



Cablenet Communication Systems plc



Investor Presentation

June 2020

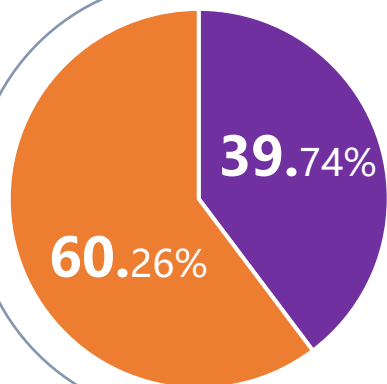
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Introduction



Cablenet Communication Systems plc (“**Cablenet**”, “**Company**” or “**Issuer**”) is a telecommunications company operating in Cyprus majority owned by GO p.l.c (60.26%) and Mr. Nicolas Shiacolas (39.74%)

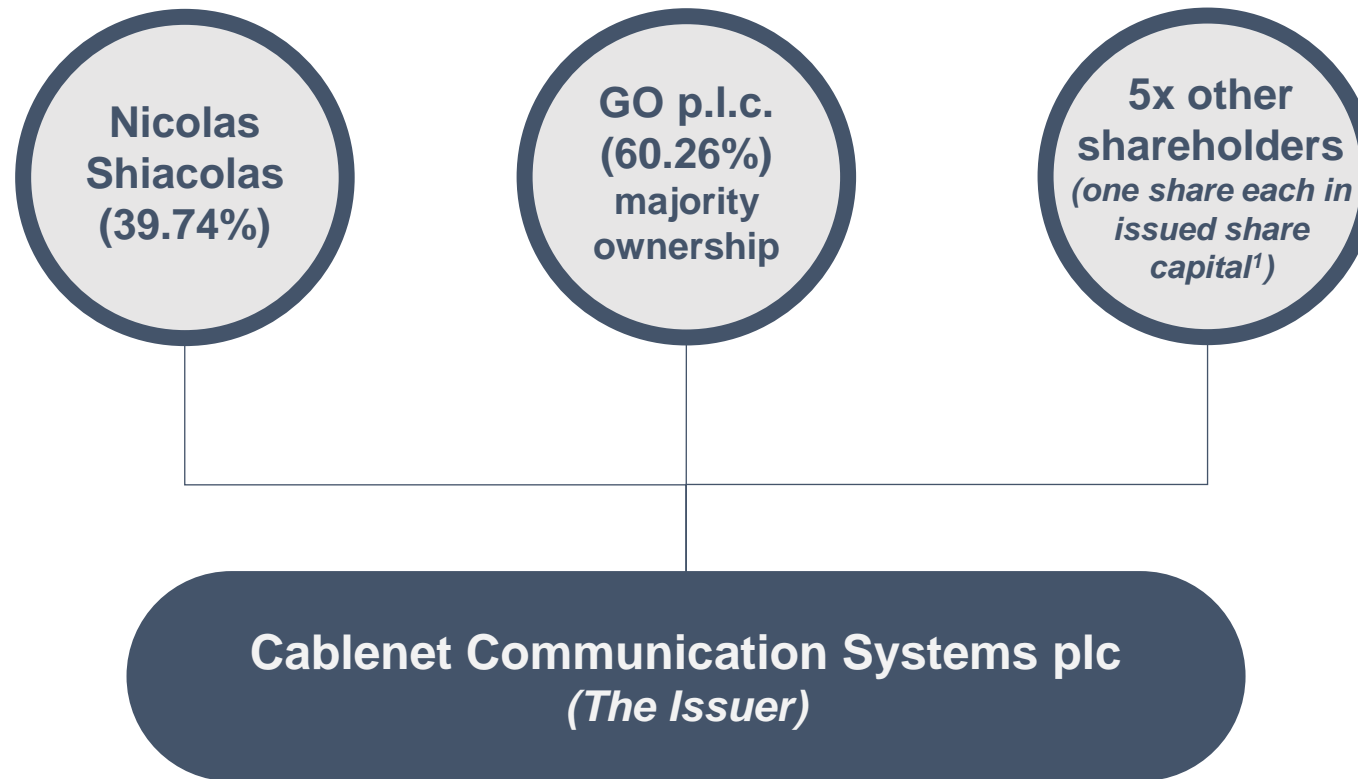
€40 million

The Company is in advanced preparations in respect of a proposed public issue in Malta of 4% unsecured bonds with an aggregate principal amount of up to €40 million with 10-year maturity and a par value of €1,000

July 2020

Targeted Listing Authority approval

Ownership Structure



Note¹: a minimum of seven (7) shareholders are required for a company to be considered a public company according to Cyprus Regulation

Governance

Issuer's Board of Directors

Mr. Nicolas Shiacolas	Non-Executive Chairman
Mr. Iosif Iosifakis	Executive Director
Mr. Periklis Theodoridis	Executive Director
Mr. Nikhil Patil ²	Non-Executive Director
Mr. Paul Testaferrata Moroni Viani	Non-Executive Director
Mr. Samir Saied ¹	Non-Executive Director
Mr. Faker Hnid	Non-Executive Director
Mr. Michael Warrington ^{1,2}	Independent, Non-Executive Director
Mr. Neoclis Nicolaou ^{1,2}	Independent, Non-Executive Director
Dr. Francis Galea Salomone	Company Secretary

Note¹: Will be appointed to the Board prior to the Bond Issue

Note²: Member of the Audit Committee of the Board

Executive Management

Issuer's Senior Management Team

Mr. Yiannos Michaelides	CEO
Mr. Iosif Iosifakis	Head of Strategy, Finance and Corporate Affairs
Mr. Periklis Theodoridis	Head of Operations, Marketing and Content
Mr. Thomas Hoplaros	Head of Business
Ms. Chrystalla Karagiorgi	Head of Human Resources
Mr. Michalis Perikleous	Head of Access Network
Mr. Ioannis Michaelides	Head of Information

