

Future in focus

Celebrating 30 years of
innovation and impact

Annual
Report
2025



**Focus on
connections**

**We shape connected
lifestyles by integrating
cutting-edge technology
with exceptional services**



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Our Vision
Be the leader in enabling connected lifestyles and experiences.

Our Mission
To lead quadplay by delivering exceptional customer experiences, accelerated growth, executing with operational excellence and creating a people and performance centric culture.

Core Values
Teamwork
We commit to leverage our collective genius and individual commitment to a group effort that challenges & inspires.

Customer focussed
Our customers are our only business. The customer’s experience is not what we do, but who we are.

Performance
Results first. Substance over flash. Creativity, innovation, passion and execution.

Community Leadership
We impact where we live through sponsorship and social development.

We believe in people
If we take care of our people, they will take care of our customers.

Integrity
We are best when we are open, honest and genuine. Integrity is a consistency of words and actions.



Focus on Bahamians

Reflecting on a legacy and building for the future



It is a profound honor to assume the role of Chairman of the Board of Cable Bahamas Group. As I step into this position, I am deeply mindful of the legacy entrusted to me—a company that, over the past three decades, has grown into a cornerstone of national development, shaped by visionary leadership, dedicated colleagues, and the enduring trust of our customers.

My commitment is clear: to anchor our decisions in purpose and core values, and to boldly pursue new value horizons for our customers, shareholders, and employees.

Tribute to Ross McDonald

I begin by recognizing my predecessor, Ross McDonald, whose service to the Board began in 2014 and whose chairmanship commenced in 2019. Under his leadership, the company took decisive steps to strengthen its foundation, successfully completing the \$300 million sale of Summit Broadband in 2020 and restructuring the balance sheet. This set the foundation for the growth of Be Aliv Limited and the strategic growth that the company is now benefiting.

Tribute to Gary Kain

I also pay tribute to the late Gary Kain—a beloved Board Member, visionary leader, founding mind, and guiding force whose influence resonates across every part of Cable Bahamas.

Gary's experience and entrepreneurial vision made him a pillar of Cable Bahamas from its earliest chapters. He served as Chairman of Cable Bahamas, Chairperson of the Audit & Risk Committee, and Director of Be Aliv Limited. As a founding Board member, he helped codify the values and governance systems that shaped how we do business.

His legacy is etched into our DNA: a disciplined approach to risk, an insistence on operational transparency, and a strategic orientation toward growth. Gary believed not just in building networks of cables and systems, but in building institutional strength. His passing leaves a space that cannot fully be filled, but his influence endures in the frameworks, the governance, culture, and the values of this company.

As we chart our path forward, we do so mindful of his contributions, inspired by his vision, and committed to honoring his legacy through continued excellence, growth, and service to the Bahamian people.

Looking Forward

As we enter this next chapter, we focus on building a sustainable company at its core. This means investing in our people so they can thrive, while embedding resilience and efficiency into every layer of our operations. It also means placing security at the forefront, ensuring that our products, networks, and services continue to safeguard the trust of our customers and the strength of our communities.

To our outgoing Chairman and every director who has served, I extend profound gratitude for the stability, foresight, and commitment that shaped the foundation we stand on today. To our employees, thank you for your dedication and creativity. You remain the driving force behind our success. And to our customers and partners, we are grateful for the confidence you continue to place in us.

I accept the responsibility of this role with humility and resolve. Cable Bahamas enters this era with purpose, clarity, and ambition: to sustain growth, strengthen trust, and shape a more secure, connected future for The Bahamas. We will move with pace and determination and do it together.

Felix Stubbs
Chairman of the Board



Focus on success

Reflecting on a year of milestones and a bright future



Dear Shareholders,

This year marked a period of steady progress and purposeful investment for Cable Bahamas. As the telecommunications landscape continued to shift, we remained steadfast in our priorities: strengthening our financial footing, advancing major infrastructure projects, and enhancing the everyday experience for our customers.

This report reflects the results of that commitment. It captures not only the milestones achieved, but also the momentum we've built for what comes next. On behalf of our leadership team, I thank you for your continued confidence and support as we move forward together.

Financial Resilience in a Transformative Year

Cable Bahamas entered Fiscal 2025 with clear priorities and a disciplined approach. Revenue remained stable at \$242.2 million, supported by continued customer growth across mobile and broadband services. The Group preserved its profitability metrics, delivering EBITDA of \$87 million and positive free cash flow of \$38 million.

We took decisive steps to strengthen our financial position, including the successful issuance of Series Two preferred shares, which raised \$60.9 million in net proceeds. This bolstered liquidity and supported ongoing investments in ALIVFibr, which now connects over 24,000 households in New Providence.

Capital expenditures of \$53.9 million were directed toward network expansion, digital innovation, and sustainability enhancements. Meanwhile, the ordinary dividend was increased from \$0.12 to \$0.16 per share reflecting our confidence in long-term value creation for shareholders.

While the Group reported a net loss of \$6.7 million, driven primarily by preferred share dividends, we remain focused on disciplined cost management and operational efficiency. With a strengthened balance sheet, robust cash flow and a clear path to earnings recovery, Cable Bahamas is well-positioned for continued growth & innovation in FY26.

Three Decades of Digital Innovation

Thirty years ago connectivity in The Bahamas was not nearly as advanced as it is today. Televisions relied on antennas that had to be carefully adjusted and telephones offered little privacy or convenience. In its infancy, the internet meant dial-up connections and the idea of accessing internet from a device you could keep in your pocket was unimaginable.

Today, the contrast is remarkable. Streaming is instant, communication is mobile-first, and connectivity touches nearly every aspect of daily life. What was once a luxury is now a necessity: fast, reliable connections that power Bahamian's daily lives.

Cable Bahamas' journey surpasses transformation of service. It is a story of transformation of our people and nation. And while we have made tremendous progress in Bahamian history, the story is far from over. Each phase of our evolution continues to unlock new digital opportunities for our customers.

New Standard of Living

The past year is noted as one of our most significant phases, as we completed the push for ALIVFibr in New Providence. Our continuous investment in our robust fibre network redefines connectivity for homes and businesses across The Bahamas. When Cable Bahamas first entered the broadband market, our entry-level package offered just 30 Mbps. Today, ALIVFibr customers can experience speeds up to 1 Gbps—a leap that has created a new benchmark for connection. In the average Bahamian home, at least five devices are connected simultaneously. As families grow and device usage grows alongside them, ALIVFibr provides essential features like parental controls, guest Wi-Fi management, and device-by-device network monitoring. Thanks to 30 years of advancement, we are no longer contained to our couches. With ALIVFibr, entertainment moves along with our customers, whether plastered on the big screen or nestled in the palm of their hands. ALIVFibr represents a new standard of living, and by the end of FY25, about 95% of homes in New Providence were able to access our fibre network marking a major achievement for the company. The expansion of ALIVFibr is more than a story about speed; it's a foundational tool for creating a safer and more digitally convenient future for our customers. That vision comes to life most clearly through the growth of our smart-home and smart-island solutions.

Smarter Home. Safer Communities.

Considering the trending local crime rates, families and individuals alike are seeking more solutions that grant them greater control and peace of mind. As the official distributor of Ring™ in The Bahamas, Cable Bahamas has played a key role in making smart home security more accessible. As a trusted brand with one of the highest penetration rates in the Caribbean, the adoption of Ring reflects a fundamental shift in the way Bahamians think about home security. Through Smart Island initiatives, we are helping to transform public spaces into safer, more connected environments: from downtown Nassau to neighborhood parks. By embedding connectivity into everyday life, we are not only expanding access but also building smarter, safer communities across The Bahamas.

Building Sustainably: Networks and People

Sustainability is embedded in every decision we make. The company began exploring more renewable energy options, drawing up plans to engage 40 solarized cell sites in the year to come. But our definition of sustainability extends far beyond "going green". Sustainability means resilience in both our operations and our people. We're engineering networks designed to endure and fortifying our existing fibre-optic cables to ensure lasting performance for customers. Equally, we're investing in our teams, expanding development programs that equip employees with the knowledge, resources, and support to drive their own success and that of the company.

The performance of Cable Bahamas is not fully defined by infrastructure and product alone, but by the people who build, maintain, and believe in it. Every milestone, from network expansions to national recognition, has been driven by the dedication of our employees, the trust of our customers, and the confidence of our shareholders. Our progress is, at its core, a reflection of collective effort.

This year, that effort was recognized both locally and internationally. Our networks earned multiple Ookla® Speedtest Awards™ at the 2025 CANTO conference, reaffirming our position among the fastest and most reliable providers in the Caribbean. We also maintained several ISO certifications - global benchmarks of quality, environmental responsibility and workplace safety.

Our leadership team continued to grow in influence, with John Gomez, Chief ALIV Officer, appointed as Director to the CANTO Board, and Hyacinth T. Smith stepping into her new role as Vice President of Legal and Regulatory Affairs. These appointments strengthen our voice in regional policy and reinforce our governance at home.

Beyond accolades, we also continue to celebrate the everyday excellence of our teams: our NOC analysts achieving professional certifications to our engineers and educators advancing cybersecurity awareness across schools and communities. These are the quiet victories that power our success, shaping a company that is as resilient as it is forward-looking.

The Future of Cable Bahamas

As technology evolves, it's our responsibility to evolve with it. A major part of that progress is capitalizing on satellite integration to enhance connection in rural areas. This hybrid model can ensure that no community is left behind, regardless of geography. It's a powerful step toward true digital inclusion across The Bahamas.

As we expand our digital reach, cybersecurity remains a defining priority. Our goal is not only to strengthen network defenses but also to cultivate a culture of security. This year's inaugural ALIV Business Cyber Security Summit marked a critical milestone in that journey. The event brought together global experts, business leaders, and government officials to address evolving cyber threats and chart a path toward resilience.

Conclusion: Sustaining Value

The 2025 fiscal year was one of purposeful growth; one defined by financial discipline, operational excellence, and a clear focus on delivering long-term value for our shareholders and customers.

As we close another year of steady progress, innovation and security will continue to define our trajectory. We will advance sustainability across Cable Bahamas by optimizing energy use, enhancing operational efficiency, and investing in our people. At the same time, we will forge ahead with strategic developments and partnerships to ensure that every Bahamian has access to reliable, world-class connectivity.

To our shareholders, thank you for your trust. To our employees, thank you for your ambition. And to our customers, thank you for choosing Cable Bahamas to keep you connected.

Franklyn Butler II
Group CEO and President



Focus on growth

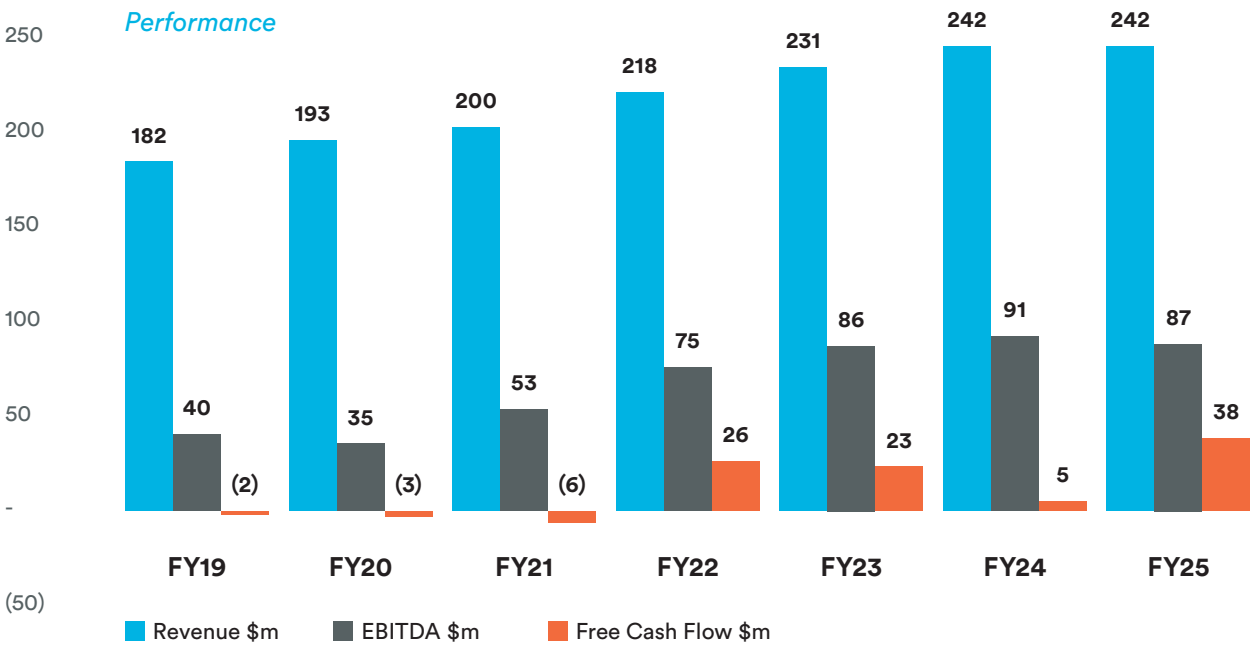
Fiscal year 2025 was defined by continued resilience and disciplined execution amid a dynamic telecommunications environment. The Group maintained stable revenues while advancing its strategic priorities—network modernization, fibre expansion, digital diversification, and operational efficiency.

As industry competition intensified and technology cycles shortened, Cable Bahamas continued to strengthen its position as the national leader in connectivity solutions. The Group’s performance reflected its ability to adapt to evolving customer needs while navigating economic headwinds and capital investment demands.

Industry Landscape and Market Trends

The telecommunications industry in FY25 continued to evolve, shaped by slowing subscriber growth, intensifying competition, and rising network investment requirements. Consumers increasingly favored digital and mobile-first experiences, leading to higher data usage and a sustained decline in legacy voice and traditional TV products.

Despite these challenges, the Group preserved its leadership in core connectivity while strategically investing in 5G readiness, enterprise solutions, and the continued rollout of ALIVFibr, reinforcing its commitment to The Bahamas’ digital transformation.



Financial Performance Overview

Revenue
FY25 revenue reached \$242.2m, a modest 0.1% increase compared to \$241.9m in FY24.

Operating Expenses
Operating expenses increased to \$152.5m (FY24: \$149.2m), reflecting higher network maintenance, spectrum-related costs, and continued marketing investment for ALIVFibr.

EBITDA
EBITDA reduced to \$87m due to multiple one off charges realised in FY25. This resulted in the EBITDA margin seeing a reduction of 1% in FY 25 to 36%.

Depreciation and Amortization
Depreciation remained elevated at \$66.9m, largely due to continued fibre-related investments.

Net Income
Net loss widened to \$6.7m (FY24: \$3.4m loss), primarily due to preferred shares dividend payments. Net income attributable to owners of the parent was a loss of \$4.5m, an improvement from FY24’s \$5.3m loss.

Cash Flows and Liquidity
The cash balance increased by \$40m to \$69m, primarily reflecting proceeds from the Series Two Preferred Share issuance. Free cash flow remained positive at 38m, derived from net cash generated from operations of \$93.1m (FY24 \$80m) less purchases and leases of assets \$54.9m (FY24 \$74.9m).

Dividends
The Company increased its ordinary dividend from \$0.12 to \$0.16 per share, supported by stable earnings and robust cash flow generation.

Capital Expenditures (CAPEX)
\$53.9m (including intangible assets), directed towards network expansion, fibre-optic deployments, and digital service enhancements.

Segment Performance Analysis

Fixed Services
Revenue decreased by 1% to \$131m, reflecting a decline in revenue for the traditional TV and voice service offerings. This is expected to be offset by higher uptake in fibre broadband services as ALIVFibr rollout continues. Over 24,000 households are now connected to the upgraded ALIVFibr network.

Mobile Services
Mobile revenue grew 2% to \$111m, driven by targeted customer retention efforts. Market share remained strong at approximately 50%.

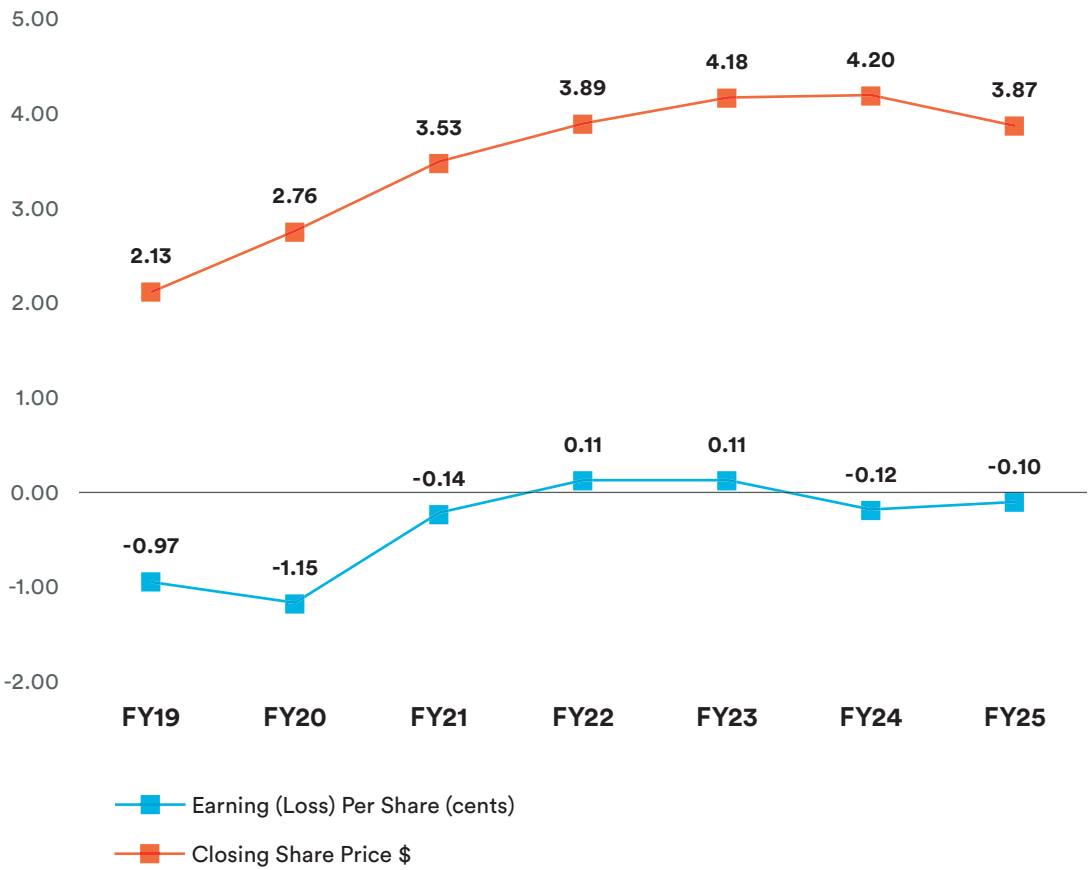
Earnings Per Share and Share Price Performance

The Company reported negative 0.10 Earnings Per Share (EPS), an increase from a negative EPS of 0.12 in the prior year.

Outlook for EPS
Looking forward, we expect a rebound in EPS as we focus on network expansion, further monetizing our digital services, and leveraging our fibre-optic broadband platform. We anticipate further strengthening of EPS from both organic revenue growth and cost management strategies.

However, we remain cautious of potential risks from increased competition and global economic conditions that could affect profitability. The Group continued paying consistent dividends to its ordinary shareholders, declaring and paying a dividend of \$0.16 per share.

EPS and Share Price



Balance Sheet and Capital Structure

Cash and Bank Balances
Increased by \$40m, closing at \$69m (FY24: \$29m). Bond principal repayments totaled \$9m; dividends paid amounted to \$7m on ordinary shares and \$20m on preferred shares.

Receivables
Trade and other receivables closed at \$37m, up \$4.9m from FY24. Over 96% of mobile subscribers are prepaid, reducing collection risk. Write-offs remained below 1% of revenue.

Property, Plant and Equipment (PPE) and Intangible Assets
PPE closed at \$308m, down slightly from \$312m in FY24, driven by \$53m in additions and \$56m in annual depreciation. Intangible assets decreased to \$38.7m (FY24: \$46.8m), driven by \$10.9m in amortization and additions of \$2.7m.

Additions to property, plant and equipment mainly comprised \$33m continued investment in the ALIVFibr rollout in New Providence and Abaco.

Risk Management

The Group maintains a robust risk management framework covering strategic, operational, financial, and environmental risks. Key risks during FY25 included competitive pressures, regulatory developments, climate events, and financial risks.

Sustainability and ESG

The Group continued to advance its Environmental, Social, and Governance (ESG) initiatives in FY25, integrating solar power, electric vehicles, and employee development programs. The Company remains committed to responsible corporate citizenship.

