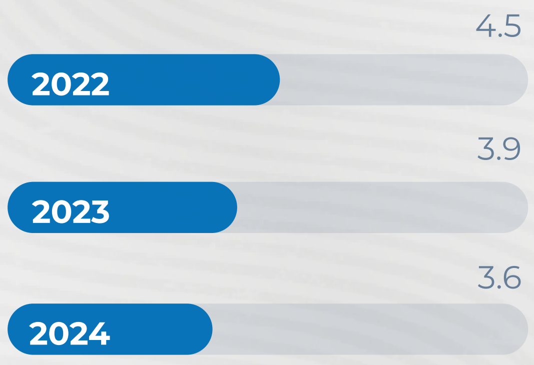
During 2024, GHG emissions remained virtually at the same levels as in 2023. This is the result of the expanded scope of our energy analysis, incorporating more work centers, as well as the sustained growth of our operations with a stronger commitment to energy efficiency.

As evidence of the results of our climate action sustainability strategy, we continuously monitor the intensity of our carbon emissions. Over the past three years, we have achieved greater efficiency in our emissions per operating unit.

EMISSIONS INTENSITY RATIO (t CO_2e/EMPLOYEE)



EMISSIONS INTENSITY (t CO_2e/ MILLION IN SERVICE REVENUE)



To ensure accurate and reliable measurement of our emissions, we apply internationally recognized methodologies, such as the Greenhouse Gas Protocol (GHG Protocol) and the ISO 14064 standard. In addition, we use emission factors, calorific values, and global warming potentials established by SEMARNAT's National Emissions Registry, the emission factor of the National Electric System, and that of our provider under the Qualified User model.

Our analysis includes the measurement of the main greenhouse gases, allowing us to obtain a detailed calculation aligned with best practices in climate management:

- **Carbon dioxide (CO_2)**
- **Methane (CH_4)**
- **Nitrous oxide (N_2O)**

Waste Management

GRI: 3-3, 306-1, 306-2, 306-3, 306-4

As a Company with nationwide presence, we recognize the importance of responsible waste management across our operations. To this end, we have an internal documentation framework aligned with current national legislation, which establishes guidelines for the proper handling of waste. This framework also extends its criteria to waste collection and treatment service providers, promoting practices aligned with responsible management and regulatory compliance throughout our value chain.

Waste Classification and Their Potential Impacts

ELECTRONIC WASTE

These include set-top boxes and other subscriber electronic devices, which are essential for the delivery of our services. These types of waste have significant residual value, as they contain materials such as gold, copper, and aluminum, whose recovery helps reduce the need for extraction of scarce natural resources.

CABLE WASTE

As part of the Network Evolution project, we oversee the dismantling of HFC cabling. In partnership with organizations such as CANIETI, we prioritize actions aimed at improving the urban environment and mitigating associated risks, such as accidents in public areas.

OFFICE WASTE

These include materials such as paper and batteries used in our daily operations, among others.

Waste Treatment

Waste management represents an opportunity to generate value through operational efficiency and the responsible use of resources. The Administration and Human Resources departments work together to oversee and optimize this process. Through this collaboration, we use the means at our disposal to comply with applicable environmental regulations. Additionally, we promote a culture of environmental responsibility among our employees through training programs and ongoing internal communication.

In 2024, **we provided 8,350 hours** of training on environmental care topics.

Recycling is one of our main strategies to minimize our environmental footprint. Electronic equipment that reaches the end of its useful life is sent to specialized companies that ensure its safe treatment, allowing for the recovery of valuable materials that can be reintegrated into new production processes.

During 2024, we recycled a total of 2,584.0 tons of waste, distributed as follows according to their composition:

WASTE GENERATED AND RECYCLED FROM SUBSCRIBER EQUIPMENT	WASTE GENERATED AND RECYCLED FROM OUR OPERATIONS			
Electronics 629.1 tons	**Paper** 0.6 tons	**Alkaline batteries** 0.1 tons	**Coaxial cable*** 977.1 tons	**Steel*** 977.1 tons

*Derived from the dismantling of the HFC network

At our corporate offices, we have implemented various initiatives to promote recycling and reduce waste generation. One of the highlights is the "Life Without Plastic" campaign, aimed at raising awareness among employees and visitors about reducing the use of single-use plastics and promoting more environmentally friendly alternatives.

We also continue to advance the transition toward a paperless model in our offices and work centers, which has significantly reduced paper consumption. As of today, a portion of new subscriber contracts are formalized through our digital tool DIMME, eliminating the need for paper throughout the process. Additionally, we have installed special containers for collecting PET, bottle caps, and batteries used in electronic equipment, encouraging accessible recycling practices for our staff.

These initiatives reaffirm our commitment to sustainability by implementing responsible operational practices focused on reducing our environmental impact and contributing to environmental protection.

CONNECTING ETHICALLY

Board of Directors

GRI: 2-9, 2-10, 2-11, 2-12, 2-13, 2-17, 2-19, 2-23, 3-3, 405-1

At Megacable we have a solid and effective corporate governance structure designed to ensure responsible and transparent decision-making that is aligned with the long-term objectives of our stakeholders. This structure allows us to strengthen trust in the Company's management and ensure an ethical and sustainable conduct in our operations.

Our Board of Directors plays a fundamental role in oversight and strategic direction. Among its main functions are the approval and updating of the Company's mission, vision and values, as well as the definition of strategies, policies and goals related to sustainable development. This body is responsible for validating that the proposed strategies are aligned with corporate objectives and guarantee long-term economic and operational viability. It is also the body in charge of defining the succession path for Executive Management, ensuring the continuity of business leadership.

Megacable's Board of Directors is currently composed of twelve members, who are elected and/or ratified annually at the General Shareholders' Meeting. Of these, four are independent directors, selected for their experience, integrity and professional background, and subject to the approval of the National Banking and Securities Commission (CNBV).

In accordance with the Company's bylaws, any shareholder owning at least 10% of the capital stock has the right to appoint a member of the Board of Directors. Votes cast to exercise this right are excluded from the appointment process of the other directors. Furthermore, in compliance with current regulations, all directors are required to disclose to the Board any situation that could represent a conflict of interest.

In addition, we have Audit and Corporate Practices Committees, composed of three independent members of the Board of Directors, which strengthens the independence, objectivity and oversight of key decisions.

Another aspect considered in Megacable's corporate governance framework is the remuneration policy for the Board of Directors. In this regard, during 2024, at the Annual Ordinary Shareholders' Meeting **it was agreed not to grant emoluments to the members of the Board of Directors,** the Secretary or the members of the Audit and Corporate Practices Committees.

Name	Position on the Board of Directors	Initial Appointment Year	Mandates	Fields of Experience
Francisco Javier R. Bours Castelo (72 years old)	Chairman of the Board of Directors	2005	Mr. Francisco Javier R. Bours Castelo holds a Bachelor's degree in civil engineering from ITESM. Currently Chairman of the Board of Industrias Bachoco, S.A. de C.V., Centro de Servicios Empresariales del Noroeste, S.A. de C.V., Inmobiliaria Trento S.A. de C.V., Agriexport S.A. de C.V., Acuicola Boca S.A. de C.V., member of the Board of Directors at Rassini, S.A.P.I. de C.V., and member of the Board of Directors at Taxis Aéreos del Noreste, S.A. de C.V. Mr. Bours is the brother of José Gerardo Bours Castelo and cousin of Jesús Enrique Robinson Bours Muñoz, Arturo Bours Griffith, and Juan Salvador Robinson Bours Martínez.	Industrial sector, Communication Services, Real Estate, Basic Consumer Products and Finance
Enrique Yamuni Robles (69 years old)	CEO and Director	2005	Mr. Enrique Yamuni Robles holds a Bachelor's degree in communication sciences from ITESM. He joined Megacable in 1982 as CEO. He's currently a member of the Board of Directors of the Company. Former Chairman of CANITEC from 1997 to 1999, of the CANIETI until March 2025 and currently serves as the Chairman of PCTV.	Finance and Communication Services
Manuel Urquijo Beltrán (69 years old)	Director and Secretary of the Board of Directors	2005	Mr. Manuel Urquijo Beltrán studied accounting at Universidad Autónoma de Sinaloa. In addition, he is consultant and investor in real estate. He holds an equity stake in Rancho Agua Fría, S.A. de C.V. and Organización Empresarial de Alimentos, S.A. de C.V.	Real Estate
Sergio Jesús Mazón Rubio (71 years old)	Director	2005	Mr. Sergio Jesús Mazón Rubio holds a Bachelor's degree in industrial and systems engineering from ITESM, and a Master's degree in Finance from University of Arizona. He currently serves as Chairman of the Board of Directors at Mazón Corporativo S.A. de C.V., Dynatech, S.A. de C.V. and Ocean Garden Products Inc.	Industrial sector, Finance and Consumer Discretionary
Jesús Enrique Robinson Bours Muñiz (74 years old)	Director	2006	Mr. Jesús Enrique Robinson Bours Muñoz is an engineer graduated from the University of Arizona. He has been a member of the Board of Directors of Industrias Bachoco, S.A.B. de C.V., where he served as Director of Production and Divisional Manager. Currently, he is a Member of the Board of Directors at Rassini, S.A. de C.V., and a Member of the Board of Industrias Bachoco, S.A.B. de C.V. Mr. Jesús Enrique Robinson Bours Muñoz is the cousin of Francisco Javier R. Bours Castelo, José Gerardo Robinson Bours Castelo, Arturo Bours Griffith and Juan Salvador Robinson Bours Martínez.	Materials, Industrial sector, Communication Services and Basic Consumer Products
Juan Salvador Robinson Bours Martínez (60 years old)	Director	2006	Mr. Juan Salvador Robinson Bours Martínez is an industrial engineer graduated from ITESM. He currently serves as Vice President and Chief Executive Officer of Llantas y Accesorios, S.A. de C.V., and is a member of the Board of Directors at Agrícola Santa Veneranda, S.A. de C.V., Control Administrativo del Noroeste, S.A. de C.V., Fincas Urbanas de Cajeme, S.A. de C.V., Edificio Campestre, S.A. de C.V., and Industrias Bachoco, S.A.B. de C.V., among others. Mr. Juan Salvador Robinson Bours Martínez is the cousin of Francisco Javier R. Bours Castelo, Jesús Enrique Robinson Bours Muñoz, Arturo Bours Griffith, and José Gerardo Robinson Bours Castelo.	Industrial sector, Consumer Discretionary, Real Estate and Basic Consumer Products
Arturo Robinson Bours Griffith (70 years old)	Director	2006	Mr. Arturo Bours Griffith holds a degree in business administration from the University of Arizona. He currently serves as Chairman of Qualyplast, S.A. de C.V., member of the Board of Directors at Industrias Bachoco, S.A.B. de C.V., member of the Board of Directors at Centro de Servicios Empresariales del Noroeste, S.A. de C.V., member of the Board of Directors of Vimison, S.A. de C.V. member of the Board of Directors of Taxis Aéreos del Noroeste S.A. de C.V. and RASSINI S.A.P.I. de C.V. Mr. Arturo Bours Griffith is the cousin of Francisco Javier R. Bours Castelo, José Gerardo Robinson Bours Castelo, Jesús Enrique Robinson Bours Muñoz and Juan Salvador Robinson Bours Martínez.	Industrial sector, Communications Services, Basic Consumer Products and Finance
José Gerardo Robinson Bours Castelo (67 years old)	Director	2007	Mr. José Gerardo Robinson Bours Castelo holds a Bachelor's degree in computer systems engineering from ITESM. He currently serves as Chief Executive Officer of Fertilizantes Tepeyac, S.A. de C.V., Productora de Fertilizantes del Norte, S.A. de C.V., Camiones y Tractocamiones de Sonora, S.A. de C.V., member of the Board of Directors at Industrias Bachoco S.A. de C.V., and of the Board of Directors of Insecticidas del Pacífico, S.A.B. de C.V. Likewise, Mr. José Gerardo Robinson Bours Castelo is a member of the Board of Directors at Industrias Bachoco, S.A. de C.V. and Insecticidas del Pacífico, S.A.B. de C.V. Mr. José Gerardo Robinson Bours Castelo is the brother of Mr. Francisco Javier R. Bours Castelo and cousin of Jesús Enrique Robinson Bours Muñoz and Arturo Bours Griffith.	Industrial sector, Communication Basic Consumer Products and Finance
Mario Laborín Gómez (73 years old)	Independent Director	2007	Mr. Mario Laborín Gómez is a Certified Public Accountant graduated from ITESM. He currently serves as Chairman of ABC Capital, Grupo Financiero, member of the Board of Directors of VITRO, Cydsa, Xignux, Seguros AXA, and Banco de México.	Finance, Industrial sector and Basic Consumer Products
Nicolás Olea Osuna (71 years old)	Independent Director	2007	Mr. Nicolás Olea Osuna holds a Law degree from the University of Sonora in Hermosillo. He has over 40 years of professional experience in corporate legal counseling and in civil, commercial, and administrative litigation.	Other (Consultancy)
Claudia Margarita Félix Sandoval (54 years old)	Independent Director	2021	Dr. Claudia Margarita Félix Sandoval is Vice President of the Midwest Region of Tecnológico de Monterrey. She holds a Bachelor's degree in business administration, a Master's degree in marketing, a Master's degree in administration from Tecnológico de Monterrey, and a PhD in entrepreneurship and business management from the Universidad Autónoma de Barcelona, and has experience as a consultant, manager and director in the corporate sector. In addition to her contribution in the field of teaching, where she has held various positions and responsibilities at the Instituto Tecnológico de Monterrey, she has published several scientific publications and has given classes and lectures on topics such as leadership, equity and organizational culture.	Finance and Other (Education)
Enrique Ramón Coppel Luken (78 years old)	Independent Director	2021	Mr. Enrique Ramón Coppel Luken holds a degree in business administration from ITESM. He has primarily served in executive positions across various companies, most notably as a partner of Grupo Coppel, S.A. de C.V., where he held roles such as Chief Executive Officer and Chairman of BanCoppel, Afore Coppel, Coppel Argentina, and Coppel Brazil, leading the company's transformation.	Finance and Consumer Discretionary

Average Seniority
16.6 YEARS

Age Ranges					
70-80 YEARS	7	60-70 YEARS	4	50-60 YEARS	1

The Board of Directors meets quarterly to evaluate operating results, follow up on strategic projects, monitor financial performance, analyze risk management and verify regulatory compliance, as well as to define and review the Company's strategic direction.

These meetings are a key mechanism for ensuring effective governance, allowing our Board of Directors to maintain a clear vision of Megacable's performance and ensure that corporate decisions are aligned with stakeholder interests.

ORDINARY SESSIONS **DURING 2024**

4
NUMBER OF SESSIONS

90%
AVERAGE ATTENDANCE

Our Board of Directors and Executive Management team are responsible for overseeing compliance with the Company's sustainability strategy, as well as authorizing any adjustments or updates to that strategy, including approval of the materiality study that underpins its approach.

To ensure the effective implementation of the sustainability strategy, the Board of Directors has delegated responsibility for addressing environmental, social and governance (ESG) issues to Executive Management and different key areas of the Company, whose roles are essential to the proper functioning of operations.

In order to maintain fluid communication between the Board of Directors and stakeholders, the Investor Relations area acts as a strategic intermediary between the Company and the market in general. This team is responsible for collecting, analyzing and channeling the concerns of interested parties, ensuring transparent processes that allow timely response to their requests for information.

It also proactively manages the concerns raised by the different stakeholders, ensuring clear and effective communication. When an issue requires further attention, it is escalated to Executive Management for analysis and resolution. In those cases where the issue is of significant importance, particularly to shareholders, meetings are coordinated with the Board of Directors, in order to foster dialogue, strengthen transparency and provide an appropriate resolution for both parties.

Committees

Strategic Committee

Corporate social responsibility is managed in an integrated manner, with the objective of complying with the highest environmental, social and governance (ESG) standards. To this end, we have specialized internal committees that oversee and promote key initiatives in these areas. In addition, our management team is composed of experienced leaders who are responsible for the strategic management of the business and the fulfillment of our objectives.

Enrique Yamuni Robles *Chief Executive Officer*	**Theojary Pacheco** *Chief Technical Officer*
Raymundo Fernández Pendones *Deputy Chief Executive Officer*	**Luis Campos** *Chief Customer Service Officer*
Luis Antonio Zetter Zermeño *Chief Administration and Finance Officer*	**Ramón Olivares** *Legal Manager*
Manuel Navarro Navarrete *Chief Human Resources Officer*	**Gerardo Seiffert** *Chief Marketing Officer*
Jesús Rivera *Quality Manager*	

Audit Committee

The main responsibilities of this committee include supervising the work of external auditors, reporting to the Board of Directors on the effectiveness of internal controls, monitoring related-party transactions, overseeing the activities of officers, reporting any detected irregularities, and, if necessary, requesting the preparation of reports, all with the objective of strengthening corporate governance.

Mario Laborín Gómez *Chairman*	**Nicolás Olea Osuna** *Director*	**Enrique Ramón Coppel Luken** *Director*

Corporate Practices Committee

It is responsible for providing opinions to the Board of Directors, as well as for requesting and obtaining the advice of independent third parties who are experts on the subject. It is also responsible for calling Shareholders' Meetings when necessary, supporting the Board in the preparation of the annual report and submitting periodic reports on its activities.

Nicolás Olea Osuna *Chairman*	**Mario Laborín Gómez** *Director*	**Claudia Margarita Félix Sandoval** *Director*

Ethics Committee

The Committee's main responsibility is to manage and respond to complaints received through the ESCALA confidential channel. This process involves an objective and impartial evaluation of each case to ensure that all complaints are dealt with in a fair, timely and effective manner. The Committee's functions include conducting detailed investigations into reports received, implementing corrective action where appropriate, and ongoing monitoring to ensure compliance with the ethical standards established by the Company.

Participating operational members:

- Chief Executive Officer
- Deputy Chief Executive Officer
- Chief Human Resources Officer
- Chief Administration and Finance Officer
- Chief Regional Operations Officer
- Corporate Internal Audit Manager
- General Counsel
- Cultural Transformation Leader

Sustainable Financing Committee

This Committee is responsible for the proper management of the Company's sustainable financial instruments, ensuring compliance with the international principles for sustainable financing established by the International Capital Market Association (ICMA), the Loan Market Association (LMA), the Loan Syndications and Trading Association (LSTA) and the Asia Pacific Loan Market Association (APLMA), which are integrated within MEGA's Sustainable Financing Framework.

Strategic Committee

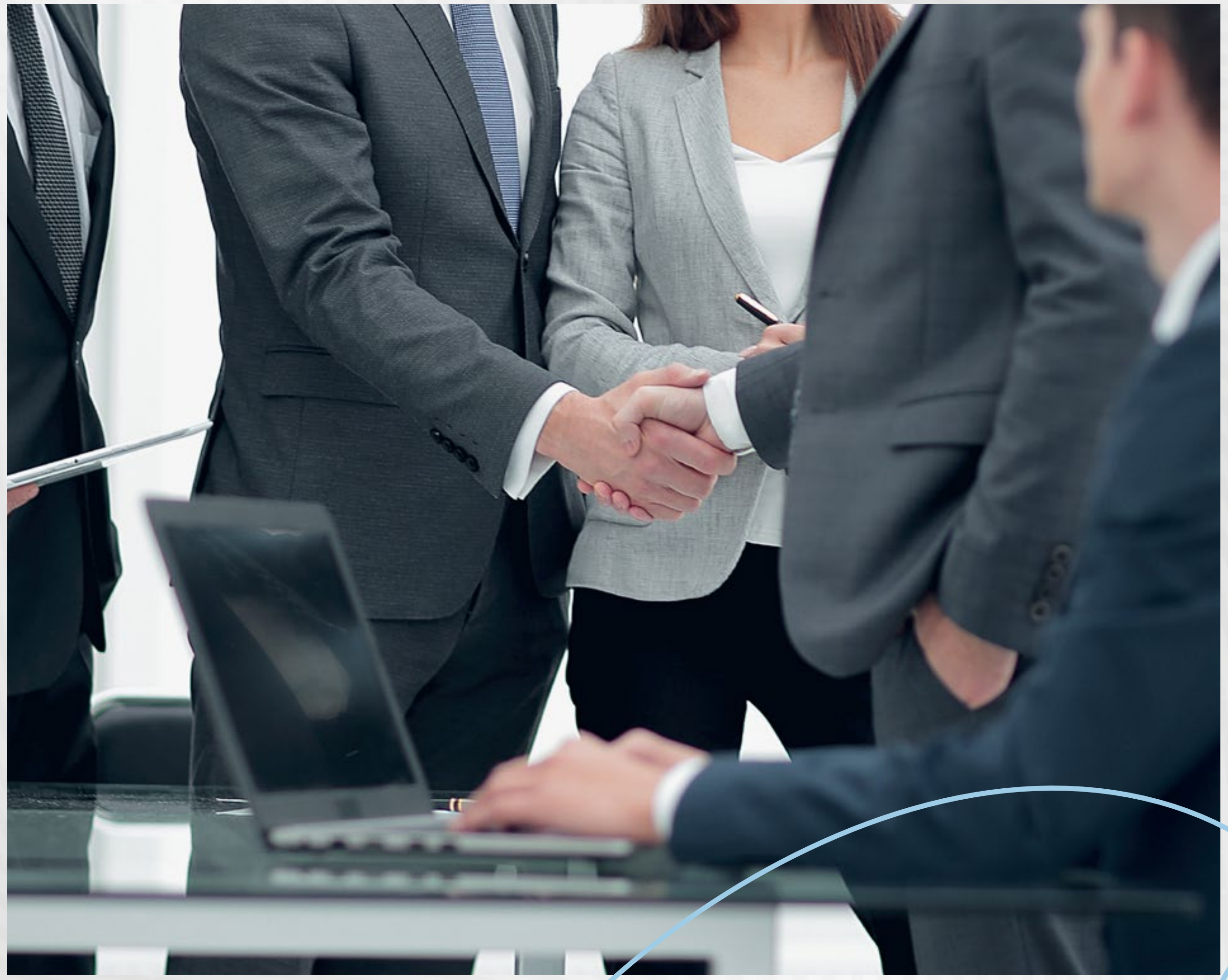
- Chief Executive Officer
- Chief Customer Service Officer
- Deputy Chief Executive Officer
- Chief Marketing Officer
- Chief Administration and Finance Officer
- Chief Technical Officer
- Chief Human Resources Officer
- Legal Manager

Operational Committee

- Investor Relations and Financial Planning Manager
- Finance Manager
- Administration Manager
- Safety, Hygiene, and Environmental Coordinator

Compliance Committee

- Project and Quality Management Manager
- Internal Auditor



Sustainability Report Preparation Process

GRI: 2-14

At Megacable, we maintain a strong commitment to delivering relevant, accurate, and timely information to our stakeholders. The preparation process of this report involves the active participation of Executive Management, ensuring the transparency and accuracy of the information disclosed.

The Board of Directors reviews the Annual Report and, if necessary, may request additional adjustments or updates, in response to emerging needs or significant changes in the Company's operations or external environment. Once this review process is completed, the Board formally approves the content of the report.

The active involvement of the Board in this process not only reinforces the integrity and reliability of the report, but also reflects the culture of corporate responsibility that characterizes the Company. By directly overseeing its preparation and presentation, the Board ensures that the Company's management remains aligned with sustainability principles and the long-term objectives of our stakeholders.

Business Ethics and Conduct

GRI: 2-15, 2-16, 2-23, 2-24, 2-26, 3-3, 205-2, 406-1, 417-1

Code of Ethics

We actively promote respect for human rights and business ethics, principles that are fundamental to maintaining the Company's trust and credibility, both in the market and among our stakeholders. Likewise, we are committed to fostering an environment of integrity, transparency, and accountability, both within and beyond our facilities, operating under the highest ethical standards and in strict adherence to our principles and values.

In 2022, we updated our Code of Ethics with the goal of reflecting the essence of our workplace culture and raising the standards of business conduct in our interactions with various stakeholder groups. We are committed to reviewing and, if necessary, updating this Code periodically, or whenever circumstances require changes, expansions, or the incorporation of new sections to strengthen its content.

The Ethics Committee is the body responsible for:

01 Establishing ethical and conduct policies and guidelines;

02 Ensuring compliance with this Code and the related policies;

03 Taking appropriate actions in response to any violations, in accordance with the internal work regulations;

04 Reviewing and, if necessary, updating the Code.

- Institutional values
- Relationship with stakeholders
- Diversity
- Conflicts of Interest
- Anticorruption
- Money laundering
- Asset protection
- Information management
- Compliance with laws and regulations
- Whistleblowing line

Diversity Policy

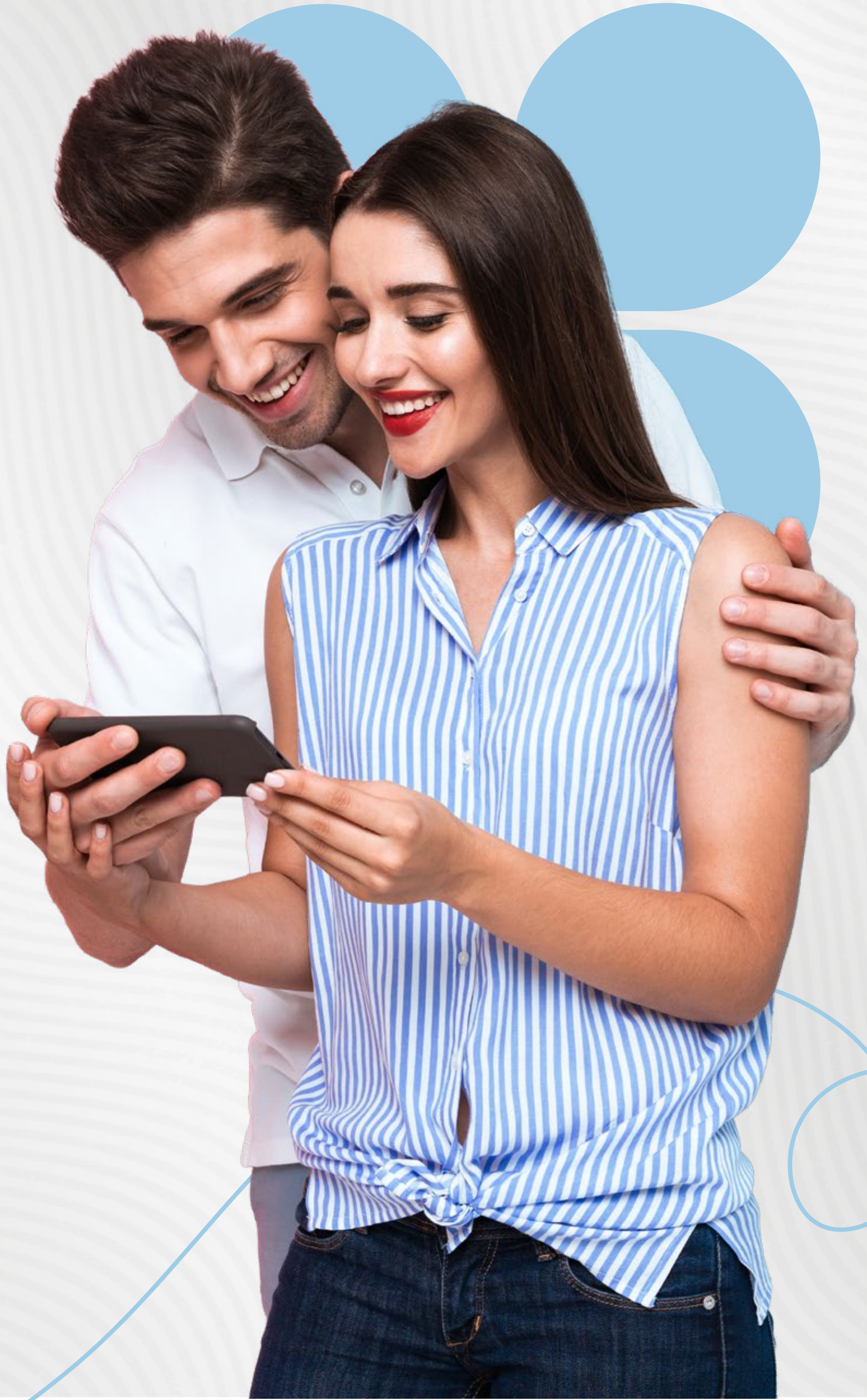
We actively promote the institutionalization of diversity and gender equality with the purpose of fostering a healthy, inclusive, and discrimination-free workplace. Within this framework, our Diversity Policy aims to ensure equal conditions and opportunities for all employees, in relation to employment, working conditions, professional development, training, and participation in decision-making processes, in accordance with the responsibilities inherent to each position.

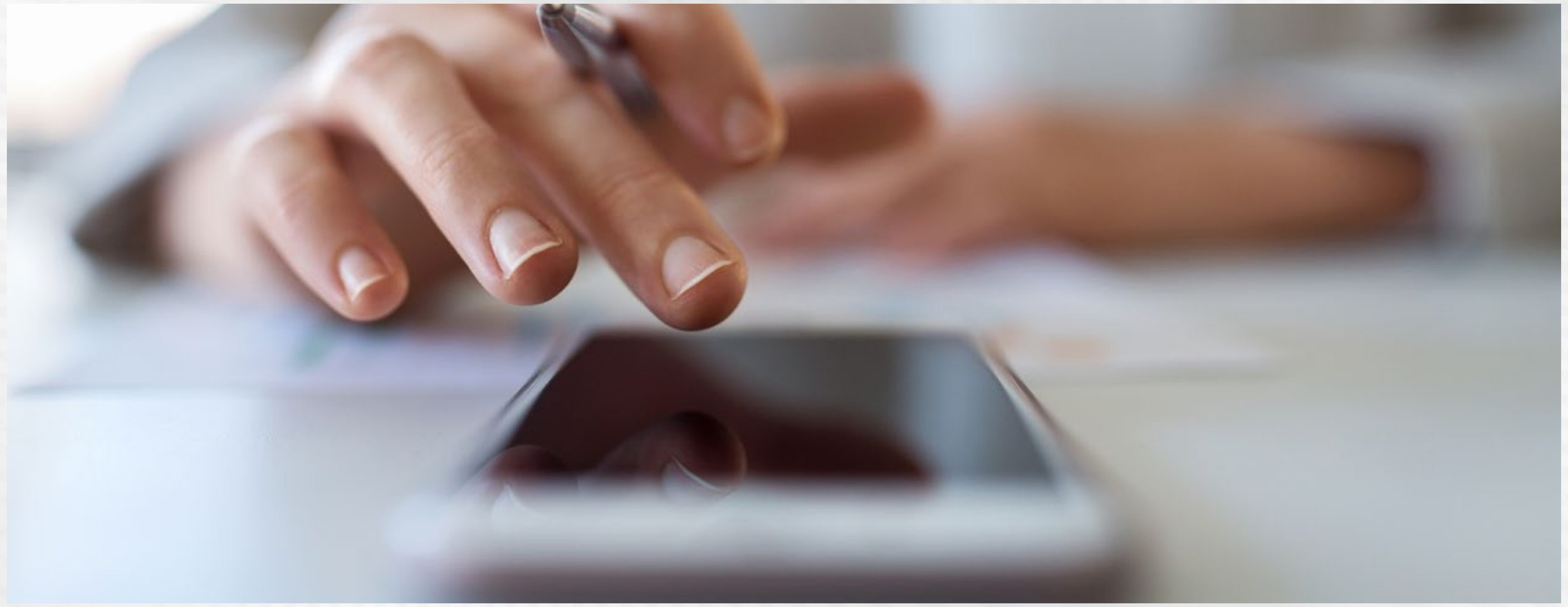
At Megacable, we are firmly committed to ensuring that selection and promotion processes are governed exclusively by criteria of merit, ability, and experience, **guaranteeing that the most qualified person for the position is the one who fills it**, without any factors unrelated to the job requirements influencing the decision.

Conflict Of Interest Policy

We are committed to maintaining ethical and transparent business relationships with suppliers and customers, avoiding any situation that could lead to financial crimes or compromise the Company's integrity. To support this, we have established a Conflict of Interest Policy, which provides the guidelines for identifying, disclosing, and managing situations that may affect objectivity or impartiality in decision-making by any employee.

This policy requires all members of the Organization to promptly disclose any situation, whether personal or professional, that could be perceived as conflicting with Megacable's interests, thereby contributing to a culture of transparency, accountability, and trust.





Anti-Corruption Policy

We reaffirm our commitment to integrity and honesty in all our operations, maintaining a zero-tolerance stance against any form of corruption.

In 2023, we updated our Anti-Corruption Policy to strengthen the guidelines governing the ethical conduct of our employees and reinforce internal prevention mechanisms within the Company.

As part of this effort, we provided training to our workforce to ensure proper understanding and effective application of the principles established in the policy. We remain committed to continuously identifying, preventing, and addressing any situation that could compromise the transparency of our activities.

In 2024, a total of **69,253 training hours** were delivered on the **Code of Ethics,** conflicts of interest, the ESCALA whistleblower channel, and the Anti-Corruption Policy, representing a 46.0% increase compared to 2023.

Whistleblowing line

At Megacable, we enforce a zero-tolerance policy against discrimination and harassment, with a firm commitment to maintaining an equitable, respectful, and retaliation-free work environment. As part of this commitment, we have implemented the ESCALA whistleblowing line as a confidential, public, and anonymous reporting tool available through all official Company platforms.

This line allows any employee or stakeholder to report behaviors that violate our Code of Ethics, including cases of conflict of interest. All reports are handled impartially, ensuring a fair and timely process that aligns with our corporate values.

In 2024, several reports were submitted through the ESCALA line, of which 290 were confirmed as violations of the Code of Ethics. In all cases, appropriate sanctions were applied in accordance with internal guidelines.

Responsible Advertising

At Megacable, we are firmly committed to the responsible management of our advertising campaigns, ensuring that our clients and subscribers receive clear, truthful, and accurate information about our products and services. To that end, we comply with the provisions set forth by the Federal Consumer Protection Law and PROFECO regulations on advertising, particularly the Deceptive Advertising Policy and the Procedures Guide for Prevention, whose purpose is to monitor, investigate, and analyze the advertising content disseminated by the Company.

In line with this commitment, **in 2024 we received for the first time the Digital Distinction granted by PROFECO**, an official recognition awarded to providers that promote clear and complete information about their products and services. This achievement reaffirms our approach to providing customers with greater certainty and confidence when acquiring high-quality services.

Our Code of Ethics in E-commerce sets forth the values and principles observed by the Company in activities related to electronic commerce, in order to respect and promote the rights of subscribers, foster a culture of responsible consumption, promote human rights of subscribers, responsible and ethical digital advertising, and self-regulation.

Cybersecurity

Cybersecurity is a material topic for companies in the telecommunications sector due to the growing number of incidents and cybercrimes that may jeopardize the integrity of the services we offer. At Megacable, we recognize this relevance and have established policies, procedures, certifications, and a specialized cybersecurity team with the purpose of establishing a robust information protection framework. This team is responsible for safeguarding our critical infrastructure and ensuring compliance with the Organization's security standards and guidelines.

Our Information Security Management System (ISMS) is based on the international standard ISO/IEC 27001, which provides a structured framework to identify, manage, and mitigate risks related to information, protecting its confidentiality, integrity, and availability through technical, organizational, and procedural controls.

Protecting our customers' data privacy is an absolute priority. We comply with all applicable data protection laws and recognize that their enforcement is necessary to provide our services. Therefore, our cybersecurity team constantly works to protect the integrity of our technology infrastructure and the information it safeguards. This team is also responsible for establishing policies and internal processes that ensure the secure use of devices within the Company.

We have an Information Security Policy that defines clear and mandatory guidelines for all employees. To ensure its enforcement, we offer training through our internal portal and conduct periodic evaluations with the objective of keeping our teams up to date on emerging risks and strengthening a culture of digital protection.

As part of our efforts to strengthen our cybersecurity strategy and mitigate potential risks, we implemented various key projects and processes throughout the year, including the following:

RISK ANALYSIS

We conduct biannual evaluations to identify potential threats and their possible impacts on both our existing infrastructure and new project implementations. This allows us to establish appropriate preventive and protection measures.

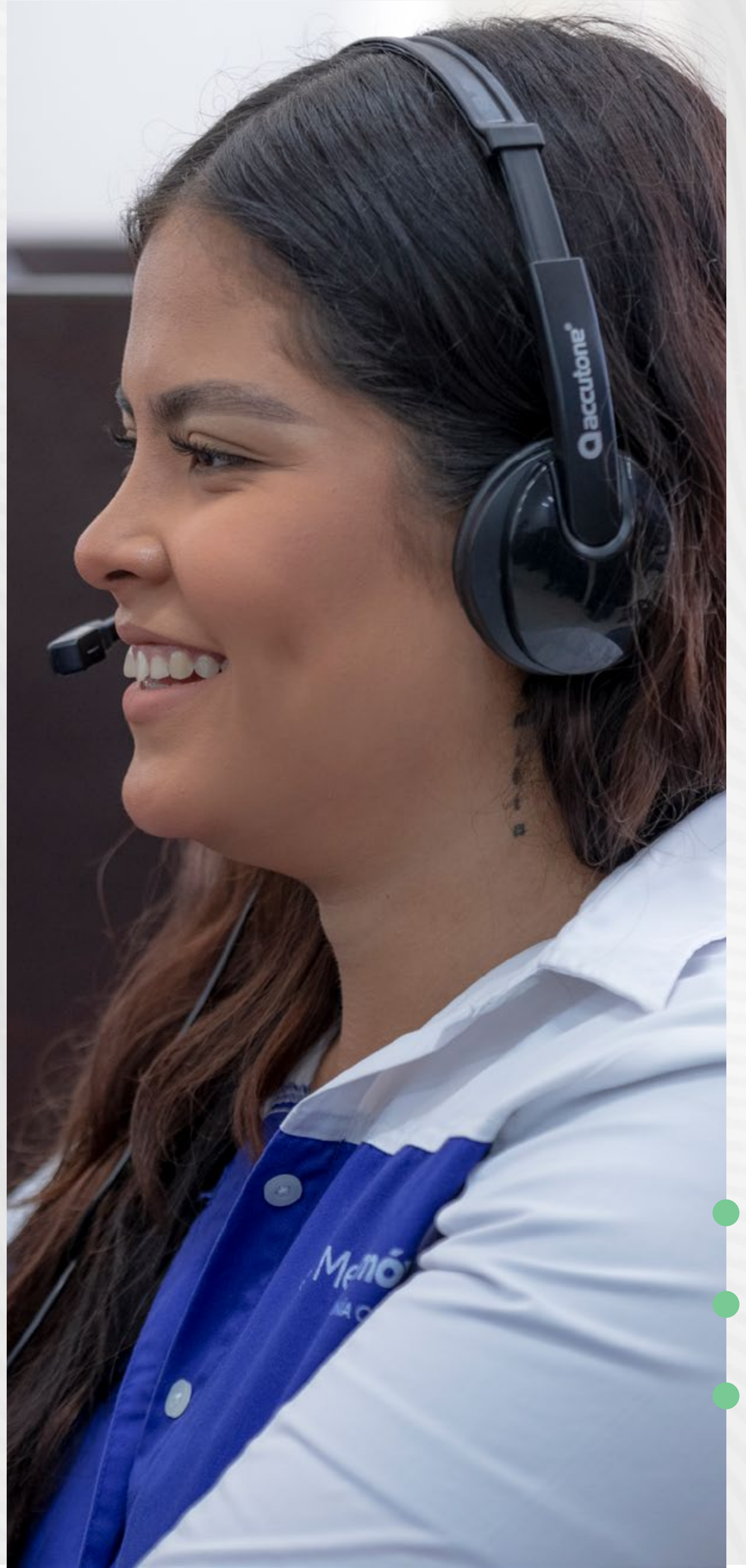
APPLICATION SHIELDING

We implemented an encryption tool across all our applications, including both internal tools and those used by customers, to protect them from security threats such as code injection, data tampering and unauthorized access, thereby strengthening our infrastructure.

