

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

09 May 2025

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 MFSA Listing Policies, we have compiled the Update FAS set out on the following pages and which is being forwarded to you together with this letter.

The purpose of the Update FAS 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 2022 to 2024 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 2025 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 Update FAS; and
- (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 Update FAS is provided to assist potential investors by summarising the more important financial data of the Issuer. The Update FAS does not contain all data that is relevant to potential investors and

is intended to complement, and not replace, financial and/or investment advice. The Update FAS 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 Update FAS and no representation or warranty is provided in respect of the reliability of the information contained in this report. As with all investments, potential investors are encouraged to seek professional advice before investing.

Yours sincerely,

A handwritten signature in blue ink, appearing to read 'C. Mallia', with a stylized flourish at the end.

Christopher Mallia

Corporate Advisory Executive

FINANCIAL ANALYSIS SUMMARY

UPDATE 2025



*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.*

09 May 2025



TABLE OF CONTENTS

IMPORTANT INFORMATION

LIST OF ABBREVIATIONS

PART A BUSINESS & MARKET OVERVIEW UPDATE

PART B FINANCIAL ANALYSIS

PART C LISTED SECURITIES

PART D COMPARATIVES

PART E GLOSSARY

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 MFSA 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 2022, 2023, and 2024, and forecasts for financial year ending 31 December 2025.

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.

PREVIOUS FAS ISSUED

The Company has published the following FAS which are available on its website:

21 July 2020 (appended to the prospectus)

10 May 2021

26 May 2022

08 May 2023

13 May 2024

ABBREVIATIONS

FTTH	Fibre-To-The-Home
ICT	Information & Communication Technology
ISP	Internet Service Provider
MNO	Mobile Network Operator
OCECPR	Office of Electronic Communications & Postal Regulations
RAN	Radio Access Network
VPN	Virtual Private 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 85,000 fixed and 157,000 mobile subscribers) and its corporate clients (approximately 5,026 businesses; figures as of the end of 2024); business services can be tailored to meet the demands and requirements of any type of client, whether small, medium or large business clients.

Since May 2021, Cablenet’s RAN¹ 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. Cablenet has also started utilising its own 5G radio frequencies, on a test basis, ahead of a launch later this year. 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.

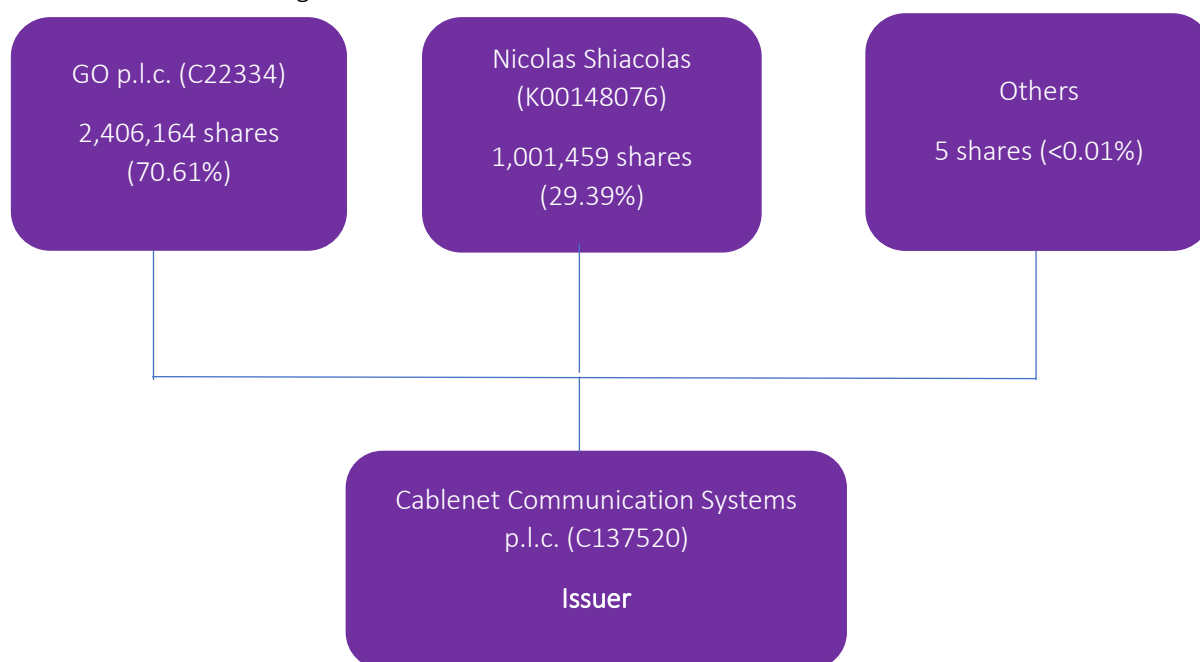
In addition, the above offering, in its equivalent business version, is also available to the Company’s corporate clients. These clients can also enjoy value-added services that include VPN services, colocation / hosting services, DDoS protection, ICT projects and sales of hardware and software.

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.

¹ *Radio Access Network (RAN) is a method by which telecom operators share their network infrastructure with other operators. In this case, Cablenet utilises the mobile network of Cyta against a predetermined fee.*

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 Chairman
Kelvin Camenzuli	Non-Executive Director
Lassaad Ben Dhiab	Non-Executive Director
Faker Hnid	Non-Executive Director
Neoclis Nicolaou	Non-Executive, Independent Director
Michael Warrington	Non-Executive, Independent Director
Menelaos Shiacolas	Non-Executive Director
Marios Kalochoritis	Non-Executive Independent Director
Norbert Prihoda	Non-Executive Director

The Company Secretary is Dr Francis Galea Salomone.