Outlook for FY 2026

Cable Bahamas enters FY26 positioned for growth and innovation. Strategic priorities include completing the ALIVFibr rollout, expanding enterprise offerings, and enhancing shareholder value through sustainable earnings and efficient capital management.

Focus on legacy

A bold idea emerged in 1995: bring cable television to Bahamian families and forever change how we connect to the world. What began as our dream to deliver global entertainment into local living rooms became the foundation of a company that would grow to define the digital landscape of The Bahamas.



Celebrating 30 years of Cable Bahamas

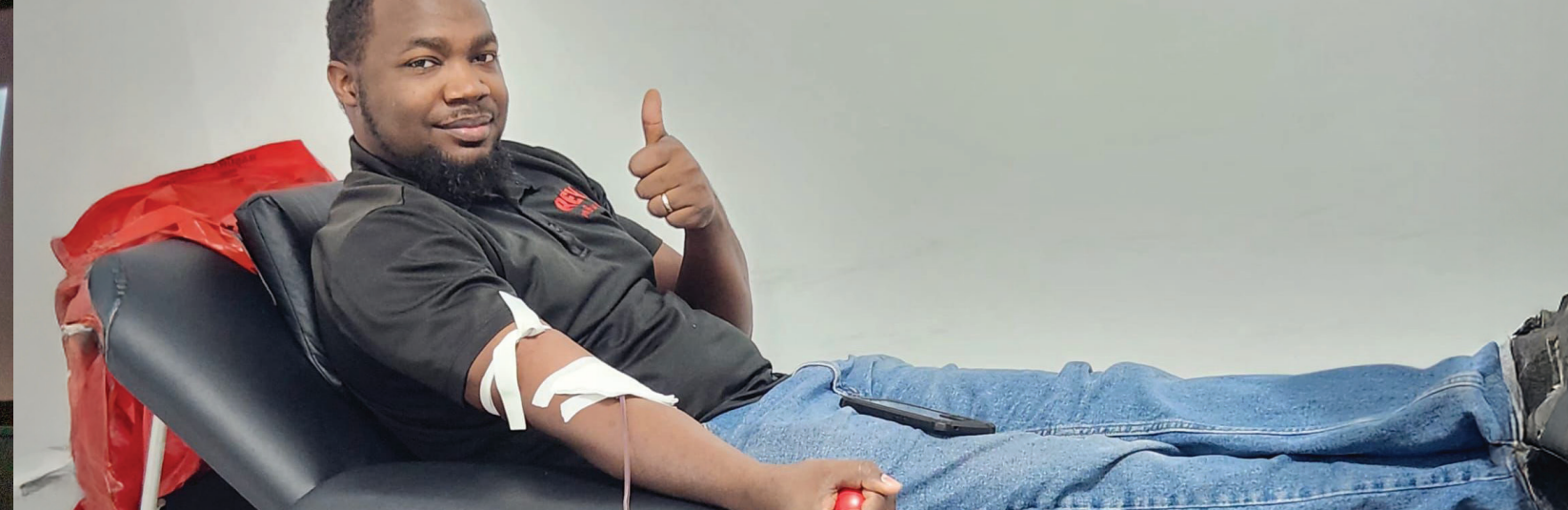
From the start, our service was centred on creating access, opportunity, and community. The launch of broadband under REVON in 2000 opened new doors for learning and business. By 2011, we introduced REVOICE, and Bahamians experienced the convenience of triple-play service for the first time in history.

As technology progressed and customer needs evolved, we branched into the mobile sector by acquiring ALIV. Known for being a monopoly disruptor and a community-driven brand, ALIV has become part of everyday Bahamian culture. Whether you're dancing to the beat of the goatskin drum at Junkanoo or lending a hand at a beach clean-up, ALIV is there to connect.

In 2022, we began rolling out our \$85 million investment to launch ALIVFibr, the nation's most advanced fibre-optic network. Today, ALIVFibr has surpassed its New Providence targets and delivered world-class speeds to tens of thousands of homes. With the foundation firmly laid in the capital, the next chapter of expansion is set to unfold in the Family Islands.

Through every innovative project, one principle has remained constant: we are Bahamian-owned, Bahamian-led, and powered by Bahamian talent. With more than 800 employees, we don't just serve the market—we are the market. That connection to people has fueled an 188% increase in customer satisfaction over the past four years, proving that local insight drives real progress.

**One principle has remained constant:
we are Bahamian-owned,
Bahamian-led, and powered
by Bahamian talent**





We have carried Bahamians through rapid technological change and will continue to keep them connected for generations to come



Resilience has defined our journey as well. In a world where connectivity is often taken for granted, we have built our reputation as **The Network That Works**, keeping thousands connected during the nation's most critical natural disasters. This unwavering commitment to service has not only built trust at home but also earned us recognition on the global stage.

Over the past three years, our mobile and fixed services have earned eight Ookla® Speedtest Awards™ for delivering world-class connectivity. In 2025, we celebrated our most successful year yet with five awards, including *Fastest Mobile Network in The Bahamas*, *Best Mobile Network in The Bahamas*, *Best Mobile Gaming Experience in The Bahamas*, *Best Fixed Gaming Experience in The Bahamas*, and the prestigious title of *Fastest Fixed Network in the Caribbean*.

These wins built on earlier recognition, including ALIV being named *Fastest Mobile Network in The Bahamas* in 2023 for the third consecutive year, and dual recognition in 2022 when ALIV earned *Fastest Mobile Network* and REV captured *Fastest Fixed Network in The Bahamas*.

But our story doesn't stop there. We are shaping the country's digital future, with ALIVFibr as the bedrock. We are expanding our portfolio through cybersecurity initiatives that educate people, businesses, and governments, and Smart Island initiatives that bring free Wi-Fi, IoT solutions, and smart city technology to communities.

Thirty years in, we are more than a telecoms provider.

We are storytellers, bridge-builders, and a force for national growth. We have carried Bahamians through rapid technological change and will continue to keep them connected for generations to come.

As we enter our fourth decade, our mission is clear: to lead in quadplay by delivering outstanding customer experiences, driving growth, operating with excellence, and fostering a culture that puts people and performance at the centre.





Focus on impact

At ALIV, our mission has always been about offering value, strengthening communities, and ensuring customer satisfaction.

FY 2025 was a strong reflection of this commitment, with double-digit growth observed across several segments of our business.

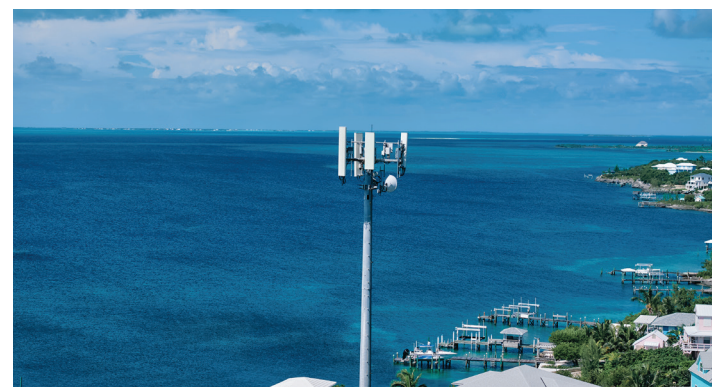


ALIV delivered a 7% year-over-year (YoY) increase in mobile revenues, totaling an additional \$5.8 million. These gains were underpinned by strategic price adjustments to mobile plans across daily, weekly, and monthly prepaid packages, along with MiFi, and postpaid customer segments. One of the most notable achievements in FY25 was that, despite these price increases, customer churn fell by 12%. This underscores the strength of our value proposition and the confidence customers have in our offerings.

We also gained significant ground in the postpaid segment, which grew by 2% YoY. This growth was supported through effective porting campaigns and compelling offers. We are pleased to report that mobile ARPU also increased by 12% YoY, reinforcing ALIV's ability to attract and retain high-value customers.

Inbound roaming continued to deliver exceptional results, with revenue climbing a staggering 65%, an increase of \$1.4 million. This growth was driven by favorable commercial agreements with international roaming partners and the expansion of ALIV's global roaming footprint, ensuring more connectivity options for customers across the globe.

ALIV closed the year with a 50% market share, reflecting our ongoing competitiveness in a dynamic industry. While the overall share shifted modestly, our ability to maintain half of the national mobile market highlights the continued strength of our brand and offerings.



FY25 also saw major investments in network expansion. A new tower was commissioned in Eleuthera, improving coverage for both residents and travelers near the airport. Beyond these infrastructure developments, ALIV ran a major brand campaign, "It's Good to Be ALIV" to reinforce customer loyalty and strengthen market positioning.

ALIV is dedicated to boosting the Bahamian economy and positively impacting local communities



The MiFi business saw a 1% improvement from the previous year, aided by targeted promotions in Grand Bahama, Abaco, and Eleuthera. This segment remains an important part of ALIV's growth strategy, particularly on islands where mobility and flexible connectivity are critical.

churn, and expanding connectivity through both infrastructure and partnerships.

As ALIV continues to invest in growth areas, we are confident that the business is in an optimal position to build on this momentum in the year to come.

Cable Bahamas' 2024-2025 sales performance reflects the effectiveness of a balanced strategy: optimizing revenue through pricing, strengthening customer value to reduce



The company exceeded expectations in New Providence by surpassing its ALIVFibr target of 102,735 homes passed—reaching over 103,000 households with fibre-to-the-home service. This achievement reflects a combination of strategic planning, operational excellence and ongoing commitment to national digital advancement.

By the end of FY25, ALIVFibr has connected over 24,000 subscribers, establishing a strong foundation for growth in both residential and commercial markets. The service continues to set itself apart from satellite-based competitors by offering a superior, locally managed experience.

“Fibre will always outperform satellite services,” said Craig Pink, Head of Fibre-To-The-Home Initiative. “The data service on satellite is not as effective, and the customer’s product experience is not as excellent as fibre.”

Abaco marks the start of ALIVFibr’s expansion to its first Family Island and reinforces ongoing efforts to enhance connectivity across The Bahamas



Building on this progress, ALIVFibr began laying the groundwork for expansion beyond New Providence. A \$3.5 million investment in Abaco was approved, and teams were deployed to the island to break ground. This marks the start of ALIVFibr’s expansion to its first Family Island and reinforces ongoing efforts to enhance connectivity across The Bahamas.

Our commitment to excellence was recognized on the international stage with the 2025 Ookla® Award for *Fastest Fibre in The Caribbean*, a testament to its world-class infrastructure and speed.

Beyond superior regional performance, ALIVFibr’s underground network offers critical storm resilience, making it a more secure and future-ready option than traditional aerial facilities. With a longer service life, lower maintenance requirements and higher performance, the network has become a catalyst for economic growth.

ALIVFibr continues to empower both businesses and individuals by delivering the digital foundation essential for innovation, efficiency, and progress. By the end of FY25, ALIVFibr had firmly established itself as a reliable driver of national growth, strengthening connectivity and creating lasting value for communities across The Bahamas.



Alejandro Bolaños Ugarte
ODN Build
Delivery Manager



With more than 20 years of experience in the field and a background in electrical engineering, Alejandro has worked across the Caribbean, Central America and beyond. His global perspective makes one thing crystal clear: what our ALIVFibr team built here is unlike anything else.

“In my time working abroad, I was able to see how things are done in other countries. Nobody has what we have,” Alejandro explains. “I have seen networks from different providers and they don’t have the type of technology or service delivery we do.”

That difference is no accident. Alejandro’s passion for telecommunications drives him to help ensure every build is designed with excellence in mind. “Sometimes people think when you build something that’s the end of it. My main focus now is keeping the network healthy.”

Alejandro’s expertise and vision help ensure that our network surpasses the standard. His dedication to building and maintaining a superior fibre experience is part of what makes us a leader in technology and service delivery.

Focus on leading

In FY 2025, ALIVFibr made bold strides in transforming The Bahamas’ digital infrastructure by expanding access to reliable, high-speed fibre connectivity across the nation.

With a strong focus on resilience, performance, and customer experience, the team continued to raise the bar for internet services in the region.





Serving Major Enterprises and Government

Enhancing Tourism

ALIV Business strengthened partnerships with international carriers to ensure seamless connectivity for multinational clients across New Providence and the Family Islands. A highlight of the year was a major hotel project where, in collaboration with Hewlett Packard Enterprise (HPE), ALIV Business deployed enterprise-grade switches, routers, security systems, and Wi-Fi access points to enhance operations and guest experience.

Data Centres

Cable Bahamas' state-of-the-art data centres in Nassau and Freeport, supported by scalable Bahamas Cloud services, continued to anchor critical national services. Clients relied on these facilities for production environments, backup, and disaster recovery, with some adopting off-island backup in Canada for added redundancy.



Public Wi-Fi Access

ALIV Business played a key role in government-led initiatives such as the Smart City Wi-Fi Initiative and the ParkConnect program, transforming public spaces into vibrant digital hubs. In Downtown Nassau, tourists and locals now benefit from seamless connectivity for navigation, online engagement, and mobile payments, while vendors gain improved visibility and sales opportunities. ParkConnect extends reliable internet access across public parks, creating more opportunities for creativity, wellness & connection outside of the traditional work and home setting.

More Security Through Wi-Fi Solutions

Beyond national projects, ALIV Business delivered Managed Wi-Fi solutions for hotels, restaurants, and financial institutions. This turnkey service, including access points, bandwidth, installation, and support, enables businesses to offer secure guest Wi-Fi while protecting their internal networks.

Supporting Small and Medium Businesses

Expanding Access and Awareness

Recognizing the vital role small and medium enterprises (SMEs) play in national growth, ALIV Business expanded its support for this sector in FY25. The launch of the new AlivBusiness.com website gave entrepreneurs a streamlined way to explore products and services, while partnerships with Chambers of Commerce, the Small Business Development Centre (SBDC), and other business support organizations provided SMEs with greater visibility and access to resources.

Tailored Solutions for Growth

Affordable Business-In-A-Box (BIAB) bundles remained central to SME offerings, delivering flexible combinations of mobile lines, data and Push-to-Talk (PTT) solutions for growing offices and storefronts.

Creating Modern Workspaces

ALIV Business partnered with Access Co-Work Suites to deliver voice, TV, internet, and Wi-Fi services in a collaborative professional environment. This partnership supports today's entrepreneurs and professionals with modern, flexible workspaces.

Nurturing Entrepreneurship

A standout initiative in FY25 was the launch of the Ultimate Business Makeover, a program designed to empower Bahamian enterprises by providing mentorship, resources, and exposure. Through expert assessments, participants gained insights into their business strengths and growth

opportunities, while tailored support in technology, marketing, and branding helped them modernize and expand their reach. The program also offered training, workshops, and promotional opportunities across ALIV Business' platforms, giving small and medium enterprises greater visibility in the market.

"The Ultimate Business Makeover reflects our dedication to supporting businesses of all sizes," said Charnette Thompson, Vice President of Business Solutions. "By teaming up with industry leaders, we're ensuring Bahamian entrepreneurs have the resources, mentorship, and technology they need to thrive in today's digital economy."



Looking Ahead

With solutions for enterprises, government, and small businesses alike, ALIV Business is bridging gaps and driving growth. By pairing global partnerships with local insight, ALIV Business will continue fortifying The Bahamas' business sector to remain competitive in the digital age.

We deliver the infrastructure and support that enables Bahamian enterprises to thrive in a digital economy



Focus on support

ALIV Business reaffirmed its role as a trusted partner for organizations of every size—from multinational corporations and government institutions to small businesses and startups.

Through reliable connectivity, innovative solutions, and strategic partnerships, the company delivered the infrastructure and support that enable Bahamian enterprises to thrive in a digital economy.





Our initiatives reflected a simple belief: progress happens when people are connected, supported and inspired

Focus on connecting

Cable Bahamas Group continued to make its presence felt far beyond networks and screens. Across islands, schools, businesses, and neighborhoods, our teams showed up in ways that touched lives and strengthened communities.

From empowering students with digital skills, to supporting healthcare workers, to celebrating culture both traditional and new, our initiatives reflected a simple belief: progress happens when people are connected, supported and inspired.



Empowering youth and education

We prioritized fostering collaborations that equipped the next generation with the tools to thrive in a digital future. Through our partnership with CANTO, the *Tech4Girls* initiative introduced young women to artificial intelligence and digital literacy, guided by the mentorship of our own Director of Information Security, Shakera Johnson. We also joined forces with aerospace engineer Aisha Bowe to deliver coding kits to several schools in New Providence, giving students hands-on experience in STEM and building the confidence to pursue technology-driven careers.

Our Information Security Team extended this commitment to digital empowerment by visiting schools across the islands, including R.N. Gomez Comprehensive School, where they hosted cybersecurity workshops and live hacking demos in collaboration with the National Computer Incident Response Team. These sessions gave students practical tools to stay safe online while encouraging them to think critically about the role of technology in their daily lives. Together, these efforts reflect our dedication to preparing young Bahamians to lead, innovate and remain safe in the digital world.

Supporting health and wellness

Our initiatives also celebrated and strengthened wellness within our communities. As an ode to essential workers in our community, our ALIV team surprised healthcare workers across Nassau with food, refreshments, and heartfelt thanks in recognition of their tireless service. Meanwhile, our *Fibr Fit* series brought together more than 200 Bahamians over two weekends, encouraging healthy living through fitness, music and connection.

Giving back to families and communities

This year, we worked closely with partners to uplift families and strengthen communities across The Bahamas. At the Ranfurly Homes for Children, we improved living



conditions by installing new air-conditioning units and repainting the living quarters, while at the Stapledon School we launched a garden initiative that supported both education and nutrition. Our teams also championed environmental stewardship through beach clean-ups in partnership with Blue Lagoon and the Department of Public Parks and Beaches. In New Providence and Grand Bahama, we organized clothing drives and continued our tradition of hosting the annual *Give Joy Toy Drive*, spreading holiday cheer to children throughout the islands. Extending this spirit of connection beyond our borders, we partnered with Western Air to launch the *It's Good to Be Home* contest, flying Bahamian students back from overseas to reunite with loved ones during the holidays. Each of these efforts reflected our mission to keep families and communities close, no matter the distance.

Celebrating tradition

Junkanoo remains the heartbeat of Bahamian cultural identity, uniting the nation in music and Bahamian artistry each year. For the third consecutive year, ALIV proudly stood alongside this tradition, partnering with the JCNP and the Ministry of Youth, Sports, and Culture. Using the MyALIV Events App, we sold more than 10,000 digital



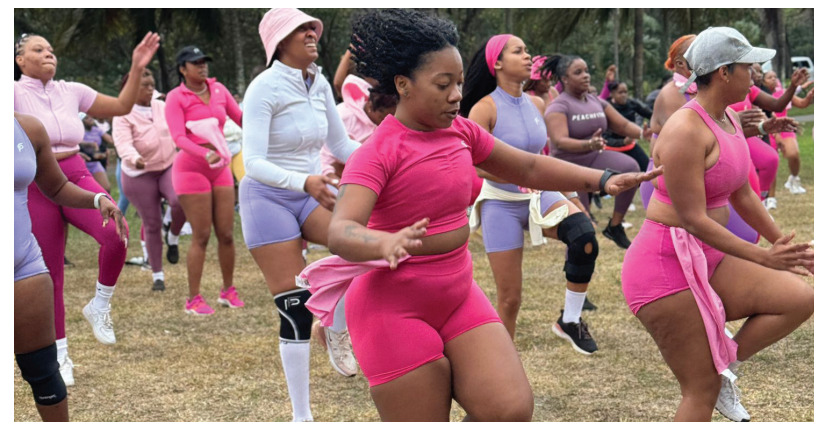
tickets for the Boxing Day and New Year's Day parades. By digitizing ticketing and streamlining the event experience, we showed how technology can preserve and modernize tradition while keeping it relevant for generations to come.

Powering emerging industries

We are also helping to shape the future of Bahamian culture by supporting the E-sports Federation through multiple partnerships throughout the year, including their annual *Crush Counter Showdown* at Atlantis. As a fast-growing and competitive global industry, E-sports highly depend on speed, reliability, and seamless streaming. As this competitive scene expands in our local community, ALIVFibr has proven to be the perfect tool for its growth.

Partnerships that make a difference

Throughout the year, we've partnered with over 100 organizations, including *Special Olympics Bahamas*, the *Bahamas Cancer Society*, *Bahamas National Trust*, and many more. As we continue to expand our network, we remain equally dedicated to strengthening the social fabric of The Bahamas, ensuring every community feels the impact of connection.





