



Condensed Consolidated Financial Statements
March 31, 2026

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.

2025 Annual Report	Annual Report for the year ended December 31, 2025
2031 LCR Term Loan A	\$45 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	\$360 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 LLA 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.
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
CPE	Customer premises equipment
CRC	Costa Rican colón
Executives	Liberty Latin America's Principal Executive Officer and Principal Financial Officer
FASB	Financial Accounting Standards Board
FCPA	United States Foreign Corrupt Practices Act of 1977, as amended
LBT CT	LBT CT Communications, S.A., an entity that is 88.5% indirectly owned by Liberty Latin America and 11.5% 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
LCR Revolving Credit Facility	\$60 million Term SOFR + 4.25% revolving credit facility due January 15, 2028 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
LLA Employee Incentive Plan	Liberty Latin America Ltd. 2018 Incentive Plan
LTVP	Long-term Value Plan that represents a component of the LLA 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.
OFAC	Office of Foreign Assets Control
Parent	LBT CT
RGU	Revenue generating unit
SOFR	Reference rate based on secured overnight financing rate administered by the Federal Reserve Bank of New York

GLOSSARY OF DEFINED TERMS

Term SOFR	Forward-looking term rate based on SOFR as published by CME Group Benchmark Administration Limited
U.S.	United States
U.S. GAAP	Generally accepted accounting principles in the United States
USD	United States Dollar

LIBERTY TELECOMUNICACIONES DE COSTA RICA LY, S.A.
CONDENSED CONSOLIDATED BALANCE SHEETS
(Unaudited)

	March 31, 2026	December 31, 2025
	CRC in billions	
ASSETS		
Current assets:		
Cash.....	9.3	31.8
Trade receivables, net.....	29.8	28.8
Current notes receivables, net.....	40.1	37.5
Inventory, net.....	5.0	7.4
Other current assets, net.....	8.8	8.1
Total current assets.....	93.0	113.6
Goodwill.....	255.3	255.3
Property and equipment, net.....	154.5	154.0
Intangible assets subject to amortization, net.....	65.4	69.2
Operating lease right-of-use assets.....	76.7	78.5
Other assets, net.....	23.3	25.0
Total assets.....	668.2	695.6
LIABILITIES AND EQUITY		
Current liabilities:		
Accounts payable.....	37.4	50.6
Current portion of debt.....	18.6	—
Current portion of operating lease liabilities.....	8.4	9.8
Current derivative liabilities.....	7.3	3.1
Accrued interest.....	4.9	11.7
Other accrued and current liabilities.....	30.5	35.9
Total current liabilities.....	107.1	111.1
Long-term debt.....	213.6	250.1
Long-term operating lease liabilities.....	64.9	67.4
Other long-term liabilities.....	25.2	22.3
Total liabilities.....	410.8	450.9
Commitments and contingencies		
Equity:		
Accumulated net contributions.....	170.1	170.1
Accumulated earnings.....	90.3	75.6
Accumulated other comprehensive loss, net of taxes.....	(3.0)	(1.0)
Total equity.....	257.4	244.7
Total liabilities and equity.....	668.2	695.6

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

LIBERTY TELECOMUNICACIONES DE COSTA RICA LY, S.A.
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(Unaudited)

	Three months ended March 31,	
	2026	2025
	CRC in billions	
Revenue	76.3	79.8
Operating costs and expenses (exclusive of depreciation and amortization, shown separately below):		
Programming and other direct costs of services	15.9	18.0
Other operating costs and expenses	33.3	32.3
Related-party fees and allocations	0.3	0.3
Depreciation and amortization	11.9	13.3
Restructuring and other operating items, net	0.3	0.2
	61.7	64.1
Operating income	14.6	15.7
Non-operating income (expense):		
Interest expense	(6.6)	(6.8)
Realized and unrealized losses on derivative instruments, net	(4.9)	(2.7)
Foreign currency transaction gains, net	20.0	4.8
Losses on debt extinguishments	(1.1)	—
	7.4	(4.7)
Earnings before income taxes	22.0	11.0
Income tax expense	(7.3)	(4.6)
Net earnings	14.7	6.4

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LIBERTY TELECOMUNICACIONES DE COSTA RICA LY, S.A.
CONDENSED CONSOLIDATED STATEMENTS OF EQUITY
(Unaudited)