Section I

Business Overview

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Cablenet Opportunity



Quad-play telecoms operator

Serving over 76K B2C & B2B customers across Cyprus

Robust and resilient infrastructure

Owens and operates a high speed fibre and cable network covering 60% of the island

Proven Revenue and EBITDA growth

Track record in growing revenue and EBITDA by 24% over the last 3 years

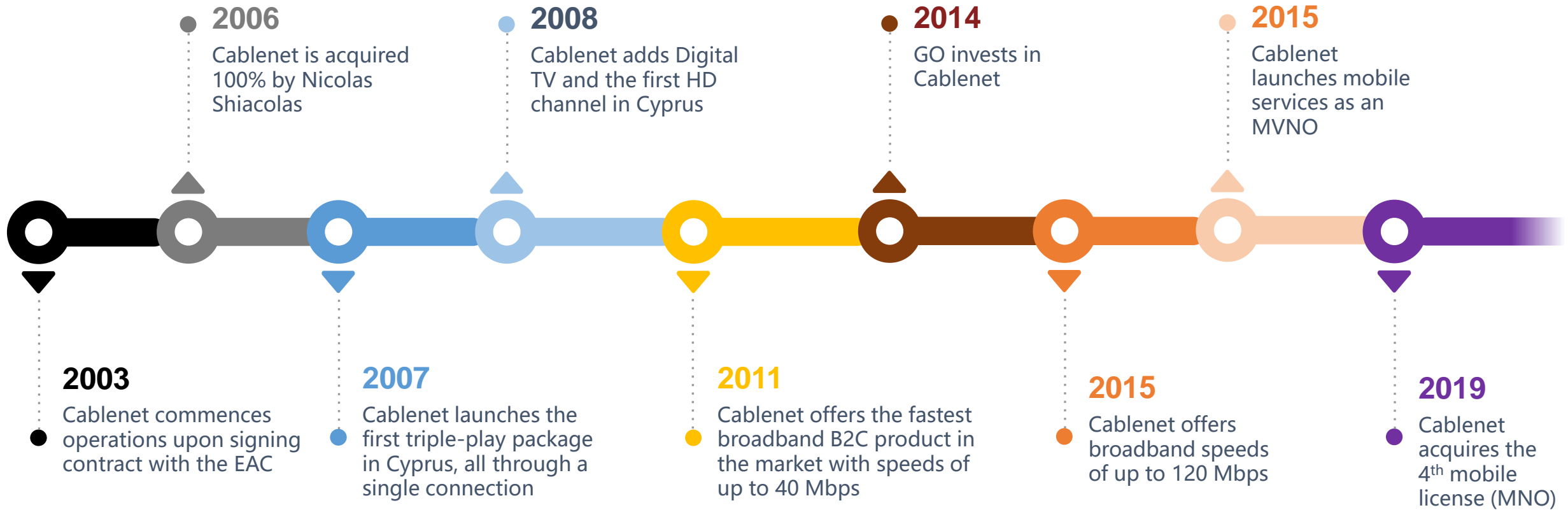
100+ years of industry experience

Driven by a focused and experienced executive team

Large opportunity for future growth

Well placed to capitalise on future growth by expanding into the mobile market

History of Cablenet



Cablenet Overview

Business Overview

- /// Cablenet is a quad-play telecoms service provider in Cyprus offering television, broadband, fixed voice and mobile services to residential and business customers
- /// Cablenet operates a privately-owned fibre-optic network as well as a pioneering HFC cable network, which is classified as a NGAN, covering approximately 180,000 homes that can reach up to 1Gbps per connection
- /// Cablenet launched its first mobile services in Q4 2017 as an MVNO service provider and subsequently acquired the 4th MNO mobile license in 2019
- /// Cablenet retail operations comprise of 6 shops in 4 major cities (2 in Nicosia, 1 in Larnaca, 2 in Limassol and 1 in Paphos), and also provides services through a number of selected authorized resellers
- /// Cablenet has achieved steady growth in its market share and revenue since 2008, largely due to offering "value for money" services with primarily high speed multiplay bundles at competitive prices

Residential Product Overview

Selection of fiberpower® Internet with Fixed Telephony service

fiberpower®

60M

120M

180M

Various TV packages with 85+ SD and HD channels including FOX, Nova, Catch-up TV, View on Demand, and Cablenet Sports

Variety TV

Variety Xtra TV

Complete TV

Cablenet Sports For All

Selection of mobile plans with inclusive minutes, sms and data

4G
Mobile
Basic

4G
Mobile
Purple 1

4G
Mobile
Purple 2

4G
Mobile
Purple 3

4G
Mobile
Purple 4

Carefully constructed ready-made, 3-play bundles suitable for families and sports lovers

Connect Xtra
60M

Connect Sports
20M

Connect Sports
60M

Connect Sports
120M

Cablenet Business Overview

Cablenet Business Philosophy

- /// Cablenet Business provides innovative, tailor-made b2b solutions to all business segments in the market by leveraging Cablenet's privately-owned network and state-of-the-art infrastructure, which is interconnected with high bandwidth terrestrial fibre optic circuits
- /// Cablenet has Points of Presence in all cities around Cyprus, interconnected with multiple fibre rings for seamless performance
- /// Cablenet has modern equipment and backup systems to guarantee high availability
- /// Cablenet is interconnected with high international bandwidth via multiple submarine cable systems to various international points including London, Frankfurt, Marseille and Athens that are fully interconnected with each other with high bandwidth terrestrial fibre optic circuits to ensure a resilient MPLS network