SENIOR MANAGEMENT

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

Ioannis Mavridis	Chief Executive Officer <i>(appointed with effect from 01 July 2024)</i>
Velisarios Masouras	Chief Financial Officer <i>(appointed with effect from 18 November 2024)</i>
Pambos Moyseos	Chief Commercial Officer
Panagiotis Kouloumprides	Chief Core Networks Officer
Michael Pericleous	Chief Access Network Officer
Chrystalla Karagiorgi	Chief Human Resources Officer
Elias Theodorou	Chief Strategy and Operations Officer
Ingrid Camilleri	Chief Digital Transformation Officer

4. MATERIAL OPERATIONAL DEVELOPMENTS

Following a tumultuous period largely characterised by the events related to the COVID-19 pandemic, the prevailing environment is still challenging in view of the various geopolitical conflicts as well as the inflationary and supply chain pressures which haven't been completely resolved notwithstanding the various fiscal and monetary policy actions. Moreover, the Cypriot telecoms market remains a significantly competitive one.

Notwithstanding this, Cablenet continued to deliver on its long-term strategic objective: *"to continue on a growth trajectory path, establishing sizeable market shares in all services which can be delivered on a national basis"*. Moreover, the CEO noted in his Annual Report review that the *"...2024 results demonstrate not only a broad and consistent progress towards that goal but one that's being achieved with ever higher or new milestones achieved."*

In fact, Cablenet retained its prominent market position in the Cypriot telecoms market as it continues to rank as the second largest broadband and TV provider (behind the incumbent operator, Cyta)² whilst building its presence in mobile particularly in the post-paid space where Cablenet retained its position as the third-largest mobile operator for the third consecutive year³.

²Source: https://ocecp.ee.cy/images/files/uploads/EC_Report_FixedTelephonyBroadbandTelecomBulletin_GR_Q4.24.pdf

³Source: https://ocecp.ee.cy/images/files/uploads/agora/paratiritirio-agoras/enimerotika-deltia/EC_Report_MobileTelecomBulletin_GR_Q4.24.pdf

MOBILE

During 2024, the Company achieved further growth in its mobile business, operating under an 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 over 1.5 million users⁴, of which 72% are post-paid and 28% 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, but at a lower intensity than in the preceding few years.

As a result of the Company's continued focus on the growth of the mobile business, Cablenet saw an increase of c. 10.6% of its mobile subscriber base, to 157,000 (2023: 142,000) post-paid and pre-paid subscribers at the end of 2024 and consequently an increase of around 19% in its mobile service revenue in 2024 to €20 million (2023: €16.8 million).

The Company is undertaking the necessary actions in anticipation of the launch of the 5G service which is expected to commence in 2025.

SPORTS CONTENT

Cablenet owns the exclusive broadcasting rights of three local Cypriot Football teams. During 2024, Cablenet managed to extend the term of two of the exclusive broadcasting rights. As a result, the exclusive broadcasting rights for two football teams expire in May 2027 whilst those for the third team expires in May 2032. The Company's management indicated that negotiations are underway with regard to the exclusive broadcasting rights expiring in May 2027 for potential further extensions.

In September 2024, Cablenet also secured the football broadcasting rights of the Ligue 1 (France's top tier football league) for a five-year period up to May 2029.

Since 2020, Cablenet has been part of a trilateral sports content agreement together with Primetel and Cyta, thus bringing all the local football rights under the joint pool that also includes European football league matches. Sports content parity allowed Cablenet to compete on the basis of its broadband

⁴ Source: https://ocepr.ee.cy/images/files/uploads/agora/paratiritirio-agoras/enimerotika-deltia/EC_Report_MobileTelecomBulletin_GR_Q4.24.pdf

strength and “value” brand which materially contributed to the increase in the number of sports subscriptions therefrom. The trilateral sports content sharing agreement expired in July 2024. Cablenet concluded a new agreement with Cyta, the only other telecom operator in Cyprus owning exclusive sports broadcasting rights, for each operator’s content to continue being available to the other’s TV platform until 31 July 2025. Discussions are already ongoing and the expectation is that an accord to extend the agreement will be reached and such is reflected in the FAS. Apart from sports, the subscription TV content currently being offered includes local linear channels and international linear channels.

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. 230,000 households compared to c. 228,000 at the end of 2023.

Around 85,000 households (2023: 85,000) and 5,026 businesses (2023: 5,100) by the end of 2024 trusted Cablenet for their broadband and other fixed services. The marginal decrease in fixed subscriber numbers reflects intensifying competition from two sources, namely the entrance of smaller wireless ISPs as resellers across Cyta’s expanding wholesale fibre network and the growing popularity of over-the-top (OTT) media streaming services (such as Netflix, Amazon Prime and Disney+).

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 which is now estimated at 492,931 households (as per the 2021 census).

5. MAJOR ASSETS

The Company's major assets are primarily Property, Plant & Equipment (PPE), Intangible Assets and Right-of-Use Assets, in line with its business model. PPE includes €43.7 million of network infrastructure, €4.6 million of furniture, fixtures, equipment and computer hardware and €1.7 million of leasehold buildings and improvements. The intangible assets mainly include football rights and international capacity rights. The increase in the value of such assets largely reflects the extension of one of the exclusive broadcasting rights agreements until May 2032 (as detailed in section 4 above). With regards to the Right-of-Use (ROU) Assets, these mainly comprise leases of offices, warehouses and retail shops across Cyprus used by the Company in its provision of services, leases related to motor vehicles, as well as 4G and 5G Spectrum Licences.