	Accumulated net contributions	Accumulated earnings	Accumulated other comprehensive loss, net of taxes	Total equity
	CRC in billions			
Balance at January 1, 2025	176.1	54.9	(1.1)	229.9
Net earnings	—	6.4	—	6.4
Other comprehensive loss	—	—	(0.3)	(0.3)
Balance at March 31, 2025	<u>176.1</u>	<u>61.3</u>	<u>(1.4)</u>	<u>236.0</u>
Balance at January 1, 2026	170.1	75.6	(1.0)	244.7
Net earnings	—	14.7	—	14.7
Other comprehensive loss	—	—	(1.3)	(1.3)
Other	—	—	(0.7)	(0.7)
Balance at March 31, 2026	<u>170.1</u>	<u>90.3</u>	<u>(3.0)</u>	<u>257.4</u>

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

LIBERTY TELECOMUNICACIONES DE COSTA RICA LY, S.A.
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited)

	Three months ended March 31,	
	2026	2025
	CRC in billions	
Cash flows from operating activities:		
Net earnings	14.7	6.4
Adjustments to reconcile net earnings to net cash used by operating activities:		
Depreciation and amortization	11.9	13.3
Other non-cash charges, net	1.4	0.2
Realized and unrealized losses on derivative instruments, net	4.9	2.7
Foreign currency transaction gains, net	(20.0)	(4.8)
Deferred income tax expense (benefit)	2.1	(0.7)
Changes in operating assets and liabilities	(24.1)	(39.9)
Net cash used by operating activities	(9.1)	(22.8)
Cash flows from investing activities:		
Capital expenditures, net	(9.6)	(0.2)
Net cash used by investing activities	(9.6)	(0.2)
Cash flows from financing activities:		
Borrowings of debt	20.0	17.7
Payments of principal amounts of debt	(22.5)	—
Payment of financing costs and debt redemption premiums	(0.6)	—
Other financing activities	(0.7)	—
Net cash provided (used) by financing activities	(3.8)	17.7
Effect of exchange rate changes on cash and restricted cash	(0.3)	(0.2)
Net decrease in cash and restricted cash	(22.8)	(5.5)
Cash and restricted cash:		
Beginning of period	32.1	9.4
End of period	9.3	3.9
Cash paid for interest	12.9	12.6
Net cash paid for taxes	4.8	7.8

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

LIBERTY TELECOMUNICACIONES DE COSTA RICA LY, S.A.
Notes to Condensed Consolidated Financial Statements
March 31, 2026
(Unaudited)

(1) Basis of Presentation

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

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 condensed consolidated financial statements have been prepared in accordance with U.S. GAAP for interim financial information. Accordingly, these financial statements do not include all of the information required by U.S. GAAP for complete financial statements. In the opinion of management, these financial statements reflect all adjustments (consisting of normal recurring adjustments) necessary for a fair presentation of the results of operations for the interim periods presented. The results of operations for any interim period are not necessarily indicative of results for the full year. These condensed consolidated financial statements should be read in conjunction with our consolidated financial statements and notes thereto included in our 2025 Annual Report.

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.

Our functional currency is the CRC.

These condensed consolidated financial statements reflect our consideration of the accounting and disclosure implications of subsequent events through May 28, 2026, the date of issuance.

(2) Recent Accounting Pronouncements

General

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

ASU 2024-03

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.

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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. This standard did not have a material impact to 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) 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.

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. We use the fair value method to account for most of our derivative instruments. 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. During the three months ended March 31, 2026 and 2025, we did not perform any such non-recurring valuations.

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(4) Current Expected Credit Losses

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

	Three months ended March 31,	
	2026	2025
	CRC in billions	
Balance at beginning of period	11.4	10.8
Provision for expected losses, net	4.3	4.0
Write-offs, net of recoveries	(4.0)	(3.2)
Balance at end of period	<u>11.7</u>	<u>11.6</u>

(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. We use the fair value method to account for our derivative instruments and, with the exception of certain foreign currency forward contracts, do not apply hedge accounting. 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. Changes in the fair values of most of our derivative instruments are recorded in realized and unrealized gains or losses on derivative instruments in our condensed consolidated statements of operations. For additional information regarding our fair value measurements, see note 3.