Business Solutions Overview

Internet
Connectivity
Services

Mobile
Telephony
Services

Data Centre
Services

Public Cloud
Services

Network
Solution
Services

Fixed
Telephony
Services

CABLENET
CLOUD
BACKUP

MINI
VPS

WEB
HOSTING
SERVICE

CLOUD
SERVER

HOSTED
EXCHANGE
MAIL

DNS
HOSTING

SUPPORT
EXPERTS

We Serve

Self Employed

Small Business

Medium Business

Large Business

Carrier Services

Fully Resilient All IP Infrastructure

Access

- /// Cablenet operates a privately owned HFC network covering 180k homes and serving 73K residential subscribers and over 3K businesses
- /// Upgraded to the latest DOCSIS 3.0 cable technology with internet speeds up to 1Gbps
- /// Cablenet has been rolling out its privately owned Fibre Optic network based on Active Ethernet technology with attainable speeds up to multi-gigabit

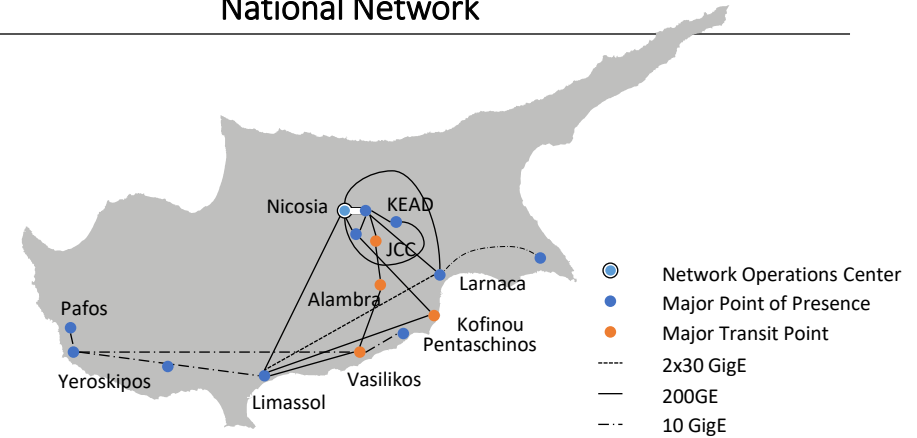
National Backbone

- /// Cablenet operates six major PoPs in Cyprus all interconnected with a state-of-the-art multi-100G self healing ring
- /// Cablenet has in place both Ethernet based 200Gbps connections and multiple 10G aggregated links for backhauling its own international links
- /// Cablenet has multi-fibre metro rings in urban centres in Cyprus (Nicosia, Limassol, Larnaca and Paphos), providing redundancy not only to Cablenet's data centre but also to its key clients

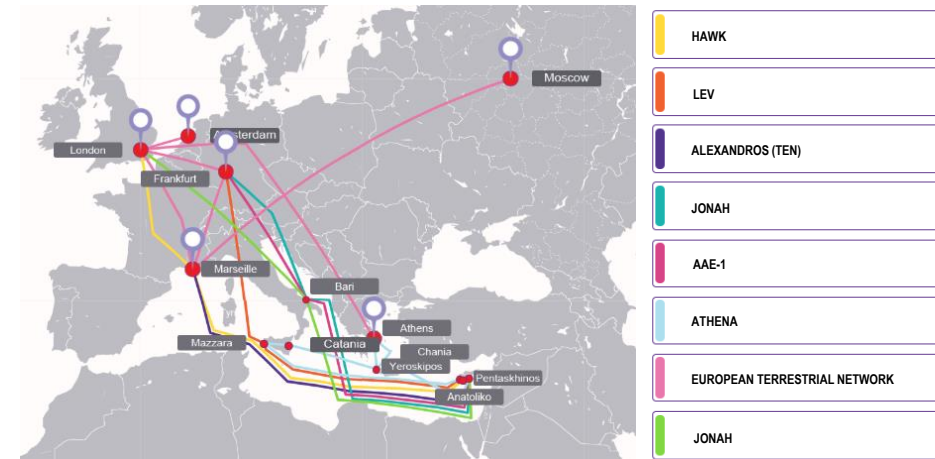
International Network

- /// Cablenet owns a total submarine capacity of 110 Gbps on multiple cable systems