	FY2022 <i>Restated</i> €'000	FY2023 €'000	FY2024 €'000
Property, plant and Equipment (PPE)	46,262	51,085	51,121
Intangible Assets	22,945	29,541	42,661
Right-of-Use (ROU) Assets	19,721	17,814	17,897
Major Non-Current Assets (MNCA)	88,928	98,440	111,679
Total Assets	110,445	117,813	127,392
MNCA / Total Assets	80.52%	83.56%	87.67%

6. MARKET OVERVIEW

THE TELECOMS INDUSTRY

Connectivity is at the heart of today's modern society as a push towards digitalisation of every aspect in life is increasingly evident. Global broadband operators are investing substantial sums into their infrastructure to support next generation 5G and fibre networks whilst having to operate in a highly competitive environment and service a more cost-conscious customer.

THE CYPRIOT TELECOMS INDUSTRY

Cablenet operates in areas that cover approximately 64.8% (2023: 64.2%) of the country's households and is present in all five regions of the country but more concentrated on four of those: Nicosia, Larnaca, Limassol and Paphos.

Four market players compete in the Cypriot telecoms market: Cyta (incumbent), Cablenet, Epic and Primetel.

In terms of market share, split by service offering, during 2024 Cablenet registered a marginal decrease in its fixed broadband subscriptions by 0.5% to less than 85,000 subscribers reflecting the intensifying competition in this segment of the market as explained in section 4. Nonetheless, Cablenet maintained its position as the second largest broadband operator with a market share of 23.2% ahead of Primetel (with a market share of 10.2%) and Epic (market share of 8.0%). Meanwhile, Cyta strengthened its leading position with a market share of 58.5% (2023: 57.9%).

Similarly, within the pay-TV segment, Cablenet shed 2 percentage points from its market share to 33.9% on the back of competition from over-the-top (OTT) media streaming services (such as Netflix, Amazon Prime and Disney+) and as some customers cut back on pay-TV discretionary spending. Nonetheless, the Company clearly maintained its position as the second largest TV provider. In fact, together with Cyta, they continued to dominate the market as they ended 2024 with 33.9% and 47.5% in market share respectively. Meanwhile, Primetel's market share was practically unchanged at 13.7% whilst Epic's market share increased to 4.8% from 4.2% as at the end of 2023.

In contrast, in the mobile segment, Cablenet's subscriber base continued to grow at a faster pace than the growth in the overall market, albeit at a slower pace than last year. In fact, Cablenet's mobile subscribers grew by around 10% (2023: +52%) to 157,000 (2023: 142,000) subscribers compared to a 5.3% growth for the whole Cypriot mobile market. Nonetheless, Cablenet is still the smallest mobile operator with a 10.4% market share, up from 9.9% in 2023. Meanwhile, Primetel only increased its overall market share minimally to 10.8% from 10.7% in 2023. On the other hand, the two leading

companies in terms of market share, Cyta and EPIC, closed 2024 with a market share of 51.1% (2023: 49.6%) and 27.7% (2023: 29.9%) respectively. The penetration rate increased to a record of 163.5% in 2024, as the penetration rate in post-paid subscriptions reached 118.3% whilst the penetration rate in prepaid agreements decreased to 45.2% from 46.4% in 2023.

SOURCES USED FOR THE MARKET OVERVIEW:

https://ocecpr.ee.cy/images/files_uploads/EC_Report_FixedTelephonyBroadbandTelecomBulletin_GR_Q4.24.pdf

https://ocecpr.ee.cy/images/files_uploads/agora/paratiritirio-agoras/enimerotika-deltia/EC_Report_MobileTelecomBulletin_GR_Q4.24.pdf

PART B FINANCIAL ANALYSIS

7. INTRODUCTION TO PART B

The following sections provide an overview of the historic financial information of the Company over the past three financial periods ending 31 December 2024 and an outlook for the current financial year ending 31 December 2025.

Within the 2023 Annual Report, the financial statements for the year 2022 were restated. The restatement of the comparative figures was undertaken by Cablenet in view of: (i) the adjusted depreciation and amortisation rates to align such with the assets' actual useful life and to those of the GO Group as well as (ii) to reflect the effect of the share-based payment compensation offered to its CEO but which was previously omitted. 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 2023.

8. THE INCOME STATEMENT

Year ended 31 December	2022 (A) <i>Restated</i> €'000	2023 (A) €'000	2024 (A) €'000	2025 (F) €'000
Revenue	63,900	74,272	72,069	73,761
Direct Costs	(27,877)	(34,419)	(31,136)	(32,361)
Gross Profit	36,023	39,853	40,932	41,400
Operating Costs	(18,653)	(18,923)	(18,614)	(18,134)
Other Income	78	228	528	90
EBITDA	17,448	21,141	22,845	23,356
Depreciation & Amortisation	(19,655)	(19,431)	(19,277)	(18,981)
Operating (Loss) / Profit	(2,208)	1,709	3,569	4,374
Net Finance Costs	(3,105)	(3,874)	(3,854)	(4,215)
(Loss) / Profit Before Tax	(5,313)	(2,164)	(286)	160
Taxation Expense	12	(160)	(302)	-
(Loss) / Profit for the Year	(5,301)	(2,324)	(588)	160
EBITDA	17,448	21,141	22,845	23,356
<i>Operating (Loss) / Profit</i>	<i>(2,208)</i>	<i>1,709</i>	<i>3,569</i>	<i>4,374</i>
<i>Depreciation & Amortisation</i>	<i>19,655</i>	<i>19,431</i>	<i>19,277</i>	<i>18,981</i>