Focus on opportunity

In November 2024, Cable Bahamas Group proudly presented its third iteration of the widely successful women's empowerment event, Inspire Her. This signature experience was designed to empower, elevate, and enrich the lives of women and girls across the nation.

The event brought together over 400 participants from across The Bahamas for a full day and evening of impactful programming, combining thought leadership, interactive workshops, and networking opportunities.



The morning session welcomed more than 200 students from 20 high schools across New Providence and the family islands. Students enjoyed powerful presentations from keynote speaker Aisha Bowe, aerospace engineer and tech entrepreneur, who spoke on “Beyond Expectations: Exploring the Dynamic Pathways to Success.” The morning session also featured workshops, live entertainment, and an author spotlight with young Bahamian writer Zahra Bryan, who shared insights from her book *Black Girl Magic*.

The evening session, hosted in the grand ballroom of Atlantis, brought together professional women from every echelon of society for a night of motivation and inspiration. A highlight of the evening was the panel discussion, “Candid Conversations - All About Her”, featuring leaders from business, tourism, and entrepreneurship: Alannah Van Onselen (Bahama Handprints), Dr. Iyandra Smith-Bryan (Quantfury), and Suzanne Pattusch (Bahamas Hotel & Tourism Association).

Participants also engaged with Dr. Giavana Jones in her interactive session “The Strong One”, offering practical insights on avoiding burnout in high-performance environments. The night concluded with a powerful keynote address from Jessica Lundy, Emmy Award-winning TV host and transformational coach, titled “I’ve Made It This Far, Now What?”

Through Inspire Her 2024, Cable Bahamas reaffirmed its commitment to fostering inclusion, empowerment, and leadership development across The Bahamas. By creating a platform for dialogue, learning, and celebration, the event delivered measurable impact while strengthening our role as a corporate leader in community development.



Inspire Her embodies our commitment to innovation, inclusion, and leadership to empower women and girls in all aspects of their lives





The Cyber Security Summit places The Bahamas at the forefront of innovation in cybersecurity, AI, and digitization

Focus on protection

Cable Bahamas hosted its inaugural ALIV Business Cyber Security Summit at Atlantis, Paradise Island, bringing together more than 300 industry leaders, government officials, and global experts under the theme *Securing the Future: Navigating Cyber Challenges in Business*.

The event underscored a critical truth: cybersecurity is no longer just an IT issue - it is a business imperative and a matter of national security.



Cybersecurity as a Leadership Responsibility
Speakers throughout the summit highlighted that in today's digital economy, every leader has a role in safeguarding their organization. Shakera Johnson, Director of Information Security at Cable Bahamas Ltd., emphasized that governance must start at the top. "Leadership must be actively engaged in establishing policies and enforcing cybersecurity throughout an organization," she said, stressing that risk management should be a structured, ongoing process. From boardrooms to frontline employees, cybersecurity must be embedded into every decision and action.

Cybersecurity as National Security
For Franklyn Butler II, CEO of Cable Bahamas Ltd., the summit is meant to catalyze a national movement. "Cybersecurity is about national security," Butler affirmed. "We must ensure that the best and brightest minds in The Bahamas are thinking about protecting our digital future." Butler outlined a vision where businesses, government agencies, and technology leaders collaborate to strengthen national resilience. This includes developing local expertise rather than relying solely on external vendors, ensuring that The Bahamas maintains control over its own digital infrastructure.

Building a Culture of Cyber Resilience
Charnette Thompson, VP of ALIV Business, reminded attendees that cybersecurity extends far beyond technology. Training, testing, and education are essential at every level. "If one business is secure but interacts with another that isn't, vulnerabilities can spread," she noted. "We need education, training, and policies that protect businesses, individuals, and national data." Thompson called for organizations to regularly test their business continuity and incident response plans, not just write them. Proactive testing and collaboration across sectors are key to identifying gaps and minimizing risk.

Looking Ahead
With its dynamic mix of keynote addresses, panel discussions, and a vendor showcase, the Cyber Security Summit positioned itself as a cornerstone event for the region. Butler expressed his ambition for the summit to grow into the premier cybersecurity gathering in the Caribbean, placing The Bahamas at the forefront of innovation in cybersecurity, AI, and digitization. As Cable Bahamas continues to champion awareness and action, the path forward is clear: cybersecurity must become part of every organization's DNA. Protecting data, businesses, and national interests will require leadership, collaboration, and a culture of resilience that reaches across industries and communities.



Solar will significantly reduce energy use, limit dependence on traditional power sources, and provide cleaner, more resilient operations

Focus on responsibility

In today's business environment, sustainability and operational excellence are no longer optional. They are essential to long-term success.

For a company like Cable Bahamas, this means constantly finding ways to deliver more while using less, reducing our environmental footprint, and building systems that can withstand both everyday demands and extraordinary challenges.



Infrastructure Built For Growth

Our engineering team advanced this vision in FY25 by completing the ALIVFibr build in New Providence. Completing the build on schedule and within budget reflected smart resource management, while the network itself provides a more sustainable, resilient platform for the future. Additionally, targeted upgrades to IP, Transport, and Mobile networks provided customers with a faster, more reliable service, while modernization of legacy systems improved scalability. Strategic upgrades to our outside plant facilities have also improved the reliability and consistency of our network.

A major sustainability milestone came with the design and planning of solar integration across key facilities. Set for execution in FY26, this program will significantly reduce energy use, limit dependence on traditional power sources, and provide cleaner, more resilient operations.

At the same time, we reinforced subsea and terrestrial fibre routes, upgraded backup power systems, and tested disaster recovery protocols ensuring our customers remain connected even during critical weather.



Reliability in Technical Operations

Technical Operations focused on keeping the network steady by addressing issues before they reached customers. Proactive monitoring, scheduled maintenance, and automated fault detection kept systems running smoothly. Preventive programs covered fibre routes, generators, and UPS systems, while automation in alarm management and diagnostics reduced downtime. When outages did occur, speed made the difference. With spare equipment pre-positioned, escalation protocols tightened, and training expanded, average restoration times fell by 19%. Energy efficiency also became part of daily practice, from optimizing generator runtimes to installing energy-saving lighting, with solar integration already in motion.



Digital Transformation Through IT

Behind the scenes, IT gave both employees and customers better tools. ManageEngine streamlined helpdesk and incident management, turning support into a measurable, trackable system. Cybersecurity training kept staff vigilant, while patching and upgrades kept systems safe. For customers, IT made digital transactions smoother. The payment platform was stabilized and eCommerce expanded to put more services in people's hands. Beyond FY25, we are looking to increase digital document management to reduce paper, encourage broader SharePoint adoption, and utilize more Tableau dashboards to eliminate printed reporting.

People and Standards at the Core

Operational excellence depends on culture as much as systems. In April 2025, we successfully maintained our ISO 9001:2015, ISO 14001:2015, and ISO 45001:2018 certifications with no nonconformities. Each standard reflects a critical part of how we operate: ISO 9001 ensures we consistently deliver high-quality services and customer satisfaction, ISO 14001 guides us in reducing our environmental footprint and promoting sustainable practices, and ISO 45001 sets the benchmark for protecting the health and safety of our employees. Together, they demonstrate that Cable Bahamas meets the highest international standards while continuing to improve for the future.



Focus on potential

In FY25, the Human Resources Department led a period of major transformation that rippled across the entire Cable Bahamas Group of Companies.

At the start of the fiscal year, HR aligned its strategic priorities with the organization’s overarching goals, focusing on talent development, performance enhancement, and leadership capability building. These efforts supported the company’s four key strategic pillars for the year, known internally as the “World Cups.”



Talent Acquisition Optimization

To improve the quality and alignment of new hires, the Talent Acquisition team was established to lead the full-cycle recruitment process. Their mandate: grow a strong talent pipeline and equip managers with the tools to attract, develop, and retain top talent.

A comprehensive Hiring Manager Training Program was launched to support this goal, building recruitment capability across all business units.

90% of hiring managers completed the training, which focused on structured interviewing, competency-based assessment and onboarding best practices. The Predictive Index (PI) Assessment was fully integrated into the selection process, helping managers identify candidates who align with both the role and team dynamics. This dual-pronged approach is driving greater recruitment efficiency and improving hiring accuracy across the organization.

Career Development and Capability Building

Strengthening internal talent pipelines and fostering career growth remained a central goal. The HR team focused on enhancing bench strength through cross-functional exposure, coaching, and tailored development plans. Clear performance expectations, consistent feedback, and role clarity were emphasized at every level.

Managers also participated in a Career Development Workshop, which sparked deeper conversations about career trajectories and helped leaders create individualized skills matrices for their teams, sharing opportunities and pathways for skill development. Employees were also empowered to create their own Individual Development Plans (IDPs) to guide personal and professional growth.



Employee Engagement and Organizational Culture

To gauge sentiment and track progress, HR administered the FY25 Employee Engagement Index near the end of the fiscal year. Participation reached 91.6%, the highest to date. The Overall Favorability Score saw a slight 0.1% year-over-year decrease. However, sentiment around Career Development improved notably from 43% to 48%, a 5% increase in positive feedback. These results have fueled the importance of continued investment in manager capability and employee development alignment moving forward.

A focus on talent development, performance enhancement, and leadership capability building

High-Potential (HiPo) Leadership Initiative

To strengthen succession planning and executive leadership, HR launched the High-Potential (HiPo) Program. Eleven individuals were selected based on performance ratings, leadership assessments, manager nominations, and executive calibration. This program exposes high-potential individuals to executive coaching, mentorship and strategic projects that proactively develop their leadership skills.

Recognition and Retention Programs

Throughout FY25, the organization continued to champion a culture of recognition and appreciation. The Corporate Rewards Program “Epic” celebrated over 40 employees for outstanding contributions, culminating in 11 finalists at the year-end awards ceremony. In celebration of the company’s 30th anniversary, 50 long-serving team members were recognized for their years of dedicated service.

Looking Ahead

FY25 laid a strong foundation for aligning talent strategy with business goals, enhancing performance management, building leadership pipelines, and improving the employee experience. In FY26, the HR department will build on this momentum, using data-driven insights to drive continued growth and organizational agility.





**CABLE BAHAMAS LTD.
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Independent auditors' report

To the Shareholders of Cable Bahamas Ltd.

Report on the audit of the consolidated financial statements

Our opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the consolidated financial position of Cable Bahamas Ltd. (the Company) and its subsidiaries (together 'the Group') as at June 30, 2025, and their consolidated financial performance and their consolidated cash flows for the year then ended in accordance with IFRS Accounting Standards.

What we have audited

The Group's consolidated financial statements comprise:

- the consolidated statement of financial position as at June 30, 2025;
- the consolidated statement of profit or loss and other comprehensive income for the year then ended;
- the consolidated statement of changes in equity for the year then ended;
- the consolidated statement of cash flows for the year then ended; and
- the notes to the consolidated financial statements, comprising material accounting policy information and other explanatory information.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditors' responsibilities for the audit of the consolidated financial statements* section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Group in accordance with the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA Code). We have also fulfilled our other ethical responsibilities in accordance with the IESBA Code.

Our audit approach

Overview



- Overall group materiality: \$2.3 million, which represents approximately 2.5% of earnings before interest, tax, depreciation and amortization (EBITDA).
- In addition to the Group's primary operating company, Cable Bahamas Ltd., we performed a full scope audit of Be Aliv Limited, which was determined to be significant due to risk or size.
- Recognition and Measurement of Revenue

Audit scope

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the consolidated financial statements. In particular, we considered where management made subjective judgements; for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits, we also addressed the risk of management override of internal controls, including, among other matters, consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud.

How we tailored our group audit scope

We tailored the scope of our audit in order to perform sufficient work to enable us to provide an opinion on the consolidated financial statements as a whole, taking into account the structure of the Group, the accounting processes and controls, and the industry in which the Group operates.

Be Aliv Limited, a subsidiary of Cable Bahamas Ltd., the Group's primary operating company, was classified as a significant component due to risk or size based on its overall contribution to the Group and both entities were subject to a full scope audit.

All audit procedures were performed by PricewaterhouseCoopers, Bahamas.

Materiality

The scope of our audit was influenced by our application of materiality. An audit is designed to obtain reasonable assurance whether the consolidated financial statements are free from material misstatement. Misstatements may arise due to fraud or error. They are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the consolidated financial statements.

Based on our professional judgement, we determined certain quantitative thresholds for materiality, including the overall group materiality for the consolidated financial statements as a whole as set out in the table below. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures and to evaluate the effect of misstatements, both individually and in aggregate, on the consolidated financial statements as a whole.

Overall Group materiality	\$2.3 million
How we determined it	Approximately 2.5% of EBITDA.
Rationale for the materiality benchmark applied	We chose EBITDA as the benchmark because, in our view, it is the most relevant benchmark against which the performance of the Group is measured by users, and is a generally accepted benchmark. We chose approximately 2.5% which is within a range of acceptable benchmark thresholds.

We agreed with the Audit Committee that we would report to them misstatements identified during our audit above \$115,160, as well as misstatements below that amount that, in our view, warranted reporting for qualitative reasons.

Key audit matters

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

Key audit matter	How our audit addressed the key audit matter
Recognition and Measurement of Revenue Refer to notes 3(q), 4(e), and 18 to the consolidated financial statements for disclosures of related accounting policies and balances. The Group's revenue of \$242 million recorded on the consolidated statement of profit or loss and other comprehensive income consists of cable TV, fixed and wireless broadband, fixed-line telephone, mobile and data telephony services, and other ancillary services. Contracts with customers include both short and long-term contracts. The recognition and measurement of revenue from short-term contracts and long-term non-bundled contracts is not subject to significant judgement. However, the revenue streams comprise a large number of low value transactions, multiple products and services with varying	Our response to the matter included the following audit procedures, amongst others: - obtaining an understanding of and evaluating the design and implementation of relevant management controls over the revenue process. - evaluating the overall IT control environment and the IT controls in place, with the assistance of our information technology specialists. This included evaluating the design and testing the operating effectiveness of certain management controls addressing: access to programs and data; new system implementation; program changes; computer operations; customer account set-up; network usage data; restricted access to pricing data; and reliability of system generated reports.

pricing structures, and complex billing systems (and related Information Technology (IT) controls).

The recognition and measurement of revenue from long-term bundled contracts involves a number of key judgements and estimates, including the appropriate identification of stand-alone selling prices used to allocate their transaction price.

As such, recognition and measurement of revenue was an area that required significant audit attention.

- testing the end-to-end reconciliation from the billing systems to the general ledger and journal entries processed between them.
- evaluating the assumptions used by management to determine the allocation of the transaction price to telecom services and handsets within long-term bundled contracts and testing the stand-alone selling prices on a sample basis.
- obtaining a sample of customer contracts and comparing the contract terms and the approved rates to the revenue systems.
- assessing the adequacy of the Group's disclosures in respect of its accounting policies on revenue recognition.

Other information

Management is responsible for the other information. The other information comprises the Cable Bahamas Ltd. 2025 Annual Report (but does not include the consolidated financial statements and our auditors' report thereon), which is expected to be made available to us after the date of this auditors' report.

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

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

When we read the Cable Bahamas Ltd. 2025 Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibilities of management and those charged with governance for the consolidated financial statements

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

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

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

Auditors' responsibilities for the audit of the consolidated financial statements

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

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

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

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

The engagement partner on the audit resulting in this independent auditors' report is Prince A. Rahming.

Prince A. Rahming
Chartered Accountants
Nassau, Bahamas

October 6, 2025



CABLE BAHAMAS LTD.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT JUNE 30, 2025 (Expressed in Bahamian dollars)

ASSETS	2025 \$	2024 \$
CURRENT ASSETS:		
Cash and cash equivalents	69,089,144	29,134,530
Term deposits	1,215,039	1,657,225
Short-term investments (Note 5)	49,107,089	33,205,048
Trade and other receivables (Note 6)	37,012,042	32,046,510
Prepaid expenses and deposits (Note 7)	8,228,256	11,403,328
Inventory	4,059,411	3,457,660
Contract assets (Note 8)	690,435	81,523
Total current assets	169,401,416	110,985,824
NON-CURRENT ASSETS:		
Property, plant and equipment (Note 9)	308,491,352	311,836,831
Intangible assets (Note 10)	38,672,537	46,782,387
Contract assets (Note 8)	168,684	573,180
Total non-current assets	347,332,573	359,192,398
TOTAL ASSETS	516,733,989	470,178,222
LIABILITIES AND EQUITY		
CURRENT LIABILITIES:		
Accounts payable and accrued liabilities (Note 11)	47,019,200	44,590,943
Deferred income	9,670,156	5,054,787
Lease liabilities (Note 12)	1,992,654	2,675,669
Notes payable (Note 13)	29,060,750	9,060,750
Preferred shares (Note 14)	1,604,384	14,748,713
Total current liabilities	89,347,144	76,130,862

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

CABLE BAHAMAS LTD.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2025
(CONTINUED)
(Expressed in Bahamian dollars)

LIABILITIES AND EQUITY (CONTINUED)	2025	2024
	\$	\$
NON-CURRENT LIABILITIES:		
Subscriber deposits	8,577,585	8,154,252
Asset retirement obligation	778,608	1,209,786
Lease liabilities (Note 12)	52,828,001	52,217,123
Notes payable (Note 13)	13,256,812	41,973,593
Preferred shares (Note 14)	332,984,516	256,562,628
Total non-current liabilities	408,425,522	360,117,382
TOTAL LIABILITIES	497,772,666	436,248,244
EQUITY:		
Equity attributable to owners of the parent:		
Ordinary share capital (Note 15)	30,367,307	30,367,307
Retained earnings	64,553,705	75,921,681
Treasury Shares (Note 16)	(3,234,016)	(2,413,835)
Share-Based Payments Reserve (Note 20)	3,877,531	4,365,724
	95,564,527	108,240,877
Non-controlling interest (Note 24)	(76,603,204)	(74,310,899)
Total equity	18,961,323	33,929,978
TOTAL LIABILITIES AND EQUITY	516,733,989	470,178,222

These consolidated financial statements were approved by the Board of Directors and authorized for issue on October 6, 2025, and are signed on its behalf by:


 Director


 Director

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

CABLE BAHAMAS LTD.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER
COMPREHENSIVE INCOME
FOR THE YEAR ENDED JUNE 30, 2025
(Expressed in Bahamian dollars)

	2025	2024
	\$	\$
REVENUE (Note 18)	242,173,287	241,981,054
Operating expenses (Note 19)	(152,534,813)	(149,185,132)
Depreciation and amortization (Notes 9, 10)	(66,928,888)	(68,265,383)
Expected credit losses on financial and contract assets (Notes 6)	(2,623,601)	(2,231,785)
Fair value gain/ (loss) on short-term investments (Note 5)	(668,086)	219,495
Other income/ (loss)	2,528,930	(333,636)
Net gain on disposal of property, plant and equipment	46,701	13,000
OPERATING INCOME	21,993,530	22,197,613
Interest expense (Notes 12, 13)	(8,861,485)	(9,290,237)
Interest income	2,308,076	1,486,792
Dividends on preferred shares (Notes 14)	(21,589,024)	(17,757,473)
Net loss on extinguishment of financial liabilities (Note 14)	(597,379)	-
NET AND COMPREHENSIVE (LOSS)	(6,746,282)	(3,363,305)
<i>Net and comprehensive income (loss) for the year attributable to:</i>		
Owners of the parent	(4,453,977)	(5,259,283)
Non-controlling interest	(2,292,305)	1,895,978
	(6,746,282)	(3,363,305)
<i>Earnings per share on profit or loss attributable to owners of the parent (Note 15):</i>		
Basic earnings per share	(0.10)	(0.12)
Diluted earnings per share	(0.10)	(0.12)

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

CABLE BAHAMAS LTD.**CONSOLIDATED STATEMENT OF CHANGES IN
EQUITY FOR THE YEAR ENDED JUNE 30, 2025**
(Expressed in Bahamian dollars)