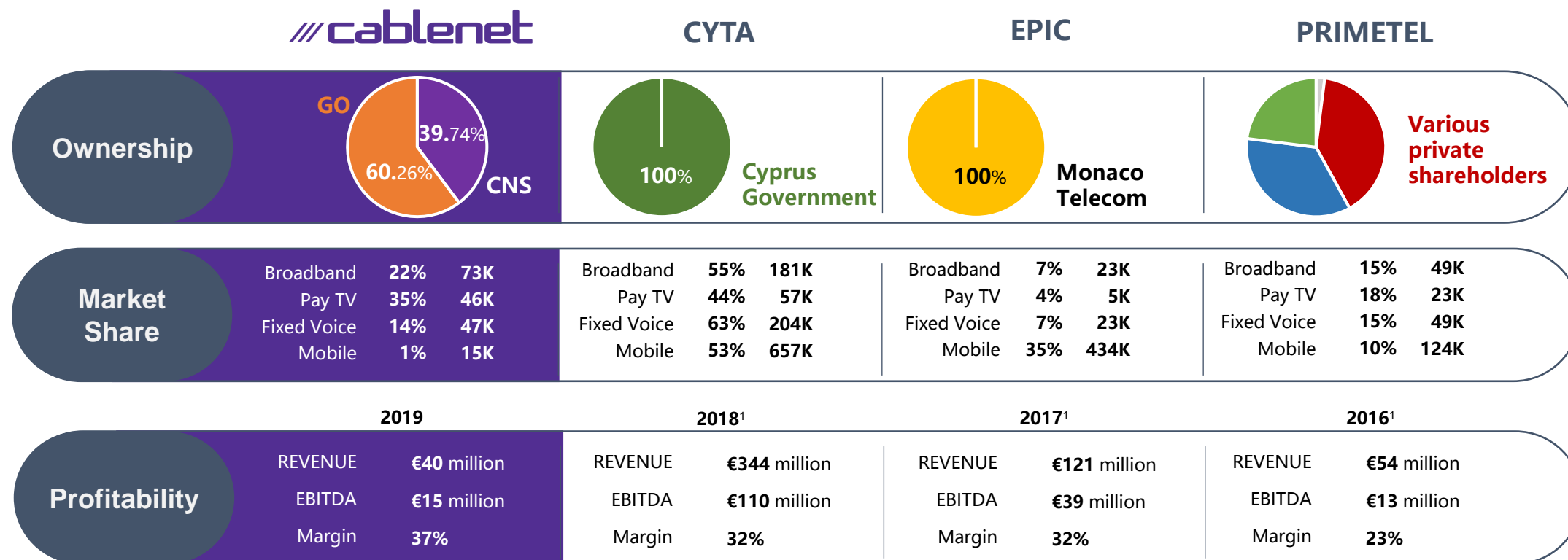
National Network



International Network

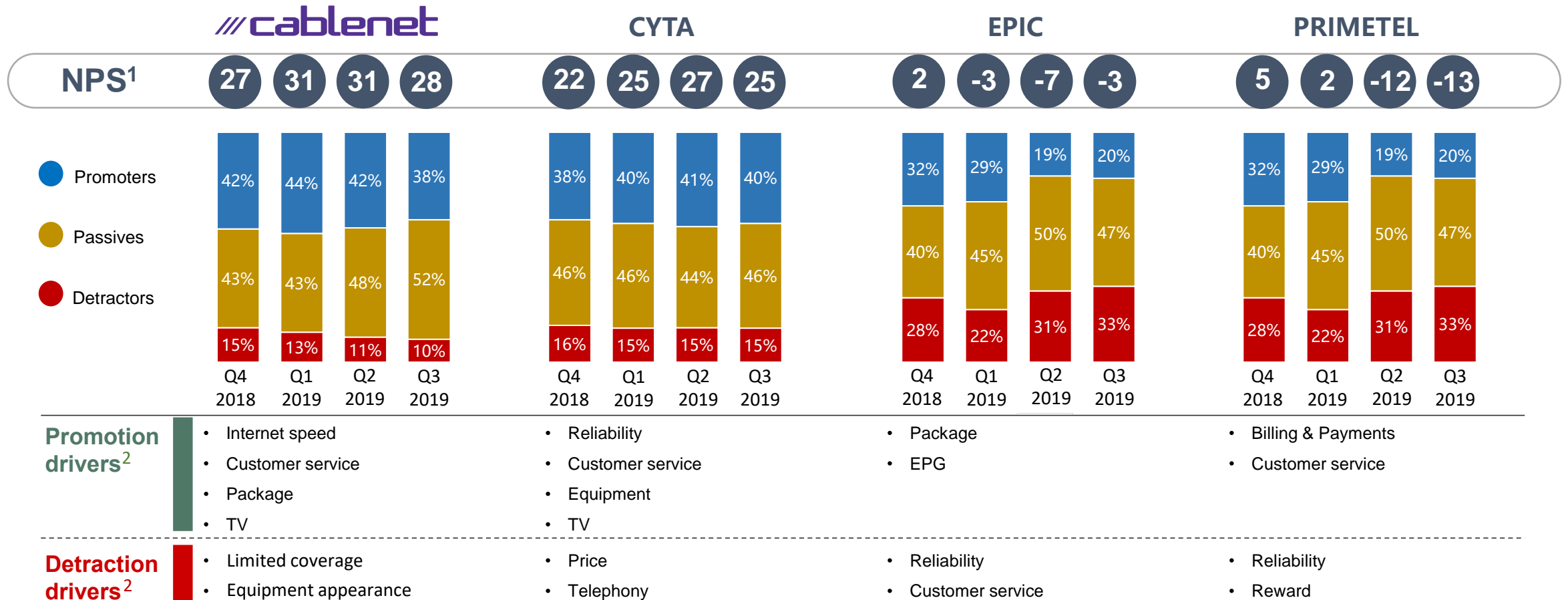


Cablenet Competitive Landscape



Note¹: Figures for competitor financial data taken from latest available public figures

One of the Best Brands in Cyprus



Note: (1) Net Promoter Score (NPS) for fixed line services

Note: (2) Promotion and detraction drivers are derived from the Customer Satisfaction (CSAT) analysis

Source: Cablenet CSAT and NPS study

Fastest Growing Broadband Operator in Cyprus

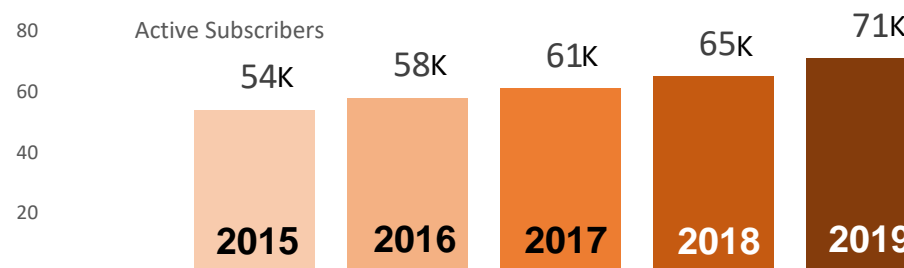
Cablenet's Success

- /// Offers “**value for money**” products and services that appeal to a significant share of the market
- /// Offers **higher speed multiplay bundles** at significantly lower prices than the competition
- /// **Continued future growth potential** due to network expansion (current coverage 60% of households)

