



**Consolidated Financial Statements  
December 31, 2023**

**CABLE & WIRELESS COMMUNICATIONS LIMITED**

Griffin House  
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United Kingdom

# CABLE & WIRELESS COMMUNICATIONS LIMITED

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## GLOSSARY OF DEFINED TERMS

Unless the context requires otherwise, references to “C&W”, “we,” “our,” “our company” and “us” in this report refers to Cable & Wireless Communications Limited or collectively to Cable & Wireless Communications Limited and its subsidiaries. We have used several other terms in this report, most of which are defined or explained below. The following glossary of defined terms are unaudited.

<b>2027 C&amp;W Senior Notes</b> .....	\$1.2 billion aggregate principal amount 6.875% senior notes due September 15, 2027 issued by C&W Senior Finance
<b>2027 C&amp;W Senior Secured Notes</b> .....	\$495 million aggregate principal amount 5.75% senior secured notes due September 7, 2027 issued by Sable International Finance Limited
<b>2028 CWP Term Loan</b> .....	\$435 million principal amount 4.25% term loan facility due January 18, 2028 issued by CWP
<b>ACODECO</b> .....	Authority for Consumer Protection and Defense of Competition
<b>Adjusted OIBDA</b> .....	Operating income or loss before share-based compensation, depreciation and amortization, related-party fees and allocations, provisions and provision releases related to significant litigation and impairment, restructuring and other operating items. Other operating items include (i) gains and losses on the disposition of long-lived assets, (ii) third-party costs directly associated with successful and unsuccessful acquisitions and dispositions, including legal, advisory and due diligence fees, as applicable, and (iii) other acquisition-related items, such as gains and losses on the settlement of contingent consideration.
<b>Adjusted Term SOFR</b> .....	SOFR U.S. dollar denominated loans adjusted as follows: (i) 0.11448% for a one-month interest period, (ii) 0.26161% for a three-month interest period and (iii) 0.42826% for a six-month interest period
<b>América Móvil</b> .....	América Móvil S.A.B. de C.V.
<b>ARPU</b> .....	Average monthly subscription revenue per average fixed RGU or mobile subscriber, as applicable
<b>ASEP</b> .....	Authority of Public Services
<b>ASU</b> .....	Accounting Standards Update
<b>B2B</b> .....	Business-to-business
<b>Cable Onda</b> .....	Cable Onda S.A.
<b>C&amp;W Bahamas</b> .....	The Bahamas Telecommunications Company Limited, a 49%-owned subsidiary that owns all of our operations in the Bahamas
<b>C&amp;W Caribbean</b> .....	Includes all our subsidiaries, excluding those within CWP and Liberty Networks
<b>C&amp;W Credit Facilities</b> .....	Senior secured credit facilities of certain of our subsidiaries comprising: (i) C&W Term Loan B-6 Facility; (ii) C&W Term Loan B-5 Facility; (iii) C&W Revolving Credit Facility; and (iv) C&W Regional Facilities
<b>C&amp;W Jamaica</b> .....	Cable & Wireless Jamaica Limited, a 92%-owned subsidiary
<b>C&amp;W Notes</b> .....	Senior and senior secured notes comprising: (i) 2027 C&W Senior Secured Notes; and (ii) 2027 C&W Senior Notes
<b>C&amp;W Regional Facilities</b> .....	Primarily comprises credit facilities at CWP, Columbus Communications Trinidad Limited and Columbus Communications Jamaica Limited
<b>C&amp;W Revolving Credit Facility</b> .....	\$580 million Adjusted Term SOFR + 3.25% revolving credit facility due January 30, 2027
<b>C&amp;W Senior Finance</b> .....	C&W Senior Finance Limited, a wholly-owned subsidiary
<b>C&amp;W Term Loan B-5 Facility</b> .....	\$1,510 million principal amount Adjusted Term SOFR + 2.25% term loan B-5 facility due January 31, 2028
<b>C&amp;W Term Loan B-6 Facility</b> .....	\$590 million principal amount Adjusted Term SOFR + 3.00% term loan B-6 facility due October 15, 2029
<b>C&amp;W Trinidad</b> .....	Columbus Communications Trinidad Limited and its subsidiaries, a wholly-owned subsidiary
<b>CIP</b> .....	Construction-in-process
<b>Claro Panama</b> .....	América Móvil's operations in Panama
<b>Claro Panama Acquisition</b> .....	July 1, 2022 acquisition of Claro Panama
<b>COP</b> .....	Colombian peso
<b>Costa Rica B2B Disposition</b> .....	January 1, 2023 sale of B2B operations in Costa Rica to Liberty Costa Rica
<b>CPE</b> .....	Customer premises equipment