	Attributable to owners of the parent						
	Ordinary Share Capital \$	Retained Earnings \$	Treasury Shares	Share-Based Payments Reserve	Total \$	Non- Controlling Interest \$	Total Equity \$
Balance at June 30, 2023	30,367,307	86,420,851	(2,433,145)	3,765,724	118,120,737	(98,399,273)	19,721,464
Total net and comprehensive income (loss)	-	(5,259,283)	-	-	(5,259,283)	1,895,978	(3,363,305)
Transactions with owners:							
Net movement in treasury shares (Note 16)	-	-	19,310	-	19,310	-	19,310
Vested share-based options (Note 20)	-	-	-	600,000	600,000	-	600,000
Capital contribution by non-controlling interest (Note 26)	-	-	-	-	-	22,192,396	22,192,396
Dividends paid on ordinary shares (Note 15)	-	(5,239,887)	-	-	(5,239,887)	-	(5,239,887)
Total transactions with owners	-	(5,239,887)	19,310	600,000	(4,620,577)	22,192,396	17,571,819
Balance at June 30, 2024	30,367,307	75,921,681	(2,413,835)	4,365,724	108,240,877	(74,310,899)	33,929,978
Total net and comprehensive income (loss)	-	(4,453,977)	-	-	(4,453,977)	(2,292,305)	(6,746,282)
Transactions with owners:							
Net movement in treasury shares (Note 16)	-	-	(820,181)	-	(820,181)	-	(820,181)
Vested share-based options (Note 20)	-	-	-	(26,423)	(26,423)	-	(26,423)
Exercised share-based options (Note 20)	-	-	-	(461,770)	(461,770)	-	(461,770)
Dividends paid on ordinary shares (Note 15)	-	(6,913,999)	-	-	(6,913,999)	-	(6,913,999)
Total transactions with owners	-	(6,913,999)	(820,181)	(488,193)	(8,222,373)	-	(8,222,373)
Balance at June 30, 2025	30,367,307	64,553,705	(3,234,016)	3,877,531	95,564,527	(76,603,204)	18,961,323

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

CABLE BAHAMAS LTD.**CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2025**
(Expressed in Bahamian dollars)

	2025 \$	2024 \$
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net loss for the year	(6,746,282)	(3,363,305)
Adjustments for:		
Depreciation and amortization	66,928,888	68,265,383
Interest expense	8,861,485	9,290,237
Interest income	(2,308,076)	(1,486,792)
Dividends on preferred shares	21,589,024	17,757,473
(Reversal of cost)/ cost associated with share-based options	(351,915)	600,000
Write-off of inventory	-	49,142
Net gain on disposal of property, plant and equipment	(46,701)	(13,000)
Net loss on extinguishment of debt	597,379	-
Expected credit losses on financial and contract assets	2,623,601	2,231,785
Fair value (gain)/loss on short-term investments	668,086	(219,495)
Realized gain on short-term investments	(414,635)	(125,115)
Other income	(836,525)	-
Operating cash flows before working capital changes	90,564,329	92,986,313
Increase in trade and other receivables	(7,589,133)	(7,814,854)
Decrease/ (Increase) in prepaid expenses and deposits	3,175,072	(366,198)
Increase in inventory	(601,751)	(108,628)
Decrease in contract assets	3,591	317,701
Increase/ (Decrease) in accounts payable and accrued liabilities	2,537,834	(5,563,662)
Increase in deferred income	4,615,369	359,968
Increase/ (Decrease) in subscriber deposits	423,333	(116,442)
Net cash from operating activities	93,128,644	79,694,198
CASH FLOWS FROM INVESTING ACTIVITIES:		
Interest received	2,308,385	1,519,524
Proceeds from maturity of term deposits	500,000	10,000,000
Placement of term deposits	(50,000)	-
Purchase of short-term investments	(71,213,472)	(32,049,856)
Proceeds from maturities/sales of short-term investments	55,049,857	40,894,458
Purchases of property, plant and equipment	(51,229,825)	(70,512,378)
Payments for intangible assets	(2,703,455)	(2,239,790)
Proceeds from disposal of property, plant and equipment	477,678	-
Net cash used in investing activities	(66,860,832)	(52,388,042)

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

CABLE BAHAMAS LTD.

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2025
(CONTINUED)
(Expressed in Bahamian dollars)

	2025 \$	2024 \$
CASH FLOWS FROM FINANCING ACTIVITIES:		
Repayment of loans	(9,060,750)	(4,162,000)
Repayment of lease liabilities	(1,453,980)	(2,142,970)
Interest paid	(9,073,934)	(8,642,529)
Purchase of treasury shares	(945,691)	-
Sale of treasury shares	125,510	19,310
Dividends paid on ordinary shares	(6,913,999)	(5,239,887)
Payment of exercised share-based option	(81,510)	-
Redemption of preferred shares	-	(14,000,000)
Proceeds from preferred shares, net of placement agent fees	60,858,355	-
Dividends paid on preferred shares	(19,767,199)	(17,571,589)
Net cash from / used in financing activities	13,686,802	(51,739,665)
Net increase/ (decrease) in cash and cash equivalents	39,954,614	(24,433,509)
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	29,134,530	53,568,039
CASH AND CASH EQUIVALENTS, END OF YEAR	69,089,144	29,134,530
Cash and cash equivalents comprise:		
Cash on hand and at banks	69,089,144	29,134,530

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

CABLE BAHAMAS LTD.

Notes to the Consolidated Financial Statements
For the Year Ended June 30, 2025
(Expressed in Bahamian dollars)

1. General Information

Cable Bahamas Ltd. (the “Company” or the “Parent”) is incorporated under the laws of The Commonwealth of The Bahamas (“The Bahamas”). The Company and its subsidiaries (together, the “Group”) provide cable television and related services, national and international data services, broadband access services, telephony services, wireless communication, web hosting and business continuity services. The Group is regulated by the Utilities Regulation and Competition Authority (URCA).

As at June 30, 2025, the Group’s wholly-owned subsidiaries that are incorporated and domiciled in The Bahamas include Cable Freeport Ltd. (“Cable Freeport”), Caribbean Crossings Ltd. (“CCL”), Maxil Communications Ltd. (“Maxil”), Systems Resource Group Limited (“SRG”), Smart Term (Bahamas) Limited, Wallflower Services Ltd., REV Media Ltd. and Cable Bahamas Cares Foundation. Trinity Communications Bahamas Ltd. (“Trinity”), a company incorporated in the United States of America, is a wholly-owned subsidiary of CCL.

The Group has a 48.25% shareholding in Be Aliv Limited (“Aliv”) and holds management and board control. HoldingCo2015 Limited (“HoldingCo”) owns the remaining 51.75% of the ordinary shares and is a special purpose holding group set up by and currently wholly-owned by the Government of The Bahamas (“the Government”). Aliv is incorporated under the laws of The Commonwealth of The Bahamas.

The ordinary shares of the Company are listed and traded on the Bahamas International Securities Exchange (BISX). The Company’s registered office is located at GTC Corporate Services Limited, Sassoon House, Shirley Street and Victoria Avenue, in The Bahamas.

2. Basis of Preparation

These consolidated financial statements have been prepared in accordance with IFRS Accounting Standards (“IFRS”), and under the historical cost convention, as modified by the revaluation of financial assets at fair value through profit or loss. The material accounting policies adopted in the preparation of these consolidated financial statements are set out in Note 3.

The preparation of consolidated financial statements in conformity with IFRS requires management to make critical accounting estimates and exercise judgment in the process of applying the Group’s accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed separately in Note 4.

CABLE BAHAMAS LTD.

Notes to the Consolidated Financial Statements
For the Year Ended June 30, 2025
(Expressed in Bahamian dollars)

2. Basis of Preparation (Continued)

New standards, amendments and interpretations adopted by the Group

Standards, amendments and interpretations to published standards that became effective for the Group's financial year beginning on July 1, 2024 were either not relevant or not significant to the Group's operations and accordingly did not have a material impact on the Group's accounting policies or consolidated financial statements.

Amendment to IAS 1- Presentation of Financial Statements –Non current liabilities with covenants

These amendments clarify how conditions which an entity must comply within twelve months after the reporting period affect the classification of a liability. The amendments also aim to improve information an entity provides related to liabilities subject to these amendments.

The amendment noted above did not have any material impact on the amounts recognised in prior periods and is not expected to significantly affect the current or future periods.

Standards, amendments and interpretations issued but not yet effective and not early adopted by the Group

Except as disclosed below, the application of new standards, amendments and interpretations to existing standards that have been published but are not yet effective are not expected to have a material impact on the Group's accounting policies or consolidated financial statements in the financial period of initial application.

CABLE BAHAMAS LTD.

Notes to the Consolidated Financial Statements
For the Year Ended June 30, 2025
(Continued)
(Expressed in Bahamian dollars)

2. Basis of Preparation (Continued)

Amendment to IFRS 9 and IFRS 7- Classification and Measurement of Financial Instruments

The IASB has issued targeted amendments to IFRS 9, 'Financial Instruments', and IFRS 7, 'Financial Instruments: Disclosures'. The amendments respond to recent questions arising in practice, and include new requirements not only for financial institutions but also for corporate entities. These new requirements will apply from 1 January 2026, with early application permitted. These amendments:

- clarify the requirements for the timing of recognition and derecognition of some financial assets and liabilities, with a new exception for some financial liabilities settled through an electronic cash transfer system;
- clarify and add further guidance for assessing whether a financial asset meets the solely payments of principal and interest (SPPI) criterion;
- add new disclosures for certain instruments with contractual terms that can change cash flows (such as some instruments with features linked to the achievement of environment, social and governance (ESG) targets); and
- make updates to the disclosures for equity instruments designated at Fair Value through Other Comprehensive Income (FVOCI).

IFRS 18- Presentation and Disclosure in Financial Statements

IFRS 18 will replace IAS 1; introducing new requirements that will help to achieve comparability of the financial performance of similar entities and provide more relevant information and transparency to users. Even though IFRS 18 will not impact the recognition or measurement of items in the financial statements, its impact on presentation and disclosure are expected to be pervasive, in particular those related to the statement of profit or loss and providing management-defined performance measures within the financial statements. Management is currently assessing the implications of applying the new standard on the Group's financial statements. The Group will apply the new standard effective from financial year ending June 30, 2028. Retrospective application is required, and so the comparative information for the financial year ending June 30, 2027 will be restated in accordance with IFRS 18.

IFRS 19- Subsidiaries without Public Accountability: Disclosures

IFRS 19 is a voluntary IFRS Accounting Standard which allows for certain eligible subsidiaries of parent entities that report under IFRS Accounting Standards to apply reduced disclosure requirements. The standard is effective for annual periods beginning on or after January 1, 2027. Management is currently assessing whether to elect to apply the new standard and the implications on the Group's financial statements.

3. Material Accounting Policies

The principal accounting policies applied in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all years presented, unless otherwise stated.

CABLE BAHAMAS LTD.

Notes to the Consolidated Financial Statements
For the Year Ended June 30, 2025
(Continued)
(Expressed in Bahamian dollars)

3. Material Accounting Policies (Continued)

a. Basis of consolidation

Subsidiaries are all entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group controls the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

Intercompany transactions, balances and unrealized gains on transactions between group companies are eliminated. Unrealized losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

When the Group has less than a majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Group considers all relevant facts and circumstances in assessing whether or not the Group's voting rights in an investee are sufficient to give it power, including:

- the size of the Group's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- potential voting rights held by the Group, other vote holders, or other parties;
- rights arising from other contractual arrangements;
- any additional facts and circumstances that indicate that the Group has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the elements of control listed above.

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Specifically, income and expense of a subsidiary acquired or disposed of during the year are included in the consolidated statement of profit or loss and other comprehensive income from the date the Group gains control until the date when the Group ceases to control the subsidiary.

The financial information of Aliv is consolidated in these financial statements as the Group owns 48.25% of its ordinary shares and maintains management and board control (Note 24).

CABLE BAHAMAS LTD.

Notes to the Consolidated Financial Statements
For the Year Ended June 30, 2025
(Continued)
(Expressed in Bahamian dollars)

3. Material Accounting Policies (Continued)

a. Basis of consolidation (continued)

When the Group loses control of a subsidiary, it derecognizes the assets and liabilities of the subsidiary and any non-controlling interest and other components of equity. The net income or loss of the subsidiary disposed during the year will be included in the consolidated statement of profit or loss and other comprehensive income for the period through which the Group held the investment in the subsidiary.

Profit or loss and each component of other comprehensive income are attributable to the owners of the Parent and the non-controlling interest. Total comprehensive income of subsidiaries is attributed to the owners of the Parent and to the non-controlling interest even if this results in the non-controlling interest having a deficit balance.

b. Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, demand deposits, and term deposits with original maturities of three (3) months or less and which are subject to insignificant risk of changes in value.

c. Trade and other receivables

Trade receivables are recognized initially at the amount of consideration that is unconditional, unless they contain significant financing components when they are recognized at fair value. Trade receivables are subsequently measured at amortized cost, net of an allowance for expected credit losses (see Note 3k). Trade and other receivables do not carry any interest and are stated at their nominal value.

d. Inventory

Inventory items are carried at the lower of cost and net realizable value, with cost being determined using weighted average cost. Net realizable value represents the estimated selling price of inventories less all estimated costs to make the sale.

e. Prepaid Expenses and Deposits

Prepaid expenses include advance payments for rent, insurance, regulatory fees and other services to be received in subsequent periods. These are recognized as assets and expensed over the periods to which they relate, typically on a straight-line basis. Deposits include refundable rental and utility deposits and deposits for equipment and network service mobilization. The deposits are carried at cost and are expected to be recovered in full.

CABLE BAHAMAS LTD.

Notes to the Consolidated Financial Statements
For the Year Ended June 30, 2025
(Continued)
(Expressed in Bahamian dollars)

3. Material Accounting Policies (Continued)

f. Property, plant and equipment

Property, plant and equipment are carried at cost less accumulated depreciation and any accumulated impairment losses. All costs directly associated with putting an asset into service are capitalized. Improvements that extend asset lives, and costs associated with the construction of network infrastructure and data transmission and distribution facilities, including direct labour and materials, are capitalized. Other repairs and maintenance costs are expensed as incurred.

Land and construction in progress are not depreciated. Depreciation on property, plant and equipment (other than right-of-use assets, see Note 3r) is recorded on a straight-line basis over their estimated useful lives as follows:

Buildings	40 years
Leasehold improvements	Term of the lease
Network Infrastructure Assets	5-40 years
Vehicles	3-7 years
IT, Furniture and Other Equipment	3-10 years

The estimated useful life and depreciation method are reviewed at the end of each reporting year, with the effect of any changes in estimate accounted for on a prospective basis.

An item of property, plant and equipment is derecognized upon disposal or when future economic benefits are not expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the assets and is recognized in profit or loss.

g. Intangible assets

Intangible assets are carried at cost less accumulated amortization and net of any adjustment for impairment. Intangible assets consist of communications and spectrum licenses, the acquired license, and software and other related licenses.

The estimated useful lives and amortization methods are reviewed at the end of each reporting year, with the effect of any changes in the estimate being accounted for on a prospective basis.

An intangible asset is derecognized when no future economic benefits from use are reasonably expected. Gains or losses arising from de-recognition of an intangible asset, measured as the difference between the net proceeds and the carrying amount of the assets are recognized in profit or loss when the asset is derecognized.

CABLE BAHAMAS LTD.

Notes to the Consolidated Financial Statements
For the Year Ended June 30, 2025
(Continued)
(Expressed in Bahamian dollars)

3. Material Accounting Policies (Continued)

g. Intangible assets (continued)

Costs associated with maintaining software programs are recognized as an expense as incurred. Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the Group are recognized as intangible assets where the following criteria are met:

- it is technically feasible to complete the software so that it will be available for use.
- management intends to complete the software and use or sell it.
- there is an ability to use or sell the software.
- it can be demonstrated how the software will generate probable future economic benefits.
- adequate technical, financial, and other resources to complete the development and to use or sell the software are available, and
- the expenditure attributable to the software during its development can be reliably measured.

Capitalized development costs are amortized from the point at which the asset is ready for use.

Software-as-a-Service (SaaS) arrangements

SaaS arrangements are service contracts providing the Group with the right to access the cloud provider's application software over the contract period. Costs incurred to configure or customize, and the ongoing fees to obtain access to the cloud provider's application software, are recognized as operating expenses when the services are received.

Some of the costs incurred relate to the development of software code that enhances or modifies, or creates additional capability to, existing on-premise systems and meets the definition of, and the recognition criteria for, an intangible asset. These costs are recognized as intangible software assets and amortized over the useful life of the software on a straight-line basis. The useful lives of these assets are reviewed at least at the end of each financial year, and any change accounted for prospectively as a change in accounting estimate.

h. Impairment of non-financial assets

At each consolidated statement of financial position date, management reviews the carrying amounts of its tangible and intangible assets, including right-of-use assets, to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Recoverable amount is the higher of fair value less costs to sell and value in use. Any impairment loss is recognized immediately in the consolidated statement of profit or loss and other comprehensive income.

CABLE BAHAMAS LTD.

Notes to the Consolidated Financial Statements
For the Year Ended June 30, 2025
(Continued)
(Expressed in Bahamian dollars)

3. Material Accounting Policies (Continued)

i. Subscriber deposits

In the normal course of its operations, the Group requires its customers to make deposits relating to services contracted. These deposits are repayable to the customer on termination of contracted services, net of any outstanding amounts due.

j. Foreign currency translation

The Group's functional and presentation currency used to measure amounts included in the consolidated financial statements of the Group's entities is the Bahamian dollar.

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year-end exchange rates are recognized in the consolidated statement of profit or loss and other comprehensive income.

k. Financial instruments

Financial assets and financial liabilities are recognized in the Group's consolidated statement of financial position when the Group becomes a party to the contractual provisions of the instrument. Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in profit or loss.

Financial assets

All regular way purchases or sales of financial assets are recognized and derecognized on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

All recognized financial assets are measured subsequently in their entirety at either amortized cost or fair value, depending on the classification of the financial assets.

CABLE BAHAMAS LTD.

Notes to the Consolidated Financial Statements
For the Year Ended June 30, 2025
(Continued)
(Expressed in Bahamian dollars)

3. Material Accounting Policies (Continued)

k. Financial instruments (continued)

Classification and measurement of financial assets

Debt instruments that meet the following conditions are measured subsequently at amortized cost:

- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

By default, all other financial assets are measured subsequently at fair value.

Amortized cost and the effective interest method

The effective interest method is a method of calculating the amortized cost of a debt instrument and of allocating interest income over the relevant period.

For financial assets other than purchased or originated credit-impaired financial assets (i.e. assets that are credit-impaired on initial recognition), the effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) excluding expected credit losses, through the expected life of the debt instrument, or, where appropriate, a shorter period, to the gross carrying amount of the debt instrument on initial recognition.

The amortized cost of a financial asset is the amount at which the financial asset is measured at initial recognition minus the principal repayments, plus the cumulative amortization using the effective interest method of any difference between that initial amount and the maturity amount, adjusted for any loss allowance. The gross carrying amount of a financial asset is the amortized cost of a financial asset before adjusting for any loss allowance.

Financial assets as at fair value through profit or loss (FVTPL)

Financial assets at FVTPL include financial assets held for trading, financial assets designated upon initial recognition at FVTPL, or financial assets mandatorily required to be measured at fair value. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. Financial assets with cash flows that are not solely payments of principal and interest are classified and measured at FVTPL, irrespective of the business model. Notwithstanding the criteria for debt instruments to be classified at amortized cost or fair value through other comprehensive income (FVOCI), debt instruments may be designated at FVTPL on initial recognition if doing so eliminates, or significantly reduces, an accounting mismatch.

CABLE BAHAMAS LTD.

Notes to the Consolidated Financial Statements
For the Year Ended June 30, 2025
(Continued)
(Expressed in Bahamian dollars)

3. Material Accounting Policies (Continued)

k. Financial instruments (continued)

Classification and measurement of financial assets (continued)

Financial assets as at fair value through profit or loss (FVTPL) (continued)

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any fair value gains or losses recognized within other income in the consolidated statement of profit or loss and other comprehensive income to the extent they are not part of a designated hedging relationship. The net gain or loss recognized in profit or loss includes unrealized fair value gain or loss, and any dividend or interest earned on the financial asset, and would be included in profit or loss.

Impairment of financial assets and contract assets

The Group recognizes an allowance for expected credit losses ("ECL") on financial assets, other than those measured at fair value through profit or loss, and on contract assets. The Group determines a lifetime ECL for trade receivables and contract assets using the simplified approach of IFRS 9: Financial Instruments (IFRS 9). The ECL on these assets are estimated using a provision matrix based on historical credit loss experience, in order to determine a loss rate.

At each reporting period, the Group calculates a loss rate which is applied as a percentage to the period-ending balance of each respective aging category. The result in the aggregate across the aging categories, is the updated ECL. The allowance for ECL is adjusted at each period-end to reflect the reassessed ECL for the period.

This may be adjusted for factors that are specific to the debtors, and general forward-looking economic conditions. The Group has identified the gross domestic product (GDP), inflation rate and the unemployment rate of the country in which it sells its goods and services to be the most relevant forward-looking factors, and accordingly may adjust the historical loss rates based on expected changes in these factors.