43%
effective
market
penetration
in network
footprint

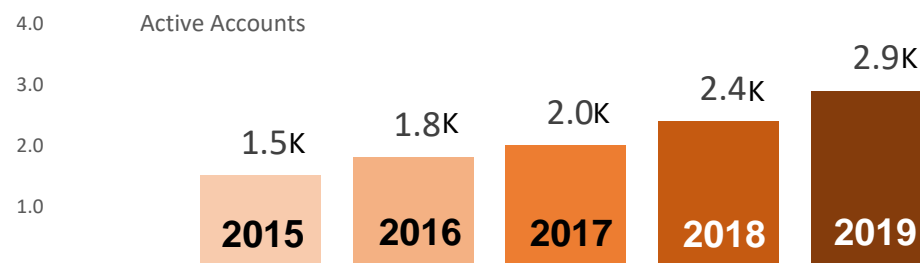
Retail Broadband Subscribers

CAGR
5.6%



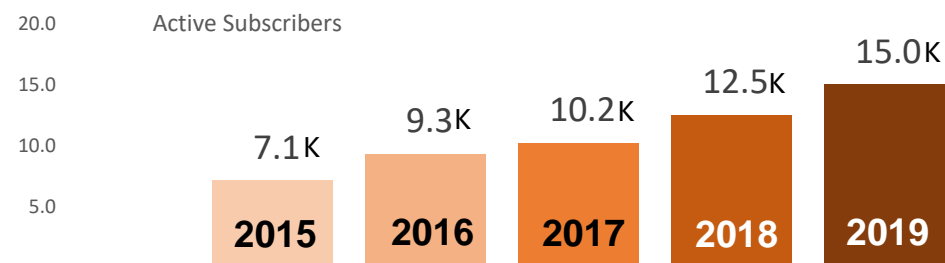
Business Customers

CAGR
14.1%



Mobile Subscribers

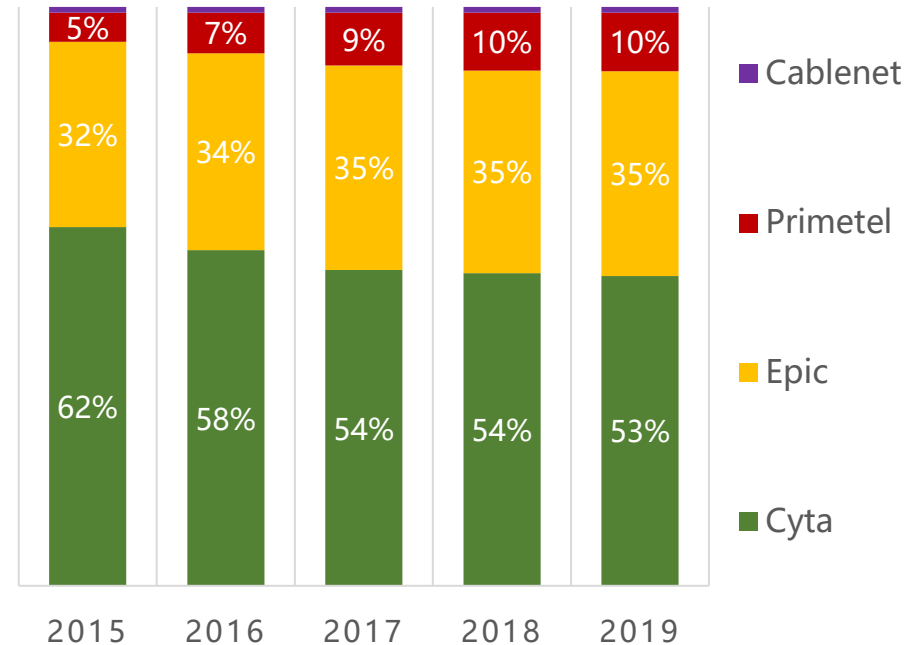
CAGR
16.2%



Cablenet's Entry into Mobile



Cyprus Mobile Market Share 2015-2019



Cyprus Mobile Entry Approach

- /// Cablenet will offer mobile services in Cyprus as a **fully licensed Mobile Network Operator (MNO)**
- /// Cablenet's product strategy is to create a differentiated, value-for-money **FMC offering**
- /// Cablenet will leverage its existing **large customer base** with fixed line services and its **strong brand affinity**
- /// Cablenet mobile will be hosted on the **best mobile network in Cyprus**

Cablenet Mobile Ambition

Ambition

Become a relevant, profitable mobile challenger by leveraging a leading FMC proposition to gain scale fast, and by building a lean, innovative operating model.

Where to Play

A Win share primarily in lucrative **mobile postpaid** market

B Win share in the **FMC market**

C **Operating model sustainability**

How to Win

1 Launch the best proposition in the market in terms of **value, simplicity and transparency**

2 Provide the best in class **digital** sales and customer service experience

3 Leverage our large customer base to **cross-sell** mobile services

4 Operate a **lean** organisation



Section II

Financial Information

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Overview of the Issuer's Revenue Generation

