

HEMISPHERE MEDIA GROUP, INC.

Form 424B3

March 18, 2013

Table of ContentsFiled Pursuant to Rule 424(b)(3)  
Registration File No. 333-182610**AZTECA ACQUISITION CORPORATION**

The Stockholders and Public Warrantheolders of Azteca Acquisition Corporation ("Azteca") are hereby invited to attend a special meeting.

If you are an Azteca stockholder you will be asked to approve the Agreement and Plan of Merger, dated January 22, 2013, (the "Merger Agreement") by and among Azteca, InterMedia Español Holdings, LLC ("WAPA"), Cine Latino, Inc. ("Cinelatino"), Hemisphere Media Group, Inc. ("Hemisphere"), a direct wholly-owned subsidiary of Cinelatino, Hemisphere Merger Sub I, LLC, Hemisphere Merger Sub II, Inc. and Hemisphere Merger Sub III, Inc., providing for the combination of Azteca, WAPA and Cinelatino as indirect, wholly-owned subsidiaries of Hemisphere (the "Transaction"). Completion of the transaction is subject to the satisfaction or waiver of the conditions described in this proxy statement/prospectus.

If you are an Azteca warrantholder, you will be asked to consent to an amendment to the terms of your warrant (the "Warrant Amendment"). Specifically you will be asked to (1) reduce by 50% the number of shares of Azteca common stock for which your warrants are exercisable (from one share to one-half share), with the warrant price being reduced to \$6.00 per half share, (2) agree to waive certain re-pricing rights that you would have had, if after consummation of the Transaction, Azteca subsequently entered into certain transactions in which the consideration to be received consisted principally of securities of a private company and (3) agree to amend Azteca's registration obligations in exchange for the ability to exercise the warrants on a cashless basis at the election of Azteca under certain circumstances. Upon approval of this amendment, each warrantholder would receive \$0.50 per warrant. Approval of the Warrant Amendment by the holders of at least 65% of the outstanding public warrants is a condition to consummation of the Transaction.

The Transaction is structured as the issuance of stock by a newly-formed entity, Hemisphere, to the equity holders of Azteca, Cinelatino and WAPA in three different mergers with subsidiaries of Hemisphere. Hemisphere will have two classes of common stock, Class A common stock and Class B common stock. These shares will have equal rights, except that each share of Class A common stock will have one vote and each share of Class B common stock will have ten votes. In connection with the Transaction, the following will occur:

Outstanding Azteca Common Stock	Azteca currently has 12,500,000 shares of Common Stock outstanding, of which 2,500,000 are held by the Azteca Initial Stockholders (as defined below). 250,000 of the shares held by the Azteca Initial Stockholders will be contributed to Azteca immediately prior to the consummation of the Transaction and cancelled. The remaining 12,250,000 shares of Azteca Common Stock, of which 2,250,000 are held by the Azteca Initial Stockholders, will be converted into an equal number of shares of Hemisphere Class A Common Stock.
Outstanding Amended Azteca Warrants	14,666,667 Amended Azteca Warrants will be converted into an equal number of warrants issued by Hemisphere (i.e. warrants to purchase 7,333,334 shares of Hemisphere Class A Common Stock).
Hemisphere Class A Common Stock	Aggregate of 19,583,334 shares of Hemisphere Class A common stock will be issued to Azteca stockholders or reserved for issuance to holders of warrants to acquire shares of Hemisphere Class A common stock.
Azteca Affiliates	Will sell to Azteca, immediately prior to the consummation of the Transaction, 2,333,334 Amended Azteca Warrants (i.e., warrants to purchase 1,166,667 shares) for a purchase price per warrant equal to \$0.50.
Current Owners of WAPA and Cinelatino	Will have their ownership interests converted, into an aggregate of 33,000,000 shares of Hemisphere Class B common stock plus \$5.0 million. In addition, such owners purchase from Hemisphere, immediately after the consummation of the Transaction, 2,333,334 Warrants (i.e., warrants to purchase 1,166,667 shares of Hemisphere Class A common stock) that are substantially identical to the Amended Azteca Public Warrants for a purchase price per warrant equal to \$0.50. The current owners of WAPA and Cinelatino have agreed to subject a total of 3,000,000 shares of Hemisphere Class B common stock to certain forfeiture provisions if the market price of shares of Hemisphere Class A common stock does not reach certain levels.

Edgar Filing: HEMISPHERE MEDIA GROUP, INC. - Form 424B3

Azteca's Sponsor, Juan Pablo Albán, Alfredo  
Elias Ayub, John Engelman and Clive  
Fleissig (the "Azteca Initial Stockholders")

Have agreed to subject 250,000 additional shares of Hemisphere Class A common stock to certain forfeiture provisions (in addition to the 735,294 shares already subject to forfeiture) if the market price of shares of Hemisphere Class A common stock does not reach certain levels. In addition, the Azteca Initial Stockholders will contribute to Azteca a total of 250,000 shares of Azteca common stock for no consideration and such shares will be cancelled.

---

**Additional Considerations About the Transaction**

In addition to evaluating the consideration to be issued in, and the capital structure that will be outstanding after, the Transaction, there are many other matters that you should consider before you decide whether you will approve (1) the Merger Agreement if you are an Azteca stockholder or (2) the Warrant Amendment if you are an Azteca Public Warrantholder. These include the following:

Hemisphere has applied to list its Class A common stock on The NASDAQ Stock Market under the symbol "HMTV" effective upon the consummation of the Transaction. Hemisphere expects its warrants will trade on the Over-the-Counter Bulletin Board quotation system ("OTCBB") under the symbol "HMTVW" following the consummation of the Transaction.

IF AZTECA DOES NOT EFFECT A TRANSACTION BEFORE APRIL 6, 2013, IT WILL LIQUIDATE THE TRUST ACCOUNT AND DISSOLVE. THE TERMS GOVERNING SUCH POTENTIAL LIQUIDATION ARE DISCUSSED IN AZTECA'S AMENDED AND RESTATED CERTIFICATE OF INCORPORATION FILED WITH THE SECURITIES AND EXCHANGE COMMISSION ("SEC") WHICH IS AVAILABLE TO THE PUBLIC FROM THE SEC'S WEBSITE AT WWW.SEC.GOV.

InterMedia Partners VII, L.P. directly holds 100% of the economic interests in WAPA and indirectly holds 47.5% of the common stock of Cinelatino through its controlling interest in InterMedia Cine Latino, LLC.

The Azteca Initial Stockholders, who currently hold approximately 20% of the outstanding shares of Azteca common stock, have agreed to vote all the shares they own "FOR" the approval of the Merger Agreement.

Completion of the Transaction requires, among other things, that (1) the Transaction is approved by holders of at least a majority of the outstanding shares of Azteca common stock, (2) the Warrant Amendment is approved by holders of at least 65% of the outstanding Public Warrants and (3) Azteca have at least \$80.0 million of cash held in the Trust Account (after giving effect to any redemptions by Azteca's stockholders, but before giving effect to cash payable pursuant to the Warrant Amendment, payment of the deferred underwriting and consulting fees payable by Azteca from the Trust Account, transaction expenses and any cash contribution from WAPA or Cinelatino).

If you own shares of Azteca common stock issued in Azteca's initial public offering (the "Public Shares"), then you may redeem those shares for cash equal to the redemption price specified in Azteca's amended and restated certificate of incorporation, irrespective of whether you vote for or against the approval of the Merger Agreement. We anticipate that the redemption price will be \$10.05 per Public Share. Your redemption rights are further explained in this proxy statement/prospectus. The Azteca Initial Stockholders have agreed to waive their redemption rights. Public Shares will only be redeemed if the Transaction is consummated. However, even if the Transaction is not consummated, holders of Public Shares who elected to redeem Public Shares would receive the same portion of the Trust Account that they would receive upon liquidation.

If you are an Azteca warrantholder, you do not have the right to redeem, and will not be offered the opportunity of redeeming, your outstanding Azteca warrants.

**AZTECA'S BOARD OF DIRECTORS UNANIMOUSLY RECOMMENDS THAT STOCKHOLDERS VOTE "FOR" THE APPROVAL OF THE MERGER AGREEMENT AND THAT WARRANTHOLDERS VOTE "FOR" THE APPROVAL OF THE WARRANT AMENDMENT.**

Information about the special meetings of stockholders and warrantholders and the Transaction is contained in this document, which we urge you to read carefully. In particular, see "Risk Factors" beginning on page 42.

Your vote is very important. Whether or not you plan to attend the special meetings of stockholders or warrantholders, please return the enclosed proxy card to vote your shares and/or Public Warrants as soon as possible. If you do not vote either your shares and/or your Public Warrants, it will have the same effect as voting against the respective proposals.

Sincerely,

Gabriel Brener  
*Chief Executive Officer and President*  
Azteca Acquisition Corporation

Neither the Securities Exchange Commission nor any state securities commission has approved or disapproved of these securities or passed upon the adequacy or accuracy of this proxy statement/prospectus. Any representation to the contrary is a criminal offense.

The accompanying proxy statement/prospectus is dated March 15, 2013 and is first being mailed or otherwise delivered to Azteca stockholders and Public Warranholders on or about March 15, 2013.

---

Table of Contents

## **AZTECA ACQUISITION CORPORATION**

421 N. Beverly Drive, Suite 300  
Beverly Hills, California 90210

### **NOTICE OF SPECIAL MEETING OF STOCKHOLDERS**

**To be held on April 4, 2013**

To Our Stockholders:

A special meeting of stockholders of Azteca Acquisition Corporation ("Azteca") will be held at the offices of Greenberg Traurig, LLP, located at 200 Park Avenue, New York, NY 10166 on April 4, 2013, at 9:30 a.m., Eastern time, for the following purposes:

1. To consider and vote upon the Agreement and Plan of Merger, dated January 22, 2013, (the "Merger Agreement") by and among Azteca, Hemisphere Media Group, Inc. ("Hemisphere"), a direct wholly-owned subsidiary of Cinelatino (as defined below), InterMedia Español Holdings, LLC ("WAPA"), Cine Latino, Inc. ("Cinelatino"), Hemisphere Merger Sub I, LLC, Hemisphere Merger Sub II, Inc. and Hemisphere Merger Sub III, Inc., a copy of which is attached to the accompanying proxy statement/prospectus as Annex A. The board of directors of Azteca (the "Azteca Board") unanimously recommends a vote "FOR" this proposal.
2. To consider and vote upon one or more adjournments of the special meeting of stockholders, if necessary, to permit further solicitation of proxies because there are not sufficient votes at the special meeting of stockholders to approve and adopt the Merger Agreement. The Azteca Board unanimously recommends a vote "FOR" this proposal.
3. To transact such other business that may properly come before the special meeting of stockholders and any adjournment or postponement thereof.

When you consider the recommendations of the Azteca Board, you should keep in mind that certain of Azteca's directors and officers may have direct and indirect interests in the consummation of the transactions contemplated by the Merger Agreement (the "Transaction") that may conflict with your interests as a stockholder. See the section entitled, "The Transaction Interests of Azteca Officers and Directors in the Transaction."

The Azteca Board has fixed March 10, 2013, as of 5:00 p.m., Eastern time, as the record date for the determination of stockholders entitled to notice of, and to vote at, the special meeting of stockholders or one or more adjournments thereof. Only holders of record of shares of Azteca common stock at 5:00 p.m., Eastern time, on March 10, 2013 are entitled to notice of, and to vote at, the special meeting of stockholders or one or more adjournments or postponements thereof.

**AZTECA IS PROVIDING ITS PUBLIC STOCKHOLDERS WITH THE OPPORTUNITY TO REDEEM THEIR PUBLIC SHARES OF AZTECA COMMON STOCK FOR CASH IN AN AMOUNT EQUAL TO THE GREATER OF \$10.05 PER SHARE OR THE QUOTIENT OBTAINED BY DIVIDING (I) THE AGGREGATE AMOUNT THEN ON DEPOSIT IN A TRUST ACCOUNT HOLDING THE PROCEEDS OF AZTECA'S INITIAL PUBLIC OFFERING (THE "TRUST ACCOUNT"), AS OF TWO BUSINESS DAYS PRIOR TO THE CONSUMMATION OF THE TRANSACTION, LESS FRANCHISE AND INCOME TAXES PAYABLE AND LESS ANY INTEREST THAT AZTECA WAS PERMITTED TO WITHDRAW IN ACCORDANCE WITH THE TERMS OF THE TRUST AGREEMENT DATED JUNE 29, 2011, BY AND BETWEEN AZTECA AND CONTINENTAL STOCK TRANSFER & TRUST COMPANY (THE "TRUST AGREEMENT") FOR WORKING CAPITAL REQUIREMENTS, BY (II) THE TOTAL NUMBER OF THEN OUTSTANDING PUBLIC SHARES (THE "PRO RATA SHARE OF THE TRUST ACCOUNT"). THERE WILL BE NO REDEMPTION RIGHTS UPON THE CONSUMMATION OF THE TRANSACTION WITH RESPECT TO OUTSTANDING WARRANTS OF AZTECA.**

**AZTECA'S INITIAL STOCKHOLDERS HAVE AGREED TO WAIVE THEIR REDEMPTION RIGHTS WITH RESPECT TO THEIR FOUNDER SHARES AND ANY PUBLIC SHARES THEY MAY HOLD IN CONNECTION WITH THE CONSUMMATION OF A TRANSACTION, AND THE**

---

Table of Contents

**FOUNDER SHARES WILL BE EXCLUDED FROM THE PRO RATA CALCULATION USED TO DETERMINE THE PER-SHARE REDEMPTION PRICE.**

Azteca will consummate the Transaction only if holders of at least a majority of the outstanding shares of Azteca common stock are voted in favor of the approval and adoption of the Merger Agreement. The Azteca Initial Stockholders have agreed to vote all the shares they own in favor of the proposal to approve and adopt the Merger Agreement.

InterMedia Partners VII, L.P. directly holds 100% of the economic interests in WAPA and indirectly holds 47.5% of the common stock of Cinelatino through its controlling interest in InterMedia Cine Latino, LLC.

Azteca is simultaneously asking warrant holders owning Azteca warrants issued in Azteca's initial public offering to approve and consent to an amendment (the "Warrant Amendment") to the terms of the warrant agreement governing Azteca's outstanding warrants (the "Warrant Agreement"), pursuant to which (i) each warrant to purchase Azteca common stock outstanding immediately prior to the closing of the Transaction (including the warrants issued to Azteca's Sponsor which we refer to as the "Sponsor Warrants") will become exercisable for one-half of the number of shares of common stock of Azteca at an exercise price of \$6.00 per half-share (the "Amended Azteca Warrants"), (ii) each holder of Azteca warrants (including Sponsor Warrants) will receive, for each such warrant (in exchange for the reduction of shares for which such warrants are exercisable), \$0.50 in cash, (iii) the obligation to reduce the warrant price upon the occurrence of certain transactions in which the consideration to be received includes securities of a private company will be removed to permit the Amended Azteca Warrants to be treated as equity for reporting purposes, and (iv) the Public Warrants will be able to be exercised on a "cashless basis" at the election of Azteca under certain circumstances. Upon consummation of the Transaction, each Amended Azteca Warrant will be converted into an equal number of Hemisphere warrants and will be exercisable for shares of Hemisphere Class A common stock on the same terms as were in effect with respect to such Amended Azteca Warrants immediately prior to the consummation of the Transaction. Pursuant to the Warrant Amendment, a warrant holder may exercise its warrants only for a whole number of shares of Hemisphere Class A common stock and therefore only an even number of warrants may be exercised at any given time by the registered warrant holder. For example, if a registered warrant holder holds one warrant to purchase one-half of a share of Class A common stock, par value \$0.0001 per share, of Hemisphere ("Hemisphere Class A common stock"), such warrant shall not be exercisable. If a registered warrant holder holds two warrants, such warrants shall be exercisable for one share of Hemisphere Class A common stock.

Each public stockholder of Azteca common stock may elect to redeem such holder's Public Shares, irrespective of whether such holder votes for or against the approval and adoption of the Merger Agreement. Azteca has no specified maximum redemption threshold. However, Azteca will not consummate the Transaction unless it has at least \$80.0 million of cash, after giving effect to any redemptions by Azteca's stockholders, but before giving effect to cash payable pursuant to the Warrant Amendment, payment of the deferred underwriting fees payable to Azteca's underwriter in connection with its initial public offering and consulting fees due to certain of Azteca's consultants and advisors, transaction expenses and any cash contribution from WAPA or Cinelatino, held in the Trust Account. Azteca's public stockholders will be able to redeem their shares up to two business days prior to the vote on the proposal to approve and adopt the Merger Agreement.

As set forth in Azteca's amended and restated certificate of incorporation, a public stockholder of Azteca, together with any of such holder's affiliates or any other person with whom such stockholder is acting in concert or as a "group" (as defined under Section 13 of the Securities Exchange Act of 1934, as amended), will be restricted from redeeming such holder's shares with respect to more than an aggregate of 15% of the Public Shares sold in Azteca's initial public offering.

Azteca may enter into privately negotiated transactions to purchase Public Shares from stockholders prior to consummation of the Transaction with proceeds to be released from the Trust Account immediately following consummation of the Transaction. As specified under Azteca's amended and restated certificate of incorporation, Azteca may instruct the trustee under the Trust Agreement

---

Table of Contents

that amounts necessary to purchase up to 15% of the Public Shares sold in Azteca's initial public offering at any time commencing after the filing of a preliminary proxy statement for an initial business combination and ending on the record date for the stockholder meeting to approve such initial business combination (such purchases being referred to herein as "Open Market Purchases") be released to Azteca from the Trust Account. Such Open Market Purchases may be made only at per share prices (inclusive of commissions) that do not exceed an amount equal to (A) the aggregate amount then on deposit in the Trust Account divided by (B) the total number of Public Shares then outstanding. Any Public Shares so purchased shall be immediately cancelled.

For more information about the proposals and the special meeting of stockholders, please review carefully the accompanying proxy statement/prospectus.

Your vote is important. Whether or not you expect to attend the special meeting of stockholders in person, please submit a proxy by telephone or over the internet as instructed in these materials, or complete, date, sign and return the enclosed proxy card, as promptly as possible in order to ensure that we receive your proxy with respect to your shares of Azteca common stock. Instructions are shown on the enclosed proxy card and a return envelope (postage pre-paid if mailed in the United States) is enclosed for your convenience. If your shares of Azteca common stock are held in a stock brokerage account or by a bank or other nominee, please follow the instructions that you receive from your broker, bank or other nominee to vote your shares.

If you sign, date and mail your proxy card without indicating how you wish to vote, your proxy will be voted in favor of the adoption of the Merger Agreement and in favor of the proposal to adjourn the meeting if necessary to solicit additional proxies. If you fail to return your proxy card or fail to submit your proxy by telephone or over the Internet and do not attend the special meeting of stockholders in person, the effect will be that your shares will not be counted for purposes of determining whether a quorum is present at the special meeting of stockholders and, if a quorum is present, will have the same effect as a vote against the adoption of the Merger Agreement. Broker non-votes will count in determining whether a quorum is present. If you are a stockholder of record and you attend the special meeting of stockholders and wish to vote in person, you may withdraw your proxy and vote in person.

Please do not send documents or certificates representing your ownership of Azteca common stock at this time. If the Transaction is consummated, we will notify you of the procedures for exchanging your shares of Azteca common stock.

By Order of the Board of Directors,

*Secretary*

Beverly Hills, California  
March 15, 2013

**IF YOU SIGN, DATE AND MAIL YOUR PROXY CARD WITHOUT INDICATING HOW YOU WISH TO VOTE, YOUR SHARES WILL BE VOTED IN FAVOR OF EACH OF THE PROPOSALS.**

---

Table of Contents

**AZTECA ACQUISITION CORPORATION  
421 N. BEVERLY DRIVE, SUITE 300  
BEVERLY HILLS, CALIFORNIA 90210**

**NOTICE OF SPECIAL MEETING OF WARRANTHOLDERS  
To be held on April 4, 2013**

To Our Public Warrantholders:

A special meeting of warrantholders owning warrants of Azteca Acquisition Corporation ("Azteca"), each of which is exercisable for one share of Azteca common stock, par value \$0.0001 per share, issued in Azteca's initial public offering (such warrants, the "Public Warrants" and such holders, the "Public Warrantholders") will be held at the offices of Greenberg Traurig, LLP, located at 200 Park Avenue, New York, NY 10166 on April 4, 2013, at 9:00 a.m., Eastern time, for the following purposes:

1. To consider and vote upon an amendment (the "Warrant Amendment") to the warrant agreement (the "Warrant Agreement") that governs all of the Azteca warrants in connection with the consummation of the transactions contemplated by the Agreement and Plan of Merger, dated January 22, 2013, (the "Merger Agreement") by and among Azteca, Hemisphere Media Group, Inc. ("Hemisphere"), a direct wholly-owned subsidiary of Cinelatino (as defined below), InterMedia Español Holdings, LLC ("WAPA"), Cine Latino, Inc. ("Cinelatino"), Hemisphere Merger Sub I, LLC, Hemisphere Merger Sub II, Inc. and Hemisphere Merger Sub III, Inc., providing for the combination of Azteca, WAPA and Cinelatino as indirect, wholly-owned subsidiaries of Hemisphere, which will be a parent holding company (collectively, the "Transaction"). Pursuant to the Warrant Amendment (i) each warrant to purchase Azteca common stock outstanding immediately prior to the closing of the Transaction (including all of the Sponsor Warrants) will become exercisable for one-half of the number of shares of common stock of Azteca at an exercise price of \$6.00 per half-share (the "Amended Azteca Warrants"), (ii) each holder of Azteca warrants (including Sponsor Warrants) will receive, for each such warrant (in exchange for the reduction of shares for which such warrants are exercisable), \$0.50 in cash, (iii) the obligation to reduce the warrant price upon the occurrence of certain transactions in which the consideration to be received includes securities of a private company will be removed to permit the Amended Azteca Warrants to be treated as equity for reporting purposes, and (iv) the Public Warrants will be able to be exercised on a "cashless basis" at the election of Azteca under certain circumstances. Upon consummation of the Transaction, each outstanding Amended Azteca Warrant will be automatically converted into an equal number of warrants issued by Hemisphere (i.e. warrants to purchase 7,333,334 shares of Hemisphere Class A Common Stock) and will become exercisable on the same terms as were in effect with respect to such warrants immediately prior to the Transaction, as amended by the Warrant Amendment. Pursuant to the Warrant Amendment, a warrantholder may exercise its warrants only for a whole number of shares of Hemisphere Class A common stock and therefore only an even number of warrants may be exercised at any given time by the registered warrantholder. For example, if a registered warrantholder holds one warrant to purchase one-half of a share of Class A common stock, par value \$0.0001 per share, of Hemisphere ("Hemisphere Class A common stock"), such warrant shall not be exercisable. If a registered warrantholder holds two warrants, such warrants shall be exercisable for one share of Hemisphere Class A common stock. Approval of the Warrant Amendment requires approval by warrantholders holding at least 65% of the outstanding Public Warrants. The effect of the Warrant Amendment will be to reduce the number of shares of Hemisphere Class A common stock issuable upon exercise of the warrants by half, thereby reducing the amount by which Hemisphere stockholders would otherwise have been diluted as a result of the exercise in full of the warrants. If the Transaction is not completed, the Warrant Amendment will not become effective, even if warrantholders have approved the Warrant Amendment. The Transaction will not be consummated unless the Warrant Amendment is approved by holders of 65% of the outstanding Public Warrants, even if the Transaction proposal is approved by our stockholders.