APPLICATION FIREWALL

We implemented application-level protection for our Internet-exposed infrastructure. This measure includes threat detection from bots attempting to infiltrate, ensuring the continuity of our operations and protecting our systems from possible attacks.

In 2024, we delivered **74,070 training hours** in cybersecurity.



Incident Response Plan

We have a robust Incident Response Plan designed to monitor, detect, contain, and resolve cybersecurity issues efficiently, without compromising the Company's operational continuity.

This plan is based on internationally recognized frameworks, such as those of the National Institute of Standards and Technology (NIST) and its Cybersecurity Framework (CSF), which allow us to act quickly, with structure, and in alignment with the sector's best practices.

- Preparation
- Containment
- Detection and analysis
- Eradication and recovery
- Post-incident activity

As part of our comprehensive security strategy, we conduct quarterly tests to detect vulnerabilities in both our applications and the infrastructure dedicated to customer service. These evaluations aim to identify weaknesses in operating systems and risks associated with information security.

The periodic execution of these scans allows us to detect and immediately address any critical point, significantly reducing the Company's exposure to potential threats.

In 2024, **no incidents were recorded** that compromised the integrity of our operations or the security of the Company's sensitive information.

Addressing Stakeholder Concerns

Concerns, comments, and feedback from our stakeholders are initially channeled through the Investor Relations area, which is responsible for receiving, recording, and evaluating each case. Subsequently, concerns that require a more strategic approach are escalated to the General Management and the Deputy General Management, and if necessary, they are reviewed during the quarterly meetings of the Board of Directors.

Data Privacy

We have policies and procedures in place to ensure the proper handling of personal data from customers, suppliers, and employees. Our internal regulatory framework is constantly updated to ensure compliance with applicable laws and the industry's leading data privacy standards.

The management of all matters related to personal data privacy is handled by the Personal Data Committee, which is composed of representatives from Customer Service, Administration and Finance, Human Resources, Sales, Legal, and Information Technology areas. This allows for a comprehensive and coordinated response to the Company's commitments in personal data protection.

During 2024

The key documents supporting our commitment in this area included:

Privacy Notice: Defines the terms and conditions for the processing of personal data.

ARCO Rights: Procedure to exercise the rights of Access, Rectification, Cancellation, and Opposition.

Procedure for Data Subjects' Requests: Defines the process for handling requests related to personal data.

Personal Data Protection Policy: Ensures the proper handling of personal information.

We also conduct periodic training sessions for our workforce on these policies and procedures to ensure compliance and to strengthen the data protection culture throughout the Organization.

During 2024, a total of **30,016 training hours** were provided to employees on policies and procedures related to the protection of personal data.

Association Memberships

GRI: 2-28

At Megacable, we are committed to providing high-quality services and actively participating in the transformation of the telecommunications industry. Accordingly, we have established strategic partnerships with leading organizations in the sector, in order to stay at the forefront and aligned with regulatory, technological, and market developments that may impact our operations.

	CANIETI (National Chamber of the Electronics, Telecommunications, and Information Technologies Industry)	CableLabs
Position held	President of the Organization and Vice President of Digital Strategy	No position held in the association's governing body
Voting rights	No	No
Participation in projects or committees	Active participation in promoting the withdrawal of obsolete DSL or HFC cable in key cities such as Mexico City, Guadalajara, Puebla, among others	Yes
Funding beyond membership fees	No	No

Awards and Certifications

MEGA

PCI Security Standards Council

Green All-Optical Network Awards 2025

ESR Empresa Socialmente Responsable

Ookla Verified

Expansión ESG – Megacable

PROFECO – Procuraduría Federal del Consumidor | Distintivo Digital

ETSI

DATA CENTER

PCI Security Standards Council

Tier III Facility – Megacable – Megacable DC Guadalajara, Floor 1 – Expires 30 August 2024 – Uptime Institute Certified

HS-WCQA Level 1

Organización Certificada – Seguridad de la Información – ISO/IEC 27001

Organización Certificada – Calidad – ISO 9001

HO1A

Organización Certificada – Seguridad de la Información – ISO/IEC 27001

ABOUT THIS REPORT

In line with our commitment to sustainability and transparency, we present our second Integrated Annual Report, corresponding to the period from January 1 to December 31, 2024, covering all the Company's operations. This document provides a comprehensive and detailed overview of our activities, highlighting both our financial results and our progress in environmental, social, and corporate governance (ESG) matters.

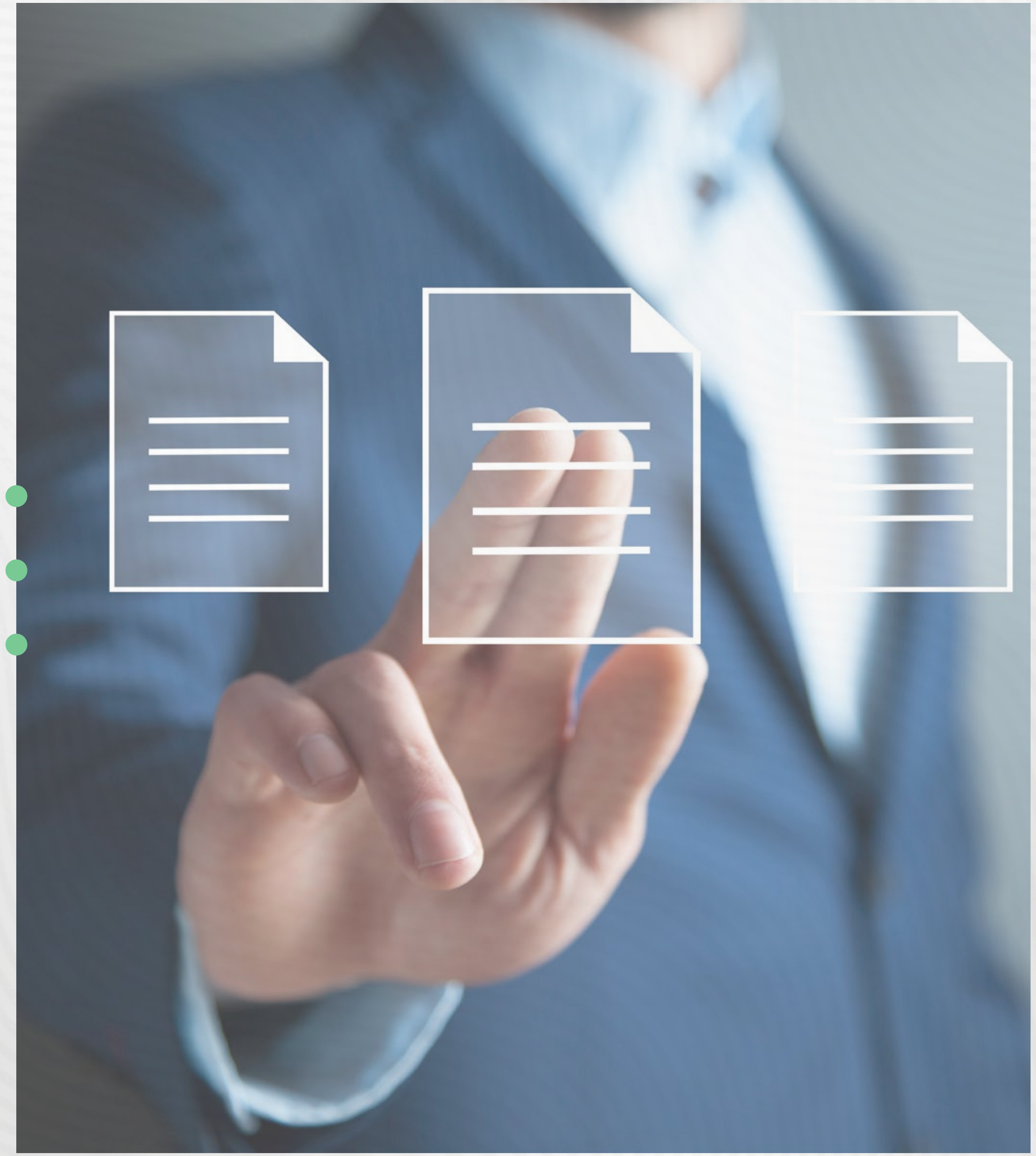
The material topics presented herein were defined based on the materiality analysis conducted in 2021 and 2022 and are based on data gathered and analyzed by the various areas responsible for our operations. Subsequently, the information was consolidated and validated internally and approved by the Board of Directors and the Executive Management Team.

Statement of Use

GRI: 2-3

This report has been prepared in accordance with the standards of the Global Reporting Initiative (GRI) and the Sustainability Accounting Standards Board (SASB), applicable to the Telecommunications Services sector. Its purpose is to ensure alignment with international best practices in corporate disclosure and to strengthen informed decision-making by investors and other stakeholders.

In addition, this report underwent an external verification conducted by Vert Desarrollo Sustentable, a firm specialized in the preparation and validation of sustainability reports, to ensure compliance with applicable international standards and strengthen our accountability.



GRI Content Index

GRI STANDARD	CONTENT	DESCRIPTION	PAGE(S)	COMMENT(S)	OMISSION: REQUIREMENT(S) OMITTED	OMISSION: REASON	OMISSION: EXPLANATION
GRI 2: GENERAL DISCLOSURES 2021							
GRI 2: General Disclosures 2021	2-1	Organizational details		Please refer to the back cover of this Report.			
	2-2	Entities included in the organization's sustainability reporting		Please refer to Section: Annex IV.			
	2-3	Reporting period, frequency and contact point	72				
	2-4	Restatements of information		There are no restatements of information.			
	2-5	External assurance	84				
	2-6	Activities, value chain and other business relationships	11, 18				
	2-7	Employees	29				
	2-8	Workers who are not employees		We have 3,796 employees from suppliers and contractors in key areas such as credit and collections, home service, call centers, and network construction and maintenance. Growth in this area is due to our expansion into new geographic areas, increased service demand, and the need to strengthen technical and operational capabilities to ensure service quality and continuity.			
	2-9	Governance structure and composition	56				
	2-10	Nomination and selection of the highest governance body	56				
	2-11	Chair of the highest governance body	56				
	2-12	Role of the highest governance body in overseeing the management impacts	56				
	2-13	Delegation of responsibility for managing impacts	56				
	2-14	Role of the highest governance body in sustainability reporting	62				
	2-15	Conflicts of interest	63				
	2-16	Communication of critical concerns	63, 68				
	2-17	Collective knowledge of the highest governance body	56				
	2-19	Remuneration policies	56				
	2-22	Statement on sustainable development strategy	4, 7				
	2-23	Policy commitments	22, 63				
	2-24	Embedding policy commitments	22, 56, 63				
	2-26	Mechanisms for seeking advice and raising concerns	63				
	2-27	Compliance with laws and regulations		In 2024, no significant fines were recorded that interfered with the Company's operations.			
	2-28	Membership associations	69				
	2-29	Approach to stakeholder engagement	20				
	2-30	Collective bargaining agreements	29				

GRI STANDARD	CONTENT	DESCRIPTION	PAGE(S)	COMMENT(S)	OMISSION		
					REQUIREMENT(S) OMITTED	REASON	EXPLANATION
GRI 3: MATERIAL TOPICS 2021							
GRI 3: Material Topics 2021	3-1	Process to determine material topics	20				
	3-2	List of material topics	20				
ECONOMIC PERFORMANCE							
GRI 3: Material Topics 2021	3-3	Management of material topics	17				
GRI 201: Economic Performance 2016	201-1	Direct economic value generated and distributed	17				
	201-2	Financial implications and other risks and opportunities due to climate change	86	Additionally, Megacable is developing its climate risk assessment, which will be presented in the 2025 Integrated Annual Report.			
	201-3	Defined benefit plan obligations and other retirement plans	35				
	201-4	Financial assistance received from government		During 2024, the Company's activities did not trigger any mechanisms that could represent an opportunity to receive financial assistance from the government.			
MARKET PRESENCE							
GRI 3: Material Topics 2021	3-3	Management of material topics					
GRI 202: Market Presence 2016	202-1	Ratios of standard entry level wage by gender compared to local minimum wage		Ratio of standard entry-level daily wage for male category to minimum wage: 1.63 Ratio of standard entry-level daily wage for female category to minimum wage: 1.33			
	202-2	Proportion of senior management hired from local community		92.9% of senior executives were hired from the local community.			
INDIRECT ECONOMIC IMPACTS							
GRI 3: Material Topics 2021	3-3	Management of material topics	43				
GRI 203: Indirect Economic Impacts 2016	203-1	Infrastructure investments and services supported	43				
	203-2	Significant indirect economic impacts	43				
PROCUREMENT PRACTICES							
GRI 3: Material Topics 2021	3-3	Management of material topics	18				
GRI 204: Procurement Practices 2016	204-1	Proportion of spending on local suppliers	18				

GRI STANDARD	CONTENT	DESCRIPTION	PAGE(S)	COMMENT(S)	OMISSION		
					REQUIREMENT(S) OMITTED	REASON	EXPLANATION
ANTI-CORRUPTION							
GRI 3: Material Topics 2021	3-3	Management of material topics	63				
GRI 205: Anti-corruption 2016	205-2	Communication and training about anti-corruption policies and procedures	63				
	205-3	Confirmed incidents of corruption and actions taken		During the year, there were no cases of corruption that led to legal sanctions for the Company.			
ANTI-COMPETITIVE BEHAVIOR							
GRI 3: Material Topics 2021	3-3	Management of material topics					
GRI 206: Anti-competitive Behavior 2016	206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices		During fiscal year 2024, MEGA recorded no significant monetary losses resulting from litigation or regulatory rulings associated with anti-competitive practices.			
TAX							
GRI 3: Material Topics 2021	3-3	Management of material topics		At Megacable, we comply with applicable tax regulations, with a focus on transparency in our tax reporting. We conduct periodic reviews of our tax indicators, highlighting compliance opinions issued by the Mexican Tax Administration Service (SAT), the Mexican Social Security Institute (IMSS), and the National Workers' Housing Fund Institute (INFONAVIT). Our tax strategy is managed comprehensively with the participation of key areas. The Administration and Finance department, with the support of the Audit Committee, oversees the transparency of the Company's financial statements, supported by reviews conducted by an external independent auditor. We also work with specialized consultants to anticipate and mitigate potential risks from changes in tax regulation. We also pay close attention to stakeholders' tax-related concerns. Through the Investor Relations area, observations are channeled to the Compliance area, where they are addressed properly. For more information on income taxes, please refer to Note 21 of the Financial Statements (Annex IV).			
GRI 207: Tax 2019	207-1	Approach to tax					
	207-2	Tax governance, control, and risk management					
	207-3	Stakeholder engagement and management of concerns related to tax					
	207-4	Country-by-country reporting					

GRI STANDARD	CONTENT	DESCRIPTION	PAGE(S)	COMMENT(S)	OMISSION		
					REQUIREMENT(S) OMITTED	REASON	EXPLANATION
ENERGY							
GRI 3: Material Topics 2021	3-3	Management of material topics	47				
GRI 302: Energy 2016	302-1	Energy consumption within the organization	47				
	302-3	Energy intensity	47				
	302-4	Reduction of energy consumption	47				
	302-5	Reductions in energy requirements of products and services	47				
WATER AND EFFLUENTS							
GRI 3: Material Topics 2021	3-3	Management of material topics	49				
GRI 303: Water and Effluents 2018	303-1	Interactions with water as a shared resource	49				
	303-3	Water withdrawal	49				
	303-4	Water discharge	49				
	303-5	Water consumption	49				
EMISSIONS							
GRI 3: Material Topics 2021	3-3	Management of material topics	51				
GRI 305: Emissions 2016	305-1	Direct (Scope 1) GHG emissions	51				
	305-2	Energy indirect (Scope 2) GHG emissions	51				
	305-4	GHG emissions intensity	51				
	305-5	Reduction of GHG emissions	51				
WASTE							
GRI 3: Material Topics 2021	3-3	Management of material topics	53				
GRI 306: Waste 2020	306-1	Waste generation and significant waste-related impacts	53				
	306-2	Management of significant waste-related impacts	53				
	306-3	Waste generated	53				
	306-4	Waste diverted from disposal	53				

GRI STANDARD	CONTENT	DESCRIPTION	PAGE(S)	COMMENT(S)	OMISSION		
					REQUIREMENT(S) OMITTED	REASON	EXPLANATION
EMPLOYMENT							
GRI 3: Material Topics 2021	3-3	Management of material topics	33				
GRI 401: Employment 2016	401-1	New employee hires and employee turnover	33				
	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	33				
	401-3	Parental leave	33				
LABOR-MANAGEMENT RELATIONS							
GRI 3: Material Topics 2021	3-3	Management of material topics	29				
GRI 402: Labor/ Management Relations 2016	402-1	Minimum notice periods regarding operational changes	29				
OCCUPATIONAL HEALTH AND SAFETY							
GRI 3: Material Topics 2021	3-3	Management of material topics	38				
GRI 403: Occupational Health and Safety 2018	403-1	Occupational health and safety management system	38				
	403-2	Hazard identification, risk assessment, and incident investigation	38				
	403-3	Occupational health services	38				
	403-4	Worker participation, consultation, and communication on occupational health and safety	38				
	403-5	Worker training on occupational health and safety	38				
	403-6	Promotion of worker health	38				
	403-8	Workers covered by an occupational health and safety management system	38				
	403-9	Work-related injuries	38				
TRAINING AND EDUCATION							
GRI 3: Material Topics 2021	3-3	Management of material topics	36				
GRI 404: Training and Education 2016	404-1	Average hours of training per year per employee	36				
	404-2	Programs for upgrading employee skills and transition assistance programs	36				
	404-3	Percentage of employees receiving regular performance and career development reviews	36				

GRI STANDARD	CONTENT	DESCRIPTION	PAGE(S)	COMMENT(S)	OMISSION		
					REQUIREMENT(S) OMITTED	REASON	EXPLANATION
DIVERSITY AND EQUAL OPPORTUNITY							
GRI 3: Material Topics 2021	3-3	Management of material topics	29, 56				
GRI 405: Diversity and Equal Opportunity 2016	405-1	Diversity of governance bodies and employees	29, 56				
NON-DISCRIMINATION							
GRI 3: Material Topics 2021	3-3	Management of material topics	63				
GRI 406: Nondiscrimination 2016	406-1	Incidents of discrimination and corrective actions taken	63				
LOCAL COMMUNITIES							
GRI 3: Material Topics 2021	3-3	Management of material topics	43				
GRI 413: Local Communities 2016	413-1	Operations with local community engagement, impact assessments, and development programs	43				
PUBLIC POLICY							
GRI 3: Material Topics 2021	3-3	Management of material topics					
GRI 415: Public Policy 2016	415-1	Political contributions		No contributions are made to political parties or public representatives.			

GRI STANDARD	CONTENT	DESCRIPTION	PAGE(S)	COMMENT(S)	OMISSION		
					REQUIREMENT(S) OMITTED	REASON	EXPLANATION
DIVERSITY AND EQUAL OPPORTUNITY							
GRI 3: Material Topics 2021	3-3	Management of material topics	63				
GRI 417: Marketing and Labeling 2016	417-1	Requirements for product and service information and labeling	63				
	417-3	Incidents of non-compliance concerning marketing communications		During the year, there were no cases of non-compliance related to marketing communications reported.			
CUSTOMER PRIVACY							
GRI 3: Material Topics 2021	3-3	Management of material topics					
GRI 418: Customer Privacy 2016	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data			Substantiated complaints concerning breaches of customer privacy and losses of customer data	Confidentiality	Megacable is committed to protecting the data of its customers and other stakeholders. For confidentiality reasons, the Company reserves the right not to disclose this indicator.

SASB. Telecommunication Services

SECTOR: TELECOMMUNICATION SERVICES			
TOPIC	**CODE**	**METRIC**	**ANSWER**
Environmental footprint of operations	TC-TL-130a.1	Total energy consumed, percentage grid electricity and percentage renewable	1. Total energy consumption: 1,246,028.6 GJ 2. Grid electricity percentage: 46.9% 3. Renewables percentage: 0.3%
Data privacy	TC-TL-220a.1	Description of policies and practices relating to targeted advertising and customer privacy	At MEGA, the privacy and protection of our customers' personal data is a top priority. To ensure this, we have established policies, procedures, and mechanisms aligned with current regulations and industry best practices. **Regulatory compliance:** The processing of personal data is carried out in accordance with the Federal Law on the Protection of Personal Data Held by Private Parties, its regulations, and other applicable provisions. MEGA adheres to the principles of lawfulness, quality, purpose, loyalty, and accountability, and limits data processing to the purposes outlined in its Privacy Notice, available at: https://www.megacable.com.mx/avisodeprivacidad **Privacy policy and internal procedures:** We have a Personal Data Protection Policy that defines the obligations and standards all employees must observe regarding the handling of personal data. In addition, we have implemented technical and organizational measures to prevent unauthorized access, alterations, or data loss. **ARCO rights management:** We provide personal data holders with a mechanism to exercise their ARCO Rights (Access, Rectification, Cancellation, and Opposition), as well as to revoke consent or limit the use or disclosure of their information. The corresponding form is available on the official website: https://www.megacable.com.mx/files/DERECHOS_ARCO.pdf **Information security certifications:** MEGA holds the PCI DSS – Level 2 certification from the Security Standards Council for payment card transactions, which requires strict security controls, including annual self-assessments and periodic vulnerability scans. In addition, the MEGA Data Center is certified as a PCI DSS – Level 1 Service Provider, the highest level of compliance under this standard. This certification involves an annual assessment by a Qualified Security Assessor (QSA) and continuous testing to ensure the protection of cardholders' sensitive data.
	TC-TL-220a.3	Total amount of monetary losses as a result of legal proceedings associated with customer privacy	During the reporting period, the total amount of monetary losses resulting from legal proceedings related to privacy violations or customer data breaches was not material, as it did not compromise the Company's financial integrity or have a significant impact on its financial results.
	TC-TL-220a.4	Number of law enforcement requests for customer information, number of customers whose information was requested, percentage resulting in disclosure	Megacable is committed to protecting the data of its customers and other stakeholders. In 2024, there were no legal rulings that resulted in monetary losses or any other type of sanction that affected the Company's operations.

<table>
<tr><th colspan="4">SECTOR: TELECOMMUNICATION SERVICES</th></tr>
<tr><th>TOPIC</th><th>CODE</th><th>METRIC</th><th>ANSWER</th></tr>
<tr><td rowspan="2">Data security</td><td>TC-TL-230a.1</td><td>Number of data breaches, percentage that are personal data breaches, number of customers affected</td><td>In 2024, no incidents were reported that compromised the integrity of operations or resulted in service interruptions or the loss of sensitive information.</td></tr>
<tr><td>TC-TL-230a.2</td><td>Description of approach to identifying and addressing data security risks, including use of third-party cybersecurity standards</td><td>Given the scope and nature of its operations, MEGA is a target of attempted cyberattacks. To mitigate these risks, the Company has implemented an Incident Response Plan designed to:

• Continuously monitor and detect threats
• Contain, analyze, and resolve incidents without affecting operations
• Restore security and protect service integrity

This plan is based on industry best practices and follows the guidelines of the NIST Cybersecurity Framework (CSF).

For more information, refer to the “Cybersecurity” section in the “We Connect Ethically” chapter of this report, page 66.</td></tr>
<tr><td>Product end-of-lifemanagement</td><td>TC-TL-440a.1</td><td>Materials recovered through take-back programs, percentage of recovered materials that were reused, recycled, and landfilled</td><td>In 2024, Megacable recycled a total of 2,584.0 tons of waste, broken down as follows:

• Electronic waste: 629.1 tons
• Batteries: 0.1 tons
• Paper: 0.6 tons
• Steel: 977.1 tons
• Coaxial cable: 997.1 tons

These actions reflect our commitment to responsible waste management, promoting the recycling of materials derived from our operations.

For more information, refer to the “Waste” section in the “We Connect with the Environment” chapter of this report, page 53.</td></tr>
<tr><td rowspan="2">Competitive behavior and open internet</td><td>TC-TL-520a.1</td><td>Total amount of monetary losses as a result of legal proceedings associated with anticompetitive behavior regulations</td><td>During fiscal year 2024, MEGA did not record any material monetary losses resulting from litigation or regulatory rulings related to anticompetitive practices.

The Company maintains an ongoing commitment to compliance with applicable regulations. In this regard, it complies with the provisions related to the designation of an economic agent with substantial market power in the locations where the regulatory authority has made such a determination.</td></tr>
<tr><td>TC-TL-520a.2</td><td>Average actual sustained download speed of owned and commercially associated content and non-associated content</td><td><table>
<tr><th>Speed</th><th>Mbps</th></tr>
<tr><td>10</td><td>10.437</td></tr>
<tr><td>20</td><td>20.398</td></tr>
<tr><td>30</td><td>30.480</td></tr>
<tr><td>40</td><td>40.441</td></tr>
<tr><td>50</td><td>50.448</td></tr>
<tr><td>60</td><td>60.409</td></tr>
<tr><td>80</td><td>80.427</td></tr>
<tr><td>90</td><td>90.450</td></tr>
<tr><td>100</td><td>100.446</td></tr>
<tr><td>110</td><td>110.944</td></tr>
<tr><td>150</td><td>150.502</td></tr>
<tr><td>200</td><td>200.489</td></tr>
<tr><td>350</td><td>350.336</td></tr>
<tr><td>370</td><td>370.492</td></tr>
<tr><td>500</td><td>500.368</td></tr>
<tr><td>700</td><td>701.989</td></tr>
<tr><td>750</td><td>750.698</td></tr>
<tr><td>1000</td><td>1,009.798</td></tr>
</table>
Average download speed for December 2024, determined in accordance with and pursuant to the applicable IFT guideline.</td></tr>
</table>

SUSTAINABILITY DISCLOSURE TOPICS AND METRICS

TOPIC	CODE	METRIC	ANSWER
Competitive behavior and open internet	TC-TL-520a.3	Description of risks and opportunities associated with net neutrality, paid peering, zero-rating, and related practices	The Internet access service will be provided in accordance with article 145 of the Federal Telecommunications and Broadcasting Law, as well as the provisions of the guidelines for traffic management and network administration. Consequently, the internet access service is subject to the principles: I. Free choice. Subscribers of Internet access services may access any content, application or service offered by MEGA, within the applicable legal framework, without limiting, degrading, restricting or discriminating against access to them. They may not limit subscribers' right of Internet access service to incorporate or use any type of instruments, devices or apparatus that connect to their network, as long as they are approved. II. Nondiscrimination. MEGA will refrain from obstructing, interfering, inspecting, filtering or discriminating against content, applications or services. III. Privacy. MEGA will preserve the privacy of subscribers and the security of the network. IV. Transparency and information. MEGA makes available to subscribers on its internet portal information related to the characteristics of the service offered, including traffic management and network administration policies, as well as speed and quality. V. Traffic management. MEGA also takes the necessary measures or actions for traffic management and administration of the network, in accordance with current provisions to guarantee the quality or speed of the service contracted by the subscriber. VI. Quality. MEGA preserves the minimum quality levels established by current provisions for this purpose. VII. Sustained development of infrastructure. MEGA promotes the sustained growth of telecommunications infrastructure. MEGA's goal is to maintain the permanence of our services, ensure the free choice of subscribers, nondiscriminatory treatment, privacy and inviolability of communications, as well as maintain the quality, capacity and speed of the contracted services based on international standards, good practices in the telecommunications industry and applicable regulations. However, our services may be affected by: I. Technically verifiable risk to the integrity and security of the network, to the privacy of subscribers or to the inviolability of their private communications; II. Exceptional and temporary network congestion, subject to there being no discrimination between similar types of traffic; and III. Emergency situations or disasters that put the operation of the network at risk. The selection of service priority considers the tolerance to errors in the communication protocol, so the highest is voice, followed by video and then data. On the other hand, MEGA recommends keeping terminal equipment (Laptop, PC, smartphones, among others) in optimal condition and with technical characteristics according to the needs of use (approved equipment), with the latest updates available from the manufacturer or operating system developer, have antivirus and preferably contain security tools for Internet browsing, as well as have legal software. With the above, the vulnerability of sensitive information on the Internet will be significantly reduced, maintaining the experience of the contracted service.
Managing systemic risks from technology disruptions	TC-TL-550a.1	System average interruption duration, system average interruption frequency and customer average interruption duration	In 2024, the average response time for customer complaints was 1.77 days. During the same period, the volume of complaints represented an average of 4.0% of the total subscriber base.
	TC-TL-550a.2	Discussion of systems to provide unimpeded service during service disruptions	The Company has a comprehensive network monitoring system operated by specialized personnel working 24/7, 365 days a year. This control center collects and processes millions of real-time data points from the infrastructure, enabling the correlation of events and ensuring the stability of the services provided to customers. Additionally, various levels of response have been established within the monitoring center, with trained personnel prepared to respond promptly to any network anomaly or disruption. As part of our preventive approach, there are documented routines and processes for network assurance within the quality management system, guiding operational actions to prevent critical interruptions and ensure service continuity. Operations are aligned with industry standards for service availability, consistently maintaining a rate above 99.4%. In the event of natural disasters or other emergencies, the Company has recovery and business continuity procedures in place to deploy critical resources to affected sites, aiming to restore services as quickly as possible and meet the needs of impacted customers and communities.

ACTIVITY METRICS		
CODE	**ACTIVITY METRIC**	**ANSWER**
TC-TL-000.A	Number of wireless subscribers	Mobile services subscribers: 554,322
TC-TL-000.B	Number of wireline subscribers	Fixed telephony subscribers: 4,766,956
TC-TL-000.C	Number of broadband subscribers	Internet subscribers: 5,311,950 Video subscribers: 3,849,157
TC-TL-000.D	Network traffic	Throughout 2024, data traffic reached a peak of 19.48 Tbps for downloads and 1.40 Tbps for uploads, considering the total aggregate across all technologies and operating regions. For privacy and operational security reasons, it is not feasible to break down this information by region or technology type.

Verification Letter

GRI: 2-5

VERT
DESARROLLO SUSTENTABLE

Integrated Annual Report, 2024
External and Independent Verification Letter

To the stakeholders of Megacable Holdings, S. A. B. de C. V., this document corresponds to the opinion of Vert, Desarrollo Sustentable (Vert), regarding the Megacable Holdings, S. A. B. de C. V. Integrated Annual Report, 2024.

The objective of Vert is to issue an independent verification regarding the contents of this report, taking as reference the standards of the Global Reporting Initiative and the Sustainability Accounting Standards Board applicable to the Telecommunication Services industry.

Verification Methodology:

In order to have a complete understanding of the structure of the reports, Vert held meetings with the Investor Relations team of Megacable Holdings, S. A. B. de C. V. (responsible for preparing the report in question) who, in turn, acted as a communication link with the other departments of the Company.

Furthermore, evaluations were conducted on the information collection mechanisms used to gather the numbers expressed in the content of the document, examining the qualitative and quantitative information included in this report.

Finally, the correct application of the topics was validated based on the Guidelines for the Preparation of GRI 2021 and SASB Standards applicable to the Telecommunication Services industry, verifying their accuracy, traceability, and materiality, based on the material provided by Megacable Holdings, S. A. B. de C. V. and its team, establishing the basis for compliance with the principles of accuracy, balance, clarity, completeness, comparability, timeliness, sustainability context, and verifiability in these and subsequent reports.

Conclusions:

As a result of the verification process, it was concluded that the Integrated Annual Report, 2024 of Megacable Holdings, S. A. B. de C. V. was prepared prepared in accordance to the GRI 2021 and SASB Standards applicable to the Telecommunication Services, 2018 industry. No evidence was found to suggest that compliance and adherence to the GRI and SASB methodology were not carried out adequately, nor that there are errors in the information presented or that any material topic was intentionally omitted.

Diego Gabriel Sánchez Ruíz	Benjamín Salgado Pérez
GRI Certified Sustainability Professional - (based on the GRI Universal Standards 2021) Issuance: Nov. 2023 Certification ID: 88330479	FSA Credential Level II Candidate

About the Verification

The associates of Vert possess the fundamental preparation to examine and validate the correct compliance with the necessary guidelines for the preparation and publication of Sustainability Reports, which allows them to express a professional opinion regarding the adherence of all non-financial content of the report to the GRI 2021 and SASB standards, based at all times on the principles of independence, objectivity, and confidentiality. Vert does not assume any commitment regarding the information collection processes implemented in this report. This verification is issued on July 04, 2025, and will remain valid as long as no modifications or subsequent publications are made after this date.

ANNEXES

Annex I

GRI: 3-3, 201-2

Double Financial Materiality

Seeking to strengthen our strategy, at the end of 2024 we updated our materiality assessment to incorporate a more robust analysis aligned with international standards relevant to our sector.

As part of this evolution, we conducted a new double materiality study with the support of an external specialized consultant. This analysis allowed us to reassess the impact of our operations on the environment and our stakeholders, and for the first time, to measure the financial risks associated with ESG factors. This update also enables us to comply with emerging sustainability regulations, such as the sustainability disclosure standards issued by the International Sustainability Standards Board (ISSB), a division of the International Financial Reporting Standards (IFRS) Foundation, further reinforcing the integration of ESG criteria into corporate management.

To achieve this, we adopted a methodology aligned with the standards of the Global Reporting Initiative (GRI) and the Sustainability Accounting Standards Board (SASB), both of which are leading sustainability frameworks and aligned with the International Financial Reporting Standards (IFRS). This comprehensive approach considers variables such as the magnitude and likelihood of identified impacts and risks, enabling us to prioritize strategic actions that enhance our resilience and long-term value creation.

Results of Our Double Materiality Analysis

Based on the analysis of our operations, 17 potentially material ESG topics were identified for Megacable. These topics were assessed by considering the main impacts and financial risks associated with the sectors in which we operate.

Dimension	No.	Aspect
Environmental	1	Water Management
	2	Biodiversity
	3	Air Quality
	4	Climate Change
	5	Product Design and Lifecycle Management
	6	GHG Emissions
	7	Energy Management
	8	Supply Chain Management
	9	Materials (Efficiency and Sourcing)
	10	Waste
Social	11	Consumer Well-being
	12	Human Rights
	13	Community Impact
	14	Employee Relations
Governance	15	Cybersecurity and Data Privacy
	16	Innovation
	17	Ethics and Transparency

A total of 39 impacts and 37 risks were identified in relation to the potentially material ESG aspects. Both the impacts and risks were assessed based on their magnitude and likelihood of occurrence, allowing for the prioritization of key aspects from two perspectives:

1. Impact materiality, considering the effects on stakeholders.
2. Financial materiality, based on potential implications for MEGA's financial performance.

As a result, the doubly material aspects were determined, those that are material in terms of their impact on stakeholders and, at the same time, financially material due to their potential effect on MEGA's financial performance.

Impact Materiality

According to the Global Reporting Initiative (GRI, 2023), an impact is defined as "the effect the organization has or could have on the economy, the environment, or people, including effects on human rights." The impact materiality methodology proposed by GRI identifies and assesses the main negative impacts associated with business activities and their commercial relationships.

Impacts are considered material when their magnitude or likelihood of occurrence makes them critical for the Organization.

The magnitude of impact is calculated based on three variables:

SCALE

Level of severity, determined by non-compliance with national regulations, international agreements, or the context in which it occurs.

SCOPE

Extent of the impact, based on the number of people affected or the magnitude of environmental damage.