REVENUE & CONTRIBUTION ANALYSIS

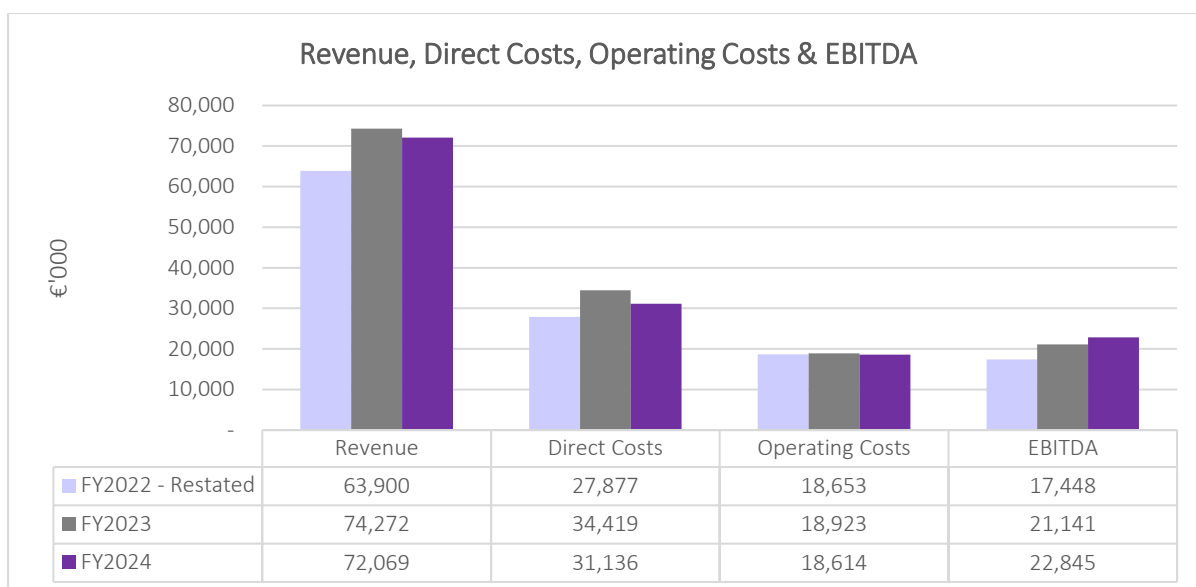
During FY2024, the Company registered a 3% decrease in revenue to €72.1 million largely reflecting Cablenet's strategic decision to limit the sales of mobile handsets that carry a low margin. In fact, the Company's telecommunication services revenue line continued to grow in FY2024 by a further 4.3% to €62.7 million largely on the back of the continued growth in the mobile segment and a constant broadband subscriber base notwithstanding the competitive pressures and the already high penetration rates in a mature telecoms Cypriot market. Meanwhile, revenue from the TV product offering contracted on the back of a reduction in sports content subscriptions as well as consumers cutting down on their discretionary spending.

Direct costs contracted by 9.5% to €31.1 million on the back of a different sales mix whereby more focus was placed on the delivery of telecommunications services (higher margin) whilst reducing the sale of mobile devices (lower margin). Moreover, Cablenet is reaping the benefits of operating leverage across its business segments whereby most of its cost base is either fixed or increasing at a slower pace than the increase in revenue. As a result, contribution (gross profit before any depreciation and amortisation) increased by 2.7% to €40.9 million and likewise the gross profit margin expanded to 56.8% from 53.7% in FY2023 notwithstanding inflationary pressures.

EBITDA, OPERATING COSTS & OTHER INCOME

Selling, distribution, administrative and other costs (excluding depreciation) totalled €18.6 million in FY2024 (FY2023: €18.9 million) reflecting the strict cost control measures implemented and adhered throughout FY2024 particularly with respect to staff costs (related to selling and distribution) as well as advertising and marketing expenditure which offset the adverse impact of cost inflationary pressures as well as a write-off a receivable amounting to €0.3 million.

After accounting for the above costs and other income, the Company's EBITDA registered an 8.1% increase to a record €22.8 million in FY2024, from €21.1 million in FY2023. The growth in EBITDA is a direct reflection of the further fruits borne out of the significant investments undertaken in recent years with the aim of growing the Company's business and establish Cablenet as one of main players in the Cypriot telecoms market across broadband, TV and mobile services.



DEPRECIATION AND AMORTISATION

A large cost component for the Company are the non-cash charges relating to depreciation and amortisation ('D&A'). These charges were relatively unchanged in FY2024 at €19.3 million compared to €19.4 million in FY2023. The Company continues to invest in its network infrastructure, and as such, this attracts the highest depreciation charge of €6.9 million (FY2023: €6.5 million) amongst its pool of capital assets.

Amortisation of football rights, which amounted to €4.9 million in FY 2024 (FY2023: €5.1million), is also a large contributor to D&A, reflecting the agreement for a fixed useful life of broadcasting rights for sports content.

The third largest component of D&A is depreciation on furniture, fixtures, equipment and computer hardware which amounted to €2.3 million in the year under review (FY2023: €2.3 million).

