

**Schedule 2
FORM ECSRC – OR**

(Select One)

QUARTERLY FINANCIAL REPORT for the period ended September 30, 2021
Pursuant to Section 98(2) of the Securities Act, 2001

OR

TRANSITION REPORT
for the transition period from _____ to _____
Pursuant to Section 98(2) of the Securities Act, 2001
(Applicable where there is a change in reporting issuer's financial year)

Issuer Registration Number: _____

C&W18129KN002216

(Exact name of reporting issuer as specified in its charter)

Cable & Wireless St.Kitts and Nevis Limited

(Territory or jurisdiction of incorporation)

St.Kitts & Nevis

(Address of principal executive Offices)

(Reporting issuer's:

Telephone number (including area code): 869-467-3707

Fax number: _____

Email address: michael.h.davis@lime.com

(Former name, former address and former financial year, if changed since last report)

(Provide information stipulated in paragraphs 1 to 8 hereunder)

Indicate the number of outstanding shares of each of the reporting issuer's classes of common stock, as of the date of completion of this report. _____

CLASS	NUMBER
Ordinary Shares	33,130,418

SIGNATURES

A Director, the Chief Executive Officer and Chief Financial Officer of the company shall sign this Annual Report on behalf of the company. By so doing each certifies that he has made diligent efforts to verify the material accuracy and completeness of the information herein contained.

The Chief Financial Officer by signing this form is hereby certifying that the financial statements submitted fairly state the company's financial position and results of operations, or receipts and disbursements, as of the dates and period(s) indicated. The Chief Financial Officer further certifies that all financial statements submitted herewith are prepared in accordance with International Accounting Standards consistently applied (except as stated in the notes thereto) and (with respect to year-end figures) including all adjustments necessary for fair presentation under the circumstances.

Name of Chief Executive Officer:

David Lake



Signature

29 November 2021

Date

Name of Director:

Alex Bremner



Signature

29 NOVEMBER 2021

Date

Name of Chief Financial Officer:

Michael H. Davis



Signature

29 November 2021

Date

INFORMATION TO BE INCLUDED IN FORM ECSRC-OR

1. **Financial Statements**

Provide Financial Statements for the period being reported in accordance with International Accounting Standards. The format of the financial statements should be similar to those provided with the registration statement. Include the following:

- (a) Condensed Balance Sheet as of the end of the most recent financial year and just concluded reporting period.
- (b) Condensed Statement of Income for the just concluded reporting period and the corresponding period in the previous financial year along with interim three, six and nine months of the current financial year and corresponding period in the previous financial year.
- (c) Condensed Statement of Cash Flows for the just concluded reporting period and the corresponding period in the previous financial year along with the interim three, six and nine months of the current financial year and the corresponding period in the previous financial year.
- (d) By way of *Notes to Condensed Financial Statements*, provide explanation of items in the financial statements and indicate any deviations from generally accepted accounting practices.

2. **Management's Discussion and Analysis of Financial Condition and Results of Operation.**

Discuss the reporting issuer's financial condition covering aspects such as liquidity, capital resources, changes in financial condition and results of operations during the reporting period. Discussions of liquidity and capital resources may be combined whenever the two topics are interrelated. Discussion of material changes should be from the end of the preceding financial year to the date of the most recent interim report.

The Management's Discussion and Analysis should disclose sufficient information to enable investors to judge:

1. The quality of earnings;
2. The likelihood that past performance is indicative of future performance; and
3. The issuer's general financial condition and outlook.

It should disclose information over and above that which is provided in the management accounts and should not be merely a description of the movements in the financial statements in narrative form or an otherwise uninformative series of technical responses. It should provide management's perspective of the company that enables investors to view the business from the vantage point of management.

The discussion should focus on aspects such as liquidity; capital resources; changes in financial condition; results of operations; material trends and uncertainties and measures

taken or to be taken to address unfavourable trends; key performance indicators; and non-financial indicators.

