Consolidated Financial Statements
December 31, 2025

Liberty Telecomunicaciones de Costa Rica LY, S.A.
Centro Corporativo El Cedral
Trejos Montealegre, Escazú.
San José, Costa Rica

LIBERTY TELECOMUNICACIONES DE COSTA RICA LY, S.A.

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GLOSSARY OF DEFINED TERMS

Unless the context requires otherwise, references to "**Liberty Costa Rica**," "**we**," "**our**," "**our company**" and "**us**" in this report may refer to Liberty Telecomunicaciones de Costa Rica LY, S.A. (**Liberty Telecomunicaciones**) or collectively to Liberty Telecomunicaciones de Costa Rica LY, S.A. and its subsidiaries. We also have used several other terms in this report, most of which are defined or explained below. The following glossary of defined terms is unaudited.

2031 LCR Term Loan A	$50 million principal amount 10.875% senior secured term loan due January 15, 2031 borrowed by Liberty Telecomunicaciones; from July 15, 2028 and thereafter, the applicable interest rate will increase by 0.125% per annum for each of the Sustainability Performance Targets (as defined in the credit agreement) not achieved by Liberty Costa Rica by no later than December 31, 2027
2031 LCR Term Loan B	$400 million principal amount 10.875% senior secured term loan due January 15, 2031 borrowed by Liberty Telecomunicaciones; from July 15, 2028 and thereafter, the applicable interest rate will increase by 0.125% per annum for each of the Sustainability Performance Targets (as defined in the credit agreement) not achieved by Liberty Costa Rica by no later than December 31, 2027
2033 LCR Term Loan A	$65 million principal amount Term SOFR + 3.50% term loan due August 14, 2033 borrowed by Liberty Telecomunicaciones
Adjusted OIBDA	Operating income or loss before share-based compensation and other Employee Incentive Plan-related expense, depreciation and amortization, related-party fees and allocations, provisions and provision releases related to significant litigation and impairment, restructuring and other operating items. Other operating items include (i) gains and losses on the disposition of long-lived assets, (ii) third-party costs directly associated with successful and unsuccessful acquisitions and dispositions, including legal, advisory and due diligence fees, as applicable, and (iii) other acquisition-related items, such as gains and losses on the settlement of contingent consideration.
Adjusted Term SOFR	SOFR U.S. dollar denominated loans adjusted as follows: (i) 0.11448% for a one-month interest period, (ii) 0.26161% for a three-month interest period and (iii) 0.42826% for a six-month interest period
ARPU	Average monthly subscription revenue per average fixed RGU or mobile subscriber, as applicable
ASU	Accounting Standards Update
B2B	Business-to-business
CIP	Construction-in-process
Columbus Networks	Columbus Networks de Costa Rica S.R.L., a subsidiary of Liberty Telecomunicaciones
CPE	Customer premises equipment
CRC	Costa Rican colón
DOCSIS	Data over cable service interface specification
DVR	Digital video recorder
EIP	Equipment installment-plan
Employee Incentive Plan	Liberty Latin America Ltd. 2018 Incentive Plan
FASB	Financial Accounting Standards Board
FCPA	United States Foreign Corrupt Practices Act of 1977, as amended
FTTH	Fiber-to-the-home/-cabinet/-building/-node
FX	Foreign currency translation effects
Gbps	Gigabits per second
GITC	General information technology controls
HD	High definition
HFC	Hybrid fiber coaxial cable networks
ICE	The Costa Rican Electricity Institute
IT	Information technology
LBT CT	LBT CT Communications, S.A., an entity that is 80.0% indirectly owned by Liberty Latin America and 20.0% owned by Sidera Visus S.A.
LCR Holdings	Liberty Costa Rica Holdings Ltd., another subsidiary of Liberty Latin America
LCR Credit Facilities	Senior secured credit facilities of Liberty Telecomunicaciones comprised of: (i) 2031 LCR Term Loan A; (ii) 2031 LCR Term Loan B; (iii) 2033 LCR Term Loan A; and (iv) LCR Revolving Credit Facility

GLOSSARY OF DEFINED TERMS

LCR Revolving Credit Facility	$60 million Term SOFR + 4.25% revolving credit facility due January 15, 2028 of Liberty Telecomunicaciones
Liberty Gestión	Liberty Gestión de Infraestructura LY, S.A. (formerly known as Telefónica Gestión de Infraestructura y Sistemas de Costa Rica S.A.), a subsidiary of Liberty Telecomunicaciones
Liberty Latin America	Liberty Latin America Ltd.
Liberty Servicios	Liberty Servicios Fijos LY, S.A., previously a subsidiary of LBT CT, was merged into Liberty Telecomunicaciones on April 1, 2025
LTE	Long-term evolution standard
LTVP	Long-term Value Plan that represents a component of the Employee Incentive Plan whereby employees receive a fixed-value award that vests annually over three years and can be settled in either common shares or cash at the discretion of Liberty Latin America's Compensation Committee
MICITT	Ministry of Science and Technology and Telecommunications of Costa Rica
Millicom	Millicom International Cellular S.A.
Network Extension	Network extension and upgrade program across Costa Rica
OFAC	Office of Foreign Assets Control
OTC	Over-the-counter
RGU	Revenue generating unit
Sidera Visus	Sidera Visus S.A.
SIM	Subscriber identification module
SOFR	Reference rate based on secured overnight financing rate administered by the Federal Reserve Bank of New York
SUTEL	Costa Rican Telecommunications Superintendence
Telefónica	Telefónica, S.A., a telecommunications company
Term SOFR	Forward-looking term rate based on SOFR as published by CME Group Benchmark Administration Limited
U.S.	United States
USD	United States Dollar
U.S. GAAP	Generally accepted accounting principles in the United States
VoD	Video-on-demand
VoIP	Voice-over-internet-protocol

Forward-looking Statements

Certain statements in this report constitute forward-looking statements. To the extent that statements in this report are not recitations of historical fact, such statements constitute forward-looking statements, which, by definition, involve risks and uncertainties that could cause actual results to differ materially from those expressed or implied by such statements. In particular, statements under *Management*'*s Discussion and Analysis of Financial Condition and Results of Operations* may contain forward-looking statements, including statements regarding: our business, products, foreign currency and finance strategies; our property and equipment additions; grants or renewals of licenses; subscriber growth and retention rates; changes in competitive, regulatory and economic factors; changes in our revenue, costs, or growth rates; debt levels; our liquidity; interest rate risks; credit risks; internal control over financial reporting and remediation of material weaknesses; foreign currency risks; compliance with debt, financial and other covenants; our future projected sources and uses of cash; and other information and statements that are not historical fact. Where, in any forward-looking statement, we express an expectation or belief as to future results or events, such expectation or belief is expressed in good faith and believed to have a reasonable basis, but there can be no assurance that the expectation or belief will result or be achieved or accomplished. In evaluating these statements, you should consider the following list of some but not all of the factors that could cause actual results or events to differ materially from anticipated results or events:

- economic and business conditions and industry trends in Costa Rica;
- the competitive environment in the industries in which we operate within Costa Rica, including competitor responses to our products and services;
- fluctuations in currency exchange rates, inflation rates and interest rates;
- our relationships with third-party programming providers and broadcasters, some of which are also offering content directly to consumers, and our ability to maintain access to desirable programming on acceptable economic terms;
- our relationships with suppliers and licensors and the ability to maintain equipment, software and certain services;
- instability in global financial markets, including sovereign debt issues and related fiscal reforms;
- our ability to obtain additional financing and generate sufficient cash to meet our debt obligations;
- the impact of restrictions contained in certain of our debt instruments;
- consumer disposable income and spending levels, including the availability and amount of individual consumer debt;
- changes in consumer viewing preferences and habits, including on mobile devices that function on various operating systems and specifications, limited bandwidth, and different processing power and screen sizes;
- customer acceptance of our existing service offerings, including our video, broadband internet, fixed-line telephony, mobile and business service offerings, and of new technology, programming alternatives and other products and services that we may offer in the future;
- our ability to manage rapid technological changes;
- the impact of 5G and wireless technologies;
- our ability to maintain or increase the number of subscriptions to our video, broadband internet, fixed-line telephony and mobile service offerings and our average revenue per household and mobile subscriber;
- our ability to provide satisfactory customer service, including support for new and evolving products and services;
- our ability to maintain or increase rates to our subscribers or to pass through increased costs to our subscribers;
- the impact of our future financial performance, or market conditions generally, on the availability, terms and deployment of capital;
- changes in, or failure or inability to comply with, government regulations in Costa Rica and adverse outcomes from regulatory proceedings;
- government intervention that requires opening our broadband distribution network to competitors;
- our ability to renew necessary regulatory licenses, concessions or other operating agreements and to otherwise acquire future spectrum or other licenses that we need to offer new mobile data or other technologies or services;
- our ability to obtain regulatory approval and satisfy other conditions necessary to close acquisitions and dispositions, and the impact of conditions imposed by competition and other regulatory authorities in connection with acquisitions;

- our ability to successfully acquire new businesses and, if acquired, to integrate, realize anticipated efficiencies from and implement our business plan with respect to the businesses we have acquired or that we expect to acquire;
- changes in laws or treaties relating to taxation, or the interpretation thereof, and the results of any tax audits or tax disputes;
- changes in laws and government regulations that may impact the availability and cost of capital and the derivative instruments that hedge certain of our financial risks;
- the ability of suppliers and vendors, including third-party channel providers and broadcasters, to timely deliver quality products, equipment, software, services and access;
- the availability of attractive programming for our video services and the costs associated with such programming, including retransmission and copyright fees payable to public and private broadcasters;
- uncertainties inherent in the development and integration of new business lines and business strategies;
- our ability to adequately forecast and plan future network requirements, including the costs and benefits associated with our network extension and upgrade programs;
- the availability of capital for the acquisition and/or development of telecommunications networks and services, including property and equipment additions;
- problems we may discover post-closing with the operations, including the internal controls and financial reporting process, of businesses we acquire;
- the effect of any of the identified material weaknesses in our internal control over financial reporting;
- piracy, targeted vandalism against our networks, and cybersecurity threats or other security breaches, including the leakage of sensitive customer data, which could harm our business or reputation;
- the outcome of any pending or threatened litigation;
- the loss of key employees and the availability of qualified personnel;
- the effect of any strikes, work stoppages or other industrial actions that could affect our operations;
- changes in the nature of key strategic relationships with partners;
- our ability to realize the full value of our intangible assets and the impact of any impairments;
- changes in and compliance with applicable data privacy laws, rules, and regulations;
- our ability to recoup insurance reimbursements and settlements from third-party providers;
- our ability to comply with anti-corruption laws and regulations, such as the FCPA;
- our ability to comply with economic and trade sanctions laws, such as the U.S. Treasury Department's OFAC;
- the impacts of climate change such as rising sea levels or increasing frequency and intensity of certain weather phenomena; and
- events that are outside of our control, such as political conditions and unrest in international markets, terrorist attacks, malicious human acts, hurricanes and other natural disasters, pandemics like the COVID-19 pandemic, and other similar events.

The communications, entertainment and enterprise solutions sectors are characterized by rapid, constant evolution and, therefore, the forward-looking statements of expectations, plans and intent in this report are subject to a significant degree of risk. These forward-looking statements and the above described risks, uncertainties and other factors speak only as of the date of this report, and we expressly disclaim any obligation or undertaking to disseminate any updates or revisions to any forward-looking statement contained herein, to reflect any change in our expectations with regard thereto, or any other change in events, conditions or circumstances on which any such statement is based, except as required by law. Readers are cautioned not to place undue reliance on any forward-looking statement.

DESCRIPTION OF OUR BUSINESS

Liberty Costa Rica is a wholly owned subsidiary of LBT CT, which is indirectly owned 80.0% by Liberty Latin America and 20.0% by Sidera Visus. Liberty Costa Rica and its subsidiaries, Columbus Networks and Liberty Gestión, provide fixed and mobile telecommunications services to residential and B2B customers in Costa Rica.

Operating Data

The following tables present certain operating data as of December 31, 2025. For additional information regarding terms used in the following tables, see the *Operating Data Glossary* below.

Homes passed [(1)]	860,200
Customer relationships	296,500
RGUs:	
Video	211,400
Internet	287,700
Telephony	112,300
Total RGUs	611,400
Mobile Subscribers:	
Prepaid	1,014,200
Postpaid	1,180,100
Total mobile subscribers	2,194,300

(1) Includes 54,000 on a third-party network that provides us long-term access.

Operating Data Glossary

Customer Relationships – The number of customers who receive at least one of our video, internet or telephony services that we count as RGUs, without regard to which or to how many services they subscribe. Customer relationships generally are counted on a unique premises basis. Accordingly, if an individual receives our services in two premises (e.g., a primary home and a vacation home), that individual generally will count as two customer relationships. We exclude mobile-only customers from customer relationships.

Homes Passed – Homes, residential multiple dwelling units or commercial units that can be connected to our networks without materially extending the distribution plant. Certain of our homes passed counts are based on census data that can change based on either revisions to the data or from new census results.

Internet (Broadband) RGU – A home, residential multiple dwelling unit or commercial unit that receives internet services over our network.

Mobile Subscribers – Our mobile subscriber count represents the number of active subscriber identification module (“SIM”) cards in service rather than services provided. For example, if a mobile subscriber has both a data and voice plan on a smartphone this would equate to one mobile subscriber. Alternatively, a subscriber who has a voice and data plan for a mobile handset and a data plan for a laptop (via a dongle) would be counted as two mobile subscribers. Customers who do not pay a recurring monthly fee are excluded from our mobile telephony subscriber counts after periods of inactivity of 90 days, based on industry standards within Costa Rica.

Revenue Generating Unit (RGU) – RGU is separately a video RGU, internet RGU or telephony RGU. A home, residential multiple dwelling unit, or commercial unit may contain one or more RGUs. For example, if a residential customer subscribed to our video service, fixed-line telephony service and broadband internet service, the customer would constitute three RGUs. RGUs are generally counted on a unique premises basis such that a given premises does not count as more than one RGU for any given service. On the other hand, if an individual receives one of our services in two premises (e.g., a primary home and a vacation home), that individual will count as two RGUs for that service. Each bundled video, internet or telephony service is counted as a separate RGU regardless of the nature of any bundling discount or promotion. Non-paying subscribers are counted as RGUs during their free promotional service period. Some of these subscribers may choose to disconnect after their free service period. Services offered without charge on a long-term basis (e.g., VIP subscribers or free service to employees) generally are not counted as RGUs. We do not include subscriptions to mobile services in our externally reported RGU counts. In this regard, our RGU counts exclude our separately reported postpaid and prepaid mobile subscribers.

Telephony RGU – A home, residential multiple dwelling unit or commercial unit that receives voice services over our network. Telephony RGUs exclude mobile subscribers.

