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YOUR INVESTMENT CONSULTANTS

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The Board of Directors
Cablenet Communication Systems plc
Nimeli Court, Block A, Floor 2,
41-49 Ayiou Nicolaou Street,
Engomi, 2048,
Nicosia, Cyprus

08 May 2023

Dear Sirs,

Cablenet Communication Systems plc – Financial Analysis Summary (the **"Update FAS"**)

In accordance with your instructions and in line with the requirements of the Listing Authority Policies, we have compiled the Financial Analysis Summary set out on the following pages and which is being forwarded to you together with this letter.

The purpose of the Analysis is that of summarising key financial data appertaining to Cablenet Communication Systems plc (a public limited liability company registered under the laws of Cyprus bearing company registration number HE 137520) (the "**Company**" or "**Issuer**"). The data is derived from various sources or is based on our own computations and analysis of the following:

(a) Historic financial data for the three years ended 31 December 2020 to 2022 has been extracted from the Issuer's audited statutory financial statements for the three years in question, as and when appropriate.

(b) The forecast data for the financial year ending 31 December 2023 has been provided by management of the Issuer.

(c) Our commentary on the results of the Issuer and on the respective financial position is based on the explanations provided by the Issuer.

(d) The ratios quoted in the Financial Analysis Summary have been computed by us applying the definitions as set out and defined within the Analysis.

(e) Relevant financial data in respect of competitors as analysed in part D has been extracted from public sources such as the web sites of the companies concerned, or financial statements filed with the Registrar of Companies.

The Analysis is provided to assist potential investors by summarising the more important financial data of the Issuer. The Analysis does not contain all data that is relevant to potential investors and is intended to complement, and not replace, the contents of the full prospectus. The Analysis does not constitute an endorsement by our firm of the securities of the Issuer and should not be interpreted as a recommendation to invest. We shall not accept any liability for any loss or damage arising out of the use of the Analysis and no representation or warranty is provided in respect of the reliability of the information contained in the Prospectus. As with all investments, potential investors are encouraged to seek professional advice before investing.

Yours sincerely,

Vincent E Rizzo
Director

FINANCIAL ANALYSIS SUMMARY

UPDATE 2023

Prepared by Rizzo, Farrugia & Co (Stockbrokers) Ltd, in compliance with the Listing Policies issued by the Malta Financial Services Authority, dated 5 March 2013 and last updated on 21 August 2021.

08 May 2023

Table of Contents

IMPORTANT INFORMATION

Purpose of the Document

Cablenet Communication Systems plc (the "**Company**", "**Cablenet**", or "**Issuer**") issued €40 million 4% bonds maturing in 2030 pursuant to a prospectus dated 21 July 2020 (the "**Bond Issue**"). In terms of the Listing Policies of the Listing Authority dated 5 March 2013 and last updated on 21 August 2021. The purpose of this report is to provide an update to the FAS (the "**Update FAS**") on the performance and on the financial position of the Company.

Sources of Information

The information that is presented has been collated from a number of sources, including the Company's website (www.cablenet.com.cy), the audited financial statements for the years ended 31 December 2020, 2021 and 2022, and forecasts for financial year ending 31 December 2023.

Forecasts that are included in this document have been prepared and approved for publication by the directors of the Company, who undertake full responsibility for the assumptions on which these forecasts are based.

Wherever used, FYXXXX refers to financial year covering the period 1st January to 31st December. The financial information is being presented in thousands of Euros, unless otherwise stated, and has been rounded to the nearest thousand.

ABBREVIATIONS

FTTH	Fibre-To-The-Home
ICT	Information & Communication Technology
IFRS	International Financial Reporting Standards
IoT	Internet of Things
MNO	Mobile Network Operator
OCECPR	Office of Electronic Communications & Postal Regulations
PABX	Private Automatic Branch Exchange
RAN	Radio Access Network
SMS	Short Message Service
VPN	Virtual Private Network
WAN	Wide Area Network

PART A BUSINESS AND MARKET OVERVIEW UPDATE

1. INTRODUCTION

Cablenet Communication Systems plc ("**Cablenet**", the "**Company**" or the "**Issuer**") is a public limited liability company incorporated in Cyprus on 10 April 2003, bearing company registration number HE 137520. The principal activities of the Company include the provision of telecommunication and entertainment services. The Issuer operates exclusively in and from Cyprus.

The Company offers multiple packages of Internet, telephony, TV and Sports content as well as mobile telephony services, to its retail base (approximately 82,600 fixed and 93,000 mobile subscribers) and its corporate clients (approximately 4,800 businesses; figures as of the end of 2022); business services can be tailored to meet the demands and requirements of any type of client, whether small, medium or large business clients.

In 2017, the Company formulated a business plan to secure exclusive rights for Cypriot football matches for five major teams. In 2018 it concluded an agreement with Primetel, which also has similar rights, to offer the total content of both companies to sports fans. Since July 2019, the Company has been offering the aggregate Sports TV channels of Cablenet and Primetel, which it packages as add-ons to existing Broadband and Broadband and TV packages; it also shares in the revenue from live streaming and public viewing rights of these channels. In 2020, this bilateral sports content agreement was extended to include CYTA, thus bringing all the local football rights under the joint (trilateral) pool that also includes European football league matches. Sports content parity allowed Cablenet to compete on the basis of its broadband strength and "value" brand and substantially increase the number of sports subscriptions, as these nearly doubled when compared to 2019. The trilateral sports content sharing agreement remains in place and is set to expire at the end of June 2024.

Since May 2021, Cablenet's RAN sharing agreement has come into effect enabling Cablenet to utilise CYTA's market-leading, in terms of reach and quality, mobile network. In 2022, as part of the agreement, Cablenet was able to access CYTA's sites and utilise its own spectrum of 4G radio frequencies when servicing its customers whilst also preparing to start utilising its 5G radio frequencies.

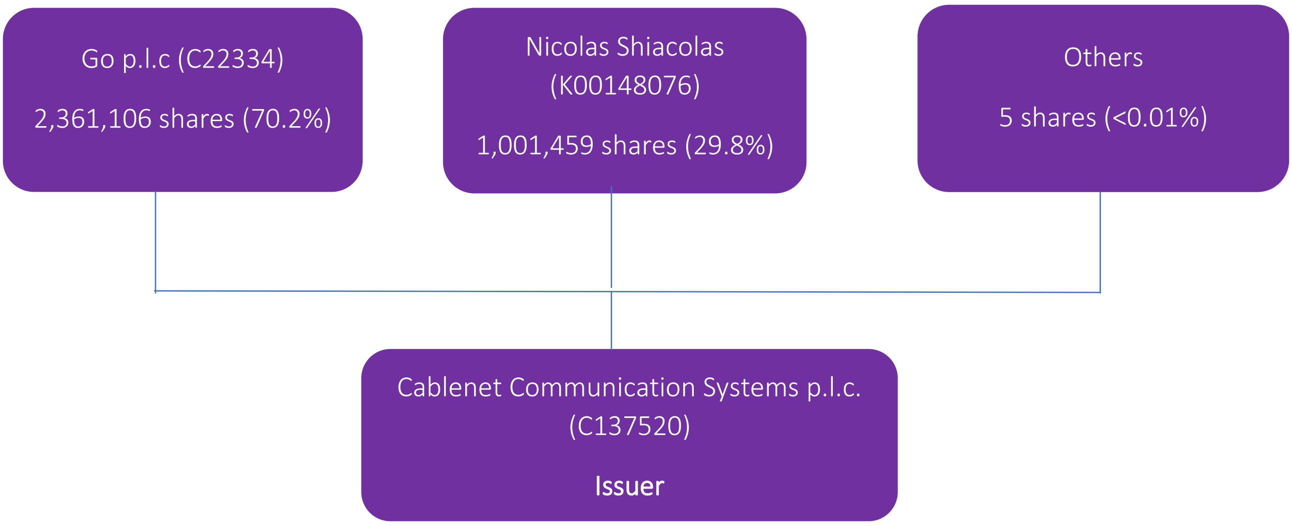
The Company's retail proposition is based on a multi-play service offering including broadband, fixed telephony, subscription TV and mobile services. More specifically, the subscription TV content currently being offered includes local linear channels, international linear channels, local sports and international sports content. In recent years, the Company has been investing greatly into becoming the best-in-class smart home connectivity solutions provider. The mobile retail offering is based on the concept of unlimited data, it has disrupted the domestic market (which featured expensive mobile data products) and is driving the majority of the growth of Cablenet. In recent years, the Company has been investing greatly into becoming the best-in-class smart home connectivity solutions provider.