2. To consider and vote upon the adjournment of the special meeting of warrantholders, if necessary, to permit further solicitation and vote of proxies in favor of the Warrant Amendment Proposal (the "Warrantholder Adjournment Proposal"); and

3. To transact such other business as may properly come before the special meeting of warrantholders or any reconvened meeting following an adjournment or postponement thereof.

---



Table of Contents

The board of directors of Azteca (the "Azteca Board") has fixed March 10, 2013, as of 5:00 p.m., Eastern time, as the record date for the determination of warrant holders entitled to notice of, and to vote at, the special meeting of warrant holders or one or more adjournments thereof. Only holders of record of Public Warrants at 5:00 p.m., Eastern time, on March 10, 2013 are entitled to notice of, and to vote at, the special meeting of warrant holders or one or more adjournments or postponements thereof.

WAPA and Cinelatino are affiliated companies by virtue of InterMedia Partners VII, L.P.'s ownership interests in each company. InterMedia Partners VII, L.P. directly holds 100% of the economic interests in WAPA and indirectly holds 47.5% of the common stock of Cinelatino through its controlling interest in InterMedia Cine Latino, LLC.

The Azteca Board unanimously recommends that Public Warrant holders vote "FOR" the Warrant Amendment Proposal and "FOR" the Warrant holder Adjournment Proposal. When you consider the recommendation of the Azteca Board in favor of the Warrant Amendment Proposal, you should keep in mind that certain of Azteca's directors and officers may have direct and indirect interests in the Transaction that may conflict with your interests as a warrant holder. See the section entitled, "The Transaction Interests of Azteca Officers and Directors in the Transaction."

For more information about the proposals and the special meeting of warrant holders, please review carefully the accompanying proxy statement/prospectus.

Your vote is important. Whether or not you expect to attend the special meeting of warrant holders in person, please submit a proxy by telephone or over the internet as instructed in these materials, or complete, date, sign and return the enclosed proxy card, as promptly as possible in order to ensure that we receive your proxy with respect to your Public Warrants. Instructions are shown on the enclosed proxy card and a return envelope (postage pre-paid if mailed in the United States) is enclosed for your convenience. If your Public Warrants are held in a brokerage account or by a bank or other nominee, please follow the instructions that you receive from your broker, bank or other nominee to vote your shares.

If you sign, date and mail your proxy card without indicating how you wish to vote, your proxy will be voted in favor of the Warrant Amendment Proposal and the Warrant holder Adjournment Proposal. If you fail to return your proxy card or fail to submit your proxy by telephone or over the internet and do not attend the special meeting of warrant holders in person, the effect will be that your warrants will not be counted for purposes of determining whether a quorum is present at the special meeting of warrant holders and, if a quorum is present, will have the same effect as a vote against the Warrant Amendment Proposal. Broker non-votes will count in determining whether a quorum is present. If you are a warrant holder of record and you attend the special meeting of warrant holders and wish to vote in person, you may withdraw your proxy and vote in person.

Please do not send documents or certificates representing your ownership of Public Warrants at this time. If the transactions contemplated by the Warrant Amendment Proposal are consummated, you will receive a subsequent letter explaining what to do.

A complete list of Public Warrant holders of record entitled to vote at the special meeting of warrant holders will be available for ten days before the special meeting of warrant holders at the principal executive offices of Azteca for inspection by warrant holders during ordinary business hours for any purpose germane to the special meeting of warrant holders.

Thank you for your participation. We look forward to your continued support.

By Order of the Board of Directors,

*Secretary*

Beverly Hills, California  
March 15, 2013

**IF YOU SIGN, DATE AND MAIL YOUR PROXY CARD WITHOUT INDICATING HOW YOU WISH TO VOTE, YOUR WARRANTS WILL BE VOTED IN FAVOR OF EACH OF THE PROPOSALS.**

---

Table of Contents

**ABOUT THIS PROXY STATEMENT/PROSPECTUS**

This document, which forms part of a registration statement on Form S-4 filed with the U.S. Securities and Exchange Commission, or the SEC, by Hemisphere Media Group, Inc. ("Hemisphere") (File No. 333-186210), constitutes a prospectus of Hemisphere under Section 5 of the U.S. Securities Act of 1933, as amended, or the Act, with respect to the shares of Hemisphere Class A common stock to be issued to Azteca stockholders and shares of Hemisphere Class A common stock underlying warrants if the Transaction is consummated. This document also constitutes notices of meetings and a proxy statement under Section 14(a) of the U.S. Securities Exchange Act of 1934, as amended, or the Exchange Act, with respect to the special meetings of (i) Azteca stockholders at which Azteca stockholders will be asked to approve the Merger Agreement and (ii) Azteca warrant holders at which Public Warrant holders will be asked to approve an amendment to the Warrant Agreement which governs the terms of Azteca's outstanding warrants in connection with Azteca's consummation of the Transaction.

This document contains registered and unregistered trademarks and service marks of Cinelatino and WAPA and their affiliates, as well as trademarks and service marks of third parties. All brand names, trademarks and service marks appearing in this document are the property of their respective holders.

Table of Contents

**FORWARD-LOOKING STATEMENTS**

This proxy statement/prospectus contains statements that do not directly or exclusively relate to historical facts. Such statements are "forward-looking statements." You can typically identify forward-looking statements by the use of forward-looking words, such as "may," "will," "could," "project," "believe," "anticipate," "expect," "estimate," "continue," "potential," "plan," "forecast" and other similar words. These include, but are not limited to, statements relating to the synergies and the benefits that we expect to achieve in the transactions discussed herein, including future financial and operating results, the combined company's plans, objectives, expectations and intentions and other statements that are not historical facts. Those statements represent management's intentions, plans, expectations, assumptions and beliefs about future events and are subject to risks, uncertainties and other factors. Many of those factors are outside the control of Hemisphere Media Group, Inc. ("Hemisphere"), a direct wholly-owned subsidiary of Cinelatino (as defined below), Azteca Acquisition Corporation ("Azteca"), InterMedia Español Holdings, LLC ("WAPA") and Cine Latino, Inc. ("Cinelatino") and could cause actual results to differ materially from the results expressed or implied by those forward-looking statements. In addition to the risk factors described under "Risk Factors" beginning on page 42, those factors include:

possible delays in closing the Transaction, whether due to the inability to obtain stockholder or regulatory approval, Azteca not having at least \$80.0 million of cash held in the Trust Account, after giving effect to any redemptions by Azteca's stockholders, but before giving effect to cash payable pursuant to the Warrant Amendment, payment of the deferred underwriting fees payable to Azteca's underwriter in connection with its initial public offering and consulting fees due to certain of Azteca's consultants and advisors, transaction expenses and any cash contribution from WAPA or Cinelatino or failure to satisfy any of the conditions to closing the Transaction, as set forth in the Merger Agreement;

any waivers of the conditions to closing the Transaction as may be permitted in the Merger Agreement;

the reaction to the merger by advertisers, programming providers, strategic partners, the Federal Communications Commission (the "FCC") or other government regulators;

the potential for viewership of WAPA or Cinelatino programming to decline;

the risk that WAPA and Cinelatino may fail to secure sufficient or additional advertising and/or subscription revenue;

the risk that the proposed transaction disrupts current plans and operations of each business as a result of the commencement and consummation of the Transaction;

the benefits of the combination of WAPA and Cinelatino, including the prospects of the combined businesses;

the ability to realize anticipated growth and growth strategies of the combined company;

the ability of Hemisphere to obtain additional financing in the future;

Hemisphere's ability to successfully manage relationships with customers, distributors and other important relationships;

the loss of key personnel and/or talent or expenditure of a greater amount of resources attracting, retaining and motivating key personnel than in the past;

changes in technology;

changes in pricing and availability of products and services;

ii

---

Table of Contents

the ability to realize the anticipated benefits of the Transaction, which may be affected by, among other things, competition in the industry in which Hemisphere operates;

the deterioration of general economic conditions, either nationally or in the local markets in which Hemisphere operates;

legislative or regulatory changes that may adversely affect Hemisphere's businesses;

costs related to the Transaction that may reduce Hemisphere's working capital; and

Azteca's dissolution and liquidation as a result of a failure to close the Transaction.

The forward-looking statements are based on current expectations about future events. Although Azteca and Hemisphere believe that the expectations reflected in the forward-looking statements are reasonable, these expectations may not be achieved. Neither Azteca nor Hemisphere is under any duty to update any of the forward-looking statements after the date of this proxy statement/prospectus to conform those statements to actual results. In evaluating these statements, you should consider various factors, including the risks outlined in the section entitled "Risk Factors" beginning on page 42.

## TABLE OF CONTENTS

	Page
<u>QUESTIONS AND ANSWERS</u>	<u>3</u>
<u>SUMMARY</u>	<u>19</u>
<u>SELECTED HISTORICAL FINANCIAL DATA OF AZTECA</u>	<u>34</u>
<u>SELECTED CONSOLIDATED HISTORICAL FINANCIAL DATA OF WAPA</u>	<u>35</u>
<u>SELECTED HISTORICAL FINANCIAL DATA OF CINELATINO</u>	<u>36</u>
<u>SELECTED UNAUDITED PRO FORMA CONDENSED COMBINED FINANCIAL INFORMATION OF HEMISPHERE</u>	<u>37</u>
<u>RECONCILIATION OF GAAP TO NON-GAAP FINANCIAL MEASURES</u>	<u>39</u>
<u>COMPARATIVE HISTORICAL AND PRO FORMA PER SHARE DATA</u>	<u>40</u>
<u>MARKET PRICE AND DIVIDEND INFORMATION</u>	<u>41</u>
<u>RISK FACTORS</u>	<u>42</u>
<u>INFORMATION ABOUT AZTECA</u>	<u>73</u>
<u>MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS OF AZTECA</u>	<u>80</u>
<u>AZTECA SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND RELATED STOCKHOLDER MATTERS</u>	<u>86</u>
<u>INFORMATION ABOUT WAPA</u>	<u>90</u>
<u>MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS OF WAPA</u>	<u>100</u>
<u>WAPA SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND RELATED STOCKHOLDER MATTERS</u>	<u>110</u>
<u>INFORMATION ABOUT CINELATINO</u>	<u>111</u>
<u>MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS OF CINELATINO</u>	<u>118</u>
<u>CINELATINO SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND RELATED STOCKHOLDER MATTERS</u>	<u>127</u>
<u>CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS, AND DIRECTOR INDEPENDENCE</u>	<u>128</u>
<u>GOVERNMENT REGULATION OF HEMISPHERE</u>	<u>133</u>
<u>THE SPECIAL MEETING OF WARRANTHOLDERS AND SPECIAL MEETING OF AZTECA STOCKHOLDERS</u>	<u>142</u>
<u>PROPOSALS TO BE CONSIDERED BY THE AZTECA STOCKHOLDERS</u>	<u>148</u>
<u>PROPOSAL NO. 1 APPROVAL AND ADOPTION OF THE MERGER AGREEMENT</u>	<u>148</u>
<u>PROPOSAL NO. 2 ADJOURNMENT OF SPECIAL MEETING</u>	<u>148</u>
<u>PROPOSALS TO BE CONSIDERED BY THE PUBLIC WARRANTHOLDERS</u>	<u>149</u>
<u>THE TRANSACTION</u>	<u>152</u>
<u>MATERIAL U.S. FEDERAL INCOME TAX CONSEQUENCES</u>	<u>167</u>
<u>THE AGREEMENTS</u>	<u>172</u>
<u>POST-TRANSACTION PRO FORMA SECURITY OWNERSHIP BY CERTAIN BENEFICIAL OWNERS AND MANAGEMENT OF HEMISPHERE</u>	<u>192</u>
<u>HEMISPHERE EXECUTIVE OFFICERS AND DIRECTORS</u>	<u>195</u>
<u>UNAUDITED PRO FORMA CONDENSED COMBINED FINANCIAL INFORMATION</u>	<u>202</u>
<u>DESCRIPTION OF HEMISPHERE SECURITIES</u>	<u>211</u>
<u>COMPARISON OF STOCKHOLDER RIGHTS</u>	<u>216</u>
<u>LEGAL MATTERS</u>	<u>224</u>
<u>EXPERTS</u>	<u>224</u>
<u>WHERE YOU CAN FIND MORE INFORMATION</u>	<u>224</u>
<u>FINANCIAL STATEMENTS</u>	<u>F-1</u>

Edgar Filing: HEMISPHERE MEDIA GROUP, INC. - Form 424B3

LIST OF ANNEXES

- Annex A      Merger Agreement, dated as of January 22, 2013, by and among Azteca Acquisition Corporation, Hemisphere Media Group, Inc., InterMedia Español Holdings, LLC, Cine Latino, Inc., Hemisphere Merger Sub I, LLC, Hemisphere Merger Sub II, Inc. and Hemisphere Merger Sub III, Inc.
- Annex B      Form of Assignment, Assumption and Amendment of Warrant Agreement, by and among Azteca Acquisition Corporation, Hemisphere Media Group, Inc. and Continental Stock Transfer & Trust Company, as Warrant Agent
- Annex C      Excerpt of the General Corporation Law of the State of Delaware on Appraisal Rights

Table of Contents

**QUESTIONS AND ANSWERS**

*The following questions and answers are intended to address briefly some commonly asked questions regarding the Transaction, the special meeting of Azteca's stockholders and the special meeting of Azteca's warrant holders. These questions and answers may not address all questions that may be important to you as a stockholder or warrant holder. To better understand these matters, and for a description of the legal terms governing the Transaction, you should carefully read this entire proxy statement/prospectus, including the annexes. See "Where You Can Find More Information" beginning on page 224.*

All references in this proxy statement/prospectus to:

"Amended Azteca Warrants" refers to Azteca warrants that, by action of the Warrant Amendment, will become exercisable for one-half of the number of shares of common stock of Azteca at an exercise price of \$6.00 per half-share;

"Azteca" refers to Azteca Acquisition Corporation, a Delaware blank check corporation;

"Azteca common stock" refers to the common stock, par value \$0.0001 per share, of Azteca;

"Azteca Initial Stockholders" refers to Azteca's Sponsor, Juan Pablo Albán, Alfredo Elias Ayub, John Engelman and Clive Fleissig;

the "Azteca Merger" refers to the merger of Azteca Merger Sub with and into Azteca, with Azteca as the surviving entity, as contemplated by the Merger Agreement;

"Azteca Merger Sub" refers to Hemisphere Merger Sub II, Inc., a Delaware corporation and an indirect wholly-owned subsidiary of Hemisphere;

"Azteca's Sponsor" refers to Azteca Acquisition Holdings, LLC, a Delaware limited liability company;

"Azteca warrants" refers, collectively to the Public Warrants and the Sponsor Warrants;

"Cinelatino" refers to Cine Latino, Inc., a Delaware corporation;

the "Cinelatino Merger" refers to the merger of Cine Merger Sub with and into Cinelatino, with Cinelatino as the surviving entity, as contemplated by the Merger Agreement;

the "Cinelatino Stockholders" refers to InterMedia Cine Latino, LLC, Cinema Aeropuerto and James M. McNamara;

"Cine Merger Sub" refers to Hemisphere Merger Sub III, Inc., a Delaware corporation and an indirect wholly-owned subsidiary of Hemisphere;

"Cinema Aeropuerto" refers to Cinema Aeropuerto, S.A. de C.V., a Mexican Sociedad Anonima de Capital Variable (variable capital corporation);



"Current Sponsor Warrantholders" refers to Brener International Group, LLC, a Delaware limited liability company and an affiliate of Azteca's Sponsor, Juan Pablo Albán and Clive Fleissig;

"Hemisphere" refers to Hemisphere Media Group, Inc., a Delaware corporation and a direct wholly-owned subsidiary of Cinelatino prior to the consummation of the Transaction (that will become the parent holding company following the Transaction);

"Hemisphere Class A common stock" refers to Class A common stock, par value \$0.0001 per share, of Hemisphere;

"Hemisphere Class B common stock" refers to Class B common stock, par value \$0.0001 per share, of Hemisphere;

"Hemisphere warrants" refers to the warrants of Hemisphere that will be issued upon conversion of the Amended Azteca Warrants upon the consummation of the Transaction.

## Edgar Filing: HEMISPHERE MEDIA GROUP, INC. - Form 424B3

### Table of Contents

"Holdco" refers to Hemisphere Media Holdings, LLC, a Delaware limited liability company and direct wholly-owned subsidiary of Hemisphere;

the "Merger Agreement" refers to the Agreement and Plan of Merger, dated as of January 22, 2013, among Azteca, Hemisphere, WAPA, Cinelatino, WAPA Merger Sub, Azteca Merger Sub and Cine Merger Sub, a copy of which is attached as Annex A to this proxy statement/prospectus;

"Merger Subs" refers to Azteca Merger Sub, WAPA Merger Sub, and Cine Merger Sub, collectively;

"MVS" refers to Grupo MVS, S.A. de C.V., a Mexican Sociedad Anonima de Capital Variable (variable capital corporation);

"Public Shares" refers to the shares of Azteca common stock issued in Azteca's initial public offering;

"Public Warrants" refers to the warrants, each of which is exercisable for one share of Azteca common stock issued in Azteca's initial public offering;

"Public Warrantholders" refers to holders of Public Warrants;

"Seller Warrants" refers to 2,333,334 warrants that will be issued by Hemisphere to the WAPA/Cinelatino Investors upon the consummation of the Transaction;

"Sponsor Warrants" refers to the 4,666,667 warrants issued to Azteca's Sponsor pursuant to the Warrant Agreement at the time of Azteca's initial public offering (and that are currently held by the Current Sponsor Warrantholders);

the "Transaction" refers collectively to the mergers of WAPA and WAPA Merger Sub, Azteca and Azteca Merger Sub, and Cinelatino and Cine Merger Sub, resulting in Azteca, WAPA and Cinelatino becoming indirect wholly-owned subsidiaries of Hemisphere, as contemplated by the Merger Agreement;

"Warrant Agreement" refers to the Warrant Agreement, dated as of June 29, 2011, between Azteca and Continental Stock Transfer & Trust Company, as warrant agent;

"Warrant Amendment" refers to an amendment to the Warrant Agreement pursuant to which, among other things, each of the Azteca Warrants outstanding immediately prior to the consummation of the Transaction (including all of the Sponsor Warrants) will become exercisable for one-half of the number of shares of common stock of Azteca at an exercise price of \$6.00 per half-share;

"WAPA" refers to InterMedia Español Holdings, LLC, a Delaware limited liability company;

"WAPA Member" refers to InterMedia Partners VII, L.P., a Delaware limited partnership;

Edgar Filing: HEMISPHERE MEDIA GROUP, INC. - Form 424B3

the "WAPA Merger" refers to the merger of WAPA Merger Sub with and into WAPA, with WAPA as the surviving entity, as contemplated by the Merger Agreement;

"WAPA Merger Sub" refers to Hemisphere Merger Sub I, LLC, a Delaware limited liability company and an indirect wholly-owned subsidiary of Hemisphere;

the "WAPA/Cinelatino Investors" refers collectively to the WAPA Member and the Cinelatino stockholders; and

unless otherwise indicated or as the context requires, all references in this proxy statement/prospectus to "we", "us" and "our" refers to Hemisphere.

Table of Contents

*Information about the Transaction and Warrant Amendment*

**Q: Why is Azteca holding a special meeting of stockholders?**

A: Azteca, Hemisphere, WAPA, Cinelatino and the Merger Subs have entered into the Merger Agreement providing for the combination of Azteca, WAPA and Cinelatino as indirect wholly-owned subsidiaries of Hemisphere. Pursuant to the Merger Agreement, Azteca Merger Sub will be merged with and into Azteca, WAPA Merger Sub will be merged with and into WAPA and Cine Merger Sub will be merged with and into Cinelatino. Upon consummation of the Transaction, Azteca, WAPA and Cinelatino will each become indirect wholly-owned subsidiaries of Hemisphere. As a result, following the consummation of the Transaction, (i) the WAPA/Cinelatino Investors will own Hemisphere Class B common stock and warrants to purchase Hemisphere Class A common stock, (ii) the Azteca stockholders will own Hemisphere Class A common stock and (iii) the Azteca warrant holders will own warrants to purchase Hemisphere Class A common stock. In connection with the Transaction, Hemisphere has applied to list its shares of Hemisphere Class A common stock on The NASDAQ Stock Market ("NASDAQ") under the symbol "HMTV." Hemisphere expects its warrants will trade on the OTCBB under the symbol "HMTVW" following the consummation of the Transaction.

Upon consummation of the Transaction, each share of Azteca common stock will be automatically converted into one share of Hemisphere Class A common stock. The Azteca Initial Stockholders will contribute a total of 250,000 shares of Azteca common stock to Azteca for no consideration immediately prior to the closing of the Transaction, and such shares will be cancelled. Therefore, assuming no redemptions by the Azteca stockholders and no repurchases by Azteca of the Azteca common stock prior to the consummation of the Transaction, the holders of Azteca common stock will receive an aggregate of 12,250,000 shares of Hemisphere Class A common stock. Assuming a per share closing price of \$10.05 of Azteca common stock, the aggregate value of the Transaction consideration to be issued to the Azteca stockholders in the Transaction would be approximately \$123.1 million.

The WAPA/Cinelatino Investors will receive an aggregate of 33,000,000 shares of Hemisphere Class B common stock and a cash payment equal to an aggregate of \$5.0 million. Assuming a per share closing price of \$10.05 of Azteca common stock, the aggregate value of the Transaction consideration to be paid to the WAPA/Cinelatino Investors in the Transaction would be approximately \$336.7 million.

Azteca is holding a special meeting of stockholders in order to obtain the stockholder approval necessary to approve and adopt the Merger Agreement and the transactions contemplated thereby, which we refer to as the Transaction Approval. In addition, Azteca stockholders will be asked to approve the adjournment of the special meeting (if it is necessary or appropriate to solicit additional proxies because there are not sufficient votes to approve and adopt the Merger Agreement).

We will be unable to complete the Transaction unless the Transaction Approval is obtained at the special meeting.