Revenue by component

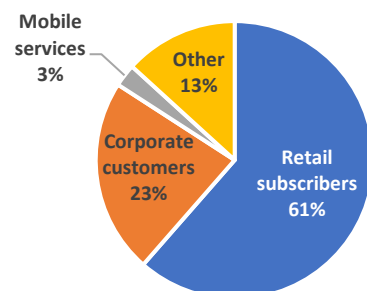
Amounts in €000s	FY17	FY18	FY19	FY20	CAGR FY17-FY19	Growth FY19-FY20
Retail subscribers	20,876	22,590	24,309	27,966	7.9%	15.0%
Corporate customers	7,223	7,979	8,978	9,988	11.5%	11.3%
Mobile services	550	721	1,042	2,234	37.7%	114.5%
Other	2,233	1,894	2,236	3,127	0.1%	39.9%
Fixed telephony	2,075	1,780	1,610	1,558	-11.9%	-3.2%
Special projects	159	114	114	114	-15.3%	0.0%
Football related services	-	-	512	1,455	n/a	184.2%
Subtotal	30,883	33,183	36,564	43,315	8.8%	18.5%
Revenue gross up	-	-	3,000	-	n/a	n/a
Total revenue	30,883	33,183	39,564	43,315	13.2%	9.5%

Note: The 'Revenue gross up' of €3m in FY19 relates to the agreement which Cablenet has with another provider, whereby each party charges each other €500k per month in relation to sports sharing rights. This adjustment resulted in €3m during FY19. For FY20, the Revenue gross up figure is the resultant net-off position of both budgeted cost and income.

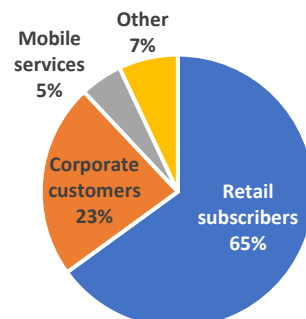
Consistent year on year revenue growth driven by sustained growth in subscriber base, and expected to continue growing with further network expansion and launch of new mobile operations

- The **increase in revenue over the last 3 years** was largely driven by an overall increase in Cablenet's subscriber/customer base mainly due to the expansion of the network in new areas and the introduction of new football related packages since mid-2019
- **Revenue from retail subscribers** is the Company's core business, increasing from c. €20.9m in FY17 to c. €24.3m in FY19. This trend resulted from an increase in subscribers and higher revenue per subscriber. Annual retail ARPU increased from c. €353.9 in FY17 to c. €357.8 in FY19
- **Revenue from corporate customers** increased in the period from c. €7.2m in FY17 to c. €9.0m in FY19
- **Revenue from mobile services** increased from c. €0.6m in FY17 to c. €1.0m in FY19. Revenue from mobile services is forecast to increase substantially in FY20, as the RAN sharing agreement commences.
- **Other revenue** comprises revenue from fixed telephony, special projects and football related services. This revenue has increased at a CAGR of 0.1% over FY17 to FY19 and is expected to increase by c. €1m in FY20

Split of Cablenet's revenue in FY19



Split of Cablenet's revenue in FY20



Projected Free Cash Flows

Cablenet Communication Systems Amounts in €000s	FY17 Actual	FY18 Actual	FY19 Actual	FY20 Fcast
Revenue	30,883	33,183	39,564	43,315
<i>Retail</i>	20,876	22,590	24,309	27,966
<i>Corporate</i>	7,223	7,979	8,978	9,988
<i>Mobile</i>	550	721	1,042	2,234
<i>Other</i>	2,233	1,894	5,236	3,127
Cost of sales	(8,778)	(8,970)	(12,867)	(12,025)
Gross profit	22,105	24,213	26,697	31,290
Operating costs	(10,448)	(11,690)	(12,602)	(12,709)
Other income	198	674	477	120
EBITDA	11,855	13,198	14,572	18,701
Payments of football rights	-	-	(6,193)	(5,271)
Lease payments	-	-	(790)	(1,074)
Working capital movements	323	(1,130)	1,277	(199)
Taxation	(197)	(288)	(172)	(131)
Operating cash flows	11,982	11,779	8,695	12,026
Capital expenditure - maintenance	(2,823)	(3,494)	(4,200)	(7,940)
Capital expenditure - expansion	(6,453)	(7,564)	(10,217)	(11,314)
Free cash flows	2,706	721	(5,722)	(7,228)
KPIs				
y-o-y Revenue growth	n/a	7.4%	19.2%	9.5%
Gross profit margin %	71.6%	73.0%	67.5%	72.2%
EBITDA margin	38.4%	39.8%	36.8%	43.2%

Projected performance for 2020 is based on management's budgets for the Company.

- **Total revenue** is expected to increase by 9.5%, to €43.3m in 2020, with a substantial increase stemming from the Retail segment
- **Gross profit margin** is set to increase in FY20, mainly due to the introduction of the services in relation to the new mobile operations
- **High operating leverage** resulting in consistent year on year growth in EBITDA
- **Substantial Capex** can be noted in the period FY17-FY19, totalling €35m largely split as follows:
 - €24.2m in relation to expansion capex for network rollout and new customer CPE; and
 - €10.5m in relation to maintenance capex
- **Projected Capex** at €19m in FY20, split as follows:
 - €11.3m in relation to expansion capex for network rollout and mobile spectrum; and
 - €7.9m in relation to maintenance capex
- Other major cash outflows for FY20 include payments of football rights of €5.3m, and property and motor vehicles lease payments of €1m.

Projections: Statement of Financial Position

Cablenet Communication Systems p.l.c.