In addition, the above offering, in its equivalent business version, is also available to the Company's corporate clients. These clients can also enjoy value-added services that include VPN services, colocation / hosting services, DDoS protection, ICT projects and sales of hardware and software.

The Company is currently on a long-term evolutionary path towards establishing itself as a national full-service (quad-play) telecom operator by expanding the reach and coverage of its fixed services and scaling up the mobile services business.

2. Group Structure

The current shareholding structure is as follows:



3. Corporate Governance and Management

Board of Directors

The Company's board of directors as at the date of this document comprises the following:

Nikhil Prakash Patil	Non-Executive Director (Chairman)
Kelvin Camenzuli	Non-Executive Director (Appointed on 28 September 2022)
Yiannos F. Michaelides	Executive Director
Lassaad Ben Dhiab	Non-Executive Director (Appointed on 23 May 2022)
Faker Hnid	Non-Executive Director
Paul Testaferrata Moroni Viani	Non-Executive Director (Resigned on 28 September 2022)
Neoclis Nicolaou	Non-Executive, Independent Director
Michael Warrington	Non-Executive, Independent Director
Menelaos Shiacolas	Non-Executive Director
Marios Kalochoritis	Non-Executive Independent Director

The Company Secretary is Dr Francis Galea Salomone.

Senior Management

The Company's senior management team is composed of the following:

Yiannos F. Michaelides	Chief Executive Officer
Ioannis Mavridis	Chief Financial Officer
Pambos Moyseos	Chief Commercial Officer - Retail
Thomas Hoplaros	Chief Commercial Officer - Business
Panagiotis Kouloumprides	Chief Core Networks Officer
Michael Pericleous	Chief Access Network Officer
Chrystalla Karagiorgi	Chief Human Resources Officer
Elias Theodorou	Chief Strategy Officer
Ingrid Camilleri	Chief Digital Transformation Officer

4. Material Operational Developments

Throughout 2022 the Company faced adverse macroeconomic and operating conditions on its progressive return to normalcy, due to the after-effects of the global COVID-19 pandemic in the form of constraint on movement and operations and supply chain disruptions and exacerbated by the ongoing Russia-Ukraine conflict and its global reaching effects, including high energy input costs and other inflationary pressures.

Notwithstanding this, Cablenet continued to deliver on its three-pillar strategy, which will see it become a national full-service (quad-play) telecom operator by building up a mobile services business of scale, alongside its leading fixed services one.

COVID-19 Pandemic

The Company is experiencing an abated but continuing impact of the COVID-19 pandemic, and the resulting inflationary pressures were quite apparent on the supply chain, as well on the demand side of the economy. Also, the relatively abrupt removal of travel constraints released sizable pent-up demand for travelling abroad, elevating roaming costs as more of our customers had the opportunity to travel abroad than in 2020 or 2021.

IMPACT OF UKRAINIAN CRISIS

The fact that, after more than a year from the commencement of the crisis, the military actions are still ongoing, is creating certain problems to all businesses in Cyprus and globally, mainly due to the significant increase in the fuels and natural gas costs. The more pronounced effects that the Ukrainian crisis had on the Company, have so far been indirect, such as higher costs of transportation and inputs of energy (which the Cyprus government did not alleviate for corporates, via subsidies or other means) or commodity-based (i.e. steel or copper) material employed in Cablenet's operations and networks. It is expected, however, that if the situation does not deteriorate further, there will be no material impact on the Company's activities and on its financial results going forward.

Mobile

2022 saw a substantial increase in the scale of the Company's mobile business, operating under a MNO (Mobile Network Operator) model, led by the Company's innovative Purple Max product concept, which is centred on post-paid customers, with unlimited data allowances at prices affordable to the entire market in line with the Company's traditional "value" proposition to the consumers. The Cypriot mobile market is a significantly bigger market, in terms of revenue and customers, than the fixed one, where Cablenet has traditionally been active, with 1.392 million users (OCECPR data, December 2022), of which 68% are post-paid and 32% pre-paid users.

The Company's growing presence in this market section is delivering the transformative impact on Cablenet's financial performance that it was expecting and is the reason, beyond the strategic fit, that it will continue to pursue. The latter course also implies an above-average period of investment that will continue in the foreseeable future.

As a result of the Company's continued focus on the growth of the mobile business, Cablenet saw an increase of c.102% (2021: c.110%) of its mobile subscriber base, doubling it to slightly over 93,000 (2021: 46,000) post-paid and pre-paid subscribers at the end of 2022 and an increase of 134% (2021: 157%) of our 2022 mobile service revenue to €10.3 million (2021: €4.4 million). The continued endorsement by the market encouraged the Company to continue its investments during 2022 in the mobile business, on the distribution end, as well as on network-related systems.

During 2022 the Company also began the migration of its mobile customers to utilizing Cablenet's own 4G frequency spectrum and concluded the bulk of this effort by the end of Q2 2023, while for 5G the utilization capability is there, while the Company is considering its options as to how to launch the 5G service commercially. In parallel, Cablenet continued to grow the mobile device financing service that was introduced at the end of 2021 by cautiously expanding the eligibility criteria to select clusters of the Company's customer base. Cablenet also continued to demonstrate innovation, by adding to the variety of options, such as the inclusion of gaming consoles and the ability for customers to extend the repayment to 36 months.

Sports Content

Having seen a strong uptake during 2021 of its Sports TV product offering, which is anchored by Cablenet's exclusive broadcasting rights of 5 local Cypriot Football teams, the Company exercised its contractual options to extend the term of these agreements by another 2 years. The agreements are now expiring in May 2024, with additional optionality for future extensions. As a result of this extension, the corresponding assets and liabilities have been recognised in the Statement of Financial Position as explained in Section 9. In March 2023, Cablenet has extended the exclusive broadcasting rights with 2 of the main football teams under Cablenet's umbrella until May 2027, with the remaining 3 teams due to be renewed at the end of 2023.

Furthermore, Cablenet purchased the rights to broadcast and distribute the Eurobasket 2022 tournament, as well as the leading team of the Greek Super League, Olympiacos Piraeus, which proved very popular with the Company's customers.

Network Infrastructure

On the fixed services side, the Company continued the expansion of its network into new areas of Cyprus via a Fiber Optic Network in order to meet demand from both homes and businesses. Cablenet has also continued the densification of and plugging small coverage gaps in its Hybrid fibre-coaxial (HFC) network, resulting in an estimated aggregate coverage of c. 205,000 Homes Passed compared to c.193,000 at the end of 2021. More than 82,600 households (2021: 80,500) and 4,800 businesses (2021: 4,200) by the end of 2022 trusted Cablenet for their broadband and other fixed services. The Company remains committed to expanding its FTTH network coverage areas further to reach its target of covering approximately 80% of the country's households.

5. MAJOR ASSETS

The Company operates in the telecommunications industry. As a result, Property, Plant & Equipment (PPE) includes €38.7 million of network infrastructure, €4.5 million of furniture, fixtures, equipment and computer hardware and €2.0 million of leasehold buildings and improvements. The intangible assets include football rights and international capacity rights. With regards to the Right-of-Use (ROU) Assets, these comprise leases of offices, warehouses and retail shops across Cyprus used by the Company in its provision of services, as well as leases related to motor vehicles, as well as 4G and 5G Spectrum Licences.