We have included in this proxy statement/prospectus important information about the Transaction, the Merger Agreement (a copy of which is attached as Annex A) and the special meeting of stockholders. You should read this information carefully and in its entirety. The enclosed voting materials allow stockholders to vote their shares by proxy without attending the special meeting of stockholders. Your vote is important. You are encouraged to vote your shares of Azteca common stock as soon as possible after carefully reviewing this proxy statement/prospectus.

Table of Contents

**Q: Why is Azteca proposing the Transaction?**

A: Azteca is a Delaware blank check company initially formed in the British Virgin Islands on April 15, 2011 and reincorporated in the State of Delaware on June 8, 2011 for the purpose of effecting a merger, capital stock exchange, asset acquisition, stock purchase, reorganization or similar business combination with one or more businesses. Azteca's business plan is not limited to a particular industry, geographic region or minimum transaction value for purposes of consummating an initial business combination, except that it is not, under its amended and restated certificate of incorporation, permitted to effect a business combination with a blank check company or a similar type of company with nominal operations.

Azteca has identified several criteria and guidelines it believes are important for evaluating acquisition opportunities. These criteria and guidelines include, among others: sound historical financial performance; strong, stable free cash flow generation; strong competitive industry position; an experienced management team; businesses that have a record of and potential for revenue and earnings growth; and a diversified customer and supplier base. Based on its due diligence investigations of WAPA and Cinelatino and the industry in which they operate, including the financial and other information provided by WAPA and Cinelatino in the course of their negotiations, Azteca believes that WAPA and Cinelatino meet the criteria and guidelines listed above. See "The Transaction Recommendation of the Azteca Board; Reasons for the Transaction."

In accordance with Azteca's amended and restated certificate of incorporation, if Azteca is unable to complete a business combination by April 6, 2013, its corporate existence will automatically terminate and it will be required to liquidate the Trust Account and distribute the amount held in the Trust Account, including interest but net of franchise and income taxes payable and less up to \$50,000 of such net interest that may be released to Azteca from the Trust Account to pay liquidation expenses, to Azteca's public stockholders, subject in each case to Azteca's obligations under the Delaware General Corporation Law, or the DGCL, to provide for claims of creditors and the requirements of other applicable law. After distributing the proceeds of the Trust Account, Azteca will promptly distribute the balance of its net assets to its remaining stockholders according to Azteca's plan of dissolution. The Merger Agreement provides that any party thereto may terminate such agreement if the Transaction is not consummated by the date Azteca is required to be liquidated. IF AZTECA DOES NOT EFFECT A TRANSACTION BEFORE APRIL 6, 2013, IT WILL LIQUIDATE THE TRUST ACCOUNT AND DISSOLVE. THE TERMS GOVERNING SUCH POTENTIAL LIQUIDATION ARE DISCUSSED IN AZTECA'S AMENDED AND RESTATED CERTIFICATE OF INCORPORATION FILED WITH THE SEC WHICH IS AVAILABLE TO THE PUBLIC FROM THE SEC'S WEBSITE AT WWW.SEC.GOV.

**Q: Why is Azteca holding a special meeting of warrant holders?**

A: At a special meeting of warrant holders, Azteca will ask its Public Warrant holders to approve and consent to the Warrant Amendment pursuant to which (i) each of the warrants to purchase Azteca common stock outstanding immediately prior to the closing of the Merger Agreement (including all of the Sponsor Warrants) will become exercisable for one-half of the number of shares of common stock of Azteca at an exercise price of \$6.00 per half-share, (ii) each holder of Azteca warrants (including all of the Sponsor Warrants) will receive, for each such warrant (in exchange for the reduction of shares for which such warrants are exercisable), \$0.50 in cash, (iii) the obligation to reduce the warrant price upon the occurrence of certain transactions in which the consideration to be received includes securities of a private company will be removed to permit the Amended Azteca Warrants to be treated as equity for reporting purposes and (iv) the Public Warrants will be able to be exercised on a "cashless basis" at the election of Azteca under certain

Table of Contents

circumstances (together, the "Warrant Amendment Proposal"). Pursuant to the Warrant Amendment, a warrant holder may exercise its warrant only for a whole number of shares of Hemisphere Class A common stock and therefore only an even number of warrants may be exercised at any given time by the registered warrant holder. For example, if a registered warrant holder holds one warrant to purchase one-half of a share of Class A common stock, par value \$0.0001 per share, of Hemisphere ("Hemisphere Class A common stock"), such warrant shall not be exercisable. If a registered warrant holder holds two warrants, such warrants shall be exercisable for one share of Hemisphere Class A common stock. In connection with the Transaction, the Amended Azteca Warrants will be automatically converted into an equal number of warrants issued by Hemisphere (i.e. warrants to purchase 7,333,334 shares of Hemisphere Class A Common Stock) on the same terms as were in effect with respect to the Amended Azteca Warrants immediately prior to the consummation of the Transaction. The effect of the Warrant Amendment will be to reduce the number of shares of Hemisphere Class A common stock issuable upon exercise of the warrants by half, thereby reducing the amount by which Hemisphere stockholders would otherwise have been diluted as a result of the exercise in full of the warrants. If the Transaction is not completed, the Warrant Amendment will not become effective, even if warrant holders have approved the Warrant Amendment. The Transaction will not be consummated unless the Warrant Amendment is approved by holders of 65% of the outstanding Public Warrants, even if the Transaction proposal is approved by the Azteca stockholders. The holders of the Sponsor Warrants have previously consented to the Warrant Amendment.

In addition, at the special meeting of warrant holders, holders of Public Warrants will also be asked to approve a proposal to approve the adjournment of the special meeting of warrant holders to a later date or dates, if necessary, to permit further solicitation and vote of proxies in the event that, based upon the tabulated vote at the time of the special meeting, there are not sufficient votes to approve the Warrant Amendment Proposal. This is referred to herein as the Warrant holder Adjournment Proposal. This proposal will only be presented at the special meeting of warrant holders if there are not sufficient votes to approve the Warrant Amendment Proposal.

**Q:**  
**Why is Azteca proposing the Warrant Amendment Proposal?**

**A:**  
The approval of the Warrant Amendment Proposal is a condition to consummate the Transaction. Azteca and the Current Sponsor Warrant holders have agreed to effect the Warrant Amendment in connection with the consummation of the Transaction in order to reduce the dilutive effect of the exercise of the Hemisphere warrants (which were Amended Azteca Warrants immediately prior to the consummation of the Transaction), as these warrants will represent the right to purchase Hemisphere Class A common stock following the consummation of the Transaction. If the Transaction is not completed, the Warrant Amendment will not become effective, even if warrant holders have approved the Warrant Amendment.

**Q:**  
**What conditions must be satisfied to complete the Transaction?**

**A:**  
Azteca, WAPA and Cinelatino are not required to complete the Transaction unless a number of conditions are satisfied or waived. These conditions include, among others: (1) approval of the Transaction by stockholders holding at least a majority of the outstanding shares of Azteca common stock; (2) approval of the Warrant Amendment by warrant holders holding at least 65% of the outstanding Public Warrants, (3) absence of any injunctions, orders or laws that would prohibit, restrain or make illegal the Transaction; (4) effectiveness of the registration statement on Form S-4, of which this proxy statement/prospectus forms a part, and the absence of any stop order; (5) Azteca's having at least \$80.0 million of cash in the Trust Account, after giving effect to any redemptions by Azteca's stockholders, but before giving effect to cash payable pursuant to the Warrant Amendment, payment of the deferred underwriting fees payable to Azteca's underwriter

Table of Contents

in connection with its initial public offering and consulting fees due to certain of Azteca's consultants and advisors, transaction expenses and any cash contribution from WAPA or Cinelatino; (6) approval of Hemisphere Class A common stock for listing on NASDAQ, provided that the foregoing condition shall be deemed to be satisfied if the sole reason Hemisphere Class A Common Stock has not been authorized for listing on NASDAQ shall be the failure of Hemisphere to have at least the minimum number of "Round Lot Holders" (as defined in Rule 5005(a)(37) of the NASDAQ Listing Rules) required for such a listing and (7) consummation of the Transaction on or prior to April 6, 2013.

For a more complete summary of the conditions that must be satisfied or waived prior to completion of the Transaction, see "The Agreements Description of the Merger Agreement Conditions to the Closing of the Transaction" beginning on page 182.

**Q:**  
**When do you expect the Transaction to be completed?**

**A:**  
Azteca, WAPA and Cinelatino are working to complete the Transaction as quickly as possible, and we anticipate that it will be completed in the first quarter of 2013. However, the Transaction is subject to various regulatory approvals and other conditions which are described in more detail in this proxy statement/prospectus, and it is possible that factors outside the control of Azteca, WAPA and Cinelatino could result in the Transaction not being completed prior to April 6, 2013, the last possible day for a completion of a business combination.

**Q:**  
**What will Azteca stockholders receive in the Transaction?**

**A:**  
Upon consummation of the Transaction, each share of Azteca common stock will be automatically converted into one share of Hemisphere Class A common stock. In addition to the 735,294 shares subject to forfeiture pursuant to the Securities Purchase Agreement dated April 15, 2011, as amended on January 22, 2013 (the "Securities Purchase Agreement"), the Azteca Initial Stockholders have agreed to subject an additional 250,000 shares of Hemisphere Class A common stock to certain forfeiture provisions if the market price of shares of Hemisphere Class A common stock does not reach certain levels. Shares held by Azteca as treasury stock or that are owned by Azteca, Azteca Merger Sub or any other wholly-owned subsidiary of Azteca, which we refer to as the Azteca excluded shares, will not receive the Transaction consideration and will be canceled.

**Q:**  
**What will Azteca warrant holders receive in the Transaction?**

**A:**  
Upon consummation of the Transaction, each Amended Azteca Warrant will be automatically converted into an equal number of warrants issued by Hemisphere on the same terms and conditions as were in effect with respect to such warrants immediately prior to the consummation of the Transaction, as amended by the Warrant Amendment.

**Q:**  
**What will the WAPA/Cinelatino Investors receive in the Transaction?**

**A:**  
The WAPA/Cinelatino Investors will receive an aggregate of 33,000,000 shares of Hemisphere Class B common stock and a cash payment equal to an aggregate of \$5.0 million. The WAPA/Cinelatino Investors have agreed to subject a total of 3,000,000 shares of the 33,000,000 shares of Hemisphere Class B common stock to certain forfeiture provisions if the market price of shares of Hemisphere Class A common stock does not reach certain levels.

Hemisphere will issue to WAPA/Cinelatino Investors, 2,333,334 warrants (the "Seller Warrants") that are substantially identical to the Amended Azteca Warrants held by the Public Warrant holders (i.e., warrants to purchase 1,166,667 shares of Hemisphere Class A common stock) for a purchase price per warrant equal to \$0.50.

Table of Contents

**Q: What equity stake and voting percentage will the WAPA/Cinelatino Investors and the Azteca stockholders hold in Hemisphere?**

A: Upon consummation of the Transaction, the WAPA/Cinelatino Investors will hold 100% of the issued and outstanding Hemisphere Class B common stock and the Azteca stockholders will hold 100% of the issued and outstanding Hemisphere Class A common stock. Assuming no redemptions by the Azteca stockholders and no repurchases of the Azteca common stock prior to the consummation of the Transaction, the WAPA/Cinelatino Investors and the Azteca stockholders will own approximately 73% and 27%, respectively, of the capital stock of Hemisphere, excluding warrants. Assuming the maximum amount of redemptions by the Azteca stockholders and no repurchases of the Azteca common stock prior to the consummation of the Transaction, such that \$80 million remained in the Trust Account, the WAPA/Cinelatino Investors and the Azteca stockholders will own approximately 76% and 24%, respectively, of the capital stock of Hemisphere, excluding warrants.

All shares of Hemisphere's common stock will vote together as a single class. The Hemisphere Class B common stock will vote on a 10 to 1 basis with the Hemisphere Class A common stock, which means that each share of Hemisphere Class B common stock will have 10 votes and each share of Hemisphere Class A common stock will have 1 vote. Therefore, the WAPA/Cinelatino Investors will control approximately 96% of the voting power of all of Hemisphere's outstanding capital stock assuming no redemptions by the Azteca stockholders and no repurchases of the Azteca common stock prior to the consummation of the Transaction. Assuming the maximum amount of redemptions by the Azteca stockholders, such that \$80 million remained in the Trust Account, and no repurchases of the Azteca common stock prior to the consummation of the Transaction, the WAPA/Cinelatino Investors will control approximately 97% of the voting power of all of Hemisphere's outstanding capital stock. For more information about the potential effects of this structure, please see section entitled "Risk Factors" on page 42.

**Q: What happens to the funds deposited in the Trust Account after completion of the Transaction?**

A: Upon consummation of the Transaction, the funds deposited in the Trust Account will be released to pay (i) Azteca public stockholders who properly exercise their redemption rights, (ii) approximately \$7.3 million to the Azteca warrant holders pursuant to the Warrant Amendment, (iii) the deferred underwriting fees payable to Azteca's underwriter in connection with its initial public offering and consulting fees due to certain of Azteca's consultants and advisors, (iv) approximately \$4.0 million of transaction fees and expenses associated with the Transaction, (v) the cash consideration in the aggregate amount of \$5.0 million payable to the WAPA/Cinelatino Investors pursuant to the Merger Agreement and (vi) an aggregate of \$3.8 million to MVS in consideration for the termination of a multi-year exclusive distribution agreement. Any amounts remaining will be used for the working capital and general corporate purposes of Hemisphere following the consummation of the Transaction.

**Q: If the Transaction is completed, when can I expect to receive the Hemisphere Class A common stock for my shares of Azteca common stock?**

A: Azteca Certificated Shares: As soon as reasonably practicable after the consummation of the Transaction, Hemisphere will cause an exchange agent to mail to each holder of certificated shares of Azteca common stock a form of letter of transmittal and instructions for use in effecting the exchange of Azteca common stock for Hemisphere Class A common stock. After receiving the proper documentation from a holder of Azteca common stock, the exchange agent will deliver to such holder the Hemisphere Class A common stock to which such holder is entitled under the Merger Agreement.



Table of Contents

Azteca Book Entry Shares: Each holder of record of one or more book entry shares of Azteca common stock whose shares will be converted into the right to receive Hemisphere Class A common stock will automatically, upon the effective time of the Transaction, be entitled to receive, and Hemisphere will cause the exchange agent to deliver to such holder as promptly as practicable after the consummation of the Transaction, the Hemisphere Class A common stock to which such holder is entitled under the Merger Agreement. Holders of book entry shares will not be required to deliver a certificate or an executed letter of transmittal to the exchange agent in order to receive the Transaction consideration.

**Q: What are my U.S. Federal income tax consequences as a result of the Transaction?**

A: It is anticipated that the Transaction will qualify as an exchange described in Section 351 of the Internal Revenue Code of 1986, as amended, which we refer to as the Code. If the Transaction qualifies as an exchange described in Section 351, then U.S. holders (as defined in the section entitled "Material U.S. Federal Income Tax Consequences") of Azteca common stock generally will not recognize gain or loss for U.S. federal income tax purposes as a result of the exchange of Azteca common stock for Hemisphere Class A common stock. Notwithstanding the foregoing, there is a risk that a U.S. holder of Azteca common stock will be taxed on a portion of the Hemisphere Class A common stock received in the Azteca Merger at ordinary income rates to the extent the stockholder is deemed to receive Hemisphere Class A common stock other than as consideration for the stockholder's Azteca common stock surrendered in the Azteca Merger.

A U.S. holder of Public Warrants should recognize capital gain or loss with respect to the Warrant Amendment, and the amount of such capital gain or loss should be equal to the difference between the amount of cash received and one-half of the U.S. holder's adjusted tax basis in the Public Warrants.

A U.S. holder of Public Warrants may also have tax consequences resulting from the deemed exchange of Amended Azteca Warrants for an equal number of warrants to purchase Hemisphere Class A common stock.

You are strongly urged to consult with a tax advisor to determine the particular U.S. federal, state or local or foreign income or other tax consequences of the Transaction to you. See "Material U.S. Federal Income Tax Consequences" on page 167.

**Q: What interests do Azteca's current officers and directors have in the Transaction?**

A: Azteca's directors and executive officers may have direct and indirect interests in the Transaction that are different from, or in conflict with, yours. These interests include the continued service of certain directors of Azteca as directors of Hemisphere, and the indemnification of former Azteca directors and officers by Hemisphere and the surviving corporations.

In addition, certain of Azteca's executive officers and directors have financial interests in the Transaction that are different from, or in conflict with, the interests of Azteca's stockholders, other than the Azteca Initial Stockholders. With respect to Azteca's executive officers and directors, these interests include, among other things:

The Azteca founders purchased 2,500,000 shares of Azteca common stock prior to its initial public offering for an aggregate purchase price of approximately \$25,000. Azteca's amended and restated certificate of incorporation provides that if a definitive agreement to consummate a business combination has been executed but no business combination is consummated by April 6, 2013, Azteca is required to begin the dissolution process provided for in Azteca's amended and restated certificate of incorporation. In the event of a dissolution, the 2,500,000 shares of Azteca common stock that Azteca's founders purchased prior to Azteca's initial public offering would become worthless, as the Azteca founders have waived any right to receive liquidation distributions with respect to these shares. Such shares had an aggregate market value of approximately \$25.5 million, based upon the closing price of \$10.20 of the Azteca common stock on the OTCBB on March 8, 2013, the trading day immediately prior to the record date.

Table of Contents

All of the 4,666,667 Sponsor Warrants purchased by Azteca's Sponsor (which were subsequently transferred to Brener International Group, LLC (a holding company for some of the Brener family interests in the United States), Juan Pablo Albán and Clive Fleissig, executive officers of Azteca) would expire and become worthless. Such warrants had an aggregate value of approximately \$5.4 million, based on the closing price of the Azteca warrants of \$1.15 on the OTCBB on March 8, 2013, the trading day immediately prior to the record date.

Azteca will purchase from the Current Sponsor Warrantholders, 2,333,334 Amended Azteca Warrants (i.e. warrants to purchase 1,166,667 shares of Azteca common stock) for a purchase price per warrant equal to \$0.50 immediately prior to the consummation of the Transaction.

The Azteca Initial Stockholders (who are executive officers and directors of Azteca) will contribute a total of 250,000 shares of Azteca common stock to Azteca for no consideration immediately prior to the closing of the Transaction, and such shares will be cancelled.

In addition to the 735,294 shares subject to forfeiture pursuant to the Securities Purchase Agreement, the Azteca Initial Stockholders have agreed to subject an additional 250,000 shares of Hemisphere Class A common stock to certain forfeiture provisions if the market price of shares of Hemisphere Class A common stock does not reach certain levels.

Azteca expects that Messrs. Gabriel Brener and John Engelman will be members of Hemisphere's board of directors following the consummation of the Transaction.

Mr. Gabriel Brener, who controls Azteca's Sponsor and is a member of Azteca's board of directors (the "Azteca Board"), has agreed that, if Azteca dissolves prior to the consummation of a business combination, he will personally indemnify Azteca for any and all loss, liability, claim, damage and expense which it may become subject to as a result of a claim by any vendor, prospective target business or other entity that has not signed a waiver of claims against Azteca's Trust Account and is owed money by Azteca for services rendered or products sold to the extent necessary to ensure that such loss, liability, claim, damage or expense does not reduce the amount of funds held in Azteca's Trust Account. In addition, on February 1, 2013, Azteca's Sponsor loaned Azteca \$250,000 to fund working capital pursuant to a non-interest bearing unsecured promissory note that is payable by Azteca or Hemisphere at or prior to the consummation of the Transaction.

The members of the Azteca Board were aware of and considered the interests summarized above, among other matters, in evaluating and negotiating the Merger Agreement and the transactions contemplated thereby and in recommending to Azteca stockholders, that the Merger Agreement be approved and adopted. These interests are described in more detail in the sections of this document entitled "The Transaction Interests of Azteca Officers and Directors in the Transaction" beginning on page 164. You should be aware of these interests when you consider the Azteca Board's recommendation that you vote in favor of the approval and adoption of the Merger Agreement and the consummation of the transactions contemplated thereby.

***Information about the Special Meeting of Stockholders***

**Q:**  
**How do the Azteca Initial Stockholders intend to vote their shares?**

**A:**  
Pursuant to the provisions of the insider letter entered into between Azteca and the Azteca Initial Stockholders prior to the consummation of the initial public offering, each of the Azteca Initial Stockholders has agreed to vote all the shares they own, which constitute approximately 20% of Azteca's outstanding shares of common stock, for the Transaction proposal. To the extent any Azteca insider or officer or director of Azteca has acquired shares of Azteca common stock in, or subsequent to, Azteca's initial public offering, such holder has agreed to vote these acquired shares in favor of the proposal to approve and adopt the Merger Agreement. In addition, pursuant to a support agreement entered into in connection with the Merger Agreement, each of the Azteca Initial Stockholders, other than Mr. Engelman and Mr. Ayub, has agreed, among other things, to vote all of their shares of Azteca common stock in favor of the Transaction proposal and the stockholder adjournment proposal.

Table of Contents

**Q: What happens if I sell my shares of Azteca common stock before the special meeting of stockholders?**

A: The record date for the special meeting, which we refer to as the record date, is earlier than the date of the special meeting and the date that the Transaction is expected to be completed. If you transfer your shares after the record date, but before the special meeting, unless the transferee requests a proxy, you will retain your right to vote at the special meeting of stockholders, but will have transferred the right to receive the Transaction consideration. In order to receive the Transaction consideration, you must hold your shares through completion of the Transaction. In addition, you will only be able to exercise redemption rights for the shares of Azteca common stock for which you are the stockholder of record as of the record date.

**Q: What happens if I sell my shares of Azteca common stock after the special meeting, but before the effective time?**

A: If you transfer your shares of Azteca common stock after the special meeting, but before the effective time, you will have transferred the right to receive the Transaction consideration. In order to receive the Transaction consideration, you must hold your shares of Azteca common stock through completion of the Transaction.

**Q: Do Azteca stockholders have redemption rights?**

A: Yes. Azteca is providing its stockholders (but not the Azteca Initial Stockholders) with the opportunity to redeem their Public Shares for cash equal to the greater of \$10.05 per share or the quotient obtained by dividing (i) the aggregate amount then on deposit in the Trust Account, as of two business days prior to the consummation of the Transaction, less franchise and income taxes payable and less any interest that Azteca was permitted to withdraw in accordance with the Trust Agreement, by (ii) the total number of then outstanding Public Shares (the "Pro Rata Share of the Trust Account"). Only stockholders of record as of the record date may exercise redemption rights for their shares of Azteca common stock. Consequently, shares of Azteca common stock transferred after the record date cannot be redeemed. There will be no redemption rights upon the consummation of the Transaction with respect to Azteca warrants. The Azteca Initial Stockholders have agreed to waive their redemption rights with respect to the shares of Azteca common stock initially purchased by Azteca's Sponsor prior to Azteca's initial public offering (the "Founder Shares") and any Public Shares they may hold in connection with the consummation of the Transaction, and the Founder Shares will be excluded from the pro rata calculation used to determine the per-share redemption price.