Video RGU – A home, residential multiple dwelling unit or commercial unit that receives our video service over our network primarily via a digital video signal while subscribing to any recurring monthly service that requires the use of encryption-enabling technology. Video RGUs are generally counted on a unique premises basis. For example, a subscriber with one or more set-top boxes that receives our video service in one premises is generally counted as just one RGU.

Additional General Notes:

While we take appropriate steps to ensure that subscriber and homes passed statistics are presented on a consistent and accurate basis at any given balance sheet date, the variability in (i) the nature and pricing of products and services, (ii) the distribution platform, (iii) billing systems, (iv) bad debt collection experience and (v) other factors add complexity to the subscriber and homes passed counting process. We periodically review our subscriber and homes passed counting policies and underlying systems to improve the accuracy and consistency of the data reported on a prospective basis. Accordingly, we may from time to time make appropriate adjustments to our subscriber and homes passed statistics based on those reviews.

Fixed Network and Product Penetration Data (%)

Network data:	
Homes passed:	
HFC	49 %
FTTH	51 %
Product penetration:	
Television (1)	25 %
Broadband internet (2)	33 %
Fixed-line telephony (2)	13 %
Double-play (3)	42 %
Triple-play (3)	32 %

(1) Percentage of total homes passed that subscribe to television services.

(2) Percentage of total homes passed that subscribe to broadband internet or fixed-line telephony services, as applicable.

(3) Percentage of total customers that subscribe to two services (double-play customers) or three services (triple-play customers) offered by our operations (video, broadband internet and fixed-line telephony), as applicable.

Video, Broadband Internet & Fixed-Line Telephony and Mobile Services

Video services:	
Network System (1)	HFC/FTTH
Broadband internet service:	
Maximum download speed offered (**Mbps**)	1,000
Mobile services:	
Network Technology (2)	LTE / 5G

(1) These are the primary systems used for delivery of services.

(2) Fastest available technology.

Products and Services

We offer our customers a comprehensive set of converged mobile, broadband, video and fixed-line telephony services. We believe that our ability to offer our customers greater choice and selection in bundling their services enhances the attractiveness of our service offerings, improves customer retention, minimizes churn and increases overall customer lifetime value.

Residential Services

Mobile Services. We are a mobile network operator, delivering high-speed services across our market. As a mobile network provider, we are able to offer a full range of voice and data services, including value-added services. We expect our mobile services will allow us to provide an extensive converged product offering with video, internet and fixed-line telephony, allowing our customers connectivity in and out-of-the-home. We hold three mobile spectrum concessions in Costa Rica, each originally granted for a 15-year term and eligible for a one-time extension of an additional 10 years, subject to compliance with applicable regulatory requirements. These concessions are scheduled to expire in 2026, 2031, and 2041, respectively. We have already requested the extension of the concession expiring in 2026 and obtained a positive recommendation from the Regulator to extend it.

Subscribers to our mobile services pay varying monthly fees depending on whether the mobile service is bundled with one of our other services or includes mobile data services over their phones, tablets or laptops. Our mobile services are available on a postpaid or prepaid basis. We offer our customers the option to purchase mobile handsets with purchase terms typically related to whether the customer selects a prepaid or postpaid plan. Customers selecting a prepaid plan or service pay in advance for a pre-determined amount of airtime and/or data and generally do not enter into a minimum contract term. Customers subscribing to a postpaid plan typically enter into monthly contracts. Additionally, in most of our markets and, subject to a credit check, customers subscribing to a postpaid plan can take an installment plan in order to purchase a handset. This can be repaid over a 12 to 36 month period.

Broadband Internet Services. To support our customers' connectivity demands, we are expanding our networks to make high-speed broadband available to more people. This includes investment in the convergence of our fixed and mobile data systems and through our next generation WiFi products, which enable us to maximize the impact of our broadband networks by providing reliable, high-speed wireless connectivity anywhere in the home. These gateway products can be self-installed and have an automatic WiFi optimization function, which selects the best possible wireless frequency.

The internet speeds we offer are one of the key focus areas for our value propositions, as customers spend more time streaming video and other bandwidth-heavy services on multiple devices. As a result, we are continuing to invest in additional bandwidth and technologies to increase internet speeds throughout our footprint. We plan to continue the upgrade and expansion of our fixed networks so that we can deploy high-speed internet service to additional customers in the coming years.

Our residential subscribers access the internet via FTTH or HFC networks and with modems connected to their internet capable devices, including personal computers, or wirelessly via next generation WiFi and telephony gateway products. We offer multiple tiers of internet service. The speed of service depends on location and the tier of service selected by our subscribers.

Our value-added services include security measures and online storage. Mobile broadband internet services are also available through our mobile services described above. Subscribers to our internet service pay a monthly fee based on the tier of service selected. We determine pricing for each different tier of internet service through an analysis of speed, market conditions and other factors.

Video Services. We have enhanced our video services with next generation, market-leading digital television platforms that enable our customers to control when and where they watch their programming. These advanced services are delivered over our FTTH and HFC networks and customers access a range of features that include a DVR, a VoD offering and an advanced user interface including an electronic programming guide, voice search and recommendation. These video customers can pause their live broadcast, restart from the beginning and find previously aired programs that they may have missed. They can also stream a selection of channels and non-linear content on their own devices through our "TV Everywhere" "Liberty Go Hogar" mobile application, while increasingly benefiting from OTT bundling technology that enables seamless access to leading third-party streaming applications as part of an integrated video experience, combining linear television and app-based content within a single proposition.

We offer multiple tiers of digital video programming starting with affordable entry or skinny and basic video service tiers. Subscribers have the option to select extended and/or premium subscription packages combining linear channels and VoD. Subscribers to our digital video services pay a fixed monthly fee and all tiers include a number of HD channels as well as access to enhanced features. More recently, this model has continued to evolve, from a purely linear offering to a more integrated experience, by incorporating select third-party OTT applications within certain bundles, allowing customers to access both traditional channels and app-based content through a single proposition. In addition, through our latest generation of video CPE and via CPE-less, app-only experience, subscribers can access most leading internet streaming services. Discounts to our monthly service fees are generally available to a subscriber who selects a bundled service of at least two of the following services: video, internet and fixed-line telephony.

We tailor our video services based on local preferences, culture, demographics and regulatory requirements. We aim to offer the most relevant mix of content to our subscribers, combining general entertainment, sports, movies, documentaries, lifestyle, news, adult, children and foreign channels, as well as local, regional and international broadcast networks.

Telephony Services. We offer multi-feature, fixed-line telephony services via VoIP technology over our FTTH and HFC networks. These digital telephony services cover international and domestic services.

Business Services

We provide services to business customers, from small and medium businesses to larger corporate and enterprise organizations including multi-national companies and government entities. We work with our business customers to customize the best end-to-end solutions, using standardized best in class products to fit their service needs.

The extensive reach of our network and assets, as well as our comprehensive set of capabilities positions us to meet the needs of carriers, businesses and government customers that are searching for a capable, progressive provider to manage their ever more complex communications, connectivity and information technology needs.

Technology

In many of our markets, we transmit our broadband internet, video and fixed-line telephony services over an HFC cable network, and through FTTH networks. An HFC network consists primarily of fiber networks that we connect to the home over the last few hundred meters by coaxial cable and an FTTH network uses fiber-to-the-home/-cabinet/-building/-node.

We closely monitor our network capacity and customer usage. We continue to take actions and explore improvements to our technologies that will increase our capacity and enhance our customers' connected entertainment experience.

We are engaged in network extension and upgrade programs. We collectively refer to these network extension and upgrade programs as the "Network Extension". Through the Network Extension, we continue to expand our fixed networks pursuant to which we pass or upgrade homes and businesses with our broadband communications network. For example, we have upgraded almost all of our HFC network to DOCSIS 3.1, and with a combination of FTTH and DOCSIS 3.1, with 100% of our network is currently capable of delivering speeds of 1 Gbps or above. In addition, we look for mobile service opportunities where we have established cable networks and have expanded our fixed-line networks where we have a strong mobile offering. This will allow us to offer converged fixed-line and mobile services to our customers. During 2025, our Network Extension upgraded or passed approximately 62,500 homes.

Mobile

Our networks deliver high-speed Data, Voice and VAS (value-added service) services. Our wireless networks predominantly use LTE technologies with 100% of LTE coverage and since 2024 we have been offering 5G. We transmit wireless calls and data through radio frequencies that we use under spectrum licenses. We have a diversified portfolio of frequencies which support LTE and 5G technologies. Spectrum is a limited resource, and, as a result, we may face spectrum and capacity constraints on our wireless network in certain countries. We believe our current spectrum portfolio will allow us to meet subscribers' needs in the coming years with minimal further investment, although we will continue to evaluate our need to acquire additional frequencies to supplement our existing spectrum portfolio. On January 2025, Liberty Costa Rica participated in the 5G radio spectrum auction, securing one block in the 700 MHz band, one in the 2,300 MHz band, four in the 3,500 MHz band and one in the 26/28 GHz band.

We continue to invest significant capital in expanding our network capacity and reach and to address spectrum and capacity constraints. We continually look for opportunities to expand our 5G coverage and we announced the intention of deploying our 5G stand-alone network in 2026.

Supply Sources

Content

Content is one of the key drivers for customers in selecting a provider of video, broadband and/or wireless services. Therefore, we aim to provide products that allow our customers to consume content whenever and wherever they want and feature content that matters the most to our customers. Our programming strategy is based on:

- product (enabling access through home and mobile screens at anytime, including live, catch-up, restart with the ability to pause programming, personal recording, on-demand and internet streaming apps);
- proposition (meeting our customers' content and entertainment expectations by offering access to a wider range of channels and on-demand content, and internet streaming services at affordable and competitive price points);
- partnering (alliances with content partners and leading distributors to aggregate the best linear, on-demand and streaming content); and
- variety (expanding the content offering from video to other categories and creating an ecosystem across music, sports, retail, culinary, fitness etc. through the convenience of our products, broadband and wireless connectivity services).

We license our programming and on-demand content through distribution agreements with third-party content providers, including broadcasters, leading cable networks and major Hollywood studios. For such licenses, we generally pay a variable monthly fee on a per subscriber basis, through multi-year programming licenses. In our distribution agreements, we seek to include the rights to offer the licensed channels and on-demand programming to our authenticated customers through multiple delivery platforms including through our apps for IP-connected mobile and/or fixed devices, and our websites. We also acquire rights to make available, in most of our markets, video services to mobile subscribers and broadband subscribers that are not subscribers to fixed TV services.

Our latest video consumer equipment also enables our customers to access, through the Google App Store, leading streaming services such as Netflix, Disney+, HBO Max and Amazon Prime Video.

Mobile Handsets and Customer Premises Equipment

We use a variety of suppliers for mobile handsets to offer our customers mobile services. For other customer premises equipment, we purchase from a number of different suppliers and regularly assess production lead times to ensure supply continuity and implement dual sourcing strategies to mitigate further risks when applicable. Customer premises equipment includes set-top boxes, modems, WiFi routers, extenders and similar devices. For our broadband services, we use a variety of suppliers for our network equipment and the various services we offer.

Software Licenses

We license software products, including email and security software as well as content, from several suppliers for our internet services and internal IT platforms. The agreements for these products require us to pay a per subscriber fee or a one-off software license fee and a share of advertising revenue for content licenses. For our mobile network operations and our fixed-line telephony services, we license software products, such as voicemail, text messaging and caller ID, from a variety of suppliers. For these licenses we seek to enter into long-term contracts, which generally require us to pay based on usage of the services.

Regulatory Matters

Our regulated services are video distribution, broadband internet, fixed-line telephony and mobile services, with the potential of risk caused by adverse regulatory developments. Conditions imposed on us by competition and regulatory authorities as requirements to close acquisitions or dispositions could limit growth, revenue and the number and type of services offered, which could lead to increased operating costs and property and equipment additions. In addition, regulation may restrict our operations and subject them to further competitive pressure, including pricing rules and restrictions, such as interconnect and other access obligations that restrict or control content, including content provided by third parties. Failure to comply with current or future regulations could expose our business to various penalties.

Liberty Telecomunicaciones, as a telecommunications operator and provider, is subject to regulation and enforcement under Article 121, paragraph 14, of Costa Rica's Constitution, which enumerates a list of assets that cannot permanently leave the state's domain, which includes the radio spectrum and the possible methods of its exploitation, the Law No. 8642, General

Telecommunications Law (LGT), and Law No. 8860, Law for the Strengthening and Modernization of the Public Entities of the Telecommunications Sector, among other regulations. The main governmental entities involved in this industry are the MICITT, which leads policy development and implementation, SUTEL, as regulator of the telecommunication operators and providers and competition agency exclusively for the telecommunications sector, and the Consumer Protection Agency of the Ministry of Economy, Industry and Commerce. In its activities, Liberty Telecomunicaciones holds a telecommunications services license, which expires in 2028, issued by SUTEL that authorizes the deployment and operation of its wireline HFC network throughout the country. This license authorizes the following services: (i) paid television; (ii) the provision of fixed telephony service; (iii) internet access; and (iv) data links.

Liberty Telecomunicaciones has a total of 670 MHz allocated in three concessions. For the first, granted in 2011, MICITT awarded Telefonica 10 MHz in the 850 MHz band, 30 MHz in the 1800 MHz band and 20 MHz in the 1900/2100 MHz band. This concession has a 15-year renewable term, expiring on May 12, 2026, that may be extended for an additional 10 year term, and we have begun the process to renew this concession. For the second one, granted in 2018, MICITT awarded Liberty Telecomunicaciones 20 MHz in the 1800 MHz band and 20 MHz in the 1900/2100 MHz band. This concession has a 15-year renewable term, expiring on April 23, 2033, that may be extended for an additional 10 year term. For the third concession, granted in 2025, MICITT awarded 20 MHz in the 700 MHz band, 50 MHz in the 2,300 MHz band, 100 MHz in the 3,500 MHz band and 400 MHz in the 26/28 GHz band, with a commitment to deploying over 1,552 base stations to enhance coverage and service quality in underserved areas. This concession has a 15-year renewable term, expiring on August 21, 2040, that may be extended for an additional 10 year term.

Liberty Telecomunicaciones also holds three mobile spectrum concessions in Costa Rica, each originally granted for a 15-year term and eligible for a one-time extension of an additional 10 years, subject to compliance with applicable regulatory requirements. These concessions are scheduled to expire in 2026, 2031, and 2041, respectively. Liberty Telecomunicaciones has already requested the extension of the concession expiring in 2026 and obtained a positive recommendation from the regulator to extend it. Liberty Telecomunicaciones expects to seek extensions of the other licenses in accordance with the regulatory framework in effect at the time of renewal.