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

	March 31, 2026			December 31, 2025		
	Current	Long-term (a)	Total	Current	Long-term (a)	Total
	CRC in billions					
Liabilities – Foreign currency forward contracts (b)	<u>7.3</u>	<u>1.3</u>	<u>8.6</u>	<u>3.1</u>	<u>0.5</u>	<u>3.6</u>

- (a) Our long-term derivative liabilities are included in other long-term liabilities in our condensed 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. Changes in credit risk valuation adjustments associated with our derivative instruments are recorded in realized and unrealized gains or losses on derivative instruments in our condensed consolidated statements of operations. For further information regarding our fair value measurements, see note 3.

We recognized net realized and unrealized losses on derivative instruments of CRC 5 billion and CRC 3 billion during the three months ended March 31, 2026 and 2025, respectively.

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

	Three months ended March 31,	
	2026	2025
	CRC in billions	
Operating activities	(0.5)	(2.1)
Investing activities	(0.2)	(0.2)
Financing activities	(0.7)	—
Total	<u>(1.4)</u>	<u>(2.3)</u>

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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 March 31, 2026, we had no exposure to counterparty credit risk associated with our derivative instruments, as set forth in the balance sheet 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.

Foreign Currency Forwards Contracts

We enter into foreign currency forward contracts with respect to non-functional currency exposure. At March 31, 2026, our foreign currency forward contracts had total notional amounts due from and to counterparties of \$211 million and CRC 108 billion, respectively, with a weighted average remaining contractual life of 0.7 years. In addition, at March 31, 2026, we had foreign currency forward contracts with notional amounts due from and to a related party, LCR Holdings, of \$15 million and CRC 8 billion, respectively, with a weighted average remaining contractual life of 0.8 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:

	March 31, 2026	December 31, 2025
	CRC in billions	
Distribution systems	197.8	189.7
Support equipment and buildings	63.3	65.4
CPE	87.9	85.1
	349.0	340.2
Accumulated depreciation	(209.9)	(201.5)
Total depreciable assets	139.1	138.7
CIP and land	15.4	15.3
Total property and equipment, net	<u>154.5</u>	<u>154.0</u>

Intangible Assets Subject to Amortization, Net

The details of our intangible assets subject to amortization and the related accumulated amortization are set forth below:

	March 31, 2026	December 31, 2025
	CRC in billions	
Gross carrying amount:		
Customer relationships	77.0	77.0
Licenses and other	49.0	48.9
	126.0	125.9
Accumulated amortization	(60.6)	(56.7)
Total intangible assets subject to amortization , net	<u>65.4</u>	<u>69.2</u>

LIBERTY TELECOMUNICACIONES DE COSTA RICA LY, S.A.
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(7) Operating Leases

Our operating lease expense was CRC 5 billion during each of the three months ended March 31, 2026 and 2025.

Our operating lease expense is included in facility provision and other expense, in other operating costs and expenses, in our condensed consolidated statements of operations.

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

	March 31, 2026	December 31, 2025
	CRC in billions	
Operating lease right-of-use assets	<u>76.7</u>	<u>78.5</u>
Operating lease liabilities:		
Current	8.4	9.8
Long-term	64.9	67.4
Total operating lease liabilities	<u>73.3</u>	<u>77.2</u>
Weighted-average remaining lease term	<u>9.7 years</u>	<u>9.7 years</u>
Weighted-average discount rate	<u>10.3 %</u>	<u>10.2 %</u>
	Three months ended March 31,	
	2026	2025
	CRC in billions	
Operating cash outflows from operating leases	<u>4.8</u>	<u>4.5</u>
Right-of-use assets obtained in exchange for new operating lease liabilities (a)	<u>0.7</u>	<u>0.3</u>

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

Maturities of Operating Leases

Maturities of our operating lease liabilities as of March 31, 2026 are presented below. Amounts presented below represent CRC equivalents (in billions) based on March 31, 2026 exchange rates.