To measure the ECL, trade receivables and contract assets have been grouped based on shared credit risk characteristics and the days past due. The contract assets relate to the Group's remaining performance obligations to provide wireless services to customers under long-term contracts and have substantially the same risk characteristics as the trade receivables for the same types of contracts. The Group has therefore concluded that the expected loss rates for trade receivables are a reasonable approximation of the loss rates for the contract assets.

For all other financial instruments, the Group would recognize lifetime ECL if there has been a significant increase in credit risk since initial recognition. If the credit risk of the financial instrument has not increased significantly since initial recognition, the Group measures a loss allowance for that financial instrument at an amount equal to a 12-month ECL.

CABLE BAHAMAS LTD.

Notes to the Consolidated Financial Statements
For the Year Ended June 30, 2025
(Continued)
(Expressed in Bahamian dollars)

3. Material Accounting Policies (Continued)

k. Financial instruments (continued)

Impairment of financial and contract assets (continued)

Lifetime ECL represents the expected credit losses that will result from all possible default events over the expected life of a financial instrument. In contrast, 12-month ECL represents the portion of lifetime ECL that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date. The amount is updated at each reporting period to reflect changes in credit risk since initial recognition of the respective financial instrument.

In assessing whether the credit risk on a financial instrument has increased significantly since initial recognition, the Group compares the risk of a default occurring on the financial instrument at the reporting date with the risk of a default occurring on the financial instrument at the date of initial recognition. The Group considers available reasonable and supportive forward-looking information, which would include factors such as:

- actual or expected significant adverse changes in business, financial, or economic conditions that are expected to cause a significant change to the borrower's ability to meet its obligations, or
- actual or expected significant changes in the operating results of the debtor.

Regardless of the analysis above, the Group presumes that the credit risk on a financial asset has increased significantly since initial recognition when contractual payments are more than 30 days past due, unless the Group has reasonable and supportable information that demonstrates otherwise. A default on a financial asset is when the counterparty fails to make contractual payments within 90 days of when they fall due.

Write-offs

Financial assets are written off when there is no reasonable expectation of recovery, such as a failure to make contractual payments for a period of greater than 210 days past due, and a debtor failing to engage in a repayment plan with the Group. When a trade receivable or contract asset is considered uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against the allowance account.

Financial liabilities

Financial liabilities (including borrowings, notes payable, lease liabilities, and trade and other payables) are classified as and subsequently measured at amortized cost using the effective interest method.

CABLE BAHAMAS LTD.

Notes to the Consolidated Financial Statements
For the Year Ended June 30, 2025
(Continued)
(Expressed in Bahamian dollars)

3. Material Accounting Policies (Continued)

k. Financial instruments (continued)

Financial liabilities (continued)

The effective interest is a method of calculating the amortized cost of a financial liability and of allocating interest expense over the period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

Derecognition of financial liabilities

The Group derecognizes financial liabilities when, and only when, the Group obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable is recognized in the consolidated statement of profit or loss and other comprehensive income.

Modification of financial liabilities

When the Group exchanges with an existing lender one debt instrument into another one with substantially different terms, such exchange is accounted for as an extinguishment of the original financial liability and the recognition of a new one. Similarly, the Group accounts for a substantial modification of terms of an existing liability or part of it as an extinguishment of the original financial liability and the recognition of a new liability. It is assumed that the terms are substantially different if the discounted present value of future cash flows under the new terms, including any fees paid, and discounted using the original effective interest rate is at least ten percent (10%) different from the discounted present value of the remaining cash flows of the original financial liability. If the modification is not substantial, the difference between: (1) the carrying amount of the liability before the modification, and (2) the present value of future cash flows after modification is recognized in profit or loss, as a modification gain or loss in the consolidated statement of profit or loss and other comprehensive income.

l. Accounts payable and accrued liabilities

These amounts represent unsecured liabilities for goods and services provided to the Group prior to the end of the financial year, which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognized initially at their fair value and subsequently measured at amortized cost using the effective interest method.

CABLE BAHAMAS LTD.

Notes to the Consolidated Financial Statements
For the Year Ended June 30, 2025
(Continued)
(Expressed in Bahamian dollars)

3. Material Accounting Policies (Continued)

m. Basic and diluted earnings per share (EPS)

Basic earnings per share is calculated by dividing net income attributable to ordinary equity holders of the Parent for the year by the weighted average number of ordinary shares outstanding during the year. Diluted earnings per share is calculated by dividing net income for the year by the weighted average number of ordinary shares outstanding during the year if all convertible securities and potentially dilutive instruments were exercised. Potentially dilutive instruments are all outstanding stock options. Unless the Group has no additional potential shares outstanding, the diluted EPS will always be lower than the basic EPS.

n. Retirement benefit costs

Employer contributions made to the Group's defined contribution retirement benefit plan are charged as an expense and included in operating expenses in the consolidated statement of profit or loss and other comprehensive income when employees have rendered service entitling them to contribution. The benefit plan is separately managed and administered by a third-party service provider. The Group has no legal or constructive obligations to pay further contributions if the plan does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

o. Share based option plan

The Company provides to key employees through a long-term incentive plan, the option to acquire ordinary shares in the Company. The fair value of the options is determined using the Black-Sholes option pricing model. As the options vest over the term of the plan, an expense is recognized in profit or loss with a corresponding increase in equity.

p. Treasury shares

The Group may purchase its own ordinary shares in the open market. The amounts paid to purchase those shares including trade commissions are recorded as treasury shares, which is a contra-equity account.

q. Related parties

Related parties include key management personnel (senior executive officers and directors), entities that are controlled by these parties, and ordinary shareholders with significant influence.

CABLE BAHAMAS LTD.

Notes to the Consolidated Financial Statements
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3. Material Accounting Policies (Continued)

r. Revenue from contracts with customers

The Group recognizes revenues from the sale of products or the rendering of services in a manner that represents the transfer of goods and/or services to customers consistent with an amount reflecting the expected consideration in return for those goods or services; when all of the following conditions are met:

- There is clear evidence that an arrangement exists.
- The amount of revenue and related cost can be measured reliably.
- It is probable that the economic benefits associated with the transaction will flow to the Group.
- For bundled arrangements, the total arrangement consideration is allocated to each separately identifiable product or service included in the contract with the customer based on its stand-alone selling price. Generally, stand-alone selling prices are determined based on the observable prices at which products are sold separately without a service contract and prices for non-bundled service offers with the same range of services, adjusted for market conditions and other factors, as appropriate.

In particular, the Group recognizes:

- Television, internet, telephony, and postpaid wireless airtime and data subscriber revenues over time as the service is delivered (usually monthly).
- Fees for local, long distance and wireless services (e.g. prepaid and roaming), and pay-per-use services when the services are provided.
- Other fees, such as network access fees, license fees, hosting fees, maintenance fees, standby fees, and equipment rental fees over the term of the contract as services are delivered.
- Revenues from the sale of equipment when the equipment is delivered and accepted by customers.
- Revenues on long-term contracts over time as services are provided, when equipment is delivered to and accepted by customers, and contract performance obligations are met.
- Advertising revenue, net of agency commission when advertisements are aired on television.

The Group measures revenues at the fair value of the arrangement consideration. Revenues are reduced for customer rebates and allowances and exclude taxes the Group collects from customers.

The Group may also enter into arrangements with dealers who would also provide services to the customer base. When the Group acts as the principal in these arrangements, revenue is recognized based on the amounts billed to customers. Otherwise, the net amount that is retained as revenue is recognized.

CABLE BAHAMAS LTD.

Notes to the Consolidated Financial Statements
For the Year Ended June 30, 2025
(Continued)
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3. Material Accounting Policies (Continued)

r. Revenue from contracts with customers (continued)

A contract asset is recognized in the consolidated statement of financial position when the right to consideration from the transfer of products or services to a customer is conditional on the obligation to transfer other products or services. Contract assets are transferred to trade receivables when the right to the consideration becomes conditional only as to the passage of time. Incremental costs of obtaining a contract with a customer, principally comprised of sales commissions and prepaid contract fulfillment costs, are included in contract assets in the consolidated statement of financial position. These costs are deferred when incurred and are recorded as operating expenses over the pattern of transfer of goods and services to the customer, except where the amortization period is one year or less, in which case costs of obtaining a contract are immediately expensed.

Capitalized costs are amortized on a systematic basis that is consistent with the period and pattern of transfer to the customer of the related products or services. The Group amortizes these amounts over the average term of its customer contracts.

Payments received in advance from subscribers, including upfront refundable payments, are treated as a contract liability and presented as “deferred income” in the consolidated statement of financial position and are recognized as income when the relevant performance obligations are satisfied.

s. Leases

The Group as a lessee

The Group rents real estate, poles, and other support structures, and equipment. The Group assesses whether a contract is or contains a lease, at inception of a contract. The Group recognizes a right-of-use asset and a corresponding lease liability with respect to all arrangements in which it is the lessee, except for short term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets (defined as assets with a value of \$5,000 or less). For these leases, the Group recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Group uses an incremental borrowing rate. The lease liability is subsequently measured by increasing the carrying amount to reflect the interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the principal portion of the lease payments.

CABLE BAHAMAS LTD.

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3. Material Accounting Policies (Continued)

s. Leases (continued)

The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day, and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and any impairment losses.

When the Group has a present obligation to dismantle and remove a leased asset, restore the site on which it is located, or restore the underlying asset to the condition required by the terms and conditions of the lease, a provision is recognized for reliably estimable costs. This provision is included on the consolidated statement of financial position.

Lease assets which are right-of-use assets are depreciated over the shorter period of the lease term and useful life of the underlying asset. If a lease transfers ownership of the underlying assets, the cost of the right-of-use asset reflects that the Group expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease.

The lease assets are presented within property, plant and equipment in the consolidated statement of financial position.

The Group as a lessor

The Group has not entered into any lease agreements as a lessor.

t. Taxation

Under the current laws of The Bahamas, there are no income, withholding, or capital gains taxes imposed.

The Value Added Tax ("VAT") Act, as amended, imposes VAT at a rate of 10%. The Group in compliance with this Act, charges its customers VAT through its invoices on all applicable services.

In December 2021, the organization for Economic Co-operation and Development (OECD) issued model rules for a new global minimum tax framework (Pillar Two). The Government of The Bahamas in July 2021 signed for the OECD's Pillar Two framework. As a result, The Government of The Bahamas enacted on November 28, 2024 the Domestic Minimum Top up Tax Act, 2024 (DMTT Act), the DMTT Act implements a domestic minimum top-up tax of 15% effective January 1, 2024 for qualifying multinational entities in The Bahamas. The Group is considered an excluded entity under the Pillar Two model rules and as such is not within the scope of the OECD Pillar Two Rules and the DMTT Act.

CABLE BAHAMAS LTD.

Notes to the Consolidated Financial Statements
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3. Material Accounting Policies (Continued)

u. Tax deposits

Deposits paid to the tax authority with respect to tax matters that are outside the scope of IAS 12 *Income Taxes*, that are in dispute are accounted for within prepaid expense and deposits in the consolidated statement of financial position until the dispute is resolved. Upon resolution of the dispute, the tax authority will be required to either refund the tax deposit to the Group (if the dispute is resolved in the Group's favor) or use the deposit to settle the Group's liability (if the dispute is resolved in the tax authority's favor).

v. Provisions

Provisions are recognized when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting year, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognized as an asset if it is virtually certain that reimbursement will be received, and the amount of the receivable can be measured reliably.

w. Segment reporting

The Group uses as its basis for segmentation and reporting, the results of operations and the financial position of its separately managed business components for which the chief operating decision maker reviews the financial results.

x. Corresponding figures

Where necessary, corresponding figures are adjusted to conform with changes in presentation in the current year.

4. Critical Accounting Judgements and Key Sources of Estimation Uncertainty

The preparation of consolidated financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements, and the reported amounts of revenue and expenses during the reporting year. Actual results could differ from those estimates.

CABLE BAHAMAS LTD.

Notes to the Consolidated Financial Statements
For the Year Ended June 30, 2025
(Continued)
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4. Critical Accounting Judgements and Key Sources of Estimation Uncertainty (Continued)

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the year in which the estimate is revised if the revision affects only that year or in the year of the revision and future years if the revision affects both current and future years.

The Group bases its estimates on a number of factors, including historical experience, current events and actions that the Group may undertake in the future and other assumptions that it believes are reasonable under the circumstances. By their nature, these estimates and judgements are subject to measurement uncertainty.

This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be incorrect.

a) Estimated useful economic lives of tangible and finite-lived intangible assets

Property, plant and equipment represents 60% (2024: 66%) of the Group's total assets. Intangible assets represent 7% (2024: 10%) of the Group's total assets. Changes in technology or intended use of these assets, as well as changes in business prospects or economic and industry factors, may cause the estimated useful lives of these assets to change.

Management determines the useful lives and residual values for assets when they are acquired, based on experience with similar assets and taking into account other relevant factors such as any expected changes in technology. The depreciation charge for an asset is derived using estimates of its expected useful life and expected residual value, which are reviewed annually.

Refer to Note 9 for further details of changes made during the current year impacting the estimated useful life of certain components of the Group's property, plant and equipment.

b) Impairment of tangible and intangible assets

If events or changes in circumstances during the reporting year indicate that a tangible or intangible asset might be impaired, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash generating unit to which the assets belong. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash generating units or otherwise they are allocated to the smallest group of cash generating units for which a reasonable and consistent allocation basis can be identified.

CABLE BAHAMAS LTD.

Notes to the Consolidated Financial Statements
For the Year Ended June 30, 2025
(Continued)
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4. Critical Accounting Judgements and Key Sources of Estimation Uncertainty (Continued)

b) Impairment of tangible and intangible assets

The recoverable amount is the higher of fair value less cost of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a discount rate that reflects current market assessments of the time value of money and the risks specific to the assets for which the estimates of future cash flows have not been adjusted.

c) Impairment of financial assets and contract assets

The loss allowances for financial assets are based on assumptions about risk of default and expected loss rates. The Group uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Group's history and existing market conditions, as well as forward-looking estimates at the end of each reporting period.

d) Contingencies

The Group is involved in various claims, tax disputes and legal and regulatory proceedings initiated by various parties seeking monetary damages and other relief. These contingencies represent a potential cost to the business should the final outcomes result in unfavorable decisions against the Group. The Group estimates the amount of a potential loss by analyzing various outcomes and assuming various litigation and settlement strategies, based on information that is available at the time.

e) Multiple element arrangement

Where a contractual arrangement consists of two or more separate elements that have value to a customer on a stand-alone basis (e.g. wireless devices and voice and data services), revenue is recognized for each element as if it were an individual contract. Total contract consideration is allocated between the separate elements based on relative stand-alone selling prices. The Group applies judgement in both identifying separate elements and allocating consideration between them.

f) Reasonable certainty and determination of lease terms

The lease term is a key determinant of the size of the lease liability and right-of-use asset recognized where the Group acts as lessee. In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated).

CABLE BAHAMAS LTD.

Notes to the Consolidated Financial Statements
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(Continued)
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4. Critical Accounting Judgements and Key Sources of Estimation Uncertainty (Continued)

f) Reasonable certainty and determination of lease terms

For leases that allow for an extension option, the Group performed an assessment of its expectations to continue to use the assets and the expected length of time for which extension options would be reasonably certain. The following considerations represent significant economic incentives to continue to exercise extension options:

- A known impediment such as high costs to remove or relocate the assets,
- Indirect cost due to the possibility of an unsustainable reduction in revenue based on the removal of a necessary piece of the service network, or
- The unavailability of suitable alternative sites.

The Group is typically reasonably certain of exercising extension options on its leases, especially those related to its network assets, primarily due to the significant cost that would be required to relocate the network towers and related equipment.

g) Capitalizing direct labor

During its operations, the Group, where applicable, capitalizes certain direct labor costs associated with the acquisition, construction, development, or improvement of the network to property, plant, and equipment. The capitalized amounts are calculated based on allocated time on projects that are capital in nature. Capitalized amounts increase the cost of the asset and result in a higher carrying cost and depreciation expense in future periods.

h) Capitalization of configuration and customization costs in SaaS arrangements

Part of the customization and configuration activities undertaken in implementing SaaS arrangements may entail the development of software code that enhances or modifies, or creates additional capability to the existing on-premise software to enable it to connect with the cloud-based software applications. Judgement is applied in determining whether the additional code meets the definition of, and the recognition criteria for, an intangible asset in IAS 38 *Intangible Assets*.

i) Determination whether configuration and customization services are distinct from the SaaS access

Costs incurred to configure or customize the cloud provider's application software are recognized as operating expenses when the services are received. In a contract where the cloud provider provides both the SaaS configuration and customization, and the SaaS access over the contract term, the management applies judgement to determine whether these services are distinct from each other or not, and therefore, whether the configuration and customization costs incurred are expensed as the software is configured or customized (i.e. upfront), or over the SaaS contract term.

CABLE BAHAMAS LTD.

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(Continued)
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4. Critical Accounting Judgements and Key Sources of Estimation Uncertainty (Continued)

i) Determination whether configuration and customization services are distinct from the SaaS access (continued)

Specifically, where the configuration and customization activities significantly modify or customize the cloud software, these activities are not distinct from the access to the cloud software over the contract term. Judgement has been applied in determining whether the degree of customization and modification of the cloud-based software is significant.

5. Short-Term Investments

The Group holds United States treasury bills and Bahamas Government bonds as lower-risk investments, with maturities of one (1) year or less. The business model for managing these financial assets is to hold to trade within the near term rather than to hold to collect.

The Group classifies the following financial assets at fair value through profit or loss (FVTPL):

	2025 \$	2024 \$
Bahamas Government Registered Stock	14,906,440	-
United States government debt securities	34,200,649	33,205,048
	<u>49,107,089</u>	<u>33,205,048</u>
Fair value gain/(loss) on investments at FVTPL	<u>(668,086)</u>	<u>219,495</u>

6. Trade and Other Receivables

Trade and other receivables comprise the following:

	2025 \$	2024 \$
Subscribers	27,386,031	21,087,191
Other related party receivable (Note 26)	9,024,007	9,024,007
Other	6,504,808	6,242,782
	<u>42,914,846</u>	<u>36,353,980</u>
Allowance for expected credit losses	<u>(5,902,804)</u>	<u>(4,307,470)</u>
	<u>37,012,042</u>	<u>32,046,510</u>

Trade receivables are non-interest bearing and are generally on payment terms of net 30 to 90 days.

CABLE BAHAMAS LTD.

Notes to the Consolidated Financial Statements
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6. Trade and Other Receivables (Continued)

The movement in allowance for expected credit losses are as follows:

	2025 \$	2024 \$
Balance at the beginning of the year	4,307,470	3,715,367
Amounts written off during the year	(1,297,770)	(1,828,629)
Amounts recovered during the year	269,503	188,947
Allowance recognized in the consolidated statement of profit or loss and other comprehensive income	2,623,601	2,231,785
Balance at the end of the year	5,902,804	4,307,470

The following table details the risk profile of trade receivables based on the Group's provision matrix. The Group's allowance for credit losses based on past due status is further distinguished between the Group's customer segments, as different loss patterns have been historically observed. Management has performed the analysis of expected credit loss for the year resulting in no material impact to the financial statements. No allowance for expected credit losses has been recognized for other receivables and other related party receivable.

June 30, 2025								
Corporate and Government	Days past due							Total
	≤30 \$	31-60 \$	61-90 \$	91-120 \$	121-150 \$	151-180 \$	≥181 \$	
Expected credit loss rate	5%	5%	6%	8%	8%	20%	79%	
Estimated total gross carrying amount at default	4,832,885	2,227,088	1,698,460	1,359,559	5,229,455	2,155,662	3,908,956	21,412,065
Lifetime ECL	255,567	80,858	100,086	105,042	411,182	428,201	3,072,238	4,453,174
Residential								
Residential	Days past due							Total
	≤30 \$	31-60 \$	61-90 \$	91-120 \$	121-150 \$	151-180 \$	≥181 \$	
Expected credit loss rate	9%	18%	50%	86%	98%	98%	99%	
Estimated total gross carrying amount at default	3,798,392	1,024,028	362,416	142,776	118,188	106,312	421,854	5,973,966
Lifetime ECL	330,671	180,556	179,884	122,358	115,370	104,081	416,710	1,449,630
June 30, 2024								
Corporate and Government*	Days past due							Total
	≤30 \$	31-60 \$	61-90 \$	91-120 \$	121-150 \$	151-180 \$	≥181 \$	
Expected credit loss rate	5%	5%	6%	9%	14%	31%	53%	
Estimated total gross carrying amount at default	4,951,805	1,902,084	1,334,248	1,266,045	1,084,207	551,655	3,560,729	14,650,773
Lifetime ECL	224,509	89,293	76,558	110,154	155,226	172,712	1,890,131	2,718,583
Residential								
Residential	Days past due							Total
	≤30 \$	31-60 \$	61-90 \$	91-120 \$	121-150 \$	151-180 \$	≥181 \$	
Expected credit loss rate	11%	17%	42%	84%	98%	98%	99%	
Estimated total gross carrying amount at default	3,678,615	1,544,027	442,809	191,829	147,361	133,328	298,449	6,436,418
Lifetime ECL	405,094	266,496	184,688	161,455	143,799	130,906	296,449	1,588,887

*The increase in gross carrying amounts in government receivables is the main driver for the decrease in ECL rates in 2025. For Government, the ECL rate is considered de-minimis.