Each public stockholder of Azteca common stock may elect to redeem such holder's Public Shares irrespective of whether such holder votes for or against the approval of the Transaction proposal. Azteca has no specified maximum redemption threshold. However, Azteca will not close the Transaction unless it has at least \$80.0 million of cash, after giving effect to any redemptions by Azteca's stockholders, but before giving effect to cash payable pursuant to the Warrant Amendment, payment of an aggregate amount not to exceed \$3.75 million representing deferred underwriting fees payable to Azteca's underwriter in connection with its initial public offering and consulting fees due to certain of Azteca's consultants and advisors, transaction expenses and any cash contribution from WAPA or Cinelatino, held either in or outside the Trust Account. Azteca's public stockholders will be able to redeem their shares up to two business days prior to the vote on the Transaction proposal.

Azteca stockholders, together with any of their affiliates or any other person with whom they are acting in concert or as a "group" (as defined under Section 13 of the Exchange Act) will be restricted from redeeming their shares with respect to more than an aggregate of 15% of the shares sold in Azteca's initial public offering. Azteca may enter into privately negotiated transactions to purchase Public Shares from stockholders prior to consummation of the Transaction

Table of Contents

with proceeds to be released from the Trust Account immediately following consummation of the Transaction.

**Q:**  
**How much will I receive if I exercise my redemption rights?**

A: Pursuant to Azteca's amended and restated certificate of incorporation, the redemption price shall be cash equal to the greater of \$10.05 per share or the quotient obtained by dividing (i) the aggregate amount then on deposit in the Trust Account, as of two business days prior to the consummation of the Transaction, less franchise and income taxes payable and less any interest that Azteca was permitted to withdraw in accordance with the Trust Agreement, by (ii) the total number of then outstanding Public Shares. We anticipate that the redemption price will be \$10.05.

Public Shares will only be redeemed if the Transaction is consummated. If the Transaction is not consummated prior to April 6, 2013, Azteca will liquidate the funds in the Trust Account and distribute those funds to holders of Public Shares and Azteca will be dissolved. The per share amount received by holders of Public Shares on Azteca's dissolution would be \$10.05. The initial public offering price of Azteca's units was \$10.00 per unit.

**Q:**  
**Will how I vote affect my ability to exercise redemption rights?**

A. No. Unlike most SPAC merger procedures, you may exercise your redemption rights whether you vote your shares of Azteca common stock for or against approval of the Merger Agreement. Accordingly, the Transaction can be approved by stockholders who will redeem shares and no longer remain stockholders leaving stockholders who chose not to redeem, holding shares in a company with a less liquid trading market, substantially fewer stockholders, less cash, and the potential inability to meet the listing standards of NASDAQ.

**Q:**  
**How do I exercise my redemption rights?**

A: If you wish to exercise your redemption rights, you must:

send a letter to Azteca's transfer agent, Continental Stock Transfer & Trust Company, at 17 Battery Place, 8th Floor, New York, New York 10004, Attn: Mark Zimkind, stating that you are exercising your redemption rights and demanding your shares of Azteca common stock be converted into cash; and

either:

physically tender, or if you hold your shares of Azteca common stock in "street name," instruct your broker to physically tender your stock certificates representing shares of Azteca common stock to Continental Stock Transfer & Trust Company by the later of April 2, 2013, two business days prior to the date of the vote on the Transaction proposal; or

deliver your shares electronically using the Depository Trust Company's DWAC (Deposit/Withdrawal At Custodian) System, to Continental Stock Transfer & Trust Company by the later of April 2, 2013, two business days prior to the date of the vote on the Transaction proposal.

You may elect to redeem your Public Shares irrespective of whether you vote for or against the approval of the Transaction proposal.

**Q:**  
**Will Azteca and its initial stockholders, directors, officers, advisors and their affiliates have the ability to purchase Public Shares in the open market prior to the shareholder vote?**

A.

Yes. Azteca has the ability to utilize funds in the Trust Account to purchase up to 15% of the total number of shares of Azteca common stock issued in Azteca's initial public offering (the "Offering Shares"), or 1,500,000 shares, in the open market at any time commencing after the filing of a

Table of Contents

preliminary proxy statement and ending on the record date for the Azteca stockholder meeting to approve the Merger Agreement ("Open Market Purchases"). Such Open Market Purchases may be made only at per share prices (inclusive of commissions) that do not exceed an amount equal to (A) the aggregate amount then on deposit in the Trust Account divided by (B) the total number of Offering Shares then outstanding. Any Offering Shares so purchased shall be immediately cancelled. Notwithstanding such authority, Azteca does not currently intend to effect any such purchases. If such position changes it will file a Form 8-K with the SEC.

In addition, Azteca may enter into privately negotiated transactions to purchase Public Shares, without limitation, from stockholders prior to consummation of the Transaction with proceeds to be released from the Trust Account immediately following consummation of the Transaction. Notwithstanding such ability, Azteca does not currently intend to effect any such transactions. If such position changes it will file a Form 8-K with the SEC.

Azteca's initial stockholders, directors, officers, advisors and their affiliates may purchase Azteca common stock in the public market or in privately negotiated transactions, utilizing their own funds, at any time prior to the consummation of the Transaction without limitation. Any such purchases will be reported on Form 4's within the required time period for the filing of such forms.

**Q. What impact will open market purchases by Azteca and its initial stockholders, directors, officers, advisors and their affiliates have on the stockholder vote, the likelihood of effectuating the Transaction and Azteca's capitalization after the Transaction?**

A. If Azteca effects open market purchases prior to the consummation of the Transaction (although Azteca does not currently intend to do so), those shares would be cancelled, and therefore the likelihood that a stockholder vote to approve the Transaction would be obtained would increase as the percentage of voting shares held by Azteca's Sponsor, directors, officers who have agreed to vote in favor of the Transaction would represent a higher percentage of total outstanding shares. However, the impact of these open market purchases on the funds in the Trust Account would be similar to that of a redemption and therefore make it less likely that Azteca will fulfill the closing condition that it have at least \$80 million of cash at the closing of the Transaction. Furthermore, if the Transaction occurs, these repurchases would have the effect of reducing the funds available to Hemisphere after the Transaction.

If Azteca effects privately negotiated purchases with proceeds to be released from the Trust Account immediately following consummation of the Transaction, it would increase the likelihood that stockholder approval would be obtained as these persons would vote for the Transaction. However, the impact of these privately negotiated purchases would make it less likely that Azteca will fulfill the closing condition that it have at least \$80 million of cash at the closing of the Transaction. Furthermore, if the Transaction occurs, these repurchases would have the effect of reducing the funds available to Hemisphere after the Transaction.

If Azteca's Sponsor, directors, officers, advisors and their affiliates effect open market purchases prior to the consummation of the Transaction the effect would be to increase the likelihood of obtaining stockholder approval of the Transaction as each of these persons have agreed to vote any shares held by them in favor of the Transaction. As each of these persons has waived their right to redeem any Azteca common stock that they hold, these repurchases would also have the effect of making it more likely that Azteca will have at least \$80 million of cash at the closing of the Transaction.

**Q: What are the federal income tax consequences of exercising my redemption rights?**

A: Azteca stockholders who exercise their redemption rights to receive cash from the Trust Account in exchange for their shares of Azteca common stock generally will be required to treat the

Table of Contents

transaction as a sale of such shares and recognize gain or loss upon the redemption in an amount equal to the difference, if any, between the amount of cash received and the tax basis of the shares of Azteca common stock redeemed. Such gain or loss should be treated as capital gain or loss if such shares were held as a capital asset on the date of the redemption. A stockholder's tax basis in such holder's shares of Azteca common stock generally will equal the cost of such shares. A stockholder who purchased Azteca units would have been required to allocate the cost between the shares of Azteca common stock and the warrants comprising the units based on their relative fair market values at the time of the purchase. You are strongly urged to consult with a tax advisor to determine the particular U.S. federal, state or local or foreign income or other tax consequences of exercising your redemption rights. See "Material U.S. Federal Income Tax Consequences."

**Q:**  
**Should I send in my share certificates now for the exchange?**

**A:**  
No. Azteca stockholders should keep any share certificates they hold at this time. After the consummation of the Transaction, Azteca stockholders holding Azteca share certificates will receive from Hemisphere's exchange agent a letter of transmittal and instructions on how to obtain shares of Hemisphere Class A common stock issued in the Transaction.

Upon the effective time of the Transaction, each holder of record of one or more book entry shares will be entitled to receive, and Hemisphere will cause the exchange agent to deliver to such holder as promptly as practicable after the effective time of the Transaction, the Hemisphere Class A common stock to which such holder is entitled under the Merger Agreement. Holders of book entry shares will not be required to deliver a certificate or an executed letter of transmittal to the exchange agent in order to receive their shares of Hemisphere Class A common stock issued in the Transaction.

**Q:**  
**Are Azteca stockholders entitled to appraisal or dissenters' rights?**

**A:**  
Yes. Under the DGCL, Azteca common stockholders have the right not to consent to the Transaction and to instead exercise appraisal rights in connection with the Transaction so as to receive cash in lieu of the consideration otherwise proposed pursuant to the Merger Agreement. Holders of Azteca common stock who elect to exercise such appraisal rights and who perfect those rights under the DGCL will be entitled to the appraised fair market value of their shares of Azteca common stock paid to them in cash. The appraised fair value of any holder's Azteca common stock may be more or less than the amount that would be paid to such holder pursuant to the Merger Agreement. To exercise appraisal rights, a stockholder must follow carefully the requirements of the DGCL, including not consenting to, or voting in favor of, the adoption and approval of the Merger Agreement and giving the required written notice to Azteca. These procedures are summarized under the section entitled "The Agreements Description of the Merger Agreement Appraisal Rights Under Delaware Law" beginning on page 173. A copy of the relevant provisions of the DGCL addressing appraisal rights is attached as Annex C to this proxy statement/prospectus. Azteca common stockholders intending to exercise appraisal rights should read the statutory provisions carefully and consult with their own legal advisors, as any deviation from the statutory requirements may result in a forfeiture of appraisal rights otherwise available to such stockholder.

Since any payments made to stockholders who validly elect to exercise appraisal rights will not be required to be made by Hemisphere until after the consummation of the Transaction, such elections will not have any impact on the closing condition that Azteca have at least \$80 million of cash in the Trust Account (after giving effect to any redemptions by Azteca's stockholders, but before giving effect to cash payable pursuant to the Warrant Amendment, payment of the deferred underwriting fees payable to Azteca's underwriter in connection with its initial public offering and consulting fees due to certain of Azteca's consultants and advisors, transaction expenses and any cash contribution from WAPA or Cinelatino). By contrast, based on the Trust Account balance as

Table of Contents

of January 31, 2013, if holders of Public Shares elected to exercise their redemption rights with respect to more than 2,041,153 shares (representing approximately 20% of the Public Shares outstanding), such redemptions would impact the closing condition that Azteca have at least \$80.0 million of cash in the Trust Account.

In order to avoid the time and potential cost of the share appraisal process which follows the exercise of dissenters' rights, Azteca stockholders may opt instead to exercise their redemption rights, as described in the above questions and answers and in the section entitled "The Transaction Redemption Rights of Azteca Stockholders" beginning on page 163.

*Information about the Special Meeting of Warrantholders*

**Q. If the Warrant Amendment Proposal is approved, but I don't vote "FOR" it, will the proposed amendments be binding on me and will my warrants be subject to the Warrant Amendment?**

A. Yes. If the Warrant Amendment Proposal is approved, assuming the Transaction is consummated, the proposed amendments to the Warrant Agreement will be binding on all warrant holders, and all of your warrants will be automatically amended, whether or not you voted "FOR" the Warrant Amendment Proposal.

**Q. What happens to my Azteca warrants I hold if I vote my Azteca shares against approval of the Transaction proposal and/or validly exercise my redemption rights?**

A. Your Azteca warrants will not be affected by either an exercise of your redemption rights with respect to shares of Azteca common stock that you currently hold or by your vote, either for or against the Transaction. If the Transaction is consummated, all of your warrants will be amended in exchange for a cash payment of \$0.50 per share and your Amended Azteca warrants will be converted into an equal number of warrants issued by Hemisphere and will be exercisable for shares of Hemisphere Class A common stock (i.e. warrants to purchase 7,333,334 shares of Hemisphere Class A common stock) on the same terms and subject to the same conditions as the Amended Azteca Warrants that you held immediately prior to the Transaction. If the Transaction is not consummated, the Warrant Amendment will not be effective.

**Q. If I am an Azteca warrant holder, can I exercise redemption rights with respect to my warrants?**

A. No. There are no redemption rights with respect to Azteca's warrants.

**Q. If I am an Azteca warrant holder, will my warrants become exercisable for shares of Hemisphere Class A common stock if the Transaction is consummated?**

A. Yes. Pursuant to the Merger Agreement and the terms of the Azteca warrants, each Amended Azteca Warrant outstanding immediately prior to the consummation of the Transaction (other than 2,333,334 Sponsor Warrants that will be retired for cash immediately prior to the consummation of the Transaction) will automatically be converted into an equal number of warrants issued by Hemisphere on the same terms and conditions as were in effect with respect to such warrants immediately prior to the consummation of the Transaction, as amended by the Warrant Amendment. It is a condition to the closing of the Transaction that the terms of the warrants are amended as described herein. In the event that Azteca does not consummate the Transaction by April 6, 2013, Azteca will be required to liquidate and any Azteca warrants you own will expire without value.

*General*

**Q. How will the solicitation of proxies be handled?**

A. Azteca is soliciting proxies for the special meetings from Azteca stockholders and Public Warrantholders. Azteca will bear the cost of soliciting proxies from Azteca stockholders and





Table of Contents

warrantholders, except that Azteca, WAPA and Cinelatino have agreed to bear 50%, 31% and 19%, respectively, of the costs incurred in connection with the printing and mailing of this proxy statement/prospectus. In addition to this mailing, Azteca's directors, officers and employees (who will not receive any additional compensation for such services) may solicit proxies by telephone or in-person meeting.

Azteca has also engaged the services of Morrow & Co., LLC to assist in the solicitation and distribution of the proxies, for an initial fee of \$12,500 plus out-of-pocket expenses. Azteca will pay Morrow & Co., LLC an additional fee of \$27,500 upon successful completion of the Transaction.

Azteca will reimburse brokerage houses and other custodians, nominees and fiduciaries for their reasonable out-of-pocket expenses for forwarding proxy and solicitation materials to the beneficial owners of Azteca common stock.

**Q:**  
**What do I need to do now?**

**A:**  
Read and consider the information contained in this proxy statement/prospectus carefully, and then please vote your shares and warrants, as applicable, as soon as possible so that your shares and warrants, as applicable, may be represented at the applicable special meeting.

**Q:**  
**How do I vote?**

**A:**  
You can vote by proxy before the applicable special meeting or you can vote in person by completing a ballot at the applicable special meeting. Even if you plan to attend the applicable special meeting, we encourage you to vote your shares by proxy as soon as possible. After carefully reading and considering the information contained in this proxy statement/prospectus, please submit your proxy by telephone or over the Internet in accordance with the instructions set forth on the enclosed proxy card (if you are a beneficial holder), or mark, sign and date the proxy card, and return it in the enclosed postage-paid envelope as soon as possible so that your shares may be voted at the applicable special meeting. For detailed information, see "The Special Meeting of Warrantholders and Special Meeting of Azteca Stockholders How to Vote Your Stock and/or Warrants" beginning on page 145. YOUR VOTE IS VERY IMPORTANT.

**Q:**  
**My shares and/or warrants are held in "street name" by my broker. Will my broker automatically vote my shares and/or warrants for me?**

**A:**  
No. If your shares and/or warrants are held in a stock brokerage account or by a bank or other nominee, you are considered the "beneficial holder" of the shares and/or warrants held for you in what is known as "street name." If this is the case, this proxy statement/prospectus has been forwarded to you by your brokerage firm, bank or other nominee, or its agent. As the beneficial holder, you have the right to direct your broker, bank or other nominee as to how to vote your shares and/or warrants. If you do not provide voting instructions to your broker on a particular proposal on which your broker does not have discretionary authority to vote, your shares and/or warrants will not be voted on that proposal. This is called a "broker non-vote."

Broker non-votes will be counted for purposes of determining the presence of a quorum at the special meeting of stockholders and special meeting of warrantholders. As noted in the previous paragraph, however, brokers, banks and other nominees that are members of the NYSE do not have discretionary authority to vote on the proposals in this proxy statement/prospectus. To the extent that there are any broker non-votes, a broker non-vote will have the same effect as a vote "AGAINST" the proposal to approve and adopt the Merger Agreement and the proposal to approve the Warrant Amendment, but will have no effect on the other proposals.

Table of Contents

**Q: Can I change my vote after I have submitted a proxy by telephone or over the Internet or submitted my completed proxy card?**

**A:** Yes. If you are a stockholder or warrant holder of record, you can change your vote by revoking your proxy at any time before it is voted at the applicable special meeting. You can do this in one of four ways: (1) submit a proxy again by telephone or over the Internet prior to midnight on the night before the applicable special meeting; (2) sign another proxy card with a later date and return it by mail prior to midnight on the night before the applicable special meeting; (3) attend the applicable special meeting and complete a ballot; or (4) send a written notice of revocation to the secretary of Azteca so that it is received prior to midnight on the night before the applicable special meeting at the following address:

Azteca Acquisition Corporation  
421 N. Beverly Drive, Suite 300  
Beverly Hills, California 90210  
(310) 553-7009  
Attention: Juan Pablo Albán

If you have instructed a broker to vote your shares and/or warrants, you must follow directions received from your broker to change your vote.

**Q: What should stockholders and warrant holders do if they receive more than one set of voting materials for the applicable special meeting?**

**A:** You may receive more than one set of voting materials for the special meeting of stockholders or warrant holders, including multiple copies of this proxy statement/prospectus and multiple proxy cards or voting instruction cards. Please complete, sign, date and return each proxy card and voting instruction card that you receive. For example, if you hold your shares in more than one brokerage account, you will receive a separate voting instruction card for each brokerage account in which you hold shares. Additionally, if you are a holder of record and your shares or warrants are registered in more than one name, you will receive more than one proxy card.

**Q: Who can help answer my questions?**

**A:** If you have questions about the transactions described herein, the special meeting of stockholders or the special meeting of warrant holders, or if you need to obtain copies of the accompanying proxy statement/prospectus, proxy cards or election forms, you may contact the appropriate contacts listed below. You will not be charged for any of the documents you request. If your shares or warrants are held in a stock brokerage account or by a bank or other nominee, you should contact your broker, bank or other nominee for additional information.

Morrow & Co., LLC  
470 West Avenue, 3rd Floor  
Stamford, CT 06902  
Telephone: (800) 662-5200  
Banks and Brokerage Firms: (203) 658-9400

You may also contact:

Azteca Acquisition Corporation  
421 N. Beverly Drive, Suite 300  
Beverly Hills, California 90210  
(310) 553-7009  
Attention: Juan Pablo Albán

If you would like to request documents, please do so by March 29, 2013, in order to receive them before the special meetings.



Table of Contents

**SUMMARY**

The following summary highlights only selected information contained elsewhere in this proxy statement/prospectus and may not contain all the information that may be important to you. Accordingly, you are encouraged to read this proxy statement/prospectus carefully and in its entirety, including its annexes. See the section entitled "Where You Can Find More Information" on page 224.

**Parties to the Transaction**

***Azteca Acquisition Corporation***

Azteca Acquisition Corporation, which we refer to as Azteca, is a blank check company initially formed in the British Virgin Islands on April 15, 2011 and reincorporated in the State of Delaware on June 8, 2011 for the purpose of effecting a merger, capital stock exchange, asset acquisition, stock purchase, reorganization or similar business combination with one or more businesses. Azteca consummated its initial public offering on July 6, 2011, generating net proceeds of approximately \$101,218,000, which includes proceeds from the sale of the Sponsor Warrants. Certain amounts of the underwriting compensation has been deferred until the consummation of Azteca's initial business combination. Azteca's common stock, warrants and units are currently quoted on the Over-the-Counter Bulletin Board quotation system, or the OTCBB, under the symbols "AZTA," "AZTAW" and "AZTAU," respectively. Azteca's principal executive offices are located at 421 N. Beverly Drive, Suite 300, Beverly Hills, California 90210, and its telephone number is (310) 553-7009.

***InterMedia Español Holdings, LLC***

InterMedia Español Holdings, LLC, which we refer to as WAPA, consists of the leading broadcast television network and television content producer in Puerto Rico, and a unique Spanish-language cable television network serving Hispanics in the United States. WAPA also operates a sports television network and a news and entertainment website in Puerto Rico. WAPA consists of the following:

*Televisión de Puerto Rico, LLC* ("WAPA PR"): #1-rated broadcast television network in Puerto Rico for the last four years, with an 18.5 household rating and a 32% audience share in primetime in 2012. WAPA PR is Puerto Rico's news leader and the largest local producer of entertainment programming, producing over 65 hours each week. Through WAPA PR's multicast signal and on all cable and satellite systems, WAPA PR operates WAPA 2 Deportes, the leading sports television network in Puerto Rico. WAPA PR also operates WAPA.TV, the leading broadband news and entertainment website in Puerto Rico with 2.5 million monthly visits, over 13 million monthly page views and over 840,000 monthly unique visitors.

*WAPA America, Inc.* ("WAPA America"): sister network of WAPA PR serving primarily Puerto Ricans and other Caribbean Hispanics in the U.S. WAPA America is one of the most broadly distributed Spanish-language cable television networks in the U.S. with over 5 million subscribers. WAPA America is programmed primarily with the news and entertainment programming produced by WAPA PR.

In 2007, InterMedia Partners VII, L.P. (the "WAPA Member") acquired a 100% economic interest in WAPA from LIN Television Corporation. WAPA owns 100% of the holding company that owns 100% of each of WAPA PR and WAPA America.

Table of Contents

***Cine Latino, Inc.***

Cinelatino is the leading Spanish-language cable movie network with approximately 12 million subscribers across the U.S., Latin America and Canada. Cinelatino is programmed with a lineup featuring the best contemporary films and original television series from Mexico, Latin America, the U.S. and Spain. Cinelatino is the only Spanish-language movie network focused on premium, contemporary films. Driven by the strength of its programming, Cinelatino is the #2-Nielsen rated Spanish-language cable television network in the U.S.