Years ending December 31:	
Remainder of 2026	12.0
2027	12.5
2028	11.5
2029	10.8
2030	10.4
Thereafter	<u>60.3</u>
Total operating lease liabilities on an undiscounted basis	117.5
Present value discount	<u>(44.2)</u>
Present value of operating lease liabilities	<u>73.3</u>

LIBERTY TELECOMUNICACIONES DE COSTA RICA LY, S.A.
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(8) Debt

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

	March 31, 2026						
	Weighted average interest rate (a)	Unused borrowing capacity (b)		Estimated fair value (c)		Principal amount	
		Borrowing currency	CRC equivalent	March 31, 2026	December 31, 2025	March 31, 2026	December 31, 2025
				CRC in billions; USD in millions			
LCR Credit Facilities	10.17 %	\$ 20.0	9.3	246.5	267.6	237.1	256.2
Total debt before deferred financing costs	10.17 %		9.3	246.5	267.6	237.1	256.2

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

	March 31, 2026	December 31, 2025
CRC in billions		
Total debt before deferred financing costs	237.1	256.2
Deferred financing costs	(4.9)	(6.1)
Total carrying amount of debt	232.2	250.1
Less: Current maturities of debt	(18.6)	—
Long-term debt	213.6	250.1

- (a) Represents the weighted average interest rate in effect at March 31, 2026 for all borrowings outstanding pursuant to each debt instrument, including any applicable margin. The interest rates presented generally represent stated rates and do 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 March 31, 2026 without regard to covenant compliance calculations or other conditions precedent to borrowing. At March 31, 2026, the full amount of unused borrowing capacity was available to be borrowed under the LCR Revolving Credit Facility, both before and after consideration of the completion of the March 31, 2026 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 3.

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Financing Activity

During the three months ended March 31, 2026 and 2025, borrowings related to credit facilities we drew down, entered into or amended, are as follows:

Instrument	Maturity	Interest rate	Amount borrowed	
			Borrowing currency	CRC equivalent (a)
			USD in millions; CRC in billions	
2026				
LCR Revolving Credit Facility	January 15, 2028	Term SOFR + 4.25%	\$ 40.0	20.0
2025				
LCR Revolving Credit Facility	January 15, 2028	Term SOFR + 4.25%	\$ 35.0	17.7

(a) Translated at the transaction date.

During the three months ended March 31, 2026, we made certain repayments on the following debt instrument:

Instrument	Redemption price	Principal amount redeemed	
		Borrowing currency	CRC equivalent (a)
		USD in millions; CRC in billions	
2026			
2031 LCR Term Loan A	100%	\$ 5.0	2.5
2031 LCR Term Loan B	103%	\$ 40.0	20.0

(a) Translated at the transaction date.

During the three months ended March 31, 2025, there were no repayments.

Maturities of Debt

As of March 31, 2026, principal amounts of CRC 18.6 billion and CRC 218.5 billion of our debt are due in 2026 and in 2031 or thereafter, respectively.

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Notes to Condensed Consolidated Financial Statements – (Continued)
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(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.

	Three months ended March 31,	
	2026	2025
	CRC in billions	
Residential revenue:		
Residential fixed revenue:		
Subscription revenue	15.5	16.8
Non-subscription revenue	2.1	4.7
Total residential fixed revenue	17.6	21.5
Residential mobile revenue:		
Service revenue	38.2	36.1
Interconnect, inbound roaming, equipment sales and other (a)	12.4	13.2
Total residential mobile revenue	50.6	49.3
Total residential revenue	68.2	70.8
B2B revenue (b)	8.1	9.0
Total	76.3	79.8

- (a) These amounts include revenue from sales of mobile handsets and other devices to residential mobile customers of CRC 10 billion for each of the three months ended March 31, 2026 and 2025.
- (b) These amounts include revenue from sales of mobile handsets and other devices to B2B mobile customers of CRC 1 billion for each of the three months ended March 31, 2026 and 2025.