Video. Cable television service providers in Costa Rica are free to define the channels and content included in their services and are not required to carry any specific programming, except as described below, provided that both the regulator and end users will be notified through regulated communication. However, the Commission of Control and Qualification of Public Spectacles of the Ministry of Justice and Peace may impose sanctions on providers that have run programming containing excessive violence, adult content, or other objectionable content. Pay television operators are directly responsible for violating such prohibitions.

The Costa Rican General Telecommunications Law (art.138) establishes a retransmission consent regime between broadcast television concessionaires and pay television operators. This regime provides that (i) the concessionaires must include within their programming the Costa Rican television channels that have coverage in at least 60% of the national territory, excluding Isla del Coco, which complies with at least fourteen minimum hours of daily transmission, and (ii) the reception of the signal complies with the minimum signal requirements established in this regulation, which have acceptable ratings and have the corresponding transmission rights.

Internet. The Regulation of Provision and Quality of Services of SUTEL establishes minimum quality thresholds, such as minimum speeds, oversubscription, delay, and installation, reconnection and repair of breakdowns deadlines.

Fixed-Line Telephony Services. More than eight years after SUTEL issued a regulation for the implementation of fixed number portability, a court rejected a lawsuit filed by the Costa Rican government telecom provider, ICE (through the Kolbi brand), that argued that fixed telephony was not an open, competitive service in Costa Rica, and confirmed the right to number portability on fixed-line phone numbers. The implementation process of fixed number portability has begun, however, its launch is expected to take at least two years.

Mobile Services. Through concessions contracts N° C-001-2011-MINAET, -002-2017-MICITT DAF-034-2013 and N° C-002-2025-MICITT, Liberty Telecomunicaciones is authorized to install, maintain, manage, operate and commercially exploit the mobile telephone service, in the assigned radio spectrum segments, for its prepaid and post-paid mobile customers, including 5G radio spectrum. On June 28, 2024, Liberty Telecomunicaciones successfully launched 5G services by leveraging Dynamic Spectrum Sharing technology, utilizing its existing spectrum originally used for 4G.

On August 31, 2023, the Costa Rican government issued a decree aimed at regulating 5G deployment with a strong emphasis on cybersecurity. The decree mandates compliance with international standards, restricts participation from companies based in countries that have not signed the Budapest Convention on Cybercrime, and establishes oversight mechanisms. However, this decree has been legally challenged in Costa Rican courts, leading to its current suspension. This development could significantly influence the selection of manufacturers for the rollout of mobile networks, including both 5G and other mobile generations.

Competition

Technological advances and product innovations have increased and are likely to continue to increase giving customers several options for the provision of their communications services. Our customers want access to high quality communication services that allow for seamless connectivity. Accordingly, our ability to offer converged services (video, internet, fixed telephony and mobile) is a key component of our strategy. We compete with companies that are established in one or more communication products and services. Consequently, our business faces significant competition. We seek to differentiate our communications services by focusing on customer service, competitive pricing and offering quality high-speed connectivity.

Our competitors for each product and services are:

- *Mobile services*. We compete with Claro and ICE (Kolbi) for the provision of mobile services.
- *Broadband Internet*. We face competition primarily from ICE (Kolbi), Telecable, Millicom (Tigo) and Claro.
- *Video Distribution*. We compete with Millicom (Tigo), Telecable and ICE (Kolbi) over their fixed networks, and with Claro through both their fixed network and their DTH services.
- *Fixed-Line Telephony*. We compete with ICE (Kolbi), who is the incumbent fixed telephony operator in Costa Rica, as well as Millicom (Tigo), Telecable and Claro.

MANAGEMENT AND GOVERNANCE

Human Capital Resources

Our Team

As of December 31, 2025, we employed approximately 630 employees.

The Company's management is responsible for the day-to-day management of the business. The address of the Company's registered office is Centro Corporativo el Cedral, Torre 3 piso 5, Escazú, San José. The current members of the executive management team of the Company are:

Johanna Escobar Guerra, Chief Executive Officer, General Manager

Johanna was appointed General Manager of our company in 2021 upon our acquisition of Telefónica. She previously held the same role at Telefónica since 2016. She has more than 20 years of experience within the Telefónica Group, during which she has assumed various local and regional positions. She is recognized for her solid experience in developing and executing business strategies and customer experience. She has a master's degree in Management Coaching & Leadership from Universidad de Barcelona, OBS Business School, Spain, a master's degree in Business Administration (MBA), and a postgraduate degree in Management Development and Finance from ESEADE, Spain.

Maarten Hekking, Chief Financial Officer

Maarten joined the company as CFO in 2021 after various senior roles within Liberty Latin America, most recently as Vice President of Mergers and Acquisitions. In that role, he led both acquisitions of Liberty Telecomunicaciones and Liberty Servicios, among others. Prior to his positions at Liberty Latin America, Maarten was part of the Mergers and Acquisitions team at Liberty Global plc in London. He holds a bachelor's degree in Business Administration from Rotterdam Business School and a Master of Science degree in Economics from Erasmus University Rotterdam, the Netherlands.

Subsequent to December 31, 2025, Maarten resigned from the Company.

José Gutierrez, Senior Director Legal & Regulatory

José has over 13 years of experience as a leader in business management and technology. His experience spans positions as field engineer, team leader, consulting engineer, and business development and regulatory affairs manager. In each leadership position, he has leveraged his technical expertise to lead complex negotiations that grow businesses, increase public-private partnerships, and expand market reach. He holds a bachelor's degree in Telematics Engineering from Universidad Latina de Costa Rica and an MBA with a specialization in Finance from Universidad de Costa Rica.

Miguel Rahn, Senior Director Technology & Operations

Miguel has over 25 years of experience in the telecommunications industry, leading engineering, operations, and business growth initiatives across complex and large-scale environments. He is an Electronic Engineer with a specialization in Telecommunications Management from Universidad Metropolitana in Venezuela, and holds a Master's degree in Digital Transformation from OBS Business School. Extensive expertise in fixed and mobile networks across Core, Transport, and Access layers, strategic and tactical planning, supplier and outsourcing management, CAPEX/OPEX control, and customer relationship management.

Diego Marín, Senior Director Sales B2C

Diego has 13 years of experience in the telecommunications industry, holding positions such as National Channel Manager and Territory Director in countries like Colombia, and now leading the entire commercial area in B2C at Liberty Costa Rica. His main characteristics are viewing the business holistically, prioritizing methodology and operational discipline, achieving sales growth and improved sales quality in every position he has held. Diego holds a degree in Business Administration, a specialization in Marketing, an MBA from EAFIT University in Colombia. He also holds a specialization in Digital Marketing from Aden University in Panama.

Jerry Orozco, Sr Director Planning & Marketing

Jerry is a senior telecommunications executive with over 25 years of experience driving revenue growth, margin expansion, and market leadership in highly competitive environments. He has held P&L accountability for business portfolios exceeding $500 million in annual revenue, consistently delivering sustainable profitability and operational efficiency. He is recognized for building strong vendor and enterprise partnerships that unlock new revenue streams and strengthen long-term value creation. His leadership is grounded in disciplined financial management, risk mitigation, and results-driven execution. He holds a bachelor's degree in Industrial Engineering and three master´s degrees in marketing science, business administration and information and communication technology systems.

Luis Carlos Rojas, Senior Director, B2B

Luis Carlos is a leader with 20 years of experience in the telecommunications and technology industry in Central America. His expertise is in commercial strategy. During his career he has focused on strategic planning and the development of high-performance work teams with a comprehensive approach to the client, the company and employees. He has a bachelor's degree in Electrical Engineering from Universidad de Costa Rica and is in the process of obtaining an MBA from Universidad Latina de Costa Rica.

Cesar Woo, Senior Director, Strategy and Transformational Projects

Cesar has over 20 years of experience in strategy, operations, and large-scale integrations across telecommunications and financial services in Latin America. He currently serves as Senior Director of Strategy & Transformation at Liberty Costa Rica, where he leads the company-wide Transformation Program and the PMO. Previously, he held senior leadership roles within Liberty Latin America in Panama, leading the integration of Claro Panamá and the Strategy & BI function for +Móvil. Before joining Liberty, he spent a decade at McKinsey & Company, where he led high-impact strategy and transformation engagements across Latin America. César holds a B.S. in Production Engineering from Universidad Simón Bolívar (Caracas, Venezuela).

Hector Alan, Director, IT Business Partner

Héctor is a Systems Engineer with more than 10 years of experience in information technology development and administration. He has a master's degree in Neuromarketing from Universidad de Barcelona, OBS Business School, Spain, a master's degree in Business Administration and Management from Universidad Politécnica de Madrid, Spain, and a professional master's degree in Project Management from Universidad Latina de Costa Rica.

Patricia Graber Anguita, People Senior Director

Patricia brings over 12 years of experience in business consulting and human resources strategy development, supporting organizations across Latin America in a wide range of industries, including the telecommunications sector. She has been part of Liberty Latin America for the past seven years, where she has contributed to projects related to organizational transformation, workforce planning and talent management. Additionally, she has worked for more than three years with Liberty Costa Rica as People Sr Director, strengthening local HR processes, cultural transformation, and driving operational excellence. She holds a bachelor's degree in business and administration and a master's degree in Economic and Public Policy, both from Universidad Adolfo Ibañez (Chile).

Jose Pablo Rivera, Director Communications

Jose Pablo has worked for over 15 years in the regulatory and telecommunications sectors, and as head of Regulation, Public Affairs and Communication at Liberty since 2011. He led several of the company's most relevant regulatory processes such as Number Portability, tariff liberalization and spectrum bidding for 4G. He holds a bachelor's degree in Economics and a professional master's degree in Regulatory Economics from Universidad de Costa Rica, and a Master of Science in Environmental Economics from Université Paris 1 Panthéon-Sorbonne, France.

Our Culture

Talent Strategy. We manage our talent strategy through a cycle consisting of Talent Acquisition, Learning & Development, and Performance Management. We offer prospective candidates a compelling employee value proposition rooted in our culture, which combines a shared vision, philosophy, and principles for how we work. We foster an environment where employees can learn, develop, and gain experience through new opportunities to work in different geographies. Unique to our region, we utilize an annual performance management system that better aligns with our culture and ways of working as one team. We offer a simpler, meaningful, and engaging Agile Performance Development experience for all our employees, focused on frequent conversations throughout the year combined with real-time feedback between managers and employees.

Equality, Diversity & Inclusion. Our employees comprise many races, ethnicities, beliefs, genders, age and cultures, and we are built on a set of strong principles including respect.

COVID-19 Response. We continue to adapt to evolving conditions related to the pandemic in the markets where we operate. Our focus is ensuring we have appropriate stringent health and safety protocols in accordance with local regulations to help protect our employees, our customers, and our communities. We don't stop only with Covid, but we expand to foster health and wellness. We offer with programs of psychological support; we offer health insurance, and we also have a flex PTO program to reach a balance between work and personal life.

Corporate Social Responsibility. In addition to our core products and services, we meaningfully contribute to the communities where we operate. Our communities are so much more than locations for our business. It's where we live, where our families grow, where we celebrate and connect. We believe we have a responsibility to enable progress and build more resilient communities. We bring this to life through a shared approach across our market with a focus on four critical areas: Learning; Environment; Access; and Disaster Relief.

Compliance and Ethics. We conduct our business with honesty and integrity in accordance with high ethical and legal standards, and with respect for each other and those with whom we do business. Our Code of Conduct sets out the basic rules, standards and behaviors necessary to achieve those objectives. Employees can confidentially and anonymously report any behavior or action they see or experience which goes against our Code of Conduct through SpeakUp, our employee hotline.

We expect our employees and directors to display responsible and ethical behavior, to follow consistently both the meaning and intent of our Code of Conduct, and to act with integrity in all of our business dealings. We expect managers and supervisors to take such action as is necessary and appropriate to ensure that our business processes and practices are in full compliance with our company culture and principles.

Health & Safety. Our vision is to have the safest operations in our industry and market. To reduce the risk of serious injuries we invest in systems that enable us to receive reliable and structured data to enable informed decision making. We also work to improve our safety practices in the field and in our retail, technical and office locations to prevent work-related illness and injuries through trainings to our employees, controls of our EPPs, medical facilities and an HSE Culture.

Principal Shareholder

Liberty Costa Rica is a wholly-owned subsidiary of LBT CT, which is an entity that is 80% owned by Liberty Latin America and 20% owned by Sidera Visus.

Liberty Latin America. Liberty Latin America is an international provider of video, broadband internet, fixed-line telephony and mobile services in over 20 countries, primarily in Latin America and the Caribbean and is traded on the NASDAQ Global Select Market under the symbols "LILA" and "LILAK", and on the OTC link under the symbol "LILAB".

Sidera Visus. Sidera Visus is a private, Panamanian holding company.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

See the Glossary of defined terms at the beginning of this report.

The following discussion and analysis, which should be read in conjunction with our consolidated financial statements, is intended to assist in providing an understanding of our results of operations and financial condition and is organized as follows:

- *Overview.* This section provides a general description of our business and recent events.
- *Results of Operations.* This section provides an analysis of our results of operations for the years ended December 31, 2025 and 2024.
- *Liquidity and Capital Resources.* This section provides an analysis of our liquidity, consolidated statements of cash flows and contractual commitments.

Unless otherwise indicated, operational data (including subscriber statistics) is presented as of December 31, 2025.

Overview

General

We are a provider of fixed and mobile telecommunications services to residential and B2B customers in Costa Rica.

At December 31, 2025, we (i) served 2,194,300 mobile subscribers and (ii) owned and operated fixed networks that passed 860,200 homes and served 611,400 RGUs, comprising 287,700 broadband internet subscribers, 211,400 video subscribers and 112,300 fixed-line telephony subscribers.

Internal Controls and Procedures

Management identified the following material weaknesses in internal control over financial reporting, which exist as of December 31, 2025:

- Due to an insufficient allocation of knowledgeable resources, the company did not effectively deploy control activities necessary to ensure the completeness and reliability of information used in certain manual and automated controls.
- As a consequence, process-level controls were determined to be ineffective throughout the order-to-cash (including revenue, trade receivables, and deferred revenue), long-lived assets, and other financial reporting processes.

These control deficiencies resulted in immaterial misstatements, some of which were corrected, in our consolidated financial statements as of and for the year ended December 31, 2025. These control deficiencies create a reasonable possibility that a material misstatement to the consolidated financial statements will not be prevented or detected on a timely basis, and therefore we conclude that the deficiencies represent material weaknesses in internal control over financial reporting, and our internal control over financial reporting is not effective as of December 31, 2025.

Ongoing Remediation Efforts

With respect to the remaining material weaknesses in internal control disclosed above, we are further enhancing remediation plans as follows:

- Assessing the specific training needs for newly hired and existing personnel and developing and delivering training programs designed to uphold our internal control standards.
- Enhancing our information and communication processes, including through information technology solutions, to ensure that information needed for financial reporting is accurate, complete, relevant, reliable, and communicated in a timely manner.

