



CABLE BAHAMAS LTD.

2018 SECOND QUARTER REPORT

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CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As of December 31, 2017 | (Expressed in B\$000, unaudited)

	DEC 31, 2017	JUN 30, 2017
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents	\$ 23,930	\$ 55,915
Trade receivables, net	23,039	18,335
Prepaid expenses and deposits	6,697	9,051
Inventory	13,047	18,457
Other receivables	7,043	7,202
Total current assets	73,756	108,960
NON-CURRENT ASSETS:		
Investment in Dais	6,634	6,094
Property, plant and equipment	429,586	412,595
Deferred tax asset	33,184	33,184
Goodwill	13,074	13,074
Intangible assets	93,232	95,778
Total non-current assets	575,710	560,725
TOTAL	\$ 649,466	\$ 669,685
LIABILITIES AND EQUITY		
CURRENT LIABILITIES:		
Accounts payable & accrued liabilities	\$ 72,101	\$ 69,122
Deferred income	3,425	3,112
Dividends payable	2,696	2,696
Current portion of other liabilities	6,535	11,679
Total current liabilities	84,757	86,609
NON-CURRENT LIABILITIES:		
Subscriber deposits	8,014	7,875
Other liabilities	49,954	37,723
Deferred tax liability	33,184	33,184
Long-term debt	154,821	154,821
Preferred shares	232,235	232,235
Total non-current liabilities	478,208	465,838
Total liabilities	562,965	552,447
EQUITY:		
Ordinary share capital	30,367	30,367
Retained earnings	30,255	45,445
Non-controlling interest	25,879	41,426
Total equity	86,501	117,238
TOTAL	\$ 649,466	\$ 669,685

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the period ended December 31, 2017 with comparatives for December 31, 2016 | (Expressed in B\$000, unaudited)

	THREE MONTHS ENDED		SIX MONTHS ENDED	
	DEC 31 2017	DEC 31 2016	DEC 31 2017	DEC 31 2016
REVENUE	\$55,500	\$47,887	\$107,284	\$92,635
OPERATING EXPENSES	(48,036)	(43,578)	(93,061)	(78,427)
	7,464	4,309	14,223	14,208
Depreciation and amortization	(14,105)	(8,950)	(30,054)	(18,618)
OPERATING LOSS	(6,641)	(4,641)	(15,831)	(4,410)
Gain on joint venture	18	65	40	65
Loss on disposal of assets	(2,809)	(5,785)	(2,796)	(5,824)
Interest expense	(2,456)	(1,373)	(4,924)	(2,235)
Dividends on preferred shares	(3,612)	(3,609)	(7,225)	(7,063)
NET AND COMPREHENSIVE LOSS	\$(15,500)	\$(15,343)	\$(30,736)	\$(19,467)
Net loss attributable to non-controlling interests	\$(7,440)	\$(6,146)	\$(15,547)	\$(8,816)
Net and comprehensive loss attributable to owners of the parent	\$(8,060)	\$(9,197)	\$(15,189)	\$(10,651)
BASIC EARNINGS PER SHARE	\$(0.19)	\$(0.21)	\$(0.36)	\$(0.24)
DILUTED EARNINGS PER SHARE	\$(0.19)	\$(0.21)	\$(0.35)	\$(0.24)

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the period ended December 31, 2017 | (Expressed in B\$000, unaudited)

	ORDINARY SHARE CAPITAL	RETAINED EARNINGS	NON-CONTROLLING INTEREST	TOTAL
Balance at June 30, 2017	\$30,367	\$45,445	\$41,426	\$117,238
Net loss attributable to owners of the Parent	-	(15,189)	-	(15,189)
Net loss attributable to non-controlling interest	-	-	(15,547)	(15,547)
Balance at December 31, 2017	\$30,367	\$30,255	\$25,879	\$86,501

CONSOLIDATED STATEMENT OF CASH FLOWS

For the period ended December 31, 2017 with comparatives for December 31, 2016 | (Expressed in B\$000, unaudited)

	SIX MONTHS ENDED	
	DEC 31, 2017	DEC 31, 2016
CASH FLOWS FROM OPERATING ACTIVITIES		
Net loss	\$ (30,736)	\$ (19,467)
Adjustments for:		
Depreciation and amortization	30,054	18,618
Interest expense	4,924	2,235
Dividends on preferred shares	7,225	7,063
Gain on joint venture	(40)	(65)
Loss on disposal of assets	2,796	5,824
Operating cash flow before working capital changes	14,223	14,208
Increase in trade and other receivables, net	(4,547)	(1,387)
Decrease in prepaid expenses and deposits	2,354	805
Decrease (increase) in inventory	5,410	(9,953)
Increase (decrease) in accounts payable & accrued liabilities	2,979	(1,903)
Increase (decrease) in deferred income	313	(92)
Increase in subscriber deposits	139	214
Net cash from operating activities	20,871	1,892
CASH FLOWS FROM INVESTING ACTIVITIES		
Additions to investments	(500)	(1,380)
Additions to property, plant and equipment	(45,533)	(85,323)
Additions to intangible assets	(1,762)	(68,523)
Net cash used in investing activities	(47,795)	(155,226)
CASH FLOWS FROM FINANCING ACTIVITIES		
Capital lease obligation (net)	7,088	18,749
Deferred financing	-	6,958
Interest paid on long-term debt	(4,924)	(2,235)
Issuance of ordinary shares	-	125,944
Issuance of preference shares	-	36,735
Dividends paid on preferred shares	(7,225)	(7,082)
Net cash (used in) from financing activities	(5,061)	179,069
NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS, BEGINNING OF PERIOD	(31,985)	25,735
CASH AND CASH EQUIVALENTS, END OF PERIOD	\$ 23,930	\$ 34,586

NOTES TO CONSOLIDATED INTERIM FINANCIAL STATEMENTS

These consolidated interim condensed financial statements are prepared in accordance with IAS, Interim Financial Reporting. The accounting policies used in the preparation of these interim financial statements are consistent with those used in the annual financial statements for the year ended June 30, 2017. These statements also follow the guidelines of IFRS 10, Consolidated Financial Statements and incorporate the financial statements of the 48.75% owned subsidiary Be Aliv Limited, which was incorporated July 1, 2016, under the laws of The Commonwealth of The Bahamas for the purpose of providing wireless services throughout The Bahamas. Cable Bahamas Ltd. has board and management control and as such all costs included in Be Aliv Limited financial statements are included in these consolidated interim financial statements and all intercompany transactions and balances are eliminated on consolidation.