CABLE BAHAMAS LTD.

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7. Prepaid Expenses and Deposits

	2025 \$	2024 \$
Deposits	1,359,187	4,665,141
Government and regulatory fees	3,084,876	4,031,692
Prepaid insurance	440,068	146,205
Support and maintenance contracts	3,294,781	2,405,898
Other	49,344	154,392
	<u>8,228,256</u>	<u>11,403,328</u>

Deposits include \$514,422 (2024: \$849,419) for mobile network expansion and \$Nil (2024: \$2,313,099) in tax deposit paid to the Department of Inland Revenue. Refer to Note 19 for details of the tax deposit paid by the Group.

Government and regulatory fees represent amounts paid for communication fees and regulatory fees paid to Utilities Regulation and Competition Authority ("URCA"). Support and maintenance contracts relate to prepayments made to various vendors that support the fixed and mobile networks of the Group.

8. Contract Assets

The table below provides a reconciliation of the change in the contract assets balance. The Group recognizes contract assets on subsidies given to customers in relation to bundled contracts, as well as costs to obtain contracts. Where the right to consideration, from the transfer of products or services to customers extends beyond twelve months, that portion of the contract asset is presented as a non-current asset on the consolidated statement of financial position.

	2025 \$	2024 \$
<i>Contract assets relating to bundled contracts</i>		
Balance as at the beginning of the year	548,862	747,155
Revenue recognized	348,858	560,475
Transferred to trade receivables	(99,768)	(671,732)
Terminations	<u>(177,555)</u>	<u>(87,036)</u>
	620,397	548,862
Allowance for expected credit losses	<u>(25,847)</u>	<u>(233,854)</u>
Balance as at the end of the year	<u>594,550</u>	<u>315,008</u>
<i>Costs to obtain contracts</i>		
Balance as at the beginning of the year	339,695	459,103
Incremental costs of new contracts	364,503	450,950
Amortization included in cost of sales	<u>(439,629)</u>	<u>(519,924)</u>
Charges included in operating expenses	-	(50,434)
Balance as at the end of the year	<u>264,569</u>	<u>339,695</u>
	<u>859,119</u>	<u>654,703</u>

CABLE BAHAMAS LTD.

Notes to the Consolidated Financial Statements For the Year Ended June 30, 2025 (Continued) (Expressed in Bahamian dollars)

8. Contract Assets (Continued)

The balance included in contract assets on the consolidated statement of financial position are outlined below:

	2025	2024
	\$	\$
Non-current portion	168,684	573,180
Current portion	690,435	81,523
	<u>859,119</u>	<u>654,703</u>

Movement in contract assets' expected credit loss allowance is as follows:

	2025	2024
	\$	\$
Balance as of the beginning of the year	(233,854)	(233,854)
Expected credit losses	208,007	-
Balance as of the end of the year	<u>(25,847)</u>	<u>(233,854)</u>

CABLE BAHAMAS LTD.

Notes to the Consolidated Financial Statements For the Year Ended June 30, 2025 (Continued) (Expressed in Bahamian dollars)

9. Property, Plant and Equipment

The movement in property, plant and equipment during the year is as follows:

	Land & Buildings \$	Network Infrastructure \$	IT, Furniture & Other Equipment \$	Vehicles \$	Construction in Progress \$	Total \$
COST:						
Balance at June 30, 2023	73,544,584	636,566,296	13,313,681	14,758,883	47,179,045	785,362,489
Modifications to right-of-use asset	11,628	-	-	-	-	11,628
Additions	713,823	45,656,884	15,222,986	2,032,729	7,292,852	70,919,274
Transfer of assets	626,741	37,072,008	8,926,140	1,367,867	(49,116,013)	(1,123,257)
Disposals	(717,078)	(7,463)	(98,369)	-	-	(822,910)
Balance at June 30, 2024	74,179,698	719,287,725	37,364,438	18,159,479	5,355,884	854,347,224
Modifications to right-of-use asset	146,189	-	-	-	-	146,189
Additions	2,730,607	36,810,393	5,732,945	949,333	6,847,262	53,070,540
Transfer of assets	-	1,501,616	(248,987)	5,500	(1,525,855)	(267,726)
Disposals	-	(821,989)	(42,478)	(8,400)	-	(872,867)
Balance at June 30, 2025	<u>77,056,494</u>	<u>756,777,745</u>	<u>42,805,918</u>	<u>19,105,912</u>	<u>10,677,291</u>	<u>906,423,360</u>
ACCUMULATED DEPRECIATION:						
Balance at June 30, 2023	27,040,549	431,844,897	10,117,441	14,119,360	-	483,122,247
Depreciation	2,273,828	39,307,361	16,575,310	1,324,242	-	59,480,741
Transfer of Assets	-	-	-	-	-	-
Disposals	(87,448)	(4,797)	(350)	-	-	(92,595)
Balance at June 30, 2024	29,226,929	471,147,461	26,692,401	15,443,602	-	542,510,393
Modifications to right-of-use asset	15,647	-	-	-	-	15,647
Depreciation	2,150,287	48,709,104	4,345,612	829,656	-	56,034,659
Transfer of assets	-	-	(186,801)	-	-	(186,801)
Disposals	-	(428,610)	(13,280)	-	-	(441,890)
Balance at June 30, 2025	<u>31,392,863</u>	<u>519,427,955</u>	<u>30,837,932</u>	<u>16,273,258</u>	<u>-</u>	<u>597,932,008</u>
CARRYING VALUE:						
As at June 30, 2025	45,663,631	237,349,790	11,967,986	2,832,654	10,677,291	308,491,352
As at June 30, 2024	44,952,769	248,140,264	10,672,037	2,715,877	5,355,884	311,836,831

During the year, the Group revised the presentation of its property, plant and equipment note disclosure to align asset classes with the general use of the assets. Accordingly, the disclosure has been rearranged to reflect the updated asset classifications. This change relates only to the presentation of the asset classes and did not result in any impact on the total cost, accumulated depreciation, depreciation charge, or net book value reported for prior years.

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9. Property, Plant and Equipment (Continued)

At the beginning of the fiscal year 2022, the Group took a decision to transition its fixed distribution network in New Providence from hybrid-fiber coaxial (HFC) to fiber-to-the-home (FTTH), an undertaking which it projected would take four (4) years to complete. In the current year, the Group made a similar decision to transition its fixed distribution network in Abaco from HFC to FTTH, with the project estimated to take one (1) year and five (5) months to complete. Additionally, the Group undertook an impairment assessment of the cash-generating unit (CGU) to which the HFC assets relate, the result of which was that no impairment loss has been recognized. The Group also reassessed the useful life of the HFC assets to be decommissioned in both New Providence and Abaco to determine whether a prospective change was required to either shorten or extend the useful life in line with the respective project terms. The project's term for New Providence was extended by an additional six (6) months, bringing the total extension to one (1) year. The useful life of the HFC assets in Abaco was required to be reduced to align with the project term, resulting in the recognition of additional depreciation expense of \$1,071,493 for the year ended June 30, 2025.

The calculation of value-in-use involved in the impairment assessment of the CGU is most sensitive to the discount rate assumption. The discount rate represents the current market assessment of the risks specific to the CGU, taking into consideration the time value of money and individual risks of the underlying assets that have not been incorporated in the cash flow estimates. The discount rate is derived from the weighted average cost of capital (WACC) of the Company. The WACC takes into account both debt and equity. The cost of equity is derived from the expected return on investment by the Group's investors. The cost of debt is based on the interest-bearing borrowings the Group is obliged to service.

A discount rate exceeding 14.8% (2024: 15.4%) in the CGU would lead to the recognition of an impairment loss.

Property, plant and equipment on the consolidated statement of financial position comprises both owned and leased assets that do not meet the definition of investment property.

	2025	2024
	\$	\$
Property, plant and equipment owned	265,397,458	269,084,029
Right-of-use assets	43,093,894	42,752,802
	<u>308,491,352</u>	<u>311,836,831</u>

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9. Property, Plant and Equipment (Continued)

The following table provides information on the right-of-use assets included in property, plant and equipment on the consolidated statement of financial position.

	Land	Commercial Buildings	Network Systems and Infrastructure	Total
	\$	\$	\$	\$
Net carrying amount at				
June 30, 2024	19,198,302	655,501	22,898,999	42,752,802
June 30, 2025	19,818,246	705,722	22,569,926	43,093,894
Depreciation expense for the year ended				
June 30, 2024	757,225	404,969	1,161,194	2,323,388
June 30, 2025	610,264	420,114	1,138,921	2,169,299
Total additions during the year				
June 30, 2024	273,758	207,308	-	481,066
June 30, 2025	1,105,674	464,327	809,848	2,379,849
Total disposals during the year				
June 30, 2024	(717,081)	-	-	(717,081)
June 30, 2025	-	-	-	-

10. Intangible Assets

Intangible assets included in the consolidated statement of financial position consist of the following:

Communications licenses

The Company has an Individual Operating License ("IOL") and an Individual Spectrum License ("ISL") issued by URCA to provide any network or carriage services in accordance with the conditions of the licenses. This allows the Group to provide telephony, cable television, and internet services in The Bahamas. The Group has recognized costs required to fully utilize its communications licenses as an intangible asset, amortized over the remaining term of the licenses which expired on October 14, 2024, accordingly, the intangible asset related to these licenses has been fully amortized. These licenses have been awarded for an additional term of fifteen (15) years that expire on October 16, 2039 for no costs and, accordingly, no intangible asset has been recognized for the renewed communications licenses.

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10. Intangible Assets (Continued)

Aliv has an IOL, authorizing the operation of an electronic communications network and provision of carriage services; and, an ISL, authorizing the use of specific allocations of premium radio spectrum. Both licenses have been awarded for a term of fifteen years that expire on June 29, 2031.

The Group recognized all costs associated with the issuance of the IOL and ISL to Aliv as an intangible asset. These costs are being amortized on a straight-line basis over the term of the licenses.

Software and licenses

All costs associated with internally developed and purchased software and licenses are capitalized including all costs associated with placing the software into service and all costs are amortized on a straight-line basis over their estimated useful lives, which is five (5) to ten (10) years.

*Acquired licenses**Grand Bahama Port Authority License*

Cable Freeport is licensed by the Grand Bahama Port Authority to exclusively conduct its cable television business in the Freeport area through the year 2054. This license is being amortized on a straight-line basis over the term of the license. SRG has also been licensed by the Grand Bahama Port Authority to provide telecommunications services in the Freeport area.

Intangible assets acquired as a part of the acquisition of SRG included Spectrum and Communications Licenses, collectively the "Acquired Licenses". The Spectrum license allows SRG to use the Assigned Radio Spectrum in The Bahamas. The Communications License allows the licensee within, into, from, and through The Bahamas a right to provide Carriage Services and to establish, maintain, and operate one or more networks. As these licenses are of a similar nature and have the same term for reporting and disclosure purposes, they are classified together as the Acquired Licenses.

Both licenses expired in 2024 on the anniversary of their grant dates and were renewed for an additional term of fifteen years expiring in 2039. No costs were incurred in connection with the renewal, and, accordingly, no intangible asset has been recognized for the renewed licenses.

Work in progress

The work in progress in prior year represents the development costs associated with the billing software for the FTTH network.

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10. Intangible Assets (Continued)

The movement in intangible assets during the year consists of the following:

	Communications License	*Software and License	Acquired Licenses	Work in Progress	Total
	\$	\$	\$	\$	\$
COST					
Balance at June 30, 2023	72,830,680	22,785,223	19,368,563	2,248,270	117,232,736
Assets acquired	-	2,239,790	-	-	2,239,790
Transfers/adjustments**	-	3,371,527	-	(2,248,270)	1,123,257
Disposals	-	-	-	-	-
Balance at June 30, 2024	72,830,680	28,396,540	19,368,563	-	120,595,783
Assets acquired	-	2,703,455	-	-	2,703,455
Transfers/adjustments**	-	267,726	-	-	267,726
Disposals	-	-	-	-	-
Balance at June 30, 2025	72,830,680	31,367,720	19,368,563	-	123,566,963
AMORTIZATION					
Balance at June 30, 2023	37,237,010	11,875,900	15,915,845	-	65,028,755
Amortization for the year	4,897,920	2,918,987	967,734	-	8,784,641
Disposals	-	-	-	-	-
Balance at June 30, 2024	42,134,930	14,794,887	16,883,579	-	73,813,396
Amortization for the year	4,525,879	6,006,793	361,557	-	10,894,229
Transfers/adjustments**	-	186,801	-	-	186,801
Disposals	-	-	-	-	-
Balance at June 30, 2025	46,660,809	20,988,481	17,245,136	-	84,894,426
CARRYING VALUE:					
June 30, 2025	26,169,871	10,379,239	2,123,427	-	38,672,537
June 30, 2024	30,695,750	13,601,653	2,484,984	-	46,782,387

*Software and licenses include capitalized development costs representing internally generated intangible assets totaling \$1,623,232 (2024: \$1,435,811). During the year, the Group recognized \$2,191,139 (2024: \$1,363,624) in software and licenses in respect of customization and configuration costs incurred in implementing SaaS arrangements.

** The transfers/adjustments represent software and licenses amounting to \$267,726 (2024: \$1,123,257), which were classified under property, plant, and equipment as construction in progress in the prior years have been reclassified as intangible assets under the category of software and licenses. There was a transfer/adjustment to the amortization from the reclassification in the prior year for \$186,801.

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11. Accounts Payable and Accrued Liabilities

Accounts payable and accrued liabilities comprise the following:

	2025 \$	2024 \$
Government and statutory agencies	20,374,526	18,544,819
Trade payables	20,692,764	18,588,403
Other liabilities	3,197,841	4,103,764
Payroll and employee benefits	2,754,069	3,353,957
	<u>47,019,200</u>	<u>44,590,943</u>

In prior years, URCA issued Preliminary Determinations outlining perceived breaches by the Group relating to the non-payment of fees with respect to its operations in Grand Bahama. URCA asserts that the Group is in breach of Parts IV and XVI of the Communications Act and as such has pursued regulatory measures against the Group with the view to resolve this matter. The Group has maintained that based on provisions of the Hawksbill Creek Agreement, URCA does not have a legal basis to license its operations in Grand Bahama, and has commenced legal proceedings to defend this position. At June 30, 2025 and 2024, a provision has been recognized for what the Group considers to be a probable future outflow and included under amounts payable to the Government and statutory agencies.

On November 21, 2022, URCA issued a Final Determination and Order against the Company with respect to certain matters relating to its compliance with quality of service standards in the provision of its pay television services during the period January to December 2021. At June 30, 2025 and 2024, a provision has been recognized for what the Group considers to be a probable future outflow and included under amounts payable to the Government and statutory agencies. The parties are in negotiations to settle the matter.

In addition to the above, amounts payable to the Government and statutory agencies as of year-end include liabilities owed for value added tax, customs duties, and regulatory and licensing fees.

Accounts payable and accrued liabilities are non-interest bearing. Refer to Note 25 for relevant details on the Group's liquidity risk management processes and payment terms.

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12. Lease Liabilities

The lease liabilities corresponding to the right-of-use assets disclosed in Note 9 carry terms ranging from five (5) to forty (40) years from inception and are discounted using the incremental borrowing rate. As at June 30, 2025 and 2024, the balance outstanding included in lease liabilities on the consolidated statement of financial position are outlined below:

	2025 \$	2024 \$
Non-current portion	52,828,001	52,217,123
Current portion	<u>1,992,654</u>	<u>2,675,669</u>
	<u>54,820,655</u>	<u>54,892,792</u>

Amounts recognized in profit or loss and statement of cash flows related to leases are as follows:

	2025 \$	2024 \$
Interest expense on lease liabilities	4,559,084	4,569,833
Expense relating to short-term leases	799,346	1,208,542
Expense relating to low-value leases	-	-
Cash outflows on lease liabilities:		
Interest paid	5,115,502	4,132,788
Principal paid	1,453,980	2,142,970

13. Notes Payable and Loans

	2025 \$	2024 \$
<i>Notes Payable</i>		
Series A: 8.00%; 2026	8,324,000	12,486,000
Series B: 8.50%; 2031	<u>34,291,250</u>	<u>39,190,000</u>
	42,615,250	51,676,000
Unamortized cost	<u>(297,688)</u>	<u>(641,657)</u>
Total notes payable	<u>42,317,562</u>	<u>51,034,343</u>

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13. Notes Payable and Loans (Continued)

	2025	2024
	\$	\$
Movement in notes payable is as follows:		
Opening balance	51,034,343	54,985,680
Principal payment	(9,060,750)	(4,162,000)
Interest expense	4,302,401	4,720,404
Interest paid	(3,958,432)	(4,509,741)
Closing balance	<u>42,317,562</u>	<u>51,034,343</u>

Series A unsecured notes mature on December 31, 2026, following five (5) equal annual installments commencing on December 31, 2022, with interest payable at the rate of 8.00% per annum. Series B unsecured notes mature on December 31, 2031 following eight (8) equal annual installments commencing on December 31, 2024, with interest payable at the rate of 8.50% per annum. Interest on the notes is payable semi-annually on the last business day in June and December each year. Interest expense for the year totaled \$4,302,401 (2024: \$4,720,404).

14. Preferred Shares

	2025	2024
	\$	\$
Opening balance	271,311,341	285,125,457
Issued during the year	64,000,000	-
Redeemed during the year	-	(14,000,000)
Dividend expense	21,589,024	17,757,473
Dividend paid	(19,767,199)	(17,571,589)
Loss on modification	597,379	-
Transaction costs attributable to new issues	<u>(3,141,645)</u>	<u>-</u>
Closing balance	<u>334,588,900</u>	<u>271,311,341</u>
Preferred shares – current portion	1,604,384	14,748,713
Preferred shares – non-current portion	332,984,516	256,562,628

Details of preferred shares authorized, issued and outstanding

Authorized:
10,000 shares par value B\$1,000
25,000,000 shares par value B\$0.01
Issued and outstanding

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14. Preferred Shares (Continued)

Series Name	Issued Amount	Par Value	Dividend Rate	Face Value	Maturity Date
2025					
Series Fifteen cumulative redeemable preferred shares	128,500	B\$0.01	5.50%	B\$1,000	Jun-32
Series Two cumulative redeemable amortizing preferred shares	120,000	B\$1,000	8.00%	B\$1,000	Oct-34
Series Sixteen cumulative redeemable preferred shares	90,500	B\$0.01	6.00%	B\$1,000	Jun-37
2024					
Series One cumulative redeemable amortizing preferred shares	56,000	B\$1,000	8.00%	B\$1,000	Oct-27
Series Fifteen cumulative redeemable preferred shares	128,500	B\$0.01	5.50%	B\$1,000	Jun-32
Series Sixteen cumulative redeemable preferred shares	90,500	B\$0.01	6.00%	B\$1,000	Jun-37

Preferred shares issued by the Group are unsecured and do not carry voting rights. They pay dividends semi-annually and are ranked ahead of the ordinary shares in the event of liquidation. Proceeds from the issuance of these shares were used to either settle short-term debt commitments or fund capital investments. The preferred shares may be redeemed at the option of the Group with ninety (90) days written notice to the shareholders. As the preferred shares are mandatorily redeemable on a specific date (or in the case of Series 1 and 2 amortizing preferred shares, specific dates), they are recognized as financial liabilities in the consolidated financial statements.

Refinancing of preferred shares

During the year, the Group refinanced and redeemed Series One preferred shares with the issuance of Series Two preferred shares with a dividend rate of 8.00%. Series Two preferred shares mature on October 31, 2034, with redemption occurring in five (5) equal annual installments commencing on October 31, 2030.

The offering of Series Two also resulted in additional gross subscriptions of \$64,000,000 with net proceeds of \$60,858,355 after transaction fees of \$3,141,645.

This transaction has been recognized as an extinguishment of an existing financial liability and the recognition of a new financial liability, which led to a loss on extinguishment amounting to \$597,379.