We believe these measures will remediate the control deficiencies and strengthen our internal control over financial reporting. We will test the operating effectiveness of the revised and new controls subsequent to full implementation, and will consider the material weakness remediated after the applicable controls have operated effectively for a sufficient period of time.

The actions we are taking are subject to continued senior management review as well as audit committee oversight. We are committed to continuing to improve our internal control processes, and, as we continue to evaluate and work to improve our internal control over financial reporting, we may take additional measures to address control deficiencies, or we may modify certain remediation measures described above.

Management's Remediation Plan

The following remediation activities, amongst others, have taken place as of December 31, 2025:

- Hired additional individuals with appropriate skills and experience and ensured responsibilities are appropriately assigned and the individuals are held accountable.
- Engaged third-party experts to assist in training and coaching existing personnel regarding control design and execution, enhancing the design of the risk assessment process and ensuring that internal controls over financial reporting are or will be implemented to mitigate those risks, and monitoring the execution of internal controls over financial reporting.
- Designed and implemented a comprehensive and continuous risk assessment process to identify and assess risks of material misstatement and ensure that the impacted financial reporting processes and related internal controls are properly designed and in place to respond to those risks in our financial reporting.
- Completed our IT risk assessment process and design and implement GITCs, including program change controls and access controls, that support the consistent operation of the company's IT operating systems, databases and IT applications, and end user computing over financial reporting, and ensure they are operating effectively to support process-level automated and manual control activities that are dependent upon information derived from IT systems.
- Enhanced the design of existing control activities and implemented additional process-level control activities (including controls over the order-to-cash, procure-to-pay, hire-to-pay, long-lived assets, inventory, and other financial reporting processes) and ensured they are properly evidenced and operating effectively.
- Provided training for control owners covering control requirements and performance, and control owner's responsibilities.
- Implemented changes to our bonus program to incorporate control implementation and performance objectives specific to each in-scope operation.

These actions, amongst others, resulted in complete remediation of the material weaknesses in internal control over financial reporting related to our risk assessment processes and GITCs, as disclosed in our 2024 annual report.

Strategy and Management Focus

From a strategic perspective, we are seeking to build or acquire broadband communications and mobile businesses that have strong prospects for future growth. As discussed further under *Liquidity and Capital Resources—Capitalization* below, we also seek to maintain our debt at levels that provide for attractive equity returns without assuming undue risk.

We strive to achieve "organic" revenue and customer growth in our operations by developing and marketing bundled entertainment, information and communications services, and extending and upgrading the quality of our networks where appropriate. As we use the term, organic growth excludes FX and the estimated impact of acquisitions and disposals. While we seek to increase our customer base, we also seek to maximize the average revenue we receive from each household or business by increasing the penetration of our video, broadband internet, fixed-line telephony and mobile services with existing customers through product bundling and up-selling.

Results of Operations

We are subject to inflationary pressures with respect to certain costs and foreign currency exchange risk with respect to costs and expenses that are denominated in USD (non-functional currency expenses). Any cost increases that we are not able to pass on to our subscribers would result in increased pressure on our operating margins.

We are exposed to foreign currency exchange rate risk due to the fact that a portion of our operating expenses, capital expenditures and debt are denominated in USD. We are exposed to net variability in the USD to CRC exchange rate on a portion of our expected nonfunctional currency spend. We have entered into foreign currency forward contracts to hedge some of this risk taking into consideration certain USD receivables and cash on hand. For additional information regarding our derivative instruments, see note 5 to our consolidated financial statements.

Revenue

We derive our revenue primarily from (i) residential fixed services, including video, broadband internet and fixed-line telephony, (ii) mobile services and (iii) B2B enterprise services.

While not specifically discussed in the below explanations of the changes in revenue, we experience significant competition. Competition has an adverse impact on our ability to increase or maintain our RGUs and/or ARPU.

Variances in the subscription revenue that we receive from our customers are a function of (i) changes in the number of RGUs or mobile subscribers during the period and (ii) changes in ARPU. Changes in ARPU can be attributable to (i) changes in prices, (ii) changes in bundling or promotional discounts, (iii) changes in the tier of services selected, (iv) variances in subscriber usage patterns and (v) the overall mix of fixed and mobile products during the period. In the following discussion, we discuss ARPU changes in terms of the net impact of the above factors on the ARPU that is derived from our video, broadband internet, fixed-line telephony and mobile products.

The following table sets forth our revenue by major category:

	Year ended December 31,		Increase (decrease)	
	2025	2024	CRC	%
	CRC in billions, except percentages			
Residential revenue:				
Residential fixed revenue:				
Subscription revenue	64.8	70.7	(5.9)	(8)
Non-subscription revenue	20.3	18.1	2.2	12
Total residential fixed revenue	85.1	88.8	(3.7)	(4)
Residential mobile revenue:				
Service revenue	148.6	142.1	6.5	5
Interconnect, inbound roaming, equipment sales and other	50.0	45.9	4.1	9
Total residential mobile revenue	198.6	188.0	10.6	6
Total residential revenue	283.7	276.8	6.9	2
B2B revenue	34.7	39.0	(4.3)	(11)
Total	318.4	315.8	2.6	1

The details of the changes in our revenue during 2025, as compared to 2024, are set forth below (CRC in billions):

Increase (decrease) in residential fixed subscription revenue due to change in:	
Average number of RGUs (a)	3.4
ARPU (b)	(9.1)
Increase in residential fixed non-subscription revenue (c)	2.0
Total decrease in residential fixed revenue	(3.7)
Increase in residential mobile service revenue (d)	6.5
Increase in residential mobile interconnect, inbound roaming, equipment sales and other revenue (e)	4.1
Decrease in B2B revenue (f)	(4.3)
Total increase	2.6

(a) The increase is primarily driven by higher average broadband internet and video RGUs.

(b) The decrease is primarily attributable to lower ARPU from video services and, to a lesser extent, from broadband internet and fixed-line telephony services.

(c) The increase is primarily attributable to higher volumes of CPE sales.

(d) The increase is primarily due to the net effect of (i) higher average postpaid mobile subscribers, (ii) lower prepaid ARPU and, to a lesser extent, lower postpaid mobile ARPU and (iii) lower average prepaid mobile subscribers.

(e) The increase is primarily attributable to the net effect of (i) higher equipment sales, mainly driven by higher volumes, and (ii) a decrease in interconnect revenue, driven by lower local traffic volume.

(f) The decrease is primarily attributable to a decline in project-related revenue.

Programming and other direct costs of services

Programming and other direct costs of services include programming and copyright costs, interconnect and access costs, and equipment costs, which primarily relate to costs of mobile handsets and other devices, project-related costs and other direct costs related to our operations.

The following table sets forth the changes in programming and other direct costs of services.

	Year ended December 31,		Increase (decrease)
	2025	2024	
	CRC in billions		
Programming and copyright	19.0	19.4	(0.4)
Interconnect	11.6	14.7	(3.1)
Equipment	37.6	32.9	4.7
Project-related and other	0.6	3.4	(2.8)
Total programming and other direct costs of services	68.8	70.4	(1.6)

- **Interconnect:** The decrease is primarily driven by (i) lower volumes of traffic and (ii) a decrease in roaming.
- **Equipment:** The increase is primarily attributable to higher handset unit costs.
- **Project related and other:** The decrease is due to lower costs associated with B2B projects.

Other operating costs and expenses

Other operating costs and expenses comprise the following cost categories:

- **Personnel and contract labor-related** costs, which primarily include salary-related and cash bonus expenses, net of capitalizable labor costs, and temporary contract labor costs;
- **Network-related** expenses, which primarily include costs related to network access, system power, core network, and CPE repair, maintenance and test costs;
- **Service-related** costs, which primarily include professional services, information technology-related services, audit, legal and other services;
- **Commercial**, which primarily includes sales and marketing costs, such as advertising, commissions and other sales and marketing-related costs, and customer care costs related to outsourced call centers;
- **Facility, provision, franchise and other**, which primarily includes facility-related costs, provision for bad debt expense, franchise-related fees, operating lease expense, bank fees, insurance, vehicle-related costs, travel and entertainment and other operating-related costs; and
- **Share-based compensation and other Employee Incentive Plan-related** expense that relates to Liberty Latin America equity awards issued to our employees, as further described in note 12, to our consolidated financial statements, and the LTVP, whether settled in Liberty Latin America common shares or cash.

The following table sets forth the changes in other operating costs and expenses.

	Year ended December 31, 2025	Year ended December 31, 2024	Decrease
	CRC in billions		
Personnel and contract labor	16.9	16.5	0.4
Network-related	20.5	20.6	(0.1)
Service-related	12.9	13.1	(0.2)
Commercial	31.4	31.7	(0.3)
Facility, provision and other	49.3	45.3	4.0
Share-based compensation and other Employee Incentive Plan-related expense	1.0	0.7	0.3
Total other operating costs and expenses	132.0	127.9	4.1

- **Facility, provision, franchise and other:** The increase is primarily due to higher bad debt expense.

Results of Operations (below Adjusted OIBDA)

Related-party fees and allocations

We recorded related-party fees and allocations of CRC 1 billion during each of 2025 and 2024. These amounts primarily include charges for services provided to our company by Liberty Latin America or subsidiaries of Liberty Latin America.

For additional information regarding our related-party fees and allocations, see note 12 to our consolidated financial statements.

Depreciation and amortization

Our depreciation and amortization expense increased by CRC 4 billion or 7% during 2025, as compared to 2024. The increase was primarily driven by higher additions to property and equipment.

Interest expense

Our interest expense remained relatively unchanged in 2025, as compared to 2024.

For additional information regarding our outstanding indebtedness, see note 8 to our consolidated financial statements.

It is possible that the interest rates on (i) any new borrowings could be higher than the current interest rates on our existing indebtedness and (ii) our variable-rate indebtedness could increase in future periods. As further discussed in note 5 to our consolidated financial statements, we use derivative instruments to manage our interest rate risk.

Realized and unrealized gains or losses on derivative instruments, net

Our realized and unrealized gains or losses on derivative instruments primarily include (i) unrealized changes in the fair values of our derivative instruments that are non-cash in nature until such time as the derivative contracts are fully or partially settled and (ii) realized gains or losses upon the full or partial settlement of the derivative contracts.

We recognized net realized and unrealized derivative losses of CRC 5 billion and CRC 3 billion during 2025 and 2024, respectively.

For additional information concerning our derivative instruments, see notes 5 and 3 to our consolidated financial statements.

Foreign currency transaction gains or losses, net

Our foreign currency transaction gains or losses primarily result from the remeasurement of monetary assets and liabilities that are denominated in currencies other than our functional currency. Unrealized foreign currency transaction gains or losses are computed based on period-end exchange rates and are non-cash in nature until such time as the amounts are settled.

We recognized net foreign currency transaction gains of CRC 7 billion and CRC 4 billion in 2025 and 2024, respectively, primarily related to the remeasurement of (i) the USD-denominated LCR Credit Facilities, (ii) third-party payables and receivables and (iii) intercompany payables and receivables.

Income tax benefit or expense

We recognized income tax expense of CRC 16 billion and CRC 17 billion during 2025 and 2024, respectively.

The income tax expense attributable to our earnings before income taxes during 2025 differs from the amount computed using the statutory tax rate (based on the Costa Rican income tax rate of 30%), primarily due to the detrimental effects of permanent items, such as nondeductible expenses, which includes disallowed interest expense and acquisition costs related to our debt associated with a business acquisition in 2021. These negative effects to our effective tax rate were partially offset by the beneficial effects of (i) permanent tax differences, such as non-taxable income, which includes FX gains related to debt associated with a business acquisition in 2021 and (ii) changes in uncertain tax positions.

The income tax expense attributable to our earnings before income taxes during 2024 differs from the amount computed using the statutory tax rate, primarily due to the detrimental effects of permanent items, such as nondeductible expenses, which include disallowed interest expense and acquisition costs related to our debt associated with a business acquisition in 2021. These negative effects to our effective tax rate were partially offset by the beneficial effects of permanent tax differences, such as non-taxable income, which includes FX gains related to debt associated with a business acquisition in 2021.

For additional information regarding our income taxes, see note 13 to our consolidated financial statements.

Net earnings or loss

The following table sets forth selected summary financial information of our net earnings:

	Year ended December 31,	
	2025	2024
	CRC in billions	
Operating income	60.7	64.3
Net non-operating expense	(24.2)	(26.0)
Income tax expense	(15.8)	(16.9)
Net earnings	20.7	21.4

Gains or losses associated with (i) changes in the fair values of derivative instruments and (ii) movements in foreign currency exchange rates are subject to a high degree of volatility and, as such, any gains from these sources do not represent a reliable source of income. In the absence of significant gains in the future from these sources or from other non-operating items, our ability to achieve earnings is largely dependent on our ability to increase our Adjusted OIBDA to a level that more than offsets the aggregate amount of our (i) share-based compensation and other Employee Incentive Plan-related expense, (ii) depreciation and amortization, (iii) related-party fees and allocations, (iv) impairment, restructuring and other operating items, (v) interest expense, (vi) other non-operating expenses and (vii) income tax expense.

Liquidity and Capital Resources

Sources and Uses of Cash

As of December 31, 2025, we had CRC 32 billion of cash. In addition to cash, the primary sources of our liquidity are cash provided by operations and borrowing availability under the LCR Credit Facilities. For the details of the borrowing availability under the LCR Credit Facilities, see note 8 to our consolidated financial statements. The aforementioned sources of liquidity may be supplemented in certain cases by contributions and/or loans from Liberty Latin America and its corporate subsidiaries.

Our liquidity is generally used to fund capital expenditures, debt service requirements, payments required by derivative instruments and income tax payments. From time to time, we may also require liquidity in connection with (i) the repayment of any outstanding debt, (ii) acquisitions and other investment opportunities, (iii) distributions or loans to our Parent and (iv) the satisfaction of contingent liabilities. We continually evaluate different financing alternatives and market conditions and may decide to enter into new credit facilities, access debt capital markets or incur other indebtedness from time to time. No assurance can be given that any external funding would be available to us on favorable terms, or at all.

For additional information regarding our cash flows, see the discussion under *Consolidated Statements of Cash Flows* below.

From time to time, we may, to the extent permitted under applicable law, acquire or repay any debt through open market purchases, privately negotiated transactions, tender offers, exchange offers, redemptions or otherwise, upon such terms and at such prices as we may determine (or as may be provided for in our respective credit agreements).

Capitalization

For the year ended December 31, 2025, our net leverage ratio was 1.8x, as specified in, and calculated in accordance with, our credit agreement.