	FY2020 *Restated* *€'000*	FY2021 *€'000*	FY2022 *€'000*
PPE	39,109	41,858	45,581
Intangible Assets	20,616	22,209	22,680
Right-of-Use Assets	3,693	4,260	19,721
Major Non-Current Assets (MNCA)	63,418	68,327	87,983
Total Assets	91,796	88,343	110,445
MNCA / Total Assets	*69.1%*	*77.3%*	*79.7%*

There was an increase in major non-current assets, as a percentage of the total assets of the Company by the end of FY2022, as Cablenet recognised €15.4 million of 4G and 5G Spectrum Licenses under Right-of-use assets.

6. MARKET OVERVIEW

THE TELECOMS INDUSTRY

Connectivity is at the heart of today's modern society as it allows communities to become increasingly interconnected, both for businesses as well as for people. As such, a vibrant digital economy allows European countries to solve major challenges ranging from improved education and better healthcare.

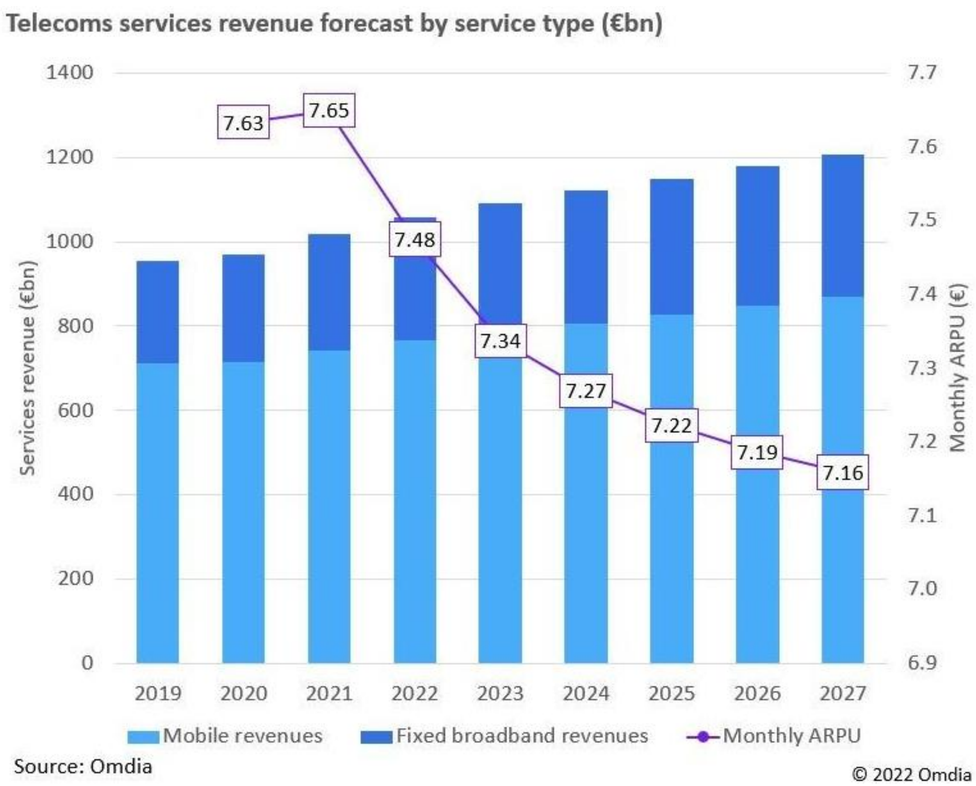
A push towards digitalisation of every aspect in life is increasingly evident – whether it is smart technology in the home, IoT technologies that automate everyday activities such as driving, businesses increasingly offering e-commerce experiences for their clients, or for example, the deployment of very advanced data analytics by a number of companies to assist in their strategic decision-making processes.

In addition, 5G is the upcoming trend in mobile technology and it is expected to revolutionise also other aspects of the ICT industry. This digital evolvement, which has been accelerated with the onset of the COVID-19 pandemic, requires communication and data.

Meta, Alphabet, Apple, Amazon, Microsoft and Netflix accounted for more than 56% of all global data traffic in 2021, according to a May 2022 report that was commissioned by European Telecommunications Network Operators Association. Better picture formats like 4K and 8K — coupled with the rise of short-video apps like TikTok — mean that growth in demand for data will "proliferate" over time.

Global broadband operators are investing substantial sums into their infrastructure to support next-generation 5G and fibre networks — €50 billion (USD48.5 billion) a year, per one estimate.

While global overall revenues from mobile and fixed-line services are expected to climb 14% to €1.2 trillion in the next five years, telecoms services' monthly average revenue per user is forecast to slip 4.2% from €7.48 in 2022 to €7.16 in 2027 over the same period, according to market research firm Omdia.



The Cypriot Telecoms Industry

The area under the control of the Cyprus government, in which Cablenet operates, has a population of around 890,000 and spread across a geographical area of around 5,900 square kilometres. To put this into perspective, the population is almost twice that of Malta, while the geographical area is almost 20 times bigger. Cablenet operates in areas that cover approximately 64% of the population and is present in all 5 regions of the country but more concentrated on 4 of those: Nicosia, Larnaca, Limassol and Paphos.

Four market players compete in the Cypriot telecoms market: Cyta (incumbent), Cablenet, Epic and Primetel. Bundled services remain popular, with a slight increase this year in fixed broadband subscriptions as part of a bundle to 78% of all bundles, in comparison with 73% of all bundles last year. Of these bundles, 61% consists of fixed telephony and broadband access. Another 25% of bundled connections also include IP/cable TV access.

Cyprus ranks 20th among 27 EU Member States in the 2022 edition of the Digital Economy and Society Index (DESI). Positively, the country's relative progress, considering its starting point, is above the expected rate, indicating that it is converging to the EU average. The lack of use of digital services is a direct result of a lack of digital skills by a significant proportion of the population where one out of two Cypriots lacks basic digital skills.

Fixed line telecommunication has seen a decline ever since 2014, as mobile technology became more popular and affordable. As a matter of fact, the island has one of the cheapest call rates of all EU member states. In 2021, the government of Cyprus announced a National Broadband Plan 2021-2025 wherein it promotes FTTH technologies and 5G infrastructure to become available nationally, improving connectivity and enabling digitalisation of the country.

In terms of market share, split by service offering, during 2022 Cablenet increased its number of fixed broadband subscriptions by circa 3% to 82,700 compared to 80,082 in 2021. This growth rate was much stronger than the pace of increase of 2.4% across the entire Cypriot fixed broadband market, thus resulting in Cablenet's market share continuing to improve to a record of circa 23.7% as at 31 December 2022 compared to 23.5% as at the end of 2021. Furthermore, Cablenet increased its considerable lead over PrimeTel (which is the third largest fixed broadband operator in Cyprus after Cablenet with a market share of 11.7%, representing a decline from 12.2% as at the of 2021) and Epic (the smallest operator which only retained its market share of 6.8%). Meanwhile, CYTA improved its market presence marginally to 57.8% from 57.4% in 2021.

Within the pay-TV segment, Cablenet increased its market share by less than 0.2 percent whilst CYTA lost 2.2 percent, both companies continued to dominate the market as they ended 2022 with 36.3% and 46.0% in market share respectively. Meanwhile, PrimeTel's market share increased to 13.7% from 12.1% whilst Epic's market share increased to 3.9% from 3.6% as at the end of 2021.

In the mobile segment, Cablenet achieved a material and significantly above that of the market growth of subscribers of just over 102% to 93,296 subscribers. Even though Cablenet remains the fourth entrant and the smallest player, its market share grew to 6.7% of the total (from 3.5% in 2022). Meanwhile, the largest mobile operator CYTA, increased its total number of subscribers by 2.4% to 0.71 million whilst Epic showed a decline of 1.1% whilst Primetel achieved growth of 9.6% with 0.44 million and 0.15 million subscribers respectively. In terms of market share, the two leading companies, CYTA and EPIC lost 1.5 percentage points and 2.1 percentage points to 50.8% and 31.9% respectively. Meanwhile, PrimeTel and Cablenet registered an increased market share of 10.6% (2021: 10.2%) and 6.7% (2021: 3.5%).