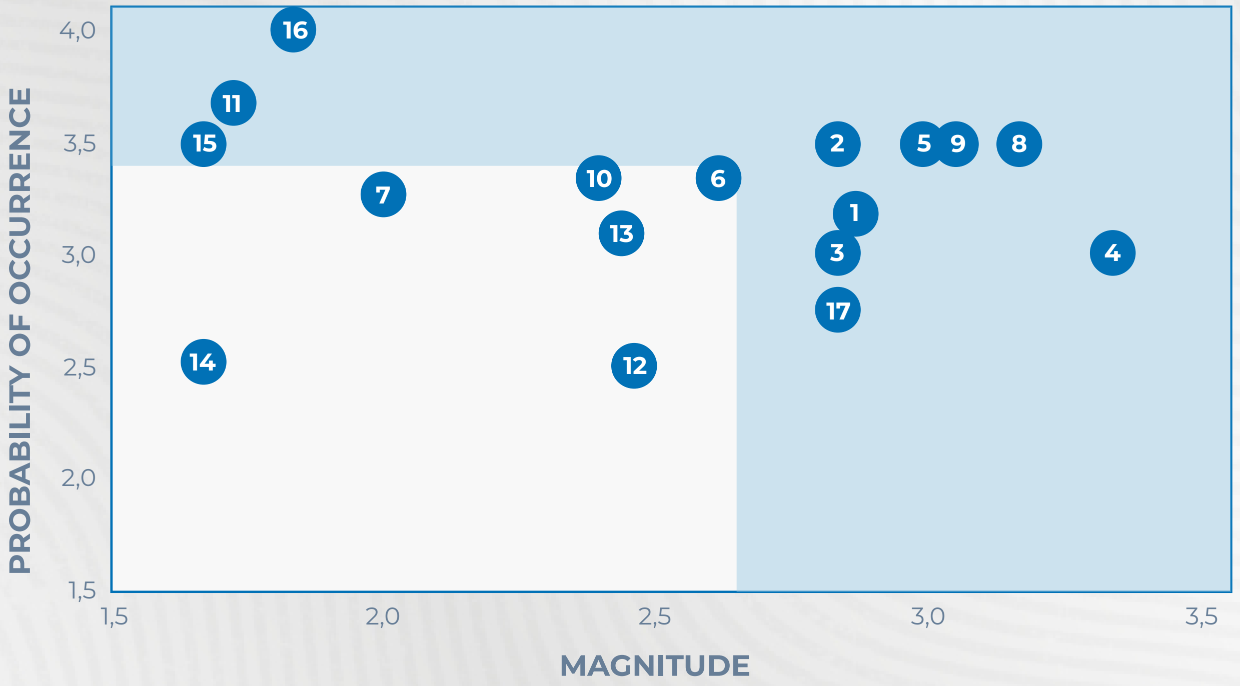
IRREMEDIABILITY

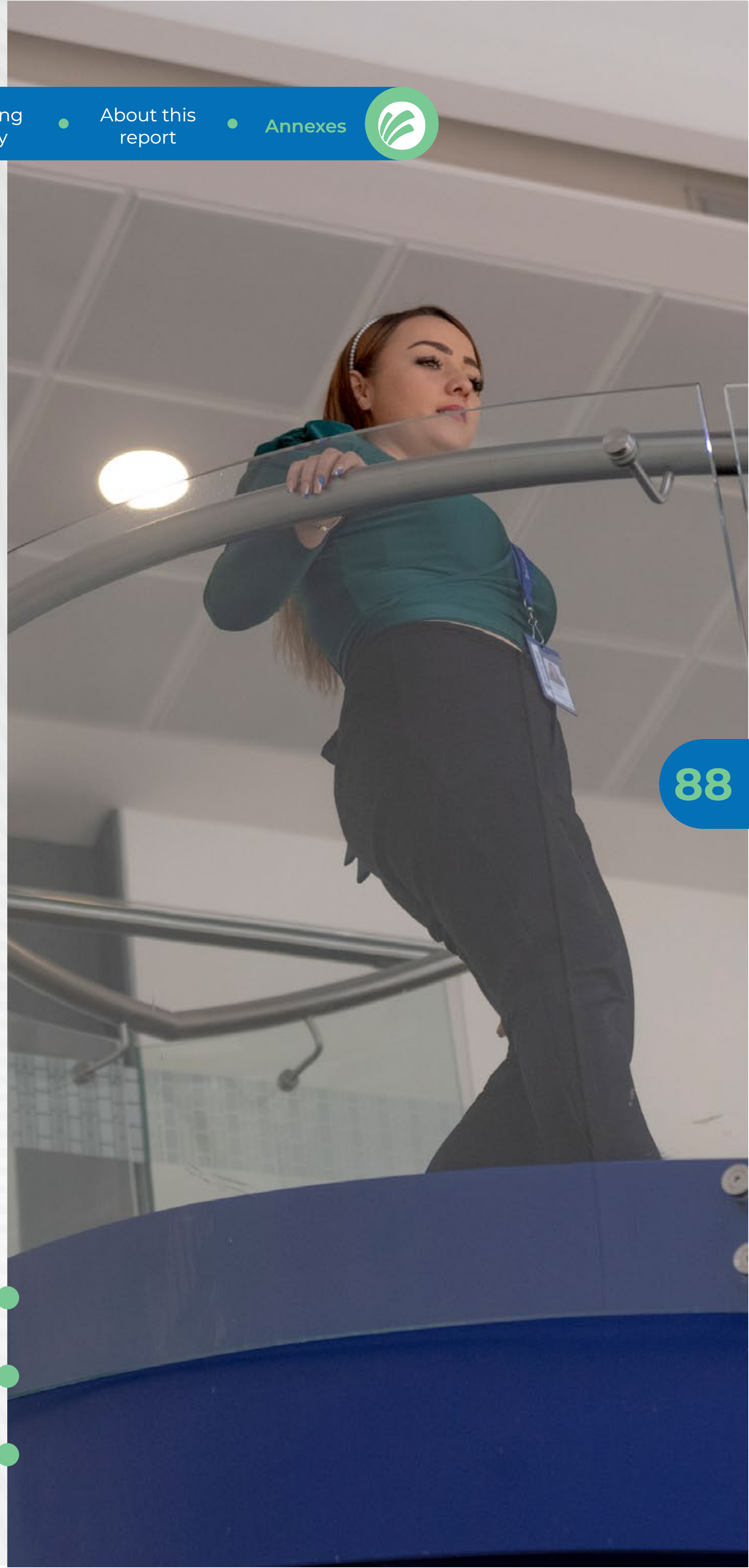
Difficulty or time required to mitigate or reverse the damage.

To assign quantitative values to these variables, the opinion of ESG experts was consulted and public information sources were analyzed. The magnitude of the impacts was calculated at the sectoral level, assessing their potential effect on stakeholders using open institutional sources. The likelihood of occurrence was determined based on the Organization's current ESG practices.

To strengthen the analysis, the impacts identified in the Impact Radar (UNEP-FI, 2022) were considered. This is a UN initiative that compiles impacts across social, environmental, and economic dimensions.

No.	Aspect
1	Water Management
2	Biodiversity
3	Air Quality
4	Climate Change
5	Product Design and Lifecycle Management
6	GHG Emissions
7	Energy Management
8	Supply Chain Management
9	Materials (Efficiency and Sourcing)
10	Waste
11	Consumer Well-being
12	Human Rights
13	Community Impact
14	Employee Relations
15	Cybersecurity and Data Privacy
16	Innovation
17	Ethics and Transparency





Financial Materiality

The financial materiality methodology, based on the standards of the Sustainability Accounting Standards Board (SASB), enables the identification and assessment of ESG risks with potential impact on the Organization. These risks may affect revenues and costs, assets and liabilities, and/or cost of capital, depending on the nature of the business.

ESG risks arise from the interaction between the entity and its stakeholders, including the environment, within an interdependent system. The Company relies on resources and relationships across its value chain to generate cash flows, but its activities may also influence the availability and quality of those resources, contributing either to their preservation or, conversely, to their deterioration.

The criticality of a risk is determined by two factors:

PROBABILITY OF OCCURRENCE:

The probability that the risk will materialize.

IMPACT MAGNITUDE, DEFINED BY ITS EFFECT ON:

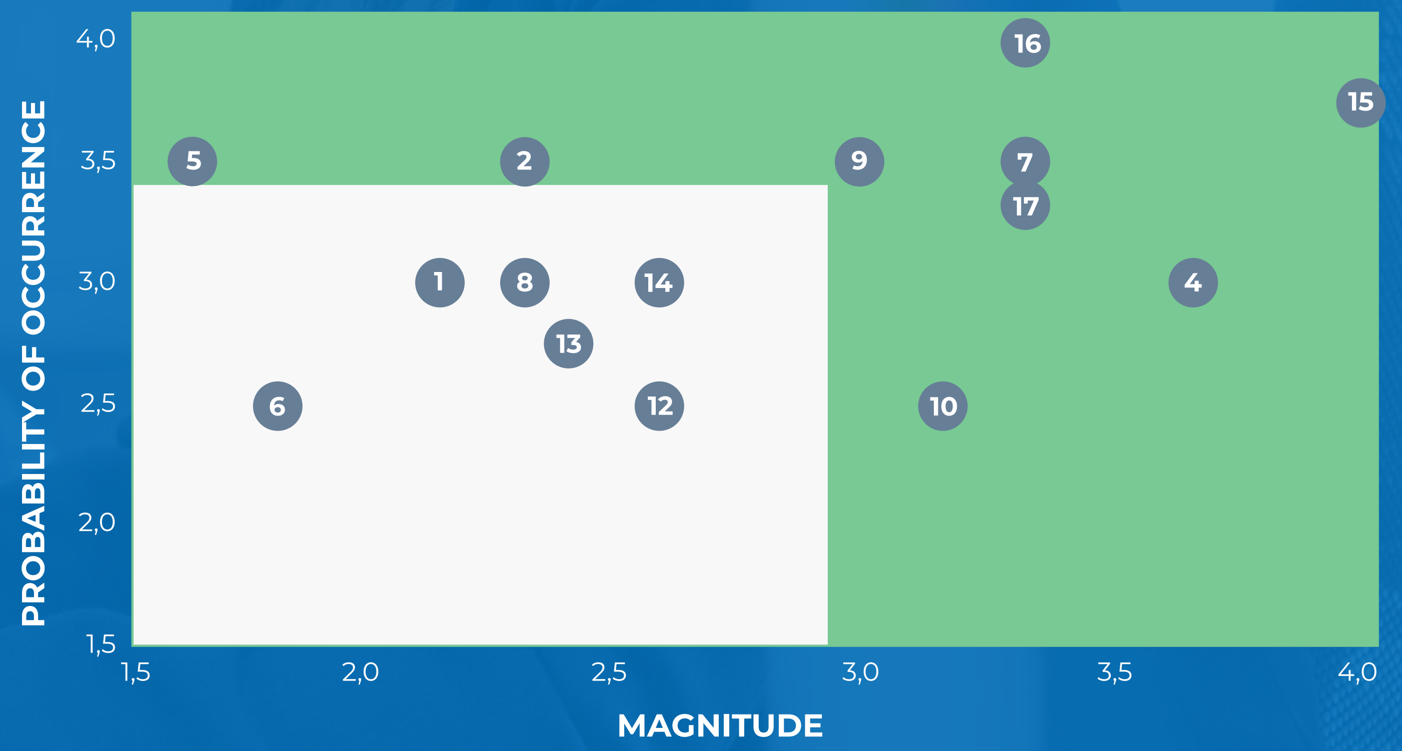
Revenues and costs: changes in demand for products or services and operational efficiency.

Assets and liabilities: impact on the value of the Company's key assets.

Cost of capital: risks associated with governance, operating license, risk premium, or divestment.

To quantify these variables, input was gathered from ESG experts, public information sources were analyzed, and data provided by MEGA was reviewed. The magnitude of the risks was assessed at the sector level, taking into account their potential impact on the financial performance of comparable companies. The likelihood of occurrence varies depending on the ESG practices implemented, as these can mitigate or prevent the materialization of the identified risks.

No.	Aspect
1	Water Management
2	Biodiversity
3	Air Quality
4	Climate Change
5	Product Design and Lifecycle Management
6	GHG Emissions
7	Energy Management
8	Supply Chain Management
9	Materials (Efficiency and Sourcing)
10	Waste
11	Consumer Well-being
12	Human Rights
13	Community Impact
14	Employee Relations
15	Cybersecurity and Data Privacy
16	Innovation
17	Ethics and Transparency



Double Materiality

Double materiality thus identifies those aspects that are material both due to their impact on stakeholders and due to the ESG risks that may affect the Organization's financial performance.

While certain ESG aspects may have a significant impact on stakeholders without posing a critical risk to the Company, this does not mean they should be overlooked. Similarly, some financial risks may not have a direct effect on stakeholders yet remain relevant to the long-term sustainability of the business. Given their dual significance, managing these aspects must be a priority to ensure both financial resilience and corporate responsibility.

No.	Aspect
2	Biodiversity
4	Climate change
5	Product design and lifecycle management
9	Materials (efficiency and sourcing)
11	Consumer well-being
16	Innovation
17	Ethics and transparency
7	Energy management
10	Waste
1	Water management
3	Air quality
8	Supply chain management
15	Cybersecurity and data privacy
6	GHG emissions
12	Human rights
13	Community impact
14	Employee relations

Double Materiality Aspects: Identified for both the impact the Organization has on its stakeholders and the risks that the external environment poses to the Company. These aspects should be managed as a priority due to their dual relevance.

Financially Material Aspects: Material due to the risks these aspects may pose to the Organization's financial performance.

Impact Material Aspects: Material due to the impact these aspects may have on the Organization's stakeholders.

Additionally, to ensure the relevance and effectiveness of our strategy, we are committed to updating the materiality assessment in line with our business needs and international standards, with an estimated frequency of at least every three years. This update will allow us to adapt to a constantly evolving environment, respond to stakeholder expectations, and strengthen our alignment with sustainability best practices.

Stakeholders

The identification of stakeholders has been a key element in integrating ESG aspects into the Organization and in developing the double materiality assessment. To define them, we used the general framework proposed in the Organisation for Economic Co-operation and Development (OECD) Guidelines, which enabled us to identify the stakeholders that maintain a direct or indirect relationship with our operations.

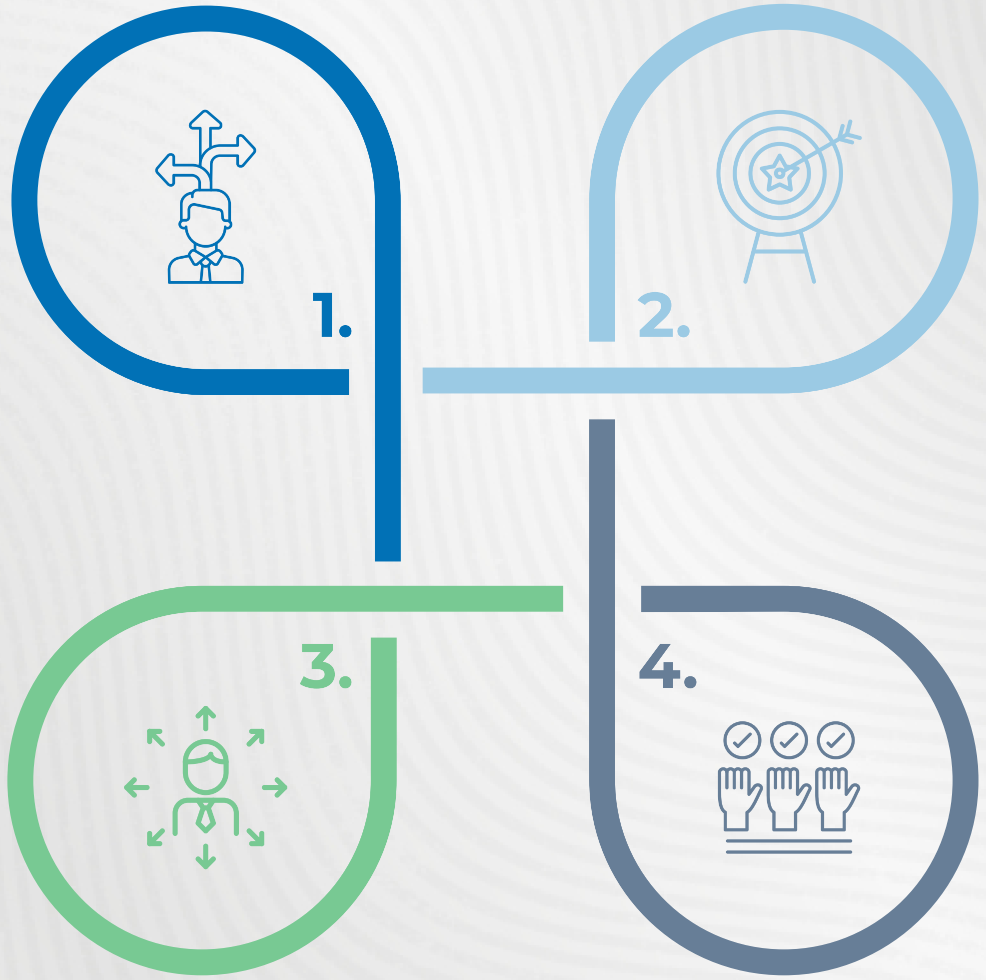
In addition, we applied two fundamental evaluation variables:

- **Influence:** The stakeholder's ability to affect the Organization, either through access to tangible resources (material) or intangible ones (knowledge), the urgency with which their needs must be addressed to avoid negative consequences, and their capacity to act in defense of their interests.
- **Dependence:** The degree of importance the Organization holds for the stakeholder, which varies according to how MEGA may influence their goals or interests.

Based on these variables, stakeholders were classified into four categories:

Key stakeholders:

Those with significant impact on MEGA's operations and performance. To ensure a strong and transparent relationship, we establish communication and engagement mechanisms that involve them in decision-making processes.



Influential stakeholders:

Although their level of interest in the Company may vary depending on their objectives or priorities, they have a high capacity to influence MEGA's reputation and decisions. For this reason, we promote a proactive relationship with them.

Latent or potential stakeholders:

These are external groups whose interest in the Organization is not constant but arises in response to specific or unforeseen events. Although they do not maintain an active link with the Company, their ability to influence can be triggered if any action or decision directly affects them.

Dependent stakeholders:

These are groups with limited influence over the Organization but with a high level of dependence and interest in its activities. For them, we aim to promote a participatory approach that gives them a voice and strengthens their relationship with MEGA, while maintaining open and transparent communication regarding our activities.

The following are MEGA's stakeholders:

Group	Relevance
Clients and subscribers	Key
Employees	Key
Suppliers	Key
Investors / Capital providers	Influential
Surrounding communities	Dependent
Environment / General society	Latent / Potential

Annex II

Ratings and Participation in ESG Questionnaires

CDP “C” – WATER

Organization	Country	Region	Sector	Activity	Topic	Rating CDP
Megacable Holdings, S.A.B. de C.V.	Mexico	Americas	General	Media, telecommunications, and data center services	Water	C

CDP “D” – CLIMATE CHANGE

Organization	Country	Region	Sector	Activity	Topic	Rating CDP
Megacable Holdings, S.A.B. de C.V.	Mexico	Americas	General	Media, telecommunications, and data center services	Climate Change	D

S&P GLOBAL CSA SCORE “24/100”

S&P Global CSA rating, unmodeled 24/100	
24/100	Sector average CSA score: 17/100

MSCI

Megacable Holdings, S.A.B. de C.V.	
Megacable Holdings, S.A.B. de C.V. (MEGACPO) Media and Entertainment | MX	MSCI ESG Rating B CCC B BB BBB A AA AAA **Rating action date:** December 10, 2021 **Latest report update:** May 3, 2022

SUSTAINALYTICS

Megacable Holdings, S.A.B. de C.V.		
Telecommunications services	Mexico	MEX: MEGACPO
ESG Risk Rating:	Momentum	High Risk
31.1	0.0	NEGL 0-10, LOW 10-20, MED 20-30, HIGH 30-40, SEVERE 40+

AMAFORE

The Company annually responds to the AMAFORE Standardized ESG Questionnaire, which aims to standardize the disclosure of environmental, social, and governance information to support the analysis processes of Mexican pension funds (Afores). While this questionnaire does not issue a rating or generate a ranking, compliance demonstrates the Company's commitment to transparency with investors and its alignment with ESG best practices.

Expansión Responsible Companies 2024 – Ranked 117 out of 152

		Environmental	Social	Governance
117	Megacable	98	119	130

Annex III

Allocation and Impact Report - Megacable

Description of Megacable's Sustainable Financing Framework

As part of its sustainability strategy, in 2024 Megacable published its Sustainable Financing Framework, under which it can issue sustainable financial instruments aimed at financing eligible projects in green and/or social categories, through the Use of Proceeds methodology. This Framework is designed to drive initiatives aligned with the Company's business model, generating long-term value in the economic, environmental, and social spheres.

Megacable's Sustainable Financing Framework follows the principles and guidelines established by the International Capital Market Association (ICMA), the Loan Market Association (LMA), the Loan Syndications and Trading Association (LSTA), and the Asia Pacific Loan Market Association (APLMA). It also incorporates criteria from the Sustainable Taxonomy of Mexico, when applicable.

Proceeds from the issuance of sustainable financial instruments are allocated exclusively to projects that meet specific criteria within the green and/or social categories, referred to as Eligible Projects.

ELIGIBLE GREEN CATEGORIES	GREEN PROJECT CATEGORIES	ELIGIBILITY CRITERIA	ALIGNMENT WITH THE UN SDGS
Renewable Energies	Renewable energy	• Onshore wind energy. • Solar energy (photovoltaic and concentrated solar). • Purchasing renewable energy through long-term (at least 5-year) purchase agreements ("PPA") and virtual power purchase agreements ("VPPA"). • PPAs and VPPAs entered into prior to the commercial operation date of renewable projects that contribute to the expansion of renewable energy sources in Mexico.	7 AFFORDABLE AND CLEAN ENERGY 13 CLIMATE ACTION
Energy Efficiency	Network Transformation	• Transformation of the network (fixed and mobile) to make new or legacy networks more energy efficient. Includes the modernization of broadband networks from copper cable to fiber optic, or the development and modernization of 5G wireless communication.	7 AFFORDABLE AND CLEAN ENERGY 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE
	Network optimization	• Software aimed at reducing energy consumption, such as migration to virtual servers, smart management, and energy storage optimization. Includes, without limitation, equipment and heating, ventilation, and air conditioning (HVAC) systems that are 30% more energy efficient.	
	Innovation	• Internet of Things (IoT) solutions and products: Development of solutions and products such as big data and artificial intelligence, mainly to manage energy consumption and savings, as well as reduce greenhouse gas emissions.	
	Data Center	• Construction and modernization of data centers with a Power Usage Effectiveness (PUE) equal to or below 1.5.	

ELIGIBLE SOCIAL CATEGORIES	SOCIAL PROJECT CATEGORIES	ELIGIBILITY CRITERIA	ALIGNMENT WITH THE UN SDGS
Access to essential services – Digital inclusion and reduction of inequalities	Digital Inclusion	Investments aimed at accelerating the deployment of the mobile network in areas at risk of digital exclusion: • Expanding coverage in rural areas to provide internet access with sufficient broadband for basic services. • Optimizing network performance, particularly through the deployment of 5G technology. • Modernization of existing networks with greater capacity where it is currently limited. **Target population:** Communities with limited or low-quality broadband access in rural or remote areas [9].	8 DECENT WORK AND ECONOMIC GROWTH 10 REDUCED INEQUALITIES

[9] The design of the methodology is based on the indicators of "Inhabited private homes where they do not have a computer or internet" and "Total population" by the "Population and Housing Census 2020" of INEGI in order to determine the communities that are lagging behind in digital inclusion issues. Some examples of regions and municipalities, which have been officially classified as "Priority Attention Zones" (https://www.dof.gob.mx/nota_detalle.php?codigo=5672639&fecha=28/11/2022#gsc.tab=0) by the Government, taking into account multiple social shortcomings.

Framework Governance

The governance of the Framework is supported by a structure composed of the Board of Directors and three committees that execute and oversee the evaluation, approval, monitoring, and control stages of eligible sustainable projects. This structure ensures transparent allocation, aligned with the principles of the Framework and the Company's internal policies.

SUSTAINABLE FINANCING COMMITTEE

BOARD OF DIRECTORS

Responsible for approving proposals of eligible Projects. Oversees compliance with the Company's sustainability strategy.

STRATEGIC COMMITTEE

Assesses the financial viability of projects and defines the Sustainability Strategy by area. Supervises initiatives submitted by the Operating Committee and presents project proposals to the Board of Directors.

OPERATIONAL COMMITTEE

Reviews the technical feasibility of green and social projects, ensuring they do not generate negative impacts. Evaluates initiatives and submits Eligible Projects to the Strategic Committee.

COMPLIANCE COMMITTEE

Verifies that the actions of the Operating and Strategic Committees are aligned with the Company's best practices. Oversees compliance with the principles of the Sustainable Financing Framework. Ensures process integrity before, during, and after the placement of instruments.

Summary of the Second Party Opinion (SPO)

Sustainable Fitch issued its Second Party Opinion (SPO), concluding that Megacable has an “excellent” alignment with sustainable financing principles and guidelines. It highlighted that through the Framework, the Company will address environmental and social topics relevant to Mexico and the telecommunications sector. It is worth noting that this Framework is the first at the national level to align, to the extent possible, with the Sustainable Taxonomy of Mexico.

MEGACABLE HOLDINGS S.A.B. DE C.V.

External Opinion (SPO; Second-Party Opinion) – Sustainable Finance Framework

Pilar	Alignment
Use of Proceeds (UoP)	
Use of Proceeds – Other Information	
Project Evaluation and Selection Process	
Management of Proceeds	

Excelent

Good

Aligned

Not Aligned

Financial Instruments and Allocation of Funds

Summary of Financial Instruments

Issuance	Date	Instrument Type	Amount (MXN)	Term	Rate Type
MEGA 24X*	26/MAR/2024	Sustainable bond	$1,621,789,400	3 years	Variable
MEGA 24-2X*	26/MAR/2024	Sustainable bond	$2,323,071,400	7 years	Fixed
Simple Loan	13/DEC/2024	Simple loan	$1,263,000,000	NA	Variable
Financing Instrument	15/MAR/2024	Financing Instrument	$624,763,554	8 months	Fixed

* The scope of the limited assurance work performed by KPMG exclusively covers the financial instruments MEGA 24X and MEGA 24-2X.

On March 26, 2024, the first issuance of sustainable-labeled notes was successfully carried out as part of a program authorized for up to $20,000 million Mexican pesos. The public offering took place on March 21 and included two Sustainable Bonds, MEGA 24X and MEGA 24-2X, with a total amount of $3,944,860,800 Mexican pesos placed.

On March 15, 2024, Megacable signed a private financing instrument for 8 months in the amount of $700,000,000 Mexican pesos, of which 89% ($624,763,554 Mexican pesos) was labeled as sustainable. In addition, on December 13, 2024, the Company took another step in integrating ESG criteria into its financial strategy by labeling as sustainable a line of credit entered into with BBVA for $1,263,000,000 Mexican pesos.

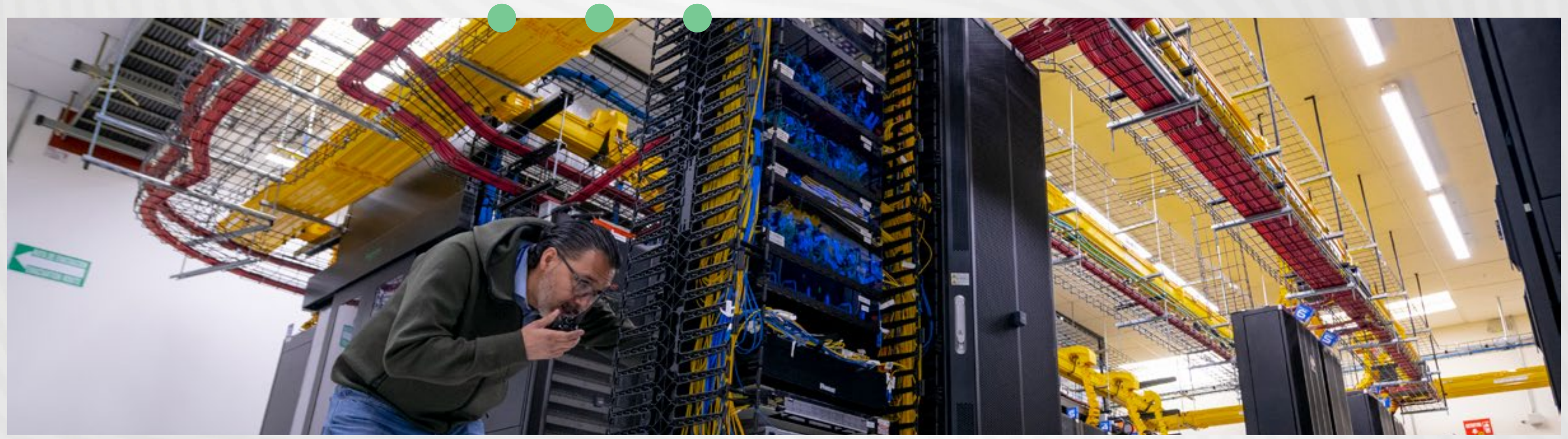
Eligible Projects and Allocation of Proceeds

The proceeds obtained from the above-mentioned instruments were fully allocated to refinancing outstanding balances associated with the Network Expansion and Evolution projects described below, both with positive environmental and social impacts, in line with the Company's Sustainable Financing Framework.

The Expansion Project aims to double the Company's infrastructure through the construction of 8 to 9 million homes passed with fiber optic technology, covering more than 50 additional cities in Mexico where the Company had no presence. This initiative aligns with the eligible category of Access to essential services, by providing high-quality connectivity at affordable prices in communities where broadband access was limited or nonexistent.

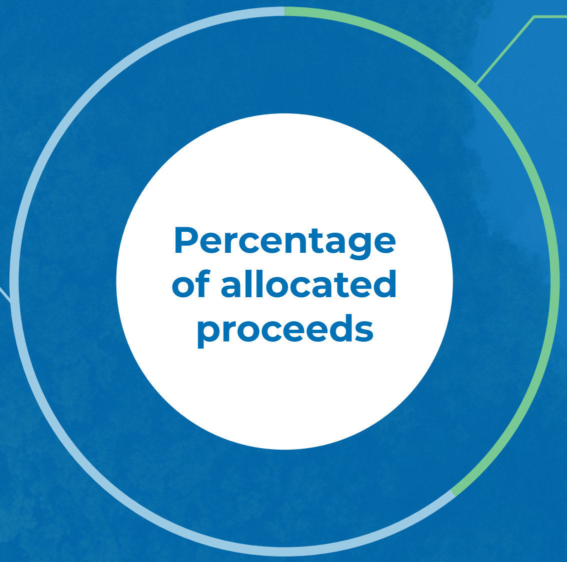
The Network Evolution Project focuses on migrating the subscriber base from Hybrid Fiber-Coaxial (HFC) technology to Fiber to the Home (FTTh). This project corresponds to the eligible category of Energy efficiency, by replacing active technology, which requires electric power sources to operate, with passive infrastructure that eliminates such need. In addition to reducing energy consumption, this migration enables higher bandwidths, which translates into improved service quality for users.

In addition, the private financing instrument supported the purchase of GPON (Gigabit Passive Optical Network) modems, which are only functional with fiber optic, ensuring its use. Therefore, it provides the energy efficiency benefits of fiber optic technology over coaxial cable.



Allocation and Impact Report

Total Amount Issued:
$5,832,624,354
Mexican pesos



20.6%
Eligible Social Projects (Access to essential services)

79.4%
Eligible Green Projects (Energy Efficiency)

Allocation of Proceeds by Category per Issuance

Issuance	Instrument type	Amount (MXN)	Social Category	Green Category	Percentage of Allocated Proceeds
MEGA 24X	Sustainable bond	$1,621,789,400	20.6%	79.4%	100%
MEGA 24-2X	Sustainable bond	$2,323,071,400	20.6%	79.4%	100%
Simple Loan	Simple loan	$1,263,000,000	20.6%	79.4%	100%
Financing Instrument	Financing Instrument	$624,763,554	20.6%	79.4%	100%

Impact indicators

Eligible Category	Energy efficiency	Energy efficiency	Energy efficiency	Energy efficiency	Energy efficiency / Access to essential services	Access to essential services	Access to essential services	Access to essential services
	Energy efficiency of the distribution network 2023 vs 2024	Percentage of users served through fiber optic 2023 vs 2024	Number of subscribers migrated At the end of 2024	HFC Network dismantled At the end of 2024	Length of fiber optic installed At the end of 2024	Geographic coverage growth At the end of 2024	Population covered with broadband networks in communities with limited or no connectivity At the end of 2023	NNumber of users connected to broadband networks in communities with limited or no access At the end of 2023
MEGA 24 X	**2023** 619.9 kWh/km **2024** 444.5 kWh/km	**2023** 63% **2024** 75%	**201,517** subscribers migrated	**2,893** km of HFC network	**5,376** km of fiber optic	Increase of **2,643** km in distribution network	**189,408** homes passed	**17,158** subscribers
MEGA 24-2X			**288,655** subscribers migrated	**4,143** km of HFC network	**7,701** km of fiber optic	Increase of **3,785** km in distribution network	**271,310** homes passed	**24,577** subscribers
Simple Loan			**156,935** subscribers migrated	**2,253** km of HFC network	**4,187** km of fiber optic	Increase of **2,058** km in distribution network	**147,505** homes passed	**13,362** subscribers
Financing Instrument			**77,631** subscribers migrated	**1,114** km of HFC network	**2,071** km of fiber optic	Increase of **1,018** km in distribution network	**72,966** homes passed	**6,610** subscribers
Impact Derived from CAPEX Labeling			**724,748** subscribers migrated	**10,403** km of HFC network	**19,334** km of fiber optic	Increase of **9,504** km in distribution network	**681,189** homes passed	**61,707** subscribers
Total Impact (Labeled + Unlabeled CAPEX)			**2,798,294** subscribers migrated	**40,166** km of HFC network	**74,651** km of fiber optic	Increase of **36,697** km in distribution network	**2,630,143** homes passed	**238,258** subscribers

Methodology

Energy Efficiency of the Distribution Network

This indicator measures the energy efficiency of the distribution network by the relationship between electricity consumption and the total length of the network, expressed as kilowatt-hours per kilometer.

Data source:

Electricity consumption is obtained from invoices issued by the Federal Electricity Commission (CFE), consolidated by the Administration Directorate.

Network length data is managed by the Project and Quality Administration Department, based on operational construction records updated at year-end.

Calculation method:

The indicator is obtained by dividing the total electricity consumption associated with the distribution network by the total network length, using year-end data.

Percentage of Users Served Through Fiber Optic

This indicator represents the percentage of active users served through fiber optic technology compared to the total user base. It monitors progress toward the strategic goal of becoming a Full Fiber company.

Data source:

Managed by the Customer Service and Marketing Departments, based on operational records at each quarter-end, identifying the technology used per active user.

Calculation method:

Number of active users served through fiber optic divided by total active users, multiplied by 100.

Number of Subscribers Migrated

This indicator quantifies the total number of subscribers migrated from HFC to FTTh during the analysis period. It evaluates the progress of technological modernization.

Data source:

The information is managed by the Customer Service and Marketing Departments, based on migration records managed by operational areas.

Calculation method:

The indicator reflects the cumulative number of subscribers whose service infrastructure was migrated to FTTH technology, from 2020 through the end of 2024.

HFC Network Dismantled

This indicator reports the kilometers of HFC network decommissioned during the analysis period. It reflects the dismantling progress of legacy infrastructure and the transition to a full fiber optic network.

Data source:

The corresponding information is managed by the Project Management and Quality Department, based on operational construction records updated at the end of the fiscal year.

Calculation method:

The indicator represents the total number of kilometers of HFC network that were decommissioned from 2020 through the end of 2024 in the regions where the Company operates.

Length of Fiber Optic Installed

This indicator measures the fiber optic deployed in the distribution network during the analysis period, reflecting progress in strengthening infrastructure with more efficient and higher-capacity technology.

Data source:

The information is managed by the Project Management and Quality Department, based on operational records reported by the installation crews that document the fiber optic deployment in the field.

Calculation method:

The kilometers of fiber optic installed in all regions where the Company operates are aggregated from 2020 through the end of 2024.

Geographical Coverage Growth

This indicator measures the cumulative growth of the distribution network in terms of length, which reflects the geographical expansion of service coverage. It allows monitoring the territorial reach achieved as a result of investment in infrastructure.

Data source:

The information is managed by the Project Management and Quality Department, based on internal network extension records documented at the national level.

Calculation method:

Growth was calculated as the difference between the total network length at the end of 2024 and the length recorded as the baseline at the beginning of the fourth quarter of 2021.

Population Covered with Broadband Networks in Communities with Limited or No Connectivity

This indicator estimates the number of homes passed covered by the network in rural, remote, or marginalized communities with historically limited broadband access. It evaluates the social impact of infrastructure expansion in terms of digital inclusion.

Data source:

The identification of marginalized communities is based on two main criteria:

- Indicators of the 2020 Population and Housing Census of the INEGI, specifically:
  - a) Private dwellings inhabited without access to a computer or internet.
  - b) Total population by locality.
- Official classification of Priority Attention Zones published by the Government of Mexico, which considers multiple social deficiencies, including connectivity.

Information on past homes in these areas is provided by the Marketing Department, based on network deployments.

Calculation method:

Total homes passed in communities identified as marginalized or digitally underserved, based on overlap between installed network and target community maps.

Number of Users Connected to Broadband Networks in Communities with Limited or No Connectivity

This indicator reflects the number of active MEGA subscribers in historically unconnected or underserved communities, where broadband services were previously limited or unavailable. It assesses the direct social impact in terms of effective access to connectivity within the Expansion territories.

Data source:

The identification of marginalized communities is based on two main criteria:

- Indicators of the 2020 Population and Housing Census of the INEGI, specifically:
  - a) Private dwellings inhabited without access to a computer or internet.
  - b) Total population by locality.
- Official classification of Priority Attention Zones published by the Government of Mexico, which considers multiple social deficiencies, including connectivity.

The Marketing Department provides information on active subscribers in localities identified as marginalized or digitally lagging.

Calculation method:

Total active subscribers located in communities that meet marginalization or digital gap criteria.

Quality Control and Independence

Verification criteria

External validation

- Assurance Level (limited)
- Observations or recommendations from the verifier

Labeled Financial Instruments

Labeled Cebures

On March 26, 2024, Megacable successfully carried out its first issuance of sustainable-labeled Cebures, as part of a program authorized for up to $20,000 million Mexican pesos. The public offering took place on March 21 and included two Sustainable Bonds —MEGA 24X and MEGA 24-2X— with a total amount placed of $3,944,860,800 Mexican pesos. These issuances are aligned with the Company's Sustainable Finance Framework and strengthen the progress of its sustainability strategy through the development of projects with positive environmental and social impact.

Issuer	Megacable Holdings, S.A.B. de C.V.	
Instrument	Long-Term Stock Certificates	
Ratings	Fitch Ratings AAA (mex) / HR Ratings HR AAA	
Currency	Mexican Pesos (MXN)	
Program Amount	MXN$20,000 million	
Issuance Amount	Up to MXN$8,000 million, in communicating vessels	
ESG Label	Sustainable	
Bookbuilding	March 21, 2024	
Issuance Date	March 26, 2024	
Ticker Simbols	MEGA 24X	MEGA 24-2X
ISIN Code	MX91ME090038	MX91ME090020
Total Offering Amount	$1,621,789,400	$2,323,071,400
Tenor	3 years	7 years
Interest Rate	Variable	Fixed
Reference Rate	$TIIE_{28}$ + 45 bps	10% ($Mbono_{[2031]}$ + 80 bps)
Interest Payment Periodicity	Every 28 days	Every 182 days
Maturity Date	March 23, 2027	March 18, 2031
Amortization	At maturity	

Labeled Loan – BBVA

On December 13, 2024, Megacable took another step in integrating ESG criteria into its financial strategy by labeling as sustainable the credit line executed with BBVA bank, for an amount of $1,263,000,000 Mexican pesos. This transaction is aligned with the Company's Sustainable Finance Framework.

Issuer	Megacable Holdings, S.A.B. de C.V.
Instrument	Simple loan
Bank	BBVA
Currency	Mexican Pesos (MXN)
Total Amount	$1,263,000,000
Interest Rate	Variable
Reference Rate	$TIIE_{28}$ + 50 bps

Private Financing Instrument – BBVA

On March 15, 2024, the Company signed a private financing instrument with BBVA bank, for an amount of $624,763,554 Mexican pesos. This transaction is aligned with the Company's Sustainable Finance Framework.