General Discussion and Analysis of Financial Condition

To respond to the financial impact on our customers, the Company introduced significant changes to its core consumer product portfolio to enhance the value to its customers for little to no increase in costs. The aim to retain our customer base and improve their experience as the demand for connectivity increases with "work from Home" and home schooling now becoming a permanent fixture due to the effects of the pandemic.

Compare to 2020, results as at the end of Q3 saw a 4% decline in Revenue, this was driven mainly by the Q1 variance as the financial effects of the pandemic only began to material in Q2 2020. Q3 comparative to the prior year's performance was flat, though the economic conditions did not return to any significant magnitude. We saw the relaxation of protocols however, the surge in cases meant that economic activities from social gathering remained low.

To support the need for improved connectivity, the company began its network FTTH expansion in 2021 with the network build continuing in Q3. This will have significant performance improvement for our customers moving them from copper to Fiber that is much more reliable and is able to deliver vastly more speed.

Liquidity and Capital Resources

Provide a narrative explanation of the following (but not limited to):

- i) The reporting issuer's financial condition covering aspects such as liquidity, capital resources, changes in financial condition and results of operations.
- ii) Any known trends, demands, commitments, events or uncertainties that will result in, or that are reasonably likely to result in, the issuer's liquidity increasing or decreasing in any material way. If a deficiency is identified, indicate the course of action that the reporting issuer has taken or proposes to take to remedy the deficiency.
- iii) The issuer's internal and external sources of liquidity and any material unused sources of liquid assets.
- iv) Provisions contained in financial guarantees or commitments, debt or lease agreements or other arrangements that could trigger a requirement for an early payment, additional collateral support, changes in terms, acceleration of maturity, or the creation of an additional financial obligation such as adverse changes in the issuer's financial ratios, earnings, cash flows or stock price or changes in the value of underlying, linked or indexed assets.

- v) Circumstances that could impair the issuer's ability to continue to engage in transactions that have been integral to historical operations or are financially or operationally essential or that could render that activity commercially impracticable such as the inability to maintain a specified level of earnings, earnings per share, financial ratios or collateral.
- vi) Factors specific to the issuer and its markets that the issuer expects will affect its ability to raise short-term and long-term financing, guarantees of debt or other commitment to third parties, and written options on non-financial assets.
- vii) The relevant maturity grouping of assets and liabilities based on the remaining period at the balance sheet date to the contractual maturity date. Commentary should provide information about effective periods and the way the risks associated with different maturity and interest profiles are managed and controlled.
- viii) The issuer's material commitments for capital expenditures as of the end of the latest fiscal period, and indicate the general purposes of such commitments and the anticipated source of funds needed to fulfil such commitments.
- ix) Any known material trends, favorable or unfavorable, in the issuer's capital resources, including any expected material changes in the mix and relative cost of capital resources, considering changes between debt, equity and any off-balance sheet financing arrangements.

Discussion of Liquidity and Capital Resources

The Company manages operational liquidity supported by Regional Treasure to manage liquidity in order to meet its financial obligations of servicing and repaying external debt and strategic initiatives. At 30 September 2021, the Company had cash and cash equivalents of \$3.096m. These amounts are highly liquid and are a significant component of the Company's overall liquidity and capital resources. Liquidity forecasts are produced on a regular basis to ensure the utilization of current facilities is optimized, to ensure covenant compliance and that medium-term liquidity is maintained for the purpose of identifying long-term strategic funding requirements. Capital resources spent this quarter was \$0.855m, with the objective to improve on the quality of services being offered to the customers and to expand the subscriber base.

Off Balance Sheet Arrangements

Provide a narrative explanation of the following (but not limited to):

- i) Disclosures concerning transactions, arrangements and other relationships with unconsolidated entities or other persons that are reasonably likely to materially affect liquidity or the availability of, or requirements for capital resources.
- ii) The extent of the issuer's reliance on off-balance sheet arrangements should be described fully and clearly where those entities provide financing, liquidity, market or credit risk support, or expose the issuer to liability that is not reflected on the face of the financial statements.
- iii) Off-balance sheet arrangements such as their business purposes and activities, their economic substance, the key terms and conditions of any commitments, the initial on-going relationship with the issuer and its affiliates and the potential risk exposures resulting from its contractual or other commitments involving the off-balance sheet arrangements.
- iv) The effects on the issuer's business and financial condition of the entity's termination if it has a finite life or it is reasonably likely that the issuer's arrangements with the entity may be discontinued in the foreseeable future.