In total, the number of mobile subscriptions in Cyprus increased markedly to 1.39 million as contract subscription base increased by 7.1% to 951,134 whilst the prepaid agreements increased by 1.9% to

441,346 subscribers. Similarly, the penetration rate increased to a record of 151.7% in 2022, as the penetration rate in contract subscriptions reached 103.6% whilst the penetration rate in prepaid agreements increased to 48.1% from 47.2% in 2021.

Meanwhile, Cablenet also continued to make inroads in the fixed telephony market in 2022 as the Company ended the year with a market share of 27% (31 December 2020: 24.7%) mainly to the detriment of CYTA as its market share dropped to 54.3% compared to 55.4% as at the end of 2021 as well as Primetel where the market share fell from 11.9% at the end of 2021 to 10.7% at the end of 2022.

Sources Used for the Market Overview:

https://digital-strategy.ec.europa.eu/en/policies/desi

https://digital-strategy.ec.europa.eu/en/policies/broadband-cyprus

https://www.cnbc.com/2022/10/28/europe-telco-industry-pushes-big-tech-to-pay-for-building-the-internet.html

https://www.prnewswire.co.uk/news-releases/omdia-telecom-services-revenue-will-fall-4-2-per-user-as-new-tech-fails-to-deliver-enough-value-by-2027--301648430.html

PART B FINANCIAL ANALYSIS

7. INTRODUCTION TO PART B

HISTORICAL FINANCIAL INFORMATION

The following sections provide an overview of the historic financial information of the Company over the past three financial periods ending 31 December 2022 and an outlook for the current financial year ending 31 December 2023. The financial statements for the year 2020 were restated. Further details identifying the nature of the restatements and their effect thereof may be found under Note 4 in the Notes to the Financial Statements for the audited year ended 31 December 2021.

PROJECTIONS AND ASSUMPTIONS

The Company plans to continue its investments in the expansion, redundancy and capacity of its network, the upgrade and evolution of its internal IT systems, its TV/Sports platform and new mobile service offerings and capabilities to be able to further penetrate the market and scale its operations accordingly.

Indeed the company is set to continue to deliver on its long-term evolutionary path towards establishing itself as a national full-service (quad-play) telecom operator by building up a mobile services business of scale, alongside its leading fixed services one.

2022 saw a substantial increase in the scale of the Company's mobile business, operating under an MNO (Mobile Network Operator) model, led by Cablenet's innovative Purple Max product concept, which is centred on post-paid customers, with unlimited data allowances at prices affordable to the entire market and continues the Company's traditional "value" proposition to the consumers.

The Cypriot mobile market is a significantly bigger market, in terms of revenue and customers, than the fixed one, where Cablenet was traditionally active, with 1.392 million users (OCECPR data, December 2022), of which 68% are post-paid and 32% pre-paid users. The Company's growing presence in this market section is delivering the transformative impact on Cablenet's financial performance that is in line with strategic objectives and is one that the company will continue to pursue. The latter course also implies an above-average period of investment that will continue in the foreseeable future.

The Company is expecting to continue to increase the number of subscribers in FY2023 across all segments (retail and corporate) and all network types (fixed and mobile) and to improve its market share and penetration ability. It will also tactically and for a specific number of areas utilise CYTA's FTTH network (via the commercially available – Bitstream wholesale product) to reach and gain customers in areas where Cablenet's own network will expand in the short- to mid-term.

During 2022, Cablenet continued to grow its TV customer base in both Sports and Non-Sports segments. Starting June 2022, Cablenet brought in-house the management of their advertising air-time sales and saw significant improvement in the revenue of that activity which is expected to be reflected in the full period for FY2023.

8. The Income Statement

Income Statement

Year ended 31 December	2020 *Restated*	2021	2022	2023(F)
	€'000	*€'000*	*€'000*	*€'000*
Revenue	46,979	53,503	63,900	73,523
Direct Costs	(16,739)	(21,687)	(27,877)	(34,133)
Gross Profit	**30,240**	**31,816**	**36,023**	**39,391**
Operating Costs	(13,723)	(16,496)	(18,419)	(19,128)
Other Income	57	60	78	-
EBITDA	**16,460**	**15,260**	**17,526**	**20,263**
Depreciation & Amortisation	(17,696)	(17,816)	(19,655)	(21,440)
Operating Profit / (Loss)	**(1,236)**	**(2,556)**	**(2,130)**	**(1,177)**
Net Finance Costs	(1,814)	(2,548)	(3,105)	(3,379)
Profit / (Loss) Before Tax	**(3,050)**	**(5,104)**	**(5,235)**	**(4,556)**
Taxation Expense	186	533	12	-
Profit / (Loss) for the Year	**(2,864)**	**(4,571)**	**(5,222)**	**(4,556)**
EBITDA	**16,460**	**15,260**	**17,526**	**20,263**
Operating Profit	(1,236)	(2,556)	(2,130)	(1,177)
Depreciation & Amortisation	17,696	17,816	19,655	21,440

During the year under review, the Company continued to grow its fixed broadband internet client base by 5% to more than 82,6000 retail subscribers and 4,800 business ones. Furthermore, adding the Company's mobile subscribers (pre-paid and post-paid), the total customer base grew by 38% in 2022 to reach a total of slightly below 181,000 subscribers (2021: slightly over 131,000). The growth in fixed customers was fuelled by the expansion of Cablenet's network and the launch of new innovative products like Purple Max Internet and that of mobile, by the continuing popularity of the Purple Max mobile package, supported by the device financing options available to customers.

Corporate subscribers are offered a variety of telecoms services. Internet services remain the most sought after and generate most of the revenue from this segment, which range from simple cable broadband internet services to VPN services, fibre and national as well as international WAN services.

Corporate clients remain consistent users of fixed telephony services and while the retail subscribers are making less use of this service, it is evident that demand from corporate clients for fixed telephony remained constant over the years. The Company also generates additional revenue from the rental of telephony services, such as PABX systems. The Company also offers its customers value added services such as DDoS protection, sales of hardware and software, TV and mobile.

Revenue & Contribution Analysis

Revenue & Contribution	FY2020 €'000	FY2021 €'000	FY2022 €'000
Revenue	46,979	53,503	63,900
Direct Costs	(16,739)	(21,687)	(27,877)
Contribution	30,240	31,816	36,023
Contribution Margin	64.4%	59.5%	56.4%

The Company's revenue increased from €46.9 million in FY2020 to €63.9 million in FY2022, representing a CAGR of 16.6%. This revenue growth reflects subscriber gains across all the Company's sections (B2C and B2B), existing and new areas as well as services and products, be it of a fixed or mobile distinction or of a telephony, broadband or TV one. Revenue growth in FY2022 was supported by a €3 million increase in sales of mobile devices.

Contribution (Gross Profit before any Depreciation & Amortisation) increased from €30.2 million in FY2020 to €36.0 million in FY2022, with the Contribution Margin decreasing in the period, from 64.4% to 56.4%.

Cablenet's significant revenue growth is also seeing an increasing share from newer products and business lines (such as mobile or TV and Sports) that are of lower scale and/or maturity than its traditional core services and will thus need some time to build up to the same contribution margins that older Cablenet business lines have.

EBITDA, Operating Costs & Other Income

The Company's direct costs increased over the period under review from €16.7 million in FY2020 to €27.9 million in FY2022. Such costs include those incurred for the provisions of mobile services, including the RAN Sharing agreement costs, TV content, which are based on various agreements that Cablenet has with a number of channels for it to broadcast those TV channels on its platform, as well as fees related to its football broadcasting rights. Also included are fees related to Internet capacity that allow the Company to offer Internet within its packaged deals and/or on its own, collocation costs related to its fixed telephony services offering, utility expenses for the provision of its services and consumables that the Company needs for its network and similar equipment.

Direct costs in FY2022 were higher as a result of the higher level of business activity. The substantial increase in revenue during 2022, even though it applied to all business segments, was driven primarily by mobile business. Hence, the increase in cost of sales is driven by mobile telephony related expenses, resulting from substantial subscriber growth (usage and traffic termination costs), roaming expenses (up due to the increase in both customer volumes and travel volumes post the lifting of COVID-19 restrictions), CYTA's RAN sharing charges spanning over the entire 2022 (whereas they applied only 7 months in 2021) and higher handset and device costs corresponding to higher device sales.