PROFITABILITY ANALYSIS

Given the further revenue growth and cost controls described above, the Company managed to also grow its operating profit to €3.6 million (from €1.7 million in FY2023, which represented the first ever operating profit registered by Cablenet). The growing scale of the business has allowed the Company to take advantage of scale and operating leverage since a substantial part of its cost base is fixed.

Net finance costs were practically unchanged at €3.9 million notwithstanding the marginal increase in borrowings.

Overall, the Company still registered a loss before tax of €0.3 million, although this is tighter than the €2.2 million pre-tax loss registered in FY2023. After accounting for a tax expense of €0.3 million, the net loss for the year amounted to €0.6 million compared to a net loss of €2.3 million in FY2023. Nonetheless, the CEO of the Company noted in his Annual Report review that the next milestone in the financial performance path of Cablenet is to turn a net profit as is being forecasted for the current financial year (more details in this regard available in the ‘Outlook FY2025’ section below).

VARIANCE ANALYSIS – FY2024

Income Statement	Forecast	Actual	Variance	
Year ended 31 December	2024	2024		
	€'000	€'000	€'000	%
Revenue	75,282	72,069	(3,214)	-4.3%
Direct Costs	(34,814)	(31,136)	3,678	-10.6%
Gross Profit	40,468	40,932	464	1.1%
Operating Costs	(17,589)	(18,614)	(1,025)	5.8%
Other Income		528		
EBITDA	22,879	22,845	(34)	-0.1%
Depreciation & Amortisation	(19,705)	(19,277)	428	-2.2%
Operating Profit	3,174	3,569	395	12.4%
Net Finance Costs	(3,897)	(3,854)	43	-1.1%
Loss Before Tax	(724)	(286)	438	-60.5%
Taxation Expense	-	(302)	N/A	N/A
Loss for the Year	(724)	(588)	136	-18.7%

Revenue came in 4.3% lower than forecast, on the back of a slower than expected growth in the Company’s mobile subscriber base (due to aggressive mobile package offerings from competitors), a contraction in the number of subscriptions for sports content as well as a much tighter restriction on device sales than anticipated. Nonetheless, this was offset by a corresponding lower-than-anticipated aggregate amount of direct and operational costs mainly reflecting the same factors that impacted the variance in revenue. As a result, EBITDA was in line with the forecast presented in the FAS Update dated 13 May 2024.

Depreciation and amortisation were lower than expected (€19.3 million against €19.7 million forecast) due to a reduction in capital expenditure following the substantial investment undertaken in previous years. As a result, operating profit was actually 12.4% higher than expected.

Net finance costs came in marginally below the forecast in last year's FAS whilst the tax expense only related to deferred tax adjustments and so no forecast was provided.

Overall, the Company registered a smaller net loss than expected reflecting all of the above factors.

OUTLOOK FY2025

Looking ahead, the Directors note that the mature Cypriot telecoms market remains characterised by intense competition and high penetration levels. As such, the Company is expecting more normalised growth rates going forward. In fact, the Company is only expecting a 2.3% increase in revenue to €73.8 million on the back of continued modest growth in mobile subscribers as well as further revenue growth in the business segment in line with Company's focus on this type of customer.

On the other hand, direct costs are expected to increase by 3.9% to €32.4 million largely due to the scheduled step-up in the payments linked to the RAN sharing agreement the Company has with Cyta. Nonetheless, the gross profit for FY2025 is expected to increase by 1.1% to €41.4 million.

Meanwhile, the Company will continue to exert strict cost controls whilst also benefitting from reduced energy bills following the installation of PV panels and a lower level of bad debts. These are expected to be only partially offset by higher software maintenance costs. As a result, Cablenet is expecting operating costs to contract by 2.6% to €18.1 million.

As a result of the above, EBITDA is anticipated to reach yet another record level of €23.4 million representing a 2.2% increase on the level achieved in FY2024.

Depreciation and amortisation charges are expected to remain relatively stable at around the €19 million mark which should lead to an operating profit of €4.4 million representing a 22.6% increase over the operating profit registered in FY2024.

Net finance costs in FY2025 are anticipated to increase by 9.4% to €4.2 million largely reflecting the additional finance cost element related to the extension of the exclusive football broadcasting rights in line with international financial reporting standards ("IFRS") on leases.

The Company is not providing a forecast for the tax charge as this would solely relate to the deferred tax adjustments which cannot be estimated beforehand.

Overall, in view of the expected improvement in operational performance, the Company is expected to reach a new milestone, that of turning a net profit, albeit marginal, and subject to the amount of deferred tax to be accounted for.

9. STATEMENT OF FINANCIAL POSITION

As at 31 December	2022 (A) <i>Restated</i>	2023 (A)	2024 (A)	2025 (F)
	€'000	€'000	€'000	€'000
ASSETS				
Property, Plant & Equipment	46,262	51,085	51,121	52,606
Right-of-Use Assets	19,721	17,814	17,897	18,780
Intangible Assets	22,945	29,541	42,661	36,848
Financial assets at amortised cost	207	178	170	-
Inventories	770	504	280	155
Trade & Other Receivables	14,227	14,689	11,523	9,628
Deferred Tax Assets	2,650	1,141	1,331	1,401
Bank Deposits & Cash in Hand	3,663	2,861	2,408	1,847
TOTAL ASSETS	110,445	117,813	127,392	121,264
EQUITY & LIABILITIES				
Equity				
Share Capital	5,750	5,750	5,827	5,827
Other Reserves	26,393	26,393	27,679	27,679
Accumulated Losses	(30,175)	(32,498)	(33,086)	(32,927)
Total Equity	1,969	(355)	419	579
Liabilities				
Borrowings	47,419	51,882	53,940	53,384
Lease Liabilities	14,190	12,225	11,988	9,446
Trade & Other Payables	36,983	39,097	34,855	35,860
Football Rights Liability	7,960	14,389	25,123	20,859
Tax Liabilities	1,924	575	1,067	1,136
Total Liabilities	108,476	118,168	126,972	120,685
TOTAL EQUITY & LIABILITIES	110,445	117,813	127,392	121,264

CABLENET'S ASSET BASE

The Company's assets mainly consist of 'Property, plant and Equipment' (PPE), 'Intangible Assets' and 'Right-of-Use (ROU) Assets' as highlighted in section 5 of this report.