As at September 30, 2021 there were no off balance sheet arrangements.

Results of Operations

In discussing results of operations, issuers should highlight the company's products and services, facilities and future direction. There should be a discussion of operating considerations and unusual events, which have influenced results for the reporting period. Additionally, any trends or uncertainties that might materially affect operating results in the future should be discussed.

Provide a narrative explanation of the following (but not limited to):

- i) Any unusual or infrequent events or transactions or any significant economic changes that materially affected the amount of reported income from continuing operations and, in each case, the extent to which income was so affected.
- ii) Significant components of revenues or expenses that should, in the company's judgment, be described in order to understand the issuer's results of operations.
- iii) Known trends or uncertainties that have had or that the issuer reasonably expects will have a material favorable or unfavorable impact on net sales or revenues or income from continuing operations.
- iv) Known events that will cause a material change in the relationship between costs and revenues (such as price increases, costs of labour or materials), and changes in relationships should be disclosed.
- v) The extent to which material increases in net sales or revenues are attributable to increases in prices or to increases in the volume or amount of goods or services being sold or to the introduction of new products or services.
- vi) Matters that will have an impact on future operations and have not had an impact in the past.
- vii) Matters that have had an impact on reported operations and are not expected to have an impact upon future operations
- viii) Off-balance sheet transactions, arrangements, obligations (including contingent obligations), and other relationships that have or are reasonably likely to have a current or future effect on the registrant's financial condition, changes in financial condition, revenues or expenses, results of operations, liquidity, capital expenditures or capital resources.
- ix) Performance goals, systems and, controls.

Overview of Results of Operations

Q3 Financial performance was flat Year on Year with under performance in mobile due to the continued effects of the pandemic being mitigated by steady growth in the revenue from our fixed byproducts. The introduction of bundles have to the market to offer increased value to our customers at a discounts value increased our Q3 performance allowing us to keep revenue flat year on year.

Our Operating cost increased compared to 2021 as we have seen increased logistics costs along with increased operational costs as staff returned to office. Though we have commenced our Network build, the high level of truck rolls for network faults also contributed to the increased cost in a addition to increased bad debt expense which is reflective of the financial difficulties that some of our customers are facing. We continue to work with our customers as they try to mitigate the economic impact on their livelihood.

As at the end of Q3, we have reported a loss after taxes as a result of a \$4.2m provision in relation to a tax assessment for the period 2013 to Dec 2019. The company is having dialogue with the IRD and hopes to have a this matter closed soonest.

3. Disclosure about Risk Factors.

Provide a discussion of the risk factors that may have an impact on the results from operations or on the financial conditions. Avoid generalised statements. Typical risk factors include untested products, cash flow and liquidity problems, dependence on a key supplier or customer, management inexperience, nature of business, absence of a trading market (specific to the securities of the reporting issuer), etc. Indicate if any risk factors have increased or decreased in the time interval between the previous and current filing.

Based on management assessment, we have been able to manage and mitigate all typical risk factors by entering into long term agreements and leveraging the buying power of the group. Liquidity risk has also been mitigated by leveraging the expertise of the group Treasury team as well as the pool financing facility.

As of late, one of the most immediate risk to the company has been the Coronavirus. The global pandemic has influenced limited hours of operation for businesses and the closure of others. The impact, continues to be loss of wages and wage cuts, which haave affected customers ability to pay bills and add new services.