(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:

	Three months ended March 31,	
	2026	2025
	CRC in billions	
Programming and copyright	4.7	4.6
Interconnect	2.9	3.2
Equipment	8.3	9.7
Project-related and other	—	0.5
Total programming and other direct costs of services	15.9	18.0

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(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 and other**, which primarily includes facility-related costs, provision for bad debt expense, operating lease expense, bank fees, insurance, vehicle-related costs, travel and entertainment and other operating-related costs; and
- **Share-based compensation and other LLA Employee Incentive Plan-related** expense that relates to Liberty Latin America equity awards issued to our employees and Directors, as further described in note 12, 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:

	Three months ended March 31,	
	2026	2025
	CRC in billions	
Personnel and contract labor-related	4.5	4.2
Network-related	5.3	5.2
Service-related	3.8	3.1
Commercial	7.6	7.9
Facility, provision and other	11.9	11.7
Share-based compensation and other LLA Employee Incentive Plan-related expense	0.2	0.2
Total other operating costs and expenses	33.3	32.3

(12) Related-party Transactions

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

Our related-party transactions are as follows:

	Three months ended March 31,	
	2026	2025
	CRC in billions	
Other operating costs and expenses	1.4	0.7
Share-based compensation and other LLA Employee Incentive Plan-related expense	0.2	0.2
Related-party fees and allocations	0.3	0.3
Realized and unrealized losses on derivative instruments, net	0.4	—

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.

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Other operating costs and expenses. These amounts primarily represent cash-settled network capacity services costs charged to our company by another subsidiary of Liberty Latin America and certain property insurance premiums allocated to us by a subsidiary of Liberty Latin America.

Share-based compensation and other LLA Employee Incentive Plan-related expense. These amounts represent share-based compensation and other LLA 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 may be settled in cash or shares, are included in other accrued and current liabilities in our condensed consolidated balance sheets.

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

Realized and unrealized losses on derivative instruments, net. These amounts represent foreign currency forward contracts, as further described in note 5.

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

	March 31, 2026	December 31, 2025
	CRC in billions	
Assets:		
Trade receivables (a)	1.3	1.2
Other current assets (b)	0.4	0.8
Total assets	<u>1.7</u>	<u>2.0</u>
Liabilities:		
Accounts payable (c)	8.5	3.7
Current derivative liabilities (d)	1.0	0.6
Other accrued and current liabilities (e)	3.0	7.3
Total current liabilities	12.5	11.6
Other long-term liabilities (f)	—	0.5
Total liabilities	<u>12.5</u>	<u>12.1</u>

- (a) Represents non-interest bearing receivables due from certain other Liberty Latin America subsidiaries.
- (b) Represents non-interest bearing receivables from certain other Liberty Latin America subsidiaries.
- (c) Represents non-interest bearing payables to certain other Liberty Latin America subsidiaries.
- (d) Represents current portion of certain foreign currency forward contracts, as further described in note 5.
- (e) Primarily represents (i) non-interest bearing other accrued and current liabilities to certain subsidiaries of Liberty Latin America and (ii) amounts due to Liberty Latin America related to the changes noted above for fees and allocations.
- (f) Amount represents certain foreign currency forward contracts, as further described in note 5.

(13) Income Taxes

We evaluate and update our estimated annual effective income tax rate on a quarterly basis based on current and forecasted operating results and tax laws. For interim tax reporting, we estimate an annual effective tax rate that is applied to year-to-date ordinary income or loss. The tax effects of significant unusual or infrequently occurring items are excluded from the estimated annual effective tax rate calculation and recognized in the interim period in which they occur.

Our interim estimate of our annual effective tax rate and our interim tax provision are subject to volatility due to factors such as whether our deferred taxes and/or tax attributes are subject to a full valuation allowance, relative changes in unrecognized tax benefits and changes in tax laws. Based upon the mix and timing of our actual annual earnings or loss

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compared to annual projections, as well as changes in the factors noted above, our effective tax rate may vary quarterly and may make quarterly comparisons not meaningful.

Income tax expense was CRC 7 billion and CRC 5 billion during the three months ended March 31, 2026 and 2025, respectively. This represents an effective income tax rate of (33.2%) and (41.8%) for the three months ended March 31, 2026 and 2025, respectively, including items treated discretely.

For the three months ended March 31, 2026, the income tax expense attributable to our earnings before income taxes differs from the amount computed using the statutory rate, primarily due to the detrimental effects of permanent items, such as non-deductible 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 our debt associated with a business acquisition in 2021, (ii) the net effect of return to provision adjustments and (iii) the beneficial effect of net decreases in uncertain tax positions.