The composition of the Group's asset base remained largely unchanged in FY2024 when compared to FY2023. The most notable shift was recorded in 'Intangible Assets' which increased to €42.7 million (FY2023: €28.5 million) following the conclusion of the extensions of certain exclusive broadcasting rights agreements and the acquisition of the broadcasting rights for the French football championship (as detailed in section 4 above). Overall, the Company's asset base increased by 8.1% to €127.4 million.

LIABILITIES

The Company's liabilities mainly consist of borrowings, trade & other payables as well as lease liabilities and football rights liability.

Borrowings Analysis	FY2022 (A)	FY2023 (A)	FY2024 (A)
	<i>Restated</i>		
	€'000	€'000	€'000
Current Borrowings	5,544	2,949	3,454
Non-Current Borrowings	41,876	48,933	50,486
Total Debt	47,419	51,882	53,940
Cash & Equivalents	3,663	2,861	2,408
Net Debt	43,757	49,021	51,532

During FY2024, the Company's net debt position increased by €2.5 million from €49 million in FY2023 to €51.5 million in FY2024 reflecting a further €2.5 million loan, net of repayments, from the Company's majority shareholder, GO plc, which demonstrated once again its commitment to continue supporting the Company's growth. Moreover, Cablenet has access to an undrawn overdraft facility provided by the Bank of Cyprus amounting to €2.2 million.

Trade & Other Payables	FY2022 (A) <i>Restated</i>	FY2023 (A)	FY2024 (A)
	€'000	€'000	€'000
Trade Payables	12,425	13,125	12,946
Amounts due to Shareholders	6,757	11,716	12,219
Deferred Subscription Income	9,704	5,767	2,067
Accruals	2,441	2,499	1,342
Refundable Security Deposits on Subscriptions	3,249	3,384	3,497
Other Payables	2,407	2,607	2,784
	36,983	39,097	34,855

During FY2024, one of the main movements within trade and other payables was the reduction in contract liabilities as the tri-partite agreement between the Company, Cyta and Primetel expired on 31 July 2024.

The other major movement in liabilities was that related to 'Football Rights Liability' which increased to €25.1 million (FY2023: €14.4 million) following the extension of the exclusive broadcasting rights of two football clubs as well as the acquisition of the broadcasting rights for the French championship - Ligue 1.

EQUITY BASE

The Company's equity base as at the end of FY2024 expanded from a negative balance of €0.4 million to a positive €0.4 million mainly reflecting the issuance of 45,058 shares in favour of the outgoing CEO which were ultimately acquired by GO plc for a consideration of €1.36 million. This was partially offset by the net loss of €0.6 million incurred during FY2024.

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

OUTLOOK FY2025

Cablenet's total asset base is expected to contract by 4.8% to €121.3 million, largely reflecting the amortisation of football rights.

On the liabilities side, borrowings are expected to marginally decrease by around €0.6 million to €53.4 million and football rights liabilities as well as lease liabilities are expected to decrease by an aggregate

€6.8 million as these are expensed throughout the year. As a result, total liabilities are expected to contract by 5% to €120.7 million.

The Company's equity base is expected to increase marginally to €0.6 million by the end of FY2025 compared to €0.4 million largely reflecting the marginal net profit anticipated to be registered during the current financial year.

10. STATEMENT OF CASH FLOWS

Year ended 31 December	2022 (A) <i>Restated</i> €'000	2023 (A) €'000	2024 (A) €'000	2025 (F) €'000
Net Cash from Operating Activities	20,606	19,952	23,087	26,620
Net Cash Used in Investing Activities	(18,165)	(21,048)	(18,570)	(20,066)
Free Cash Flow	2,442	(1,096)	4,517	6,553
Net Cash Used in / From Financing Activities	(5,950)	2,971	(4,622)	(6,553)
	(3,508)	1,875	(105)	-
Cash & Cash Equivalents:				
At the Beginning of the Year	188	(3,320)	(1,445)	(1,550)
At the End of the Year	(3,320)	(1,445)	(1,550)	(1,550)

In line with the improved operational performance, Cablenet generated a total of €23.1 million in cash from operations representing a 15.7% improvement over the previous financial year.

It also maintained a high level of investment although the amount invested in PPE during FY2024 was lower than in previous years.

The Company's operations and investments in FY2024 were largely supported by internal cash resources as net new loan drawdowns were lower than in previous years leading to a net cash outflow from investing activities of €4.6 million compared to a net cash inflow of just under €3 million in FY2023.

Overall, the Company remains in a net overdrawn position of €1.6 million.

OUTLOOK FY2025

The cash flow projections for FY2025 reflect another year of particularly heavy capital expenditure for Cablenet, as reflected in the net cash used in investing activities amounting to €20.1 million (FY2024: €18.6 million). During FY2025, Cablenet plans to continue investing in both its mobile and fixed networks and also pursue further digital transformation investments apart from servicing its obligations related to football rights.