Issuer	Megacable Holdings, S.A.B. de C.V.
Instrument	Private Financial Instrument
Bank	BBVA
Currency	Mexican Pesos
Total Amount	$624,763,554
Interest Rate	Fixed
Reference Rate	11.72%

Limited Assurance Report of the Independent Professionals

KPMG Cárdenas Dosal, S.C.
Manuel Ávila Camacho 176 P1,
Reforma Social, Miguel Hidalgo,
C.P. 11650, Ciudad de México.
Teléfono: +52 (55) 5246 8300
kpmg.com.mx

Informe de Aseguramiento Limitado de los Profesionales Independientes

Al Consejo de Administración de Megacable Holdings, S.A.B. de C.V.:

Informe sobre la declaración de Megacable Holdings, S.A.B. de C.V., (en adelante "Megacable") sobre la asignación y el uso de recursos netos para proyectos verdes y sociales.

Conclusión

Hemos realizado un trabajo de aseguramiento limitado sobre si la Declaración de la Administración de Megacable establecida en el Reporte de Asignación e Impacto incluido dentro del Informe Anual Integrado 2024 con respecto a que el total de $3,944,860,800 pesos de los recursos netos obtenidos de la emisión de certificados bursátiles con etiqueta sostenible realizada por Megacable el 26 de marzo de 2024 asignados en el período comprendido entre el 1 de enero y el 31 de diciembre de 2024, se han asignado a proyectos verdes y sociales de acuerdo con los Criterios de Elegibilidad definidos en la sección "Uso de los Recursos" del Marco de Financiamiento Sostenible de Megacable ("los Criterios").

Basados en los procedimientos realizados y en la evidencia obtenida, nada ha llamado nuestra atención que nos haga creer que la Declaración de la Administración de Megacable para el año terminado el 31 de diciembre de 2024, no está, en todos los aspectos materiales, razonablemente presentada.

Fundamento de la conclusión

Realizamos nuestro trabajo de acuerdo con la Norma Internacional sobre Encargos de Aseguramiento (NIEA) 3000 (Revisada), Encargos de Aseguramiento Distintos de la Auditoría o de la Revisión de Información Financiera Histórica, emitida por el Consejo de Normas Internacionales de Auditoría y Aseguramiento (IAASB, por sus siglas en inglés). Nuestras responsabilidades bajo esta norma se describen con más detalle en la sección "Nuestras responsabilidades" de nuestro informe.

Hemos cumplido los requisitos de independencia y otros requisitos éticos del Código Internacional de Ética para Profesionales de la Contabilidad (incluidas las Normas Internacionales de Independencia) emitidas por el Consejo de Normas Internacionales de Ética para contadores (IESBA, por sus siglas en inglés).

Nuestra firma aplica la Norma Internacional sobre Gestión de la Calidad (ISQM por sus siglas en inglés) 1, Gestión de Calidad para Firmas que Realizan Auditorías o Revisiones de Estados financieros, u otros Encargos de Aseguramiento o Servicios Relacionados, emitida por el IAASB. Esta norma requiere que la firma diseñe, implemente y opere un sistema de gestión de la calidad, incluyendo políticas o procedimientos acerca del cumplimiento de los requerimientos éticos, las normas profesionales y los requerimientos legales y regulatorios, aplicables.

Consideramos que la evidencia que hemos obtenido es una base suficiente y adecuada para nuestra conclusión.

Aguascalientes, Ags.
Cancún, Q. Roo.
Ciudad de México.
Ciudad Juárez, Chih.
Culiacán, Sin.
Chihuahua, Chih.
Guadalajara, Jal.
Hermosillo, Son.
León, Gto.
Mexicali, B.C.
Monterrey, N.L.
Puebla, Pue.
Querétaro, Qro.
Reynosa, Tamps.
Saltillo, Coah.
San Luis Potosí, S.L.P.
Tijuana, B.C.

Párrafo de énfasis

Llamamos la atención sobre el hecho de que Megacable ha emitido por primera vez un bono sostenible, cuyos recursos fueron destinados en su totalidad al refinanciamiento de saldos pendientes asociados a los proyectos de Expansión y Evolución de la Red. Nuestra conclusión no se modifica con respecto a este asunto.

Restricción de uso

Nuestro informe no debe considerarse adecuado para ser utilizado por ninguna parte que desee adquirir derechos frente a nosotros que no sea el Consejo de Administración y la Dirección de Sostenibilidad de Megacable para ningún propósito o en cualquier otro contexto. Cualquier parte que no sean el Consejo de Administración y la Dirección de Sostenibilidad de Megacable que obtenga acceso a nuestro informe o una copia de este y elija confiar en nuestro informe (o cualquier parte de él) lo hará bajo su propio riesgo. En la medida en que lo permita la ley, no aceptamos ni asumimos ninguna responsabilidad y negamos cualquier responsabilidad a cualquier parte que no sea Megacable por nuestro trabajo, por este informe independiente de seguridad limitada o por las conclusiones a las que hemos llegado.

Responsabilidades de la Declaración de la Administración

La Dirección de Sostenibilidad de Megacable es responsable de:

- Diseñar, implementar y mantener un control interno pertinente para la preparación de la Declaración de la Administración de manera que esté exenta de incorrecciones materiales, ya sea debido a fraude o error;
- Seleccionar o desarrollar criterios adecuados para preparar la Declaración de la Administración y referirse o describir adecuadamente los criterios usados;
- Preparar y presentar la Declaración de la Administración libre de incorrecciones materiales;
- Asegurar que las personas involucradas en la preparación y presentación del reporte están apropiadamente capacitadas y sus sistemas de información se actualicen adecuadamente; y
- Declarar de manera razonable de la Declaración de la Administración;
- Prevenir y detectar fraudes.

Nuestras responsabilidades

Somos responsables de:

- Planificar y realizar el trabajo para obtener una seguridad limitada sobre si la Declaración de la Administración está exenta de incorrecciones materiales, ya sea debido a fraude o error;
- Formar una conclusión independiente, con base en los procedimientos que hemos realizado y la evidencia que hemos obtenido; e
- Informar nuestra conclusión al Consejo de Administración de Megacable.

Resumen del trabajo que realizamos como base para nuestra conclusión

Ejercimos nuestro juicio profesional y mantuvimos el escepticismo profesional durante el trabajo. Diseñamos y realizamos nuestros procedimientos para obtener evidencia sobre la Declaración de la Administración para proporcionar una base suficiente y adecuada para nuestra conclusión. Nuestros procedimientos seleccionados dependieron de nuestro entendimiento de la Declaración de la Administración y otras circunstancias del trabajo, y nuestra consideración de áreas en las que probablemente surjan incorrecciones materiales. Al realizar nuestro trabajo, los procedimientos que realizamos consistieron principalmente en:

- Indagaciones a la gerencia para comprender las metodologías y los datos utilizados en la preparación de la Declaración de la Administración;
- Evaluar la idoneidad de los criterios utilizados por Megacable para asignar recursos a los proyectos verdes y sociales elegibles;
- Inspección de una selección de documentación soporte;
- Procedimientos analíticos;
- Evaluación de la presentación general de la Declaración de la Administración para determinar si es consistente con los Criterios aplicables y si se ajusta a nuestro conocimiento y experiencia general con la Compañía.

Los procedimientos aplicados en un trabajo de seguridad limitada difieren en su naturaleza y oportunidad, y su alcance es menor que para un trabajo de seguridad razonable. En consecuencia, el grado de seguridad obtenido en un trabajo de seguridad limitada es sustancialmente menor que el grado de seguridad que se hubiera obtenido si hubiéramos realizado un trabajo de seguridad razonable.

KPMG CÁRDENAS DOSAL, S. C.

Carlos Fernández (18 sept.. 2025 17:13:34 MDT)

Carlos Fernández Galguera
Socio
Ciudad de México, a 18 de septiembre de 2025

Annex IV

Megacable Holdings, S.A.B. de C.V. and Subsidiaries

CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2024 and 2023
(With Independent Auditor´s Report Thereon)
(Translation from Spanish, the Original Language)

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Independent Auditor's Report

(Translation from Spanish, the Original Language)

To the Board of Directors and Shareholders
Megacable Holdings, S.A.B. de C.V.
(In thousands of Mexican Pesos)

Opinion

We have audited the consolidated financial statements of Megacable Holdings, S.A.B. de C.V. and subsidiaries (the Group), which comprise the consolidated statements of financial position as at December 31, 2024 and 2023, the consolidated statements of comprehensive income, changes in stockholders´ equity and cash flows for the years then ended, and notes, comprising material accounting policies, and other explanatory information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of Megacable Holdings, S.A.B. de C.V. and subsidiaries as at December 31, 2024 and 2023, and its consolidated results and its consolidated cash flows for the years then ended, in accordance with IFRS Accounting Standard issued by the International Accounting Standards Board (IASB).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Mexico, and we have fulfilled our ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key Audit Matters (KAM) are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Evaluation of the goodwill impairment test
See note 11 to the consolidated financial statements

The Key Audit Matter	How our matter was addressed in our audit
The goodwill as at December 31, 2024 was $4,366,058, and represented 6% of the Group's total consolidated assets as at that date, of which $4,054,576 corresponded to the following Cash Generating Units (CGU): $1,242,205 to the Bajío CGU; $1,104,865 to the Central CGU, $693,805 to the Southeast CGU, $429,492 to the Pacific CGU, $318,640 to the Michoacán CGU and $265,569 to the Western CGU. The Group analyzes the impairment of goodwill due to the occurrence of internal or external impairment indicators, or at least once a year. We have identified the goodwill impairment test evaluation of these six CGUs as a key matter in our audit because the recovery value determination involves significant judgments. Specifically, the assumptions of the long-term growth rate, discount rate and reasonableness of cash flow projections used to calculate the recoverable value of CGUs are complex and any minor change to these assumptions would represent a significant impact.	The main procedures we performed to address this key audit matter included the following: We performed a sensitivity analysis on the long-term growth rate and discount rate assumptions to assess their impact on determining the recovery value of the CGUs mentioned above. We evaluated the long-term growth rates projected by the Group for these CGUs, comparing the growth assumptions with publicly available information. We compared the Group's historical cash flow projections with current results to assess the Group's ability to make projections. We also involved our valuation specialists, who assisted us with: » Evaluating the discount rate used in the valuation, when comparing it with a range of discount rate that was estimated independently using public information available for comparable entities; and » Calculating the recovery value of the CGUs mentioned above, using the Group's cash flow projections and previously evaluated and using the discount rate calculated independently, and compare the results with the estimates made by the Group.

Other information

Management is responsible for the other information. The other information comprises the information included in the Group's Annual Report for the year ended December 31, 2024, which must be submitted to the National Banking and Securities Commission and the Mexican Stock Exchange ("the Annual Report") but does not include the consolidated financial statements and our auditor's report thereon. We expect that the Annual Report will be made available to us after the date of this auditor's report.

Our opinion on the consolidated financial statements does not cover the other information, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information as it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, when we read the Annual Report, we conclude that there is a material misstatement of this other information, we are required to report that fact to those responsible for the entity's governance.

Responsibilities of Management and those Charged with Governance of the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the accompanying consolidated financial statements in accordance with IFRS Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but it is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

» Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. 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.

» 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 Group's internal control.

» Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

» Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, we conclude whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.

» Evaluate the overall presentation, structure, and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are, therefore, the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

KPMG Cárdenas Dosal, S. C.

C. P. C. Eduardo Ochoa Del Toro

Guadalajara, Jalisco
April 23, 2025

Megacable Holdings, S.A.B. de C.V. and subsidiaries

Consolidated Statement of Financial Position

December 31, 2024 and 2023 | (Thousands of Mexican pesos)

These financial statements have been translated from Spanish, the original language for the convenience of foreign English-speaking readers

ASSETS	Notes	2024	2023
Current assets:			
Cash and cash equivalents	5	$ 4,227,528	1,538,769
Accounts receivable, net	6	2,194,160	1,970,225
Value added tax and others		1,623,010	1,665,374
Inventories, net	7	633,008	768,373
Prepayments	8	1,044,871	1,110,639
Total current assets		9,722,577	7,053,380
Non-current assets:			
Prepayments	8	42,248	135,448
Accounts receivable, long-term	6	-	509,327
Property, networks and equipment, net	10	53,152,074	52,208,071
Right-of-use assets, net	18	3,265,928	2,045,428
Related parties	26	1,325,633	1,162,900
Goodwill, net	11	4,366,058	4,366,058
Other intangible assets, net	12	3,042	5,865
Other assets, net	27	1,404,645	997,798
Total non-current assets		63,559,628	61,430,895
Total assets		$ 73,282,205	68,484,275

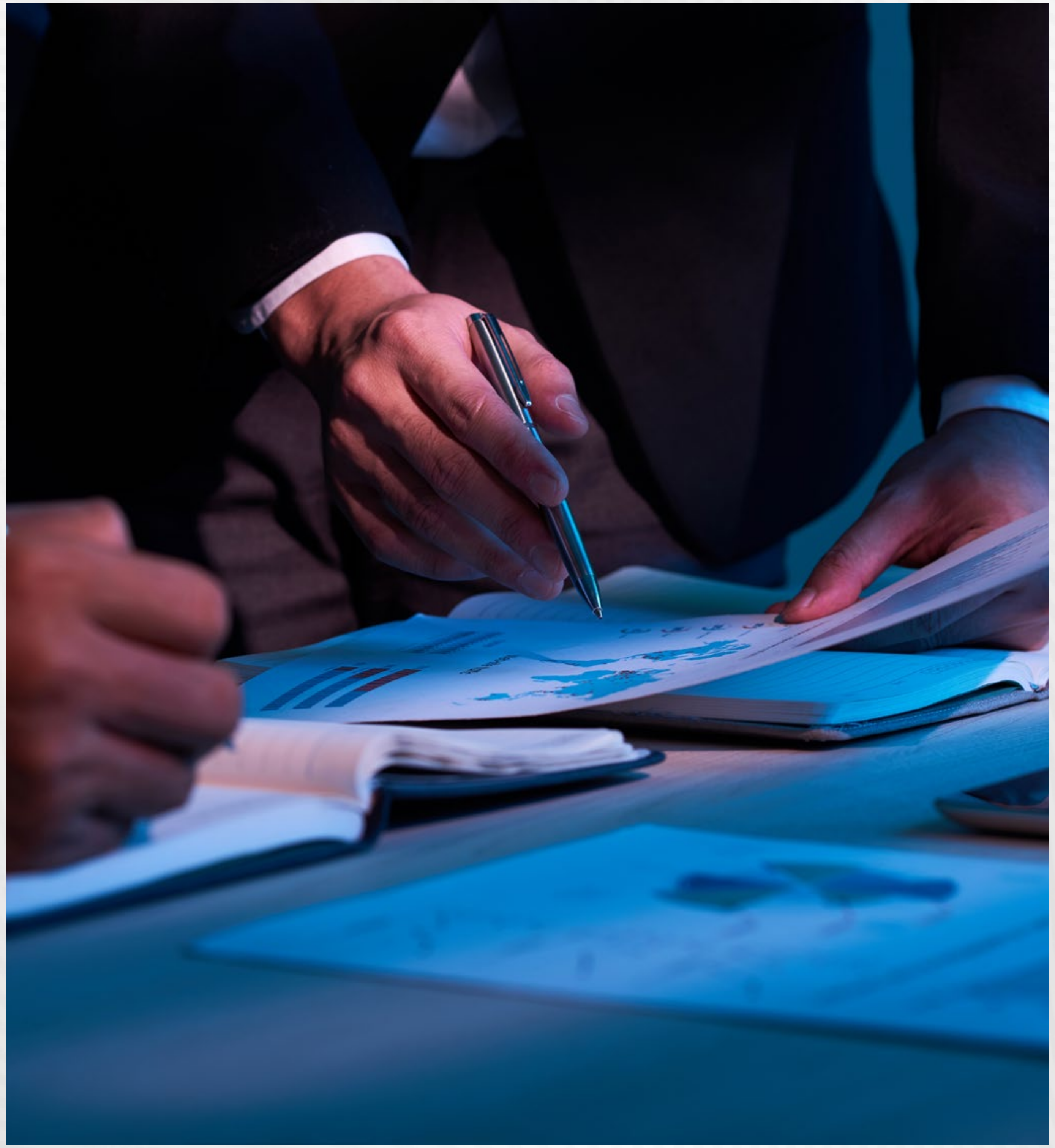
LIABILITIES	Notes	2024	2023
Current liabilities:			
Banknotes payable and issuing debt securities	14 a) and 14 b)	$ 292,171	5,538,405
Financial instruments	13	-	62,355
Current portion of lease liabilities	18	1,359,208	195,733
Suppliers		3,330,628	3,340,798
Other accounts payable and accrued liabilities	15	1,387,385	1,238,784
Provisions	16	546,381	694,135
Deferred revenue	15	287,558	334,708
Related parties	18 and 26	93,414	69,198
Total current liabilities		7,296,745	11,474,116
Non-current liabilities:			
Banknotes payable	14 a)	12,831,680	8,331,859
Issuing debt securities	14 b)	10,944,861	7,000,000
Long-term lease liabilities, net of current portion	18	707,349	704,036
Related parties	18 and 26	907,463	718,927
Employee benefits	17	443,075	387,121
Deferred revenue	15	560,856	618,817
Deferred income tax	21	3,933,395	3,394,466
Total non-current liabilities		30,328,679	21,155,226
Total liabilities		37,625,424	32,629,342

EQUITY	Notes	2024	2023
Controlling interest:	19		
Capital stock		910,244	910,244
Additional paid in capital		2,117,560	2,117,560
Reserve for the repurchase of shares		400,000	400,000
Retained earnings		30,679,637	31,096,364
Legal reserve		558,686	499,400
Other comprehensive income		(25,577)	(19,577)
Controlling interest		34,640,550	35,003,991
Non-controlling interest		1,016,231	850,942
Total equity		35,656,781	35,854,933
Total liabilities and equity		$ 73,282,205	68,484,275

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

Enrique Yamuni Robles
Chief Executive Officer

Luis Antonio Zetter Zermeño
Chief Administrative and Financial Officer



Megacable Holdings, S.A.B. de C.V. and subsidiaries

Consolidated Statements of Comprehensive Income

Years ended December 31, 2024 and 2023 | (Thousands of Mexican pesos)

These financial statements have been translated from Spanish, the original language for the convenience of foreign English-speaking readers

	Notes	2024	2023
Service revenues	26 and 29	$ 32,840,472	29,870,540
Other income	23 and 29	178,727	155,979
Total income		33,019,199	30,026,519
Cost of services	22 and 29	16,885,484	15,199,976
Gross profit		16,133,715	14,826,543
Selling expenses	22 and 29	9,238,716	7,974,833
Administrative expenses	22 and 29	688,995	616,474
Expected credit loss	6 and 22	109,276	39,533
Other expenses	23 and 29	40,746	4,313
Total expenses		10,077,733	8,635,153
Operating income		6,055,982	6,191,390
Finance income	24 and 26	536,311	349,481
Finance costs	24 and 26	(3,072,019)	(2,255,739)
Finance costs, net	29	(2,535,708)	(1,906,258)
Income before income tax		3,520,274	4,285,132
Income tax	21 and 29	(1,053,891)	(1,276,042)
Net profit		2,466,383	3,009,090

	Notes	2024	2023
Other comprehensive income:			
Items that will not be reclassified to profit or loss:			
Remeasurement of post-employment benefit obligations		(6,000)	12,145
Comprehensive income, net		2,460,383	3,021,235
Net income attributable to:			
Company shareholders		2,286,740	2,841,835
Non-controlling interest		179,643	167,255
Net profit		2,466,383	3,009,090
Comprehensive income attributable to:			
Company shareholders		2,280,740	2,853,980
Non-controlling interest		179,643	167,255
Comprehensive income		$ 2,460,383	3,021,235
Basic and diluted earnings per share:			
Attributable earnings per common share of the controlling interest	20	1.33	1.65
Profit per Ordinary Share Certificate (CPO)	20	2.66	3.30

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

Enrique Yamuni Robles
Chief Executive Officer

Luis Antonio Zetter Zermeño
Chief Administrative and Financial Officer

Megacable Holdings, S.A.B. de C.V. and subsidiaries

Consolidated Statements of Changes in Stockholders´ Equity

Years ended December 31, 2024 and 2023 | (Thousands of Mexican pesos)

These financial statements have been translated from Spanish, the original language for the convenience of foreign/English-speaking readers

	Note 19	Share capital	Net premium on placement of shares	Provision for repurchase of shares	Retained earnings	Legal reserve	Other comprehensive income	Total controlling interest of share capital	Non-controlling interest	Total equity
Balance at January 1, 2023		$ 910,244	2,117,560	273,628	30,930,210	494,223	(31,722)	34,694,143	1,487,616	36,181,759
Application to legal reserve		-	-	-	(5,177)	5,177	-	-	-	-
Increase provision for repurchase of shares		-	-	95,649	(95,649)	-	-	-	-	-
Purchase and sale of own shares		-	-	30,723	-	-	-	30,723	-	30,723
Dividends		-	-	-	(2,538,547)	-	-	(2,538,547)	-	(2,538,547)
Reimbursement to stockholders non-controlling interest		-	-	-	-	-	-	-	(637,000)	(637,000)
Restructuring effect on non-controlling interest		-	-	-	-	-	-	-	(166,929)	(166,929)
OCI effect of IAS 19		-	-	-	(36,308)	-	-	(36,308)	-	(36,308)
Comprehensive income		-	-	-	2,841,835	-	12,145	2,853,980	167,255	3,021,235
Balance at December 31, 2023		910,244	2,117,560	400,000	31,096,364	499,400	(19,577)	35,003,991	850,942	35,854,933
Application to legal reserve		-	-	-	(59,286)	59,286	-	-	-	-
Dividends		-	-	-	(2,644,181)	-	-	(2,644,181)	-	(2,644,181)
Reimbursement to stockholders non-controlling interest		-	-	-	-	-	-	-	(14,354)	(14,354)
Comprehensive income		-	-	-	2,286,740	-	(6,000)	2,280,740	179,643	2,460,383
Balance at December 31, 2024		$ 910,244	2,117,560	400,000	30,679,637	558,686	(25,577)	34,640,550	1,016,231	35,656,781

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

Enrique Yamuni Robles
Chief Executive Officer

Luis Antonio Zetter Zermeño
Chief Administrative and Financial Officer

Megacable Holdings, S.A.B. de C.V. and subsidiaries

Consolidated Statements of Cash Flows

Years ended December 31 2024 and 2023 | (Thousands of Mexican pesos)

These financial statements have been translated from Spanish, the original language for the convenience of foreign/ English-speaking readers

	2024	2023
Operating activities:		
Net profit	$ 2,466,383	3,009,090
Items related to investment activities:		
Allowance for credit losses	109,276	39,533
Depreciation	7,759,493	6,696,602
Depreciation of leases	200,698	160,940
Amortization	502,672	346,197
Loss on sale of property, system, and equipment	35,056	266,267
Interest income	(536,311)	(299,145)
Allowance for obsolete inventories	11,196	7,286
Impairment of goodwill	-	12,339
Income tax	1,053,891	1,276,042
Items related to financing activities:		
Interest expense	2,841,080	2,217,733
Unrealized exchange rate fluctuations	32,755	245,680
Subtotal	14,476,189	13,978,564
Changes in working capital:		
Accounts receivable	(334,244)	111,318
Tax credit and others	42,364	49,278
Related parties, net	(47,010)	308,490
Inventories	124,169	(123,078)
Prepayments	64,175	(430,633)
Suppliers	(32,203)	(943,651)
Other accounts payable and accrued liabilities	264,698	1,053,501
Deferred revenue	(105,111)	1,582
Employee benefits	55,954	87,814
Net cash flows from operating activities	14,508,981	14,093,185
Paid employee profit-sharing	(263,851)	(172,874)
Income tax	(514,962)	(527,558)
Net cash from operating activities	13,730,168	13,392,753

	2024	2023
Investing activities:		
Prepayments	93,200	721,219
Accounts receivable, long-term	509,327	(390,172)
Amounts collected on loans to related parties	98,803	100,352
Proceeds from the sale of property, networks, and equipment	49,887	50,705
Acquisition of other investments	-	(1,800)
Acquisition of machinery, furniture, equipment and leases	(8,338,975)	(14,033,251)
Increase in other non-current assets	(899,117)	(788,485)
Investment in financial instruments	(62,355)	62,355
Interest income	544,849	259,612
Net cash flows from investing activities	(8,004,381)	(14,019,465)
Financing activities:		
Loans granted to related parties	(226,360)	(227,243)
Payment of bank loans	(5,229,746)	(3,250,071)
Payment for lease liabilities	(495,415)	(505,540)
Dividend payments	(2,644,181)	(2,538,547)
Minority shareholder redemptions	(14,354)	(637,000)
Restructuring effect on non-controlling interest	-	(166,929)
Other equity movements	(6,000)	(24,163)
Purchase and sale of own shares	-	30,723
Banknotes payable and debt securities	8,444,861	10,091,860
Interest expense	(2,857,747)	(1,923,895)
Net cash flows from financing activities	(3,028,942)	849,195
Net increase in cash and cash equivalents	2,696,845	222,483
Cash and cash equivalents:		
At the beginning of the year	1,538,769	1,384,360
Unrealized exchange fluctuation of cash and cash equivalents	(8,086)	(68,074)
At the end of the year	$ 4,227,528	1,538,769

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

Enrique Yamuni Robles
Chief Executive Officer

Luis Antonio Zetter Zermeño
Chief Administrative and Financial Officer

Megacable Holdings, S.A.B. de C.V. and Subsidiaries

Notes to the consolidated financial statements

For the years ended December 31, 2024 and 2023
(Thousands of Mexican Pesos)

(1) Group information-

Megacable Holdings, S.A.B. de C.V. (the "Company" or "Group") is a public company with variable capital and incorporated under Mexican law, as well as its subsidiary Mega Cable, S.A. de C.V. (Mega Cable or MEGA CABLE). The Group is controlled indirectly by the Bours and Mazón Families and the Trust held with Mexican development bank Nacional Financiera, S.N.C. The subsidiary Mega Cable also controls a group of companies engaged in the installation, operation, maintenance, and use of Public Telecommunications networks that distribute cable television, internet and telephone signal systems to the mass segment, as well as business solutions provided for the business segment. The Group is listed on the Mexican Stock Exchange and has a presence in more than 26 states across Mexico. The Group has determined that its normal cycle of operations starts on January 1 and ends on December 31 of each year.

The Group's headquarters are located at Av. Lázaro Cárdenas 1694, Col. Del Fresno, Zip Code 44900 in Guadalajara, Jalisco, México.

The accompanying consolidated financial statements include the Group's figures, including joint ventures and associates, as at December 31, 2024 and 2023, in which the Group exercises significant influence and control, respectively. (See Note 2b)

Constitutional Reform of Telecommunications

On June 11, 2013, the Official Gazette of the Federation published the Decree reforming and adding various provisions to Articles 6, 7, 27, 28, 73, 78, 95, and 105 of the Mexican Constitution regarding "Telecommunications," which establishes the obligation for Congress to issue the single Legal Order on regulatory convergence for the use, operation, and exploitation of the radioelectric spectrum, telecommunications networks, as well as the provision of broadcasting and telecommunication services.

The Federal Telecommunications Institute (IFT or "Institute") was created on September 10, 2013, and the Decree issuing the Federal Telecommunications and Broadcasting Act (the "Law") was published in the Official Gazette of the Federation on July 14, 2014, along with the amendment and repeal of various Telecommunications and Broadcasting provisions. The Decree entered into force on August 13, 2014.

On December 20, 2024, the Federal Executive Branch published the constitutional reform to Article 28 in the Diario Oficial de la Federación (DOF), which eliminates seven autonomous bodies. Among the affected bodies is the Instituto Federal de Telecomunicaciones (IFT), whose dissolution could generate significant changes in telecommunications regulation in Mexico.

The reform will give rise to a new regulatory framework that will replace the functions of the extinguished autonomous bodies. It is important to note that the concession titles granted by the IFT will remain in force, as long as the concessionaires comply with the obligations and considerations imposed by the Federal Executive.

In compliance with Transitory Article Eight, Section III of the Constitutional Reform Decree, the IFT Plenary Session, in its Fifth Extraordinary Session, approved the Preponderance Resolution and established various measures for the Preponderant Economic Agents in the telecommunications and broadcasting sectors, respectively, to prevent the impact on competition and free market access. Through Agreement P/IFT/EXT/060314/76, the Group had an impact through the corresponding measure and asymmetrically affected the collection of interconnection fees for calls terminating on the network of the Preponderant Economic Agent (AEP) in Telecommunications TELCEL/TELMEX/TELNOR.

Likewise, said Resolution established, in Annex 3, the measures that allow the effective disaggregation of the AEP's local network so that other telecommunications concessionaires can access, among others, the physical, technical, and logical means of connection between any terminal point of the public telecommunications network and the access point to the local network belonging to said agent. Thus, on February 27, 2018, through Agreement P/IFT/270218/130, the final implementation plan for the functional separation of the AEP was approved. Following changes approved by the Authority, the plan for personnel migration, resource transfer, and transfer of network and infrastructure elements was set to September 30, 2019, thus giving rise to the functional separation of Telmex and Telnor.

Consequently, through the implementation of the final functional separation plan and the application of various measures imposed on the AEP, on March 4, 2020, the IFT approved the concession titles for Red Nacional Última Milla, S.A.P.I de C.V. and Red Última Milla del Noroeste, S.A.P.I de C.V., companies created to provide services for the AEP's wholesale telecommunications division. Thus, as of March 6 of that year, these companies began operations independently of Telmex and Telnor.

In accordance with the Preponderance Resolution and the Law, the Plenary of the Institute has adopted various general Administrative Provisions and resolutions, including the Minimum Technical Conditions and Cost Models used to determine the Interconnection rates annually since 2015, and in 2022 the applicable one for 2023 was published. Likewise, the reference offers of the Preponderant Economic Agent in the telecommunications sector, which include Wholesale Services of Dedicated Links, Infrastructure Sharing and Local Loop Unbundling, as well as the Measures imposed biannually on the AEP and the approval of various cost models, allow to determine the prices for the services of Dedicated Links, Unbundling and Infrastructure Sharing, which allow MEGA CABLE to request and/or dispute rates in the services offered, as well as the use of available infrastructure of TELMEX and TELNOR as well as the National Last Mile Network and the Last Mile Network. from the Northwest.

As for the Group, in January 2016, MEGACABLE was granted a single concession title, which includes national coverage for a period of 30 years. This permits the provision of any type of telecommunications service that is technically feasible, as long as its infrastructure allows it to provide anywhere in the country (only having to request, where applicable, the necessary radio spectrum). This title establishes the concessionaire's obligations, such as: registering the services it intends to provide; information regarding passive and active infrastructure, transmission media, and rights of way; coverage programs; investment, quality, and coverage commitments; not engaging in discriminatory practices; establishing and publishing its Code of Business Practices; ensuring parental controls for programming aimed at children and adolescents; providing information to the IFT and allowing verification at its facilities; and submitting audited financial statements, among others.

Legal Framework - Regulatory Interconnection of Networks with Other Operators 2024 and 2023.

Since 2015, the dispute over interconnection rates has been performed mechanically and with prior knowledge of the terms of the resolution issued by the IFT, since in the last quarter of each year, the Institute publishes the interconnection rates to be applied the following year. Therefore, the established rates applicable in case of interconnection disagreements between operators during 2024 and 2023 were following:

Operators Other Than Preponderant Operators

Line item	2024 Rate	2023 Rate
For termination of local service to mobile users under the "caller pays" modality	$ 0.044972	0.046104
For termination of short messages by mobile users	0.010526	0.013706
For termination of local service used by fixed users	0.003294	0.003553
For termination of short messages by fixed users	0.012817	0.011933
For origination services for local service by fixed users	$ N/A	N/A
For transit services	N/A	N/A

In 2019, the obligation that TELCEL/TELMEX/TELNOR as part of the PEA should no longer charge the Group for the termination services on the network of said Preponderant Economic Agent was no longer in effect; however, the asymmetric rates continued to prevail.

Therefore, for the year 2024 in relation to 2023, the following Interconnection rates with the PEA applied:

Line item	2024 Rate	2023 Rate
For termination of local service to mobile users under the "caller pays" modality	$ 0.013900	0.014294
For termination of short messages by mobile users	0.004712	0.008824
For origination services for local service by fixed users	0.004479	0.003126
For transit services on mobile networks	0.002032	0.002195
For termination of local service used by fixed users	0.002823	0.002885
For fixed network transit services	0.002071	0.003572

The operators that asked the IFT to resolve disputes regarding interconnection rates for 2024 with MEGA CABLE were:

GRUPO TELEVISA, ROBOT COMUNICACIONES, TELCEL, TELMEX/ TELNOR, COMUNÍCALO DE MÉXICO, VINOC, MARCATEL COM, IENTC, CLEARCOM COMUNICACIONES, DIRECTO TELECOM.

These disputes related to obtaining the interconnection charges are based on Article 129 of the Law, which establishes that no later than by July 15 of each year, the concessionaires must file with the Institute, the dispute corresponding to the interconnection charges applicable to the following year. Should they fail to do so, they will not be able to apply the charges under the resolution the following year.

The Institute resolved the applicable rates for fiscal year 2024 based on the total cost model that a company could avoid in the long term if it stopped providing the relevant interconnection service but continued to provide the rest of the services, besides allowing the recovery of common costs through allocation of costs and for fiscal year 2024 based on cost models with a Long-Term Average Incremental Cost approach, used to determine the update, taking into account the service demand information, the prices of the inputs used, the weighted-average cost of capital, the exchange rate and the inflation based on the expected average for 2024, which resulted in an impact for the Group as a consequence of the financial increase or decrease regarding the considerations for interconnection services paid by MEGA CABLE, for the operators disputing such rates for that annuity, as indicated in the preceding paragraph, since, some of these ends with a greater number of minutes in the networks of other companies, due to the larger amount of subscribers it has. This impact will depend on the monthly number of minutes MEGA CABLE ends in the network of each company during 2024. Among the operators other than PEA for the marginal cost of the termination rates, no significant changes are represented regarding income or expenses.

MEGA CABLE asked the Telecommunications operators listed below to negotiate new interconnection conditions and also negotiated interconnection disagreements in 2022 with the IFT for this same list of operators and signed Interconnection Agreements in accordance with the resolutions issued by the Institute for the year 2024.

AXTEL, GRUPO TELEVISA, ROBOT COMUNICACIONES, TELCEL, TELMEX – TELNOR, MARCATEL COM, IENTC, PEGASO PCS, TOTAL PLAY TELECOMUNICACIONES, STARSATEL, MAXCOM TELECOMUNICACIONES, GRUPO AT&T, CELMAX MÓVI, CLEARCOM COMUNICACIONES, COMUNICALO DE MEXICO, INBTEL, SERVNET MEXICO, OPENIP COMUNICACIONES, VINOC, VALOR AGREGADO DIGITAL, UC TELECOMUNICACIONES, TELIGENTIA, TELECOMMERCE ACCES SERVICE, KIWI NETWORKS, COEFICIENTE COMUNICACIONES, DIRECTO TELECOM, DIALOGA GROUP TELECOM, CONVERGIA DE MEXICO, ALTATA COMUNICACIONES DE MEXICO, ALESTRA SERVICIOS MÓVILES, ALTAN REDES.

In order to obtain access to the rates resolved by the Institute, the Company must obtain a resolution by this authority to support the rate for the year in question, in the understanding that said resolution is subject to tax. In other words, it gives rise to the obligation for the corresponding concessionaires regarding its application and compliance. The legal grounds supporting the Interconnection disputes are found in Article 129 of the Law, which states the dispute process mechanisms and the deadlines pending resolution by the Institute. MEGA CABLE applies the rates established in the Interconnection Agreements as long as the operators do not request the application of the new rates in accordance with the Interconnection Agreements.

SIGNAL RETRANSMISSION

MEGA CABLE continues to be bound to the obligation to retransmit, free of charge, the open broadcast signal rights held by TELEVISA, IMAGEN, TV AZTECA and others local signals, on the network within its coverage areas, except for declared markets with substantial power, the latter being obliged to retransmit the information, as well as Federal Public Institution signals.

In multiprogrammed signals, the obligation is limited to retransmit those with the highest-rated audiences, with the exception of Federal Public Institutions to which the obligation for retransmission does apply.

Regarding all the processes described in the preceding paragraphs of this note, the conclusion, at the date of issue of the consolidated financial statements, is that there is no material impact on the Group's financial position.

(2) Summary of material accounting policies

The Company has consistently applied the following material accounting policies to the consolidated financial statements and have been applied constantly by the Company, unless otherwise specified:

(a) Basis of preparation and authorization-

The Group's consolidated financial statements as of December 31, 2024 and 2023, and for the years ended December 31, 2024 and 2023, have been prepared in accordance with IFRS Accounting Standards, issued by the International Accounting Standards Board (IFRS Accounting Standards). Amendments and interpretations thereto are issued and effective, or issued and adopted early, as of the date of preparation of these consolidated financial statements.

Preparing the consolidated financial statements in accordance with IFRS Accounting Standards requires certain critical accounting estimates. It also requires management to exercise judgment in applying the Group's accounting policies. Changes in assumptions can have a significant impact on the consolidated financial statements for the period. Management believes the assumptions are appropriate. Areas requiring a greater degree of judgment or complexity, or areas where estimates and assumptions are significant to the consolidated financial statements are disclosed in Note 4.

(b) Consolidation and investments in joint arrangements and shares-

a) Subsidiaries

Subsidiaries are all the entities over which the Group 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. When the Group's interest in subsidiaries is less than 100%, the interest attributed to external shareholders is reflected as non-controlling interest.

Subsidiaries are consolidated from the date they are controlled by the Group and cease to be consolidated when said control is lost. For the purposes of consolidation, the Group consolidates three subsidiaries over which it has control with a 51% share.

The Group uses the purchase method of accounting to recognize its business acquisitions. The consideration paid for the acquisition of a subsidiary is based on the fair value of the net assets transferred, the liabilities assumed, and the capital issued by the Group. The consideration for an acquisition also includes the fair value of those contingent amounts to be collected or paid as part of the agreement. Acquisition-related costs are recognized as expenses as incurred. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are generally initially recognized at their fair values at the acquisition date. The Group recognizes the non-controlling interest in the acquired entity either at fair value at the acquisition date or at the proportional value of the identifiable net assets of the acquired entity.

If the business combination is presented in stages, the book value of the acquirer's previous interest in the acquiree at the acquisition date is adjusted to the fair value at the acquisition date, and any differences are recognized in profit or loss.

The excess of the consideration transferred, the non-controlling interest in the acquired entity, and the fair value of any previous participation (if applicable) of the Group in the acquired entity (if applicable) over the fair value of the assets identifiable net of the acquired entity is recognized as goodwill. If such comparison gives rise to an advantageous purchase, such as a purchase at a bargain price, the difference is recognized directly in the consolidated statement of comprehensive income.