Cinelatino is distributed by all major U.S. cable, satellite and telecommunications operators on Hispanic program packages, and by many Latin American distributors, generally on basic video packages. Hispanic packages distributed in the U.S. generally consist of 20 or more Spanish-language channels, such as WAPA America, CNN en Español, Discovery en Español, History en Español, ESPN Deportes and Fox Deportes.

Cinelatino is currently commercial-free and generates 100% of its revenue through subscriber fees pursuant to multi-year distribution agreements. The distribution agreements provide for annual rate increases and ensure steady and predictable cash flows.

In 2007 InterMedia Cine Latino, LLC ("InterMedia Cine") acquired a 50% economic interest in Cinelatino from MVS Cine Latino, S.A. de C.V., a wholly-owned subsidiary of MVS. Shortly thereafter, Cinelatino hired James M. McNamara, the former CEO of Telemundo, as Chairman. Concurrently, Mr. McNamara acquired a 5.0% interest. Immediately prior to the transactions contemplated hereby, each of Cinema Aeropuerto, a wholly-owned subsidiary of MVS, and InterMedia Cine had a 47.5% ownership interest in Cinelatino.

***Hemisphere Media Group, Inc.***

Hemisphere Media Group, Inc., which we refer to as Hemisphere, is a Delaware corporation and a direct wholly-owned subsidiary of Cinelatino. Hemisphere was organized on January 16, 2013, solely for the purpose of effecting the Transaction. Pursuant to the Merger Agreement, WAPA Merger Sub will be merged with and into WAPA, Cine Merger Sub will be merged with and into Cinelatino, and Azteca Merger Sub will be merged with and into Azteca. As a result of these transactions, WAPA, Cinelatino and Azteca will each become indirect wholly-owned subsidiaries of Hemisphere. As a result of the Transaction, Hemisphere will become a publicly traded corporation, and the Azteca stockholders, the Cinelatino stockholders and the WAPA Member will own stock in Hemisphere. Hemisphere has not carried on any activities other than in connection with the Transaction. Hemisphere's principal executive offices are located at c/o Cine Latino, Inc. 2000 Ponce de Leon Boulevard, Suite 500, Coral Gables, FL 33134.

***Hemisphere Media Holdings, LLC***

Hemisphere Media Holdings, LLC, which we refer to as Holdco, is a Delaware limited liability company and a direct wholly-owned subsidiary of Hemisphere. Holdco was organized on January 16, 2013, solely for the purpose of effecting the Transaction. Pursuant to the Merger Agreement, WAPA Merger Sub will be merged with and into WAPA, Cine Merger Sub will be merged with and into Cinelatino, and Azteca Merger Sub will be merged with and into Azteca. As a result of these transactions, WAPA, Cinelatino and Azteca will each become direct wholly-owned subsidiaries of Holdco. Holdco's principal executive offices will be, upon consummation of the Transaction, located at 405 Lexington Avenue, 48th Floor, New York, NY 10174.

Table of Contents

***Hemisphere Merger Sub I, LLC***

Hemisphere Merger Sub I, LLC., which we refer to as WAPA Merger Sub, is a Delaware limited liability company and a direct wholly-owned subsidiary of Holdco. WAPA Merger Sub was organized on January 16, 2013, solely for the purpose of effecting the Transaction. Pursuant to the Merger Agreement, WAPA Merger Sub will be merged with and into WAPA and, as a result, WAPA will become an indirect wholly-owned subsidiary of Hemisphere. WAPA Merger Sub will not carry on any activities other than in connection with the Transaction. WAPA Merger Sub's principal executive offices will be, upon consummation of the Transaction, located at 405 Lexington Avenue, 48th Floor New York, NY 10174.

***Hemisphere Merger Sub II, Inc.***

Hemisphere Merger Sub II, Inc., which we refer to as Azteca Merger Sub, is a Delaware corporation and a direct wholly-owned subsidiary of Holdco. Azteca Merger Sub was organized on January 16, 2013, solely for the purpose of effecting the Transaction. Azteca Merger Sub will be merged with and into Azteca and, as a result, Azteca will become an indirect wholly-owned subsidiary of Hemisphere. Azteca Merger Sub will not carry on any activities other than in connection with the Transaction. Azteca Merger Sub's principal executive offices will be, upon consummation of the Transaction, located at 405 Lexington Avenue, 48th Floor New York, NY 10174.

***Hemisphere Merger Sub III, Inc.***

Hemisphere Merger Sub III, Inc., which we refer to as Cine Merger Sub, is a Delaware corporation and a direct wholly-owned subsidiary of Holdco. Cine Merger Sub was organized on January 16, 2013, solely for the purpose of effecting the Transaction. Cine Merger Sub will be merged with and into Cinelatino and, as a result, Cinelatino will become an indirect wholly-owned subsidiary of Hemisphere. Cine Merger Sub will not carry on any activities other than in connection with the Transaction. Cine Merger Sub's principal executive offices will be, upon consummation of the Transaction, located at 405 Lexington Avenue, 48th Floor New York, NY 10174.

**The Proposed Transaction**

Azteca, Hemisphere, WAPA, Cinelatino and the Merger Subs entered into the Merger Agreement providing for the combination of Azteca, WAPA and Cinelatino as indirect subsidiaries of a new parent holding company, Hemisphere. As a result of the Transaction, former holders of Cinelatino common stock and the former holder of membership interests in WAPA will own Hemisphere Class B common stock and warrants to purchase Hemisphere Class A common stock, the Azteca stockholders will own Hemisphere Class A common stock and the Azteca warrant holders will own warrants to purchase Hemisphere Class A common stock. In connection with the Transaction, Hemisphere has applied to list its Class A common stock on NASDAQ under the symbol "HMTV." Hemisphere expects its warrants will trade on the OTCBB under the symbol "HMTVW" following the consummation of the Transaction. Pursuant to the Merger Agreement, WAPA Merger Sub will be merged with and into WAPA, Cine Merger Sub will be merged with and into Cinelatino and Azteca Merger Sub will be merged with and into Azteca. As a result, Azteca, WAPA and Cinelatino will each become indirect wholly-owned subsidiaries of Hemisphere.

The Transaction will be accounted for by applying the acquisition method, which requires the determination of the accounting acquirer, the acquisition date, the fair value of the purchase consideration to be transferred, the fair value of assets and liabilities of the acquiree and the measurement of goodwill. ASC Topic 805-10, "Business Combinations Overall" ("ASC 805-10") provides that in identifying the acquiring entity in a business combination effected primarily through an exchange of equity interests, the acquirer is usually the entity that issues equity interests but all

Table of Contents

pertinent facts and circumstances must be considered in determining the acquirer. Other pertinent facts and circumstances to consider include the relative voting rights of the shareholders of the constituent companies in the combined entity, the composition of the board of directors and senior management of the combined company, the relative size of each company and the terms of the exchange of equity interests in the Transaction, including payment of any premium. Although Hemisphere issued the equity interests in the Transaction, since it is a new entity formed solely to issue these equity interests to effect the Transaction it would not be considered the acquirer and one of the combining entities that existed before the transaction must be identified as the acquirer. Based on the following, WAPA is the accounting acquirer:

- (i) WAPA shareholders will obtain approximately 45.2% of the post-Transaction common shares of stock and 59.7% of the voting rights in the combined entities;
- (ii) WAPA, through its parent company, InterMedia, will have the ability to elect or appoint or to remove a majority of the members of the governing body of the combined entity, as they will represent five of the nine directors on the combined entity board of directors, including the Chief Executive Officer; and
- (iii) WAPA's revenues represent approximately 75.1% of the total revenues of the combined entities.

As WAPA is the accounting acquirer (and legal acquiree), the Transaction is considered to be a reverse acquisition. Since WAPA issued no consideration in the Transaction, unless the fair value of accounting acquirees' equity interests are more reliably measurable, the fair value of the consideration transferred by WAPA would be based on the number of shares WAPA would have had to issue to give owners of the other entities in the transaction the same percentage ownership in the combined entities that results from the Transaction. In this situation, since Azteca's shares are publicly traded and they are one of the combining entities in this Transaction, the fair value of those shares are considered to be more reliably measurable than the fair value of WAPA's shares and therefore were used to determine the fair value of the consideration transferred for the acquisition of Cinelatino, which is the other operating entity involved in this Transaction. The difference between the fair value of the consideration transferred and the fair value of Cinelatino's identifiable assets and liabilities at the acquisition date will be recorded as goodwill.

WAPA and Cinelatino are affiliated companies by virtue of InterMedia Partners VII, L.P.'s ownership interests in each company. InterMedia Partners VII, L.P. directly holds 100% of the economic interests in WAPA and indirectly holds 47.5% of the common stock of Cinelatino through its controlling interest in InterMedia Cine Latino, LLC.



Table of Contents

The organization of Azteca, WAPA, Cinelatino, Holdco and Hemisphere before and after the Transaction is illustrated in the following charts.

**Prior to the Transaction**

**The Transaction Step 1**



Table of Contents

**The Transaction Step 2**

**Result of Transaction**

For additional information on the Transaction, see "The Transaction" beginning on page 152, and for additional information on the Merger Agreement and the related transaction documents, see "The Agreements" beginning on page 172.

**Merger Consideration Received by Azteca Stockholders**

Edgar Filing: HEMISPHERE MEDIA GROUP, INC. - Form 424B3

As a result of the Transaction, each of the outstanding shares of Azteca common stock, other than Azteca excluded shares, will be automatically converted into one share of Hemisphere Class A common stock. In addition to the 735,294 shares subject to forfeiture pursuant to the Securities Purchase Agreement, the Azteca Initial Stockholders have agreed to subject an additional 250,000 shares of

Table of Contents

Hemisphere Class A common stock to certain forfeiture provisions if the market price of shares of Hemisphere Class A common stock does not reach certain levels. Please see the section entitled "The Agreements Additional Agreements The Equity Restructuring and Warrant Purchase Agreement" beginning on page 186 for additional information and a summary of certain terms of this arrangement. A description of the Hemisphere Class A and Hemisphere Class B common stock to be issued in connection with the Transaction is set forth under the section entitled "Description of Hemisphere Securities" beginning on page 211.

**Merger Consideration Received by the WAPA/Cinelatino Investors**

As a result of the Transaction, the WAPA/Cinelatino Investors will receive aggregate consideration of 33,000,000 shares of Hemisphere Class B common stock in a private placement transaction exempt from registration under the Securities Act of 1933, as amended (the "Act") and an aggregate cash payment of \$5.0 million. The WAPA/Cinelatino Investors have agreed that 3,000,000 shares of Hemisphere Class B common stock will be subject to certain forfeiture provisions if the market price of the shares of Hemisphere Class A common stock do not reach certain levels. Please see the section entitled "The Agreements Additional Agreements The Equity Restructuring and Warrant Purchase Agreement" beginning on page 186 for additional information and a summary of certain terms of this arrangement. A description of the Hemisphere Class A and Hemisphere Class B common stock to be issued in connection with the Transaction is set forth under the section entitled "Description of Hemisphere Securities" beginning on page 211. The Hemisphere Class B common stock will vote on a 10 to 1 basis with the Hemisphere Class A common stock, which means that each share of Hemisphere Class B common stock will have 10 votes and each share of Hemisphere Class A common stock will have 1 vote.

**Warrant Issuances**

Immediately following the consummation of the Transaction, Hemisphere will sell to the WAPA/Cinelatino Investors in a private placement transaction exempt from registration under the Act an aggregate of 2,333,334 warrants to purchase 1,166,667 shares of Hemisphere Class A common stock for a purchase price per warrant equal to \$0.50. These warrants, which we refer to as Seller Warrants, will have the same terms as the Amended Azteca Warrants held by the Sponsors immediately prior to the consummation of the Transaction.

**Sale of Sponsor Warrants**

Azteca will purchase from the Current Sponsor Warrantholders, 2,333,334 Amended Azteca Warrants (i.e. warrants to purchase 1,166,667 shares of Azteca common stock) for a purchase price per warrant equal to \$0.50 immediately prior to the consummation of the Transaction.

**Share Forfeiture Provisions**

Pursuant to the Securities Purchase Agreement, an aggregate of 735,294 Founder Shares are subject to forfeiture by the Azteca Initial Stockholders as follows: (1) 378,788 Founder Shares will be subject to forfeiture in the event the closing sales price of Azteca's shares does not equal or exceed \$15.00 per share (as adjusted for share splits, share dividends, reorganization, recapitalizations and the like) for any 20 trading days within at least one 30-trading day period within 36 months following the closing of the Transaction and (2) 356,506 Founder Shares will be subject to forfeiture in the event the closing sales price of Azteca's shares does not equal or exceed \$12.50 per share (as adjusted for share splits, share dividends, reorganizations, recapitalizations and the like) for any 20 trading days within at least one 30-trading day period within 36 months following the closing of the Transaction. In connection with the Transaction, such Founder Shares will be converted into Hemisphere Class A common stock and will be subject to the same forfeiture provisions described above. In addition, the Azteca Initial Stockholders also agreed to subject an additional 250,000 shares of Hemisphere Class A

Table of Contents

common stock to forfeiture provisions similar to those set forth above. Specifically, (i) 125,000 shares of Hemisphere Class A common stock received in the Transaction are subject to forfeiture if Hemisphere Class A common stock does not equal or exceed the \$15.00 per share target price discussed above and (ii) 125,000 shares of Hemisphere Class A common stock received in the Transaction are subject to forfeiture if Hemisphere Class A common stock does not equal or exceed the \$12.50 per share target price discussed above. Each of these forfeiture provisions shall survive for a period of 60 months following the consummation of the Transaction. Additionally, in connection with the Transaction, the Azteca Initial Stockholders have agreed to contribute an aggregate of 250,000 Founder Shares to Azteca for no consideration immediately prior to the consummation of the Transaction, and such shares will be cancelled.

**Total Hemisphere Shares to be Issued**

The number of shares of Hemisphere Class B common stock to be issued to the WAPA/Cinelatino Investors will not change. Therefore, based on the number of shares of Azteca common stock outstanding as of March 13, 2013, the latest practicable date before the printing of this proxy statement/prospectus, and assuming no shares of Azteca common stock are redeemed between the date hereof and April 2, 2013, the total number of shares of Hemisphere Class A common stock and Hemisphere Class B common stock to be issued by Hemisphere will be approximately 41,264,706 excluding exercise of warrants and shares subject to forfeiture. Assuming no redemptions by the Azteca stockholders and no repurchases of the Azteca common stock prior to the consummation of the Transaction, the WAPA/Cinelatino Investors and the Azteca stockholders will own approximately 73% and 27%, respectively, of the capital stock of Hemisphere, excluding warrants.

The Hemisphere Class B common stock will vote on a 10 to 1 basis with the Hemisphere Class A common stock, which means that each share of Hemisphere Class B common stock will have 10 votes and each share of Hemisphere Class A common stock will have 1 vote. Therefore, the WAPA/Cinelatino Investors will control approximately 96% of the voting power of all of Hemisphere's outstanding capital stock.

**Comparative Per Share Market Price**

Azteca common stock is quoted on the OTCBB under the symbol "AZTA." The following table shows the closing prices of Azteca common stock as reported on January 22, 2013, the last trading day before the Transaction was publicly announced, and on March 13, 2013, the last practicable trading day before the date of this proxy statement/prospectus.

	<b>Azteca Common Stock</b>	
January 22, 2013	\$	9.99
March 13, 2013	\$	10.25

The market prices of Azteca common stock will fluctuate prior to the consummation of the Transaction. You should obtain current market quotations for the shares.

WAPA and Cinelatino are privately held companies and there is no established public trading market for the WAPA membership units and Cinelatino common stock.

**Special Meeting of Azteca Stockholders***Date, Time and Place*

A special meeting of the stockholders of Azteca will be held at the offices of Greenberg Traurig, LLP, located at 200 Park Avenue, New York, NY 10166, on April 4, 2013, at 9:30 a.m., Eastern time, unless the special meeting is adjourned or postponed.

Table of Contents

***Purposes of the Special Meeting***

At the special meeting, Azteca stockholders will be asked to consider and vote upon the following matters:

- (1) to approve and adopt the Merger Agreement;
- (2) to approve the adjournment of the special meeting (if it is necessary or appropriate to solicit additional proxies because there are not sufficient votes to approve and adopt the Merger Agreement); and
- (3) to transact any other business that may properly come before the special meeting of stockholders or any reconvened meeting following an adjournment or postponement of the special meeting of stockholders.

***Record Date; Shares Entitled to Vote***

Holders of shares of Azteca common stock as of 5:00 p.m., Eastern time, on March 10, 2013, or the record date, are entitled to notice of, and to vote at, the special meeting or one or more adjournments thereof. Each share of Azteca common stock is entitled to one vote.

As of the record date, 12,500,000 shares of Azteca common stock were outstanding.

***Quorum at the Special Meeting***

Holders of a majority in voting power of the Azteca common stock issued and outstanding and entitled to vote at the special meeting, present in person or represented by proxy, constitute a quorum. In the absence of a quorum, a majority of the Azteca stockholders, present in person or represented by proxy, will have power to adjourn the special meeting. As of the record date, 6,250,001 shares of Azteca common stock would be required to achieve a quorum.

***Vote Required***

*Proposal to Approve and Adopt the Merger Agreement by Azteca stockholders:* Approving and adopting the Merger Agreement requires the affirmative vote of holders of at least a majority of the shares of Azteca common stock outstanding and entitled to vote. Accordingly, an Azteca stockholder's failure to submit a proxy card or to vote in person at the special meeting, an abstention from voting, or the failure of an Azteca stockholder who holds his or her shares in "street name" through a broker or other nominee to give voting instructions to such broker or other nominee, will have the same effect as a vote "AGAINST" the Transaction proposal.

*Proposal to Approve the Adjournment of the Special Meeting by Azteca stockholders:* Approving the adjournment of the special meeting (if it is necessary or appropriate to solicit additional proxies because there are not sufficient votes to approve and adopt the Merger Agreement) requires the affirmative vote of at least a majority of votes cast by the Azteca stockholders present, in person or represented by proxy, at the special meeting and entitled to vote on the adjournment proposal. Accordingly, abstentions will have the same effect as a vote "AGAINST" the proposal to adjourn the special meeting, while broker non-votes and shares not in attendance at the special meeting will have no effect on the outcome of any vote to adjourn the special meeting.

***Recommendation of the Azteca Board***

The Azteca Board has unanimously (i) approved the Merger Agreement and the consummation of the transactions contemplated thereby upon the terms and subject to the conditions set forth in the Merger Agreement, (ii) determined that the terms of the Transaction are fair to, and in the best interests of, Azteca and its stockholders, (iii) directed that the Merger Agreement be submitted to

Table of Contents

Azteca stockholders for approval and adoption, (iv) recommended that Azteca stockholders approve and adopt the Merger Agreement and (v) declared the advisability of the Merger Agreement, and the Transaction.

The Azteca Board unanimously recommends that Azteca stockholders vote:

"FOR" the proposal to approve and adopt the Merger Agreement; and

"FOR" the proposal to approve the adjournment of the special meeting (if it is necessary or appropriate to solicit additional proxies because there are not sufficient votes to approve and adopt the merger agreement).

We refer to the recommendation that Azteca stockholders vote "FOR" the proposal to approve and adopt the Merger Agreement as the Azteca recommendation. See "The Transaction Recommendation of the Azteca Board; Reasons for the Transaction" beginning on page 159.

**The Warrant Amendment**

At the special meeting of warrant holders, Azteca will ask its Public Warrant holders to approve and consent to the Warrant Amendment pursuant to which (i) each warrant to purchase Azteca common stock outstanding immediately prior to the closing of the Transaction (including all of the Sponsor Warrants) will become exercisable for one-half of the number of shares of common stock of Azteca at an exercise price of \$6.00 per half-share, (ii) each holder of Azteca warrants (including Sponsor Warrants) will receive, for each such warrant (in exchange for the reduction of shares for which such warrants are exercisable), \$0.50 in cash (the "Cash Amount"), (iii) the obligation to reduce the warrant price upon the occurrence of certain transactions in which the consideration to be received includes securities of a private company will be removed to permit the Amended Azteca Warrants to be treated as equity for reporting purposes, and (iv) the Public Warrants will be able to be exercised on a "cashless basis" at the election of Azteca under certain circumstances. Upon consummation of the Transaction, each Amended Azteca Warrant will be converted into an equal number of Hemisphere warrants and will be exercisable for shares of Hemisphere Class A common stock on the same terms as were in effect with respect to such Amended Azteca Warrants immediately prior to the consummation of the Transaction. The effect of the Warrant Amendment will be to reduce the number of shares of Hemisphere Class A common stock issuable upon exercise of the warrants by half, thereby reducing the amount by which Hemisphere stockholders would otherwise have been diluted as a result of the exercise in full of the warrants. Pursuant to the Warrant Amendment, a warrant holder may exercise its warrants only for a whole number of shares of Hemisphere Class A common stock. Only an even number of warrants may be exercised at any given time by the registered warrant holder. For example, if a registered warrant holder holds one warrant to purchase one-half of a share of Hemisphere Class A common stock, such warrant shall not be exercisable. If a registered warrant holder holds two warrants, such warrants shall be exercisable for one share of Hemisphere Class A common stock.

If the Transaction is not completed, the Warrant Amendment will not become effective, even if warrant holders have approved the Warrant Amendment. The Transaction will not be consummated unless the Warrant Amendment is approved by holders of 65% of the outstanding Public Warrants (as required under section 9.8 of the Warrant Agreement), even if the Transaction proposal is approved by our stockholders. If the Transaction is completed, payment of the Cash Amount will require Azteca to pay an aggregate of \$5.0 million to Public Warrant holders and \$2.3 million to Azteca's Sponsor.

If the Warrant Amendment Proposal is not approved at the special meeting of warrant holders, then the Transaction proposal will not be presented to Azteca stockholders for a vote. If Azteca is unable to consummate the Transaction by April 6, 2013, it will be required to liquidate and all Azteca warrants will expire worthless.



Table of Contents

**Special Meeting of Warrantholders**

*Date, Time and Place*

A special meeting of the warrant holders of Azteca will be held at the offices of Greenberg Traurig, LLP, located at 200 Park Avenue, New York, NY 10166, on April 4, 2013, at 9:00 a.m., Eastern time, unless the special meeting is adjourned or postponed.