Our ability to service or refinance our debt and to maintain compliance with the leverage covenants in our credit agreements is dependent primarily on our ability to maintain Covenant EBITDA (as defined in the LCR Credit Facilities agreements) and to achieve adequate returns on our property and equipment additions and acquisitions. In addition, our ability to obtain additional debt financing is limited by incurrence-based and/or maintenance-based leverage covenants contained in our credit agreements. For example, if our Covenant EBITDA were to decline, our ability to obtain additional debt could be limited. No assurance can be given that we would have sufficient sources of liquidity, or that any external funding would be available on favorable terms, or at all, to fund any such required repayment. At December 31, 2025, we were in compliance with our debt covenants. We do not anticipate any instances of non-compliance with respect to our debt covenants that would have a material adverse impact on our liquidity during the next 12 months.

At December 31, 2025, the outstanding principal amount of our debt aggregated CRC 256 billion, with CRC 224 billion maturing in 2031 and the remainder in 2033. For additional information concerning our debt, including our debt maturities, see note 8 to our consolidated financial statements.

The weighted average interest rate in effect at December 31, 2025 for all borrowings outstanding pursuant to each debt instrument, including any applicable margin, was 10.43%. The interest rate is based on stated rates and does not include the impact of deferred financing costs and commitment fees, both of which affect our overall cost of borrowing. Including the effects of commitment fees, but excluding the impact of financing costs, the weighted average interest rate on our indebtedness was 10.49% at December 31, 2025.

We believe that we have sufficient resources to fund our foreseeable liquidity requirements during the next 12 months. As of December 31, 2025, we have no significant debt maturities within the next 12 months. However, as our debt maturities arise in later years, we anticipate that we will seek to refinance or otherwise extend such maturities. No assurance can be given that we will be able to complete refinancing transactions or otherwise extend our debt maturities. In this regard, it is difficult to predict how political, economic and social conditions, sovereign debt concerns or adverse regulatory developments may impact the credit markets we access and our future financial position. Our ability to access debt financing on favorable terms, or at all, could be adversely affected by (i) the financial failure of any of our counterparties, which could (a) reduce amounts available under committed credit facilities and (b) adversely impact our ability to access cash deposited with any failed financial institution, and (ii) tightening of the credit markets. In addition, sustained or increased competition, particularly in combination with adverse economic or regulatory developments, could adversely affect our cash flows and liquidity.

Consolidated Statements of Cash Flows

Summary. Our consolidated statements of cash flows for the year ended December 31, 2025 and 2024 are summarized as follows:

	Year ended December 31,		
	2025	2024	Change
	CRC in billions		
Net cash provided by operating activities	49.6	47.6	2.0
Net cash used by investing activities	(52.5)	(43.2)	(9.3)
Net cash provided (used) by financing activities	26.1	(10.7)	36.8
Effect of exchange rate changes on cash and restricted cash	(0.5)	(0.6)	0.1
Net increase (decrease) in cash and restricted cash	22.7	(6.9)	29.6

Operating Activities. The increase in net cash provided by operating activities is primarily attributable to the net effect of (i) an increase resulting from lower tax payments, (ii) a net increase associated with derivative instruments and (iii) a net decrease associated with certain working capital-related items.

Investing Activities. The cash used by investing activities during 2025 and 2024 relates to (i) capital expenditures, net, as further described below, and (ii) payments related to 5G spectrum licenses.

The capital expenditures, net, that we report in our consolidated statements of cash flows relates to cash paid for property and equipment. In this discussion, we refer to (i) our capital expenditures, net, as reported in our consolidated statements of cash flows and (ii) our total property and equipment additions, which include our capital expenditures, net, on an accrual basis.

A reconciliation of our property and equipment additions to our capital expenditures, net, as reported in our consolidated statements of cash flows, is set forth below:

	Year ended December 31,	
	2025	2024
	CRC in billions	
Property and equipment additions	43.3	42.0
Changes in current liabilities related to capital expenditures and other	1.0	1.2
Capital expenditures, net	44.3	43.2

The increase in property and equipment additions in 2025, as compared to 2024, was primarily driven by (i) an increase in baseline, capacity and new build activity and (ii) higher CPE-related additions. During 2025 and 2024, our property and equipment additions represented 13.6% and 13.3% of revenue, respectively.

Financing Activities. During 2025, we generated CRC 26 billion of cash from financing activities, primarily due to (i) CRC 33 billion in net debt borrowings and (ii) CRC 6 billion of distribution to our Parent. During 2024, we used CRC 11 billion of cash for financing activities, primarily related to distributions to our Parent of CRC 10 billion.

Off Balance Sheet Arrangements

In the ordinary course of business, we may provide (i) indemnifications to our lenders, our vendors and certain other parties and (ii) performance and/or financial guarantees to local municipalities, our customers and vendors. Historically, these arrangements have not resulted in our company making any material payments and we do not believe that they will result in material payments in the future.

Contractual Commitments

The following table sets forth the CRC equivalents of our debt and certain other contractual obligations and commitments as of December 31, 2025.

	Payments due by period				
	Total	Less than 1 year	1-3 years	3-5 years	More than 5 years
			CRC in billions		
Debt (excluding interest)	256.2	—	—	—	256.2
Operating leases	124.0	17.0	24.3	21.6	61.1
Other (a)	12.1	7.7	4.3	0.1	—
Total (b)	392.3	24.7	28.6	21.7	317.3
Projected cash interest payments on debt (c)	152.9	—	79.9	53.5	19.5

(a) Amounts primarily represent guaranteed minimum commitments associated with programming fees under multi-year contracts typically based on a rate per customer or stated annual fee.

(b) The commitments included in this table do not reflect any liabilities that are included in our December 31, 2025 consolidated balance sheet other than debt and operating lease obligations.

(c) Amounts are based on interest rates, interest payment dates, commitment fees and contractual maturities in effect as of December 31, 2025. These amounts are presented for illustrative purposes only and will likely differ from the actual cash payments required in future periods. In addition, the amounts presented do not include the impact of our derivative contracts.

For information concerning our operating leases, debt and commitments, see notes 8, 7 and 14, respectively, to our consolidated financial statements.

In addition to the commitments set forth in the table above, we have commitments under derivative instruments, pursuant to which we expect to make payments in future periods. For information regarding projected cash flows associated with our derivative instruments, see *Projected Cash Flows Associated with Derivative Instruments* below. For information regarding our derivative instruments, including the net cash paid or received in connection with these instruments during 2025 and 2024, see note 5 to our consolidated financial statements.

Projected Cash Flows Associated with Derivative Instruments

The following table provides information regarding the projected net cash flows associated with our derivative instruments. These amounts are presented for illustrative purposes only and will likely differ from the actual cash payments or receipts required in future periods. For additional information regarding our derivative instruments, including our counterparty credit risk, see note 5 to our consolidated financial statements.

	Payments due during:			
	2026	2027	2028 and Thereafter	Total
	CRC in billions			
Projected derivative cash payments, net:				
Foreign currency forward contracts	4.0	0.6	—	4.6

Independent Auditors' Report

The Board of Directors
Liberty Telecomunicaciones de Costa Rica LY, S.A. (formerly Liberty Servicios Fijos LY, S.A.):

Opinion

We have audited the consolidated financial statements of Liberty Telecomunicaciones de Costa Rica LY, S.A. (formerly Liberty Servicios Fijos LY, S.A.) and its subsidiaries (the Company), which comprise the consolidated balance sheet as of December 31, 2025, and the related consolidated statements of operations, equity, and cash flows for the year then ended, and the related notes to the consolidated financial statements.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2025, and the results of its operations and its cash flows for the year then ended in accordance with U.S. generally accepted accounting principles.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). 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 required to be independent of the Company and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Other Matter

The consolidated financial statements of the Company as of and for the Year ended December 31, 2024 were audited by another auditor, who expressed an unmodified opinion on those statements on March 24, 2025.

Responsibilities of Management for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with U.S. generally accepted accounting principles, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for one year after the date that the consolidated financial statements are available to be issued.

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 is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the consolidated financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Accordingly, no such opinion is expressed.

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the consolidated financial statements.

- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

/s/ KPMG

Denver, Colorado
March 19, 2026

LIBERTY TELECOMUNICACIONES DE COSTA RICA LY, S.A.

CONSOLIDATED BALANCE SHEETS

	December 31, 2025	December 31, 2024
	CRC in billions	
ASSETS		
Current assets:		
Cash	31.8	9.0
Trade receivables, net	28.8	31.7
Current notes receivables, net	37.5	30.1
Inventory, net	7.4	6.3
Other current assets, net	8.1	11.5
Total current assets	113.6	88.6
Goodwill	255.3	255.3
Property and equipment, net	154.0	154.0
Intangible assets subject to amortization, net	69.2	72.6
Operating lease right-of-use assets	78.5	82.5
Other assets, net	25.0	18.1
Total assets	695.6	671.1
LIABILITIES AND EQUITY		
Current liabilities:		
Accounts payable	50.6	52.0
Accrued interest	11.7	12.3
Current portion of operating lease liabilities	9.8	10.2
Accrued income taxes	4.2	7.4
Other accrued and current liabilities	34.8	39.0
Total current liabilities	111.1	120.9
Long-term debt	250.1	223.4
Long-term operating lease liabilities	67.4	71.8
Other long-term liabilities	22.3	25.1
Total liabilities	450.9	441.2
Commitments and contingencies		
Equity:		
Accumulated net contributions	170.1	176.1
Accumulated earnings	75.6	54.9
Accumulated other comprehensive loss, net of taxes	(1.0)	(1.1)
Total equity	244.7	229.9
Total liabilities and equity	695.6	671.1

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

LIBERTY TELECOMUNICACIONES DE COSTA RICA LY, S.A.

CONSOLIDATED STATEMENTS OF OPERATIONS

	Year ended December 31,	
	2025	2024
	CRC in billions	
Revenue	318.4	315.8
Operating costs and expenses (exclusive of depreciation and amortization, shown separately below):		
Programming and other direct costs of services	68.8	70.4
Other operating costs and expenses	132.0	127.9
Related-party fees and allocations	1.3	1.4
Depreciation and amortization	54.9	51.2
Impairment, restructuring and other operating items, net	0.7	0.6
	257.7	251.5
Operating income	60.7	64.3
Non-operating income (expense):		
Interest expense	(27.2)	(27.1)
Realized and unrealized losses on derivative instruments, net	(4.7)	(3.1)
Foreign currency transaction gains, net	7.2	4.3
Other income (expense), net	0.5	(0.1)
	(24.2)	(26.0)
Earnings before income taxes	36.5	38.3
Income tax expense	(15.8)	(16.9)
Net earnings	20.7	21.4

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

LIBERTY TELECOMUNICACIONES DE COSTA RICA LY, S.A.

CONSOLIDATED STATEMENTS OF EQUITY

	Accumulated net contributions	Accumulated earnings	Accumulated other comprehensive loss, net of taxes	Total equity
	CRC in billions			
Balance at January 1, 2024	186.4	33.5	(1.7)	218.2
Net earnings	—	21.4	—	21.4
Other comprehensive income	—	—	0.6	0.6
Distributions to Parent	(10.3)	—	—	(10.3)
Balance at December 31, 2024	176.1	54.9	(1.1)	229.9
Balance at January 1, 2025	176.1	54.9	(1.1)	229.9
Net earnings	—	20.7	—	20.7
Other comprehensive income	—	—	0.1	0.1
Distributions to Parent	(6.0)	—	—	(6.0)
Balance at December 31, 2025	170.1	75.6	(1.0)	244.7

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

LIBERTY TELECOMUNICACIONES DE COSTA RICA LY, S.A.

CONSOLIDATED STATEMENTS OF CASH FLOWS

	Year ended December 31,	
	2025	**2024**
	CRC in billions	
Cash flows from operating activities:		
Net earnings	20.7	21.4
Adjustments to reconcile net earnings to net cash provided by operating activities:		
Depreciation and amortization	54.9	51.2
Impairments and other non-cash charges	0.2	0.2
Amortization of deferred financing costs and discounts	1.1	1.0
Realized and unrealized losses on derivative instruments, net	4.7	3.1
Foreign currency transaction gains, net	(7.2)	(4.3)
Deferred income tax benefit	(3.3)	(4.6)
Changes in operating assets and liabilities:		
Receivables and other operating assets	(2.6)	(12.7)
Payables and accruals	(18.9)	(7.7)
Net cash provided by operating activities	49.6	47.6
Cash flows from investing activities:		
Capital expenditures, net	(44.3)	(43.2)
Purchase of licenses	(8.2)	—
Net cash used by investing activities	(52.5)	(43.2)
Cash flows from financing activities:		
Borrowings of debt	63.6	16.0
Payments of principal amounts of debt	(30.8)	(16.4)
Distributions to Parent	(6.0)	(10.3)
Other financing activities	(0.7)	—
Net cash provided (used) by financing activities	26.1	(10.7)
Effect of exchange rate changes on cash and restricted cash	(0.5)	(0.6)
Net increase (decrease) in cash and restricted cash	22.7	(6.9)
Cash and restricted cash:		
Beginning of year	9.4	16.3
End of year	32.1	9.4
Cash paid for interest	26.3	26.2
Net cash paid for taxes	21.8	24.3

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

(1) Basis of Presentation

See the Glossary of defined terms at the beginning of this report for terms used throughout the consolidated financial statements.

General

Liberty Costa Rica and its subsidiaries, is a provider of fixed and mobile telecommunications services to residential and B2B customers in Costa Rica. Liberty Costa Rica is a wholly-owned subsidiary of LBT CT.

Effective April 1, 2025, Liberty Servicios was merged into Liberty Telecomunicaciones, the immediate subsidiary of Liberty Servicios. The merger did not have any impact on the consolidated financial statements of Liberty Costa Rica.

The accompanying consolidated financial statements have been prepared in accordance with U.S. GAAP.

These consolidated financial statements reflect our consideration of the accounting and disclosure implications of subsequent events through March 19, 2026, the date of issuance.

(2) Accounting Changes and Recent Accounting Pronouncements

Accounting Changes

ASU 2023-09

In December 2023, the FASB issued ASU No. 2023-09, *Income Taxes (Topic 740): Improvements to Income Tax Disclosures* (**ASU 2023-09**), which was issued to enhance transparency of income tax disclosures, primarily by requiring consistent categories and disaggregated information about an entity's effective tax rate reconciliation and disaggregated jurisdictional information on income taxes paid. The standard also eliminates certain existing requirements related to uncertain tax positions and unrecognized deferred tax liabilities. ASU 2023-09 is effective for annual periods beginning after December 15, 2024 with early adoption permitted. We have implemented the reporting standards set forth in ASU 2023-09 on a prospective basis as of December 31, 2025.

Recent Accounting Pronouncements

We expect to adopt the following accounting pronouncements in conjunction with Liberty Latin America.