Any contingent consideration to be paid by the Group is recognized at its fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration recognized as an asset or liability are recognized in accordance with IAS 39 either in income or in comprehensive income. The contingent consideration that is classified as capital does not require adjustment, and its subsequent settlement is recorded in equity.

Transactions, balances, and unrealized profits or losses resulting from operations between Group companies have been eliminated. The accounting policies applied by the subsidiaries have been modified to ensure their consistency with the accounting policies adopted by the Group, where necessary.

The companies listed below are those over which the Group has control and that are included in the consolidated financial statements (all subsidiaries are variable capital companies, except for Liderazgo Empresarial en Tecnologías de la Información, Servicios Especiales Turandot, and Werther Administración Integral, which are equity firms):

	Shareholding		
Subsidiary	2024 %	2023 %	Corporate Purpose
Mega Cable	100	100	Holder and lessor of infrastructure to subsidiaries.
Telefonía por Cable	100	100	Operations in the cable systems of Sinaloa, Sonora, Occidente (West), Centro (Central Mexico), the Gulf (Golfo) region, Chiapas, the State of Mexico, León, and Los Cabos, among others. .
MCM Holding (MCM)	100	100	Local telephone services in Mexico City, Guadalajara, and Monterrey.
Productora y Comercializadora de Televisión (PCTV)	85.37	84.12	Purchase and sale of national and international television signals, sale of television ads and advertising spaces, and the production and co-production of programs.
Myc Red	51	51	Operations in the cable systems primarily in Sahuayo and Jiquilpan, Michoacán.
TV Cable del Golfo	100	100	Technical staff services.
Servicios Técnicos de Visión por Cable	100	100	Technical staff services.
Mega Ventas	100	100	Sales staff services.
Servicios de Administración y Operación	100	100	Administrative staff services.
Tele Asesores	100	100	Administrative staff services.
Entretenimiento Satelital	95	95	Operation of the "video rola" channel.
Servicios Especiales Turandot	100	100	Leasing of equipment and infrastructure for the provision of telephone services.
Werther Administración Integral	100	100	Leasing of equipment and infrastructure for the provision of telephone services.
Servicio y Equipo en Telefonía, Internet y Televisión	51	51	Holder of the subscriber rights for the Michoacán and Zacatecas systems, among others.
Ceys Networks	100	100	The holding company and its subsidiaries are engaged in the provision of installation services and the sale of communication services in Mexico City, Guadalajara, Monterrey, and Cancún, among others.
Construcciones TQR	51	51	Leasing of equipment and infrastructure for the provision of cable, internet, and telephone services.

b) Changes in ownership interest in subsidiaries without loss of control

The Group recognizes transactions with non-controlling shareholders as transactions between Group shareholders. When acquiring non-controlling interest, the difference between the consideration paid and the interest acquired in the subsidiary measured at its book value is recorded in equity. Profits or losses on the disposal of an interest in a subsidiary that does not imply loss of control by the Group, are also recognized in equity.

c) Disposal of subsidiaries

When the Group loses control of an entity, any interest retained in said entity is measured at its fair value and the effect is recognized in profit or loss. Subsequently, said fair value is considered the initial book value for purposes of recognizing the retained interest in an associate, joint venture, or financial asset, as applicable. In like manner, the amounts previously recognized in other comprehensive income in relation to that entity are canceled as if the Group had directly disposed of the respective assets or liabilities. This means that the amounts previously recognized in other comprehensive income are reclassified to income for the year.

d) Joint venture

The Group applies Accounting Standards IFRS 11 to all of its joint arrangements. Under Accounting Standards IFRS 11, investments in joint arrangements are classified as joint operations or joint ventures depending on each investor's contractual rights and obligations. The Group has analyzed the nature of its joint arrangements and determined that they are joint ventures. Interest in joint ventures is recognized using the equity method.

Under the equity method, interest in joint ventures is initially recognized at cost and subsequently adjusted to recognize the Group's share of post-acquisition profits and losses, as well as movements in other comprehensive income. When the Group's interest in the loss of a joint venture equals or exceeds its interest in the joint venture (including any long-term interest that is substantially part of the Group's net investment in the joint venture), the Group does not recognize any additional losses, unless it has incurred obligations or made payments on behalf of the joint venture.

Unrealized gains on transactions between Group companies and their joint ventures are eliminated to the extent of the Group's interest in the joint venture. Unrealized losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies have been changed, where necessary, so as to ensure consistency with the policies adopted by the Group.

The Group, as well as investors Televisa and Telefónica jointly invested in Grupo de Telecomunicaciones de Alta Capacidad, S.A.P.I. de C. V. (GTAC). See Note 9.

(c) Adoption of new and revised International Financial Reporting Standards-

i) Application of the revised International Financial Reporting Standards ("IFRS" or "IAS") and interpretations of the International Financial Reporting Interpretations Committee ("IFRIC") that are mandatory for the current year

In the current year, the Entity has applied the modifications and interpretations to IFRS mentioned below issued by the International Accounting Standards Board ("IASB") that are effective for the reporting period beginning on 1 January 2024. The adoption has not had any material impact on the disclosures or amounts in these consolidated financial statements.

Amendments to IAS 1 - Classification of covenant liabilities.

The IASB has published Non-current Liabilities with Covenants (Amendments to IAS 1) to clarify how the conditions that an entity must meet within twelve months of the reporting period affect the classification of a liability.

This amendment modifies the requirements introduced by the amendment to IAS 1 Classification of Liabilities as Current and Non-Current on how an entity classifies debt and other financial liabilities as current or non-current in particular circumstances. Only covenants that an entity must comply with on or before the reporting date affect the classification of a liability as current or non-current. In addition, an entity must disclose information in the notes that allows users of the consolidated financial statements to understand the risk that non-current liabilities under covenants could become due within twelve months.

Modifications to IFRS 16 – Lease liability in a sale and leaseback transaction

The IASB has published Lease Liability on a Sale and Leaseback (Amendments to IFRS 16) which clarifies how a seller-lessee subsequently measures sale and leaseback transactions that satisfy the requirements of the IFRS 15 to be accounted for as a sale.

A seller-lessee is required to subsequently measure the lease liabilities arising from a sale-leaseback in a manner that does not recognize any amount of gain or loss that relates to the right of use it retains. The new requirements do not prevent a seller-lessee from recognizing in the income statement any gain or loss related to the partial or complete termination of a lease.

Modifications to IAS 7 and IFRS 7 – Supplier financing agreements

The amendments add a disclosure objective to IAS 7, requiring an entity to disclose information about its financing arrangements with suppliers that allows users of the consolidated financial statements to evaluate the effects that such arrangements have on the liabilities and cash flows of the entity. In addition, IFRS 7 was amended to add financing arrangements with suppliers as an example within the disclosure requirements on an entity's exposure to concentration of liquidity risk.

The term "supplier financing arrangements" was not defined. Instead, the amendments describe the characteristics of an arrangement about which an entity must disclose information.

To comply with the disclosure requirement, an entity will be required to disclose in aggregate for its financing agreements with suppliers, the following:

- The terms and conditions of the agreements.
- The carrying amount, and the associated items presented in the Entity's statement of financial position, of the liabilities that form part of the agreements.
- The carrying amount and associated items for which suppliers have already received payment from financing providers.
- Payment due date ranges, both for financial liabilities that are part of a financing agreement with suppliers and comparable commercial debts that are not part of a financing agreement with suppliers.
- Information on liquidity risk.

ii) New and amended IFRS standards that are not yet effective

As of the date of approval of these consolidated financial statements, the Entity has not applied the following new and amended IFRS Standards that have been issued because they are not yet effective:

IFRS 10 and IAS 28 (amendments)	Sale or contribution of assets between an investor and its associate or joint venture
Amendments to IAS 21	Absence of convertibility
Amendments to IFRS 9 and IFRS 7	Classification and measurement of financial instruments
Volume 11	Annual improvements to IFRS
IFRS 18	Presentation and disclosure in the financial statements

Management does not expect the adoption of the aforementioned standards to have a significant material impact on the Entity's consolidated financial statements in future periods, as indicated below:

Amendments to IFRS 10 and IAS 28 - Sale or contribution of assets between an investor and its associate or joint venture

The amendments to IFRS 10 and IAS 28 address situations where there is a sale or contribution of assets between an investor and its associate or joint venture. Specifically, the amendments establish that gains or losses resulting from the loss of control of a subsidiary that does not contain a business in a transaction with an associate or joint venture accounted for using the equity method are recognized in the profit or loss of the parent only to the extent of the unrelated investors' interest in that associate or joint venture. Similarly, gains and losses resulting from the remeasurement of retained investments in any former subsidiary (which has become an associate or joint venture accounted for using the equity method) at fair value are recognized in the profit or loss of the former parent only to the extent of the unrelated investors' interest in the new associate or joint venture.

The effective date of the amendments has not yet been set by the IASB; however, early application is permitted. The Entity's management anticipates that the application of these amendments may have a material impact on the Entity's consolidated financial statements in future periods should such transactions arise.

Lack of ability to exchange currencies (Amendments to IAS 21)

The IASB published Non-Interchangeability (Amendments to IAS 21), which provides guidance on specifying when a currency is interchangeable and how to determine the exchange rate when it is not.

The amendments include:

- Specify when one currency is interchangeable with another and when it is not - a currency is interchangeable when an entity can exchange that currency for the other through markets or exchange mechanisms that create enforceable rights and obligations without undue delay on the date of exchange valuation and with a specific purpose; one currency is not interchangeable with the other if an entity can only obtain a negligible amount of the other currency.
- Specify how an entity determines the exchange rate to apply when a currency is not exchangeable - when a currency is not exchangeable on the valuation date, an entity estimates the spot exchange rate as the rate that would have been applied to a currency in an orderly transaction between market participants on the valuation date and that would accurately reflect prevailing economic conditions.
- Require disclosure of additional information

when a currency is not interchangeable - when a currency is not interchangeable, the entity shall disclose information that allows users of its financial statements to evaluate how the lack of interchangeability of a currency affects, or is expected to affect, to its financial performance, financial position, and cash flows.

The statement also includes a new appendix with application guidance on interchangeability and a new illustrative example. The amendments also extend to conformity amendments to IFRS 1, which previously referred to, but did not define, interchangeability.

The modifications are effective for annual periods beginning on the 1st. January 2025 with early application option. Entities will not apply the modifications retrospectively. Instead, the entity shall recognize any effect of the initial application of the amendments as an adjustment to the opening balance of retained earnings when the entity reports foreign currency transactions. When an entity uses a presentation currency other than its functional currency, it will recognize the accumulated amount of translation differences in consolidated stockholders' equity.

Classification and measurement of financial instruments (Amendments to IFRS 9 and IFRS 7)

The IASB has issued Amendments to the Classification and Measurement of Financial Instruments (Amendments to IFRS 9 and IFRS 7) to address issues identified during the post-implementation review of the classification and measurement requirements in IFRS 9 Financial Instruments.

The modifications are:

- Derecognition of a financial liability settled by electronic transfer: Amendments to the IFRS 9 application guidance allow an entity to derecognize a financial liability (or part thereof) settled in cash using an electronic payment system before the settlement date if certain criteria are met. An entity that chooses to apply the derecognition option must apply it to all settlements made through the same electronic payment system.

Classification of financial assets

- Contractual terms that are consistent with a basic lending agreement. The amendments to the application guidance for IFRS 9 provide guidance on how an entity can assess whether the contractual cash flows of a financial asset are consistent with a basic lending agreement. To illustrate the changes to the application guidance, the amendments add examples of financial assets that have, or do not have, contractual cash flows that are solely payments of principal and interest on the outstanding principal.
- Assets with non-recourse features. The amendments improve the description of the term "non-recourse." According to the amendments, a financial asset has non-recourse features if an entity's ultimate right to receive cash flows is contractually limited to the cash flows generated by specific assets.
- Contractually linked instruments. The amendments clarify the characteristics of contractually linked instruments that distinguish them from other transactions. The amendments also note that not all transactions involving multiple debt instruments meet the criteria for transactions involving multiple contractually linked instruments and provide an example. Furthermore, the amendments clarify that the reference to the instruments in the underlying pool may include financial instruments that are not covered by the classification requirements.

- Information to be disclosed:
  - Investments in equity instruments designated at fair value through other comprehensive income. The requirements of IFRS 7 are amended with respect to the disclosures required by an entity in relation to these investments. In particular, the entity must disclose the fair value gain or loss presented in other comprehensive income during the period, showing separately the fair value gain or loss related to investments derecognized during the period and the fair value gain or loss related to investments held at the end of the period.
  - Contractual terms that could change the timing or amount of contractual cash flows. The amendments require disclosure of contractual terms that could change the timing or amount of contractual cash flows in the event of the occurrence (or non-occurrence) of a contingent event that is not directly related to changes in the underlying risks and costs of a loan. The requirements apply to each class of financial asset measured at amortized cost or fair value through other comprehensive income and to each class of financial liability measured at amortized cost.

The amendments also include amendments to IFRS 19, Subsidiaries Without Public Accountability: Disclosures, which limit the disclosure requirements for qualifying subsidiaries.

The amendments are effective for annual periods beginning on or after January 1, 2026. Early application of all amendments at the same time or only of the amendments relating to the classification of financial assets is permitted.

Annual Improvements to IFRS - Volume 11

The IASB has published Annual Improvements to IFRS - Volume 11. It contains amendments to five standards as a result of the IASB's Annual Improvements project.

This statement includes the following amendments:

IFRS 1 First-time Adoption of International Financial Reporting Standards

Hedge accounting by a first-time adopter. The amendment addresses potential confusion arising from a drafting inconsistency between paragraph B6 of IFRS 1 and the hedge accounting requirements in IFRS 9 Financial Instruments.

IFRS 7 Financial Instruments: Disclosures

Gains or losses on derecognition. The amendment addresses potential confusion in paragraph B38 of IFRS 7 resulting from an obsolete reference to a paragraph that was removed from the standard when IFRS 13, Fair Value Measurement, was issued.

Disclosure of the deferred difference between fair value and transaction price. The amendment addresses an inconsistency between paragraph 28 of IFRS 7 and the accompanying application guidance, which arose when an amendment resulting from the issuance of IFRS 13 was introduced in paragraph 28, but not in the corresponding paragraph of the application guidance.

Introduction and disclosures of credit risk. The amendment addresses potential confusion by clarifying in paragraph IG1 that the guidance does not necessarily illustrate all the requirements of the referenced paragraphs of IFRS 7 and by simplifying some explanations.

IFRS 9 Financial Instruments

Derecognition of a Lessee's Lease Liability. The amendment addresses a potential lack of clarity in the application of IFRS 9's requirements for accounting for a settlement of a lessee's lease liability. This arises because paragraph 2.1(b)(ii) of IFRS 9 includes a cross-reference to paragraph 3.3.1, but not also to paragraph 3.3.3 of IFRS 9.

Transaction Price. The amendment addresses potential confusion arising from a reference in Appendix A to IFRS 9 to the definition of "transaction price" in IFRS 15 Revenue from Contracts with Customers, while the term "transaction price" is used in specific paragraphs of IFRS 9 with a meaning that is not necessarily consistent with the definition of that term in IFRS 15.

IFRS 10 Consolidated Financial Statements

Determining a "de facto agent." The amendment addresses potential confusion arising from an inconsistency between paragraphs B73 and B74 of IFRS 10 regarding an investor's determination of whether another party is acting on its behalf by aligning the wording of both paragraphs.

IAS 7 Statement of Cash Flows

Cost method. The amendment addresses potential confusion in the application of paragraph 37 of IAS 7 arising from the use of the term "cost method," which is no longer defined in IFRS.

The amendments will take effect for fiscal years beginning on or after January 1, 2026, and early implementation is permitted.

IFRS 18 Presentation and Disclosure in Financial Statements

IFRS 18 replaces IAS 1, maintaining many of the requirements of IAS 1 unchanged and supplementing them with new requirements. In addition, some paragraphs of IAS 1 have been transferred to IAS 8 and IFRS 7. Furthermore, the IASB has made minor amendments to IAS 7 and IAS 33 Earnings per Share.

IFRS 18 introduces new requirements for:

- Present specified categories and defined subtotals in the income statement.
- Provide information on management-defined performance measures (MPMs) in the notes to the financial statements.
- Improve aggregation and segregation.

Entities are required to apply IFRS 18 for annual periods beginning on or after 1 January 2027, although earlier application is permitted. The amendments to IAS 7 and IAS 33, as well as the revisions to IAS 8 and IFRS 7, will be effective when an entity applies IFRS 18.

***(d)* Financial information by segments-**

The financial information by operating segments is presented in a way that is consistent with the information included in the internal reports provided to the Group's highest operational decision-making authority. This highest authority is responsible for allocating resources and assessing the performance of the Group's operating segments and is exercised by the Board of Directors made up of the management team at the C-Suite level (based at the Guadalajara facilities).

These segments are managed independently (massive and business) since the services provided and the markets, they serve are different. The Group performs its activities through various subsidiary companies. See Note 29.

***(e)* Foreign currency transactions and balances-**

Foreign currency transactions are translated into functional currency using the exchange rates in force on the date the transaction was carried out or the exchange rate in effect on the valuation date when the line items are revalued. Profits and losses from exchange rate fluctuations that result either from the liquidation of such transactions or from the conversion of monetary assets and liabilities denominated in foreign currency at the exchange rates at year-end, are recognized in the statement of comprehensive income. Profits and losses from exchange rate fluctuations are recognized in finance income/expenses.

Functional and presentation currency

Since the Company and its subsidiaries use the Mexican peso as both their functional and presentation currency, there was no need to apply a translation process.

(f) **Cash and cash equivalents-**

In the consolidated statement of cash flows, cash and cash equivalents include cash on hand, demand bank deposits, and other highly liquid short-term investments with original maturities of three months or less. Short-term investments are made through banking institutions and consist of government debt financial instruments such as Treasury Certificates (CETES), which are low-risk and offer moderate yields. As of December 31, 2024 and 2023, these investments mature in 28 days, respectively. See note 5.

(g) **Prepayments-**

Prepayments represent expenditures (fees) made by the Group where the benefits and risks inherent to the goods to be acquired or services to be received have not been transferred. Prepayments are recorded at cost and are presented in the consolidated statement of financial position under the line "Short-term or long-term prepayments", depending on the classification of the item to which they relate. See note 8.

(h) **Accounts receivable-**

Accounts receivable represent collection rights owed by customers and are originated by services provided by the Group in the normal course of business. If accounts receivables are expected to be recovered in a year or less, they are classified as current assets; otherwise, they are presented as non-current assets.

Accounts receivable are initially recognized at fair value and are subsequently measured at amortized cost using the effective interest method, less the estimate of credit losses, if applicable. The estimate of expected credit losses is determined considering the probability of default and the severity of the loss of accounts receivable based on historical experience, current conditions and reasonable forecasts that are observed in their behaviors. The amount of the estimate for credit losses is the difference between the carrying amount recognized and the estimated amount to be recovered. See Note 6.

(i) **Financial assets and liabilities-**

Financial assets-

In accordance with the adoption of Accounting Standard IFRS 9 Financial Instruments, the Company classifies and measures its financial assets based on the business model the Company uses to manage its financial assets, as well as the characteristics of the contractual cash flows of said assets. In this manner, financial assets can be measured at amortized cost, at fair value through other comprehensive income, and at fair value through profit or loss. Management decides on the initial classification of its financial assets at the time of initial recognition. The purchase and sale of financial assets are recognized on the settlement date.

Financial assets are derecognized when the right to receive the related cash flows has expired or is transferred and the Company has transferred substantially all the risks and benefits derived from its ownership, as well as control of the financial asset.

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i. Financial assets at amortized costs

Financial assets at amortized costs are those that i) are kept within a business model whose objective is to hold said assets to collect the contractual cash flows and ii) the contractual terms of the financial asset give rise, on specified dates, to cash flows that represent only payments for principal and interest on the on the outstanding principal.

ii. Financial assets at fair value through other comprehensive income

Financial assets at fair value through other comprehensive income (OCI) are those whose business model is based on obtaining contractual cash flows and selling financial assets, in addition to their contractual conditions giving rise, on specific dates, to contractual cash flows that represent only payments for principal and interest on outstanding principal. As at December 31, 2024 and 2023, the Company does not hold financial assets to be measured at their fair value through other comprehensive income.

iii. Financial assets at fair value through profit and loss

Financial assets at fair value through profit and loss, in addition to those described in paragraph i of this section, are those that do not meet the characteristics to be measured at amortized cost or at fair value through other comprehensive results, since they i) have a business model that differs from those that seek to obtain contractual cash flows, or obtain contractual cash flows and sell financial assets, or ii) the cash flows they generate are not limited to payments of principal and interest on the outstanding principal.

Despite the classifications above, the Company may make the following irrevocable choices on initial recognition of a financial asset:

a. Present subsequent changes in the fair value of a capital instrument in other comprehensive income, as long as said investment (over which it has no significant influence, joint control or control) is not retained for trading purposes, or is a contingent consideration recognized as the result of a business combination.

b. Designate a debt instrument that meets the criteria to be subsequently measured at amortized cost or fair value through other comprehensive income, to be measured at fair value through income, if doing so eliminates or significantly reduces an accounting asymmetry that would arise from the measurement of assets or liabilities or the recognition of gains and losses on them on different bases.

As at December 31, 2024 and 2023, the Company has not made any of the irrevocable appointments described above..

Financial liabilities-

i. Initial measurement and recognition

Financial liabilities—including accounts payable—are initially recognized when these liabilities are issued or assumed, both contractually.

Unless they are an account payable without a material financing component, financial liabilities are initially measured and recognized at their fair value plus, in the case of financial liabilities not measured at fair value with changes in it, carried through comprehensive income, the transaction costs directly attributable to its acquisition or issue, when they are subsequently measured at amortized cost.

Financial liabilities are initially recognized at fair value and subsequently measured at their amortized cost.

ii. Derecognition

The Company derecognizes a financial liability when its contractual obligations are discharged or cancelled or expire. The Company also derecognizes a financial liability when its terms are modified, and the cash flows of the modified liability are substantially different. In this case, a new financial liability is recognized at fair value based on the new terms and conditions.

At the time of derecognition of a financial liability, the difference between the carrying amount of the extinguished financial liability and the consideration paid (including non-cash assets transferred or liabilities assumed) is recognized in profit and loss

(j) Offsetting of financial instruments-

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when there is a legally enforceable right to set off the amounts and the intention to either to settle them on a net basis or to realize the asset and settle the liability simultaneously The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Group or counterparty.

(k) Impairment of financial assets measured at amortized cost-

The Company uses the impairment model based on expected credit losses, applicable to the financial assets subject to such evaluation. The expected credit losses on these financial assets are estimated from the origin of the asset on each reporting date, taking as a reference the historical experience of the Company's credit losses, adjusted for factors that are specific to the debtors or groups of debtors, the general economic conditions and an evaluation of both the current direction and the forecast of future conditions.

Evidence of impairment may include indications that debtors or a group of debtors are experiencing significant financial difficulties, failure to pay or late payment of interest, the likelihood of bankruptcy or financial reorganization, as well as when observable data indicates that there is a measurable decrease in estimated future cash flows, such as changes in economic conditions correlated to non-payments.

For the loans and receivables category, the amount of the loss is the difference between the book value of the assets and the present value of the estimated future cash flows (excluding future credit losses that have not yet been incurred) discounted at the original effective interest rate of the financial asset. The book value of the asset is decreased, and the amount of the loss is recognized in the consolidated income statement. If a loan or investment held to maturity has a variable interest rate, the discount rate to measure any impairment loss is the current effective interest rate defined by the contract. The Group can measure impairment on the basis of the fair value of a financial instrument using its observable market price.

If, in a later period, the amount of the impairment loss decreases and said decrease is objectively related to an event that occurred after the date on which the impairment was recognized (such as an improvement in the credit quality of the debtor), the reversal of the impairment loss previously recognized is recognized in the consolidated statement of comprehensive income.

(l) Inventories-

The inventory is basically made up of consumable operating material and some spare parts that are used to guarantee the adequate maintenance of the cable signal system (network) in the normal course of business. Important spare parts and permanent maintenance equipment, which the Group expects to use for more than one period, and that could only be used in connection with a fixed asset, are recognized as part of the property, networks, and equipment line item. Inventories are recorded at acquisition cost or at their net realizable value, whichever is less. The cost is determined using the average cost method. The net realization value is the estimated sale price in the normal course of business less the corresponding variable selling costs. See Note 7.

(m) Property, networks, and equipment-

Property, networks and equipment are expressed at historical costs, less depreciation. Historical cost includes the expenses that are directly attributable to the acquisition of said assets. See Note 10.

Costs related to a line item incurred subsequent to initial recognition are capitalized, as part of that item or a separate item, as appropriate, only when it is probable that future economic benefits will flow to the Group and that it is able to reliably measure the cost. It should be noted that the Group builds most of its cable system networks and facilities and the internal costs, such as labor costs in construction projects and directly associated redistribution and adaptation expenses so that the asset is in place and in the conditions necessary for that work are capitalized when they generate future economic benefits. Thus, new customer connections costs in the mass cable market are capitalized as part of fixed assets, considering as cost of connection the cost of materials and labor incurred while extending the network to the customer's home.

The book value of the components replaced is derecognized. Maintenance and repair expenses related to daily property, networks and equipment services are recognized in the consolidated statement of comprehensive income at the time they are incurred.

Land is not depreciated. Depreciation of the remaining properties, networks and equipment is systematically determined on the value of the assets, on a straight-line basis, which is applied to the cost of the assets without including their residual value and considering their useful lives expected by Management, which are as follows:

Asset Description	Depreciation rate 2024	Depreciation rate 2023	Estimated useful life 2024	Estimated useful life 2023
Land	N/A	N/A	-	-
Buildings	2.5%	2.5%	40	40
Network and technical equipment for signal distribution				
Networks	6.64%	6.64%	15	15
Converters	10.00%	10.00%	10	10
Equipment	6.65%	6.65%	15	15
Cable modems	10.00%	10.00%	10	10
Laboratory equipment	7.11%	7.11%	14	14
Furniture and office equipment	5.67%	5.67%	18	18
Computer equipment	12.50%	12.50%	8	8
Transportation equipment	11.11%	11.11%	9	9
Leasehold improvements	20%	20%	5	5
Telecommunications equipment	5.67%	5.67%	18	18
Other				
Tools and equipment	8.33%	8.33%	12	12

The value of property, networks and equipment is reviewed when there are indicators of impairment in the value of said assets. When the recovery value, which is the higher between the sale price and its use value (which is the present value of future cash flows) is less than the net book value, the difference is recognized as an impairment loss. For the years ended December 31, 2024 and 2023, there were no indicators of impairment. See Note 2 o).

(n) Goodwill and intangible assets-

a) Goodwill

Goodwill arises from the acquisition of subsidiaries and represents the consideration transferred in excess of the Group's interest in the net fair value of the acquired entity's net identifiable assets, liabilities and contingent liabilities of the acquired entity and the fair value of the non-controlling interest in the acquired entity.

Goodwill on acquisitions of subsidiaries is included in intangible assets and is recognized at cost deducting accumulated impairment losses, which are not reversed.

For impairment testing purposes, goodwill acquired in a business combination is allocated to each Cash Generating Unit (CGU) or groups of cash generating units, which are expected to benefit from the synergies of the combination. Each unit or group of units to which goodwill has been assigned represents the lowest level within the entity to which goodwill is controlled for internal management purposes. Goodwill is controlled at the operating segment level.

Goodwill impairment reviews are carried out annually or more frequently if events or changes in circumstances indicate possible impairment. The book value of goodwill is compared to the recoverable amount, which is the highest value between the value in use and the fair value less costs of sale. Any impairment is recognized immediately as an expense and is not subsequently reversed. See note 11.

b) Customer bases

Intangible assets not acquired in a business combination are recorded at acquisition cost. Intangible assets acquired in a business combination are measured at their fair value at the date of purchase. The main intangible assets recognized in the acquisitions are subscriber portfolios, which, according to the study, have a useful life of approximately four years. They are amortized using the straight-line method. See note 12.

c) Trademarks and patents

Trademarks and patents acquired individually are recognized at historical cost. Trademarks and patents acquired through business combinations are recognized at their fair value at the date of acquisition. Trademarks and patents have a defined useful life and are recorded at cost less their accumulated impairment and amortization. Amortization is calculated on a straight-line basis to distribute the cost of trademarks and patents based on their expected useful lives of 20 years. See Note 12.

(o) Impairment of non-financial assets-

Assets that have an indefinite useful life, for example, goodwill, are not subject to amortization and are subject to annual impairment tests.

Assets subject to amortization are tested for impairment when events or circumstances occur that indicate that their book value may not be recovered.

Impairment losses correspond to the amount by which the book value of the asset exceeds its recovery value. The recovery value of the assets is the greater between the fair value of the asset less the estimated costs for its sale and its value in use. For the purposes of impairment tests, assets are grouped at the smallest levels at which they generate identifiable cash flows (cash-generating units).

(p) Suppliers and other accounts payable-

Accounts payable are payment obligations with suppliers for the purchase of goods or services acquired in the Group's normal course of business. When they are expected to be paid in a period of one year or less from the closing date, they are presented under current liabilities. If they do not comply with the aforementioned, they are presented under non-current liabilities.

Accounts payable are initially recognized at fair value and are subsequently measured at amortized cost using the effective interest method.

(q) Bank loans-

Loans are initially recognized at their fair value, net of costs incurred in the transaction. These loans are subsequently recorded at amortized cost; any difference between the funds received (net of transaction costs) and the redemption value is recognized in the consolidated statement of comprehensive income during the loan period using the effective interest method.

Fees for maintaining current credit lines are capitalized as advance payments for services to obtain liquidity and are amortized over the term of the agreement.

(r) Provisions-

Provisions are recognized when the Group has a legal obligation, present or assumed, as a result of past events, when the use of cash flows will probably be required to settle the obligation and when the amount can be reliably estimated.

(s) Current and deferred income tax-

Income tax expenses include current and deferred taxes. Income tax is recognized in the consolidated statement of comprehensive income, except to the extent that it relates to items recognized directly under other comprehensive income lines items or in equity. In this case, the tax is also recognized in other comprehensive income or directly in equity, respectively. Current-year income tax is recorded as a short-term liability net of prepayments made during the year.

Current-year income tax payable is calculated according to tax laws approved or substantially approved as of the date of the consolidated statement of financial position. Management periodically evaluates the position assumed in relation to its tax returns regarding situations in which the tax laws are subject to interpretation.

Deferred income tax is determined based on the asset and liability method, on temporary differences arising from tax bases of assets and liabilities and their respective carrying amounts. However, deferred income taxes arising from the initial recognition of an asset or a liability in a transaction that does not correspond to a business combination, which at the time of the transaction does not affect either the accounting or tax profit or loss is not recorded or recognized if they arise from the initial recognition of goodwill. Deferred income tax is determined using the tax rates and laws that have been enacted as of the date of the statement of financial position and that are expected to be applicable when the deferred tax asset is realized, or the tax liability is settled. See Note 21.

Deferred tax asset is only recognized to the extent that it is probable that future taxable profit will be available against which the temporary liabilities can be utilized.

Deferred income tax is generated on the basis of temporary differences in investments in joint ventures and subsidiaries, except when the possibility that temporary differences will be reversed is under the Group's control and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred income tax balances related to assets and liabilities are offset when there is a legal right to offset current tax assets with current tax liabilities and when deferred income tax assets and liabilities are related to the same tax authority or the same tax entity or different tax entities where there is the intention to settle the balances on a net basis.

(t) Employee benefits-

a) Defined benefit plans:

A benefit plan is defined as an amount of pension benefit that an employee will receive in retirement, usually dependent on one or more factors such as age, years of service, and compensation.

The liability recognized in the consolidated statement of financial position with respect to established benefit plans is the present value of the established benefit obligation at the date of the consolidated statement of financial position. The established benefit obligation is calculated annually by independent actuaries using the projected unit credit method. The present value of the established benefit obligations is determined by discounting the estimated future cash flows using the discount rates that are denominated in the currency in which the benefits will be paid, and which have maturities that approximate the terms of the liability for pensions.

Actuarial gains and losses generated by adjustments and changes in actuarial assumptions are recorded directly in equity under other comprehensive income in the year in which they occur.

The Group determines the net financial expense (income) by applying the discount rate to the net established benefit liability (asset).

Past service costs are immediately recognized in the income statement.

Seniority premiums

Group companies have established a plan as required by the Federal Labor Act (LFT, acronym in Spanish) with respect to which Group companies that have personnel are bound to pay their workers and they are entitled to receive seniority premiums at the end of the employment relationship after 15 years of service.

The liability or asset recognized in the consolidated statement of financial position with respect to seniority premiums is classified as established benefits and is the present value of the established benefit obligation as of the date of the consolidated statement of financial position. The established benefit obligation is calculated annually by independent actuaries using the projected unit credit method. The present value of established benefit obligations is determined by discounting the estimated cash flows using the interest rates of government bonds denominated in the same currency in which the benefits will be paid and which have maturity terms that approximate the terms of the pension obligation.

Remeasurements arising from adjustments based on experience and changes in actuarial assumptions are charged or credited to equity in other comprehensive income in the period in which they arise.

Past service costs are recognized immediately in profit or loss, unless changes in the pension plan are subject to the employee continuing to work for a specific period of time (the period granting the right).

b) Defined contribution plans:

Pension plans

The subsidiary Tele Asesores, S.A. de C.V., has an established contribution plan, through which the Company pays fixed contributions to an independent fund. The Company has no legal or assumed obligations to pay additional contributions if the fund does not maintain sufficient assets to pay all employee benefits related to current or past services. Contributions are recognized as employee benefit expenses on the date the contribution obligation is due.

c) Employee profit sharing and bonuses

The Group recognizes a liability and an expense for bonuses and employee profit sharing based on a calculation that takes into account the tax profit after certain adjustments. The Group recognizes a provision when it is contractually bound to do so or when there is a past practice that generates an assumed obligation.

(u) Capital stock-

Capital stock, the net premium in the placement of shares, the legal reserve, and retained earnings are expressed at historical cost. Common shares are classified as capital.

Incremental costs directly attributable to the issuance of new shares or options are shown in equity as a deduction from the amount received, net of tax.

a) Net premium for placement of shares

The net premium for placement of shares represents the excess difference between the payment for the subscribed shares and the nominal value thereof.

b) Legal reserve

In accordance with the Mexican Corporations Act, the Company is required to annually appropriate at least 5% of the net income of each year to increase the legal reserve. This practice must be continued each year until the legal reserve reaches 20% of the value of the Company's share capital. The legal reserve may be capitalized but may not be distributed to the shareholders unless the Group is dissolved. Also, the legal reserve must be replenished if it is reduced for any reason.

c) Provision for repurchase of shares

When a Group entity purchases shares issued by the Company (repurchased shares), the consideration paid, including the costs directly attributable to said acquisition (net of taxes) is recognized as a decrease in the Group's equity until the shares are canceled or reissued. When such shares are reissued, the consideration received, including the incremental costs directly attributable to the transaction (net of taxes), are recognized in the Group's equity.

(v) Leases-

At inception of a contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

I. As a lessee

At commencement or on modification of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease component on the basis of its relative stand-alone prices. However, for the leases of property the Group has elected not to separate non-lease components and account for the lease and non-lease components as a single lease component.

The Group recognizes a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for lease payments made on or before the commencement date, plus initial direct costs incurred and an estimate of costs of dismantling and removing the underlying asset or restoring the underlying asset or the site in which it is located, less the lease incentives received.

Subsequently, the right-of-use asset is depreciated using the straight-line method from the commencement date and until the end of the lease term, unless the lease transfers ownership of the underlying asset to the Group at the end of the lease term or that the cost of the right-of-use asset reflects that the Group is going to exercise a purchase option. In that case, the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as that of property and equipment. In addition, the right-of-use asset is periodically reduced for impairment losses, if any, and adjusted for certain new measurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that have not been paid on the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the incremental rate for Group loans. In general, the Group uses its incremental loan rate as the discount rate.

The Group determines its incremental loan rate by obtaining interest rates from different external financing sources and makes certain adjustments to reflect the lease terms and the type of asset leased.

Lease payments included in the measurement of the lease liability comprise the following:

» fixed payments including fixed payments in substance;

» variable lease payments, which depend on an index or a rate, initially measured using the index or rate on the commencement date;

» amounts the lessee expects to pay as residual value guarantees; and

» the exercise price of a call option that the Group is reasonably certain of exercising that option, the lease payments in an optional renewal period if the Group is reasonably certain of exercising an extension option, and the payments for penalties derived from early termination of the lease unless the Group is reasonably certain not to terminate the lease early.

The lease liability is measured at amortized cost using the effective interest method. A new measurement is made when there is a change in future lease payments as a result of a change in an index or rate, if there is a change in the Group's estimate of the amount expected to be paid under a residual value guarantee, if the Group changes the assessment of whether or not a purchase, extension or termination option will be exercised, or whether there is a fixed lease payment in substance that has been modified.

When a new measurement of the lease liability is carried out in this manner, the corresponding adjustment is made to the carrying amount of the right-of-use asset, or it is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The Group presents right-of-use assets that do not meet the definition of investment properties in property, plant and equipment and lease liabilities in loans and obligations in the statement of financial position.

Short-term leases and leases of low-value assets

The Group has chosen not to recognize right-of-use assets and lease liabilities for the leases of low-value assets and short-term leases, including some information technology (IT) equipment. The Group recognizes the lease payments associated with these leases as an expense on a straight-line basis throughout the term of the lease.

At the beginning or at the time of modification of a contract that contains a lease component, the Group distributes the consideration in the contract to each lease component on the basis of their independent relative prices.

When the Group acts as lessor, it determines whether each lease is a financial or an operating lease at the beginning of the lease.

To classify each lease, the Group makes a general assessment of whether or not the lease transfers substantially all the risks and rewards inherent to the ownership of the underlying asset. If this is the case, the lease is a financial lease; if not, it is an operating lease. As part of this evaluation, the Group considers certain indicators such as whether the lease covers most of the financial life of the asset.

Fair value measurement

"Fair value" is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the Group has access at that date. The fair value of a liability reflects its non-performance risk.

A number of the Group's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

(w) Borrowing costs-

Borrowing costs for general and specific loans attributable to the acquisition, construction, or production of a qualifying asset that necessarily takes a substantial period of time (12 months) to get ready for its intended use or sale are capitalized as part of the cost of the asset Interest earned on temporary investments of the specific loan funds for the acquisition of qualifying assets is deducted from the eligible costs to be capitalized.

The rest of the costs derived from the loans are recognized when incurred or accrued in the income statement.

(x) Revenue recognition-

Revenue derived from the provision of services in the Group's normal course of business is recognized in amount of fair value of the consideration received or receivable. Revenue is presented net of bonuses and discounts and after eliminating intercompany sales. The Group recognizes revenue when the parties to the contract have approved the contract, the entity can identify the rights of each party with respect to the goods or services to be transferred, the contract has a commercial basis and can be measured reliably, it is probable that the economic benefits will flow to the entity in the future, and the specific criteria for each type of activity are met, which are described below.