4. Legal Proceedings.

A legal proceeding need only be reported in the ECSRC – OR filed for the period in which it first became a reportable event and in subsequent interim reports in which there have been material developments. Subsequent Form ECSRC – OR filings in the same financial year in which a legal proceeding or a material development is reported should reference any previous reports in that year. Where proceedings have been terminated during the period covered by the report, provide similar information, including the date of termination and a description of the disposition thereof with respect to the reporting issuer and its subsidiaries.

Not applicable

5. Changes in Securities and Use of Proceeds.

- (a) Where the rights of the holders of any class of registered securities have been materially modified, give the title of the class of securities involved. State briefly the general effect of such modification upon the rights of holders of such securities.

Not applicable

(a) Where the use of proceeds of a security issue is different from that which is stated in the registration statement, provide the following:

- Offer opening date (provide explanation if different from date disclosed in the registration statement)

not applicable

- Offer closing date (provide explanation if different from date disclosed in the registration statement)

not applicable

- Name and address of underwriter(s)

not applicable

- Amount of expenses incurred in connection with the offer _____

- Net proceeds of the issue and a schedule of its use

not applicable

- Payments to associated persons and the purpose for such payments

not applicable

(c) Report any working capital restrictions and other limitations upon the payment of dividends.

Not applicable

6. Defaults upon Senior Securities.

- (a) If there has been any material default in the payment of principal, interest, a sinking or purchase fund instalment, or any other material default not satisfied within 30 days, with respect to any indebtedness of the reporting issuer or any of its significant subsidiaries exceeding 5 per cent of the total assets of the reporting issuer and its consolidated subsidiaries, identify the indebtedness. Indicate the nature of the default. In the case of default in the payment of principal, interest, or a sinking or purchase fund instalment, state the amount of the default and the total arrears on the date of filing this report.

Not applicable

- (b) If any material arrears in the payment of dividends have occurred or if there has been any other material delinquency not satisfied within 30 days, give the title of the class and state the amount and nature of the arrears or delinquency.

Not applicable

7. Submission of Matters to a Vote of Security Holders.

If any matter was submitted to a vote of security holders through the solicitation of proxies or otherwise during the financial year covered by this report, furnish the following information:

- (a) The date of the meeting and whether it was an annual or special meeting.

Not applicable

- (b) If the meeting involved the election of directors, the name of each director elected at the meeting and the name of each other director whose term of office as a director continued after the meeting.

Not applicable

- (c) A brief description of each other matter voted upon at the meeting and a statement of the number of votes cast for or against as well as the number of abstentions as to each such matter, including a separate tabulation with respect to each nominee for office.

Not applicable

- (d) A description of the terms of any settlement between the registrant and any other participant.

Not applicable

- (e) Relevant details of any matter where a decision was taken otherwise than at a meeting of such security holders.

Not applicable

8. Other Information.

The reporting issuer may, at its option, report under this item any information, not previously reported in a Form ECSRC – MC report (used to report material changes), with respect to which information is not otherwise called for by this form, provided that the material change occurred within seven days of the due date of the Form ECSRC-OR report. If disclosure of such information is made under this item, it need not be repeated in a Form ECSRC – MC report which would otherwise be required to be filed with respect to such information or in a subsequent Form ECSRC – OR report.

Not applicable

Cable & Wireless (St. Kitts & Nevis) Limited
Statement of Profit or Loss and Other Comprehensive Income
For the period ended Sept 30, 2021
(Expressed in thousands of XCD)

	2021 Unaudited Results Jul- Sept	2020 Unaudited Results Jul- Sept	2021 Unaudited Results Jan- Sept	2020 Unaudited Results Jan- Sept
Revenue	16,833	16,760	50,528	52,624
Operating costs before depreciation and amortisation	(11,153)	(10,109)	(32,956)	(31,017)
Depreciation	(2,533)	(2,684)	(7,100)	(8,313)
Amortisation	(9)	(9)	(28)	(28)
Operating profit before exceptional items	3,138	3,958	10,444	13,266
Operating exceptional items	(599)	(489)	(1,508)	(1,733)
Operating profit after exceptional items	2,539	3,469	8,936	11,533
Finance income	677	475	1,866	1,509
Finance expense	(412)	(326)	(959)	(1,075)
Profit before income tax	2,804	3,618	9,843	11,967
Income tax expense	(5,680)	(1,477)	(10,963)	(4,309)
Profit for the year being total comprehensive income for the year	(2,876)	2,141	(1,120)	7,658