Statement of financial position

as at 31 December

Amounts in €000s

	2017 Actual	2018 Actual	2019 Actual	2020 Fcast
Property, plant and equipment	28,584	30,493	35,720	42,081
Intangible assets	12,599	12,938	25,906	22,797
Right of use assets	-	-	4,475	10,325
Non-current assets	41,183	43,430	66,102	75,203
Inventories	9	19	16	16
Trade and other receivables	3,605	5,040	5,986	4,223
Trade and other payables	(9,996)	(10,346)	(13,354)	(11,243)
VAT	(703)	(704)	(781)	(930)
Social insurance and other taxes	(231)	(278)	(288)	(288)
Defence tax on dividends	(103)	(215)	(101)	(139)
Current tax asset/(liability)	41	(9)	(30)	-
Net working capital	(7,378)	(6,492)	(8,551)	(8,360)
Capital employed	33,806	36,938	57,551	66,843
Net bank OD/ (Cash)	1,528	1,949	3,533	(8,296)
Bank loan	14,891	14,904	14,416	-
Shareholder loans	15,641	15,707	4,585	-
Balances with related parties	52	56	131	-
Bond	-	-	-	40,800
Lease liability	-	-	3,593	8,784
Football liability	-	-	10,164	7,973
Net financial debt	32,112	32,615	36,423	49,261
Share capital	4,664	4,664	5,750	5,750
Other reserves	10,758	10,758	26,393	26,393
Shareholder's current account	1,155	3,510	5,026	7,084
Accumulated profits/(losses)	(14,884)	(14,608)	(16,041)	(21,645)
Total equity	1,693	4,323	21,128	17,582
Total funding	33,806	36,938	57,551	66,843

Through the significant expansion capex in recent years, the Company has built a **strong asset base** as demonstrated by its total invested capital at €58m as at 31 Dec 2019. This includes €36m as PP&E that largely reflects the book value of the Company's infrastructure.

Net debt stands at €36.4m as at 31 Dec 2019, which includes lease liabilities (IFRS16) of €3.6m and obligation relating to the acquisition of the football rights of €10.2m. The **net debt level is well matched with the Company's current cash generation** with a Net Debt: EBITDA ratio of 2.5x as at 31 Dec 2019.

There was a **significant capital injection** during 2019 through the capitalisation of shareholders loans of €15.6m, further to which net equity increased to €21.1m as at 31 Dec 2019.

The accumulated negative retained earnings balance is the result of losses incurred during the Company's initial years since, in line with Cypriot tax laws Cablenet must **declare at least 70% of its profit after tax as dividends**. The dividends are generally retained in the company and are included in the shareholders current account balance.

Key Financial Metrics

	2019 Pre-Bond issue	2020 Post-Bond issue
EBITDA	€14.6m	€18.7m
EBITDA margin	36.8%	43.2%
Net finance costs	€1.1m	€2.1m
Net financial debt	€36m	€49m
Net financial debt to EBITDA	2.5x	2.6x
Gearing *	63%	74%
Cash interest cover **	7.9x	5.9x

* Gearing = Net financial debt / (Net financial debt + Total equity)

** Cash interest cover = Operating cash flows / Net finance costs

Section III

The Bond Issue

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Key Characteristics of the Bond

- **Bond amount:** €40 million¹
- **10-year term**, coupon rate at 4.00%
- **Listing Authority approval date:** July 2020
- **Interest payment:** Annual

Use of proceeds²:

- Refinancing of existing banking facilities taken out with Bank of Cyprus (circa €14.4m)
- Refinancing of existing shareholder's loans (circa €7.3m)
- Financing Capital Expenditure (€14.6m): Network Rollout (€6.9m), 4G Spectrum (€2.1m), International Capacity (€2.2m) and Information Technology Systems (€3.4m)
- General corporate funding purposes (circa €3.2m)

Note¹: par is €1,000 per bond

Note²: €0.5m of bond issue expenses are expected

Bond Advisory Team

Sponsor, Manager and Registrar

Rizzo, Farrugia & Co. (Stockbrokers) Limited

Legal Counsel

Mamo TCV Advocates

Financial Advisors

PricewaterhouseCoopers

Thank you



cablenetbond@cablenetcy.net






















www.cablenet.com.cy

Section IV

Appendix

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Cablenet Competitive Landscape

		CYTA	EPIC	PRIMETEL
Business Overview	Only cable operator with fastest growth in Cyprus offering fixed broadband, fixed voice, Pay TV and mobile services through its wholly owned fixed network	Cypriot government-owned incumbent telecom operator	Number two mobile operator offering fixed voice and fixed broadband services over LLU; formerly branded as MTN Cyprus	LLU based telecoms operator offering fixed and mobile voice, broadband and Pay TV
 Fixed Broadband	 Privately owned HFC Cable and FttH network	 VDSL and VDSL2 and recent FttH deployment	 VDSL based on LLU, Fibre backbone	 VDSL based on LLU, Fibre backbone
 Pay TV	 Cable TV (with local Sports)	 IPTV (with local Sports)	 IPTV (no local Sports)	 IPTV (with local Sports)
 Fixed Telephony	 All digital voice	 Controls most of fixed line access market	 All digital voice	 All digital voice
 Mobile Telephony	 MNO license in 2019	 2G, 3G & 4G; M2M services	 2G & 3G; M2M services and 4G LTE network	 2G, 3G & 4G network
Network Infrastructure	Operates the only end-to-end privately-owned Hybrid Fibre Coaxial (HFC) cable NGAN and privately-owned FttH network	Complete copper coverage with extensive VDSL and limited fibre to the building, with access to an extensive submarine fibre optic cable network linking Cyprus to other countries	Business offerings provided through a private fibre network and 4G mobile technology introduced in 2015	Island-wide private fibre optic backbone with own landing station for international access