Revenue is recognized based on the nature of the commitment, within the transactions recognized by the Group, when acting as a principal, since the Group can satisfy the performance obligation to provide the specified good or service to the customer on its own through the different Group companies and controls the specified good or service before it is transferred to the customer.

The services are provided in bundled packages and the transaction price is distributed using the independent relative selling price among the following performance obligations identified:

Cable television signal services

Cable television signal services are basically represented by monthly payments, as well as installation fees and other related charges. Monthly service payments are recognized as revenue over time as the services are provided and during the term of the contract. The services are deemed to have been provided when the Group transfers control over the service to a customer, which occurs when the cable television signal is transmitted. Other service revenues are recognized after the services are accepted by the customer.

Internet services

Internet signal service is basically represented by monthly payments, as well as installation fees and other related charges. Monthly service payments are recognized as revenue over time as the services are provided and during the term of the contract. The services are deemed to have been provided when the Group transfers control over the service to a customer, which occurs when the internet signal is transmitted. Installation and other related service charges are recognized as revenue as the customer uses the services received.

Telephone services

Telephone service revenue is represented by the monthly rent of said service. Monthly service payments for local calls are recognized as revenue over time as the services are provided and during the term of the contract. The services are deemed to have been provided when the Group transfers control over the service to a customer.

Revenue from the sale of communication systems is recognized in the income statement when control of the goods has been transferred to the buyer and the seller retains no significant control over the goods.

Discounts

The Group's cable television, internet, and telephone signal service revenues are reduced through discounts that are granted to subscribers who contract "packages (Triple Pack, Double Pack)", which the Group grants its customers to position itself in the market and to encourage the contracting of a larger number of services by subscribers as well as attracting new ones.

Discounts are recognized as a decrease in revenue when the services have been provided, which is over time during the term of the contract.

Installations for cable, internet, and telephone subscribers

The Group recognizes revenues from primary installations for cable, internet and/or telephone subscribers, through the average permanence of subscriptions, without considering this a separate performance obligation, which is determined by management based on the average age of subscribers.

Revenue from the sale of goods

The Group sells equipment and goods. The sale price of the goods is determined based on a fixed price agreed between the parties. The Group recognizes revenue from the sale of goods at the time control of the goods is transferred and there is no unfulfilled obligation that may affect the customer's acceptance of the product.

Advertising revenue

Advertising revenue is recognized when the services are provided, which is at a specific point in time. The services are deemed to have been provided when the Group transfers control over the service to a customer, which occurs when the TV spots are broadcast, or the printed media is published.

Significant terms of payment

Based on its activities, the Group has determined two terms of payment related to most of its operations.

Mass market

In the case of mass market (which refers to customers in the Cable TV, Internet, and Telephone segments) the payment period is within the first ten days after the monthly cut-off date established in each subscriber's contract.

Business market

In the case of the business market, Company receives the corresponding consideration on a monthly basis, in accordance with the amounts agreed to by both parties. The payment period for the services depends on the negotiations carried out between the Group and Customer, which in no case will be more than 36 months.

The Group recognizes a contract liability when it has an unconditional right to receive a consideration before transferring control over a good and/or customer service. When payment is received, the amount is recognized in trade advances, and it must be derecognized (and recognized as revenue) upon transferring control over the goods or services to the customer.
Receivable or payable amounts to customers related to long-term projects in process are recognized as current assets and liabilities, whichever the case may be, without offsetting the balances between these accounts. These accounts include collections made, costs incurred, and profits and losses recognized.

Interest

Interest income is recognized using the effective interest method. Interest income are earned mainly from loans granted to related parties and it is recognized in profit or loss using the effective interest method. When a loan or account receivable is impaired, its book value is adjusted to its recoverable amount, which is determined by discounting the estimated future cash flow at the original effective interest rate of the instrument. Interest income on impaired loans or accounts receivable is recognized using the original effective interest rate.

Based on the payment conditions that maintained with both mass market and business market customers, the Group expects that the period between time that control of the goods or service is transferred and the time the customer pays will be less than one year. Therefore, there was no need to adjust the transaction price due to the effects of a significant financing component.

(y) Pending performance obligations-

The following table shows the pending performance obligations resulting from long-term business market contracts that are partially or totally unmet and are determined based on the agreed price of the monthly payments for the number of months pending at the end of the year:

	2025	2026	2027
Telecom business	$ 5,039,335	3,261,569	1,595,310

The Group expects 51% of the total transaction amount allocated in the unsatisfied contracts as of December 31, 2024, to be recognized as revenue during 2025. The remaining 49% will be recognized in 2026 and 2027. The amount disclosed above does not include variable consideration, as it is not representative. Such revenue is recognized monthly over time.

The Group does not disclose information on its outstanding performance obligations for the mass market segment because the contracts entered into by the Group in this segment establish mandatory terms of less than twelve months.

During 2024 and 2023, no revenue was recognized from performance obligations that were partially or fully satisfied in prior years.

(z) Customer contract costs (commissions)-

Management recognizes costs that are directly related to obtaining or fulfilling a contract as assets, since it considers that these may be recovered. The costs to obtain a contract (sales commissions paid to employees) are determined considering that they can be directly related to a specific contract, are recoverable, and can be reliably quantified. Amortization is recognized based on the useful life of each subscription (three years).

An impairment loss is recognized in net profit or loss for the period when the book value of the asset exceeds the unrecognized amount of the consideration the entity expects to receive in exchange for providing the associated goods or services, less the remaining costs that relate directly to providing those goods or services and that have not been recognized as expenses.

(aa) Earnings per share-

Net earnings per share are calculated by dividing the profit for the year attributable to controlling interest by the weighted average number of ordinary shares outstanding during the year. As at December 31, 2024 and 2023, there are no dilution components of earnings; therefore, diluted earnings per share are not calculated or disclosed since it is the same amount as the basic earnings per share. See Note 20.

(bb) Distribution of dividends-

Dividends distributed to the Group's shareholders are recognized in the consolidated financial statements as a liability in the period in which they are approved by the Group's shareholders.

*(cc)*Finance income and finance costs-

The Group's finance income and finance costs include the following:

- interest income;
- interest expense;
- the foreign currency gain or loss on financial assets and financial liabilities;
- interest income or expense recognized using the effective interest method;
- the amortized cost of the financial liability.

(dd) Other immaterial reformulations-

Subsequent to the issuance of the consolidated financial statements as of December 31, 2023, and for the year then ended, Group Management identified an immaterial reclassification in the classification of other income, net. The Company's Management evaluated the impact of this reclassification and concluded that it is not material to the consolidated financial statements for the period presented in accordance with IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors. However, Group Management determined that it was appropriate to make the reclassification as of December 31, 2023, to properly present income and expenses separately and not as a net line item. The reclassification is shown below:

	Amounts previously reported	Reclassification	Reformulated amounts
Service revenue	$ 29,870,540	-	29,870,540
Other revenue	-	155,979	155,979
Total revenue	29,870,540		30,026,519
Cost of services	15,199,976	-	15,199,976
Gross profit	14,670,564		14,826,543
Selling expenses	7,974,833	-	7,974,833
Administrative expenses	616,474	-	616,474
Allowance for credit losses	39,533	-	39,533
Other expenses	-	4,313	4,313
Total expenses	8,630,840		8,635,153
Other revenue, net	151,666	(151,666)	-
Operating Income	$ 6,191,390	-	6,191,390

(3) Financial risk management:

a) Financial risk factors

The Group has exposure to a variety of financial risks, such as market risk (which includes exchange rate risk, interest rate risk and price risk), credit risk, and liquidity risk. The Group's risk management plan aims to minimize the potential negative effects resulting from the unpredictability of the markets on the Group's financial performance.

Both the Group's management and the Finance Department are responsible for managing the financial risk in accordance with the policies approved by the Board of Directors. The Group identifies, evaluates, and covers financial risks in close cooperation with its operating units. The Board of Directors has issued general policies related to the management of financial risks, as well as policies on specific risks, such as foreign currency risk, interest rate risk, the use of derivative and non-derivative financial instruments, and the investment of surplus funds.

i. Market risk

Market risk is exposure to an adverse change in the value of financial instruments caused by market factors, including changes in interest rates, foreign exchange rates, and inflation rates.

The Group is exposed to market risks derived from variations in the interest rate, exchange rate and inflation rate. Risk management activities are monitored by the Risk Management Committee and reported to the Executive Committee.

ii. Currency risk

Since all of the Group's income is obtained from the local market and the transactions are denominated in Mexican pesos, the Company's operating activities do not expose to the exchange risk derived from various foreign currencies. Foreign exchange risk arises from financing activities as a result of exposure of the Mexican peso against the U.S. dollar, due to operations with programmers and suppliers expressed in that currency.

Management has established a policy that requires Group companies to manage exchange rate risk with respect to their functional currency. Group companies must hedge their exchange rate risk exposure through the Group's Treasury. Currency rate risk arises when future commercial and financing transactions and recognized assets and liabilities are held in a currency other than the entity's functional currency.

As a risk management policy, the Group maintains an immediate realization investment account in U.S. dollars that seeks to cover its anticipated cash flows for the next 12 months (mainly due to bank and supplier liabilities) to reduce its exchange rate risk.

However, the Group is carrying out the following activities to reduce its exchange rate risk:

Negotiation with providers to convert consumable values to pesos (pesify). Three years ago, the Group began negotiating with its suppliers to translate the value of contracts to pesos to the extent possible. Consequently, certain programmers have changed their rates to pesos to ensure that everyone has greater certainty of business in terms of costs and that their channels continue to be included in the programming. The Group has also negotiated with technology suppliers so that maintenance involving labor is denominated in Mexican pesos. As a general result, since 2020 the Group lowered its exposition rates from 12% to 13% of operating expenses to 5% or 6%.

In the same way, the three-year Maintenance contract with Cisco de México for 21 million dollars was transferred to pesos and valid from April 2020 to March 2023, as at that date, annual maintenance contract renewals have been made with quarterly payments, through commercial credits.

If the currency had depreciated 10% against the U.S. dollar as of December 31, 2024 and 2023, and all other variables had remained constant, net income for the year after tax would have decreased and increased by $129,364 and $7,358, respectively, primarily as a result of gains/losses on the translation of accounts payable to suppliers and foreign currency assets denominated in U.S. dollars.

As of December 31, 2024, and 2023, the Company had monetary assets and liabilities in thousands of U.S. dollars, as shown below:

	Thousands of U.S. dollars	
	2024	2023
Assets	$ 60,502	51,833
Liabilities	(124,328)	(47,478)
Net (liability) asset position	$ (63,826)	4,355

The exchange rates used in the different translation processes in relation to the reporting currency as at December 31, 2024 and 2023 are as follows:

		Exchange rate	
	Currency	2024	2023
United States of America	U.S. dollar	$ 20.2683	16.8935

iii. Price risk

The Group is not exposed to price risk for the costs of the services it provides, since they are not subject to market indices. In like manner, there were no relevant changes to the prices of the supplies acquired for the provision of the service during 2024 and 2023.

iv. Cash flow risk related to the interest rate

The interest rate risk for the Group arises from its loans. Variable rate loans expose the Group to interest rate risk on its cash flows, which is partially offset by government debt financial instruments such as low-risk Treasury Certificates (CETES) with moderate returns.

The Group analyzes its exposure to interest rate risk dynamically. Various situations are simulated taking into account the positions regarding refinancing, renewal of existing positions, alternative financing and coverage. Based on these scenarios, the Group calculates the impact on profit or loss of a defined movement in interest rates. In each simulation, the same movement defined in interest rates is used for all currencies. These simulations are only performed in the case of obligations that represent the main positions that generate interest.

Based on the simulations carried out at variable rates from notes payable to banks and issuance of debt securities, the impact on profit after taxes as at December 31, 2024, and 2023 due to a 1% movement would generate a maximum increase or a decrease of $158,985 and $126,195, respectively. Simulations are prepared quarterly to verify that the maximum potential loss is within the limit established by Management.

As at December 31, 2024 and 2023, the Group has fixed rate and variable rate loans and issuance of debt securities.

b) Credit risk

Credit risk is managed at the Group level, including the credit risk of receivables; however, each company is responsible for analyzing the credit risk of each customer before offering payments, delivery terms, and other conditions. Credit risk arises from cash and cash equivalents, and deposits in banks and financial institutions, as well as credit exposure to customers, which include outstanding balances of accounts receivable and agreed transactions.

Regarding banks and financial institutions, only institutions with a solid operating track record and that have an excellent reputation in the market are accepted. In the case of the portfolio, the credit risk is limited, since the amounts to be recovered basically refer to the monthly payments of the services provided and the fact that there is no significant concentration of the portfolio due to the large number of subscribers comprising it. Irrespective of the above, the portfolio department assesses the customers' creditworthiness, taking into account their financial position (personal bank statements, credit cards, and others) and past experience, among other factors. Credit limits are generally established in accordance with the limits set by the Board of Directors based on the historical information available on the behavior of the portfolio and, where appropriate, of certain internal and/or external ratings. The use of credit limits is monitored on a regular basis.

The credit limits were not exceeded during the reporting period and Management does not expect the Group to incur any losses due to its performance.

Lastly, the maximum exposure to credit risk is limited to the carrying amount of each of account receivable (see table below). Consequently, the Group does not have a significant concentration of credit risk.

Creditworthiness of business financial assets

	2024	2023
Accounts receivable:		
Group 1	$ 389,736	612,031
Group 2	950,460	886,634
Total of trade receivables	$ 1,340,196	1,498,665

Related parties

	2024	2023
Group 2	$ 1,325,633	1,162,900
Total of trade receivables	$ 1,325,633	1,162,900

Group 2 - Existing customers/related parties (more than 6 months).

	2024	2023
Cash in banks and bank deposits short-term	$ 4,227,528	1,538,769
Maximum creditworthiness, with minimum credit risk (AAA)	$ 4,227,528	1,538,769

c) Liquidity risk

The Group's cash flow projections are prepared by its operating entities, and the information is consolidated by the Group's Management and Finance teams. The Group's Management and Finance teams oversee the updating of the projections regarding liquidity requirements to ensure that there is sufficient cash to meet operational needs and permanently maintain sufficient margins on undrawn lines of credit, in such a way that the Group does not fail to comply with its credit limits or line of credit covenants. Said projections consider debt financing plans, compliance with covenants, compliance with financial reasons based on internal financial information and, where appropriate, applicable regulatory requirements.

The cash surplus held by the Group and the surplus balances that exceed the cash required to meet its obligations in the short and medium term are transferred to the Group Treasury, which invests the cash surplus in time deposits and negotiable securities, selecting instruments with appropriate maturities or with sufficient liquidity to provide sufficient margins. Cash surpluses may be invested in expanding the facilities generating cash flows, with prior authorization from the Board of Directors.

The table below shows the analysis of the Group's financial liabilities classified based on the period between the date of the consolidated statement of financial position and the date of maturity (including unearned interest). The following table has been prepared on the basis of undiscounted cash flows, from the first date that the Group will be required to pay.

As at December 31, 2024	Less than 1 year	Between 1 and 2 years	Between 5 and 5 years
Bank loans	$ 15,000	4,550,000	8,281,680
Interest in banking institutions not accrued	1,504,958	2,535,609	628,792
Issuing debt securities	-	4,149,389	6,795,472
Interest in issuing debt securities not accrued	1,380,831	1,958,534	1,342,994
Lease liabilities	1,359,208	707,349	-
Suppliers	3,330,628	-	-
Related parties	93,414	429,122	478,341
Interest collected from related parties	9,631	24,438	158,504
Other accounts payable and deferred revenue	2,221,324	216,521	344,335
	$ 9,914,994	14,570,962	18,030,118

As at December 31, 2023	Less than 1 year	Between 1 and 2 years	Between 5 and 5 years
Bank loans	$ 5,538,405	55,000	8,276,859
Interest in banking institutions not accrued	1,190,486	1,987,280	1,448,255
Issuing debt securities	-	-	7,000,000
Interest in issuing debt securities not accrued	736,018	1,472,036	1,034,215
Lease liabilities	195,733	704,036	-
Suppliers	3,340,798	-	-
Related parties	69,198	208,562	510,365
Interest collected from related parties	16,567	20,510	28,709
Other accounts payable and deferred revenue	2,267,627	342,787	276,030
	$ 13,354,832	4,790,211	18,574,433

The maturity analysis applies only to financial instruments and therefore, does not include the entity's non-financial liabilities, such as tax liabilities.

d) Capital risk management

The Group's objectives in relation to capital risk management are to safeguard its ability to continue as a going concern, provide shareholder returns and benefits to other stakeholders, and maintain an optimal capital structure to reduce costs.

In order to maintain or adjust the capital structure, the Group may vary the amount of dividends to be paid to shareholders, carry out a capital reduction, issue new shares or sell assets, and reduce debt.

Like other entities in the industry, the Group monitors its capital structure based on its leverage ratio. This financial ratio is calculated by dividing total liabilities by total capital according to the consolidated statement of financial position.

During 2024 and 2023, the Group's strategy was to maintain its leverage ratio within the range of 0 to 3.00.

The credit rating regarding the Group's overall ability to meet financial obligations has been maintained throughout the period. The leverage ratio as at December 31, 2024 and 2023 is as follows:

	2024	2023
Total liabilities	$ 37,625,424	32,629,342
Total equity	35,656,781	35,854,933
Leverage ratio	1.06	0.91

e) Fair value estimation

The different levels of financial instruments have been defined as follows:

- Unadjusted quoted prices in active markets for identical asset or liability (level 1).

  Assets and liabilities measured at fair value for disclosure purposes, within this hierarchy are related-party receivables and payables and bank loans (level 2). Information other than quoted prices included in level 1 that can be confirmed for the asset or liability, either directly (such as prices) or indirectly (that is, derived from prices) (level 2).

- Information about the asset or liability that is not based on data that can be confirmed in an active market (that is, unobservable data) (level 3).

  The fair value of financial instruments traded in an active market is based on the market prices at the date of the consolidated statement of financial position. A market is understood as an asset with quoted prices that are normally available in an exchange, among negotiators, brokers, industry group, price services or a regulatory agency, and those prices represent real and recurring transactions in the market on the basis of free competition. The market price used in the financial assets held by the Group is the current offer price. These instruments are included in level 1.

  The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques. These valuation techniques maximize the use of observable market information when it is available and place the least possible confidence in the entity's specific estimates. If all the relevant variables to establish the fair value of a financial instrument are observable, the instrument is included in level 2.

If one or more relevant variables are not based on observable market information, the instrument is included in level 3.

Specific valuation techniques for financial instruments include:

» Market listing prices or trading prices of similar instruments.

» Other techniques, such as discounted cash flow analysis, are used to determine the fair value of other financial instruments.

The book value of assets and liabilities measured at amortized cost as at December 31, 2024 and 2023 resembles the fair value, derived from the fact that their realization period is less than one year, except for those presented under the long-term that are described in Notes 13, 14, 18 and 26.

The book value of trade receivables, other accounts receivable, suppliers and other accounts payable is similar to fair value, since it would be the amount payable in the short term.

(4) Critical accounting estimates and judgments

The estimates and judgments used are continuously evaluated and are based on historical experience and other factors, including the expectation of the occurrence of future events that are considered reasonable under current circumstances.

a) Critical accounting estimates and judgments

The Group makes estimates and judgments regarding the future. The resulting accounting estimates, by definition, will seldom equal the actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the book values of assets and liabilities during the following year are as follows:

Accounting judgments:

b) Concessions granted by the government

The provision of the aforementioned services is carried out through concessions granted free of charge by the competent authority in the regions indicated in Note 29 c) for a period of 30 years, which at the end of their validity will be renovate.

In January 2016, Mega Cable was granted a unique concession title for national coverage, with a 30-year validity, which allows the Group to provide any type of telecommunications services with the technical feasibility permitted by its infrastructure (limited only to having to request the radio spectrum required, as appropriate) anywhere in Mexico. Said model establishes the corresponding obligations such as, registering the services that it intends to provide; providing information on its passive and active infrastructure, rights of way and transmission media; coverage programs, and investment, quality and coverage commitments; refrain from engaging in discriminatory practices; establish and publish its Code of Business Practices; provide parental control for programming aimed at children and adolescents; provide information to the IFT allow it to inspect its premises; and present audited financial statements.

The concessions that expired before January 2016 were renewed in a unique concession. Subsequently, on March 24, 2022, the Federal Institute of Telecommunications authorized MegaCable the transition and, consequently, the consolidation of the 115 concession titles it had on that date, which were integrated into the unique concession for use that was granted on January 19, 2016, extinguishing the concession titles, the entities holding concession titles include: Mega Cable, Megacable Comunicaciones de México, Servicio y Equipos en Telefonía, Internet y TV, and Myc Red. For the purposes of its accounting treatment, the Group has evaluated that said titles do not fall within the scope of IFRIC 12, Service concession agreements since rates are registered with the government, but there is no residual value that must be returned to the government.

As at December 31, 2024 and 2023 the Group has the following concessions in force:

Years		Number of concessions for
Beginning	Expiration	30 years
2016 2022	2046 2052	2 1

The main characteristics of the unique concessions are as follows:

i. General

» Use of the Concession: The concession is granted for commercial use and confers the right to provide all types of public telecommunications and broadcasting services, through the infrastructure associated with a public telecommunications network.
» Programs and commitments for investment, quality, geographic, population or social coverage, connectivity in public places to contribute to universal coverage.
» Provision of services: The provision of services may be through economic agents of which the concessionaire is a part: prior authorization from the Institute, the concessionaire being responsible before the institute or any competent authority for non-compliance with the obligations and exercises of the rights contained in the title.
» Financial information: The concessionaire must make available to the Institute and deliver when it requires it, in the formats it determines, its annual financial statements broken down by services and by coverage area, as well as the annual financial statements corresponding to each person who make up the economic agent to which the concessionaire belongs.

ii. Provisions applicable to the services

- Quality of services: continuous and efficient provision of services.
- Registry of Services: The concessionaire must submit for registration in the public registry of concessions each service that it intends to provide and that is different from the services referred to in the concession of the title.
- Non-discrimination: In the provision of services, it is prohibited to establish privileges or distinctions that constitute any type of discrimination.

iii. Verification and information

- Information: the concessionaire must deliver the audited financial statements of its company within 150 calendar days following the closing of the corresponding year.
- Information on the network installation: the concessionaire must file quarterly progress reports on the installation of the network.
- Accounting information: the concessionaire must provide accounting information by service, region, function, and components of its Network.

iv. Commitments

- The concessionaire agrees to install with its own infrastructure, during the first three or five years, each of the stages of the coverage program indicated in the concession title.
- Term to start providing the service: the concessionaire must start to provide the service referred to in the concession no later than 365 calendar days after the date the concession is granted; however, an extension may be granted that is equal to half the term.
- As at December 31, 2024 and 2023, the Group has complied with all these disclosed commitments and the regulatory aspects to which it is subject.

v. Renewal

- The validity of the single concession is 30 years from June 4, 2015, which will be renewable, in accordance with the provisions of Article 113 of the Federal Telecommunications Broadcasting Act, which indicates concessions on public telecommunications networks, and which may be extended up to periods equal to those originally established. In order to obtain an extension, concessionaires must have complied with the conditions established in the concession that it wishes to have extended, and apply for the extension during the year in which the last fifth of the term of the concession begins, and accept the new conditions established by the authority in accordance with this Act and other applicable provisions. The IFT will issue its resolution within 180 calendar days.
- The withdrawal of any of the Group's concessions would have a significant adverse effect on its activities reported in the financial position and operating results, which would be directly reflected in operating income and costs, and possibly a reserve for impairment of its assets by ceasing to generate cash flows.

c) Consolidation of entities in which the Group holds more than 51% of shares

Management considers that the Group has control with 51% of the voting rights. The Company is the majority shareholder with 51% of the shares, while the other shareholders individually do not own more than 40% of the equity. There is no record of shareholders who form a group to exercise their voting rights jointly. The net income attributable to non-controlling interest as at December 31, 2024 and 2023 is $179,643 and $167,255, respectively.

The determining factors that establish such control are related to the power that is exercised over the subsidiaries, the right to obtain variable returns and the combination of these two factors, which results in the ability to exercise said power to influence the returns from such investments. The Group has power over its subsidiaries since it has rights that allow it to direct the relevant activities; that is, activities that significantly affect the investee's returns.

Its power arises from the voting rights granted by the shares it holds in each investment, which in all cases represent 51% of the total shares. In all cases, the rest of the shares are divided among several shareholders and in this sense, it is important to mention that there are no contractual agreements in which strategic alliances of any kind are established between the rest of the shareholders with voting rights, nor is there any precedent of such agreements.

The Group's interest in each one of its subsidiaries in all cases expose it, and grant it the right to obtain variable returns from its involvement in such companies, where it also has decision-making rights that directly influence obtaining the aforementioned returns. There are no legal or any type of barriers that prevent the Group from exercising its rights, and on the contrary, there are established practical mechanisms that allow the exercise of such rights when so determined by Management.

In most cases, the Board of Directors is comprised of the same number of members of the Group and the rest of the shareholders, although one of the directors of the rest of the shareholders does not have a vote. The Group also appoints the chair and treasurer within the board, and in the shareholders' meeting–the supreme corporate body of the company–, it still has the majority of votes, which allows it to make decisions about the relevant activities of the subsidiaries without the need for consent from the rest of the parties. The resolutions adopted in the meeting are final and do not require additional or subsequent approval by the Board of Directors, as long as the same shareholding percentage is maintained.

Details on the relevant totals of assets, liabilities and consolidated results of these subsidiaries are provided in Note 9.

<u>Accounting Estimates:</u>

d) Goodwill impairment estimate

The Group tests annually whether goodwill has suffered any impairment, in accordance with the accounting policy described in

Note 2 o). The recoverable amounts of the Cash Generating Units (CGU) have been determined based on calculations of their values in use. These calculations require the use of estimates (See Note 11).

In 2024 and 2023, there were no impairment effects in any of the CGUs and the most sensitive variables in the calculations are the discount rate and the gross operating margin.

If the estimated cost of capital used to determine the discount rate before taxes applied to the Company's CGUs had been 10% higher than Management's estimate, it would not give rise to a goodwill impairment.

The discount rates in pesos and in nominal terms in Mexico used by the Company as at December 31, 2024 and 2023 are 10.40% and 9.81%, respectively, it is estimated through the Weighted Average Cost of Capital ("WACC"), and 5-year flows were discounted.

e) Income tax

The Group is subject to the payment of income tax. Significant judgments are required to recognize current and deferred income tax. There are many transactions and calculations for which the tax computation is uncertain. In the event that a tax audit process is initiated, the Group would recognize a liability for those matters observed in the tax audits if it considers that it is probable that an additional tax to the original current tax will be determined. Should the final result of these processes produce a result other than the estimated liability, the differences would be recognized in the current and/or deferred income tax for the year.

Based on simulations, the impact on after-tax earnings from a 5% change would result in a maximum increase or decrease of $52,695 in 2024 and $63,802 in 2023. Simulations are conducted periodically to verify that the maximum potential loss is within the limits established by Management.

The determination of the final tax calculation may be uncertain due to the complexity and judgments required to handle certain transactions. When the final result of this situation is different from the amounts that were initially recorded, the differences will impact the current and deferred income tax on assets and liabilities in the period in which it is determined. At the 2024 and 2023 year-end closing, the Group does not have uncertain tax positions.

f) Allowance for impairment of accounts receivable

The methodology the Group applied to determine the balance of this estimate is described in Note 2k).

If the allowance for bad debts as at December 31, 2024 and 2023, the estimate for impairment of accounts receivable had been modified by 10% higher and/or lower than those estimated by Management, the Group would have increased and/or decreased said estimate as of December 31, 2024 and 2023 by an amount of $42,175 and $35,457, respectively, and the operating results would have been impaired and/or benefited by the same amount.

g) Allowance for obsolete inventories

The Group's Management has an allowance for inventories with different kinds of defects and for slow-moving inventories. The goods that cannot be used for its own operation include products that will expire in the next few months, that have a broken label or a label in bad condition, or products in poor conditions. This allowance is determined based on the age and monitoring reports prepared by Management regarding said products.

h) Estimated useful lives and residual values of property, networks and equipment

The Group prepares the estimated useful lives of its property, networks and equipment to determine the depreciation expense to be recognized in a reporting period. The useful life of these assets is calculated at the time the asset is acquired, based on past experience with similar assets and taking into account anticipated technological changes or changes of any other nature. If technological changes occur faster than foreseen or in a different way than anticipated, the useful lives assigned to these assets may need to be shortened. This would result in the recognition of a higher depreciation and amortization expense in future periods. Alternatively, these types of technological changes could result in the recognition of an impairment charge to reflect the reduction in the value of assets. The Group reviews the assets annually to see if they show signs of impairment, or when certain events or circumstances indicate that the book value may not be recovered throughout the remaining life of the assets. Should there be indicators of impairment, the Company conducts a study to determine the value in use of the assets. As at December 31, 2024 and 2023, there were no indicators of impairment.

i) Pension plan benefits

The present value of pension plan obligations depends on a number of factors that are determined on an actuarial basis using a number of assumptions. The assumptions used to determine the net cost (income) for pensions include the discount rate. Any change in these assumptions will have an impact on the book value of the pension plan obligations.

As of December 31, 2024, and 2023, the Group used the zero-coupon government bond curve of 10.50% and 9.25%, respectively, as a reference for the discount rate.

If the discount rate used as of December 31, 2024, and 2023, had been 1% different from Management's estimates, the carrying amount of the pension plan obligations would have been higher or lower by approximately $34,712 and $30,329, respectively.

Other premises used to estimate pension obligations are based on current market conditions. Additional information is disclosed in Note 17.

j) Fair value measurement

The Group applies the guidelines in Accounting Standard IFRS 13, Fair value measurements ("Accounting Standard IFRS 13") to measure the fair value of financial assets and liabilities recognized or disclosed at fair value. Accounting Standard IFRS 13 does not require additional fair values other than those already required or permitted by other Accounting Standard IFRS, and it does not intend to establish valuation standards or affect valuation practices outside of the financial report. Under Accounting Standard IFRS, the fair value represents the "Sale Price" that would be received to sell an asset or pay to transfer a liability in an orderly transaction between market participants at the valuation date, considering the credit risk of the counterparty in the valuation.

The selling price concept is based on the assumption that there is a market and market participants for the specific asset or liability. When there is no market and/or participants to form the market, Accounting Standard IFRS 13 establishes a hierarchy of fair value for the input data of the valuation techniques used to determine the fair value. The highest priority hierarchy is that of unadjusted quoted prices in an active market for identical assets or liabilities (measurement level 1) and the lowest priority is that of calculations dealing with significant but unobservable input data (measurement level 3). The three hierarchy levels are as follows:

(1) Level 1 data are quoted prices (unadjusted) in active markets for identical assets or liabilities that the Group has the ability to trade at the measurement date.
(2) Level 2 are inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly.
(3) Level 3 are inputs for the asset or liability that are not based on observable market data.

The fair value of assets for disposal, along with unobservable input data, are estimated by specialized independent firms hired for each asset.

k) Fair value of derivative financial instruments

The fair values of derivative instruments that are traded in recognized markets are determined based on the prices issued by these markets. In cases in which the instruments are traded on the over-the-counter market, the fair value of the financial instruments is estimated based on recognized technical valuation models in the financial field, mainly using that of expected future flows discounted at present value and based on market information available at the valuation date.

To measure the fair values the Group has used conditions and assumptions based primarily on TIIE 28 rate structures, Mexican Interbank Interest Rate (TIIE) levels, and exchange rates under the MXN/USD parity available at the valuation date.

The Company has performed the effectiveness tests required to comply with hedge accounting, which are in the ranges allowed by Accounting Standard IFRS.

l) Revenue recognition

Determination of whether service revenues are recognized over time or at a specific time.

m) Leases

Determining whether an arrangement contains a lease.

(5) Cash and cash equivalents-

Cash and cash equivalents are described as follows:

	2024	2023
Cash and cash in banks	$ 1,902,053	1,140,436
Readily marketable securities	2,325,475	398,333
Total	$ 4,227,528	1,538,769

As at December 31, 2024 and 2023, the Company has no cash and cash equivalents subject to restrictions on their availability.

(6) Accounts receivable -

An analysis of this caption is as follows:

	2024	2023
Customers	$ 2,065,643	2,704,780
Sundry debtors	550,265	129,346
Total accounts receivable	2,615,908	2,834,126
Less accounts receivable, long-term (*)	-	509,327
Total accounts receivable, short-term	2,615,908	2,324,799
Allowance for short-term credit losses	(421,748)	(354,574)
Total accounts receivable, net, short-term	$ 2,194,160	1,970,225

(*) The long-term receivable with its other permanent investment, Altán Redes, S.A.P.I. de C.V. (Altán), includes the credit agreement entered into on June 9, 2022, under which Telefonía por Cable, S.A. de C.V., provided a loan to Altán through a payment installment plan for overdue invoices. Additionally, it includes the amount owed to Telefonía por Cable, S.A. de C.V. recognized in the Bankruptcy Agreement dated October 14, 2022, in which Altán reached an agreement with its creditors to restructure the credits recognized under the Bankruptcy Agreement.

The total long-term receivables at 31 December 2023 are $509,327, however, the Group wrote off part of the receivables during 2024 by recognising a loss on sale of portfolio of $224,345 in profit or loss (see note 27 (3)).

As of December 31, 2024 and 2023, the amounts owed generally fully comply with the contractual terms.

The following information related to customer contracts is shown below:

		Business market		Mass market	
		2024	2023	2024	2023
Opening balance	$	2,251,120	2,058,582	453,660	341,324
Closing balance	$	1,580,356	2,251,120	485,287	453,660

As at December 31, 2024 and 2023, the Company has liabilities for contracts with customers as follows:

		Business market		Mass market	
		2024	2023	2024	2023
Opening balance	$	731,558	731,860	221,967	220,083
Closing balance	$	620,733	731,558	227,681	221,967

The book value of the Group's accounts receivable and other accounts receivable are primarily denominated in Mexican pesos.

Current accounts receivable that are more than 180 days old are analyzed as follows:

		2024	2023
More than 180 days	$	400,195	377,307

The movement of the allowance for credit losses is as follows:

		2024	2023
Balance at the beginning of the year	$	354,574	443,978
Increase in operating expenses		109,276	39,533
Charges and other movements		(42,102)	(128,937)
Balance at the end of the year	$	421,748	354,574

The increase in the allowance for impaired accounts receivable is included in operating expenses in the statement of comprehensive income (see Note 22). Amounts charged to the provision are generally written off when there are no expectations of additional cash recovery. Other accounts receivable items and other accounts receivable are not impaired.

The maximum exposure to credit risk at the reporting date is the book value of each class of accounts receivable mentioned above. The Group does not request collateral in guarantee.

The book value of customers and other accounts receivable that are denominated in U.S. dollars are as follows:

		2024	2023
U.S. dollars (thousands)	$	5,832	5,096

		2024	2023
Materials and equipment for company operations	$	720,440	855,972
Allowance for obsolete inventories		(87,432)	(87,599)
Total	$	633,008	768,373

Movements in the obsolete inventory valuation are as follows:

		2024	2023
Balance at the beginning of the year	$	87,599	84,736
Increase		11,196	7,286
Charges or cancellations		(11,363)	(4,423)
Balance at the end of the year	$	87,432	87,599

(8) Prepayments-

Prepayments are comprised as follows:

		2024	2023
Property, networks and equipment	$	42,248	135,448
Services		341,177	228,561
Others prepayments to suppliers		703,694	882,078
Total prepayments		1,087,119	1,246,087
Less current prepayments		1,044,871	1,110,639
Long- term prepayments (*)	$	42,248	135,448

(*) Advance payments as of December 31, 2023, for the construction of fiber infrastructure using GPON technology were completed in December 2024. These payments consisted primarily of an FTTH (Fiber To The Home) network, which was implemented in the main cities where the Group operates. See note 25.

(9) Investments in joint ventures

Investment in joint ventures and other investments in which the company has control are comprised of the following entities:

(1) Joint venture -

Subsidiary	Interest 2024	Interest 2023	Corporate Purpose
Grupo de Telecomunicaciones de Alta Capacidad, S. A. P. I. de C. V. (joint business) (1)	33.33 %	33.33 %	Concessionaire of the rights to operate the dark fiber owned by the Federal Electricity Commission.

The joint venture presented below has a share capital consisting solely of ordinary shares, which the Group directly owns. Grupo de Telecomunicaciones de Alta Capacidad, S.A.P.I. de C. V. (GTAC) obtained a 20-year lease (through a bidding process) for a pair of fiber optic wires maintained by the Federal Electricity Commission and a concession to operate a public telecommunications network in Mexico. The concession will expire in 2030.

Nature of joint venture investment as at December 31, 2024 and 2023.

Entity Name	Place of Business	Interest %	Nature of the Relationship	Measurement Method
Grupo de Telecomunicaciones de Alta Capacidad, S. A. P. I. de C. V	Cd. de México	33.33	Trunk capacity supplier	Equity method

Grupo de Telecomunicaciones de Alta Capacidad, S.A.P.I. de C.V.

Summarized Statement of Financial Position:		2024	2023
Current			
Cash and cash equivalents	$	44,214	91,561
Other current assets		1,278,276	858,900
Total current assets		1,322,490	950,461
Other current liabilities (including accounts payable)		501,360	408,508
Total current liabilities		501,360	408,508
Long-term			
Assets		2,224,630	2,245,699
Other liabilities - Total long-term liabilities		3,259,708	3,096,287
Net liabilities	$	(213,948)	(308,635)

Grupo de Telecomunicaciones de Alta Capacidad, S.A.P.I. de C.V.

Summarized Statement of Comprehensive Income:		2024	2023
Income	$	904,912	801,365
Depreciation and amortization		(3,418)	(3,569)
Expenses		(379,406)	(427,860)
Finance income		6,388	21,608
Finance expenses		(433,984)	(377,439)
Total comprehensive income	$	94,492	14,105

As of December 31, 2024 and 2023, the Group has a capital deficit, so the investment in the joint venture was valued at zero. The unrecognized profits from its stake in GTAC amount to $31,494 and $4,701, respectively, as of December 31, 2024 and 2023; and the accumulated unrecognized losses amount to $71,309 and $102,868 as of December 31, 2024 and 2023, respectively.