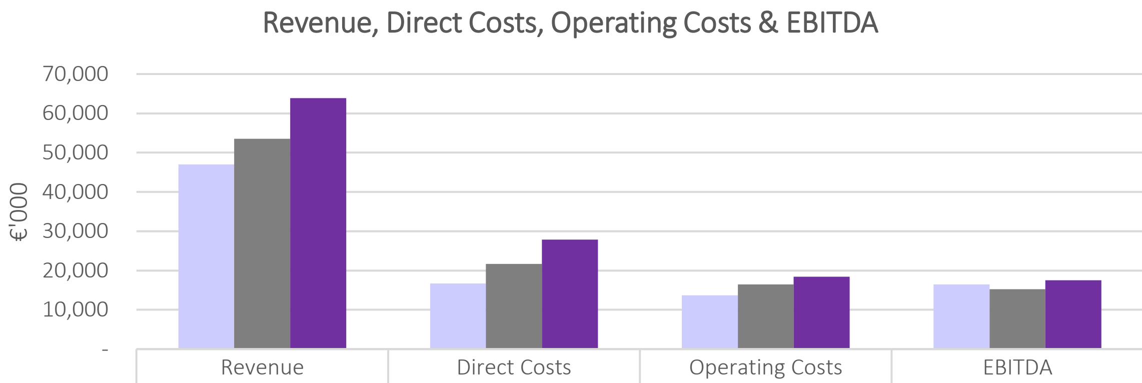
Furthermore, elevated electricity costs of €0.2 million also added to the Company's cost of sales.

Selling, distribution, administrative and other costs totalled €23.8 million in FY2022 (FY2021: €19.6 million) reflecting a) the elevated investments, in terms of network, people and IT systems, for the further growth of the business, b) higher utilities and transportation costs consumption as a result of allowing more staff to work from our locations once COVID-19 restrictions were relaxed c) one-off charges and expenses related to senior employee redundancies and d) increase in energy costs as a result of the continuous Russia - Ukraine conflict.

Staff numbers increased materially from 369 average employees to 403 employees but slower than the revenue rate of growth. The increase in staff numbers resulted in materially higher salary expenses, up from €6.6 million to €7.5 million.

Other significant increases over the previous financial reporting period included computer software maintenance costs (+ €0.9 million) and depreciation charges (+ €1.4 million).

After accounting for the above costs and other income, the Company's EBITDA registered an increase of €1.1 million to €17.5 million in FY2022 from €16.5 million in FY2020. This represents a CAGR of 3.2% over a three-year period. As stated before, investments to position new businesses for growth have been subduing EBITDA growth between 2020 and 2022. As these investments start to decrease and growing businesses deliver more revenue, EBITDA is expected to improve and that's the main underlying assumption behind the 2023 forecast.



	Revenue	Direct Costs	Operating Costs	EBITDA
FY2020	46,979	16,739	13,723	16,460
FY2021	53,503	21,687	16,496	15,260
FY2022	63,900	27,877	18,419	17,526

Depreciation and Amortisation

A large cost component for the Company are the non-cash charges relating to Depreciation and Amortisation ('D&A'), which account for approximately a third of total operating costs. These charges increased from €17.7 million in FY2020 to €19.7 million in FY2022. D&A charges were made up of the following components:

Depreciation & Amortisation	**FY2020 Restated** *€'000*	**FY2021** *€'000*	**FY2022** *€'000*
Depreciation PPE			
Leasehold buildings & improvements	177	209	267
Network & Machinery	6,456	6,942	7,377
Motor Vehicles	150	166	178
Furniture, Fixtures, Equipment & Computer Hardware	1,818	1,871	2,188
Tools	47	80	96
Depreciation – ROU Assets			
Land & Buildings	601	658	744
Motor Vehicles	327	367	457
Amortisation – Intangible Assets			
Computer Software	691	851	901
International Capacity	1,594	1,585	1,417
Leasehold Rights on Buildings	5	5	22
4G & 5G Spectrum			1,013
Football Rights	5,812	5,067	4,995
Total Depreciation & Amortisation	**17,678**	**17,801**	**19,655**

The Company continues to invest in its network infrastructure, and as such, this attracts the highest depreciation charge amongst its pool of capital assets.

Amortisation of Football Rights is a large contributor being an agreement for a fixed useful life of broadcasting rights for Cypriot sports content. In FY2022 the amortisation of the companies' use of the 4G and 5G spectrum was added and is largely the reason for the year-on-year increase in Total Depreciation and Amortisation.

Profitability Analysis

In FY2022, despite the marked increase in Revenue, the Company's financial performance was dented by the additional operating costs, finance costs and one-off compensation to employee redundancies.

The Company registered an operating loss of €2.1 million in FY2022 in comparison to a loss of €2.6 million in FY2021, and a Loss before income tax of €5.2 million in FY2022 (FY2021: €5.1 million).

On a net basis, profitability also amounted to a loss of €5.2 million, compared to a loss of €4.6 million in FY2021.

Variance Analysis – FY2022

Income Statement	Forecast	Actual	Variance	
Year ended 31 December	2022	2022		
	€'000	*€'000*	*€'000*	*%*
Revenue	**63,053**	**63,900**	***847***	***1.3%***
Direct Costs	(25,773)	(27,877)	***(2,104)***	***8.2%***
Gross Profit	**37,280**	**36,023**	***(1,257)***	***-3.4%***
Operating Costs	(18,720)	(18,419)	***301***	***-1.6%***
Other Income	78	78		
EBITDA	**18,638**	**17,526**	***(1,112)***	***-6.0%***
Depreciation & Amortisation	(20,987)	(19,655)	*1,332*	*-6.3%*
Operating Profit/(Loss)	**(2,349)**	**(2,130)**	***219***	***-9.3%***
Net Finance Costs	(2,659)	(3,105)	***(446)***	***16.8%***
Profit Before Tax	**(5,008)**	**(5,235)**	***(227)***	***4.5%***
Taxation Expense	520	12		
Profit for the Year	**(4,488)**	**(5,222)**	***(734)***	***16.4%***

Revenue returned higher than forecast largely due to better-than-expected device sales, counterbalanced by overall retail revenue that fell below expectations. Pre-paid mobile sales exceeded expectations due to a late uptake towards the end of the year.

However, in view of the additional direct costs incurred, the difference arising from the forecast compared to actual figures was due to the following: (1) handset sales were more than anticipated thus cost of sales came in €1.4 million higher than expected; (2) an increase in interconnection costs due to more mobile subscribers travelling abroad post covid and (3) the electricity cost for the network (included in Direct Costs).

As a result, gross profit was below expectations by 3.4% at €36.0 million. This was partly mitigated by the lower-than-expected level of operating costs, mainly due to lower staff costs (€0.3 million) and delayed planned expenses (€0.5 million) and lower bad debts countered by higher electricity prices and a one-off charge of €0.6 million related to an ex-gratia payment linked to redundancies.

This resulted in the Company falling below its forecasted EBITDA of €18.6 million by 6.0%, returning €17.5 million.

Depreciation and amortisation were lower than expected (€19.7 million vs €21.0 million forecast), however this was partly offset by higher net finance costs (€3.1 million vs €2.7 million forecast). A forecasted tax credit of €0.5 million did not materialise, translating into a net loss of €5.2 million compared to a forecast loss of €4.5 million.

Outlook FY2023

A more detailed explanation of Cablenet's future plans is included in sections 4 and 7 of this report. This section only deals with FY2023 expected performance.

Revenue for FY2023 is expected to continue to grow across all segments but with the more pronounced contribution coming from the further ramp up of the mobile segment. Indeed, revenue growth is expected to be supported by a modest gain in B2B revenue, a sharp increase in both pre-paid and post-paid mobile sales, as well as a further increase in handset sales.

Direct costs are expected to increase as a result of the growing scale of Cablenet's business operation, mainly driven by an increase in cost of sales related to handsets, increased connection costs to support a larger subscriber base, increased costs related to football rights and production as well as higher staff and sales related costs in order to retain a best-in class service.