Level of offers:  Full  Partial

Income Statement: 2017-2019

Cablenet Communication Systems

Income statement for the year ended 31 December

Amounts in €000s	FY17	FY18	FY19	CAGR FY17-19
Revenue	30,883	33,183	39,564	13.2%
Direct costs	(8,778)	(8,970)	(12,867)	21.1%
Total contribution	22,105	24,213	26,697	9.9%
Payroll costs	(4,088)	(4,468)	(5,090)	11.6%
Marketing	(1,833)	(2,223)	(2,161)	8.6%
Other employee related costs	(1,092)	(1,136)	(1,435)	14.7%
Rent and other common expenses	(920)	(1,051)	(645)	-16.2%
Other administrative expenses	(2,516)	(2,812)	(3,270)	14.0%
Other income	198	674	477	55.2%
EBITDA	11,855	13,198	14,572	10.9%
Depreciation	(6,653)	(6,992)	(7,816)	8.4%
Amortisation	(1,587)	(1,818)	(5,514)	86.4%
Net finance costs	(1,213)	(996)	(1,103)	-4.7%
Profit before tax	2,402	3,391	139	-75.9%
Taxation	(269)	(450)	(79)	-45.9%
Profit after tax	2,133	2,941	60	-83.2%

KPIs

y-o-y Revenue growth	n/a	7.4%	19.2%
Contribution margin	71.6%	73.0%	67.5%
EBITDA margin	38.4%	39.8%	36.8%
EBIT margin	11.7%	13.2%	3.1%
PBT margin	7.8%	10.2%	0.4%
Payroll cost % of revenue	13.2%	13.5%	12.9%
Marketing % of revenue	5.9%	6.7%	5.5%
Rent & common expenses % of revenue	3.0%	3.2%	1.6%

- Revenue increased from c. €30.9m in FY17 to c. €39.6m in FY19 ~ a CAGR of 13.2% p.a.
- Contribution increased steadily from €22.1m in FY17 to €26.7m in FY19. Contribution margin remained stable during FY17-FY18 (average of 72.3%), and decreased to 67.5% during FY19 mainly as a result of increased direct costs with no margin on revenue, mainly in relation to football-related costs
- EBITDA increased from c. €11.9m in FY17 to c. €14.6m in FY19. The EBITDA margin increased slightly from 38.4% in FY17 to 39.8% in FY18 and decreased to 36.8% in FY19
- Amortisation increased from €1.6m in FY17 to €5.5m in FY19. The increased charge in FY19 relates mainly to the amortisation of football rights of c. €2.8m
- Profit after tax of €2.1m in FY17, decreasing to €60k in FY19. This decrease was mainly a result of the increase in depreciation and amortisation

Statement of Financial Position: 2017-2019 (1/2)

Cablenet Communication Systems

Statement of financial position as at 31 December

Amounts in €000s	FY17	FY18	FY19
Property, plant and equipment	28,584	30,493	35,720
Intangible assets	12,599	12,938	26,781
Right of use assets	-	-	3,600
Non-current assets	41,183	43,430	66,102
Inventories	9	19	16
Trade and other receivables	3,605	5,040	5,986
Trade and other payables	(9,996)	(10,346)	(13,354)
VAT	(703)	(704)	(781)
Social insurance and other taxes	(231)	(278)	(288)
Defence tax on dividends	(103)	(215)	(101)
Current tax asset/(liability)	41	(9)	(30)
Net working capital	(7,378)	(6,493)	(8,551)
Capital employed	33,806	36,938	57,551

- As at 31 December 2019, Cablenet's **Capital employed** stood at c. €57.6m (an increase of c. €23.7m from the carrying value of c. €33.8m as at 31 Dec 2017), principally comprising the following:
 - Property, plant and equipment ('PPE') of c. €35.7m (Dec-17: €28.6m), mainly consisting of network infrastructure (€30.5m), furniture, fixtures, equipment and computer hardware (€3.2m) and leasehold building and improvements (€1.4m)
 - Intangible assets of c. €26.8m (Dec-17: €12.6m), which principally include football rights (€13.6m) and rights relating to international capacity (€11.4m)
 - Right of use assets of c. €3.6m in FY19 as a result of the adoption of IFRS 16 as from 1 January 2019
 - Negative net working capital of c. €8.6m, including trade & other receivables of c. €6.0m, trade & other payables of c. €13.4m, VAT payable of c. €0.8m and social security and other taxes of c. €0.4m

Statement of Financial Position: 2017-2019 (2/2)

Cablenet Communication Systems

Statement of financial position as at 31 December

Amounts in €000s	FY17	FY18	FY19
Cash and cash equivalents (incl. OD)	1,528	1,949	3,533
Bank loan	14,891	14,904	14,416
Shareholder loans	15,641	15,707	4,585
Balances with related parties	52	56	131
Lease liability	-	-	3,593
Football liability	-	-	10,164
Net financial debt	32,112	32,615	36,423
Share capital	4,664	4,664	5,750
Other reserves	10,758	10,758	26,393
Shareholders balances	1,155	3,510	5,026
Accumulated profits/(losses)	(14,884)	(14,608)	(16,041)
Total equity	1,693	4,323	21,128
Total funding	33,806	36,938	57,551

KPIs

Gearing % (net debt/total funding)	95%	88%	63%
Return on capital employed (EBIT/CE)	11%	12%	2%
Return on equity (PBT/CE)	7%	9%	0%

● Total funding as at 31 December 2019 consisted of:

- Net financial debt of c. €36.4m, comprising a net overdraft position of c. €3.5m, bank borrowings of c. €14.4m, shareholder loans of c. €4.6m; balances with related parties of c. €0.1m; right of use liabilities of c. €3.6m and liabilities in relation to football rights of c. €10.2m
- Equity value of c. €21.1m, comprising share capital of c. €5.8m, other reserves of c. €26.9m; shareholder funds of c. €5m and negative retained earnings of c. €16m
 - A balance of c. €15.6m due to GO was capitalised in FY19. This led to an increase in share capital and other reserves in 2019
 - The accumulated negative retained earnings balance is the result of reported losses incurred during the Company's initial years since, in line with Cypriot tax laws Cablenet must declare at least 70% of its profit after tax as dividends