*Purposes of the Special Meeting*

At the special meeting of warrant holders, Azteca will ask Public Warrantholders to vote upon the following matters:

(1) to approve the Warrant Amendment pursuant to which (i) each warrant to purchase Azteca common stock outstanding immediately prior to the closing of the Transaction (including all of the Sponsor Warrants) will become exercisable for one-half of the number of shares of common stock of Azteca at an exercise price of \$6.00 per half-share, (ii) each holder of Azteca warrants (including Sponsor Warrants) will receive, for each such warrant (in exchange for the reduction of shares for which such warrants are exercisable), the Cash Amount, (iii) the obligation to reduce the warrant price upon the occurrence of certain transactions in which the consideration to be received includes securities of a private company will be removed to permit the Amended Azteca Warrants to be treated as equity for reporting purposes, and (iv) the Public Warrants will be able to be exercised on a "cashless basis" at the election of Azteca under certain circumstances. Upon consummation of the Transaction, each Amended Azteca Warrant will be converted into an equal number of Hemisphere warrants and will be exercisable for shares of Hemisphere Class A common stock on the same terms as were in effect with respect to such Amended Azteca Warrants immediately prior to the consummation of the Transaction. The effect of the Warrant Amendment will be to reduce the number of shares of Hemisphere Class A common stock issuable upon exercise of the warrants by half, thereby reducing the amount by which Hemisphere stockholders would otherwise have been diluted as a result of the exercise in full of the warrants. Pursuant to the Warrant Amendment, a warrant holder may exercise its warrants only for a whole number of shares of Hemisphere Class A common stock and therefore only an even number of warrants may be exercised at any given time by the registered warrant holder. For example, if a registered warrant holder holds one warrant to purchase one-half of a share of Hemisphere Class A common stock, such warrant shall not be exercisable. If a registered warrant holder holds two warrants, such warrants shall be exercisable for one share of Hemisphere Class A common stock. If the Transaction is not completed, the Warrant Amendment will not become effective, even if warrant holders have approved the Warrant Amendment;

(2) to approve the adjournment of the special meeting of warrant holders to a later date or dates, if necessary, to permit further solicitation and vote of proxies if, based upon the tabulated vote at the time of the special meeting, there are not sufficient votes to approve the Warrant Amendment Proposal; and

(3) to transact such other business as may properly come before the special meeting of warrant holders or any reconvened meeting following an adjournment or postponement of the special meeting of warrant holders.

***Record Date; Shares Entitled to Vote***

Holders of Public Warrants as of 5:00 p.m., Eastern time on March 10, 2013, or the record date, are entitled to notice of, and to vote at, the special meeting or one or more adjournments thereof. Each warrant is entitled to one vote.

As of the record date, 10,000,000 Public Warrants were outstanding.

Table of Contents

***Required Vote for Warrantholder Proposals***

Approval of the Warrant Amendment Proposal requires the affirmative vote of the holders of at least 65% of the outstanding Public Warrants as of the record date.

Approval of the Warrantholder Adjournment Proposal requires the affirmative vote of the holders of at least a majority of the outstanding Public Warrants represented in person or by proxy at the special meeting of Public Warrantholders and entitled to vote thereon as of the record date.

Abstentions will have the same effect as a vote "AGAINST" the Warrant Amendment Proposal and the Warrantholder Adjournment Proposal. Broker non-votes will have the same effect as a vote "AGAINST" the Warrant Amendment Proposal and will have no effect on the Warrantholder Adjournment Proposal. Holders of Sponsor Warrants are not entitled to vote on the Warrant Amendment Proposal and will not vote on the Warrantholder Adjournment Proposal.

**Recommendation of the Azteca Board**

The Azteca Board unanimously recommends that Public Warrantholders vote "FOR" the Warrant Amendment Proposal and "FOR" the Warrantholder Adjournment Proposal.

**Azteca's Financial Advisors**

Azteca engaged Deutsche Bank Securities Inc., or Deutsche Bank, and Maxim Group LLC as its financial advisors to assist with the Transaction. In addition, Azteca engaged Stan Budeshtsky as a consultant to assist with the Transaction.

Deutsche Bank is entitled to reimbursement from Azteca of certain of its expenses in connection with its engagement as Azteca's financial advisor. The Azteca Board did not request, and therefore will not receive, a fairness opinion from Deutsche Bank in connection with the Transaction. Deutsche Bank also served as sole underwriter of Azteca's initial public offering and Azteca paid to Deutsche Bank underwriting discounts and commissions equal to approximately \$1,750,000 upon consummation of the initial public offering. Deferred underwriting fees payable to Deutsche Bank in connection with Azteca's public offering and consulting fees due to certain of Azteca's consultants and advisors will be paid upon consummation of the Transaction.

**Interests of Azteca Officers and Directors in the Transaction**

Azteca's directors and executive officers may have direct and indirect interests in the Transaction that are different from, or in conflict with, yours. These interests include the continued employment of certain executive officers of Azteca by Hemisphere, the continued service of certain directors of Azteca as directors of Hemisphere, and the indemnification of former Azteca directors and officers by Hemisphere and the surviving corporations.

In addition, certain of Azteca's executive officers and directors have financial interests in the Transaction that are different from, or in conflict with, the interests of Azteca's stockholders, other than the Azteca Initial Stockholders. With respect to Azteca's executive officers and directors, these interests include, among other things:

Azteca's amended and restated certificate of incorporation provides that if a definitive agreement to consummate a business combination has been executed but no business combination is consummated by April 6, 2013, Azteca is required to begin the dissolution process provided for in Azteca's amended and restated certificate of incorporation. In the event of a dissolution, the 2,500,000 shares of Azteca common stock that Azteca's founders purchased prior to Azteca's initial public offering for an aggregate purchase price of approximately \$25,000 would become worthless, as the Azteca founders have waived any right to receive liquidation

Table of Contents

distributions with respect to these shares. Such shares had an aggregate market value of approximately \$25.5 million, based upon the closing price of \$10.20 of the Azteca common stock on the OTCBB on March 8, 2013, the trading day immediately prior to the record date;

All of the 4,666,667 Sponsor Warrants purchased by Azteca's Sponsor would expire and become worthless. Such warrants had an aggregate value of approximately \$5.4 million, based on the closing price of the Azteca warrants of \$1.15 on the OTCBB on March 8, 2013, the trading day immediately prior to the record date;

Azteca will purchase from the Current Sponsor Warrantholders, 2,333,334 Amended Azteca Warrants (i.e. warrants to purchase 1,166,667 shares of Azteca common stock) for a purchase price per warrant equal to \$0.50 immediately prior to the consummation of the Transaction;

The Azteca Initial Stockholders (who are executive officers and directors of Azteca) will contribute a total of 250,000 shares of Azteca common stock to Azteca for no consideration immediately prior to the closing of the Transaction, and such shares will be cancelled;

In addition to the 735,294 shares subject to forfeiture pursuant to the Securities Purchase Agreement, the Azteca Initial Stockholders will agree to subject an additional 250,000 shares of Hemisphere Class A common stock to certain forfeiture provisions if the market price of shares of Hemisphere Class A common stock does not reach certain levels; and

Azteca expects that Messrs. Gabriel Brener and John Engelman will be members of Hemisphere's board of directors following the consummation of the Transaction.

Mr. Gabriel Brener, who controls Azteca's Sponsor and is a member of Azteca's board of directors, has agreed that, if Azteca dissolves prior to the consummation of a business combination, he will personally indemnify Azteca for any and all loss, liability, claim, damage and expense which it may become subject to as a result of a claim by any vendor, prospective target business or other entity that has not signed a waiver of claims against Azteca's Trust Account and is owed money by Azteca for services rendered or products sold to the extent necessary to ensure that such loss, liability, claim, damage or expense does not reduce the amount of funds held in Azteca's Trust Account. In addition, on February 1, 2013, Azteca's Sponsor loaned Azteca \$250,000 to fund working capital pursuant to a non-interest bearing unsecured promissory note that is payable by Azteca or Hemisphere at or prior to the consummation of the Transaction.

The members of the Azteca Board were aware of and considered the interests summarized above, among other matters, in evaluating and negotiating the Merger Agreement and the transactions contemplated thereby and in recommending to Azteca stockholders, that the Merger Agreement be approved and adopted. You should be aware of these interests when you consider the Azteca Board's recommendation that you vote in favor of the approval and adoption of the Merger Agreement and the consummation of the transactions contemplated thereby.

**Material U.S. Federal Income Tax Consequences**

It is anticipated that the Transaction will qualify as part of an exchange described in Section 351 of the Internal Revenue Code of 1986, as amended, which we refer to as the Code. It is a condition to Azteca's obligation to complete the Transaction that Azteca receive an opinion of its counsel, Greenberg Traurig, LLP, which we refer to as Greenberg Traurig, to the effect that the Transaction will qualify as part of an exchange described in Section 351 of the Code. It is a condition to WAPA's and Cinelatino's obligation to complete the WAPA Merger and Cinelatino Merger that WAPA and Cinelatino receive a written opinion of their counsel, Paul, Weiss, Rifkind, Wharton & Garrison LLP, to the effect that the Transaction will qualify as part of an exchange described in Section 351 of the Code. The opinions, which will be received upon closing of the Transaction, may require and rely upon representations contained in letters and certificates received from Azteca, Hemisphere, WAPA and

Table of Contents

Cinelatino, respectively and will be subject to certain qualifications and limitations. No rulings will be requested from the Internal Revenue Service with respect to any tax matters related to the Transaction or the Warrant Amendment.

In connection with the filing of the registration statement of which this proxy statement/prospectus is a part, Azteca has received an opinion from Greenberg Traurig, LLP, which is filed as Exhibit 8.1 to the Registration Statement. The discussion of the material tax consequences in this subsection is a summary of such opinion.

Subject to the discussion contained in "Material U.S. Federal Income Tax Consequences Material U.S. Federal Income Tax Consequences of the Transaction to Azteca Stockholders," a U.S. holder (as defined in the section entitled "Material U.S. Federal Income Tax Consequences") of Azteca common stock generally will not recognize gain or loss for U.S. federal income tax purposes as a result of the exchange of Azteca common stock for Hemisphere Class A common stock, the aggregate tax basis of the Hemisphere Class A common stock the U.S. holder of Azteca common stock receives will be equal to the aggregate tax basis of the Azteca common stock exchanged therefor, and the holding period of the Hemisphere Class A common stock will include the U.S. holder's holding period of the Azteca common stock surrendered in exchange therefor. Notwithstanding the foregoing, there is a risk that a U.S. holder of Azteca common stock will be taxed on a portion of the Hemisphere Class A common stock received in the Azteca Merger at ordinary income rates to the extent the stockholder is deemed to receive Hemisphere Class A common stock other than as consideration for the stockholder's Azteca common stock surrendered in the Azteca Merger.

A U.S. holder of Public Warrants should recognize capital gain or loss with respect to the Warrant Amendment, and the amount of such capital gain or loss should be equal to the difference between the amount of cash received and one-half of the U.S. holder's adjusted tax basis in the Public Warrants. For purposes of determining the adjusted tax basis in the Public Warrants, a Public Warrant holder that purchased Azteca units would have been required to allocate the cost between the shares of Azteca common stock and the Public Warrants comprising the units based on their relative fair market values at the time of the purchase. A U.S. holder of Public Warrants may also have tax consequences resulting from the deemed exchange of Amended Azteca Warrants for an equal number of warrants to purchase Hemisphere Class A common stock. See "Material U.S. Federal Income Tax Consequences, Material U.S. Federal Income Tax Consequences of Warrant Amendment and Transaction to U.S. Holders of Public Warrants."

You are strongly urged to consult with a tax advisor to determine the particular U.S. federal, state or local or foreign income or other tax consequences of the Transaction to you. See "Material U.S. Federal Income Tax Consequences" on page 167.

The Transaction will not be taxable to Azteca, Hemisphere, WAPA or Cinelatino.

**Officers and Directors of Hemisphere**

Upon the consummation of the Transaction, the board of directors of Hemisphere will be divided into three classes and will be comprised of nine individuals. Initially, four directors will be designated by WAPA: Peter M. Kern, Leo Hindery, Jr., James M. McNamara and Vincent L. Sadusky; two directors will be designated by Azteca: Gabriel Brener and John Engelman; two directors will be designated by Cinema Aerpuerto: Ernesto Vargas Guardo and Eric Neuman; and one director will be

Table of Contents

the chief executive of Hemisphere: Alan J. Sokol. The following individuals are expected to serve as directors and management of Hemisphere:

Name	Position
Peter M. Kern	Chairman
Alan J. Sokol	Director and Chief Executive Officer
Craig D. Fischer	Chief Financial Officer
Gabriel Brener	Director
John Engelman	Director
Leo Hindery, Jr.	Director
James M. McNamara	Director
Eric C. Neuman	Director
Vincent L. Sadusky	Director
Ernesto Vargas Guajardo	Director

For more information on the new directors and management of Hemisphere, see "Hemisphere Executive Officers and Directors" beginning on page 195.

**Listing of Hemisphere Class A common stock**

In connection with the Transaction, Hemisphere has applied to list its shares of Hemisphere Class A common stock on NASDAQ under the symbol "HMTV." Hemisphere expects its warrants will trade on the OTCBB under the symbol "HMTVW" following the consummation of the Transaction.

**Comparison of Stockholder Rights**

As a result of the Transaction, the holders of Azteca common stock will become holders of Hemisphere Class A common stock, and holders of Cinelatino shares and the WAPA Member will become holders of Hemisphere Class B common stock. Following the consummation of the Transaction, Azteca stockholders will have different rights as stockholders of Hemisphere than they had as stockholders of Azteca due to the different provisions of the governing documents of Azteca and Hemisphere. For a summary of the material differences among the rights of Azteca stockholders and Hemisphere stockholders (including the Hemisphere Class A common stock and Hemisphere Class B common stock), see "Comparison of Stockholder Rights" beginning on page 216.

Table of Contents**SELECTED HISTORICAL FINANCIAL DATA OF AZTECA**

The following selected historical financial information for the year ended December 31, 2012 and for the period from April 15, 2011 (date of inception) to December 31, 2011 are derived from Azteca's audited financial statements, which are included elsewhere in this proxy statement/prospectus.

The financial information indicated may not be indicative of future performance. This financial information and other data should be read in conjunction with the respective audited and unaudited consolidated financial statements of Azteca, including the notes thereto, and "Management's Discussion and Analysis of Financial Condition and Results of Operations of Azteca" included in this proxy statement/prospectus.

	<b>December 31, 2012 and the year then ended</b>	<b>December 31, 2011 and the period April 15, 2011 (inception) to December 31, 2011 (As restated)</b>
<b>Statement of Operations Data:</b>		
Revenues	\$	\$
General and administrative	477,745	192,610
State Franchise taxes	180,662	102,182
Loss from operations	(658,407)	(294,792)
Net income	1,172,483	4,840,855
Income (loss) per common share		
Basic and Diluted	0.31	1.34
Weighted average shares outstanding		
Basic and Diluted	3,807,532	3,606,835
<b>Balance Sheet Data:</b>		
Cash and Cash Equivalents	\$ 9,969	\$ 505,803
Cash Equivalents held in Trust	100,572,114	100,502,314
Total Assets	100,582,083	101,097,824
Total Liabilities	8,075,455	9,763,680
Common stock subject to possible redemption	87,506,620	86,334,133
Total stockholders' equity	5,000,008	5,000,011
<b>Cash Flow Data:</b>		
Net Cash used in operating activities	\$ (426,034)	\$ (235,172)
Net cash used in investing activities	(69,800)	(100,502,314)
Net Cash provided by financing activities		101,243,289

Table of Contents**SELECTED CONSOLIDATED HISTORICAL FINANCIAL DATA OF WAPA**

The following table sets forth selected historical consolidated financial information of WAPA for the periods presented. The selected financial information, as of December 31, 2012, 2011, 2010, 2009 and 2008 and for each of the five fiscal years then ended, has been derived from WAPA's audited consolidated financial statements.

The financial information indicated may not be indicative of future performance. This financial information and other data should be read in conjunction with the respective audited and unaudited consolidated financial statements of WAPA, including the notes thereto, and "Management's Discussion and Analysis of Financial Condition and Results of Operations of WAPA" included in this proxy statement/prospectus.

(Dollars in thousands)	Year Ended December 31,				
	2012	2011	2010	2009	2008(1) (unaudited)
<b>Statement of Operations Data:</b>					
Net Revenues	\$ 71,367	\$ 60,797	\$ 54,615	\$ 42,195	\$ 43,951
Operating income (loss)	20,866	15,401	13,835	(9,010)	(7,482)
Income (loss) before income taxes	17,315	11,588	12,081	(12,140)	(15,114)
Income tax (expense) benefit	(6,285)	(3,984)	18,952	4,449	(6,460)
Net income (loss)	\$ 11,030	\$ 7,604	\$ 31,033	\$ (7,690)	\$ (21,574)
<b>Balance Sheet Data:</b>					
Cash	\$ 10,084	\$ 10,183	\$ 5,101	\$ 2,486	\$ 1,754
Goodwill	10,983	10,983	10,983	10,983	10,983
Other assets	94,791	95,782	93,541	86,506	99,827
Total assets	115,858	116,947	109,625	99,975	112,564
Total liabilities	76,200	82,562	58,695	80,074	85,012
Total member's capital	39,658	34,385	50,930	19,901	27,551

- (1) The 2008 audited financials have been adjusted to reflect the \$8.5 million restatement of the 2009 audited financial statements opening member's capital. The adjustments were to record a valuation allowance on a deferred tax asset and the fair value of a derivative liability, to amortize intangible assets and decrease other accrued expenses.

For a discussion of WAPA's presentation of EBITDA, see "Reconciliation of GAAP to Non-GAAP Financial Measures," beginning on page 39.

Table of Contents**SELECTED HISTORICAL FINANCIAL DATA OF CINELATINO**

The following table sets forth selected historical financial information of Cinelatino for the periods presented. The selected financial information, as of December 31, 2012, 2011, 2010, 2009 and 2008 and for each of the five fiscal years then ended, has been derived from Cinelatino's audited financial statements.

The financial information indicated may not be indicative of future performance. This financial information and other data should be read in conjunction with the respective audited and unaudited financial statements of Cinelatino, including the notes thereto, and "Management's Discussion and Analysis of Financial Condition and Results of Operations of Cinelatino" included in this proxy statement/prospectus.

(Dollars in thousands)	Year Ended December 31,				
	2012	2011	2010	2009	2008
<b>Statement of Income Data:</b>					
Revenues	\$ 23,639	\$ 22,437	\$ 21,738	\$ 18,971	\$ 17,616
Operating income	12,805	11,682	10,277	9,542	9,822
Income before income taxes	10,835	10,045	8,761	7,756	7,847
Provision for income taxes	4,106	4,026	3,112	2,905	3,178
Net income	\$ 6,729	\$ 6,019	\$ 5,649	\$ 4,851	\$ 4,669
<b>Earnings per share</b>					
Basic	\$ 2.24	\$ 2.01	\$ 1.88	\$ 1.62	\$ 1.56
Diluted	\$ 2.24	\$ 2.01	\$ 1.88	\$ 1.62	\$ 1.56
<b>Weighted average shares outstanding</b>					
Basic	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000
Diluted	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000
<b>Balance Sheet Data:</b>					
Cash	\$ 11,444	\$ 8,355	\$ 5,348	\$ 8,114	\$ 4,389
Other assets	24,752	25,067	26,007	26,398	27,233
Total assets	36,195	33,421	31,355	34,512	31,622
Total liabilities	37,695	41,651	22,353	27,606	29,001
Total stockholders' equity (deficit)	(1,499)	(8,229)	9,002	6,906	2,621

For a discussion of Cinelatino's presentation of EBITDA, see "Reconciliation of GAAP to Non-GAAP Financial Measures," beginning on page 39.



Table of Contents

**SELECTED UNAUDITED PRO FORMA CONDENSED COMBINED FINANCIAL INFORMATION OF HEMISPHERE**

The selected unaudited pro forma condensed combined financial information has been derived from, and should be read in conjunction with, the unaudited pro forma condensed combined financial information included elsewhere in this proxy statement/prospectus.

The unaudited pro forma condensed combined statements of operations for the year-ended December 31, 2012 give pro forma effect to the Transaction as if it had occurred on January 1, 2012. The unaudited pro forma condensed combined balance sheet as of December 31, 2012 gives pro forma effect to the Transaction as if it had occurred on such date.

The historical financial information has been adjusted to give effect to pro forma events that are related and/or directly attributable to the Transaction, are factually supportable and, in the case of the unaudited pro forma statement of operations data, are expected to have a continuing impact on the combined results. The adjustments presented on the unaudited pro forma condensed combined financial information have been identified and presented in the section entitled "Unaudited Pro Forma Condensed Combined Financial Information" to provide relevant information necessary for an understanding of the combined company upon consummation of the Transaction.

This information should be read together with the financial statements of Azteca and the notes thereto, the consolidated financial statements of WAPA and the notes thereto, the financial statements of Cinelatino and the notes thereto, the sections entitled "Unaudited Pro Forma Condensed Combined Financial Information," "Management's Discussion and Analysis of Financial Condition and Results of Operations of Azteca," "Management's Discussion and Analysis of Financial Condition and Results of Operations of WAPA," and "Management's Discussion and Analysis of Financial Condition and Results of Operations of Cinelatino," included elsewhere in this proxy statement/prospectus.

This presentation assumes that no Azteca stockholders exercise redemption rights and no repurchases by Azteca of Azteca common stock from the public stockholders.

The Transaction will be accounted for by applying the acquisition method, which requires the determination of the accounting acquirer, the acquisition date, the fair value of the purchase consideration to be transferred, the fair value of assets and liabilities of the acquiree and the measurement of goodwill. ASC Topic 805-10, "Business Combinations Overall" ("ASC 805-10") provides that in identifying the acquiring entity in a business combination effected primarily through an exchange of equity interests, the acquirer is usually the entity that issues equity interests but all pertinent facts and circumstances must be considered in determining the acquirer. Other pertinent facts and circumstances to consider include the relative voting rights of the shareholders of the constituent companies in the combined entity, the composition of the board of directors and senior management of the combined company, the relative size of each company and the terms of the exchange of equity interests in the Transaction, including payment of any premium. Although Hemisphere issued the equity interests in the Transaction, since it is a new entity formed solely to issue these equity interests to effect the Transaction it would not be considered the acquirer and one of the combining entities that existed before the transaction must be identified as the acquirer. Based on the following, WAPA is the accounting acquirer:

- (i) WAPA shareholders will obtain approximately 45.2% of the post-Transaction common shares of stock and 59.7% of the voting rights in the combined entities;
- (ii) WAPA, through its parent company, InterMedia, will have the ability to elect or appoint or to remove a majority of the members of the governing body of the combined entity, as they will represent five of the nine directors on the combined entity board of directors, including the Chief Executive Officer; and

Table of Contents

(iii)

WAPA's revenues represent approximately 75.1% of the total revenues of the combined entities.

As WAPA is the accounting acquirer (and legal acquiree), the Transaction is considered to be a reverse acquisition. Since WAPA issued no consideration in the Transaction, unless the fair value of accounting acquirees' equity interests are more reliably measurable, the fair value of the consideration transferred by WAPA would be based on the number of shares WAPA would have had to issue to give owners of the other entities in the transaction the same percentage ownership in the combined entities that results from the Transaction. In this situation, since Azteca's shares are publicly traded and they are one of the combining entities in this Transaction, the fair value of those shares are considered to be more reliably measurable than the fair value of WAPA's shares and therefore were used to determine the fair value of the consideration transferred for the acquisition of Cinelatino, which is the other operating entity involved in this Transaction. The difference between the fair value of the consideration transferred and the fair value of Cinelatino's identifiable assets and liabilities at the acquisition date will be recorded as goodwill.