The Company is expected to continue to realise the benefits of economies of scale, with improving volumes and margins leading to a double-digit growth of 16% in EBITDA to €20.3 million compared to €17.5 million in FY2022.

The Company continues to invest aggressively in its infrastructure and service offering, resulting in additional Depreciation & Amortisation costs. As a result, the Company is expected to remain in an operating loss (negative EBIT) position. Nonetheless, the operating loss is expected to ease to €1.2 million compared to the operating loss of €2.1 million in FY2022.

Net finance costs in FY2023 are expected to increase marginally to €3.4 million due to additional financing obtained from the parent and local banks. The net result is expected to be an improvement of around €0.7 million in FY2023 to a net loss of €4.6 million (no tax credit or expenses is being forecasted).

Based on current trends, further growth in revenue and operating profitability are expected for FY2023 and as a result, the level of losses after tax will decrease significantly, barring extraordinary developments, with a number of months also seeing a profit before tax.

9. STATEMENT OF FINANCIAL POSITION

Statement of Financial Position As at 31 December	2020(A) -Restated €'000	2021(A) €'000	2022(A) €'000	2023(F) €'000
ASSETS				
Property, Plant & Equipment	39,109	41,858	45,581	51,056
Right-of-Use Assets	3,694	4,260	19,721	17,598
Intangible Assets	20,616	22,209	22,680	33,652
Financial assets at amortised cost	263	350	207	
Inventories	79	295	770	804
Trade & Other Receivables	13,418	14,020	15,172	10,008
Deferred Tax Assets	185	714	2,650	2,650
Bank Deposits & Cash in Hand	14,433	4,637	3,663	2,506
TOTAL ASSETS	91,796	88,343	110,445	118,273
EQUITY & LIABILITIES				
Equity				
Share Capital	5,750	5,750	5,750	5,750
Other Reserves	26,393	26,393	26,393	30,988
Accumulated Losses	(19,211)	(23,782)	(29,004)	(34,189)
Total Equity	12,932	8,361	3,139	2,549
Liabilities				
Borrowings	40,443	40,437	47,419	52,538
Lease Liabilities	3,697	4,248	14,190	11,938
Trade & Other Payables	27,579	22,516	35,813	30,024
Football Rights Liability	7,143	12,781	7,960	19,300
Tax Liabilities	-	-	1,924	1,924
Total Liabilities	78,862	79,982	107,306	115,725
TOTAL EQUITY & LIABILITIES	91,794	88,343	110,445	118,273

CABLENET'S ASSET BASE

As explained in section 5 of this report, the Company's asset base features the network infrastructure and tangible asset investments carried out to date, representing €45.6 million out of the €110.4 million of total assets by the end of FY2022. Cablenet's network infrastructure allows the Company to keep up with technology advances and market competition, but also to reach new territories across Cyprus.

Intangible assets include the acquired football rights which at the end of the FY2022 were valued at €7.0 million, down from €12.3 million in FY2021 due to the amortization over the relatively short agreement period.

Other Intangible Assets relate to computer software, international capacity and leasehold rights on buildings. International Capacity balances increased materially from €7.9 million in FY2021 to €14.3 million in FY2022 reflecting the capitalisation of the Arsinoe subsea cable.

Intangible Assets	FY2020 - Restated *€'000*	FY2021 *€'000*	FY2022 *€'000*
Computer Software	2,130	1,594	1,457
International Capacity	9,824	7,925	14,277
Leasehold Rights on Buildings	361	356	-
Football Rights	8,490	12,334	6,947
	20,805	22,209	22,680

In line with IFRS 16 – Leases, the Company recognises on its balance sheet the lease agreements it has relating to land & buildings and motor vehicles, leased primarily for sales and technical services. FY2022 included the recognition of 4G and 5G spectrum licenses totalling €16.4 million. The depreciated balance of all these leased assets at the end of FY2022 was of €19.7 million.

Within its asset base, Cablenet has a balance of trade receivables of €6.6 million at FY2022, up from €2.7million as at the end of FY2021. Cablenet typically invoices its retail subscribers on a pre-paid (fixed and mobile) and post-paid (mobile) bases, while corporate clients are on a post-paid basis. The introduction of Device financing (customers buying mobile handsets with the ability to repay over a 24/36-month period) was the main contributing factor for the increase in receivables.

The total asset base of the Company increased by €22.1 million over the prior year, mainly due to the capitalisation of the 4G and 5G spectrum licences under Right-of-use assets.

LIABILITIES

The Company's liabilities historically consisted of borrowings, trade & other payables as well as current tax liabilities.

Borrowings Analysis	FY2020 - Restated *€'000*	FY2021 *€'000*	FY2022 *€'000*
Current Borrowings	1,037	2,121	5,544
Non-Current Borrowings	39,405	38,316	41,876
Total Debt	**40,443**	**40,437**	**47,420**
Cash & Equivalents	14,433	4,636	2,979
Net Debt	**26,010**	**35,801**	**44,441**

During FY2022, the Company's net debt position increased by €8.6 million from €35.8 million in FY2021 to €44.4 million in FY2022 in line with its strategic focus to continue its capital-intensive investment plan of expanding its infrastructure. The Company's majority shareholder, GO plc, demonstrated its commitment to continue supporting the Company's profitable growth and investment by providing a €3.5 million loan in June 2022. The remainder of the increase in borrowings was secured via a drawdown on bank overdraft facilities of €3.4 million.

Trade & Other Payables	FY2020-Restated	FY2021	FY2022
	€'000	€'000	€'000
Trade Payables	7,249	4,837	12,425
Amounts due to Shareholders (Dividends)	5,038	5,037	6,757
Deferred Subscription Income	9,445	5,423	9,704
Accruals	1,106	1,565	1,680
Refundable Security Deposits on Subscriptions	2,983	3,147	3,249
Other Payables	1,758	2,507	1,997
	27,579	**22,516**	**35,812**

During FY2022 there was an overall marked increase in the level of trade payables and a significantly higher level of deferred subscription income, resulting in a €13.3 million increase in overall payables. The main increase in payables is attributed to the Arsinoe subsea cable (€6 million), €0.6 million related to a Nokia OTN contract and €4 million deferred subscription revenue originating from the minimum guarantee for the Local Football content.

Equity Base

The Company's equity base decreased to €3.1 million in FY2022 (FY2021: €8.4 million) reflecting the net loss for the year of €5.2 million. As a result of this loss, the Company's accumulated losses account increased to €29.0 million compared to €23.8 million as at the end of FY2021.

Cablenet has negative retained earnings (accumulated losses) which are largely the result of reported losses in the initial years of the Company.

Outlook FY2023

Cablenet's total asset base is expected to increase by 7.1% to €118.3 million, reflecting the additional investments deployed towards network expansion and related hardware (both in Cyprus and international connectivity) as well as IT and software costs. Intangible assets are expected to increase as a result of an extension of football rights for two major football teams.

On the liabilities side, borrowings are expected to increase by around €5 million to €52.5 million reflecting a further loan from majority shareholder GO plc of up to €6 million.

Lease liabilities are expected to decrease to €11.9 million from €14.2 million due to sequentially lower accrued revenue. Trade & other payables are expected to sequentially decrease by around €5 million to €30 million in FY2023 after a high yearly increase in FY2022. Football rights liabilities are expected to increase on the back an extension of football rights initially on two teams, but likely expanding to a total of five teams later in the year.

The Company's equity base will continue to be characterised by accumulated losses, which in FY2023 are expected to increase to €34.2 million (FY2022: €29.0 million) reflecting the anticipated loss for the year. At the end of FY2023, total equity is expected to stand at €2.5 million (representing 2.2% of Cablenet's total asset base).