For the three months ended March 31, 2025, the income tax expense attributable to our earnings before income taxes differs from the amount computed using the statutory rate, primarily due to (i) the detrimental effects of permanent items, such as non-deductible expenses, which includes disallowed interest expense and acquisition costs related to our debt associated with a business acquisition in 2021, (ii) the net effect of return to provision adjustments, (iii) net increases in uncertain tax positions and (iv) the inclusion of withholding taxes on cross-border payments. 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 foreign currency translation gains related to debt associated with a business acquisition in 2021.

(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.

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 2025 Annual Report and the condensed consolidated financial statements and accompanying notes included herein, is intended to assist in providing an understanding of our financial condition, changes in financial condition and results of operations and is organized as follows:

- *Forward-looking Statements.* This section provides a description of certain factors that could cause actual results or events to differ materially from anticipated results or events.
- *Overview.* This section provides a general description of our business and recent significant events.
- *Material Changes in Results of Operations.* This section provides an analysis of our results of operations for the three months ended March 31, 2026 and 2025.
- *Material Changes in Financial Condition.* This section provides an analysis of our liquidity, condensed consolidated statements of cash flows and contractual commitments.

Unless otherwise indicated, operational data (including subscriber statistics) is presented as of March 31, 2026.

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; credit risks; interest rate 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.

Overview

General

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

At March 31, 2026, we (i) owned and operated fixed networks that passed 862,100 homes and served 621,700 RGUs, comprising 290,200 broadband internet subscribers, 214,800 video subscribers and 116,700 fixed-line telephony subscribers, and (ii) served 2,208,000 mobile subscribers.

Internal Controls and Procedures

As disclosed in our 2025 Annual Report, we identified material weaknesses in our internal control over financial reporting. The material weaknesses will not be considered remediated until the applicable new or enhanced controls operate for a sufficient period of time and management has concluded, through testing, that these controls are designed and operating effectively. Our management, with the participation of the Executives, evaluated the effectiveness of our disclosure controls and procedures as of March 31, 2026. As remediation is not completed, the Executives concluded that our disclosure controls and procedures continue to be ineffective as of March 31, 2026.

Management's Remediation Plans

Management is continuing to implement the remediation plans as disclosed in our 2025 Annual Report. We believe that these actions and the improvements we expect to achieve, when fully implemented, will strengthen our internal control over financial reporting and remediate the material weaknesses identified.

Material Changes in 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 non-functional 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 condensed 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 are experiencing significant competition. This 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 tables set forth our revenue by major category for the periods indicated:

	Three months ended March 31,		Increase (decrease)	
	2026	2025	CRC	%
CRC in billions, except percentages				
Residential revenue:				
Residential fixed revenue:				
Subscription revenue	15.5	16.8	(1.3)	(8)
Non-subscription revenue	2.1	4.7	(2.6)	(55)
Total residential fixed revenue	17.6	21.5	(3.9)	(18)
Residential mobile revenue:				
Service revenue	38.2	36.1	2.1	6
Interconnect, inbound roaming, equipment sales and other	12.4	13.2	(0.8)	(6)
Total residential mobile revenue	50.6	49.3	1.3	3
Total residential revenue	68.2	70.8	(2.6)	(4)
B2B revenue	8.1	9.0	(0.9)	(10)
Total	76.3	79.8	(3.5)	(4)

The details of the changes in our revenue during the three months ended March 31, 2026, as compared to the corresponding period in 2025, are set forth below (CRC in billions):

	Three-month comparison
Increase (decrease) in residential fixed subscription revenue due to change in:	
Average number of RGUs (a)	0.6
ARPU (b)	(1.9)
Decrease in residential fixed non-subscription revenue (c)	(2.6)
Total decrease in residential fixed revenue	(3.9)
Increase in residential mobile service revenue (d)	2.1
Decrease in residential mobile interconnect, inbound roaming, equipment sales and other revenue (e)	(0.8)
Decrease in B2B revenue (f)	(0.9)
Total	(3.5)

- (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.
- (c) The decrease is primarily due to lower CPE sales from our "buy-to-own" sales model.
- (d) The increase is primarily due to the net effect of (i) higher average postpaid mobile subscribers, (ii) lower average prepaid mobile subscribers and (iii) lower prepaid mobile ARPU.
- (e) The decrease is primarily attributable to (i) lower equipment sales and (ii) a decline in interconnect revenue, driven by lower local traffic volume.
- (f) The decrease is primarily attributable to (i) lower B2B service revenue, predominantly due to churn, and (ii) lower 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, 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 tables set forth the changes in programming and other direct costs of services:

	Three months ended March 31,		Increase (decrease)
	2026	2025	
	CRC in billions		
Programming and copyright	4.7	4.6	0.1
Interconnect	2.9	3.2	(0.3)
Equipment	8.3	9.7	(1.4)
Project-related and other	—	0.5	(0.5)
Total programming and other direct costs of services	15.9	18.0	(2.1)

- **Equipment:** The decrease is primarily attributable to lower equipment sales.
- **Project-related and other:** The decrease is due to lower costs associated with non-recurring 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 and other**, which primarily includes facility-related costs, provision for bad debt expense, operating lease expense, bank fees, insurance, vehicle-related costs, travel and entertainment and other operating-related costs; and
- **Share-based compensation and other LLA Employee Incentive Plan-related** expense that relates to Liberty Latin America equity awards issued to our employees, as further described in note 11, to our condensed consolidated financial statements, and the LTVP, whether settled in Liberty Latin America common shares or cash.

The following tables set forth the changes in other operating costs and expenses:

	Three months ended March 31,		Increase (decrease)
	2026	2025	
	CRC in billions		
Personnel and contract labor-related	4.5	4.2	0.3
Network-related	5.3	5.2	0.1
Service-related	3.8	3.1	0.7
Commercial	7.6	7.9	(0.3)
Facility, provision and other	11.9	11.7	0.2
Share-based compensation and other LLA Employee Incentive Plan-related expense	0.2	0.2	—
Total other operating costs and expenses	33.3	32.3	1.0

- **Service-related:** The increase is primarily attributable to (i) higher professional service costs and (ii) higher technology-related expenses, predominantly related to software licenses.

Results of Operations (below Adjusted OIBDA)

Depreciation and amortization

Our depreciation and amortization expense decreased by CRC 1 billion or 11% during three months ended March 31, 2026, as compared to the corresponding period in 2025. The decrease was primarily driven by assets becoming fully depreciated during 2025.

Interest expense

Our interest expense remained relatively flat during the three months ended March 31, 2026, respectively, as compared to the corresponding period in 2025.

For additional information regarding our outstanding indebtedness, see note 8 to our condensed 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 condensed consolidated financial statements, we use derivative instruments to manage our interest rate risks.

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 the three months ended March 31, 2026 and 2025, respectively. These losses are primarily attributable to changes in the value of the CRC relative to the USD.

For additional information concerning our derivative instruments, see notes 3 and 5 to our condensed 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 underlying 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 20 billion and CRC 5 billion during the three months ended March 31, 2026 and 2025, respectively, which primarily relate to the remeasurement of (i) the USD denominated LCR Credit Facilities, (ii) third-party payables and receivables and (iii) intercompany payables and receivables.

Gains or losses on debt extinguishment, net

Our gains or losses on debt extinguishment generally include (i) premiums or discounts associated with redemptions of debt, (ii) the write-off of unamortized deferred financing costs, premiums and/or discounts, and/or (iii) breakage fees.

We recognized losses on debt extinguishment, net, of CRC 1 billion and nil during the three months ended March 31, 2026 and 2025, respectively. The net loss during the three months ended March 31, 2026 is associated with the partial repayments of the 2031 LCR Term Loan A and the 2031 LCR Term Loan B.

Income tax benefit or expense

We recognized income tax expense of CRC 7 billion and CRC 5 billion during the three months ended March 31, 2026 and 2025, respectively.

For the three months ended March 31, 2026, the income tax expense attributable to our earnings before income taxes differs from the amount computed using the statutory rate, primarily due to the detrimental effects of permanent items, such as non-deductible 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 our debt associated with a business acquisition in 2021, (ii) the net effect of return to provision adjustments and (iii) the beneficial effect of net decreases in uncertain tax positions.

For the three months ended March 31, 2025, the income tax expense attributable to our earnings before income taxes differs from the amount computed using the statutory rate, primarily due to (i) the detrimental effects of permanent items, such as non-deductible expenses, which includes disallowed interest expense and acquisition costs related to our debt associated with a business acquisition in 2021, (ii) the net effect of return to provision adjustments, (iii) net increases in uncertain tax positions and (iv) the inclusion of withholding taxes on cross-border payments. 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 foreign currency translation gains related to debt associated with a business acquisition in 2021.

