



CABLE BAHAMAS LTD.

2020 SECOND QUARTER REPORT

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CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As of December 31, 2019
 (Expressed in B\$000, unaudited)

	Dec 31 2019	Jun 30 2019
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents	\$10,120	\$36,136
Trade receivables, net	23,247	16,272
Prepaid expenses and deposits	9,132	7,535
Inventory	10,766	10,696
Other receivables	2,154	2,085
Contract asset	-	241
Contract costs	1,088	4,264
Total current assets	<u>56,507</u>	<u>77,229</u>
NON-CURRENT ASSETS:		
Investment in Dais	7,266	7,011
Property, plant and equipment	555,268	554,401
Goodwill	13,074	13,074
Intangible assets	76,869	92,728
Contract asset	3,373	2,756
Contract costs	2,218	2,457
Total non-current assets	<u>658,068</u>	<u>672,427</u>
TOTAL	<u>\$714,575</u>	<u>\$749,656</u>
LIABILITIES AND EQUITY		
CURRENT LIABILITIES:		
Accounts payable & accrued liabilities	\$66,509	\$72,910
Current deferred income	5,218	3,661
Dividends payable	2,988	2,672
Current portion of other liabilities	11,236	14,667
Current portion of long-term debt	75,598	11,239
Total current liabilities	<u>161,549</u>	<u>105,149</u>
NON-CURRENT LIABILITIES:		
Subscriber deposits	8,677	8,615
Deferred income	229	-
Other liabilities	153,026	153,118
Long-term debt	97,533	163,522
Preferred shares	301,066	300,996
Total non-current liabilities	<u>560,531</u>	<u>626,251</u>
Total liabilities	<u>722,080</u>	<u>731,400</u>
EQUITY:		
Ordinary share capital	30,367	30,367
Retained earnings	(6,843)	5,717
Non-controlling interest	(31,029)	(17,828)
Total equity	<u>(7,505)</u>	<u>18,256</u>
TOTAL	<u>\$714,575</u>	<u>\$749,656</u>

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the period ended December 31, 2019 with comparatives for December 31, 2018
 (Expressed in B\$000, unaudited)

	THREE MONTHS ENDED		SIX MONTHS ENDED	
	Dec 31 2019	Dec 31 2018	Dec 31 2019	Dec 31 2018
REVENUE	\$69,761	\$63,952	\$136,449	\$123,456
OPERATING EXPENSES	(52,752)	(51,113)	(102,749)	(97,829)
	17,009	12,839	33,700	25,627
Depreciation and amortization	(17,944)	(16,294)	(35,824)	(32,391)
OPERATING LOSS	(935)	(3,455)	(2,124)	(6,764)
Gain on joint venture	255	-	255	-
(Loss) gain on disposal of assets	(1,209)	12	(1,209)	12
Other income	-	-	60	-
Interest expense	(7,605)	(4,622)	(15,518)	(9,606)
Dividends on preferred shares	(3,613)	(3,613)	(7,225)	(7,225)
NET AND COMPREHENSIVE LOSS	<u>\$(13,107)</u>	<u>\$(11,678)</u>	<u>\$(25,761)</u>	<u>\$(23,583)</u>
Net loss attributable to non-controlling interests	\$(6,620)	\$(7,525)	\$(13,201)	\$(15,087)
Net and comprehensive loss attributable to owners of the parent	\$(6,487)	\$(4,153)	\$(12,560)	\$(8,496)
BASIC EARNINGS PER SHARE	\$(0.15)	\$(0.09)	\$(0.29)	\$(0.19)
DILUTED EARNINGS PER SHARE	\$(0.15)	\$(0.09)	\$(0.28)	\$(0.19)

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the period ended December 31, 2019
 (Expressed in B\$000, unaudited)

	ORDINARY SHARE CAPITAL	RETAINED LEARNINGS	NON- CONTROLLING INTEREST	TOTAL
Balance at June 30, 2019	\$30,367	\$5,717	\$(17,828)	\$18,256
Net loss attributable to owners of the Parent	-	(12,560)	-	(12,560)
Net loss attributable to non-controlling interest	-	-	(13,201)	(13,201)
Balance at December 31, 2019	<u>\$30,367</u>	<u>\$(6,843)</u>	<u>\$(31,029)</u>	<u>\$(7,505)</u>

CONSOLIDATED STATEMENT OF CASH FLOWS

For the period ended December 31, 2019 with comparatives for December 31, 2018
 (Expressed in B\$000, unaudited)

	SIX MONTHS ENDED	
	Dec 31 2019	Dec 31 2018
CASH FLOWS FROM OPERATING ACTIVITIES		
Net loss	\$(25,761)	\$(23,583)
Adjustments for:		
Depreciation and amortization	35,824	32,391
Amortization of transaction costs	268	-
Interest expense	15,518	9,606
Dividends on preferred shares	7,225	7,225
Gain on joint venture	(255)	-
Loss (gain) on disposal of assets	1,209	(12)
Operating cash flow before working capital changes	34,028	25,627
(Increase) decrease in trade and other receivables, net	(6,947)	3,674
Decrease (increase) in prepaid expenses and deposits	1,456	(2,158)
Increase in inventory	(71)	(564)
Decrease in contract costs	(118)	-
(Decrease) increase in accounts payable & accrued liabilities	(1,372)	2,514
Increase in deferred income	1,538	16
Increase in subscriber deposits	61	138
Net cash from operating activities	<u>28,575</u>	<u>29,247</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Additions to property, plant and equipment	(26,404)	(29,825)
Additions to intangible assets	(24)	(6,501)
Proceeds from disposal of assets	4,500	162
Net cash used in investing activities	<u>(21,928)</u>	<u>(36,164)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Capital lease obligation (net)	(7,200)	(457)
Interest paid on long-term debt	(11,552)	(9,606)
Proceeds of long-term debt	1,303	-
Payments of long-term debt	(5,650)	(1,218)
Dividends paid on preferred shares	(9,564)	(6,498)
Issuance of preference shares	-	16
Net cash used in financing activities	<u>(32,663)</u>	<u>(17,763)</u>
DECREASE IN CASH AND CASH EQUIVALENTS	(26,016)	(24,680)
CASH AND CASH EQUIVALENTS, BEGINNING OF PERIOD	36,136	42,841
CASH AND CASH EQUIVALENTS, END OF PERIOD	<u>\$10,120</u>	<u>\$18,161</u>

NOTES TO CONSOLIDATED INTERIM FINANCIAL STATEMENTS

These consolidated interim condensed financial statements are prepared in accordance with IAS, Interim Financial Reporting. The accounting policies used in the preparation of these interim financial statements are consistent with those used in the annual financial statements for the year ended June 30, 2019. These statements also follow the guidelines of IFRS 10, Consolidated Financial Statements and incorporate the financial statements of the 48.25% owned subsidiary Be Aliv Limited, which was incorporated July 1, 2016, under the laws of The Commonwealth of The Bahamas for the purpose of providing wireless services throughout The Bahamas. Cable Bahamas Ltd. has board and management control and as such all costs included in Be Aliv Limited financial statements are included in these consolidated interim financial statements and all intercompany transactions and balances are eliminated on consolidation.