ASU 2024-03 and ASU 2025-01

In November 2024, the FASB issued ASU No. 2024-03, *Income Statement—Reporting Comprehensive Income—Expense Disaggregation Disclosures (Subtopic 220-04): Disaggregation of Income Statement Expenses* (**ASU 2024-03**), which requires more detailed disclosure in the notes to the financial statements about the types of expenses in commonly presented expense captions. In each annual and interim reporting period, entities are required to (i) disclose the amounts of (a) purchases of inventory, (b) employee compensation, (c) depreciation and (d) intangible asset amortization included in each expense line item within continuing operations that is presented on the statement of operations, (ii) include certain amounts that are already required to be disclosed under current U.S. GAAP in the same disclosure as the other disaggregation requirements, (iii) disclose a qualitative description of the amounts remaining in each expense line item within continuing operations that are not separately quantified and (iv) disclose the total amount of selling expenses and, in annual reporting periods, an entity's definition of selling expenses. In January 2025, the FASB issued ASU No. 2025-01, *Income Statement—Reporting Comprehensive Income—Expense Disaggregation Disclosures (Subtopic 220-04): Clarifying the Effective Date* (**ASU 2025-01**). ASU 2024-03 is effective for annual reporting periods beginning after December 15, 2026 and interim reporting periods beginning after December 15, 2027 with early adoption permitted, as clarified in ASU 2025-01 . We are currently evaluating the impact this standard will have on our consolidated financial statements.

ASU 2025-05

In July 2025, the FASB issued ASU No. 2025-05, *Financial Instruments—Credit Losses (Topic 326): Measurement of Credit Losses for Accounts Receivable and Contract Assets* **(ASU 2025-05)**, which introduces a practical expedient for all entities and an accounting policy election for all entities, other than public business entities, that elect the practical expedient to simplify the estimation of expected credit losses for current accounts receivable and current contract assets. Entities electing the practical expedient can assume that current conditions as of the balance sheet date do not change for the remaining life of the asset. Entities must disclose whether they have elected to use the practical expedient and, if so, whether they have also applied the accounting policy election. ASU 2025-05 is effective for annual reporting periods beginning after December 15, 2025, and interim periods within those annual reporting periods, with early adoption permitted. We are currently evaluating the impact this standard will have on our consolidated financial statements.

ASU 2025-06

In September 2025, the FASB issued ASU No. 2025-06, *Intangibles—Goodwill and Other—Internal-Use Software (Subtopic 350-40)* (**ASU 2025-06**), which provides accounting guidance to modernize the accounting for internal-use software costs. The amendments replace the prior stage-based model with a principles-based approach, removing all references to project stages and instead focusing on the two remaining criteria for capitalization, being i) management has authorized and committed to the funding for the software project and ii) it is probable a project will be completed and used as intended. Until both of these criteria are met, all software development costs should be expensed as incurred. ASU 2025-06 is effective for annual and interim periods beginning after December 15, 2027, with early adoption permitted. Entities may apply the amendments prospectively, retrospectively, or using a modified retrospective approach. We are currently evaluating the impact of ASU 2025-06 on our consolidated financial statements.

(3) Summary of Significant Accounting Policies

Estimates

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Estimates and assumptions are used in accounting for, among other things, the valuation of acquisition-related assets and liabilities, expected credit losses, programming and copyright expenses, deferred income taxes and related valuation allowances, loss contingencies, fair value measurements, impairment assessments, capitalization of internal costs associated with construction and installation activities and useful lives of long-lived assets. Actual results could differ from those estimates.

Reclassifications

Certain prior year amounts have been reclassified to conform to the current year presentation.

Principles of Consolidation

The accompanying consolidated financial statements include our accounts and the accounts of all voting interest entities where we exercise a controlling financial interest through the ownership of a direct or indirect controlling voting interest. Intercompany accounts have been eliminated in consolidation.

Cash and Cash Equivalents

Cash equivalents consist of money market funds and other investments that are readily convertible into cash and have maturities of three months or less at the time of acquisition. We record money market funds at the net asset value as there are no restrictions on our ability, contractual or otherwise, to redeem our investments.

Receivables

We have trade and notes receivables that are each reported net of an allowance for expected credit losses.

Our notes receivable consist of EIP receivables due from customers under contracts for a period of 24 months. The long-term portions of our notes receivable, net of allowances for expected credit losses are CRC 19 billion and CRC 16 billion at December 31, 2025 and 2024, respectively, and are included in other assets, net, in our consolidated balance sheets.

From time to time, we may sell our trade or notes receivables to third parties. We recognize the sale of these receivables to the extent that transfer represents either (i) an entire financial asset, or (ii) a ratable participating interest, which remains constant throughout the life of the loan, with neither party senior to the other. We then evaluate whether control over the asset has been surrendered based on certain criteria, including legal isolation, actual control and effective control. To the extent the receivable does not meet the requirements of a sale, we continue to recognize the receivable and record any cash received as a debt on our consolidated balance sheet and as a financing inflow in our consolidated statement of cash flows. During 2025 and 2024, we generated approximately CRC 12 billion and CRC 11 billion, respectively, from the sale of receivables to third parties that is reflected in cash provided by operating activities in our consolidated statements of cash flows.

Concentration of credit risk with respect to trade and notes receivables is limited due to the large number of customers.

The allowances on each of our trade and notes receivables are established using our best estimates of current expected credit losses based upon, among other things, actual credit loss experience over the prior 12-month period, recent collection trends, prevailing and anticipated economic conditions and specific customer credit risk. Receivables outstanding greater than 30 days are considered past due and we generally write-off receivables after they become past due for 365 days.

The aggregate changes in our allowance for expected credit losses associated with our trade receivables, and current and long-term notes receivables are set forth below:

	Year ended December 31,	
	2025	2024
	CRC in billions	
Beginning balance	10.7	6.4
Provision for expected losses	19.8	16.1
Write-offs and other	(19.1)	(11.8)
Ending balance	11.4	10.7

Financial Instruments

Due to the short maturities of cash and cash equivalents, trade and other receivables, notes receivable, other current assets, accounts payable, accrued liabilities and other accrued and current liabilities, their respective carrying values approximate their respective fair values. For information concerning the fair values of our derivative and debt instruments, see notes 5 and 8, respectively. For information regarding how we arrive at certain of our fair value measurements, see note 4.

Derivative Instruments

All derivative instruments are recorded in our consolidated balance sheets at fair value, whether designated as a hedge or not. If the derivative instrument is not designated as a hedge, changes in the fair value of the derivative instrument are recognized in earnings. If the derivative instrument is designated as a cash flow hedge, the effective portions of changes in the fair value of the derivative instrument are recorded in other comprehensive earnings or loss and subsequently reclassified into our consolidated statements of operations when the hedged forecasted transaction affects earnings. Ineffective portions of changes in the fair value of cash flow hedges are recognized in realized and unrealized gains or losses on derivative instruments in our consolidated statements of operations. With the exception of certain foreign currency forward contracts, we do not apply hedge accounting to our derivative instruments.

The reported fair values of our derivative instruments likely will not represent the value that will be paid or received upon the ultimate settlement or disposition of these assets and liabilities, as we expect that the values realized generally will be based on market conditions at the time of settlement.

The net cash received or paid related to our derivative instruments is classified as an operating, investing or financing activity in our consolidated statements of cash flows based on the objective of the derivative instrument and the classification of the applicable underlying cash flows, as follows:

- foreign currency forward contracts that are used to hedge operating expenditures: the net cash paid or received is classified as an operating activity;
- foreign currency forward contracts that are used to hedge capital expenditures: the net cash paid or received is reflected in capital expenditures, net, which are classified as an investing activity;

- foreign currency forward contracts that are used to hedge principal exposure on foreign currencies: the net cash paid or received is classified as a financing activity; and
- derivative contracts that are terminated prior to maturity: the cash paid or received upon termination that relates to future periods is classified as a financing activity.

For additional information regarding our derivative instruments, see note 5.

Inventories

Inventories consist primarily of mobile handset devices and accessories and are valued at the lower of cost or net realizable value. We maintain inventory valuation reserves for obsolete and slow-moving inventory based on analysis of recent historical sales activity and current retail, stand-alone selling prices. We record sales of inventories under the average cost method.

Property and Equipment

Property and equipment are stated at cost less accumulated depreciation. We capitalize costs associated with the construction of new cable and mobile transmission and distribution facilities and the installation of new cable services. The nature and amount of labor and other costs to be capitalized with respect to construction and installation activities involves judgment. In addition to direct external and internal labor and materials, we also capitalize other costs directly attributable to our construction and installation activities, including dispatch costs, quality-control costs, vehicle-related costs and certain warehouse-related costs. The capitalization of these costs is based on time sheets, time studies, standard costs, call tracking systems and other verifiable means that directly link the costs incurred with the applicable capitalizable activity. We continuously monitor the appropriateness of our capitalization policies and update the policies when necessary to respond to changes in facts and circumstances, such as the development of new products and services and changes in the manner that installations or construction activities are performed. Installation activities that are capitalized include (i) the initial connection (or drop) from our cable system to a customer location, (ii) the replacement of a drop and (iii) the installation of equipment for additional services, such as digital cable, telephone or broadband internet service. The costs of other customer-facing activities, such as reconnecting and disconnecting customer locations and repairing or maintaining drops, are expensed as incurred.

We capitalize internal and external costs directly associated with the development of internal-use software. Capitalized internal-use software is included as a component of property and equipment. We also capitalize costs associated with the purchase of software licenses. Costs associated with software obtained in a hosting arrangement are expensed over the life of the service contract, unless we have the right to take possession of the software at any time without significant penalty and it is feasible to run the software on our own hardware or contract with another party unrelated to the vendor to host the software. Maintenance and training costs, as well as costs incurred during the preliminary stage of an internal-use software development project, are expensed as incurred.

Depreciation is computed using the straight-line method over the estimated useful life of the underlying asset. Equipment under finance leases is amortized on a straight-line basis over the shorter of the lease term or estimated useful life of the asset and is included in depreciation and amortization in our consolidated statements of operations. Useful lives used to depreciate our property and equipment are assessed periodically and are adjusted when warranted. The useful lives of cable and mobile distribution systems that are undergoing a rebuild are adjusted such that property and equipment to be retired will be fully depreciated by the time the rebuild is completed. For additional information regarding the useful lives of our property and equipment, see note 6.

Additions, replacements and improvements that extend the asset life are capitalized. Repairs and maintenance are expensed as incurred.

Intangible Assets

Our primary intangible assets relate to goodwill, customer relationships and spectrum licenses. Customer relationships, spectrum licenses and cable television franchise rights that are acquired in connection with a business combination are initially recorded at their fair values.

Goodwill is not amortized, but instead is tested for impairment at least annually. Our customer relationships, which have finite lives, are amortized on a straight-line basis over their respective estimated useful lives to their estimated residual values, and reviewed for impairment.

Spectrum licenses provide us with the exclusive right to utilize a certain radio frequency spectrum to provide wireless communications services. Spectrum licenses are time-limited and renewals generally must be purchased at rates established by local authorities. As such, our spectrum licenses are amortized over an estimated useful life of 25 years. We believe we will be able to meet all requirements necessary to secure renewal of our spectrum licenses.

For additional information regarding the useful lives of our intangible assets, see note 6.

Impairment of Property and Equipment and Intangible Assets

When circumstances warrant, we review the carrying amounts of our property and equipment and our intangible assets (other than goodwill) to determine whether such carrying amounts continue to be recoverable. Such changes in circumstance may include (i) the impact of natural disasters, (ii) an expectation of a sale or disposal of a long-lived asset or asset group, (iii) adverse changes in market or competitive conditions, (iv) an adverse change in legal factors or business climate in the market in which we operate and (v) operating or cash flow losses. For purposes of impairment testing, long-lived assets are grouped at the lowest level for which cash flows are largely independent of other assets and liabilities, generally at or below the reporting unit level (see below). If the carrying amount of the asset or asset group is greater than the expected undiscounted cash flows to be generated by such asset or asset group, an impairment adjustment is recognized. Such adjustment is measured by the amount that the carrying value of such asset or asset group exceeds its fair value. We generally measure fair value by considering (i) sale prices for similar assets, (ii) discounted estimated future cash flows using an appropriate discount rate and/or (iii) estimated replacement cost. Assets to be disposed of are recorded at the lower of their carrying amount or fair value less costs to sell.

We evaluate goodwill for impairment at least annually on July 1 and whenever facts and circumstances indicate that the fair value of a reporting unit may be less than its carrying value. For impairment evaluations with respect to goodwill, we first make a qualitative assessment to determine if the goodwill may be impaired. If it is more-likely-than-not that a reporting unit's fair value is less than its carrying value, we then compare the fair value of the reporting unit to its respective carrying amount. For purposes of the goodwill impairment evaluation, our operations consists of one reporting unit.

A reporting unit is an operating segment or one level below an operating segment. Goodwill impairment is recorded as the excess of a reporting unit's carrying value over its fair value and is charged to operations as an impairment loss. With respect to other indefinite-lived intangible assets, if it is more-likely-than-not that the fair value of an indefinite-lived intangible asset is less than its carrying value, we then estimate its fair value and any excess of the carrying value over the fair value is also charged to operations as an impairment loss. For additional information regarding the fair value measurements of our property and equipment and intangible assets, see note 6.

Deferred Revenue

We record deferred revenue when we have received payment prior to transferring goods or services to a customer. Deferred revenue primarily relates to (i) advanced payments on fixed subscription services, mobile airtime services and (ii) deferred installation and other upfront fees. Our aggregate current and long-term deferred revenue were CRC 3 billion and CRC 5 billion as of December 31, 2025 and 2024, respectively. Long-term deferred revenue is included in other long-term liabilities in our consolidated balance sheets.

Operating Leases

Our operating leases primarily consist of (i) property leases for mobile tower locations that generally have initial terms of five to ten years with one or more renewal options, and (ii) lease commitments for (a) retail stores, offices and facilities, (b) other network assets and (c) other equipment. It is expected that in the normal course of business, operating leases that expire generally will be renewed or replaced by similar leases. For additional information regarding our leases, see note 7.

We classify leases with a term of greater than 12 months where substantially all risks and rewards incidental to ownership are retained by the third-party lessors as operating leases. We record a right-of-use asset and an operating lease liability at inception of the lease at the present value of the lease payments plus certain other payments, including variable lease payments and amounts probable of being owed by us under residual value guarantees. Payments made under operating leases, net of any incentives received from the lessors, are recognized to expense on a straight-line basis over the term of the lease. Initial direct costs incurred in negotiating and arranging operating leases are recognized to expense when incurred. Contingent rental payments are recognized to expense when incurred. Our operating lease expense is included in facility, provision and other expense, which is included in other operating costs and expenses in our consolidated statements of operations.