This investment is expected to be largely supported by ongoing net cash generated from operating activities, that is anticipated to increase by 15.3% to €26.6 million on the back of the expected improvement in operational performance as well as an increase in creditors linked to the completion of the aforementioned capital expenditure which should be completed towards the end of FY2025.

The Company is also expected to be a net user of cash from a financing perspective, as it continues to service its existing loans as well as payments related to football broadcasting rights and other leases without taking on additional debt.

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'.

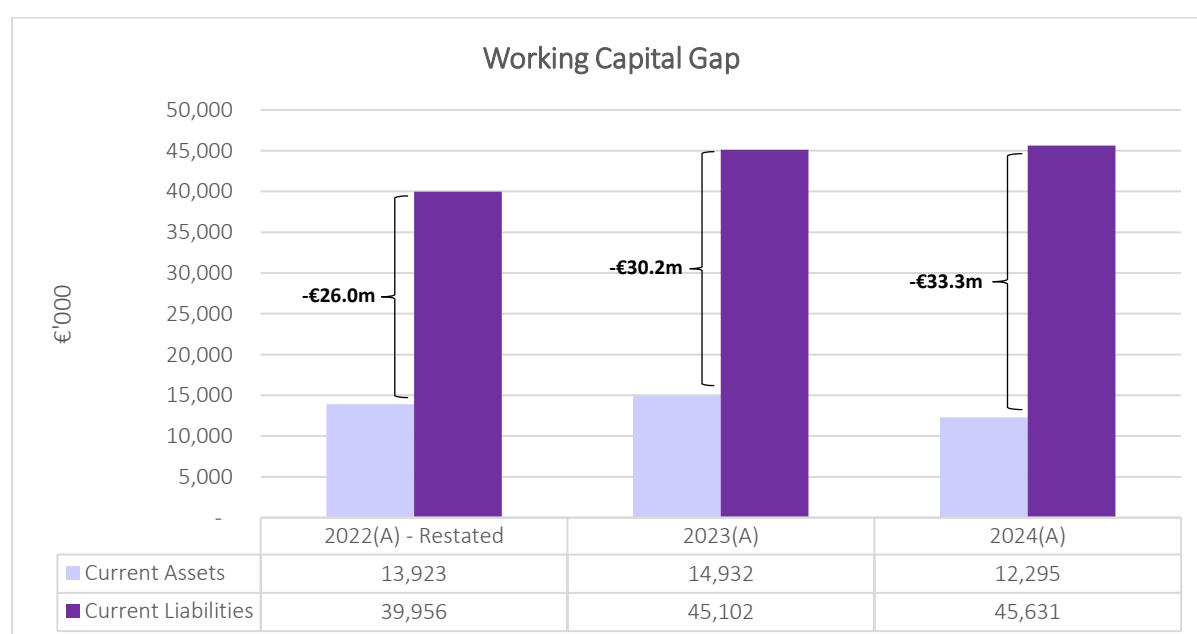
	FY2022 (A)			
	<i>Restated</i>	FY2023 (A)	FY2024 (A)	FY2025 (F)
Contribution Margin (Gross Profit / Revenue)	56.4%	53.7%	56.8%	56.1%
EBITDA Margin (EBITDA / Revenue)	27.3%	28.5%	31.7%	31.7%
Operating Profit Margin (Operating Profit / Revenue)	N/A	2.3%	5.0%	5.9%
Net Profit Margin (Net Profit / Revenue)	N/A	N/A	N/A	0.2%
Interest Cover Ratio (EBITDA / Net Finance Cost)	5.62x	5.46x	5.93x	5.54x
Net Debt to EBITDA (Net Debt / EBITDA)	2.51x	2.32x	2.26x	2.21x
Gearing Ratio (Total Borrowings / Equity + Borrowings)	90.2%	98.5%	99.9%	99.1%
Gearing Ratio (2) (Net Borrowings / Equity + Net Borrowings)	95.7%	100.7%	99.2%	98.9%
Current Ratio (Current Assets / Current Liabilities)	0.35x	0.33x	0.27x	0.25x
Cash Ratio (Cash & Equivalents / Current Liabilities)	0.09x	0.06x	0.05x	0.04x

The improved operational performance during FY2024 described in section 8 of this report led to a corresponding improvement in the contribution margin, EBITDA margin and the Operating Profit margin as indicated in the above table. In contrast, the contribution margin is expected to retreat to 56.1% in FY2025 as the anticipated improvement in revenue is largely driven by the anticipated growth in the mobile segment which carries a lower margin than the fixed telecommunication line of business.

As discussed earlier in this report, although the Company's losses have been narrowing in recent years, the Company still reported a loss for FY2024 and thus its net profit margin remained negative and thus cannot be computed. In turn, this will also mean that the ratios for Return on Equity, Return on Assets and Return on Capital Employed cannot be computed. Although, Cablenet is expecting to run a profit in FY2025, profitability is expected to be very marginal. Consequently, these ratios were omitted from the table above as they are deemed insignificant.

Given the higher increase in EBITDA than in interest costs, the interest cover ratio of the Company improved from 5.5 times in FY2023 to 5.9 times for FY2024, which is considered to be a strong level of coverage. This strong coverage position is expected to be maintained in FY2025, although this ratio is expected to fall back to 5.5 times as the forecasted improvement in EBITDA is anticipated to be offset by the increase in net finance costs given the additional finance costs element related to Football Rights.