**Unaudited Pro Forma Condensed Combined Statement of Operations Data**

	<b>Year Ended</b>
	<b>December 31, 2012</b>
<b>Income Statement</b>	
Net revenues	\$ 95,006,339
Cost of revenues	37,546,820
Selling, general and administrative	17,183,561
Depreciation and amortization	7,581,026
Other expenses	226,309
Gain on disposition of assets	(653)
Interest expense, net	(5,400,407)
Other expense, net	(50,000)
Income before income taxes	<b>27,018,869</b>
Income tax expense	(10,391,423)
Net income	<b>\$ 16,627,446</b>
<b>Earnings per share</b>	
Basic	\$ 0.40
Diluted	\$ 0.40
Weighted average number of common shares outstanding(1)	
Basic	41,264,706
Diluted	41,264,706
<b>Balance Sheet</b>	
Total assets	\$ 360,363,070
Total liabilities	\$ 114,113,078
Total member's capital	\$ 246,249,992

(1)

Pro forma earnings per share, basic and diluted, are computed by dividing net income by the weighted-average number of shares outstanding during the period. The diluted shares outstanding do not include the effect of the 14,666,667 Amended Azteca Warrants (i.e., warrants to purchase 7,333,334 shares of Azteca common stock) which have an exercise price that is a premium to the per share value of the funds deposited in the Trust Account and therefore their effect has been determined to be anti-dilutive for the year ended December 31, 2012. The diluted shares outstanding also do not include the effect of the 3,985,294 common shares subject to forfeiture held by the Azteca Initial Stockholders and the current owners of WAPA and Cinelatino as these shares are contingently returnable for which all the necessary conditions have not been satisfied.

Table of Contents**RECONCILIATION OF GAAP TO NON-GAAP FINANCIAL MEASURES**

*In the following discussion and analysis of results of operations and financial condition, certain financial measures may be considered "non-GAAP financial measures" under Securities and Exchange Commission rules. These rules require supplemental explanation and reconciliation, which is provided in this proxy statement/prospectus.*

In addition to financial information presented in accordance with U.S. GAAP, WAPA and Cinelatino have presented certain non-GAAP financial measures, EBITDA and Adjusted EBITDA. Management of WAPA and Cinelatino use these measures to assess the operating results and performance of the business, perform analytical comparisons and identify strategies to improve performance. WAPA and Cinelatino believe EBITDA and Adjusted EBITDA are relevant to investors because it allows them to analyze the operating performance of each business using the same metrics used by management. WAPA and Cinelatino exclude from Adjusted EBITDA depreciation expense, amortization of intangibles, certain impairment charges, loss (gain) on disposition of assets, non-recurring expenses, interest expense, interest income, income tax and loss from discontinued operations.

The following table presents WAPA's EBITDA and Adjusted EBITDA measures for the periods indicated:

(Dollars in thousands)	Year Ended December 31,				
	2012	2011	2010	2009	2008
Net income (loss)	\$ 11,030	\$ 7,604	\$ 31,033	\$ (7,690)	\$ (21,574)
Add (deduct):					
Income tax expense (benefit)	6,285	3,984	(18,952)	(4,449)	6,460
Interest and other expenses, net	3,551	3,814	1,754	3,130	7,521
Impairment of broadcast license				13,830	11,671
(Gain) loss on disposition of assets	(1)	(39)	399	18	233
Depreciation and amortization	3,723	3,425	3,125	2,959	2,964
<b>EBITDA</b>	<b>\$ 24,589</b>	<b>\$ 18,788</b>	<b>\$ 17,359</b>	<b>\$ 7,797</b>	<b>\$ 7,276</b>
Non-recurring expenses	855	88			
Management fees	625	625	250		
<b>Adjusted EBITDA</b>	<b>\$ 26,069</b>	<b>\$ 19,501</b>	<b>\$ 17,609</b>	<b>\$ 7,797</b>	<b>\$ 7,276</b>

The following table presents Cinelatino's EBITDA and Adjusted EBITDA measures for the periods indicated:

(Dollars in thousands)	Year Ended December 31,				
	2012	2011	2010	2009	2008
Net income	\$ 6,729	\$ 6,019	\$ 5,649	\$ 4,851	\$ 4,669
Add:					
Provision for income taxes	4,106	4,026	3,112	2,905	3,178
Interest expense, net	1,970	1,637	1,516	1,786	1,975
Depreciation	8	5	5	5	2
<b>EBITDA</b>	<b>\$ 12,813</b>	<b>\$ 11,687</b>	<b>\$ 10,282</b>	<b>\$ 9,547</b>	<b>\$ 9,823</b>
Non-recurring expenses	372				
<b>Adjusted EBITDA</b>	<b>\$ 13,185</b>	<b>\$ 11,687</b>	<b>\$ 10,282</b>	<b>\$ 9,547</b>	<b>\$ 9,823</b>

Table of Contents**COMPARATIVE HISTORICAL AND PRO FORMA PER SHARE DATA**

The following table sets forth selected historical per share data for Azteca, WAPA and Cinelatino, and unaudited pro forma combined per share ownership information after giving effect to the proposed Transaction, assuming (i) that no Azteca public stockholders exercise their redemption rights. Azteca, WAPA and Cinelatino are providing this information to assist you in your analysis of the financial aspects of the proposed Transaction. The historical information should be read in conjunction with "Selected Consolidated Historical Financial Data of Azteca," "Selected Consolidated Historical Financial Data of WAPA" and "Selected Historical Financial Data of Cinelatino" included elsewhere in this proxy statement/prospectus and the historical consolidated and combined financial statements of Azteca, WAPA and Cinelatino and the related notes thereto included elsewhere in this proxy statement/prospectus. The unaudited pro forma per share information is derived from, and should be read in conjunction with, the unaudited condensed combined pro forma financial data and related notes included elsewhere in this proxy statement/prospectus.

The unaudited pro forma consolidated per share information does not purport to represent what the actual results of operations of Azteca, WAPA and Cinelatino would have been had the Transaction been completed or to project Hemisphere's results of operations that may be achieved after the proposed Transaction. The unaudited pro forma book value per share information below does not purport to represent what the value of Azteca, WAPA and Cinelatino would have been had the Transaction been complete nor the book value per share for any future date or period.

	Azteca	WAPA	Cinelatino	Pro Forma
<b>Year Ended December 31, 2012</b>				
<b>Common shares</b>				
At end of Period	3,792,874	1	3,000,000	41,264,706
Weighted Average	3,807,532	1	3,000,000	41,264,706
Basic net income per Common Share	\$ 0.31	\$ 11,029,599	\$ 2.24	\$ 0.40
Diluted net income per Common Share	\$ 0.31	\$ 11,029,599	\$ 2.24	\$ 0.40(a)
Book value per Common Share as of the period end	\$ 1.32*	\$ 39,657,929	\$ (0.50)	\$ 5.97
Cash dividends declared per Common Share		\$ 4,950,000		\$ 0.12
<b>Year Ended December 31, 2012</b>				
<b>Common shares</b>				
At end of Period				45,250,000
Weighted Average				45,250,000
Basic net income per Common Share				\$ 0.37
Diluted net income per Common Share				\$ 0.37(b)

\*

These per share amounts exclude shares subject to possible redemption.

(a)

The diluted shares outstanding do not include the effect of the 14,666,667 Amended Azteca Warrants (i.e., warrants to purchase 7,333,334 shares of Azteca common stock) which have an exercise price that is a premium to the per share value of the funds deposited in the Trust Account and therefore their effect has been determined to be anti-dilutive for the year ended December 31, 2012. The diluted shares outstanding also do not include the effect of the 3,985,294 common shares subject to forfeiture held by the Azteca Initial Stockholders and the current owners of WAPA and Cinelatino as these shares are contingently returnable for which all the necessary conditions have not been satisfied.

(b)

The diluted shares outstanding do not include the effect of the 14,666,667 Amended Azteca Warrants (i.e., warrants to purchase 7,333,334 shares of Azteca common stock) which have an exercise price that is a premium to the per share value of the funds deposited in the Trust Account and therefore their effect has been determined to be anti-dilutive for the year ended December 31, 2012.



Table of Contents**MARKET PRICE AND DIVIDEND INFORMATION**

Azteca's common stock, warrants and units are each traded on the OTC Bulletin Board under the symbols AZTA, AZTAW and AZTAU, respectively. Azteca's units commenced public trading on June 30, 2011, and Azteca's common stock and warrants commenced public trading on August 22, 2011.

The table below sets forth, for the calendar quarter indicated, the high and low bid prices of Azteca's units, common stock and warrants as reported on the OTC Bulletin Board.

Quarter Ended	Azteca Units		Azteca Common Stock		Azteca Warrants	
	Low	High	Low	High	Low	High
June 30, 2011	\$ 10.00	\$ 10.00	N/A	N/A	N/A	N/A
September 30, 2011	\$ 10.00	\$ 10.01	\$ 9.50	\$ 9.50	N/A	N/A
December 31, 2011	\$ 10.00	\$ 10.09	\$ 9.50	\$ 9.76	\$ 0.40	\$ 0.57
March 31, 2012	N/A	N/A	\$ 9.75	\$ 9.81	\$ 0.45	\$ 0.45
June 30, 2012	N/A	N/A	\$ 9.75	\$ 9.79	\$ 0.25	\$ 0.43
September 30, 2012	N/A	N/A	\$ 9.79	\$ 9.90	\$ 0.18	\$ 0.25
December 31, 2012	N/A	N/A	\$ 9.92	\$ 10.15	\$ 0.28	\$ 0.28
March 31, 2013 (through March 13, 2013)	\$ 10.50	\$ 10.50	\$ 9.92	\$ 10.25	\$ 0.18	\$ 1.25

On March 13, 2013, the closing price of Azteca's common stock was \$10.25 and the closing price of Azteca's warrants was \$1.14. On January 23, 2013 (the date of the last trade prior to March 13, 2013), the closing price of Azteca's units was \$10.50.

On the record date, there were six holders of record of Azteca common stock, four holders of record of Azteca warrants and one holder of record of Azteca units.

Azteca has not paid dividends on common stock during 2012 or 2011, and has no current intention of doing so.

Azteca did not pay dividends on its common stock during the year ended December 31, 2012 or during 2011, and does not have any current intention of paying dividends.

WAPA and Cinelatino are privately held companies and there is no established public trading market for their equity interests. As of March 8, 2013, there was one holder of record of WAPA membership units and there were three holders of record of Cinelatino common stock.

Cinelatino did not pay dividends on its common stock during the year ended December 31, 2012, and does not have any current intention of paying dividends. During 2011, Cinelatino paid dividends of \$7.73 per share on its common stock.

WAPA paid dividends of \$4.95 million and \$23.2 million during the years ended December 31, 2012 and 2011, respectively, on its one outstanding member unit.

Each of the WAPA Loan Agreement (as defined below) and the Cinelatino Term Loan contain covenants that restrict the ability of WAPA and Cinelatino to (i) pay cash dividends or make other distributions (including management or similar fees) to their equity holders and (ii) make investments in non-credit parties, including, following the consummation of the Transaction. See "Management's Discussion and Analysis of Financial Condition and Results of Operations of WAPA Discussion of Indebtedness" beginning on page 108 and "Management's Discussion and Analysis of Financial Condition and Results of Operations of Cinelatino Discussion of Indebtedness" beginning on page 125.

Table of Contents

**RISK FACTORS**

*In addition to the other information contained in this proxy statement/prospectus, you should carefully consider the following risk factors in deciding whether to vote or instruct your vote to be cast to approve the proposals described in this proxy statement/prospectus.*

**Risk Factors Relating to Azteca**

*Azteca's purchases of shares of common stock in the open market may support the market price of the common stock and/or warrants during the buyback period; however, the termination of the support provided by such purchases may materially adversely affect the market price of the units, common stock and/or warrants.*

Unlike many blank check companies, the investment management trust agreement between Azteca and Continental Stock Transfer & Trust Company permits the release to Azteca from the Trust Account of amounts necessary to purchase up to 15% of the shares sold in Azteca's initial public offering (1,500,000 shares) at any time commencing after the filing of a preliminary proxy statement for Azteca's initial business combination and ending on the record date for the vote to approve Azteca's initial business combination. Purchases will be made only in open market transactions at times when Azteca is not in possession of material non-public information and will not be made during a restricted period under Regulation M under the Exchange Act. Consequently, if the market does not view Azteca's initial business combination positively, these purchases may have the effect of counteracting the market's view of Azteca's initial business combination, which would otherwise be reflected in a decline in the market price of Azteca's securities. The termination of the support provided by these purchase may materially adversely affect the market price of Azteca's securities.

*Azteca, the initial stockholders, directors, officers, advisors and their affiliates may elect to purchase shares from stockholders, in which case Azteca or they may influence a vote in favor of the Transaction that you do not support.*

Pursuant to the Trust Agreement, Azteca may request funds necessary to purchase up to 15% of the shares sold in Azteca's initial public offering (1,500,000 shares) at per share prices (inclusive of commissions) that do not exceed an amount equal to (A) the aggregate amount then on deposit in the Trust Account divided by (B) the total number of Public Shares then outstanding. Any Public Shares so purchased shall be immediately cancelled. In addition, the initial stockholders and Azteca's directors, officers, advisors or their affiliates also may purchase shares in privately negotiated transactions either prior to or following the consummation of Azteca's initial business combination.

Such a purchase would include a contractual acknowledgement that such stockholder, although still the record holder of Azteca's shares, is no longer the beneficial owner thereof and therefore agrees not to exercise its redemption rights. In the event that Azteca or its initial stockholders, directors, officers, advisors or their affiliates purchase shares in privately negotiated transactions from public stockholders who have already elected to exercise their redemption rights, such selling stockholders would be required to revoke their prior elections to redeem their shares. Although Azteca's initial stockholders, directors, officers, advisors or their affiliates do not currently anticipate paying any premium purchase price (over trust value) for such Public Shares, in the event that they do, the payment of a premium may not be in the best interest of those stockholders not receiving any such premium.

The purpose of such purchases would be to (1) increase the likelihood of obtaining stockholder approval of the Transaction and (2), where the purchases are made by Azteca's initial stockholders, directors, officers, advisors or their affiliates, to satisfy a closing condition in the Merger Agreement that requires Azteca to have at least \$80 million of cash at the closing of the Transaction. This may result in the consummation of the Transaction where it may not otherwise have been possible.

Table of Contents

As of the date of this proxy statement/prospectus, no agreements with respect to the private purchase of Public Shares by Azteca or the persons described above have been entered into with any such investor or holder. Azteca will file a Current Report on Form 8-K with the SEC to disclose private arrangements entered into or significant private purchases made by any of the aforementioned persons that would affect the vote on the Transaction.

***Azteca's purchases of shares of common stock in the open market or in privately negotiated transactions and any redemption of Public Shares would reduce the funds available to Azteca after the Transaction.***

Azteca may privately negotiate transactions to purchase shares effective prior to the consummation of the Transaction from stockholders who would have otherwise elected to have their shares redeemed. In addition, since Azteca is seeking stockholder approval of the Transaction, the investment management trust agreement between Azteca and Continental Stock Transfer & Trust Company permits the release to Azteca from the Trust Account of amounts necessary to purchase up to 15% of the shares sold in Azteca's initial public offering (1,500,000 shares). As a consequence of such purchases, the funds in Azteca's Trust Account that are so used will not be available to Hemisphere after the Transaction.

In addition, in connection with the Transaction, Public Stockholders have the right to redeem their Public Shares for cash in an amount equal to the greater of \$10.05 per share or the quotient obtained by dividing (i) the aggregate amount then on deposit in the Trust Account, as of two business days prior to the consummation of the Transaction, less franchise and income taxes payable and less any interest that Azteca was permitted to withdraw in accordance with the Trust Agreement, by (ii) the total number of then outstanding Public Shares. We anticipate that the redemption price will be \$10.05. As a consequence of such redemptions, the funds in Azteca's Trust Account that are so used will not be available to Hemisphere after the Transaction.

***Azteca's purchases of common stock in the open market or in privately negotiated transactions may have negative economic effects on Azteca's remaining public stockholders.***

If Azteca purchases shares in privately negotiated or market transactions from stockholders who would have otherwise elected to have their shares redeemed in conjunction with a proxy solicitation pursuant to the proxy rules for a per-share pro rata portion of the Trust Account, Azteca's remaining public stockholders will bear the economic burden of the franchise and income taxes payable as well as taxes payable with respect to interest earned on the Trust Account (and, in the case of purchases which occur prior to the consummation of Azteca's initial business combination, up to \$50,000 of the net interest that may be released to Azteca from the Trust Account to fund Azteca's dissolution expenses in the event Azteca does not complete Azteca's initial business combination by April 6, 2013). In addition, Azteca's remaining public stockholders following the consummation of Azteca's initial business combination will bear the economic burden of the deferred underwriting commission as well as the amount of any premium Azteca may pay to the per-share pro rata portion of the Trust Account using funds released to Azteca from the Trust Account following the consummation of the Transaction. This is because the stockholders from whom Azteca purchases shares in open market or in privately negotiated transactions may receive a per share purchase price payable from the Trust Account that is not reduced by a pro rata share of the taxes payable on the interest earned by the Trust Account, up to \$50,000 of dissolution expenses or the deferred underwriting commission and, in the case of purchases at a premium, have received such premium.



Table of Contents

***Azteca stockholders will not have any rights or interests in funds from the Trust Account, except under certain limited circumstances. To liquidate your investment, therefore, you may be forced to sell your Public Shares or warrants, potentially at a loss.***

Azteca's public stockholders shall be entitled to receive funds from the Trust Account only in the event of (i) a redemption to public stockholders prior to any winding up in the event Azteca does not consummate its initial business combination, (ii) Azteca's liquidation or (iii) pursuant to a tender offer in connection with an initial business combination that Azteca consummates. In no other circumstances will a stockholder have any right or interest of any kind to the funds in the Trust Account. Accordingly, to liquidate your investment, you may be forced to sell your Public Shares or warrants, potentially at a loss.

***If an Azteca stockholder or a "group" of Azteca stockholders are deemed to hold in excess of 15% of Azteca's common stock, such stockholder or group will lose the ability to both redeem and vote all such shares in excess of 15% of Azteca's common stock.***

Azteca's amended and restated certificate of incorporation provides that a public stockholder, individually or together with any affiliate of such stockholder or any other person with whom such stockholder is acting in concert or as a "group" (as defined under Section 13 of the Exchange Act), will be restricted from seeking redemption rights with respect to more than an aggregate of 15% of the Azteca Public Shares. Moreover, any individual stockholder or "group" will also be restricted from voting Public Shares in excess of an aggregate of 15% of the Azteca Public Shares, which Azteca refers to as the "excess shares". A stockholder's inability to vote and redeem the excess shares will reduce its influence over Azteca's ability to consummate the Transaction and such stockholder could suffer a material loss on its investment in Azteca if it sells excess shares in open market transactions. Additionally, such stockholder will not receive redemption distributions with respect to the excess shares if Azteca consummates the Transaction. As a result, such stockholder will continue to hold that number of shares exceeding 15% and, in order to dispose of such shares, it would be required to sell its shares in open market transactions, potentially at a loss.

***If third parties bring claims against Azteca, the proceeds held in the Trust Account could be reduced and the per-share amount received by stockholders upon liquidation may be less than \$10.05 per share.***

Azteca's placing of funds in the Trust Account may not protect those funds from third party claims against Azteca. Although Azteca has and continues to seek to have all vendors, service providers, prospective target businesses or other entities with which Azteca does business execute agreements with Azteca waiving any right, title, interest or claim of any kind in or to any monies held in the Trust Account for the benefit of Azteca's public stockholders, such parties may not execute such agreements, or even if they execute such agreements they may not be prevented from bringing claims against the Trust Account, including, but not limited to, fraudulent inducement, breach of fiduciary responsibility or other similar claims, as well as claims challenging the enforceability of the waiver, in each case in order to gain advantage with respect to a claim against Azteca's assets, including the funds held in the Trust Account. If any third party refuses to execute an agreement waiving such claims to the monies held in the Trust Account, Azteca's management will perform an analysis of the alternatives available to it and will only enter into an agreement with a third party that has not executed a waiver if management believes that such third party's engagement would be significantly more beneficial to Azteca than any alternative.

Examples of possible instances where Azteca may engage a third party that refuses to execute a waiver include the engagement of a third party consultant whose particular expertise or skills are believed by management to be significantly superior to those of other consultants that would agree to execute a waiver or in cases where management is unable to find a service provider willing to execute a waiver. In addition, there is no guarantee that such entities will agree to waive any claims they may

Table of Contents

have in the future as a result of, or arising out of, any negotiations, contracts or agreements with Azteca and will not seek recourse against the Trust Account for any reason. Upon redemption of Azteca's Public Shares, if Azteca is unable to complete its initial business combination within the required time frame, or upon the exercise of a redemption right in connection with Azteca's initial business combination, Azteca will be required to provide for payment of claims of creditors that were not waived that may be brought against Azteca within the 10 years following redemption. Accordingly, the per-share redemption amount received by public stockholders could be less than the \$10.05 per share initially held in the Trust Account, due to claims of such creditors. Moreover, in the event that an executed waiver is deemed to be unenforceable against a third party, Mr. Brener will not be responsible to the extent of any liability for such third party claims.

Pursuant to the terms of the Merger Agreement, WAPA and Cinelatino have executed a waiver of the kind contemplated by this paragraph. Additionally, Mr. Stan Budeshtsky, a consultant to Azteca, and Maxim Group, LLC, a financial advisor to Azteca, executed such a waiver. However, Greenberg Traurig LLP, Rothstein Kass and Deutsche Bank Securities Inc. did not execute such a waiver.

***Azteca's stockholders may be held liable for claims by third parties against Azteca to the extent of distributions received by them.***

If Azteca has not completed the Transaction by April 6, 2013, Azteca will (i) cease all operations except for the purpose of winding up, (ii) as promptly as reasonably possible, but not more than five business days thereafter, redeem the outstanding Public Shares, at a per-share price, payable in cash, equal to the aggregate amount then on deposit in the Trust Account, including any interest but net of franchise and income taxes payable, divided by the number of then outstanding Public Shares, which redemption will completely extinguish public stockholders' rights as stockholders (including the right to receive further liquidation distributions, if any), subject to applicable law, and (iii) as promptly as reasonably possible following such redemption, subject to the approval of Azteca's remaining stockholders and Azteca's board of directors, dissolve and liquidate, subject (in the case of (ii) and (iii) above) to Azteca's obligations under the DGCL to provide for claims of creditors and the requirements of other applicable law. Azteca may not properly assess all claims that may be potentially brought against Azteca. As such, Azteca's stockholders could potentially be liable for any claims to the extent of distributions received by them (but no more) and any liability of Azteca's stockholders may extend well beyond the third anniversary of the date of distribution. Accordingly, third parties may seek to recover from Azteca's stockholders amounts owed to them by Azteca.