(2) Other subsidiaries in which it has control-

The Group has the following subsidiaries in which it holds a 51% interest and are included in the consolidation (all are variable capital companies) as of December 31, 2024 and 2023:

Entity Name	Place of Business	Nature of the Business	Portion of ordinary shares held by shareholders (%)	Portion of ordinary shares held by the Group (%)	Portion of ordinary shares held by non-controlling interest	Portion of preferred shares held by the Group (%)
Myc Red	Michoacán	Cable system operator	51	51	49	-
Servicio y Equipo en Telefonía Internet y Televisión	Michoacán	Cable system operator	51	51	49	-
Construcciones TQR	Michoacán	Fixed asset leasing	51	51	49	-

All subsidiary companies are included in the consolidation. The proportion of voting rights in subsidiary companies held directly by the parent company does not differ from the proportion of common shares held. Management considers the Group to be in control with 51% of the voting rights. The Group is the majority shareholder with a 51% shareholding, while the other shareholders individually hold no more than 40% of the capital. There is no history of shareholders forming a group to exercise their vote jointly. The total non-controlling interest in the income statement in 2024 and 2023 is $179,643 and $167,255, respectively, and in shareholders' equity in 2024 and 2023 is $1,016,231 and $850,942, respectively. The following summarized financial information is presented for each subsidiary that has non-controlling interests that are material to the Group.

Summarized Statement of Financial Position as at December 31, 2024 and 2023 (all are variable capital companies):

	Myc Red		Servicio y Equipo en Telefonía Internet y Televisión (*)		Construcciones TQR	
	2024	2023	2024	2023	2024	2023
Short-term						
Assets	$ 36,978	33,199	395,439	352,794	67,725	160,559
Liabilities	(85,504)	(65,783)	(504,300)	(753,571)	(758,314)	(936,574)
Total short-term liabilities, net	(48,526)	(32,584)	(108,861)	(400,777)	(690,589)	(776,015)
Long-term						
Assets	164,639	133,868	1,690,385	1,777,136	1,771,609	2,048,876
Liabilities	(19,515)	(15,454)	(193,508)	(250,260)	(21,623)	(7,962)
Total long-term assets, net	145,124	118,414	1,496,877	1,526,876	1,749,986	2,040,914
Assets, net	$ 96,598	85,830	1,388,016	1,126,099	1,059,397	1,264,899

Summarized Income Statement for the period ended December 31, 2024 and 2023 (all are variable capital companies):

	Myc Red		Servicio y Equipo en Telefonía Internet y Televisión (*)		Construcciones TQR	
	2024	2023	2024	2023	2024	2023
Income	$ 141,346	124,044	1,509,178	1,488,645	79,200	52,848
Profit before income tax	14,452	18,894	359,659	420,254	363,166	1,088,265
Tax expense, net	(3,688)	(6,080)	(96,246)	(132,369)	(26,604)	(18,816)
Total comprehensive income	$ 10,764	12,814	263,413	287,885	336,563	1,069,449

The information above represents the amount before eliminations between related parties.

(*) Subsidiary company of Construcciones TQR as of May 2, 2023.

As at December 31, 2024 and 2023, none of these subsidiaries has any commitments or contingent liabilities that could affect the figures.

(10) Property, networks and equipment-

An analysis of properties, networks and equipment is as follows:

As at December 31, 2024	Land	Buildings	Network and technical signal and distribution equipment	Office furniture, equipment and computers	Transportation equipment	Leasehold improvements	Tele-communications equipment	Projects in process, tools and equipment	Total
Net opening balance as of December 31, 2023	$ 399,938	301,467	47,116,697	490,696	1,249,699	180,335	-	2,469,239	52,208,071
Additions	43,322	6,055	6,468,555	230,696	419,532	190,987	-	979,828	8,338,975
Disposals	-	(415)	(388,853)	(168)	(134,525)	-	-	-	(523,961)
Depreciation charge	-	(6,133)	(6,082,980)	(84,752)	(99,365)	(89,544)	-	(508,237)	(6,871,011)
Net closing balance as of December 31, 2024	443,260	300,974	47,113,419	636,472	1,435,341	281,778	-	2,940,830	53,152,074
Cost	438,614	411,555	88,431,561	2,267,106	2,269,596	934,254	-	4,249,359	99,002,045
Accumulated depreciation	-	(105,935)	(41,318,142)	(1,630,634)	(834,255)	(652,476)	-	(1,308,529)	(45,849,971)
Net closing balance as of December 31, 2024	$ 438,614	305,620	47,113,419	636,472	1,435,341	281,778	-	2,940,830	53,152,074

As at December 31, 2023	Land	Buildings	Network and technical signal and distribution equipment	Office furniture, equipment and computers	Transportation equipment	Leasehold improvements	Tele-communications equipment	Projects in process, tools and equipment	Total
Net Beginning Balance as of December 31, 2022	$ 292,345	295,707	39,996,072	434,173	737,435	212,072	71,233	3,175,416	45,214,453
Additions	107,557	14,920	11,189,212	208,062	676,630	44,803	-	748,490	12,989,674
Reclassifications and/or Project Applications	36	(34)	1,461,882	(25,366)	(798)	-	(71,233)	(1,364,487)	-
Disposals	-	-	(291,536)	(465)	(24,575)	-	-	(396)	(316,972)
Depreciation Charge	-	(9,126)	(5,238,933)	(125,708)	(138,993)	(76,540)	-	(89,784)	(5,679,084)
Net Ending Book Balance as of December 31, 2023	399,938	301,467	47,116,697	490,696	1,249,699	180,335	-	2,469,239	52,208,071
Cost	399,938	405,905	84,109,235	2,058,842	1,972,564	740,341	-	3,082,141	92,768,966
Accumulated Depreciation	-	(104,438)	(36,992,538)	(1,568,146)	(722,865)	(560,006)	-	(612,902)	(40,560,895)
Net Ending Book Balance as of December 31, 2023	$ 399,938	301,467	47,116,697	490,696	1,249,699	180,335	-	2,469,239	52,208,071

a) Total depreciation expense for the years ended December 31, 2024 and 2023 amounted to $7,759,493 and $6,696,602, respectively, of which $7,031,047 and $6,067,469 were recorded under cost of services, respectively, and the supplement of $728,446 and $629,133, respectively, was recorded in selling and administrative expenses.

b) Due to the increase in the frequency of new cable subscribers during 2024 and 2023, connection costs of $3,183,853 and $2,801,790 (materials and labor necessary to extend and physically connect the Network to the new customer's home) were capitalized in the network asset, respectively. The connection costs are amortized over a period of 3 years.

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(11) Goodwill-

According to its origin, goodwill is integrated as of December 31, 2024 and 2023 as follows:

	Acotel	TCO	IMATEL	IRA	SIGETEL	Others	Total
Net opening balance as of December 31, 2023	$ 2,296,815	381,098	331,811	240,378	54,893	1,061,063	4,366,058
Accumulated impairment (recorded)	-	-	-	-	-	-	-
Net ending book balance as of December 31, 2024	$ 2,296,815	381,098	331,811	240,378	54,893	1,061,063	4,366,058

Goodwill impairment tests:

Management reviews business performance based on geography and type of business. Geographical areas have been identified as the states in Mexico where the Group has a presence. In all geographic areas, the Group maintains cable, telephone, and internet services. Goodwill is analyzed by Management at the geographic area level for the mass (Cable, Telephone, and Internet) and business markets. A summary of the goodwill allocation for each geographic area is as follows:

As at December 31, 2024 and 2023	Beginning balance	Impairment	Ending balance
North	$ 134,645	-	134,645
West	265,569	-	265,569
Pacific	429,492	-	429,492
Southeast	693,805	-	693,805
TCO	318,640	-	318,640
Bajío	1,242,205	-	1,242,205
Center	1,104,865	-	1,104,865
Gulf	86,511	-	86,511
Business	90,326		90,326
Total	$ 4,366,058	-	4,366,058

The recoverable amount of all Cash Generating Units (CGU) is determined based on value in use calculations. These calculations use the projections of pretax cash flows based on financial budgets approved by Management that cover a five-year period. Cash flows that exceed the five-year period are extrapolated using the estimated growth rates mentioned below. Growth rates do not exceed the long-term average growth rate for the telecommunications business in which the CGU operates.

The recovery values of each of the CGUs as at December 31, 2024 and 2023 are as follows:

As at December 31,	2024	2023
North	$ 5,504,665	5,069,508
West	11,761,763	14,164,723
Pacific	16,391,629	17,451,606
Southeast	9,042,230	9,494,806
TCO	4,665,281	3,748,813
Bajío	12,242,504	11,603,199
Center	7,350,948	7,801,468
Gulf	5,122,624	5,034,562
Business	7,681,015	29,423,392
Expansion (*)	16,753,213	30,637,797

(*) During 2022, the Group determined a new UGE (expansion), which began operating in 2022, since the Group launched its services in cities where it had little or no presence, among the main cities are: Mexico City, Zapopan, Monterrey, Tijuana, Cancun, Mexicali, Manzanillo, Puerto Vallarta, Saltillo, Pachuca, Celaya, Cd. Juarez, Tapachula, Aguascalientes, Campeche, Chihuahua, Acapulco, Cuernavaca, Saltillo, Cd. Guzmán, San Luis Potosí, among others.

The key assumptions used in the 2024 and 2023 value in use calculations are as follows:

2024	% of gross margin	Growth rate	Discount rate
North	49.7%	3.2%	10.4%
West	42.3%	2.9%	10.4%
Pacific	49.2%	2.4%	10.4%
Southeast	46.2%	3.0%	10.4%
TCO	53.6%	2.0%	10.4%
Bajío	50.7%	2.8%	10.4%
Center	45.6%	3.6%	10.4%
Gulf	43.7%	2.8%	10.4%
Business	32.8%	7.9%	10.4%
Expansion	25.8%	29.6%	10.4%

2023	% of gross margin	Growth rate	Discount rate
North	45.9%	6.4%	9.8%
West	44.1%	6.0%	9.8%
Pacific	48.6%	5.0%	9.8%
Southeast	44.8%	6.1%	9.8%
TCO	46.0%	4.6%	9.8%
Bajío	46.9%	6.0%	9.8%
Center	44.7%	6.3%	9.8%
Gulf	42.1%	5.3%	9.8%
Business	97.7%	9.9%	9.8%
Expansion	39.7%	57.6%	9.8%

These assumptions have been used in the analysis of each CGU within the operating segment.

Management determined the budgeted gross margins based on past results and its expectations of market development. The weighted average growth rates used are consistent with the projections included in the industry reports. The discount rates used are pre-taxes and reflect the specific risks related to the relevant geographic areas.

Sales volume is the weighted average rate of annual growth over a five-year forecast period. It is based on past performance and Management's expectations of market development.

The sale price is the weighted average rate of annual growth over the five-year forecast. It is based on current industry trends and includes long-term inflation forecasts.

(12) Other intangible assets, net-

The other intangible assets are comprised as follows:

	2024	2023
With defined life:		
Customer base (i)	$ 2,095,020	2,095,020
Accumulated amortization	(2,092,180)	(2,089,357)
	2,840	5,663
With defined life:		
Trademarks and patents, net (ii)	202	202
Total	$ 3,042	5,865

i) Corresponds to the cost of acquisitions of portfolio/subscribers with a useful life of four years. The movements in the net customer base is as follows:

Net customer base:	Amount
As at January 1, 2023	$ 49,919
Others	2,800
Amortization	(47,056)
As at December 31, 2023	5,663
Amortization	(2,823)
As at December 31, 2024	$ 2,840

Customer base amortization is calculated using the straight-line method, considering the estimated life of the assets, which is four years. As of December 31, 2024, and 2023, the cost of services was recorded at $2,823 and $47,056, respectively.

ii) The brands and patents are integrated as follows.

Brands and patents:		Amount
As at January 1, 2022	$	150
Purchases		52
As at December 31, 2022		202
As at December 31, 2023	$	202

(13) Financial instruments by category-

The financial instruments by category are integrated as follows.

		2024 Loans and accounts receivable	2023 Loans and accounts receivable
Assets according to the statement of financial position:			
Cash and cash equivalents	$	4,227,528	1,538,769
Short-term accounts receivable, net		2,194,160	1,970,225
Long-term accounts receivable		-	509,327
Related parties		1,325,633	1,162,900
Total	$	7,747,321	5,181,221

		2024 Financial liabilities at amortized cost	2023 Financial liabilities at amortized cost
Liabilities according to the statement of financial position:			
Notes payable to banks and issuance of stock certificates	$	24,068,712	20,870,264
Financial instruments		-	62,355
Suppliers		3,330,628	3,340,798
Related parties		1,000,877	788,125
Other accounts payable, provisions, and accrued income		2,782,180	2,886,444
Total	$	31,182,397	27,947,986

As of December 31, 2023, the Group held financial instruments worth $62,355 for European option hedging on the MXN/USD exchange rate, contracted with the financial counterparty Banco Intercam. These transactions are treated as financial instruments classified for trading purposes.

(14) Bank loans and Issuing debt securities-

a) Bank loans are integrated as follows:

		2024	2023
Simple credit loan entered into with Banco Santander México, S.A. Multiple Banking Institution, on April 26, 2023, for $1,100,000 (nominal), which accrues monthly interest at the TIIE rate plus 0.50 percentage points, maturing on April 26, 2028. (1)	$	1,097,572	1,096,725
Simple credit loan entered into with Banco Nacional de México, S.A., a member of Grupo Financiero Banamex, on April 26, 2023, for $500,000 (nominal), which accrues monthly interest at the TIIE rate plus 0.45 percentage points, maturing on April 26, 2028.(1)		498,896	498,511
Simple credit loan entered into with BBVA Bancomer, S.A. Multiple Banking Institution, on April 27, 2023, for $500,000 (nominal), which accrues monthly interest at the TIIE rate plus 0.28 percentage points, maturing on April 27, 2028. (1)		498,896	498,669
Simple credit loan entered into with BBVA Bancomer, S.A. Multiple Banking Institution, on April 27, 2023, for $2,500,000 (nominal), which accrues monthly interest at the TIIE rate plus 0.28 percentage points, maturing on April 27, 2028. (1)		2,494,482	2,493,343
Simple credit loan entered into with BBVA Bancomer, S.A. Multiple Banking Institution, on April 27, 2023, for $2,000,000 (nominal), which accrues monthly interest at the TIIE rate plus 0.48 percentage points, maturing on April 27, 2028. (1)		1,995,586	1,994,674
Simple credit loan entered into with BBVA Bancomer, S.A. Multiple Banking Institution, on July 12, 2023, for $65,000 (nominal), which accrues monthly interest at the TIIE rate plus 0.95 percentage points, maturing on July 10, 2026. (1)		65,000	55,000
Simple credit loan entered into with Banco Nacional de Comercio Exterior, S.N.C. Development Institution, on August 8, 2023, for $1,700,000 (nominal), which accrues monthly interest at the TIIE rate plus 0.53 percentage points, maturing on August 8, 2030. (1)		1,696,248	1,694,937
Simple credit loan entered into with Scotiabank Inverlat, S.A. Multiple Banking Institution, on July 29, 2024, for $3,000,000 (nominal), which accrues monthly interest at the TIIE rate plus 0.55 percentage points, maturing on July 29, 2027. (2)		3,000,000	-
Simple credit loan entered into with BBVA Bancomer, S.A. Multiple Banking Institution, on July 29, 2024, for $1,500,000 (nominal), which accrues monthly interest at the TIIE rate plus 0.50 percentage points, maturing on July 29, 2027. (2)		1,500,000	-
Simple credit loan entered into with Scotiabank Inverlat, S.A. Multiple Banking Institution, on July 25, 2019, for $3,000,000 (nominal), which is made up of two provisions, one for $2,000,000 which accrues monthly interest at a fixed rate of 7.88% with maturity on July 29, 2024, paid on July 19, 2024 and another for $1,000,000 which accrues monthly interest at the TIIE rate plus 0.28 percentage points, with maturity on July 29, 2022, the latter paid on July 29, 2022. (3)		-	1,991,181
Simple credit loan entered into with BBVA Bancomer, S.A. Multiple Banking Institution, on July 25, 2019, for $1,500,000 (nominal), which accrues monthly interest at a fixed rate of 7.89%, due on July 29, 2024, paid on July 29, 2024. (3)		-	1,493,386
Total to the next sheet	$	12,846,680	11,816,426

		2024	2023
Total to the previous sheet	$	12,846,680	11,816,426
Simple credit loan entered into with BBVA Bancomer, S.A. Multiple Banking Institution, on October 27, 2023, for $800,000 (nominal), which accrues monthly interest at the TIIE rate plus 0.38 percentage points, maturing on February 23, 2024. A renewal was signed on February 23, 2024, maturing on May 24, 2024, paid on April 19, 2024. (4)		-	800,000
Simple credit loan entered into with BBVA Bancomer, S.A. Multiple Banking Institution, on November 22, 2023, for $250,000 (nominal), which accrues monthly interest at the TIIE rate plus 0.28 percentage points, maturing on February 28, 2024. A renewal was signed on February 28, 2024, maturing on May 29, 2024, paid on April 19, 2024. (4)		-	250,000
Simple credit loan entered into with BBVA Bancomer, S.A. Multiple Banking Institution, on December 1, 2023, for $150,000 (nominal), which accrues monthly interest at the TIIE rate plus 0.38 percentage points, maturing on March 29, 2024, paid on April 1, 2024. (4)		-	150,000
Simple credit loan entered into with BBVA Bancomer, S.A. Multiple Banking Institution, on December 1, 2023, for $60,000 (nominal), which accrues monthly interest at the TIIE rate plus 0.38 percentage points, maturing on March 29, 2024, paid on April 1, 2024. (4)		-	60,000
Simple credit loan entered into with Banco Santander, S.A. Multiple Banking Institution, on December 21, 2023, for $500,000 (nominal), which accrues monthly interest at the TIIE rate plus 0.50 percentage points, maturing on March 20, 2024, paid on March 20, 2024. (4)		-	500,000
Interest payable on bank loans		4,643	87,240
Interest payable on debt securities (see note 14 b)		272,528	206,598
Total bank loans			
Interest payable on bank loans	$	13,123,851	13,870,264
Minus - Short-term portion of long-term bank loans and debt securities		292,171	5,538,405
Bank loans with maturities greater than one year	$	12,831,680	8,331,859

1) On April 26, 2023, April 27, 2023, July 12, 2023, August 8, 2023, and November 27, 2024, Telefonía por Cable, S.A. de C.V., as an accredited subsidiary, as well as Megacable Holdings, S.A.B. de C.V. and Mega Cable, S.A. de C.V., as joint obligors, contracted loans with Banco Santander México, S.A. for $1,100,000, Banco Nacional de México, S.A. $500,000, BBVA Bancomer, S.A. $500,000, $2,500,000, $2,000,000, $65,000, Banco Nacional de Comercio Exterior, S.N.C. $1,700,000 of these contracts mature on April 26, 2028, April 27, 2028, July 10, 2026, and August 8, 2030.

Regarding the loans indicated in the preceding paragraph, the Group determined an effective interest rate in 2024 of 11.86%, 11.78%, 11.54%, 11.75%, 12.01%, and 11.98%, based on which the financial cost of said loan is recorded; Likewise, its fair value for all credits is $8,125,079, which were determined using the TIIE market value discount rate plus 0.50%, 0.45%, 0.28%, 0.28%, 0.48%, 0.95%, 0.53% percentage points, and are within level 2 in the fair value hierarchies.

The current Item 1 Loan Agreements establish various obligations and non-obligations for Megacable Holdings, S.A.B. de C.V. and its subsidiaries, including limitations on: (a) merging or consolidating with third parties; (b) selling, transferring or leasing certain of its assets, except when the transaction is in cash; (c) certain investments; (d) the amount of indebtedness; (e) certain dividend payments or distributions of the capital stock of Megacable Holdings or its subsidiaries, or the purchase, redemption or other acquisition of the capital stock of any of its subsidiaries; (f) entering into hedging contracts, except where they help mitigate certain risks or acquire benefits; and (g) changes in accounting, as well as requiring Megacable Holdings and subsidiaries to comply with certain financial ratios, including a consolidated leverage ratio of no more than 3.00 and a consolidated interest coverage ratio of no more than 3.50.

2) On July 29, 2024, Mega Cable, S.A. de C.V., as a subsidiary, along with Megacable Holdings, S.A.B. de C.V., Telefonía por Cable S.A. de C.V., Servicios Especiales Turandot, S.A.P.I de C.V., and Werther Administración Integral, S.A.P.I. de C.V., as joint and several obligors, contracted loans with Scotiabank Inverlat, S.A. for $3,000,000 and BBVA Bancomer, S.A. for $1,500,000. These contracts mature on July 29, 2027.

Regarding the loans indicated in the preceding paragraph, the Group determined an effective interest rate in 2024 of 4.72% and 5.33%, based on which the financial cost of said loan is recorded. Likewise, its fair value for all credits is $4,424,413, which were determined using the TIIE market value discount rate plus 0.55% and 0.50% percentage points and are within level 2 in the fair value hierarchies.

The current Item 2 loan agreements establish various obligations and non-obligations for Megacable Holdings, S.A.B. de C.V. and its subsidiaries, including limitations on (a) merging or consolidating with third parties; (b) selling, transferring or leasing certain of its assets, except when the transaction is in cash; (c) certain investments; (d) the amount of indebtedness; (e) certain dividend payments or distributions of the capital stock of Megacable Holdings or its subsidiaries, or the purchase, redemption or other acquisition of the capital stock of any of its subsidiaries; (f) entering into hedging contracts, except where they help mitigate certain risks or acquire benefits; and (g) changes in accounting, as well as requiring Megacable Holdings and subsidiaries to comply with certain financial ratios, including a consolidated leverage ratio of no more than 3.00 and a consolidated interest coverage ratio of no more than 3.50.

3) On July 25, 2019, Mega Cable, S.A. de C.V., as an accredited subsidiary, as well as Megacable Holdings, S.A.B. de C.V., Telefonía por Cable S.A. de C.V., Servicios Especiales Turandot, S.A.P.I de C.V. and Werther Administración Integral, S.A.P.I. de C.V., as joint and several obligors, contracted loans with Scotiabank Inverlat, S.A. for $2,000,000 and BBVA Bancomer, S.A. $1,500,000. These contracts matured on July 29, 2024, and were paid on July 19, 2024, and July 29, 2024.

Regarding the loans indicated in the preceding paragraph, the Group determined an effective interest rate of 7.88% for the first loan in 2023, and 7.89% for the second. The financial cost of the loan is recorded at this rate. The fair value of the two loans is $3,484,567. These loans were determined using the market-to-market discount rate (TIIE) plus 0.28 percentage points and a fixed annual interest rate of 7.89%, and are within Level 2 of the fair value hierarchies.

The current Item 3 loan agreements establish various obligations and non-obligations for Megacable Holdings, S.A.B. de C.V. and its subsidiaries, including limitations on: (a) merging or consolidating with third parties; (b) selling, transferring or leasing certain of its assets, except when the transaction is in cash; (c) certain investments; (d) the amount of indebtedness; (e) certain dividend payments or distributions of the capital stock of Megacable Holdings or its subsidiaries, or the purchase, redemption or other acquisition of the capital stock of any of its subsidiaries; (f) entering into hedging contracts, except where they help mitigate certain risks or acquire benefits; and (g) changes in accounting, as well as requiring Megacable Holdings and subsidiaries to comply with certain financial ratios, including a consolidated leverage ratio of no more than 3.00 and a consolidated interest coverage ratio of no more than 3.50.

4) On October 27, 2023, November 22, 2023, December 1, 2023, and December 21, 2023, Telefonía por Cable, S.A. de C.V., as an accredited subsidiary, as well as Megacable Holdings, S.A.B. de C.V. and Mega Cable, S.A. de C.V., as joint obligors, contracted loans with BBVA Bancomer, S.A. $800,000, $250,000, $150,000, $60,000 and Banco Santander México, S.A. for $500,000, these contracts established maturities on May 24, 2024, May 29, 2024, and March 29, 2024 and March 20, 2024.

Regarding the loans indicated in the previous paragraph, the Group determined an effective interest rate in 2023 of 2.15%, 1.02%, and 0.99% for the latter two, based on which the financial cost of said loan is recorded. Furthermore, the fair value of all loans is $1,760,000, which was determined using the market value discount rate (TIIE) plus 0.38%, 0.28%, 0.38%, 0.38%, and 0.50% percentage points, and are within Level 2 in the fair value hierarchies.

The current loan agreements under Section 4 establish various obligations and non-obligations for Megacable Holdings, S.A.B. de C.V., and its subsidiaries, the main ones being compliance with certain financial ratios, including a consolidated leverage ratio of no more than 3.00 and a consolidated interest coverage ratio of more than 3.50.

The exposure of the Group's loans to changes in interest rates and contractual dates is as follows:

	2024	2023
Less than 6 months	$ -	2,053,838
From 6 to 12 months	15,000	3,484,567
More than 1 year up to 5 years	13,108,851	8,331,859
Less interest accrued	(277,171)	(293,838)
	$ 12,846,680	13,576,426

The book value and fair value of the short- term and long-term loans is as follows:

	Book value		Fair value	
	2024	2023	2024	2023
Loans	$ 12,846,680	13,576,426	12,549,492	13,742,517

Fair values are based on discounted cash flows using the discount rate calculated by Management and are within level 2 in the fair value hierarchies.

b) The issuing debt securities is integrated as follows:

	2024	2023
Debt securities with borrower's signature guarantee in pesos, issued in the Mexican market on July 15, 2022, for $2,527,600 under the code "MEGA 22", at a variable interest rate of 28-day TIIE plus 0.24 base points, with a term of 5 years, maturing on July 9, 2027. (5)	$ 2,527,600	2,527,600
Debt securities with borrower's signature guarantee in pesos, issued in the Mexican market on July 15, 2022, for $4,472,400 under the code "MEGA 22-2", at a fixed interest rate of 9.82%, with a term of 10 years, maturing on July 2, 2032. (5)	4,472,400	4,472,400
Debt securities with borrower's signature guarantee in pesos, issued in the Mexican market on March 26, 2024, for $1,621,789 under the code "MEGA 24X", at a variable interest rate of TIIE at 28 days plus 0.45 basis points, for a term of 3 years, maturing on March 23, 2027. (5)	1,621,789	-
Debt securities with borrower's signature guarantee in pesos, issued in the Mexican market on March 26, 2024, for $2,323,072 under the code "MEGA 24 2X", at a fixed interest rate of 10%, for a term of 7 years, maturing on March 18, 2031. (5)	2,323,072	-
Interest payable from debt securities	272,528	206,598
Total debt securities	$ 11,217,389	7,206,598
Minus: Portion of interest accrued from debt securities payable in the short-term (see note 14 a)	272,528	206,598
Debt securities payable with maturities of more than one year	$ 10,944,861	7,000,000

c) On July 15, 2022, and March 26, 2024, Megacable Holdings, S. A. B. de C. V., as the borrower, issued bonds in the Mexican debt market for $2,527,600 and $4,472,400 in 2022; and $1,621,789 and $2,323,072 in 2024, said bonds maturing on July 9, 2027, July 2, 2032, March 23, 2027, and March 18, 2031, respectively.

Regarding the bonds indicated in the previous paragraph, the Group determined an effective interest rate in 2024 of 11.53%, 9.82%, 8.92%, and 10%, respectively, based on which the financial cost of said bonds is recorded. The fair value of the bonds is $11,025,212, determined using the TIIE market value discount rate plus 24 percentage points (fixed) and 45 percentage points (fixed). These rates are within level 2 in the fair value hierarchies.

In relation to the bonds indicated in the previous paragraph, the Group determined an effective interest rate of 11.79% and 9.82% respectively in 2023, based on which the financial cost of said bonds is recorded; The fair value of the bonds is $7,032,884, determined using the fixed market value discount rate (TIIE) plus 24 percentage points, and are within level 2 in the fair value hierarchies.

The current stock certificates establish obligations and non-obligations for Megacable Holdings, S.A.B. de C.V. and its subsidiaries, including limitations on: a) merging or consolidating with third parties; b) delivering consolidated financial statements on a quarterly (internal) and annual (audited) basis; c) using the resources derived from the placement of the Stock Certificates for the purposes stipulated in the corresponding title; d) maintaining accounting records and books in accordance with IFRS Accounting Standards, as well as those of its subsidiaries; e) having at least two current credit quality opinions issued by rating agencies duly authorized to operate in Mexico; f) maintaining the assets necessary to carry out its activities and the activities of its subsidiaries.

The exposure of the Group's debt securities payable at the contractual dates are as follows:

	2024	2023
Less than 1 year	$ -	-
From 1 to 5 years	4,149,389	2,527,600
More than 5 years	6,795,472	4,472,400
	$ 10,944,861	7,000,000

The book value and fair value of debt securities is as follows:

	Book value		Fair value	
	2024	2023	2024	2023
Debt securities	$ 10,944,861	7,000,000	11,025,212	7,032,884

Fair values are based on discounted cash flows using the discount rate calculated by Management and are within level 2 in the fair value hierarchies.

In the period ending December 31, 2024, expenses for issuing, placing, and registering stock certificates amounting to $12,292 plus taxes were incurred.

(15) Other accounts payable and accrued liabilities-

The other accounts payable and accumulated liabilities are integrated as follows:

	2024	2023
Benefits payable	$ 241,684	201,239
Miscellaneous creditors and other accounts payable	1,021,125	935,268
Deferred revenue (1 and 2)	848,414	953,525
Employee participation in profits	124,576	102,277
Total other accounts payable and other liabilities and deferred revenue	2,235,799	2,192,309
Less current deferred revenue (1 and 2)	287,558	334,708
Less long-term deferred revenue (1)	560,856	618,817
Total other accounts payable and current other liabilities	$ 1,387,385	1,238,784

(1) In the period from December 2019 to December 2020, the Company entered into several contracts whereby the irrevocable right to use fiber optics for the conduction of telecommunications signals is granted. These have terms ranging from 10 to 15 years, mainly with the companies Ener Telecom, S.A.P.I. de C.V. and AT&T Comunicaciones Digitales, S. de R.L de C.V. (AT&T) as well as the rental of data center space with AT&T for a term of 10 years. The sum of the consideration for said contracts amounts to approximately 800 million pesos distributed in the indicated periods.

(2) The Group mainly obtain revenue from the mass market collected in advance, which is recognized over time as the services are provided.

(16) Provisions-

Provisions are integrated as follows:

		Provisions miscellaneous creditors	Provisions laboral Benefit	Total Provisions
As at January 1, 2023	$	334,439	4,398	338,837
Net Increase		252,261	103,037	355,298
As at December 31, 2023		586,700	107,435	694,135
Net decrease		(145,222)	(2,532)	(147,754)
Final balance at December 31, 2024	$	441,478	104,903	546,381

(17) Employee benefits-

The value of the obligations for acquired benefits is as follows:

		2024	2023
Seniority premiums	$	413,223	345,462
Retirement benefits		29,852	41,659
Total	$	443,075	387,121

The net cost for the period of the years ended December 31, 2024 and 2023, is as follows:

		2024	2023
Seniority premiums	$	67,760	76,780
Retirement benefits		(11,773)	11,034
Total	$	$55,987	87,814

a) Seniority premium

The economic assumptions in nominal and real terms used were:

	2024	2023
Discount rate	10.50%	9.25%
Inflation rate	3.50%	3.50%
Salary increase, rate	4.50%	4.50%
Salary increase, rate from unit of measure and update (UMA acronym in Spanish)	3.50%	3.50%

The net cost of the period is integrated as follows:

		2024	2023
Labor cost	$	(2,071)	28,994
Finance cost		27,751	22,260
Actuarial losses		42,080	25,526
Net period cost	$	67,760	76,780

The amount included as a liability in the consolidated statements of financial position is integrated as follows:

		2024	2023
Defined benefit obligations	$	413,223	345,462
Liabilities in the consolidated statement of financial position	$	413,223	345,462

The movement of the established benefit obligation was as follows:

		2024	2023
Initial balance at January 1,	$	345,462	268,683
Labor cost		(2,071)	28,994
Finance cost		27,752	22,260
Remeasurement:			
Actuarial losses		42,080	25,525
Final balance at December 31	$	413,223	345,462

b) Retirement benefits

The economic assumptions in nominal and real terms used were:

	2024	2023
Discount rate	10.50%	9.25%
Inflation rate	3.50%	3.50%
Salary increase, rate	4.50%	4.50%
Salary increase, rate from unit of measure and update (UMA acronym in Spanish)	3.50%	3.50%

The net cost of the period is integrated as follows:

		2024	2023
Labor cost	$	(7,699)	8,887
Plan improvements or modifications		(9,611)	(5,915)
Finance cost		5,503	8,062
Net period cost	$	(11,807)	11,034

The amount included as a liability in the consolidated statements of financial position is integrated as follows:

		2024	2023
Defined benefit obligations	$	29,852	41,659
Liabilities in the consolidated statement of financial position	$	29,852	41,659

The movement of the established benefit obligation was as follows:

		2024	2023
Initial balance at January 1,	$	41,659	30,625
Labor cost		(7,699)	8,887
Finance cost		5,503	8,062
Remeasurement:			
Losses from experience		(9,611)	(5,915)
Final balance at December 31	$	29,852	41,659

Within the subsidiary Tele Asesores, S.A. de C.V., there is an asset to the plan as of December 31, 2024 and 2023, of $101,187 and $90,206, respectively.

The sensitivity analysis of the main assumptions of established benefit obligations were as follows:

	Change of assumption	Impact on established benefit obligations Change of assumption
Discount rate	+1%	Decreases by 3.12%
Discount rate	-1%	Increases by 3.41%

The weighted average duration of the established benefit obligation is 3.3 years.

c) Pension plan

For pension plan purposes, the Administration has a 10-year annual contribution plan. These contributions are managed in the Sura Investment Management México investment account. As of December 31, 2024, and 2023, there are no more annual contributions due.

According to the plan, employees who meet the following requirements are eligible to participate in the plan: be employed with an open-ended individual employment contract; be an executive-level employee with three or more years of pensionable service as of the plan implementation date; remain with the Company for a minimum of five years after the plan implementation date; determine the percentage of savings to be allocated to the long-term savings vehicle, as well as designate contingent beneficiaries for the delivery of benefits. The pensionable service period will be considered in full years and months of uninterrupted service from the employee's hiring date until their retirement date, death, or declaration of total or permanent disability. The retirement date will be the first day of the month immediately following the date they turn 65. The defined contribution must be at least equivalent to 1% of the salary defined for these purposes. The Company will make contributions equal to the percentage the employee makes. According to the established, as long as the plan committee authorizes it, the employee can request early retirement (60 years), or continue working after 65 years.

(18) Lease assets (right-of-use) and lease liabilities-

The Group has entered into various operating lease agreements for buildings in which it operates some of the offices, customer service centers (CSC) and warehouses. The terms stipulated in these contracts fluctuate mainly between one and 10 years and most contain automatic renewal options. The minimum amounts to be paid are adjusted primarily according to the CPI and all are in pesos. The Group is subject to sublease agreement restrictions in certain cases

The Company leases minimum IT equipment under one- to three-year contracts. These leases are short-term and/or low-value item leases. The Group has decided not to recognize the right-of-use assets and liabilities for these leases.

Information on leases for which the Company is a lessee is presented below.

Right-of-use assets

Right-of-use assets related to leased properties that do not meet the definition of investment property are comprised of the following:

	Network and technical signal distribution equipment	Buildings (Office, warehouse, and CIS)	Dark fiber network	Total
Balance at January 1, 2023	$ 1,183,381	477,618	280,440	1,941,439
Additions	1,043,576	359,679	(120,808)	1,282,447
Annual depreciation	(1,017,518)	(146,677)	(14,263)	(1,178,458)
Balance at December 31, 2023	1,209,439	690,620	145,369	2,045,428
Additions	1,401,325	170,915	33,676	1,605,916
Annual depreciation	(184,718)	(183,277)	(17,421)	(385,416)
Balance at December 31, 2024	$ 2,426,046	678,258	161,624	3,265,928

Short-term and long-term lease liabilities are as follows:

	2024 Current	2024 Noncurrent	2023 Current	2023 Noncurrent
Financial lease agreement for networks and equipment entered into with BBVA Bancomer, S.A. Multiple Banking Institution, on November 27, 2024, for $1,000,000 (nominal) plus value added tax, which carries a fixed annual interest rate of 10.75%, maturing on December 1, 2025.	$ 1,160,000	-	-	-
Lease agreements for the exclusive and irrevocable right to use and enjoy one to six pairs of Dark Fiber Optic threads with ATC Holding Fibra México, S. de R.L. de C.V., Canalizaciones y Accesos Profesionales, S.A. de C.V., Mexico Tower Partners, S.A.P.I. de C.V., Neutral Networks S. de R.L. de C.V. and Operador Quatrocomm, S.A. de C.V. with a term from 3 years to 20 years from the date of disposition of each segment.	28,307	142,821	27,561	150,037
Total leases with related parties	93,414	907,463	69,198	718,927
Total buildings and dark fiber network	170,901	564,528	168,172	553,999
Total lease liabilities	$ 1,452,622	1,614,812	264,931	1,422,963
Less leases with related parties (1) (note 26)	93,414	907,463	69,198	718,927
Total lease liabilities according to the statement of financial position related to offices, warehouses and CIS, networks, equipment and dark fiber	$ 1,359,208	707,349	195,733	704,036

1) Network leasing and technical equipment for signal distribution (contracted before 2018)

On June 30, 2011, the subsidiary Mega Cable, S.A. de C.V. (MEGA), entered into a capacity provision agreement for high-capacity telecommunications services with Grupo de Telecomunicaciones de Alta Capacidad S.A.P.I. de C.V. (GTAC), which was granted a Concession Title by the Secretariat of Communications and Transportation (SCT) to install, operate and use a public telecommunications network, provide conveyance emission services, transmission of signals to concessionaires of public telecommunications networks, which is valid for 20 years and may be renewed in whole or in part.

These concessions cover the Pacific, Central and Gulf areas in Mexico, so MEGA will be making advance annual payments in the amount of $41,400 from July 2013 to 2029, for use of the trunk capacity until 2029; said payments are so that GTAC can maintain and repair the public network.

Following is a breakdown of the liability and payments, as well as the maturities of the financial lease, which liability is recorded in the Related parties Note (see Note 26).

Future minimum payments are summarized as follows:

	2024	2023
Up to 1 year	$ 93,414	69,198
More than 1 year and up to 5 years	634,719	472,185
More than 5 years	272,744	246,742
	$ 1,000,877	788,125

A breakdown of the payment reconciliation is as follows:

		2024	2023
Total financial lease:			
As at January 1	$	788,125	757,478
Increments		454,862	350,727
Payments		(242,110)	(320,080)
	$	1,000,877	788,125

Amounts recognized in the income statement from network and technical signal distribution equipment, buildings (offices, warehouses and CSC) and dark fiber network:

Leases under Accounting Standard IFRS 16		2024	2023
Interest on income from leases	$	111,146	85,829

Total cash outflows for lease of network and technical signal distribution equipment, buildings (offices, warehouses and CSC) and dark fiber network:

Total cash outflows from leasing by building (offices, warehouses, and CIS) during 2024 and 2023 were $253,305 and $227,696, respectively.