When looking at the gearing structure of the Company, this has been very high, reaching 99.9% in FY2024 and expected to minimally ease to 99.1% in FY2025. However, on a Net Debt / EBITDA basis, the Company has an acceptable level of leverage which amounted to 2.3 times in FY2024 and is expected to marginally improve in FY2025 on the back of an expected improvement in EBITDA and a slight reduction in borrowings.



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 companies⁵, 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.

The cash ratio has been historically very low and is expected to remain weak in view of the significant cash requirements of the Company to sustain its investments in line with its growth strategy.

⁵ <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 70.61%. 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

GO plc also has a €60 million bond listed on the Official List of the Malta Stock Exchange, details of which are included hereunder:

Bond Details: 3.5% unsecured maturing in 2031

ISIN: MT0000091216

Furthermore, Klikk Finance plc, a wholly owned subsidiary of GO plc (save for one share), has €1.6 million of bonds outstanding (original issue of €2 million) which trade on Prospects MTF of the Malta Stock Exchange, details of which are included hereunder:

Bond Details: 5.5% unsecured maturing in 2027

ISIN: MT0001541201

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): 211,601,892

ISIN: MT0002130103

PART D COMPARATIVES

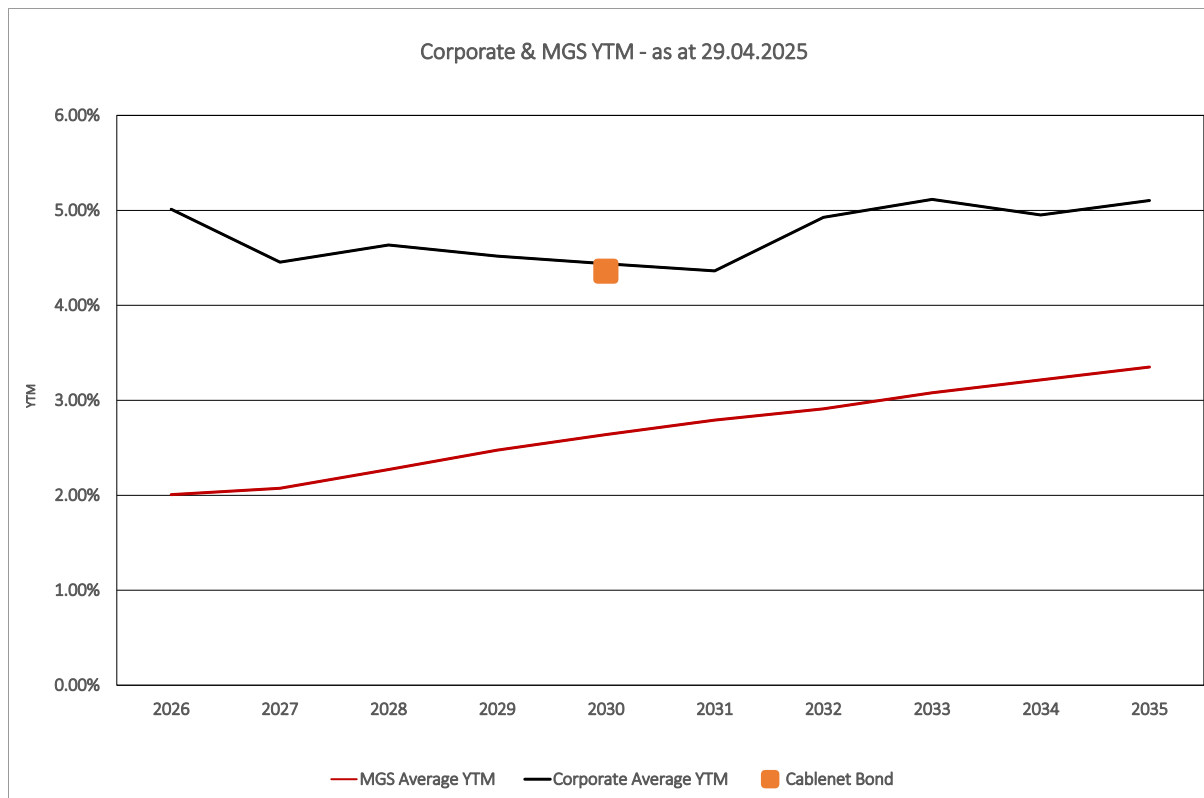
The table below compares the Company's bonds with other local corporate bonds having maturities closest to the Company's bonds. The list excludes issues by financial institutions. The comparative set includes local groups whose assets, strategy and level of operations vary significantly from those of 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 29.04.2025
4.50% Endo Finance plc 2029 (Unsecured)	13,500,000	60.7%	5.2x	3.1x	4.53%
4.00% SP Finance plc 2029 (Secured)	12,000,000	41.4%	5.5x	7.7x	4.28%
3.75% TUM Finance plc 2029 (Secured) (Puttable)	20,000,000	66.2%	76.7x	1.1x	4.42%
3.75% AX Group plc 2029 (Unsecured)	10,000,000	41.6%	8.2x	2.8x	3.75%
4.00% Cablenet Communication Systems plc 2030 (Unsecured)	40,000,000	99.2%	2.3x	5.9x	4.36%

Source: Yield to Maturity from rizzofarrugia.com, based on bond prices of 29.04.2025. 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 a nine-year period, and how Cablenet's bond compares to such average yields. All the yields presented hereunder are as at 29.04.2025.



At a yield-to-maturity of 4.36%, Cablenet's bonds are priced 8-basis points below the equivalent average corporate bonds YTM for 2030 maturities and at a 172-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.