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15. Ordinary Share Capital

Ordinary share capital is comprised of the following:

	2025	2024
Issued and fully paid ordinary shares of no par value	<u>43,887,035</u>	<u>43,887,035</u>
	2025	2024
	\$	\$
Ordinary share capital	<u>30,367,307</u>	<u>30,367,307</u>

The authorized ordinary share capital of the Company is \$20,000,000 comprised of 60,000,000 ordinary shares of no par value.

The number of ordinary shares outstanding as at June 30, 2025 was 43,214,593 (2024: 43,444,410) and the weighted average number of ordinary shares was 43,401,239 (2024: 43,439,846).

Ordinary dividends per share

Dividends of \$0.16 per share (2024: \$0.12 per share) were declared and paid to ordinary shareholders. The amount of dividends declared and paid was adjusted for treasury shares at the time of the declarations of the dividends which in aggregate totaled \$107,927 (2024: \$26,557).

Earnings per share

The earnings used in the calculation of basic and diluted earnings per share are as follows:

	2025	2024
	\$	\$
Earnings used in calculation of basic and diluted earnings per share on profit or loss - attributable to ordinary equity holders of the Parent	(4,453,977)	(5,259,283)

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15. Ordinary Share Capital (Continued)

The weighted average numbers of ordinary shares used in the calculation of basic and diluted earnings per share are as follows:

	2025	2024
Weighted average of ordinary shares used in calculation of basic earnings per share	43,401,239	43,439,846
Number of dilutive shares under share option	-	-
Weighted average of ordinary shares used in calculation of diluted earnings per share	<u>43,401,239</u>	<u>43,439,846</u>

16. Treasury Shares

Treasury shares are ordinary shares that are held by the Parent in order to enable management's long-term capitalization strategy, in line with the Group's capital risk management structure. The movement in shares during the year is as follows:

	2025	2025	2024	2024
	<u>No. of shares</u>	<u>Dollar value</u>	<u>No. of shares</u>	<u>Dollar value</u>
		\$		\$
Opening balance, beginning of year	442,625	2,413,835	453,674	2,433,145
Acquisition of shares	262,417	945,691	-	-
Sale or transfer of shares	<u>(32,600)</u>	<u>(125,510)</u>	<u>(11,049)</u>	<u>(19,310)</u>
Ending balance, end of the year	<u>672,442</u>	<u>3,234,016</u>	<u>442,625</u>	<u>2,413,835</u>

17. Commitments and Contingent Liabilities

The Group has a facility for corporate credit cards and letters of guarantee in the amount of \$1,250,000 (2024: \$1,200,000) held with its bank. The Group also has a letter of guarantee with a vendor in the amount of \$1,500,000 (2024: Nil).

The Group has in place a letter of guarantee with its bank in the amount of \$100,000 (2024: \$100,000) which is considered restricted cash and is included in the term deposits balance; and capital commitments of \$1,489,079 (2024: \$5,130,625) in relation to the acquisition of network infrastructure.

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17. Commitments and Contingent Liabilities (Continued)

The Group has insurance coverage to certain limits for major risks on property and major claims in connection with legal liabilities arising in the course of operations.

18. Revenue

Set out below is the disaggregation of the Group's revenue from contracts with customers:

Revenue by Stream

	2025	2024
	\$	\$
Service Revenue - Prepaid	68,392,524	64,451,491
Service Revenue - Mobile postpaid	23,486,052	22,867,946
Service Revenue - Fixed postpaid	117,617,288	120,598,181
Sale of telecommunication equipment	8,298,483	9,834,927
Equipment rental revenue	9,587,266	8,889,712
Interconnect & Roaming	12,007,554	12,685,951
Other	2,784,120	2,652,846
	<u>242,173,287</u>	<u>241,981,054</u>

Revenue by Customer Type

	2025	2024
	\$	\$
Consumer - Fixed	77,314,072	79,101,661
Consumer - Mobile	90,614,735	89,014,075
Corporate and Government - Fixed	52,255,256	52,138,846
Corporate and Government - Mobile	20,414,996	20,089,879
Other	1,574,228	1,636,593
	<u>242,173,287</u>	<u>241,981,054</u>

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19. Operating Expenses

Operating expenses consist of the following:

	2025	2024
	\$	\$
Direct costs	25,023,094	31,387,344
Administrative	27,459,914	27,285,993
Commercial and Customer Operations	24,950,791	23,382,357
Programming costs	17,010,910	17,788,316
Network operations	12,216,207	9,119,146
Engineering	26,676,672	25,491,128
Government and regulatory fees	19,197,225	14,730,848
	<u>152,534,813</u>	<u>149,185,132</u>

Direct costs include the cost of inventory sold amounting to \$9,924,798 (2024: \$13,572,342) and voice termination costs paid to other network carriers.

Administrative expenses include the audit fees related to the consolidated financial statements of the Group for the year ended June 30, 2025, amounting to \$336,000 (2024: \$333,500) along with audit fees of \$40,000 (2024: \$50,000) associated with an audit prescribed by the DIR. No non-audit services were provided by the external auditors for the fiscal years ended June 30, 2025, and June 30, 2024.

The mapping of the operating expenses under the above categories for the prior year has been adjusted to correspond with the current year's presentation.

As of June 30, 2024, the Company and Aliv were involved in formal disputes with the Department of Inland Revenue (DIR) regarding assessments issued by the DIR for unpaid taxes and fees totaling \$2,313,099. Aliv's assessment, covering the period from April 1, 2017, to March 31, 2022, amounted to \$1,594,269 and related to VAT and business license fees on insurance proceeds, international inbound roaming charges, and other items. The Company's assessment, covering the period from January 1, 2018, to June 30, 2022, amounted to \$718,830 and pertained to VAT on international inbound voice charges. The Group, with the assistance of legal counsel, had initiated formal disputes against the DIR and, to avoid potential penalties, had deposited the disputed amounts with the DIR. These payments were made without waiving any rights in the ongoing disputes, and the Group intended to vigorously contest the assessments. However, as the matter progressed during the year, further legal evaluation and discussions with legal counsel indicated that it is more likely than not that the dispute will be resolved in the DIR's favour. Considering this evolving context, the Group made a strategic decision to settle the dispute and avoid further financial exposure. As a result, the tax deposit paid by the Group to the DIR which was previously recorded under Prepaid Expenses and Deposits at the prior year end was expensed under Government and regulatory fees during the current year. Furthermore, in connection with

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19. Operating Expenses (Continued)

the settlement and to reflect ongoing compliance for periods subsequent to the assessments, additional amounts of \$905,102 for Aliv and \$320,206 for the Company, relating to the period from the end of the respective assessment periods to the settlement date, were also expensed under Government and regulatory fees during the current year.

20. Employee Compensation

For the year ended June 30, 2025, employee compensation costs totaled \$45,542,947 (2024: \$37,696,272).

The Group participates in externally managed pension plans. Under the terms of the defined contribution plans, the Group matches employee contributions up to a maximum percentage of salary for its staff and for executive management. The Group's contributions for the year amounted to \$903,525 (2024: \$821,439).

Long-term incentive compensation plan

Aliv operates a long-term incentive plan for its eligible management and employees, using "reference shares" that mirror the fair value of ordinary shares and are settled through cash payments. Reference shares are allocated subject to acceleration, forfeiture, and other conditions, and vest four years from the date of employment. Unpaid awards are forfeited after ten years. The plan aligns participants' interests with Aliv's shareholders by providing compensation tied to the growth in fair value of Aliv's shares above a pre-established threshold. At inception, 100 reference shares equaled one ordinary share. The maximum allocation under the plan is 25,000 reference shares, representing 5% of fully diluted ownership at inception. As at June 30, 2025, all relevant terms and conditions were not yet met or assessed, and accordingly, there has been no recognition of additional compensation expense in relation to the reference shares during the current year (2024: Nil).

	Shares Issued	Shares Vested
Balance as of June 30, 2024	21,900	19,122
Additions	-	-
Forfeitures	(985)	(985)
Balance as of June 30, 2025	20,915	18,137
	Shares Issued	Shares Vested
Balance as of June 30, 2023	22,395	19,617
Additions	-	-
Forfeitures	(495)	(495)
Balance as of June 30, 2024	21,900	19,122

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20. Employee Compensation (Continued)

Share-based option plan

The Group has a share-based option plan for key executives of the Group, and under the terms of the plan, the maximum number of shares that may be issued upon the exercise of options shall not exceed 10% of the issued and outstanding shares of the Group and vest equally over four (4) years. Options are granted under the plan for no consideration. The options carry no dividend or voting rights, and they are settled in shares.

The options are recorded at the fair value on the grant date, which was determined using the Black Scholes options pricing model. The inputs to this model as it relates to the options granted during the year included the exercise price of \$3.06, the share price of \$3.30 on the grant date, expected price volatility of the Group's equity shares of 25.88%, dividend yield of the Group's equity shares of 4.85%, the expiry date of the options, and the risk-free interest rate of 4.25%. There were no options granted during the prior year.

The following share-based options were in existence during the current and prior years:

	Number of share options		Vesting date	Exercise price	Fair value at grant date
	2025	2024		\$	\$
First tranche	-	165,000	23-Apr-19	3.72	2.36
Second tranche	1,167,351	1,199,951	27-Mar-23	2.22	2.22
Third tranche	367,000	371,250	22-Oct-24	2.99	0.88
Fourth tranche	343,750	353,250	16-Nov-25	3.09	1.62
Fifth tranche	542,500	600,000	9-Dec-26	3.95	1.82
Sixth tranche	526,185	-	20-Dec-28	3.06	0.43
Total	2,946,786	2,689,451			

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20. Employee Compensation (Continued)

Movements in the share-based options plan are shown below:

	Movement in number of share-based options		Weighted average exercise price	
	2025	2024	2025	2024
	\$	\$	\$	\$
Outstanding, beginning of year	2,689,451	2,741,750	2.92	2.91
Granted	560,185	-	3.06	-
Forfeited	(105,250)	(41,250)	3.46	3.06
Exercised	(197,600)	(11,049)	3.47	2.92
Outstanding, end of year	<u>2,946,786</u>	<u>2,689,451</u>	2.89	2.92
Exercisable	<u>2,093,101</u>	<u>2,188,996</u>	2.71	2.74

The total number of share options vested as at June 30, 2025 was 2,093,101 (2024: 2,188,996). The decrease in fair value of the share options vested during the year was \$26,423 (2024: increase of \$600,000) and is included in operating expenses in the consolidated statement of profit or loss and other comprehensive income. The fair value of the share options exercised during the year was \$461,770 (2024: \$Nil). The cumulative fair value of share options vested at June 30, 2025 is \$3,877,531 (2024: \$4,365,724).

21. Related Party Balances and Transactions

Compensation of directors and key management personnel:

	2025	2024
	\$	\$
Short-term benefits	3,349,616	3,842,651
Long-term benefits – share-based plan	281,450	217,739
Post-employment benefits	<u>106,967</u>	<u>140,663</u>
	<u>3,738,033</u>	<u>4,201,053</u>

Total remuneration of directors and key executive personnel is determined by the Compensation Committee of the Board of Directors having regard to qualifications, performance and market trends. These balances are included in operating expenses in the consolidated statement of profit or loss and other comprehensive income.

CABLE BAHAMAS LTD.

Notes to the Consolidated Financial Statements
For the Year Ended June 30, 2025
(Continued)
(Expressed in Bahamian dollars)

21. Related Party Balances and Transactions (Continued)

Other balances and transactions with related parties:

	Key Management Personnel	Other Related Parties
	\$	\$
2025		
Balances at the end of the year:		
Accounts payable and accrued liabilities	194	86,862
Notes payable, interest and long-term debt	110,000	-
Preferred shares	20,000	9,450,000
Transactions during the year:		
Revenue	4,874	290,501
Operating expenses	302,241	1,269,252
Dividends on preferred shares	1,735	777,489

	Key Management Personnel	Other Related Parties
	\$	\$
2024		
Balances at the end of the year:		
Accounts payable and accrued liabilities	194	86,862
Notes payable and long-term debt	150,000	-
Preferred shares	20,000	9,450,000
Transactions during the year:		
Revenue	6,492	269,012
Operating expenses	323,193	989,883
Dividends on preferred shares	1,735	777,489

The related party amounts within the accounts payable and accrued liabilities, preferred shares, and dividends on preferred shares lines comprise balances and transactions with key management personnel (officers and directors of the Company), business entities closely affiliated with any of those persons and ordinary shareholders with significant influence.

22. Fair Values of Financial Assets and Liabilities

The fair value is the amount for which an asset can be exchanged, or liability settled, between knowledgeable, willing parties in an arm's length transaction. Underlying the definition of fair value is the presumption that the Group is a going concern without any intention or need to liquidate or curtail materially the scale of its operations, or undertake a transaction on adverse terms.

CABLE BAHAMAS LTD.

Notes to the Consolidated Financial Statements
For the Year Ended June 30, 2025
(Continued)
(Expressed in Bahamian dollars)

22. Fair Values of Financial Assets and Liabilities (Continued)

In the opinion of management, the estimated fair value of financial assets (the Group's cash, term deposits, and accounts receivable) and financial liabilities (the Group's accounts payable and accrued liabilities, preferred shares, lease liabilities, notes payables, loans, and subscriber deposits) which are not carried at fair value, at the consolidated statement of financial position date were not materially different from their carrying values either due to:

- their immediate or short-term maturity;
- interest rates that approximate current market rates or
- carrying amounts that approximate or equal market value.

Recognized fair value measurements

To provide an indication about the reliability of the inputs used in determining fair value, the Group has classified its financial instruments into the three levels prescribed under the accounting standards. An explanation of each level is as follows:

Level 1: The fair value of financial instruments traded in active markets is based on quoted market prices at the end of the reporting period. The quoted market price used for financial assets held by the Group is the current bid price. The Group holds United States treasury bills which are included in level 1.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques that maximize the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2. The Group holds Bahamas Government bonds which are included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. The Group does not hold any level 3 investments.

The Group recognizes transfers into and out of fair value hierarchy levels as at the end of the reporting period. There were no transfers between levels for recurring fair value measurements during the year.

23. Segment Information

The Group identifies its operating segments as the business components that have an appointed segment manager who is accountable to the chief operating decision maker, and that have discrete financial information from which reports are produced for the benefit of review and assessment of its operating activities, financial results, and resource allocation by the chief operating decision maker. All reportable segments operate in The Bahamas.

CABLE BAHAMAS LTD.

Notes to the Consolidated Financial Statements
For the Year Ended June 30, 2025
(Continued)
(Expressed in Bahamian dollars)

23. Segment Information (Continued)

The accounting policies of the reportable segments are the same as the Group's accounting policies described in Note 3 and services as described in Note 1. Segment profit or loss represents the profit or loss earned by each segment. This is the measure reported to the chief operating decision maker for the purposes of resource allocation and assessment of segment performance.

The details of the various operating segments are as follows:

	2025		2024		
	Cable	ALIV	Segment Totals	Eliminations	Consolidated Totals
	\$	\$	\$	\$	\$
Revenue from external customers	143,953,496	112,352,068	256,305,564	(14,132,277)	242,173,287
Interest expense	2,151,822	19,251,807	21,403,629	(12,542,144)	8,861,485
Depreciation and amortization	46,064,114	23,122,269	69,186,383	(2,257,495)	66,928,888
Reportable segment profit (loss)	(3,679,719)	(4,429,575)	(8,109,294)	1,363,012	(6,746,282)
Operating expenses	95,084,275	65,361,615	160,445,890	(7,911,077)	152,534,813
Reportable segment assets	526,180,944	218,561,544	744,742,488	(228,008,499)	516,733,989
Reportable segment liabilities	282,272,833	366,587,059	648,859,892	(151,087,226)	497,772,666
	2025		2024		
	Cable	ALIV	Segment Totals	Eliminations	Consolidated Totals
Revenue from external customers	145,082,680	110,492,645	255,575,325	(13,594,271)	241,981,054
Interest expense	2,162,940	20,959,971	23,122,911	(13,832,674)	9,290,237
Depreciation and amortization	46,712,311	24,729,206	71,441,517	(3,176,134)	68,265,383
Reportable segment profit (loss)	(7,580,631)	1,446,804	(6,133,827)	2,770,522	(3,363,305)
Operating expenses	89,492,953	65,940,268	155,433,221	(6,248,089)	149,185,132
Reportable segment assets	519,452,229	205,998,488	725,450,717	(255,272,495)	470,178,222
Reportable segment liabilities	274,995,687	338,240,384	613,236,071	(176,987,827)	436,248,244

24. Non-Controlling Interest

The non-controlling interest relates to the 51.75% of ordinary shares in Aliv, held by The Government of The Bahamas through its special purpose holding company, HoldingCo. The Group has a 48.25% shareholding in Aliv and has board and management control.

A Shareholders Agreement dated July 1, 2016 between the Company and HoldingCo governs the ownership of Aliv. The agreement provides guidance and specific requirements and commitments to each of the parties inclusive of ownership structure, capitalization, change of control, reporting and strategic initiatives, investments and related party transactions, and the structure of the Board of Directors. In accordance with the agreement, 51.75% of the capital requirements of Aliv of \$70,167,306 was provided by HoldingCo and the remaining 48.25% in the amount of \$65,421,691 was provided by the Company.

CABLE BAHAMAS LTD.

Notes to the Consolidated Financial Statements
For the Year Ended June 30, 2025
(Continued)
(Expressed in Bahamian dollars)

24. Non-Controlling Interest (Continued)

The movement in non-controlling interest is as follows:

	2025 \$	2024 \$
Balance at beginning of year	(74,310,899)	(98,399,273)
Share of net income (loss) for the year	(2,292,305)	1,895,978
Capital contribution by non-controlling interest (Note 26)	-	22,192,396
Balance, end of year	<u>(76,603,204)</u>	<u>(74,310,899)</u>

25. Risk Management

There are a number of risks inherent in the telecommunications industry that the Group manages on an ongoing basis. Among these risks, the more significant are credit, liquidity, market (foreign exchange, interest rate, price), capital risks and climate-related risks.

Credit risk

Credit risk arises from the failure of a counterparty to perform according to the terms of contracts. From this perspective, the Group's significant exposure to credit risk is primarily concentrated with cash and cash equivalents, trade and other receivables, and its investment in short-term government debt securities. Subscriber deposits are maintained until the services are terminated to offset any outstanding balances due to the Group. In order to limit the amount of credit exposure, accounts in arrears at 90 days are disconnected depending on their credit history. Cash and cash equivalents are predominantly in Bahamian or United States dollars and have been placed with high quality financial institutions. While cash and cash equivalents are also subject to the impairment requirements of IFRS 9, the identified impairment loss was immaterial.

Liquidity risk

Liquidity risk reflects the risk that the Group will not be able to meet an obligation when it becomes due or honor a credit request to a customer and/or related party. The Group maintains a satisfactory portion of its assets in cash and other liquid assets to mitigate this risk. In addition, the Group keeps its trade payables within agreed upon terms with its vendors. On a daily basis, the Group monitors its cash and other liquid assets to ensure that they sufficiently meet the Group's liquidity requirements.

CABLE BAHAMAS LTD.

Notes to the Consolidated Financial Statements
For the Year Ended June 30, 2025
(Continued)
(Expressed in Bahamian dollars)

25. Risk Management (Continued)

Liquidity risk (continued)

The following tables detail the Group's remaining contractual maturity for its non-derivative financial assets, and non-derivative financial liabilities with agreed repayment periods. The tables have been drawn up based on the undiscounted contractual maturities of the financial assets including interest that will be earned on those assets, and the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay. The tables include both interest and principal cash flows. To the extent that interest flows are floating rate, the undiscounted amount is derived from interest rate curves at the end of the reporting period. The contractual maturity is based on the earliest date on which the Group may be required to pay. The inclusion of information on non-derivative financial assets is necessary in order to understand the Group's liquidity risk management as the liquidity is managed on a net asset and liability basis.