We use a credit-adjusted discount rate to measure our operating lease liabilities. We derive the discount rates by firstly constructing a credit curve which is based on the implied credit spread between the risk free rate (generally U.S. dollar denominated U.S. Treasuries) and a credit curve constructed using an index of observable U.S. dollar denominated fixed rate corporate bonds issued by U.S. telecommunications companies with the same rating as ours. Next, we apply a linear fixed spread to this credit curve reflecting the difference between the observable price on the longest tradable debt instrument and the credit curve at the maturity date of the observed debt instrument. Lastly, we make adjustments for all tenors to correct for the collateralized interest rate spread by comparing unsecured debt to asset-backed securities (secured debt) trades, this adjustment is based on the difference between the index of observable U.S. dollar denominated fixed rate corporate bonds issued by U.S. telecommunications companies with the same rating as ours and a similar index for companies rated one-class higher on the rating-code scale.

Income Taxes

Income taxes are accounted for under the asset and liability method. We recognize deferred tax assets and liabilities for the future tax consequences attributable to differences between the financial statement carrying amounts and income tax basis of assets and liabilities and the expected benefits of utilizing net operating loss and tax credit carryforwards, if any, using the enacted tax rate in effect for the taxing jurisdiction in which we operate for the year in which those temporary differences are expected to be recovered or settled. We recognize the financial statement effects of a tax position when it is more-likely-than not, based on technical merits, that the position will be sustained upon examination. Net deferred tax assets are then reduced by a valuation allowance if we believe it is more-likely-than-not that such net deferred tax assets will not be realized. Certain of our valuation allowances are associated with an entity that we acquired in a business combination. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in earnings in the period that includes the enactment date. We recognize the financial statement effects of a tax position at the most reliable estimate, based on the technical merits, that the position will be sustained upon examination. Interest and penalties related to income tax liabilities are included in income tax expense or benefit in our consolidated statements of operations.

For additional information regarding our income taxes, see note 13.

Foreign Currency Transactions

The reporting and functional currency of our company is the CRC. Transactions denominated in currencies other than our functional currency are recorded based on exchange rates at the time such transactions arise. Changes in exchange rates with respect to monetary assets and liabilities denominated in a non-functional currency result in transaction gains and losses that are reflected in our consolidated statements of operations as unrealized (based on the applicable period end exchange rates) or realized upon settlement of the transactions.

Revenue Recognition

We categorize revenue into two major categories: (i) residential revenue, which includes revenue from fixed and mobile services provided to residential customers, and (ii) B2B revenue, which includes B2B service revenue. For additional information regarding our revenue by major category, see note 9. Our revenue recognition policies are as follows:

General. Most of our fixed and mobile residential contracts are not enforceable or do not contain substantive early termination penalties. Accordingly, revenue relating to these customers is recognized on a basis consistent with customers that are not subject to contracts. We account for customer service revenue contracts that include both non-lease and lease components as a single component in all instances where the non-lease component is the predominant component of the arrangement and the other applicable criteria are met.

Residential Fixed and B2B Service Revenue – Fixed Networks. We recognize revenue from video, broadband internet and fixed-line telephony services over our fixed networks to customers in the period the related residential fixed or B2B services are provided. Installation or other upfront fees related to services provided over our fixed networks are generally deferred and recognized as subscription revenue over the contractual period, or longer if the upfront fee results in a material renewal right. We defer upfront installation and certain nonrecurring fees received on B2B contracts where we maintain ownership of the installed equipment. The deferred fees are amortized into revenue on a straight-line basis over the term of the arrangement or the expected period of performance.

We may also sell video, broadband internet and fixed-line telephony services to our customers in bundled packages at a rate lower than if the customer purchased each product on a standalone basis. Arrangement consideration from bundled packages generally is allocated proportionally to the individual service based on the relative standalone price for each respective product or service.

Mobile Revenue – General. Consideration from mobile contracts is allocated to airtime services and handset sales based on the relative standalone prices of each performance obligation.

Mobile Revenue – Airtime Services. We recognize revenue from mobile services in the period the related services are provided. Payments received from prepaid customers are recorded as deferred revenue prior to the commencement of services and are recognized as revenue as the services are rendered or usage rights expire.

Mobile Revenue – Handset Revenue. Arrangement consideration allocated to handsets is recognized as revenue when the goods have been transferred to the customer.

Sales, Use and Other VAT. Revenue is recorded net of applicable sales, use and other value-added taxes.

Litigation Costs

Legal fees and related litigation costs are expensed as incurred.

(4) Fair Value Measurements

General

U.S. GAAP provides for a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value into three broad levels. Level 1 inputs are quoted market prices in active markets for identical assets or liabilities that the reporting entity has the ability to access at the measurement date. Level 2 inputs are inputs other than quoted market prices included within Level 1 that are observable for the asset or liability, either directly or indirectly. Level 3 inputs are unobservable inputs for the asset or liability.

All of our Level 2 inputs (interest rate futures, swap rates and certain of the inputs for our weighted average cost of capital calculations) and certain of our Level 3 inputs (non-interest rate curves and credit spreads) are obtained from pricing services. These inputs, or interpolations or extrapolations thereof, are used in our internal models to calculate, among other items, yield curves, forward interest and currency rates and weighted average cost of capital rates. In the normal course of business, we receive market value assessments from the counterparties to our derivative contracts. Although we compare these assessments to our internal valuations and investigate unexpected differences, we do not otherwise rely on counterparty quotes to determine the fair values of our derivative instruments. The midpoints of applicable bid and ask ranges generally are used as inputs for our internal valuations.

Recurring Fair Value Measurements

Derivatives

In order to manage our interest rate and foreign currency exchange risk, we have entered into various derivative instruments, as further described in note 5. The recurring fair value measurements of these derivative instruments are determined using discounted cash flow models. Most of the inputs to these discounted cash flow models consist of, or are derived from, observable Level 2 data for substantially the full term of these derivative instruments. This observable data mostly includes interest rate futures and swap rates, which are retrieved or derived from available market data. Although we may extrapolate or interpolate this data, we do not otherwise alter this data in performing our valuations. We incorporate a credit risk valuation adjustment in our fair value measurements to estimate the impact of both our own nonperformance risk and the nonperformance risk of our counterparties. Our and our counterparties' credit spreads represent our most significant Level 3 inputs, and these inputs are used to derive the credit risk valuation adjustments with respect to these instruments. As we would not expect changes in our or our counterparties' credit spreads to have a significant impact on the valuations of these instruments, we have determined that these valuations fall under Level 2 of the fair value hierarchy. Our credit risk valuation adjustments with respect to our interest rate derivative contracts are further explained in note 5.

Non-recurring Fair Value Measurements

Fair value measurements may also be used for purposes of non-recurring valuations performed in connection with our acquisition accounting and impairment assessments.

Impairment Assessments

The nonrecurring valuations associated with impairment assessments, which use significant unobservable inputs and therefore fall under Level 3 of the fair value hierarchy, primarily include the valuation of our reporting unit for the purpose of testing for goodwill impairment. As our reporting unit does not have a readily determinable fair value, we estimate the fair value of the reporting unit using either a market-based or income-based approach.

Goodwill

For purposes of our annual goodwill impairment assessments, we used an income approach to determine the estimated fair value of our reporting unit. Under this approach, we utilized a discounted cash flow model as the valuation technique to estimate the fair value of our reporting unit from a market participant's perspective. This approach uses certain inputs and assumptions that require estimates and judgments, including forecasted cash flows and an appropriate discount rate. Forecasts of future cash flows are largely based on our assumptions using Level 3 inputs, which we consider to be consistent with a market participant's approach. We used the weighted-average cost of capital for our reporting unit as the basis for the discount rate to establish the present value of the expected cash flows. The inputs for our weighted average cost of capital calculations include Level 2 and Level 3 inputs, generally derived from third-party pricing services. Based upon the results of the aforementioned analyses, we did not recognize any goodwill impairment charges during 2025 or 2024.

(5) Derivative Instruments

In general, we seek to enter into derivative instruments to protect against (i) foreign currency movements and (ii) in periods during which we have variable-rate debt, increases in such interest rates.

The following table provides details of the fair values of our derivative instrument liabilities.

	December 31, 2025			December 31, 2024		
	Current (a)	Long-term (a)	Total	Current (a)	Long-term (a)	Total
	CRC in billions					
Liabilities – Foreign currency forward contracts (b) (c)	3.1	0.5	3.6	5.4	—	5.4

(a) Our current derivative liabilities and long-term derivative liabilities are included in other accrued and current liabilities and other long-term liabilities, respectively, in our consolidated balance sheets.

(b) We consider credit risk relating to our nonperformance and the nonperformance of our counterparties in the fair value assessment of our derivative instruments. In all cases, the adjustments take into account offsetting liability or asset positions and are recorded in realized and unrealized gains or losses on derivative instruments, net, in our consolidated statements of operations. For further information regarding our fair value measurements, see note 4.

(c) The 2025 amounts include CRC 0.6 billion and CRC 0.5 billion associated with related-party counterparties, as further discussed in note 12.

We recognized net realized and unrealized losses on derivative instruments associated with our foreign currency forward contracts of CRC 5 billion and CRC 3 billion during 2025 and 2024, respectively.

The following table sets forth the classification of the net cash outflows of our derivative instruments:

	Year ended December 31,	
	2025	2024
	CRC in billions	
Operating activities	(6.7)	(9.1)
Investing activities	(1.0)	(0.7)
Total	(7.7)	(9.8)

Counterparty Credit Risk

We are exposed to the risk that the counterparties to our derivative instruments will default on their obligations to us. We manage these credit risks through the evaluation and monitoring of the creditworthiness of, and concentration of risk with, our counterparties. Collateral has not been posted by either party under our derivative instruments. At December 31, 2025, we had no exposure to counterparty credit risk associated with our derivative instruments, as set forth in the liabilities table above.

We have entered into derivative instruments under agreements with our counterparties that contain master netting arrangements that are applicable in the event of early termination by either party to such derivative instrument.

Details of our Derivative Instruments

Foreign Currency Forwards Contracts

We enter into foreign currency forward contracts with respect to non-functional currency exposure. At December 31, 2025, our foreign currency forward contracts had total notional amounts due from and to counterparties of $191 million and CRC 100 billion, respectively, with a weighted average remaining contractual life of 0.5 years. In addition, at December 31, 2025, we had foreign currency forward contracts with notional amounts due from and to a related party, LCR Holdings, of $41 million and CRC 22 billion, respectively, with a weighted average remaining contractual life of 0.4 years.

(6) Long-lived Assets

Property and Equipment, Net

The details of our property and equipment and the related accumulated depreciation are set forth below:

	Estimated useful life at December 31, 2025	December 31,	
		2025	2024
		CRC in billions	
Distribution systems	3 to 25 years	189.7	164.4
Support equipment and buildings	3 to 40 years	65.4	59.9
CPE	3 to 5 years	85.1	75.7
		340.2	300.0
Accumulated depreciation		(201.5)	(159.7)
Total depreciable assets		138.7	140.3
CIP and land		15.3	13.7
Total		154.0	154.0

Depreciation expense related to our property and equipment was CRC 43 billion and CRC 40 billion during 2025 and 2024, respectively.

Intangible Assets Subject to Amortization, Net

The details of our intangible assets subject to amortization, each of which had estimated useful lives ranging from 5 to 25 years at December 31, 2025, are set forth below:

	December 31, 2025	December 31, 2024
	CRC in billions	
Gross carrying amount:		
Customer relationships	77.0	77.0
Licenses	48.9	40.7
	125.9	117.7
Accumulated amortization	(56.7)	(45.1)
Total	69.2	72.6

Amortization expense related to intangible assets with finite useful lives was CRC 12 billion and CRC 11 billion during 2025 and 2024, respectively.

Based on our amortizable intangible assets balance at December 31, 2025, we expect that amortization expense will be as follows for the next five years and thereafter (CRC in billions):

2026	10.3
2027	8.7
2028	8.7
2029	8.4
2030	6.2
Thereafter	26.9
Total	69.2

(7) Operating Leases

Our operating lease expense was CRC 18 billion and CRC 20 billion during the year ended December 31, 2025 and 2024, respectively.

Certain other details of our operating leases are set forth in the tables below:

	December 31, 2025	December 31, 2024
	CRC in billions	
Operating lease right-of-use assets	78.5	82.5
Operating lease liabilities:		
Current	9.8	10.2
Noncurrent	67.4	71.8
Total operating lease liabilities	77.2	82.0
Weighted-average remaining lease term	9.7 years	9.8 years
Weighted-average discount rate	10.2 %	10.3 %

	Year ended December 31, 2025	Year ended December 31, 2024
	CRC in billions	
Operating cash outflows from operating leases	18.0	18.0
Right-of-use assets obtained in exchange for new operating lease liabilities (a)	6.7	9.2

(a) Represents non-cash transactions associated with operating leases entered into during the year.

Maturities of Operating Leases

Maturities of our operating lease liabilities as of December 31, 2025 are presented below. Amounts presented below represent CRC equivalents (in billions) based on December 31, 2025 exchange rates.

Years ending December 31:	
2026	17.0
2027	12.7
2028	11.6
2029	11.0
2030	10.6
Thereafter	61.1
Total operating lease liabilities on an undiscounted basis	124.0
Present value discount	(46.8)
Present value of operating lease liabilities	77.2

(8) Debt

The CRC equivalents of the components of our debt are as follows:

	December 31, 2025			Estimated fair value (c)		Principal amount	
	Weighted average interest rate (a)	Unused borrowing capacity (b) Borrowing currency	Unused borrowing capacity (b) CRC equivalent	December 31, 2025	December 31, 2024	December 31, 2025	December 31, 2024
			CRC in billions; USD in millions				
LCR Credit Facilities	10.43 %	$ 60.0	29.8	267.6	245.9	256.2	229.7
Total debt before deferred financing costs	10.43 %		29.8	267.6	245.9	256.2	229.7

The following table provides a reconciliation of total debt before deferred financing costs to total debt:

	December 31, 2025	December 31, 2024
	CRC in billions	
Total debt before deferred financing costs	256.2	229.7
Deferred financing costs	(6.1)	(6.3)
Total carrying amount of debt	250.1	223.4
Long-term debt	250.1	223.4

(a) Represents the weighted average interest rate in effect at December 31, 2025 for all borrowings outstanding pursuant to each debt instrument, including any applicable margin. The interest rate presented generally represents stated rates and does not include the impact of deferred financing costs and commitment fees, both of which affect our overall cost of borrowing.

(b) Unused borrowing capacity represents the maximum availability under the applicable facility at December 31, 2025 without regard to covenant compliance calculations or other conditions precedent to borrowing. At December 31, 2025, the full amount of unused borrowing capacity was available to be borrowed under the LCR Revolving Credit Facility, both before and after completion of the December 31, 2025 compliance reporting requirements.

(c) The estimated fair values of our debt instruments are determined using the applicable bid prices (mostly Level 1 of the fair value hierarchy) or from quoted prices for similar instruments in active markets adjusted for the estimated credit spreads, to the extent available, and other relevant factors (Level 2 of the fair value hierarchy). For additional information regarding fair value hierarchies, see note 4.