If Azteca is forced to file a bankruptcy case or an involuntary bankruptcy case is filed against Azteca which is not dismissed, any distributions received by stockholders could be viewed under applicable debtor/creditor and/or bankruptcy laws as either a "preferential transfer" or a "fraudulent conveyance." As a result, a bankruptcy court could seek to recover all amounts received by Azteca's stockholders. Furthermore, because Azteca intends to distribute the proceeds held in the Trust Account to Azteca's public stockholders promptly after April 6, 2013, this may be viewed or interpreted as giving preference to Azteca's public stockholders over any potential creditors with respect to access to or distributions from Azteca's assets. Furthermore, Azteca's board may be viewed as having breached their fiduciary duties to Azteca's creditors and/or may have acted in bad faith, and thereby exposing itself and Azteca's company to claims of punitive damages, by paying public stockholders from the Trust Account prior to addressing the claims of creditors. Claims may be brought against Azteca for these reasons.

Table of Contents

***Subsequent to the consummation of the Transaction, Hemisphere may be required to subsequently take write-downs or write-offs, and incur restructuring and impairment or other charges that could have a significant negative effect on its financial condition, results of operations and Hemisphere's stock price, which could cause you to lose some or all of your investment.***

Hemisphere may be forced to later write-down or write-off assets, restructure its operations, or incur impairment or other charges that could result in losses. Unexpected risks may arise and previously known risks may materialize in a manner not consistent with Azteca's preliminary risk analysis. Even though these charges may be non-cash items and not have an immediate impact on Hemisphere's liquidity, the fact that Hemisphere reports charges of this nature could contribute to negative market perceptions about Hemisphere or its securities. In addition, charges of this nature may cause Hemisphere to violate net worth or other covenants to which it may be subject as a result of Hemisphere's post-combination debt agreements.

***There may be tax consequences of the Azteca Merger that may adversely affect Azteca stockholders.***

Azteca expects that the Transaction can be effected generally as tax free to Azteca stockholders pursuant to Section 351 of the Code. To the extent the Transaction does not so qualify, it could result in the imposition of substantial taxes on Azteca stockholders. In addition, there is a risk that a U.S. holder of Azteca common stock will be taxed on a portion of the Hemisphere Class A common stock received in the Azteca Merger at ordinary income rates to the extent the stockholder is deemed to receive Hemisphere Class A common stock other than as consideration for the stockholder's Azteca common stock surrendered in the Azteca Merger. See "Material U.S. Federal Income Tax Consequences" on page 167.

***There may be tax consequences of the Warrant Amendment or the Transaction that may adversely affect Azteca warrant holders.***

It is expected that holders of Azteca warrants will recognize gain or loss as a result of the Warrant Amendment and the Transaction. A U.S. holder of Public Warrants should recognize capital gain or loss with respect to the Warrant Amendment, and the amount of such capital gain or loss should be equal to the difference between the amount of cash received and one-half of the U.S. holder's adjusted tax basis in the Public Warrants.

A U.S. holder of Public Warrants may also have tax consequences resulting from the deemed exchange of Amended Azteca Warrants for an equal number of warrants to purchase Hemisphere Class A common stock. See "Material U.S. Federal Income Tax Consequences" on page 167.

***The Azteca Board did not obtain a third-party valuation or fairness opinion in determining whether or not to proceed with the Transaction.***

The Azteca Board did not obtain a third-party valuation or fairness opinion in connection with their determination to approve the Transaction. In analyzing the Transaction, the Azteca board and management conducted due diligence on WAPA and Cinelatino, researched the industries in which they operate, reviewed comparisons of comparable companies and concluded that the Transaction was in the best interest of its stockholders. The lack of a third-party valuation or fairness opinion may lead an increased number of Azteca stockholders to vote against the Transaction proposal or demand redemption of their shares of Azteca common stock, which could potentially impact Azteca's ability to consummate the Transaction or the amount of liquidity that Hemisphere would have after consummation of the Transaction.

Table of Contents

**Risk Factors Related to Cinelatino and WAPA's U.S. Cable Network Business**

*Service providers could discontinue or refrain from carrying Cinelatino or WAPA America or decide not to renew their distribution agreements, which could substantially reduce the number of viewers and harm business and Cinelatino and/or WAPA's operating results.*

Consolidation among cable and satellite operators has given the largest operators considerable leverage in their relationships with programmers, including Cinelatino and WAPA America (referred to herein collectively as the "Cable Businesses"). The success of each of these businesses is dependent, in part, on its ability to enter into new carriage agreements and maintain or renew existing agreements or arrangements with satellite systems, telephone companies (referred to herein as "telcos"), and cable multiple system operators (referred to herein as "MSO"s), and the MSOs' affiliated regional or individual cable systems (all collectively referred to herein as the "Distributors"). Although the Cable Businesses currently have arrangements or agreements with, and are being carried by, many of the largest Distributors, having such relationship or agreement with a Distributor does not always ensure that the Distributors will continue to carry the Cable Businesses. Under the Cable Businesses' current contracts and arrangements, the Cable Businesses typically offer Distributors the right to transmit the programming services comprising the Cable Businesses to their subscribers, but not all such contracts or arrangements require that the programming services comprising the Cable Businesses be offered to all subscribers of, or any specific tiers of, or to a specific minimum number of subscribers of a Distributor. A failure to secure a renewal of the Cable Businesses' agreements or a renewal on less favorable terms may result in a reduction in the Cable Businesses' subscriber fees and, with respect to WAPA America, advertising revenues, and may have a material adverse effect on Cinelatino and/or WAPA's results of operations and financial position.

*If the Cable Businesses' viewership declines for any reason, or our audience ratings decline for any reason or the Cable Businesses fail to develop and distribute popular programs, their advertising and subscriber fee revenues could decrease.*

The Cable Businesses' viewership and audience ratings are critical factors affecting both (i) the advertising revenue that WAPA America receives, and (ii) the extent of distribution and subscriber fees each of the Cable Businesses receives under agreements with its Distributors. WAPA America's advertising revenues are largely dependent on WAPA's ability to consistently create programming and on WAPA America's ability to acquire programming that meets the changing preferences of viewers in general and viewers in its target demographic category.

The Cable Businesses' viewership is also affected by the quality and acceptance of competing programs and other content offered by other networks, the availability of alternative forms of entertainment and leisure time activities, including general economic conditions, piracy, digital and on-demand distribution and growing competition for consumer discretionary spending. Audience ratings may be impacted by a number of factors outside of our control, including a decline in viewership, changes in ratings technology or methodology or changes in household sampling. Any decline in the Cable Businesses' viewership or audience ratings could cause advertising revenue to decline, subscription revenues to fall, and adversely impact the Cable Businesses' business and operating results.

*The Cable Businesses may not be able to grow their subscriber bases and/or subscriber fees, or such bases and/or fees may decline and, as a result, the Cable Businesses' revenues and profitability may not increase and could decrease.*

For WAPA America and Cinelatino, a major component of their financial growth strategy is based on their ability to increase their subscriber base. The growth of the Cables Businesses' subscriber base depends upon many factors, such as overall growth in cable, satellite and telco subscribers; the popularity of their programming; their ability to negotiate new carriage agreements, or amendments to, or renewals of, current carriage agreements, maintenance of existing distribution; and the success of

Table of Contents

their marketing efforts in driving consumer demand for their content, as well as other factors that are beyond their control. If a Cable Businesses' programming services are required by the FCC to be offered on an "a la carte" basis, the Cable Businesses could experience higher costs, reduced distribution of its program service, perhaps significantly and lose viewers. There can be no assurance that the Cable Businesses will be able to maintain or increase their subscriber base on cable, satellite and telco systems or that their current carriage will not decrease as a result of a number of factors or that the Cable Businesses will be able to maintain or increase their current subscriber fee rates. In particular, negotiations for new carriage agreements, or amendments to, or renewals of, current carriage agreements, are lengthy and complex, and the Cable Businesses are not able to predict with any accuracy when such increases in their subscriber bases may occur, if at all, or if they can maintain or increase their current subscriber fee rates. If the Cable Businesses are unable to grow their subscriber bases or if they reduce their subscriber fee rates, the Cable Businesses' subscriber and, in the case of WAPA America, advertising revenues, may not increase and could decrease.

***The television market in which the Cable Businesses operate is highly competitive, and the Cable Businesses may not be able to compete effectively, particularly against competitors with greater financial resources, brand recognition, marketplace presence and relationships with service providers.***

The Cable Businesses compete with other television channels for the distribution of their programming, development and acquisition of content, audience viewership and, in the case of WAPA America, advertising sales. The Cable Businesses compete with other television channels to be included in the offerings of each video service provider and for placement in the packaged offerings having the most subscribers. The Cable Businesses' ability to secure distribution is dependent upon the production, acquisition and packaging of programming, audience viewership, and the prices charged for carriage and direct subscription. The Cable Businesses' contractual agreements with Distributors are renewed or renegotiated from time to time in the ordinary course of business.

The Cable Businesses each compete for distribution and for viewership with other channels offering similar programming and/or targeting similar audiences. WAPA America competes for distribution and for viewership with Spanish language broadcast television networks and other cable networks targeting Hispanics in the United States, particularly those outlets with a specific focus on Puerto Ricans and U.S. Hispanics from Caribbean countries. Cinelatino competes for distribution and for viewership with Spanish language broadcast television networks and other Spanish language cable networks targeting Hispanics in the United States, as well as cable networks in Latin America and Canada. It is possible that these or other competitors, many of which have substantially greater financial and operational resources than the Cable Businesses, could revise their programming to offer more competitive programming which is of interest to the Cable Businesses' viewers.

With respect to the sale of advertising, WAPA America also competes for advertising revenue with general-interest television and other forms of media, including magazines, newspapers, radio and other digital media.

Certain technological advances, including the increased deployment of fiber optic cable, are expected to allow cable and telecommunication video service providers to continue to expand both their channel and broadband distribution capacities and to increase transmission speeds. In addition, the ability to deliver content via new methods and devices is expected to increase substantially. The impact of such added capacities is hard to predict, but the development of new methods of content distribution could dilute the Cable Businesses' market share and lead to increased competition for viewers by facilitating the emergence of additional channels and mobile and internet platforms through which viewers could view programming that is similar to that offered by the Cable Businesses.

If these or other competitors, many of which have substantially greater financial and operational resources than WAPA and Cinelatino, significantly expand their operations or their market penetration, the Cable Businesses' business could be harmed. If any of these competitors were able to invent

Table of Contents

improved technology, or the Cable Businesses were not able to prevent them from obtaining and using their own proprietary technology and trade secrets, the Cable Businesses' business and operating results, as well as their future growth prospects, could be negatively affected. There can be no assurance that the Cable Businesses will be able to compete successfully in the future against existing or new competitors, or that increasing competition will not have a material adverse effect on their business, financial condition or results of operations.

***The Cable Businesses may become subject to Program Access restrictions.***

Under the Communications Act of 1934 (the "Communications Act"), vertically integrated cable programmers are generally prohibited from offering different prices, terms, or conditions to competing multichannel video programming distributors unless the differential is justified by certain permissible factors set forth in the FCC's regulations. A cable programmer is considered to be vertically integrated if it owns or is owned by a cable television operator in whole or in part under the FCC's program access attribution rules. Cable television operators for this purpose may include telephone companies that provide video programming directly to subscribers. However, the other holdings of entities that acquire an interest in Hemisphere may be attributable to the Cable Businesses for purposes of the program access rules, and therefore could have the effect of making the Cable Businesses subject to the program access rules. If the Cable Businesses were to become subject to the program access rules, their flexibility to negotiate the most favorable terms available for their content could be adversely affected.

***Technologies in the pay television industry are constantly changing, and the Cable Businesses' failure to acquire or maintain state-of-the-art technology or adapt their business models may harm their business and competitive advantage.***

Technology in the video, telecommunications and data services industry is changing rapidly. Many technologies and technological standards are in development and have the potential to significantly transform the ways in which programming is created and transmitted. The Cable Businesses cannot accurately predict the effects that implementing new technologies will have on their programming and broadcasting operations. The Cable Businesses may be required to incur substantial capital expenditures to implement new technologies, or, if they fail to do so, may face significant new challenges due to technological advances adopted by competitors, which in turn could result in harming the Cable Businesses' business and operating results.

***The cable, satellite and telco-delivered television industry is subject to substantial governmental regulation for which compliance may increase the Cable Businesses' costs, hinder their growth and possibly expose them to penalties for failure to comply.***

The multichannel video programming distribution industry is subject to extensive legislation and regulation at the federal level, and many aspects of such regulation are currently the subject of judicial proceedings and administrative or legislative proposals. Operating in a regulated industry increases the Cable Businesses' cost of doing business as video programmers, and such regulation may also hinder the Cable Businesses' ability to increase and/or maintain their distribution and, in the case of WAPA America, advertising revenues. The regulation of programming services is subject to the political process and continues to be under evaluation and subject to change. Material changes in the law and regulatory requirements are difficult to anticipate and the Cable Businesses' business may be harmed by future legislation, new regulation, deregulation and/or court decisions interpreting such laws and regulations.

The following are examples of the types of currently active legislative, regulatory and judicial inquiries and proceedings that may impact the Cable Businesses' business. The FCC may adopt rules which would require cable and satellite providers to make available programming channels on an a la carte basis. Further, the FCC and certain courts are examining the types of technologies that will be

Table of Contents

considered "multichannel video programming systems" under federal regulation and the rules that will be applied to distribution of television programming via such technologies. There are also pending court proceedings involving the scope of rights to record network programming and the functionalities that allow viewers to skip advertising while viewing such recorded content. The Cable Businesses' cannot predict the outcome of any of these inquiries or proceedings or how their outcome would impact the Cable Businesses' ability to have their content carried on multichannel programming distribution systems and, in the case of WAPA America, the value of its advertising inventories.

***Cable, satellite and telco television programming signals have been stolen or could be stolen in the future, which reduces the Cable Businesses' potential revenue from subscriber fees and advertising.***

The delivery of subscription programming requires the use of conditional access technology to limit access to programming to only those who subscribe to programming and are authorized to view it. Conditional access systems use, among other things, encryption technology to protect the transmitted signal from unauthorized access. It is illegal to create, sell or otherwise distribute software or devices to circumvent conditional access technologies. However, theft of programming has been widely reported, and the access or "smart" cards used in service providers' conditional access systems have been compromised and could be further compromised in the future. When conditional access systems are compromised, the Cable Businesses do not receive the potential subscriber fee revenues from the service providers. Further, measures that could be taken by service providers to limit such theft are not under the Cable Businesses' control. Piracy of the Cable Businesses' copyrighted materials could reduce their revenue from subscriber fees, and in the case of WAPA America, from advertising and negatively affect their business and operating results.

***"Must-carry" regulations reduce the amount of channel space that is available for carriage of the Cable Businesses cable offerings.***

The Cable Act of 1992 imposed "must carry" or "retransmission consent" regulations on cable systems, requiring them to carry the signals of local broadcast television stations that choose to exercise their must carry rights rather than negotiate a retransmission consent arrangement. Direct broadcast satellite ("DBS") systems are also subject to their own must carry rules. The FCC's implementation of these "must-carry" obligations requires cable and DBS operators to give certain broadcasters preferential access to channel space. This reduces the amount of channel space that is available for carriage of the Cable Businesses offerings by cable television systems and DBS operators in the U.S. Congress, the FCC or any other foreign government may, in the future, adopt new laws, regulations and policies regarding a wide variety of matters which could affect the Cable Businesses.

**Risk Factors Related to WAPA PR's Broadcast Business**

***Federal regulation of the broadcasting industry limits WAPA PR's operating flexibility.***

The ownership, operation and sale of television stations are subject to the jurisdiction of the FCC under the Communications Act. Matters subject to FCC oversight include the assignment of frequency bands for broadcast television; the approval of a television station's frequency, location and operating power; the issuance, renewal, revocation or modification of a television station's FCC license; the approval of changes in the ownership or control of a television station's licensee; the regulation of equipment used by television stations; and the adoption and implementation of regulations and policies concerning the ownership, operation, programming and employment practices of television stations. The FCC has the power to impose penalties, including fines or license revocations, upon a licensee of a television station for violations of the FCC's rules and regulations.

***The success of WAPA PR's business is dependent upon advertising revenue, which is seasonal and cyclical, and will also fluctuate as a result of a number of other factors, some of which are beyond our control.***

A significant source of WAPA PR's revenue is the sale of advertising time. WAPA PR's ability to sell advertising time and space depends on, among other things:

economic conditions in Puerto Rico;

the popularity of the programming offered by WAPA-TV;

changes in the population demographics in Puerto Rico;





Table of Contents

advertising price fluctuations, which can be affected by the popularity of programming, the availability of programming, and the relative supply of and demand for commercial advertising;

WAPA PR's competitors' activities, including increased competition from other advertising-based mediums, particularly MVPD operators, and the internet;

decisions by advertisers to withdraw or delay planned advertising expenditures for any reason;

labor disputes or other disruptions at major advertisers;

changes in audience ratings; and

other factors beyond WAPA PR's control.

Audience ratings may be impacted by a number of factors outside of our control, including a decline in viewership, changes in ratings technology or methodology or changes in household sampling. Any decline in audience ratings could cause revenue to decline, adversely impacting WAPA PR's business and operating results. WAPA PR's results are also subject to seasonal and cyclical fluctuations that we expect to continue. Seasonal fluctuations typically result in higher broadcast operating income in the fourth quarter than in the first, second, and third quarters of each year. This seasonality is primarily attributable to (i) advertisers' increased expenditures in anticipation of the holiday season spending and (ii) an increase in viewership during this period. In addition, WAPA PR typically experiences an increase in revenue every four years as a result of political spending. The next political year will be 2016. As a result of the seasonality and cyclicity of WAPA PR's revenue, and the historically significant increase in WAPA PR's revenue during election years, investors are cautioned that it has been, and is expected to remain, difficult to engage in period-over-period comparisons of WAPA PR's revenue and results of operations.

***WAPA PR is dependent upon retransmission consent agreements with MVPDs, and we cannot predict the outcome of potential regulatory changes to the retransmission consent regime.***

WAPA PR is dependent on its retransmission consent agreements that provide for per subscriber fees with annual rate escalators. No assurances can be provided that WAPA PR will be able to renegotiate all such agreements on favorable terms, on a timely basis, or at all. The failure to renegotiate such agreements may result in the loss of many viewers, which could have a material adverse effect on WAPA PR's business and results of operations.

WAPA PR's ability to successfully negotiate and renegotiate future retransmission consent agreements may be hindered by potential legislative or regulatory changes to the framework under which these agreements are negotiated. In March 2011, the FCC issued a Notice of Proposed Rulemaking ("NPRM") to consider changes to its rules governing the negotiation of retransmission consent agreements. The FCC concluded that it lacked statutory authority to impose mandatory arbitration or interim carriage obligations in the event of a dispute between broadcasters and pay television operators. The FCC, however, sought comment on whether it should (1) strengthen existing regulatory provisions requiring broadcasters and MVPDs to negotiate retransmission consent in "good faith," (2) enhance notice obligations to consumers of potential disruptions in service, and/or (3) extend the prohibition on ceasing carriage of a broadcast station's signal during an audience measurement period to DBS systems. The FCC has not yet issued a decision in this proceeding, and we cannot predict the outcome of any FCC regulatory action in this regard.

***WAPA PR operates in a highly competitive environment. Competition occurs on multiple levels (for audiences, advertisers, and programming) and is based on a variety of factors. If WAPA PR is not able to successfully compete in all relevant aspects, its revenue will be materially adversely affected.***

Television stations compete for audiences, advertisers, and certain programming. Signal coverage and carriage on MVPD systems also materially affect a television station's competitive position. With

Table of Contents

respect to audiences, television stations compete primarily based on broadcast program popularity. We cannot provide any assurances as to the acceptability by audiences of any of the programs WAPA PR broadcasts. Further, because WAPA PR competes with other broadcast stations for the rights to produce or license certain programming, we cannot provide any assurances that we will be able to produce or obtain any desired programming at costs that we believe are reasonable. Cable network programming, combined with increased access to cable and satellite TV, has become a significant competitor for broadcast television programming viewers.

In addition, technological innovation and the resulting proliferation of programming alternatives, such as internet websites, mobile apps, and wireless carriers, direct-to-consumer video distribution systems, and home entertainment systems have further fractionalized television viewing audiences and resulted in additional challenges to revenue generation.

Changes in ratings technology, or methodology or metrics used by advertisers or other changes in advertisers' media buying strategies also could have a material adverse effect on WAPA PR's financial condition and results of operations.

WAPA PR's inability or failure to broadcast popular programs, or otherwise maintain viewership for any reason, including as a result of significant increases in programming alternatives and the failure to compete with new technological innovations could result in a lack of advertisers, or a reduction in the amount advertisers are willing to pay us to advertise, which could have a material adverse effect on our business, financial condition, and results of operations.

***If WAPA PR cannot renew its FCC broadcast licenses, its business will be impaired.***

WAPA PR's business depends upon maintaining its broadcast licenses, which are issued by the FCC for a term of eight years and are renewable. Applications to renew the broadcast licenses of all television stations licensed to communities in Puerto Rico, including those associated with WAPA-TV, are currently pending before the FCC. Interested parties may challenge a renewal application. The FCC has the authority to revoke licenses, not renew them, or renew them with conditions, including renewals for less than a full term. It cannot be assured that WAPA PR's license renewal applications will be approved, or that the renewals, if granted, will not include conditions or qualifications that could adversely affect our operations. If WAPA PR's licenses are not renewed, or renewed with substantial conditions or modifications (including renewing one or more of our licenses for a term of fewer than eight years), it could prevent WAPA PR from operating the affected station and generating revenue from it.

***WAPA PR is subject to restrictions on foreign ownership.***

Under the Communications Act, a broadcast license may not be granted to or held by any corporation that has more than 20% of its capital stock owned or voted by non-U.S. citizens or entities or their representatives, by foreign governments or their representatives, or by non-U.S. corporations.

Furthermore, the Communications Act provides that no FCC broadcast license may be granted to or held by any corporation that is directly or indirectly controlled by any other corporation of which more than 25% of the capital stock is owned or voted by non-U.S. citizens or entities or their representatives, by foreign governments or their representatives, or by non-U.S. corporations, if the FCC finds the public interest will be served by the refusal