10. STATEMENT OF CASH FLOWS

Statement of Cash Flows Year ended 31 December	2020(A) -Restated €'000	2021(A) €'000	2022(A) €'000	2023(F) €'000
Net Cash from Operating Activities	19,391	13,960	20,606	25,723
Net Cash Used in Investing Activities	(18,240)	(16,046)	(19,900)	(23,520)
Free Cash Flow	1,151	(2,086)	707	2,203
Net Cash Used in / From Financing Activities	10,431	(5,775)	(4,215)	(2,203)
	11,582	(7,861)	(3,508)	0
Cash & Cash Equivalents:				
At the Beginning of the Year	(3,533)	8,049	188	(3,320)
At the End of the Year	8,049	188	(3,320)	(3,320)

In the past three reporting periods, Cablenet generated a total of €54.0 million in cash from operations. It also maintained a high level of investment in its network infrastructure and other capital projects, in line with its growth strategy, which during the period FY2020 to FY2022 amounted to €54.2 million.

In order to support this growth in business, throughout the years the Company had a mix of borrowings from banks and its shareholders. In FY2020, however, the Company tapped the capital market for the first time with a €40 million Bond Issue.

OUTLOOK FY2023

The cash flow projections for FY2023 reflect another year of particularly heavy investment for Cablenet, as reflected in the net cash used in investing activities. Capital investment expenses are expected to be aggressive, increasing by 18% to around €23.5 million. This investment is expected to be largely supported by ongoing net cash generated from operating activities, that is also anticipated to increase materially over the current financial period.

The liquidity position of the Company is expected to be aided by a loan of up to €6 million by majority shareholder GO Plc. Cashflows from financing activities reflect lease payments, spectrum payments, bond interest and other costs, offsetting the cash inflow from GO plc.

11. Ratio Analysis

The following set of ratios have been computed from the Company's figures, both historical and projections.

Note: where the ratios were non-comparable because of a negative return or a negative result, the ratio has been recorded as 'n/a'.

	FY2020 *Restated*	FY2021	FY2022	FY2023(F)
Contribution Margin *(Gross Profit / Revenue)*	64.4%	59.5%	56.4%	53.6%
EBITDA Margin *(EBITDA / Revenue)*	35.0%	28.5%	27.4%	27.6%
Operating Profit Margin *(Operating Profit / Revenue)*	n/a	n/a	n/a	n/a
Net Profit Margin *(Net Profit / Revenue)*	n/a	n/a	n/a	n/a
Interest Cover Ratio *(EBITDA / Net Finance Cost)*	9.07x	5.99x	5.64x	6.00x
Return on Assets *(Profit before Tax / Average Assets)*	n/a	n/a	n/a	n/a
Return on Equity *(Profit for the Period / Average Equity)*	n/a	n/a	n/a	n/a
Return on Capital Employed (Operating Profit / Capital Employed)	n/a	n/a	n/a	n/a
Net Debt to EBITDA *(Net Debt / EBITDA)*	1.58x	2.35x	2.50x	2.47x
Gearing Ratio *(Total Borrowings / Equity + Borrowings)*	73.6%	79.2%	89.2%	94.9%
Gearing Ratio (2) *(Net Borrowings / Equity + Net Borrowings)*	66.8%	81.1%	93.3%	95.2%
Current Ratio *(Current Assets / Current Liabilities)*	1.05x	0.53x	0.35x	0.29x
Cash Ratio *(Cash & Equivalents / Current Liabilities)*	0.60x	0.20x	0.09x	0.06x

Cablenet's gross profit margins are reflective of the business model of telecoms, whereby scale plays a crucial part. Scale aside, different telecom products (i.e. fixed internet vs. fixed voice or TV vs. mobile) have different contribution margins due to the structure of the market, competition or agreements and underlying economics – as such, a shift in the composition of revenue will impact the Company's contribution margin. Contribution margins across the years under review have been shifting away from more mature higher margin business to more recent investments that are set to benefit from scale in the years to come.

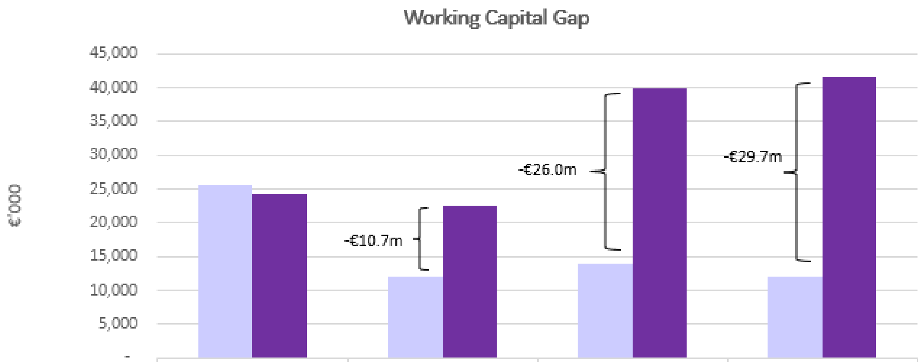
In so far as EBITDA margins are concerned, the reduction is a direct reflection of the lower gross margins, as operational scale efficiencies are yet to set in. As discussed earlier in this report, in view of the high levels of depreciation and amortisation charges, operating profit and net profit margins are anticipated to remain in negative territory. In fact, due to the additions to the Company's asset base, resulting in a higher depreciation charge, these two metrics will remain negative in FY2023 and will in turn affect the subsequent return ratios for the financial year. Meanwhile, given the anticipated higher increase in EBITDA than in interest costs, the interest cover ratio of the Company is expected to improve to 6.0 times which is considered to be a strong level of coverage.

When looking at the gearing structure of the Company, this has been very high, reaching over 89% in FY2022. This is expected to deteriorate further to 94.9% in FY2023 (or 95.2% when excluding cash balances) reflecting the additional debt financing to be incurred in order to finance the investments required to support the Company's growth plans. However, on a Net Debt / EBITDA basis, the Company is expected to improve its gearing marginally in FY2023.

Over the years, Cablenet invested heavily in its network expansion which as a result, left the Company in a net working capital deficient financial position, where its current liabilities have been greater than current assets. This notwithstanding, the Company's shareholders supported it over the years through shareholders' loans and unwithdrawn declared dividends.

The negative working capital position is quite common for telecom companies[1], as a result of a significant portion of revenue being pre-paid or benefiting from relatively shorter collection times (i.e. ranging from <30 to 60 days) against trade and other payables that are typically longer dated (i.e. ranging from 30 to 90 days). VAT also inflates Cablenet's current liabilities, since, along with revenue, Cablenet also collects Output VAT in amounts that are consistently higher than the Input VAT it pays to its suppliers. The net surplus amount is expected to be settled quarterly, thus creating a routine VAT liability balance on Cablenet's balance sheet.

Overall, the Company deems a negative working capital position as beneficial and consistent with the nature and business norms of its sector from a cash-flow management perspective.



	2020(A) - Restated	2021(A)	2022(A)	2023(F)
Current Assets	25,570	11,997	13,923	12,048
Current Liabilities	24,240	22,650	39,956	41,712

Source: Management information

[1] https://www.cfo.com/cash-flow/2012/06/the-positives-of-negative-working-capital

PART C LISTED SECURITIES

GO plc is the parent company of Cablenet, owning 70.22%. GO plc has its shares listed on the Official List of the Malta Stock Exchange. Details of its listed securities are included hereunder:

Number of shares in issue (as at the date of this FAS):	101,310,488 shares
ISIN:	MT0000090101

Furthermore, GO plc owns 51% of BMIT Technologies plc, which makes the latter a sister company of Cablenet. The shares of BMIT Technologies plc are also listed on the Official List of the Malta Stock Exchange, details of which are included hereunder:

Number of shares in issue (as at the date of this FAS):	203,595,310
ISIN:	MT0002130103