General Information

We have entered into credit facility agreements with certain financial institutions. Each of these credit facilities contain certain covenants, the more notable of which are as follows:

- Our credit facilities contain certain net leverage ratios, as specified in the relevant credit facility, which are required to be complied with on an incurrence and/or maintenance basis;
- Our credit facilities contain certain restrictions which, among other things, restrict our ability to (i) incur or guarantee certain financial indebtedness, (ii) make certain disposals and acquisitions, (iii) create certain security interests over our assets, in each case, subject to certain customary and agreed exceptions, and (iv) make certain restricted payments to our direct and/or indirect parent companies through dividends, loans or other distributions, subject to compliance with applicable covenants;
- Our credit facilities require us to guarantee the payment of all sums payable under the relevant credit facility and have first-ranking security granted over our shares to secure the payment of all sums payable thereunder;
- In addition to certain mandatory prepayment events, the instructing group of lenders under the relevant credit facility may cancel the commitments thereunder and declare the loans thereunder due and payable after the applicable notice period following the occurrence of a change of control (as specified in the relevant credit facility);
- Our credit facilities contain certain customary events of default, the occurrence of which, subject to certain exceptions and materiality qualifications, would allow the instructing group of lenders to (i) cancel the total commitments, (ii) accelerate all outstanding loans and terminate their commitments thereunder and/or (iii) declare that all or part of the loans be payable on demand;
- Our credit facilities require that we observe certain affirmative and negative undertakings and covenants, which are subject to certain materiality qualifications and other customary and agreed exceptions; and
- In addition to customary default provisions, our credit facilities generally include certain cross-default and cross-acceleration provisions with respect to our other indebtedness, subject to agreed minimum thresholds and other customary and agreed exceptions.

LCR Credit Facilities

The details of the LCR Credit Facilities as of December 31, 2025 are summarized in the following table:

			Unused borrowing capacity		Outstanding principal amount		
LCR Credit Facilities	**Maturity**	**Interest rate**	**Borrowing Currency**	**CRC equivalent**	**Borrowing Currency**	**CRC equivalent**	**Carrying value (a)**
			USD in millions; CRC in billions				
LCR Revolving Credit Facility (b)	January 15, 2028	Adjusted Term SOFR + 4.25%	$ 60.0	29.8	$ —	—	—
2031 LCR Term Loan A (c)	January 15, 2031	10.875%	$ —	—	$ 50.0	24.9	24.5
2031 LCR Term Loan B (c)	January 15, 2031	10.875%	$ —	—	$ 400.0	199.0	194.2
2033 LCR Term Loan A	August 14, 2033	Term SOFR + 3.50%	$ —	—	$ 65.0	32.3	31.4
Total				29.8		256.2	250.1

(a) Amounts are net of deferred financing costs.

(b) Has a fee on unused commitments of 0.5% per year.

(c) Subsequent to December 31, 2025, $40 million (CRC 20 billion equivalent) of the 2031 LCR Term Loan B outstanding principal amount was repaid at a price of 103% and $5 million (CRC 2 billion equivalent) of the 2031 LCR Term Loan A outstanding principal amount was repaid at par.

Financing Activity

During 2025 and 2024, borrowings related to significant credit facilities we drew down, entered into or amended, are as follows:

		Amount borrowed	
Instrument	**Issued at**	**Borrowing currency**	**CRC equivalent (a)**
		USD in millions; CRC in billions	
2025:			
2033 LCR Term Loan A	100%	$ 65.0	32.6
LCR Revolving Credit Facility	N/A	$ 61.3	31.0
2024:			
LCR Revolving Credit Facility	N/A	$ 31.0	16.0

(a) Translated at the transaction date.

During 2025 and 2024, we made certain repayments on the following debt instruments:

		Amount paid	
Instrument	**Redemption price**	**Borrowing currency**	**CRC equivalent (a)**
		USD in millions; CRC in billions	
2025:			
LCR Revolving Credit Facility	100%	$ 61.3	30.8
2024:			
LCR Revolving Credit Facility	100%	$ 31.0	16.4

(a) Translated at the transaction date.

Maturities of Debt

As of December 31, 2025, an aggregate principal amount of CRC 256 billion in debt will mature after 2030.

(9) Revenue by Major Category

Our revenue by major category is set forth in the table below and includes the following categories:

- residential fixed subscription and mobile services revenue, which includes amounts received from subscribers for ongoing fixed and airtime services, respectively;
- residential fixed non-subscription revenue, which primarily includes equipment revenue; and
- B2B service revenue, which primarily includes broadband internet, video, fixed-line telephony, mobile and managed services offered to small (including small or home office), medium and large enterprises.

	Year ended December 31,	
	2025	2024
	CRC in billions	
Residential revenue:		
Residential fixed revenue:		
Subscription revenue	64.8	70.7
Non-subscription revenue	20.3	18.1
Total residential fixed revenue	85.1	88.8
Residential mobile revenue:		
Service revenue	148.6	142.1
Interconnect, inbound roaming, equipment sales and other (a)	50.0	45.9
Total residential mobile revenue	198.6	188.0
Total residential revenue	283.7	276.8
B2B revenue (b)	34.7	39.0
Total	318.4	315.8

(a) These amounts include revenue from sales of mobile handsets and other devices to residential mobile customers of CRC 41 billion and CRC 35 billion during the year ended December 31, 2025 and 2024, respectively.

(b) These amounts include revenue from sales of mobile handsets and other devices to B2B mobile customers of CRC 3 billion and CRC 4 billion during the year ended December 31, 2025 and 2024, respectively.

(10) Programming and Other Direct Costs of Services

Programming and other direct costs of services include programming and copyright costs, interconnect and access costs, and equipment costs, which primarily relate to costs of mobile handsets and other devices, project-related costs and other direct costs related to our operations.

Our programming and other direct costs of services by major category are set forth below:

	Year ended December 31,	
	2025	2024
	CRC in billions	
Programming and copyright	19.0	19.4
Interconnect	11.6	14.7
Equipment	37.6	32.9
Project-related and other	0.6	3.4
Total programming and other direct costs of services	68.8	70.4

(11) Other Operating Costs and Expenses

Other operating costs and expenses set forth in the table below comprise the following cost categories:

- **Personnel and contract labor-related** costs, which primarily include salary-related and cash bonus expenses, net of capitalizable labor costs, and temporary contract labor costs;
- **Network-related** expenses, which primarily include costs related to network access, system power, core network, and CPE repair, maintenance and test costs;
- **Service-related** costs, which primarily include professional services, information technology-related services, audit, legal and other services;
- **Commercial**, which primarily includes sales and marketing costs, such as advertising, commissions and other sales and marketing-related costs, and customer care costs related to outsourced call centers;
- **Facility, provision, franchise and other**, which primarily includes facility-related costs, provision for bad debt expense, franchise-related fees, operating lease expense, bank fees, insurance, vehicle-related costs, travel and entertainment and other operating-related costs; and
- **Share-based compensation and other Employee Incentive Plan-related** expense that relates to Liberty Latin America equity awards issued to our employees, as further described in note 12, to our consolidated financial statements, and the LTVP, whether settled in Liberty Latin America common shares or cash.

Our other operating costs and expenses by major category are set forth below:

	Year ended December 31,	
	2025	2024
	CRC in billions	
Personnel and contract labor	16.9	16.5
Network-related	20.5	20.6
Service-related	12.9	13.1
Commercial	31.4	31.7
Facility, provision and other	49.3	45.3
Share-based compensation and other Employee Incentive Plan-related expense	1.0	0.7
Total other operating costs and expenses	132.0	127.9

(12) Related-party Transactions

General. We consider Liberty Latin America and its subsidiaries to be related parties.

Our related-party transactions are as follows:

	Year ended December 31,	
	2025	2024
	CRC in billions	
Revenue	0.5	0.5
Programming and other direct costs of services	0.2	0.2
Other operating costs and expenses	3.8	3.1
Share-based compensation and other employee incentive plan-related expense	1.0	0.7
Related-party fees and allocations	1.3	1.4

Revenue. These amounts represent certain transactions with other subsidiaries of Liberty Latin America that arise in the normal course of business, which primarily include fees for interconnect and access charges.

Programming and other direct costs of services. The amount represents certain transactions with other subsidiaries of Liberty Latin America that arise in the normal course of business, which include network and access charges.

Other operating costs and expenses. These amounts primarily represent (i) cash-settled network capacity services costs charged to our company by another subsidiary of Liberty Latin America and (ii) insurance costs allocated to us by a subsidiary of Liberty Latin America, which are expected to be cash-settled.

Share-based compensation and other employee incentive plan-related expense. These amounts represent share-based compensation and other Employee Incentive Plan-related expense that Liberty Latin America charged to our company with respect to share-based incentives or LTVP awards held by certain of our employees. These charges, which are cash settled, are included in other accrued and current liabilities in our consolidated balance sheets.

Related-party fees and allocations. These amounts represent management fees charged to our company by another subsidiary of Liberty Latin America, which are expected to be cash settled.

The following table provides details of our significant related-party balances:

	December 31, 2025	December 31, 2024
	CRC in billions	
Assets:		
Trade receivables (a)	1.2	—
Other current assets (b)	0.8	6.1
Total assets	2.0	6.1
Liabilities:		
Current liabilities:		
Accounts payable (c)	3.7	8.5
Other accrued and current liabilities (d)	7.9	4.4
Total current liabilities	11.6	12.9
Other long-term liabilities (e)	0.5	—
Total liabilities	12.1	12.9

(a) Represents non-interest bearing receivables due from certain other Liberty Latin America subsidiaries.

(b) Primarily represents non-interest bearing receivables due from certain other Liberty Latin America subsidiaries.

(c) Represents non-interest bearing payables due to certain other Liberty Latin America subsidiaries.

(d) Amounts primarily represent liabilities due to other subsidiaries of Liberty Latin America associated with (i) related-party fees and allocations, (ii) share-based compensation and other Employee Incentive Plan-related expense, each as described further above and (iii) certain foreign currency forward contracts with notional amounts due to and from LCR Holdings, as further described in note 5. All of the aforementioned liabilities are non-interest bearing and expected to be cash settled.

(e) Amount represents certain foreign currency forward contracts with notional amounts due to and from LCR Holdings.

(13) Income Taxes

For each period, our earnings before tax are 100% attributable to Costa Rica.

Income tax expense consists of the following:

	Year ended December 31,	
	2025	2024
	CRC in billions	
Current income tax expense	(19.1)	(21.5)
Deferred income tax benefit	3.3	4.6
Total income tax expense	(15.8)	(16.9)

Income tax expense attributable to our earnings before income taxes for the year ended December 31, 2025 differs from the amounts computed by using the statutory tax rate in Costa Rica of 30.0% as a result of the following factors (CRC in billions, except percentages):

	Amount	Percent
Costa Rica federal statutory income tax rate	(10.9)	(30.0)%
Domestic federal:		
Net nondeductible acquisition debt interest and FX	(4.2)	(11.5)%
Other reconciling items	(0.8)	(2.2)%
Worldwide changes in unrecognized tax benefits	0.1	0.3 %
Effective income tax rate	(15.8)	(43.4)%

Income tax expense attributable to our earnings before income taxes for the year ended December 31, 2024 differs from the amounts computed by using the statutory tax rate in Costa Rica of 30.0%, as a result of the following factors (CRC in billions):

Computed "expected" tax expense	(11.5)
Permanent differences	(4.8)
Return to provision	(0.6)
Total income tax expense	(16.9)

Deferred income taxes reflect the impact of temporary differences between the amount of assets and liabilities recognized for financial reporting purposes and such amounts recognized for tax purposes. The components of our net deferred tax liability are as follows:

	December 31,	
	2025	2024
	CRC in billions	
Deferred tax assets	0.1	0.1
Deferred tax liabilities	(17.7)	(21.0)
Net deferred tax liability	(17.6)	(20.9)

The tax effects of temporary differences that give rise to significant portions of our deferred tax assets and deferred tax liabilities are presented below:

	December 31,	
	2025	2024
	CRC in billions	
Deferred tax assets:		
Allowance for doubtful accounts	5.5	5.2
Accrued expenses	0.9	0.9
Deferred tax assets	6.4	6.1
Deferred tax liabilities:		
Intangible assets	(15.9)	(17.7)
Property and equipment, net	(8.1)	(9.3)
Deferred tax liabilities	(24.0)	(27.0)
Net deferred tax liability	(17.6)	(20.9)

In the normal course of business, our income tax filings are subject to review by taxing authorities. In connection with such reviews, disputes could arise with the taxing authorities over the interpretation or application of certain income tax rules related to our business in that tax jurisdiction. Such disputes may result in future tax and interest and penalty assessments by these taxing authorities. The ultimate resolution of tax contingencies will take place upon the earlier of (i) the settlement date with the applicable taxing authorities in either cash or agreement of income tax positions, or (ii) the date when the taxing authorities are statutorily prohibited from adjusting the company's tax computations.

As of December 31, 2025, all of our unrecognized tax benefits, which are not significant, would have a favorable impact on our effective income tax rate if ultimately recognized.

During 2026, it is reasonably possible that the resolution of ongoing examinations by tax authorities as well as expiration of statutes of limitation could result in reductions to our unrecognized tax benefits related to tax positions taken as of December 31, 2025. Other than the potential impacts of ongoing examinations and the expected expiration of certain statutes of limitation, we do not expect any material changes to our unrecognized tax benefits during 2026. No assurance can be given as to the nature or impact of any changes in our unrecognized tax positions during 2026.

During 2025, (i) the cash taxes paid for Costa Rica federal income taxes were CRC 22 billion and (ii) the cash taxes paid for Costa Rica state and local income taxes did not meet the 5% disaggregation threshold.

(14) Commitments and Contingencies

Guarantees and Other Credit Enhancements

In the ordinary course of business, we may provide (i) indemnifications to our lenders, our vendors and certain other parties and (ii) performance and/or financial guarantees to local municipalities, our customers and vendors. Historically, these arrangements have not resulted in our company making any material payments and we do not believe that they will result in material payments in the future.

Regulatory Issues. We have contingent liabilities related to matters arising in the ordinary course of business, including (i) legal proceedings, (ii) issues involving wage, property, withholding and other tax issues and (iii) disputes over interconnection, programming and copyright fees. While we generally expect that the amounts required to satisfy these contingencies will not materially differ from any estimated amounts we have accrued, no assurance can be given that the resolution of one or more of these contingencies will not result in a material impact on our results of operations, cash flows or financial position in any given period. Due, in general, to the complexity of the issues involved and, in certain cases, the lack of a clear basis for predicting outcomes, we cannot provide a meaningful range of potential losses or cash outflows that might result from any unfavorable outcomes.