(19) Equity-

a. The exhibited share capital and the number of shares are as follows:

	Number of Series "A" Shares		
	Variable		Variable
Share capital as at December 31, 2024 and 2023	1,721,355,673	$	910,244

The shares representing the Group's capital stock issued and outstanding are fully paid, with no par value.

As of December 31, 2024 and 2023, 1,721,355,673 shares were outstanding.

Series "A" shares have the following characteristics: they grant voting rights only at ordinary shareholders' meetings and have equal preference in the distribution of the Group's profits.

The reconciliation of the outstanding shares at the beginning and end of the year is as follows:

	2024	2023
	Common shares	
As at January 1	1,717,000,623	1,715,234,843
Movement in the year, (purchases) net sales (i)	-	1,765,780
As at December 31	1,717,000,623	1,717,000,623
Treasury shares	4,355,050	4,355,050
Total subscribed shares	1,721,355,673	1,721,355,673

As of December 31, 2024 and 2023, the Group held 4,355,050 issued series "A" shares (treasury shares), respectively.

Repurchase of shares

Ordinary Participation Certificates (CPO, acronym in Spanish) are registered securities representing the provisional right on the returns and other benefits of titles or assets integrated in an irrevocable trust issued by the Group to be listed on the Mexican Stock Exchange, one CPO is equivalent to two series "A" shares.

i. During the fiscal year ended December 31, 2024, the Group purchased 2,197,022 CPOs, equivalent to 4,394,044 shares of the variable portion of Series A, the amount for said purchase was $86,495.

During the fiscal year ended December 31, 2024, the Group sold 2,197,022 CPOs, equivalent to 4,394,044 shares of the variable portion of Series A, the amount for said sale was $85,418.

The result of the transactions mentioned in the two preceding paragraphs generated a net effect of zero, equivalent to zero shares of the variable portion of Series A. These transactions represent 0% of the total shares, resulting in a net movement of $1,078.

ii. During the fiscal year ended December 31, 2023, the Group purchased 2,178,317 CPOs, equivalent to 4,356,634 shares of the variable portion of Series A, the amount for said purchase was $87,516.

During the fiscal year ended December 31, 2023, the Group sold 3,061,207 CPOs, equivalent to 6,122,414 Series A variable-rate shares. The proceeds of the sale were $120,066.

The results of the transactions mentioned in the previous two paragraphs generated net sales of 882,890 CPOs, equivalent to 1,765,780 Series A variable-rate shares. These transactions represent 0.01% of the total shares, resulting in a net movement of $(32,550).

iii. At the Ordinary General Shareholders' Meeting held on April 27, 2023, it was agreed to have a share repurchase reserve of $400,000.

Dividends

At the Ordinary Shareholders' Meetings held in 2024, the Company's shareholders agreed to declare dividends through cash payments via bank transfer for a net amount of $2,650,888. As of December 31, 2024, $2,644,181 have been paid. This dividend represented a dividend per share of $1.54 pesos for Series "A" shares and $3.08 pesos for "CPO" shares (equivalent to two Series "A" shares).

At the Ordinary Shareholders' Meetings held in 2023, the Company's shareholders agreed to declare dividends through cash payments via bank transfer for a net amount of $2,547,606. As of December 31, 2023, $2,538,547 have been paid. This dividend represented a dividend per share of $1.48 pesos for series "A" and $2.96 pesos for "CPO" (which is equivalent to two series "A" shares).

Minority shareholders: Reimbursement, decreed dividends, cancellation of dividends and exit and entry of minority shareholders

At the Ordinary General Shareholders' Meeting of its subsidiary Productora Y Comercializadora De Televisión, S.A de C.V., held in 2024, a capital refund of $14,354 was agreed upon, of which $14,354 were made to the non-controlling interest.

At the Ordinary General Shareholders' Meeting held on January 9, 2023, Corporativo de Comunicación y Redes de Gdl, S.A. de C.V., which was a subsidiary until May 2, 2023, issued a dividend decree, of which $783 went to the non-controlling interest.

At the Ordinary General Shareholders' Meeting of its subsidiary Construcciones TQR, S.A. de C.V., held on July 31, 2023, a capital repayment of $1,300,000 was agreed upon, of which $637,000 was paid to the non-controlling interest.

On May 2, 2023, Corporativo de Comunicación y Redes de Gdl, S.A. de C.V., left the Group, and in turn, on May 2, 2023, Construcciones TQR, S.A. de C.V. Both companies were incorporated into the Group with a minority stake of 49%, resulting in a restructuring effect on the non-controlling interest of $166,929.

b. The balances of the fiscal accounts of the Company's equity (Megacable Holdings) are:

	2024	2023
Capital contribution account (CUCA acronym in Spanish)	$ 6,427,308	6,167,650
Net taxed profits account (CUFIN acronym in Spanish)	290,506	279,955

c. Tax provisions related to equity:

Profit for the year is subject to the legal provision requiring that at least 5% of the profit for each year be allocated to increasing the legal reserve until it equals one-fifth of the paid-in capital.

In October 2013, the Mexican Senate and House of Representatives approved a new Income Tax Law (LISR), which entered into force on January 1, 2014. Among other aspects, this law establishes a 10% tax on profits generated from 2014 onward on dividends paid to foreign residents and individuals.

In the event of a capital reduction, the procedures established by the LISR stipulate that any surplus of stockholders' equity over the balances of the contributed capital accounts be given the same tax treatment as that applicable to dividends.

(20) Earnings per share-

Net profit per share results from the division of net profit for the year by the weighted average of the Company's outstanding shares during the year, excluding the common shares acquired by the Company and held as treasury shares.

	2024	2023
Profit from the controlling interest	$ 2,286,740	2,841,835
Weighted average shares	1,721,355,673	1,721,355,673
Ordinary earnings per share (pesos)	$ 1.33	1.65
Earnings per CPO [1]	$ 2.66	3.30

[1] It should be noted that a CPO corresponds to two series "A" shares.

(21) Income tax (IT)-

Income Tax

The Income Tax Law establishes a 30% rate on taxable profits.

a) Profits tax are comprised as follows:

		2024	2023
Current income tax	$	(514,962)	(532,130)
Deferred income tax		(538,929)	(743,912)
Total	$	(1,053,891)	(1,276,042)

b) The reconciliation between the current and effective rates of the consolidated income tax are analyzed as follows:

		2024	2023
Profit before income tax	$	3,520,274	4,285,132
Current rate		30%	30%
Income tax at the current legal rate		1,056,082	1,285,540
More (less) effect on the income tax of the following items:			
Annual adjustment for inflation, net		(262,146)	(221,596)
Non-deductibles		185,155	173,417
Others		74,800	38,681
	$	1,053,891	1,276,042
Effective tax rate		30%	30%

c) The deferred income tax balance is integrated as follows:

		2024	2023
Deferred tax asset			
Tax loss carryforwards	$	406,989	327,209
Intangible assets		97,028	236,528
Estimate of credit losses		114,008	106,372
Inventory reserve		25,254	26,283
Labor obligations		67,629	61,552
Provisions		479,233	208,241
Others deferred assets		45,671	145,044
Trade advances		268,829	286,058
		1,504,641	1,397,287
Deferred income tax			
Property, networks and equipment, net		(5,233,379)	(4,197,262)
Advance payments		(192,423)	(250,793)
Leases, net		(12,234)	(343,698)
		(5,438,036)	(4,791,753)
Total of profits tax deferred, net	$	(3,933,395)	(3,394,466)

d) The movement of deferred tax assets and liabilities in the year is as follows:

Deferred tax asset:		Tax loss carryforwards	Intangible Assets	Estimate of credit losses	Labor obligations and others	Total
As at January 1, 2023	$	279,703	300,475	133,194	652,464	1,365,836
Credited (debited) to Statement of income		47,506	(63,947)	(26,822)	74,714	31,451
As at December 31, 2023		327,209	236,528	106,372	727,178	1,397,287
Credited (debited) to Statement of income		79,780	(139,500)	7,636	159,438	107,354
As at December 31, 2024	$	406,989	97,028	114,008	886,616	1,504,641

Deferred income tax liability:		Property, networks and equipment	Inventories and others	Total
As at January 1, 2023	$	(3,430,617)	(581,201)	(4,011,818)
(Debited) to the income statement		(766,645)	(13,290)	(779,935)
As at December 31, 2023		(4,197,262)	(594,491)	(4,791,753)
(Debited) credited to the income statement		(1,036,117)	389,834	(646,283)
As at December 31, 2024	$	(5,233,379)	(204,657)	(5,438,036)

The Group does not recognize deferred taxes for the purposes of deferred taxes on investments in subsidiaries and associates.

e) As of December 31, 2024 and 2023, the Group maintains accumulated consolidated tax losses totaling $1,356,630 and $1,073,674, respectively, the right to be amortized against future consolidated profits expires as shown below.

Year of loss		December 31, 2024 Restated amount	Year of expiration
2017	$	20,694	2027
2018		4	2028
2019		444,809	2029
2020		132	2030
2021		9,959	2031
2022		25,290	2032
2023		385,948	2033
2024		469,794	2034
	$	1,356,630	

As of December 31, 2024 and 2023, deferred tax assets related to other permanent investment have been not recognized (note 27), since it is not probable that there will be future earnings against which the Group can use the corresponding benefits, however, this asset was not recognized by the Group has no intention of selling it, in July 2024, the Group's rights over Altan were terminated.

		Other permanent investment 2024 (Impairment to 100%)	Deferred tax asset not recognized 2024	Other permanent investment 2023 (Impairment to 100%)	Deferred tax asset not recognized 2023
Other permanent investment Altan Redes, S.A.P.I. de C.V.	$	-	-	624,762	187,429

(22) Costs and expenses by nature-

The cost of services, and selling and administrative expenses are integrated as follows:

	2024	2023
Cost of services:		
Depreciation	$ 7,031,047	6,067,469
Technical personnel labor	3,447,051	3,070,928
Programming and equipment	2,912,351	2,782,555
Advertising and promotion	765,646	757,833
Materials costs	590,033	590,247
Call traffic	565,045	478,450
Links	562,939	527,706
Amortization	502,672	346,197
Power supplies	205,295	269,778
Lease depreciation	200,698	160,940
Outsourced work	62,888	125,302
Fees and licenses	31,688	-
Other minor	8,131	10,232
Impairment of goodwill	-	12,339
Total cost of services	$ 16,885,484	15,199,976

	2024	2023
Selling expenses		
Labor and benefits	$ 3,696,341	3,150,692
Maintenance and upkeep expenses	1,853,114	1,660,144
Sales commissions	777,850	594,669
Depreciation	675,214	583,159
Leases	534,923	456,216
Electricity	347,742	301,765
Loss on portfolio sales	224,345	-
Insurance	151,892	254,525
Travel expenses	129,237	108,269
Safety and hygiene	114,839	94,205
Non-deductible	103,542	111,842
Transfer of valuables	96,297	98,436
Telephones	83,604	76,263
Security services	80,751	62,161
Training and recruiting	67,167	74,193
Freight	61,809	77,124
Stationery and office supplies	50,478	50,926
Fees and licenses	40,711	61,680
Labor costs	24,757	38,016
Equipment recovery	15,517	13,750
Preparation and mailing of account statements	2,552	2,661
Conventions	309	1,677
Other selling expenses	105,725	102,460
Total selling expenses	$ 9,238,716	7,974,833
Administrative expenses		
Advisory services	$ 204,852	212,634
Labor and benefits	291,409	248,391
Bank fees	106,448	81,579
Depreciation	53,232	45,974
Leases	24,000	20,469
Safety and hygiene	9,054	7,427
Total administration expenses	$ 688,995	616,474

	2024	2023
Cost of services, selling and administrative expenses		
Labor and benefits (*)	$ 7,434,801	6,470,011
Depreciation	7,759,493	6,696,602
Programming	2,912,351	2,782,555
Maintenance and upkeep expenses	1,853,114	1,660,144
Sales commissions	777,850	594,669
Advertising and promotion	765,646	757,833
Material costs	590,033	590,247
Links	562,939	527,706
Leases	558,923	476,685
Call traffic	565,044	478,450
Amortization	502,672	346,197
Electricity	347,742	301,765
Loss on portfolio sales	224,345	-
Consulting services	212,983	222,867
Power supplies	205,295	269,778
Lease depreciation	200,698	160,940
Insurance	151,892	254,525
Travel expenses	129,237	108,269
Safety and hygiene	123,893	101,632
Allowance for credit losses	109,276	39,533
Bank fees	106,448	81,579
Non-deductible	103,542	111,842
Transfer of securities	96,297	98,436
Telephones	83,604	76,263
Security services	80,751	62,161
Fees and licenses	72,399	61,680
Training and recruiting	67,167	74,193
Outside work	62,888	125,302
Freight	61,809	77,124
Stationery and office supplies	50,478	50,926
Labor costs	24,757	38,016
Equipment recovery	15,517	13,750
Preparation and mailing of account statements	2,552	2,661
Conventions	309	1,677
Impairment of goodwill	-	12,339
Other selling expenses	105,726	102,459
Total	$ 26,922,471	23,830,816

(*) Employees benefits and compensation is as follows:

	2024	2023
Salaries, benefits and bonuses	$ 5,055,345	4,388,411
Commissions	327,493	376,902
Taxes and fees	1,975,857	1,646,498
Employee profit sharing	76,106	58,200
Total	$ 7,434,801	6,470,011

(23) Analysis of other income, net-

The other income, net is comprised as follows:

	2024	2023
Other income		
Bonuses received	$ 12,251	80,236
Exempt income	69,598	21,166
Tax restatement	24,824	9,648
Cash surpluses	4,567	8,177
Equipment recoveries	5,576	7,178
Cancellation of provisions	43,932	-
Others	17,979	29,574
Total other income	$ 178,727	155,979
Other expenses		
Loss on sale of fixed assets	$ (35,056)	(4,313)
Other fixed asset costs	(5,690)	-
Total other income	$ (40,746)	(4,313)

(24) Finance income and costs-

Finance income and expense are comprised as follows:

	2024	2023
Finance costs:		
Interest on bank loans and issued debt securities	$ (2,729,934)	(2,090,938)
Interest on loans with related parties (Note 26)	(41,202)	(40,966)
Interest on leases	(69,944)	(85,829)
Changes losses, net	(230,939)	(38,006)
Financial costs	(3,072,019)	(2,255,739)
Finance income:		
Interest income from short-term bank deposits	371,862	148,969
Interest income from loans to related parties (Note 26)	164,449	150,176
Income from derivative financial instruments	-	50,336
Financial incomes	536,311	349,481
Total	$ (2,535,708)	(1,906,258)

(25) Commitments and contingencies-

a) Commitments

i. Concessions

Pursuant to the terms and conditions of the concessions, the subsidiary companies that hold concession titles granted by the SCT and/or IFT to operate the services, must comply with certain obligations.

Failure by the Group to comply with said obligations could imply penalties. In addition, the Group's concessions are subject to revocation only for serious causes, such as interruption of service, repeated failure to comply with the obligations or conditions established in the concession titles, the assignment or transfer of the rights conferred by the concessions in contravention of the provisions of the Law.

In any of these cases, the concession may be revoked without the government being bound to pay any compensation to Mega Cable, S.A. de C.V. If the IFT revokes any of the Group's concessions, it could not operate within the area of the revoked concession or obtain new concessions to operate in said or any other area for a five-year period.

The revocation of any of the Company's concessions would have a significant adverse effect on its activities, financial position and income statement.

ii. Contractual

The Group has contracts entered since 2019 to date, for the provision of implementation and supply services under the "turnkey" modality of the GPON network, which mainly consists of an FTTH network (Fiber To The Home), which will be implemented in the main cities where the Group is present.

The Group has obligations to do and not to do with financial institutions in relation to current loan contracts. Said contracts include clauses that prohibit the Group from carrying out activities such as the sale of fixed assets or the merger with a third party (except with prior notice and authorization from the financial institution).

Additionally, the loan agreement requires the fulfillment of certain financial ratios.

b) Contingencies

As of the date of issuance of these financial statements, the following relevant lawsuits have been brought against the Group that could represent an economic impact:

i) Various labor disputes with an initial claim amount of $391,433, of which Group Counsel has confirmed that high-risk disputes amount to $89,505. The Group has made an accounting reserve on the latter amount from prior years.

In the event of an audit by the tax authorities, discrepancies could be identified in the criteria applied by the Group to determine its taxes. In accordance with current tax legislation, the authorities have the authority to review up to five fiscal years prior to the last income tax return filed. The tax authorities have not reported any inconsistencies in the taxes assessed and paid by the Group, except for the following:

As of the date of issuance of these consolidated financial statements, its subsidiaries have received notifications from the General Administration of Large Taxpayers (SAT), in which tax credits are being assessed against the subsidiaries for $1,206,851 in Income Tax (ISR) and Special Tax on Production and Services (IEPS), both of which include surcharges and fines for the 2008 and 2011 fiscal years. However, the Group's management and its attorneys confirm that they have the necessary elements to obtain a favorable ruling in the defenses they have filed.

(26) Related parties and operations-

a) The main balances with related parties are as follows:

Entity	Type of relationship	Line item	2024	2023
Long-term accounts receivable: Grupo de Telecomunicaciones de Alta Capacidad, S.A.P.I. de C.V. (GTAC) [1]	Joint venture	Loan granted	$ 1,325,633	1,162,900
Accounts payable: Grupo de Telecomunicaciones de Alta Capacidad, S.A.P.I. de C.V. (GTAC) [3]	Joint venture	Lease	$ 1,000,877	788,125
Minus short-term accounts payable			(93,414)	(69,198)
Total long-term accounts payable			$ 907,463	718,927

[1] The long-term receivable as of December 31, 2024 and 2023, is originated by a current account loan granted to its joint venture GTAC, for up to US$20 million. The loan matures until December 31, 2030, and accrues monthly interest at the 28-day interbank rate plus two percentage points. The effective rate as of December 31, 2024 and 2023 was 13.30% and 13.61%, respectively. As of December 31, 2024 and 2023, the fair value of the receivable is $1,337,608 and $1,213,346, respectively, and is in fair value level 2.

[2] The lease payable as of December 31, 2024 and 2023, corresponds to the contract for the provision of telecommunications services capacity with GTAC, signed on August 1, 2012. This contract specifies that the Group will pay annual payments of $41,400 over the next 18 years, which will be increased annually through the National Consumer Price Index (INPC). It also establishes that payments corresponding to years 10 to 18 may be made in advance. Additionally, this account payable corresponds to the financial lease additions acquired by a subsidiary of the Group, which are payable over 10 years, according to the present value. See note 18.

The implicit annual interest rate determined for the payments the Group will make will be the TIIE plus 1.22 percentage points or 6%, whichever is lower. The effective rate in 2024 and 2023 was 6.0%.

The fair value of the account payable as of December 31, 2024, and 2023, is $850,225 and $706,277, respectively. This fair value is based on discounted cash flows using the discount rate calculated by management and is within Level 2 of the fair value hierarchies.

b) The following transactions were completed over the course of the year:

Entity	Type of relationship	Line item	2024	2023
Altán Redes, S.A.P.I. de C.V.	Other permanent investment	Service revenues	$ 488,970	434,919
Grupo de Telecomunicaciones de Alta Capacidad, S.A.P.I. de C.V. (GTAC)	Joint venture	Maintenance expenses	126,986	127,255
Grupo de Telecomunicaciones de Alta Capacidad, S.A.P.I. de C.V. (GTAC)	Joint venture	Interest income	164,449	150,176
Grupo de Telecomunicaciones de Alta Capacidad, S. A. P. I. de C. V. (GTAC)	Joint venture	Maintenance income	10,272	6,300
Grupo de Telecomunicaciones de Alta Capacidad, S. A. P. I. de C. V. (GTAC)	Joint venture	Interest expenses	41,202	40,966

The goods are acquired from the joint venture under regular commercial terms and conditions.

c) Compensation of key personnel

Key personnel include directors and members of the Executive Committee. Compensation paid or payable to these executives for their services is as follows:

	2024	2023
Short-term benefits	$ 88,437	89,459
Termination benefits	40,290	36,593
	$ 128,727	126,052

d) Loans to related parties receivable long term.

	2024	2023
Total loans to related parties [1]:		
As at January 1	$ 1,162,900	996,475
Loans granted in the year	226,060	227,343
Loan collections	(98,803)	(100,352)
Interest collected	(128,973)	(110,642)
Interest charged	164,449	150,076
As at December 31	$ 1,325,633	1,162,900

1) See subsection a).1) above.

For the years ended December 31, 2024 and 2023, there are no loan balances granted to key administration personnel.

(27) Other assets-

The other assets are comprised as follows:

	2024	2023
Other permanent investment Altán Redes, S.A.P.I. de C.V. (1) (3)	$ 624,762	624,762
Other permanent investment	1,800	1,800
Total other permanent investment gross	626,562	626,562
Impairment of other permanent investment (2)	(624,762)	(624,762)
Total other permanent investment, net	1,800	1,800
Commissions, net	1,328,614	926,941
Prepayments and others	74,231	69,057
Total other non-current assets, net	$ 1,404,645	997,798

(1) Corresponds to another permanent investment in Altán Redes, S.A.P.I. de C.V. (Altán).

As of December 31, 2021, Grupo Megacable held a stake equivalent to 3.9216% of Altán's share capital, obtained through cash contributions and a telecommunications services provision scheme. Grupo Megacable will not be able to have significant influence on Altán's operations, so its participation is realized through the acquisition of a special series of non-voting shares, largely contributing services and capabilities.

At the Extraordinary General Shareholders' Meeting of Altán Redes, S.A.P.I. de C.V., held on June 1, 2022, a corporate restructuring was approved, among other items. This resulted in the Company's stake in Altán's Share Capital increasing from 3.9216% to a total of 4.2059%. However, this stake does not grant voting rights on Altán's Board of Directors.

At the same Meeting, new financing from several creditors was approved through the execution of the "Jumbo-DIP Financing" credit agreement. A substantial portion of this financing came from government-owned public sector lenders, including the National Bank of Public Works and Services, the National Credit Society Development Banking Institution; Nacional Financiera, the National Credit Society Development Banking Institution; and the National Bank of Foreign Trade, the National Credit Society Development Banking Institution.

(2) The market value of Altán's investments was determined to be 100% impaired. As of the date of the financial statements, Grupo Megacable is not only a shareholder but also a supplier and customer of Altán's telecommunications services.

(3) On July 25, 2024, Mega Cable, S.A. de C.V. and Telefonía por Cable, S.A. de C.V., in their capacity as settlors and first-place trustees (the Assignors), entered into an Assignment Agreement with a Trust in which the Federal Electricity Commission, a State Productive Company, acts as settlor and second-place trustee (the Assignee), to carry out the assignment of the Jumbo DIP Credit Rights held by Mega Cable, S.A. de C.V. and the Rights and Obligations in the Jumbo DIP Trust held until then by Telefonía por Cable, S.A. de C.V. The agreed consideration for the assignment was $302,962 for the Jumbo DIP Credit Rights and $2,192,623, or the equivalent of $43,932, for the Assignor's Rights and Obligations in the Jumbo DIP Trust. The agreement is subject to the fulfillment of conditions precedent, including regulatory authorizations and third-party consents.

On the same date, July 25, 2024, Telefonía por Cable, S.A. de C.V. (the Assignor) signed an Assignment Agreement with a Trust in which the Comisión Federal de Electricidad, a State Productive Company, acts as settlor and second-tier trustee (the Assignee) to carry out the assignment of ownership of the right to receive payment and to fully and timely fulfill each and every one of the respective Credit Rights of the Bankruptcy Debt recognized in favor of the Assignor. The agreed, adjustable-rate consideration for the assignment was $27,064. At the end of fiscal year 2024, an accounting loss corresponding to the unrecovered balance of $224,345 was recognized. The agreement is subject to compliance with suspensive conditions, including regulatory authorizations and third-party consents.

(28) Cash changes considered part of financing activities-

The net debt as at December 31, 2024 and 2023 is integrated as follows:

Net debt (liabilities arising from financing activities)		2024
Bank loans payable in 1 year	$	(15,000)
Bank loans payable after 1 year		(12,831,680)
Bank loans payable in 1 year (interest)		(4,643)
Issuance of debt securities payable in 1 year (Interest)		(272,528)
Issuance of debt securities payable after 1 year		(10,944,861)
Lease liabilities with third parties payable in 1 year		(1,359,208)
Lease liabilities with third parties payable over 1 year		(707,349)
Lease liabilities with related parties payable in 1 year		(93,414)
Lease liabilities with related parties payable over 1 year		(907,463)
Net debt as at December 31, 2024	$	(27,136,146)

Net debt (liabilities arising from financing activities)		2023
Bank loans payable in 1 year	$	(5,244,567)
Bank loans payable after 1 year		(8,331,859)
Bank loans payable in 1 year (interest)		(87,240)
Security certificates issue payable in 1 year (interest)		(206,598)
Security certificates issue payable after 1 year		(7,000,000)
Lease liabilities payable in 1 year with third parties		(195,733)
Lease liabilities payable in more than 1 year with third parties		(704,036)
Lease liabilities with related parties payable in 1 year		(69,198)
Lease liabilities with related parties payable in more than 1 year		(718,927)
Net debt as at December 31, 2023	$	(22,558,158)

Net debt as at December 31, 2024	Lease liabilities with related parties payable in one year	Lease liabilities with related parties payable over one year	Lease liabilities with third parties payable in one year	Lease liabilities with third parties payable over one year	Bank loans and Issuance of debt securities of less than 1 year maturity	Bank loans and Issuance of debt securities valid for more than 1 year	Total
Net debt at January 1, 2024	$ (69,198)	(718,927)	(195,733)	(704,036)	(5,538,405)	(15,331,859)	(22,558,158)
Accrued interest	(41,202)	-	(69,944)	-	(2,729,934)	-	(2,841,080)
Cash flow - Principal payments (1)	242,110	-	253,305	-	5,229,746	-	5,725,161
Cash flow - Interest payments	41,201	-	69,944	-	2,746,601	-	2,857,746
Increase in accounts payable	(266,360)	(188,502)	(1,416,780)	(3,313)	-	(8,444,861)	(10,319,816)
Short-term transfer	-	-	-	-	(179)	179	-
Net debt as at December 31, 2024	$ (93,449)	(907,429)	(1,359,208)	(707,349)	(292,171)	(23,776,541)	(27,136,147)

Net debt as at December 31, 2024	Lease liabilities with related parties payable in one year	Lease liabilities with related parties payable over one year	Lease liabilities with third parties payable in one year	Lease liabilities with third parties payable over one year	Bank loans and Issuance of debt securities of less than 1 year maturity	Bank loans and Issuance of debt securities valid for more than 1 year	Total
Net debt at January 1, 2023	$ (165,020)	(592,458)	(120,830)	(697,067)	(3,286,113)	(10,448,524)	(15,310,012)
Accrued interest	(40,966)	-	(85,829)	-	(2,090,938)	-	(2,217,733)
Cash flow - Principal payments (1)	277,844	-	227,696	-	3,250,071	-	3,755,611
Cash flow - Interest payments	40,966	-	85,829	-	1,797,100	-	1,923,895
Increase in accounts payable	(177,963)	(130,528)	(27,129)	(282,439)	(10,091,860)	-	(10,709,919)
Short-term transfer	(4,059)	4,059	(275,470)	275,470	4,883,335	(4,883,335)	-
Net debt as at December 31, 2023	$ (69,198)	(718,927)	(195,733)	(704,036)	(5,538,405)	(15,331,859)	(22,558,158)

(1) Includes the payment corresponding to the lease with related parties.

Account receivable with related parties as of December 31, 2024 and 2023 is integrated as follows:

	2024	2023
Total loans to related parties:		
As at January 1	$ 1,162,900	996,475
Loans granted in the year	226,060	227,343
Loan collections	(98,803)	(100,352)
Interest collected	(128,973)	(110,642)
Interest charged	164,449	150,076
As at December 31	$ 1,325,633	1,162,900

Financing activities related to capital movements December 31, 2024 and 2023 are integrated as follows:

	Provision for repurchase of shares	Retained earnings	Legal reserve	Non-controlling interest
Balances as of January 1, 2024	$ 400,000	31,096,364	499,400	850,942
Cash flow from repayment of capital to minority interest	-	-	-	(14,354)
Cash flow from dividend payments	-	(2,644,181)	-	-
Items related to cash flow	400,000	28,452,183	499,400	836,588
Applications to the legal reserve	-	(59,286)	59,286	-
Comprehensive income	-	2,286,740	-	179,643
Balances as of December 31, 2024	$ 400,000	30,679,637	558,686	1,016,231

	Provision for repurchase of shares	Retained earnings	Legal reserve	Non-controlling interest
Balance as of January 1, 2023	$ 273,628	30,930,210	494,223	1,487,616
Cash flow from purchase and sale of shares	30,723	-	-	-
Cash flow from reimbursement of share capital to minority shareholders	-	-	-	(637,000)
Restructuring effect on to minority shareholders	-	-	-	(166,929)
Cash flow from dividend payments	-	(2,538,547)	-	-
Movements related to cash flow	304,351	28,391,663	494,223	683,687
Movements not related to cash flow	95,649	(137,134)	5,177	-
Comprehensive income	-	2,841,835	-	167,255
Balance as of December 31, 2023	$ 400,000	31,096,364	499,400	850,942

(29) Financial information by operating segments-

The Chief Executive Officer is the Group's highest operational decision-maker. Consequently, management has determined the operating segments to be reported based on the internal management reports reviewed by that body to make strategic business decisions. The Chief Executive Officer analyzes the business from a geographical and product perspective. As of December 31, 2024 and 2023, there were no changes based on this analysis.

The Chief Executive Officer evaluates the performance of the operating segments based on operating profit. Interest income and loss are not allocated to the segments, as this activity is the responsibility of Treasury, which manages the Group's liquidity.

Segment information is reported based on the information used by the Chief Executive Officer for strategic and operational decision-making. An operating segment is defined as a component of an entity for which separate financial information is held and regularly evaluated.

The Group's segment revenues are as follows:

Cable

It includes the operation of cable television systems in different states of Mexico and generates income mainly from basic and premier services. This segment also includes cable subscriber setup, pay-per-view fees, local and national advertising sales.

Internet

Includes high-speed services provided to residential and commercial customers.

Telephony

Although the Telephony segment does not meet the quantitative limits required under Accounting Standard IFRS 8 to be reported separately, Group Management has done so because it believes that the potential growth of this segment will imply that it contributes significantly to the income of the Group in the future. The telephony receives its income from digital fixed telephony from the internet protocol, from services provided to residential and commercial customers.

Business

It includes the Metrocarrier, MCM, Ho1a and PCTV units, focused on the different connectivity, equipment, administrative services and content segments.

Other segments

It represents operating segments that individually comprise less than 10% of the consolidated total. Others include TV and broadcast program production operations, point distribution services, virtual private network and other network services.

Corporate costs are distributed in the different segments.

Accountings Standard IFRS 8 requires the disclosure of a segment's assets and liabilities if the measurement is regularly provided to the decision-making body; however, in the Group's case, the Chief Executive Officer only evaluates the performance of the operating segments based on the analysis of the income, operating profit and assets, but not the liabilities of each segment.
The income reported by the Group represents the income generated by external customers since there are no intersegment sales.

a) **Income and results by segment:**

December 31, 2024		Cable	Internet	Telephony	Business	Others (*)	Consolidated Total
Service revenues	$	11,093,579	12,350,602	2,893,063	5,658,930	844,298	32,840,472
Other income		166,054	9,443	17	2,737	476	178,727
Cost of services, and selling and administrative expenses and expected credit loss		10,080,580	9,539,996	2,319,421	4,291,730	690,744	26,922,471
Other expenses		12,293	23,714	-	4,739	-	40,746
Operating income		1,071,274	2,876,719	589,059	1,365,197	153,733	6,055,982
Finance cost, net							(2,535,708)
Income tax							(1,053,891)
Consolidated net income	$						2,466,383

December 31, 2023	Cable	Internet	Telephony	Business	Others (*)	Consolidated Total
Service revenues	$ 10,791,852	10,316,756	2,571,517	5,402,984	787,431	29,870,540
Other income	(89,650)	104,809	13,057	123,766	3,997	155,979
Cost of services, and selling and administrative expenses and expected credit loss	8,609,775	8,230,742	2,051,565	4,310,519	628,215	23,830,816
Other expenses	144,445	(52,426)	-	(96,332)	-	4,313
Operating income	2,236,872	2,138,397	533,009	1,119,898	163,214	6,191,390
Finance cost, net						(1,906,258)
Income tax						(1,276,042)
Consolidated net income	$					3,009,090

(*) The "Others" segment is comprised primarily of revenues from mobile phone services, megacanal, videorola, and others.

The presentation by segments previously disclosed is the same one Management used in the periodic review processes on the Group's performance.

Taxes and financial costs are managed at the Group level and not within each of the reported segments. As a result, this information is not presented as distributed in each segment reported. Operating profit is the key performance indicator for the Company's management, which is reported monthly to the Chief Executive Officer.

b) Other information by segments:

December 31, 2024	Cable	Internet	Telephony	Business	Others (*)	Consolidated Total
Property, networks and equipment by segment	$ 39,726,690	6,435,336	208,524	6,775,300	6,224	53,152,074
Acquisitions and net disposals in the year of property, networks and equipment	$ 1,497,965	3,326,498	281,918	2,708,723	(90)	7,815,014
Depreciation of fixed assets	$ 5,135,501	831,901	26,956	875,848	805	6,871,011

December 31, 2023	Cable	Internet	Telephony	Business	Others (*)	Consolidated Total
Property, networks and equipment by segment	$ 38,174,525	6,701,146	196,261	7,128,225	7,914	52,208,071
Acquisitions and net disposals in the year of property, networks and equipment	$ 10,889,553	1,823,903	47,709	210,722	17,787	12,989,674
Depreciation of fixed assets	$ 4,152,544	728,937	21,349	775,393	861	5,679,084

Some fixed assets included in the cable segment are also used in other segments, such as internet and telephony; however, the cost of these assets is assigned only to cable.

c) **Information by geographic location:**

i. Analysis of net income by geographic location:

State	Total service revenues 2024	Total service revenues 2023
Jalisco	$ 3,825,581	3,364,689
State of Mexico	2,897,694	2,548,214
Sonora	2,697,122	2,667,271
Mexico City	2,504,705	2,561,620
Guanajuato	2,425,744	2,337,656
Sinaloa	2,399,013	2,301,129
Michoacán	2,357,087	2,302,895
Puebla	2,332,416	2,242,327
Veracruz	1,979,333	1,875,363
Durango and Coahuila	1,904,657	1,686,495
Querétaro	1,410,050	1,323,594
Chiapas	859,338	803,076
Nuevo Leon	686,620	504,699
Baja California Sur	522,887	502,540
Chihuahua	506,966	242,085
Nayarit	456,480	443,412
Oaxaca	408,955	386,029
Colima	386,163	355,875
Baja California Norte	374,850	134,094
Zacatecas	366,549	349,844
Morelos	264,485	225,817
Aguascalientes	224,550	111,705
San Luis Potosi	213,162	92,226
Guerrero	201,365	145,952
Quintana Roo	192,214	96,646
Hidalgo	106,863	78,134
Yucatán	97,506	40,362
Tlaxcala	94,068	68,986
Tabasco	59,998	31,868
Campeche	44,789	20,662
Others	39,262	25,275
Consolidated total	$ 32,840,472	29,870,540

State	Property, networks and computers 2024	Property, networks and computers 2023	Network and equipment acquisitions 2024	Network and equipment acquisitions 2023
Jalisco	$ 21,339,033	22,023,753	1,739,971	4,123,516
State of Mexico / CDMX	6,382,752	5,723,155	1,322,428	620,982
Sonora	2,442,590	2,335,692	494,589	724,591
Puebla	2,439,781	2,559,694	290,219	846,865
Veracruz	2,343,440	2,336,966	359,574	586,007
Guanajuato	2,199,261	2,184,966	429,189	689,811
Sinaloa	2,098,025	2,049,254	391,512	573,912
Durango and Coahuila	1,962,231	1,876,818	398,399	605,140
Querétaro	1,612,265	1,611,939	259,901	476,442
Michoacán	1,519,976	1,493,948	342,801	60,025
Nuevo León	1,199,679	1,016,410	301,561	387,201
Chihuahua	930,107	845,155	191,507	495,678
Chiapas	903,234	871,949	157,678	215,064
Baja California Norte	823,242	815,975	102,209	465,071
Nayarit	612,534	573,439	125,504	223,090
Baja California Sur	500,574	452,811	111,809	146,093
Colima	464,154	433,121	91,215	280,582
Zacatecas	428,881	376,400	106,601	164,704
Aguascalientes	388,302	377,071	532,407	105,740
San Luis Potosí	386,887	310,807	115,422	194,189
Oaxaca	328,173	283,170	90,760	81,887
Guerrero	322,430	302,761	49,940	123,578
Yucatán	308,947	271,751	66,688	190,274
Quintana Roo	306,878	276,314	59,743	130,210
Morelos	299,281	313,478	28,775	136,196
Others	609,417	491,274	178,573	342,826
Consolidated total	$ 53,152,074	52,208,071	8,338,975	12,989,674

ii. Analysis of income from services to external customers by product:

		2024	2023
Cable Segment			
Basic cable	$	3,382,184	3,438,502
Premier cable		3,702,271	3,698,782
Lifeline cable		4,009,124	3,654,568
Total cable segment	$	11,093,579	10,791,852
Internet segment			
High speed residential internet	$	10,586,375	8,872,224
High speed commercial internet		1,764,227	1,444,532
Total Internet segment	$	12,350,602	10,316,756
Telephone segment			
Residential telephony	$	2,622,688	2,370,473
Commercial telephony		270,375	201,044
Total telephony segment	$	2,893,063	2,571,517

		2024	2023
Business Segment			
Metrocarrier	$	3,054,775	2,841,898
MCM		1,189,375	1,263,385
Hola		1,039,198	929,665
PCTV		375,582	368,036
Total business segment	$	5,658,930	5,402,984
Others		844,298	787,431
Total business segment and others	$	6,503,228	6,190,415
Total consolidated service revenues	$	32,840,472	29,870,540

(30) Subsequent events-

In March 2025, the Group received the agreed consideration from the Federal Electricity Commission, in the agreements mentioned in note 27 (3).

(31) Authorization to issue the consolidated financial statements-

The issuance of the consolidated financial statements and the corresponding notes was authorized by Enrique Yamuni Robles (Chief Executive Officer) and Luis Antonio Zetter Zermeño (Chief Administrative and Financial Officer), on April 23, 2025, for approval by the Audit Committee and the Board of Directors. These consolidated financial statements will be presented at the Shareholders Meeting for approval.

MEGA

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