PART D COMPARATIVES

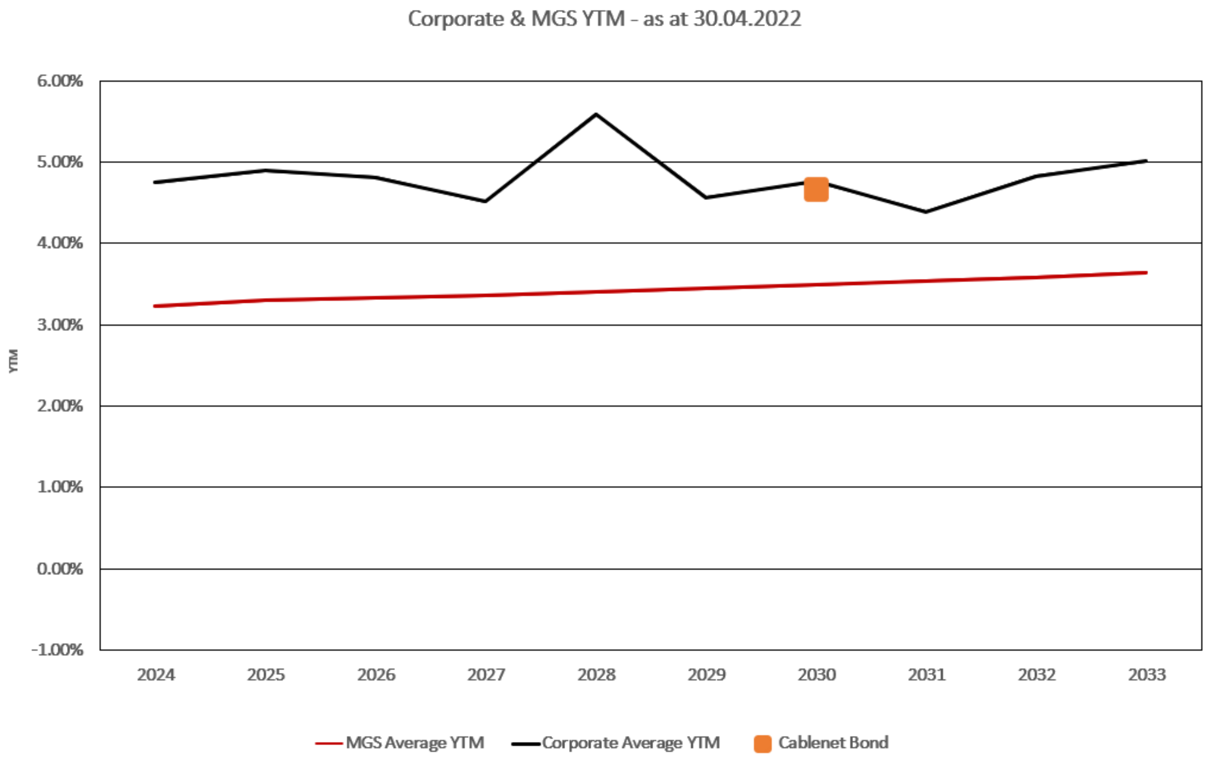
The table below compares the Company's bonds with other local corporate bonds having maturities closest to the Company's bonds. The list excludes issues by financial institutions. The comparative set includes local groups whose assets, strategy and level of operations vary significantly from those of the Company and are therefore not directly comparable. Nevertheless, the table below provides a sample of some comparatives:

Bond Details	**Amounts Outstanding (€)**	**Gearing***	**Net Debt to EBITDA**	**Interest Cover**	**YTM as at 30.04.2023**
4.50% Endo Finance plc 2029 (Unsecured)	13,500,000	25.6%	0.93x	8.2x	4.80%
4.00% SP Finance plc 2029 (Secured)	12,000,000	51.8%	11.97x	1.40x	4.19%
3.75% TUM Finance plc 2029 (Secured) (Puttable)	20,000,000	35.5%	1.34x	20.86x	4.70%
3.65% Stivala Group Finance plc 2029 (Secured)	15,000,000	28.9%	11.91x	2.27x	4.59%
3.75% AX Group plc 2029 (Unsecured)	10,000,000	30.0%	14.74x	1.75x	4.14%
4.00% Cablenet Communication Systems plc 2030 (Unsecured)	**40,000,000**	**93.3%**	**2.50x**	**5.64x**	**4.66%**

Source: Yield to Maturity from rizzofarrugia.com, based on bond prices of 30 April 2023. Ratio workings and financial information quoted have been based on the respective issuers' unadjusted published financial data (or their guarantors, where and as applicable)

**Gearing - (Net Debt/ Net Debt + Total Equity)*

The following shows the average yield to maturity of listed corporate bonds and MGS covering an eleven-year period, and how Cablenet's bond compares to such average yields. All the yields presented hereunder are as at 30 April 2023.



At a yield-to-maturity of 4.66%, Cablenet's bonds are priced 10 basis points below the equivalent average corporate bonds YTM for 2030 maturities and at a 117-basis points premium over the average MGS YTM for 2030 maturities.

PART E GLOSSARY

Income Statement Explanatory Definitions

Revenue	Total revenue generated by the company from its business activity during the financial year.
EBITDA	Earnings before interest, tax, depreciation and amortization, reflecting the company's earnings purely from operations.
EBIT (or Operating Profit)	Earnings before interest and tax.
Depreciation and Amortization	An accounting charge to compensate for the reduction in the value of assets and the eventual cost to replace the asset when fully depreciated.
Finance Income	Interest earned on cash bank balances and from the intra-group companies on loans advanced.
Finance Costs	Interest accrued on debt obligations.
Net Profit	The profit generated in one financial year.

Cash Flow Statement Explanatory Definitions

Cash Flow from Operating Activities	The cash used or generated from the company's business activities.
Cash Flow from Investing Activities	The cash used or generated from the company's investments in new entities and acquisitions, or from the disposal of fixed assets.
Cash Flow from Financing Activities	The cash used or generated from financing activities including new borrowings, interest payments, repayment of borrowings and dividend payments.
Free Cash Flow (FCF)	FCF represent the amount of cash remaining from operations after deducting capital expenditure requirements.

Statement of Financial Position Explanatory Definitions

Assets	What the company owns which can be further classified in Current and Non-Current Assets.
Non-Current Assets	Assets, full value of which will not be realised within the forthcoming accounting year.
Current Assets	Assets which are realisable within one year from the statement of financial position date.
Liabilities	What the company owes, which can be further classified in Current and Non-Current Liabilities.
Current Liabilities	Obligations which are due within one financial year.
Non-Current Liabilities	Obligations which are due after more than one financial year.
Equity	Equity is calculated as assets less liabilities, representing the capital owned by the shareholders, retained earnings, and any reserves.

PROFITABILITY RATIOS

Contribution Margin	Contribution margin is gross profit achieved during the financial year expressed as a percentage of total revenue.
EBITDA Margin	EBITDA as a percentage of total revenue.
Operating Profit Margin	Operating profit margin is operating profit achieved during the financial year expressed as a percentage of total revenue.
Net Profit Margin	Net profit margin is profit after tax achieved during the financial year expressed as a percentage of total revenue.
Return on Equity	Return on equity (ROE) measures the rate of return on the shareholders' equity of the owners of issued share capital, computed by dividing profit after tax by shareholders' equity.
Return on Capital Employed	Return on capital employed (ROCE) indicates the efficiency and profitability of a company's capital investments, estimated by dividing operating profit by capital employed.
Return on Assets	Return on assets (ROA) measures the rate of return on the assets of the company. This is computed by dividing profit after tax by average total assets.

LIQUIDITY RATIOS

Current Ratio	The current ratio is a financial ratio that measures whether a company has enough resources to pay its debts over the next 12 months. It compares a company's current assets to its current liabilities.
Cash Ratio	Cash ratio is the ratio of cash and cash equivalents of a company to its current liabilities. It measures the ability of a business to repay its current liabilities by only using its cash and cash equivalents and nothing else.

Solvency Ratios

Interest Coverage Ratio	This is calculated by dividing a company's EBITDA of one period by the company's net finance costs of the same period.
Gearing Ratio	The gearing ratio indicates the relative proportion of shareholders' equity and debt used to finance a company's assets, and is calculated by dividing a company's net debt by net debt plus shareholders' equity.
Net Debt to EBITDA	This is the measurement of leverage calculated by dividing a company's interest-bearing borrowings net of any cash or cash equivalents by its EBITDA.

Other Definitions

Yield to Maturity	YTM is the rate of return expected on a bond which is held till maturity. It is essentially the internal rate of return on a bond, and it equates the present value of bond future cash flows to its current market price.