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

Net earnings or loss

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

	Three months ended March 31,	
	2026	2025
	CRC in billions	
Operating income	14.6	15.7
Net non-operating income (expense), net	7.4	(4.7)
Income tax expense	(7.3)	(4.6)
Net earnings	14.7	6.4

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 LLA 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.

Material Changes in Financial Condition

Sources and Uses of Cash

As of March 31, 2026, we had CRC 9 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 condensed 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 *Condensed Consolidated Statements of Cash Flows* below.

Capitalization

For the quarter ended March 31, 2026, our net leverage ratio was 2.0x, 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 agreement) 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 March 31, 2026, 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 March 31, 2026, the outstanding principal amount of our debt aggregated CRC 237.1 billion, including CRC 18.6 billion that is classified as current in our condensed consolidated balance sheet and CRC 218.5 billion that is not due until 2031 or thereafter. For additional information concerning our debt, including our debt maturities, see note 8 to our condensed consolidated financial statements.

The weighted average interest rate in effect at March 31, 2026 for all borrowings outstanding pursuant to each debt instrument, including any applicable margin, was 10.2%. 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 10.2% at March 31, 2026.

Notwithstanding our negative working capital position at March 31, 2026, we believe that we have sufficient resources to repay or refinance the current portion of our debt and to fund our foreseeable liquidity requirements during the next 12 months. However, as our debt maturities grow in later years, we anticipate that we will seek to refinance or otherwise extend our debt 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 any adverse regulatory developments will 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 impacted 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 have an unfavorable impact on our cash flows and liquidity.

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).

Condensed Consolidated Statements of Cash Flows

Summary. Our condensed consolidated statements of cash flows for the three months ended March 31, 2026 and 2025 are summarized as follows:

	Three months ended March 31,		Change
	2026	2025	
	CRC in billions		
Net cash used by operating activities	(9.1)	(22.8)	13.7
Net cash used by investing activities	(9.6)	(0.2)	(9.4)
Net cash provided (used) by financing activities	(3.8)	17.7	(21.5)
Effect of exchange rate changes on cash and restricted cash	(0.3)	(0.2)	(0.1)
Net decrease in cash and restricted cash	<u>(22.8)</u>	<u>(5.5)</u>	<u>(17.3)</u>

Operating Activities. The decrease in net cash used by operating activities is primarily attributable to the net effect of (i) a net increase in cash flows associated with certain working capital-related items, including lower payment for taxes, and (ii) a net decline in cash flows associated with derivative instruments.

Investing Activities. The cash used in investing activities during the three months ended March 31, 2026 and 2025 relates to capital expenditures, net, as further described below.

The capital expenditures, net, that we report in our condensed 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 condensed 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 condensed consolidated statements of cash flows, is set forth below:

	Three months ended March 31,	
	2026	2025
	CRC in billions	
Property and equipment additions	8.1	7.7
Changes in current liabilities related to capital expenditures and other	1.3	(7.7)
Changes in cash derivatives related to capital expenditures	0.2	0.2
Capital expenditures, net	9.6	0.2

Property and equipment additions during the three months ended March 31, 2026 remained relatively flat as compared with the corresponding period in 2025. During the three months ended March 31, 2026 and 2025, our property and equipment additions represented 10.6% and 9.6% of revenue, respectively.

Financing Activities. During the three months ended March 31, 2026, we generated CRC 3 billion in cash from financing activities primarily driven by net debt borrowings. During the three months ended March 31, 2025, we generated CRC 18 billion in cash from financing activities, associated with debt borrowings. For additional information on our borrowings and repayments of debt, see note 8 to our condensed consolidated financial statements.

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

For information concerning our operating lease obligations and debt, see notes 7 and 8, respectively, to our condensed consolidated financial statements. In addition, 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 the three months ended March 31, 2026 and 2025, see note 5 to our condensed 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 condensed consolidated financial statements.

	Payments due during:			
	Remainder of 2026	2027	Thereafter	Total
	CRC in billions			
Projected derivative cash payments, net:				
Foreign currency forward contracts.....	7.0	3.2	—	10.2