	Less than 1 Month \$	1-3 Months \$	3 Months to 1 Year \$	1-5 Years \$	5+ Years \$	Total \$	Carrying Amount \$
Cash and term deposits	69,089,144	-	1,215,039	-	-	70,304,183	70,304,183
Short-term investments	2,497,380	5,492,431	31,770,754	10,556,250	-	50,316,815	49,107,089
Trade and other receivables	42,888,656	-	-	-	-	42,888,656	37,012,042
Financial assets at June 30, 2025	<u>114,475,180</u>	<u>5,492,431</u>	<u>32,985,793</u>	<u>10,556,250</u>	<u>-</u>	<u>163,509,654</u>	<u>156,423,314</u>

	Less than 1 Month \$	1-3 Months \$	3 Months to 1 Year \$	1-5 Years \$	5+ Years \$	Total \$	Carrying Amount \$
Accounts payable and accrued liabilities	20,429,747	5,238,947	3,392,056	-	-	29,060,750	29,060,750
Preferred shares	-	-	22,097,500	88,416,301	415,200,233	525,714,034	334,588,900
Notes payable	20,065,205	-	10,519,907	14,506,779	-	45,091,891	42,317,562
Lease liabilities	1,126,260	811,466	4,161,408	14,797,101	131,756,523	152,652,760	54,820,655
Financial liabilities at June 30, 2025	<u>41,621,212</u>	<u>6,050,413</u>	<u>40,170,871</u>	<u>117,720,183</u>	<u>546,956,756</u>	<u>752,519,435</u>	<u>460,787,867</u>
Net liquidity gap as at June 30, 2025	<u>72,853,968</u>	<u>(557,982)</u>	<u>(7,185,078)</u>	<u>(107,163,933)</u>	<u>(546,956,756)</u>	<u>(589,009,781)</u>	

CABLE BAHAMAS LTD.

Notes to the Consolidated Financial Statements
For the Year Ended June 30, 2025
(Continued)
(Expressed in Bahamian dollars)

25. Risk Management (Continued)

Liquidity risk (continued)

	Less than 1 Month	1-3 Months	3 Months to 1 Year	1-5 Years	5+ Years	Total	Carrying Amount
	\$	\$	\$	\$	\$	\$	\$
Cash and term deposits	29,134,530	-	1,657,225	-	-	30,791,755	30,791,755
Short-term investments	10,504,653	-	22,700,395	-	-	33,205,048	33,205,048
Trade and other receivables	36,279,759	74,221	-	-	-	36,353,980	32,046,510
Financial assets at June 30, 2024	75,918,942	74,221	24,357,620	-	-	100,350,783	96,043,313
	Less than 1 Month	1-3 Months	3 Months to 1 Year	1-5 Years	5+ Years	Total	Carrying Amount
	\$	\$	\$	\$	\$	\$	\$
Accounts payable and accrued liabilities	13,548,538	10,271,763	2,908,055	-	-	26,728,356	26,728,356
Preferred shares	-	-	32,097,500	106,013,014	283,642,500	421,753,014	271,311,341
Notes payable	-	-	13,013,219	42,864,988	10,632,563	66,510,770	51,034,343
Lease liabilities	2,033,964	1,133,739	3,715,166	27,889,427	121,239,958	156,012,254	54,892,792
Financial liabilities at June 30, 2024	15,582,502	11,405,502	51,733,940	176,767,429	415,515,021	671,004,394	403,966,832
Net liquidity gap as at June 30, 2024	60,336,440	(11,331,281)	(27,376,320)	(176,767,429)	(415,515,021)	(570,653,611)	

The Group has adequate liquid assets to cover its liabilities due within the next year. Its significant investments in Property, Plant, and Equipment generate positive cash flow, which supports the repayment of longer-term liabilities, with cash flow improving in years without major capital projects. After the completion of the FTTH rollout in New Providence and Abaco, no further significant investments in PPE of that scale are expected. Additionally, the Group holds preferred shares and notes as part of its long-term financing strategy, offering the flexibility to refinance these instruments and extend their maturities, thereby supporting both short- and medium-term operations and growth.

*Market risk**Foreign currency risk*

Foreign currency risk relates to the Group operating in different currencies and converting non-Bahamian earnings at different foreign exchange levels when adverse changes in foreign currency exchange rates occur. The Group is not directly exposed to foreign currency risk, as operations are denominated in Bahamian dollars (and US dollars), which is fixed to the US dollar at the following rate: B\$1 = US\$1.

CABLE BAHAMAS LTD.

Notes to the Consolidated Financial Statements
For the Year Ended June 30, 2025
(Continued)
(Expressed in Bahamian dollars)

25. Risk Management (Continued)

*Interest rate risk (continued)**Interest rate risk*

Interest rate risk is the potential for a negative impact on the consolidated statement of financial position or the consolidated statement of profit or loss and other comprehensive income arising from adverse changes in the value of financial instruments as a result of changes in interest rates. The Group manages interest cost using a mixture of fixed-rate and variable-rate debt.

The Group's exposure to variable interest rates was limited to its outstanding promissory notes, which were extinguished as of June 30, 2024. Accordingly, the Group is not materially exposed to interest rate risk as at the year end.

Price risk

The Group's exposure to price risk arises from short-term investments held by the Group and classified in the consolidated statement of financial position as fair value through profit or loss. The Group mitigates this risk by investing in government debt securities which are regarded as conservative, low-risk investments.

Capital risk management

The Board of Directors manages the Group's capital to ensure that it has a strong capital base to support the development of its business. The Board of Directors seeks to maximize the return to shareholders through optimization of the Group's debt and equity balance. The Group's risk management structure promotes making sound business decisions by balancing risk and reward. The Group is not subject to any externally imposed capital requirements.

The Directors promote revenue generating activities that are consistent with the Group's risk appetite, policies and the maximization of shareholder return. The capital structure of the Group consists of preferred shares and equity attributable to the common equity holders of the Group, comprising issued capital and retained earnings as disclosed in Notes 14 and 15. The Board of Directors review the capital structure at least annually.

As part of this review, the Board considers the cost of the capital and the risks associated with each class of capital. Based on recommendations of the Board, the Group manages its capital structure through the payment of common and preferred dividends, the redemption of preferred shares, ordinary share purchases through normal share repurchase, and the restructuring of the capital base.

CABLE BAHAMAS LTD.

Notes to the Consolidated Financial Statements
For the Year Ended June 30, 2025
(Continued)
(Expressed in Bahamian dollars)

25. Risk Management (Continued)

Climate-related risk

The Group acknowledges the increasing impact of climate change on its business operations and financial performance and has considered how climate change risks and opportunities influence the Group's financial reporting, including asset valuations, liabilities, and long-term financial sustainability.

The Group has identified several climate-related risks that could impact its consolidated financial position and performance. Exposure to extreme weather events such as hurricanes could potentially affect business operations, supply chain management and damage infrastructure, significantly affecting the Group's ability to maintain services to its customers.

The Group's response to this risk includes ensuring that adequate insurance is in place, developing strong relationships with vendors for priority during catastrophic events and ensuring back-ups of key systems are maintained.

26. Material Transactions and Agreements

On October 31, 2023, the Company and HoldingCo, acting in their capacity as shareholders, entered into a Deed of Contribution (Deed) with Aliv to implement certain measures to enhance Aliv's current and future net assets by a sum of \$70 million on a pro rata basis, as further outlined below. The objective of the Deed was to ensure Aliv's solvency. Specifically, the Deed prescribed that:

i. Effective July 1, 2023:

- The conversion of promissory notes, along with all accrued interest, from debt to equity;
- The conversion from debt to equity, or alternatively, the payment to Aliv of contributions of capital by each shareholder, matching the amount of certain payables due and owing by Aliv to its shareholders, which remained outstanding as at June 30, 2023.
- The restructuring of the \$70 million loan granted by the Company to Aliv. The revised terms include removing the compounding of interest on an annual basis, with retroactive effect from December 22, 2020, the original loan date. The interest rate is set at 10% simple interest from the loan date to June 30, 2021, and at 8% simple interest from July 1, 2021, until the loan's maturity date. The principal will be repaid in seven equal annual installments, starting in December 2033. Additionally, the Company reserves the right to repay any or all of the loan prior to its maturity.

CABLE BAHAMAS LTD.

Notes to the Consolidated Financial Statements
For the Year Ended June 30, 2025
(Continued)
(Expressed in Bahamian dollars)

26. Material Transactions and Agreements (Continued)

Capital risk management (continued)

- ii. Renegotiation of the terms of the Master Service Agreement (MSA) dated July 1, 2021 between the Company and Aliv; and
- iii. Subject to a revaluation of Aliv being completed, the payment of the Shareholders' pro-rata additional contributions of capital in the aggregate sum of \$11,317,000 (the Maximum Aggregate Contribution) over the ensuing two (2) years from the date of the Deed.

During the prior year, the shareholders effected the following in respect of the Deed:

- a) The Company funded a portion of its capital commitment through the conversion of debt due by Aliv under the MSA, totaling \$8,413,692. In addition, and as specified in the Deed, converted promissory notes due to it by Aliv, along with accrued interest payable, in the aggregate amount of \$12,711,438. The conversions from debt to equity made by the Company were eliminated on consolidation and, therefore, have no impact on the consolidated financial statements.
- b) The \$70 million loan was restructured. The resulting modification gain for Aliv and loss for the Company, along with the loan itself, were eliminated on consolidation, but resulted in an increase in net and comprehensive income (loss) for the year attributable to non-controlling interest.
- c) HoldingCo, met its capital contribution requirement under the Deed through creation of a financial obligation to Aliv in the amount of \$9,024,007, which is recognized as a receivable. In addition, HoldingCo converted its promissory notes due from Aliv, together with accrued interest payable, into equity totaling \$13,169,389.

27. Subsequent Events

Subsequent to June 30, 2025:

- The board of directors authorized and declared a dividend of \$0.08 per ordinary share of the Company, which was paid on September 30, 2025, to shareholders of record as of September 25, 2025.
- Aliv completed a partial early redemption of its Series B unsecured notes amounting to \$20,000,000, on July 15, 2025. The principal outstanding on the notes as of June 30, 2025 was \$34,291,250.



FRANKLYN BUTLER II
Executive Vice Chairman,
President & CEO



JOHN GOMEZ
Chief ALIV Officer



VICTOR MARCIAL
Chief Financial Officer



STEPHEN CURRAN
Chief Technical Officer



DWAYNE DAVIS
Chief Information Officer



TRACEY BOUCHER
Vice President,
Engineering & Technology



AMBER CAREY
Vice President,
Marketing & Consumer Solutions



HYACINTH SMITH
Vice President,
Legal and Regulatory Affairs



CHARNETTE THOMPSON
Vice President,
Enterprise Solutions



NICOLA ROY
Vice President,
Finance



KESHALA KNOWLES
Vice President,
Human Resources



CRAIG PINK
Head of Fibre To The Home (FTTH)

Directors

Name	Title	Occupation
Felix Stubbs	Chairman	Businessman
Franklyn Butler II	Executive Vice Chairman	President & CEO, Cable Bahamas Ltd.
Ross McDonald	Director	Retired Banker
Michele Merrell	Director	VP Global Marketing & Communications
Sean McWeeney Jr.	Director	Counsel & Attorney-at-law
Gowon Bowe	Director	CEO, Fidelity Bank & Trust International Limited
Dexter Cartwright	Director	Chief Financial & Strategy Officer

Officers/Executives

Name	Title
Franklyn Butler II	Executive Vice Chairman, President & CEO
John Gomez	Chief ALIV Officer
Victor Marcial	Chief Financial Officer
Stephen Curran	Chief Technology Officer
Dwayne Davis	Chief Information Officer
Tracey Boucher	Vice President, Engineering & Technology
Amber Carey	Vice President, Marketing & Consumer Solutions
Hyacinth Smith	Vice President, Legal and Regulatory Affairs
Charnette Thompson	Vice President, Enterprise Solutions
Nicola Roy	Vice President, Finance
Keshala Knowles	Vice President, Human Resources
Craig Pink	Head of Fibre To The Home (FTTH)

Share Registrar and Transfer Agent
Bahamas Central Securities Depository
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East Bay Street
PO Box N 9307
Nassau, The Bahamas
Tel. (242) 322-5523

Legal Advisors
Graham Thompson & Co
Sassoon House
Shirley Street & Victoria Avenue
PO Box N 213
Nassau, The Bahamas
Tel. (242) 322-4130

Auditors
PricewaterhouseCoopers
2 Bayside Executive Park
West Bay Street & Blake Road
PO Box N 3910
Nassau, The Bahamas
Tel. (242) 302-5300

Principal Bankers
Royal Bank of Canada
Royal Bank House
East Hill Street
PO Box N 7549
Nassau, The Bahamas
Tel. (242) 356-8500



The Audit & Risk Committee is comprised of independent Directors who are neither officers nor employees of the Company or any of its subsidiaries. The Audit & Risk Committee is responsible for oversight of the financial reporting and internal controls of the Company, which includes the review and evaluation of the appropriate accounting principles and practices to be observed in the preparation of the accounts of the Company and its subsidiaries inclusive of tax planning initiatives and tax compliance. The Audit & Risk Committee is responsible for the initial review of the Company’s annual audited consolidated financial statements prior to consideration thereof by the Board of Directors and direct oversight of the internal audit function. It approves the internal and external audit activities proposed each year to be conducted by the appointed independent auditors. The Committee also recommends the appointment and approves the terms of engagement of the independent auditors.

Dexter Cartwright

Members of the Audit & Risk Committee include:

Dexter Cartwright, Chairperson
Michele Merrell, Member
Gowon Bowe, Member

Directors Table FY25

Name, position or Officer	Position with significant affiliate	Annual Director fees	Share Options	Interest in contracts with CBL Group or its subsidiaries	Ownership in other companies, public issuers or regulated entities	Directorships in other companies, public issuers or regulated entities	Employment in other companies	Service contracts with any controlling share-holder of CBL Group
Ms. Michele Merrell, Chairperson of the Nominating & Corporate Governance Committee	Director, Be Aliv Limited	35,000	97,500	N/A	N/A	N/A	Vice President of Global Marketing & Communications	N/A
Mr. Gowon Bowe	N/A	30,000	N/A	Chief Executive Officer of Fidelity Bank (Bahamas) Limited with which the CBL Group has various banking relationships, including lines of credit.	N/A	Director, Fidelity Bank (Bahamas) Limited (public entity) Director, Akeliusfonder Ltd. (regulated investment fund) Director, Akelius Invest Ltd. (regulated securities investment advisor)	CEO Fidelity Bank & Trust International Limited	N/A
Mr. Franklyn A. Butler II, Executive Vice Chairman	Chairman, Be Aliv Limited	N/A	600,000	Share Holding in CBL via Milo Butler Group - 3,498,697 CBL Series 15 - 6 Preference Shares Series A 8% Bonds - 10,000	N/A	Chairman & Director, AML Foods Ltd. (public entity) Director, Arawak Port Development Company (public entity) Director, Bahamas Property Fund (public entity) Director, RBC Royal Bank (Bahamas) (regulated entity) Director, Milo B. Butler & Sons Investments Co Ltd.	N/A	N/A
Mr. Ross McDonald, Chairman, Chairperson of the HR & Compensation Committee	Director, Be Aliv Limited	70,000	175,000	Chairman of RF Group which is also the key brokerage house for all Cable Bahamas Group Investments, Preference Shares and Bond Trustee Share Holding in CBL - 14,703	N/A	Chairman - RF Holdings	N/A	N/A
Mr. Sean McWeeney Jr.	N/A	30,000	20,000	N/A	NA	N/A	Counsel & Attorney - Graham Thompson & Co	N/A
Mr. Felix Stubbs	N/A	30,000	N/A	N/A	FINS Investments Ltd., Plato Alpha	Chairman, Doctors Hospital (public entity) Chairman, BAF Financials (private regulated entity) Chairman, New Providence Ecology Park (private entity) Director, CIBC Bahamas Ltd. (public entity) Director, CIBC Trust Bahamas Ltd. (private regulated entity)	N/A	N/A
Mr. Dexter Cartwright Chairperson of the Audit & Risk Committee	Director, Be Aliv Limited	40,000	25,500	N/A	N/A	N/A	N/A	N/A

Our governance and internal control framework help the Board to exercise proper oversight of the company’s governance policies and procedures whilst retaining overall accountability. The Corporate Governance Rules and associated compliance systems are operating efficiently and effectively in all respects. The Guidelines can be found at the bottom of our webpage under Corporate - Company Profile.

<https://www.rev.bs/about>

The Directors of the Company received aggregate compensation, including salary, performance bonuses, stock options and post-employment benefits amounting to \$888,709 in the financial year 2024 - 2025.

Corporate Governance Compliance Statement

As required by Rule 23(5) of the Securities Industry (Corporate Governance) Rules 2019, as amended (the “Rules”), Cable Bahamas Ltd. hereby confirms that it is in compliance with the Rules. The Chairman and the CFO have confirmed to the Board that the audited financial statements included within this Annual Report present a true and fair view of the affairs of the company. All Directors noted under the corporate information section of this Annual Report are standing for reelection for the FY25. The biographical details can be found in the following link on the Groups Website.

<https://www.rev.bs/about/board-of-directors/>

The table below represents the meetings held during the year by the board and its committees in discharging its responsibilities to the Group.

CBL Board of Directors

Date of meeting	Attendees	Absentees
November 14, 2024	Franklyn Butler II, Michele Merrell, Ross McDonald, Sean McWeeney Jr., Gowon Bowe, Felix Stubbs, Dexter Cartwright	
AGM December 6, 2024	Franklyn Butler II, Michele Merrell, Ross McDonald, Gowon Bowe, Felix Stubbs, Dexter Cartwright	Sean McWeeney Jr.
February 11, 2025	Franklyn Butler II, Michele Merrell, Ross McDonald, Felix Stubbs, Dexter Cartwright, Sean McWeeney Jr.	Gowon Bowe
April 11, 2025	Franklyn Butler II, Michele Merrell, Ross McDonald, Gowon Bowe, Felix Stubbs, Dexter Cartwright, Sean McWeeney Jr.	
May 8, 2025	Franklyn Butler II, Michele Merrell, Ross McDonald, Gowon Bowe, Felix Stubbs, Dexter Cartwright, Sean McWeeney Jr.	
June 12, 2025	Franklyn Butler II, Michele Merrell, Ross McDonald, Sean McWeeney Jr., Gowon Bowe, Felix Stubbs, Dexter Cartwright	
August 15, 2025	Franklyn Butler II, Michele Merrell, Ross McDonald, Sean McWeeney Jr., Gowon Bowe, Felix Stubbs, Dexter Cartwright	
August 21, 2025	Franklyn Butler II, Michele Merrell, Ross McDonald, Sean McWeeney Jr., Gowon Bowe, Felix Stubbs, Dexter Cartwright	
October 6, 2025	Franklyn Butler II, Michele Merrell, Sean McWeeney Jr., Gowon Bowe, Felix Stubbs, Dexter Cartwright	Ross McDonald

Annual Attestation

- During the year the Board of Directors are fully compliant with all the Group’s Rules of Business Conduct and Ethics.
- The Financial Statements are presented to and approved by the Board of Directors and the Balance Sheet is Signed by at least one Active Director.
- The Board of Directors confirm that the operations of Cable Bahamas Group are a Going Concern.
- On an Annual Basis the Board or Directors through its Audit and Risk Committee assess the key risks affecting the Group. This involves meeting with external auditors to

review findings from the audit as well as input from The Legal and Regulatory team and also the Finance Executive Management. The Board ensures appropriate controls to mitigate that identified risks have been implemented and where necessary ensures new and updated controls are put in place. The process for the identification and management of risks in FY25 was deemed to be effective.

· To the best of its knowledge, information and belief, The Board has complied in all material respects with the requirements of The Securities Industry (Corporate Governance) Rules.

HR & Compensation Committee

Date of meeting	Attendees	Absentees
April 2, 2025	Ross McDonald, Michele Merrell, Gowon Bowe, Felix Stubbs	
September 25, 2025	Michele Merrell, Felix Stubbs, Gowon Bowe	

Audit & Risk Committee

Date of meeting	Attendees	Absentees
November 8, 2024	Michele Merrell, Dexter Cartwright	Gowon Bowe
May 2, 2025	Michele Merrell, Gowon Bowe, Dexter Cartwright	
August 6, 2025	Gowon Bowe, Dexter Cartwright	
October 6, 2025	Michele Merrell, Gowon Bowe, Dexter Cartwright	

Nominating & Corporate Governance Committee

Date of meeting	Attendees	Absentees
February 7, 2025	Michele Merrell, Ross McDonald, Sean McWeeney	
June 11, 2025	Michele Merrell, Sean McWeeney Jr.	Ross McDonald
September 11, 2025	Michele Merrell, Sean McWeeney Jr., Felix Stubbs, Dexter Cartwright	Ross McDonald

Group Technology Committee

Date of meeting	Attendees	Absentees
October 15, 2024	Dexter Cartwright, Felix Stubbs, Ross McDonald, Gowon Bowe, Michele Merrell, Sean McWeeney Jr.	Charles Johnson
July 21, 2025	Gowon Bowe, Ross McDonald, Michele Merrell, Felix Stubbs	Dexter Cartwright, Charles Johnson, Sean McWeeney Jr.