Cable & Wireless (St. Kitts & Nevis) Limited
Statement of Financial Position

As at 30 Sept 2021

(Expressed in thousands of XCD)

	2021 Unaudited Results Sept	2019 Audited Results Dec
Assets		
Non-current assets		
Intangible assets	681	744
Property, plant And equipment	69,360	79,703
Other assets	1,027	1,666
Prepayments	266	520
	71,334	82,633
Current assets		
Trade and other receivables	20,932	17,470
Inventories	294	230
Cash and cash equivalents	3,096	4,057
Due from related parties	92,973	89,721
	117,296	111,478
Total assets	188,630	194,111
Liabilities		
Current liabilities		
Trade and other payables	19,562	19,912
Due to related parties	6,807	23,904
Deferred Income current	1,018	1,018
Borrowings	391	407
Share-based payment accrual	198	-
Bank Overdraft	-	135
	27,976	45,376
Non-current liabilities		
Deferred income non-current	411	368
Borrowings non-current	7,479	3,011
Provisions non-current	1,908	2,099
Long-term intercompany payable	695	1,307
Deferred tax liability	6,827	5,573
	17,320	12,358
Net Assets	143,334	136,377
Equity		
Share capital	33,130	33,130
Share premium	3,009	3,009
Revaluation Reserve	102	102
Reserves	107,093	100,136
Total equity	143,334	136,377

Cable & Wireless (St. Kitts & Nevis) Limited
Statement of Cash Flows
For the period ended Sept 30 2020
(Expressed in thousands of XCD)

	2021	2020	2021	2020
	Unaudited Results Jul-Sept	Unaudited Results Jul-Sept	Unaudited Results Jan-Sept	Unaudited Results Jan-Sept
Cash flow from operating activities				
Profit before Income tax for the year	2,804	4,003	9,843	12,652
Adjustments for:				
Depreciation	2,533	2,684	7,100	8,313
Amortization	9	9	28	28
Finance Income	(677)	(475)	(1,866)	(1,509)
Finance Expense	412	326	959	1,075
Operating cash flows before working capital changes	5,081	6,547	16,064	20,559
Changes in working capital				
Decrease/(Increase) in inventories	103	(336)	(127)	(320)
Decrease/(Increase) in trade and other receivables	(612)	2,030	(4,161)	(644)
Decrease/(Increase) in prepayments non-current	36	36	109	109
Decrease/(Increase) in due from related party balances	423	(2,084)	(278)	(4,157)
(Decrease)/Increase in due to related party balances	(832)	485	(10,633)	(9,924)
(Decrease)/increase in trade and other payables	481	(5,836)	754	(408)
(Decrease)/increase in provisions and other operating activities	(1)	-	-	(191)
Cash generated from operations	4,678	843	1,729	5,024
Interest paid	(412)	(326)	(959)	(1,075)
Interest received	677	475	1,866	1,509
Income tax paid	(1,833)	(1,200)	(5,768)	(5,275)
Net cash from operating activities	3,110	(208)	3,131	183
Cashflows from investing activities				
Purchase of property, plant and equipment	(1,881)	(1,800)	(3,498)	(2,891)
Net cash used in investing activities	(1,881)	(1,800)	(3,498)	(2,891)
Cash flows from financing activities				
Dividends paid	-	-	-	-
Net cash used in financing activities	-	-	-	-
Net increase/(Decrease) in cash and cash equivalents	1,229	(2,010)	(367)	(3,076)
Cash and cash equivalents at beginning of the period	1,867	2,991	2,936	4,057
Cash and cash equivalents at the end of the period	3,096	981	2,569	981