## GLOSSARY OF DEFINED TERMS – (Continued)

<b>CWP</b>	Cable & Wireless Panama, S.A., a 49%-owned subsidiary that owns most of our operations in Panama
<b>CWP Credit Facilities</b>	Credit facilities of CWP comprising: (i) 2028 CWP Term Loan and (ii) CWP Revolving Credit Facility
<b>CWP Revolving Credit Facility</b>	\$20 million principal amount at Adjusted Term SOFR + 3.75% revolving credit facility due January 18, 2027 at CWP
<b>CWSF</b>	Cable & Wireless Superannuation Fund
<b>Digicel</b>	Digicel Group Ltd.
<b>DirecTV</b>	DIRECTV Latin America Holdings, Inc.
<b>DOCSIS</b>	Data over cable service interface specification
<b>DSL</b>	Digital subscriber line
<b>DTH</b>	Direct-to-home
<b>DVR</b>	Digital video recorder
<b>EBU</b>	Equivalent billing unit
<b>ECTEL</b>	The Eastern Caribbean Telecommunications Authority
<b>FASB</b>	Financial Accounting Standards Board
<b>FCC</b>	United States Federal Communications Commission
<b>FCPA</b>	United States Foreign Corrupt Practices Act of 1977, as amended
<b>FTA</b>	Free-to-air
<b>FTTH</b>	Fiber-to-the-home/-cabinet/-building/-node
<b>FX</b>	Foreign currency translation effects
<b>Gbps</b>	Gigabits per second
<b>GITCs</b>	General information technology controls
<b>HD</b>	High definition
<b>HFC</b>	Hybrid fiber coaxial cable networks
<b>IPTV</b>	Internet protocol television
<b>ISPs</b>	Internet service providers
<b>JMD</b>	Jamaican dollar
<b>LGE Coral Holdco</b>	LGE Coral Holdco Limited, a wholly-owned subsidiary of Liberty Latin America
<b>Liberty Costa Rica</b>	Liberty Telecomunicaciones de Costa Rica LY, S.A.
<b>Liberty Latin America</b>	Liberty Latin America Ltd.
<b>Liberty Networks</b>	Subsidiary (formerly referred to as C&W Networks & LatAm) comprising our managed services and wholesale business, which primarily operates through our subsea and terrestrial fiber optic cable networks
<b>LIBOR</b>	London Inter-Bank Offered Rate
<b>LiLAC Services</b>	LiLAC Services Ltd., a wholly-owned subsidiary of Liberty Latin America
<b>LNP</b>	Local number portability
<b>LTE</b>	Long term evolution standard
<b>Millicom</b>	Millicom International Cellular S.A.
<b>Network Extensions</b>	Network extension and upgrade programs across Liberty Latin America
<b>OFAC</b>	Office of Foreign Assets Control
<b>OTT</b>	Over-the-top
<b>Parent</b>	LGE Coral Holdco, owns 100% of C&W
<b>RGU</b>	Revenue generating unit
<b>SDWAN</b>	Software defined wide area network
<b>SIM</b>	Subscriber identification module
<b>SOFR</b>	Reference rate based on secured overnight financing rate administered by the Federal Reserve Bank of New York
<b>SOHO</b>	Small office / home office
<b>SVoD</b>	Subscription video on demand
<b>Tbps</b>	Terabits per second

## GLOSSARY OF DEFINED TERMS – (Continued)

<b>Tower Transactions</b> .....	Transactions associated with certain of our mobile towers across various markets that (i) have terms of 15 or 20 years and did not meet the criteria to be accounted for as a sale and leaseback and (ii) also include "build to suit" sites that we are obligated to construct over the next 5 years. The total weighted average imputed interest rate of the financial liabilities associated with these transactions is approximately 7%.
<b>TSTT</b> .....	Telecommunications Services of Trinidad and Tobago Limited
<b>U.K.</b> .....	United Kingdom
<b>U.S.</b> .....	United States
<b>USD</b> .....	United States Dollar
<b>U.S. GAAP</b> .....	Generally accepted accounting principles in the United States
<b>UTS</b> .....	United Telecommunication Services N.V.
<b>VAT</b> .....	Value-added taxes
<b>VDSL</b> .....	Very high speed DSL
<b>VoD</b> .....	Video-on-demand
<b>VoIP</b> .....	Voice-over-internet-protocol
<b>Weather Derivatives</b> .....	Weather derivative contracts that provide insurance coverage for certain weather-related events

## FORWARD-LOOKING STATEMENTS

Certain statements in this annual report constitute forward-looking statements. To the extent that statements in this annual report are not recitations of historical fact, such statements constitute forward-looking statements, which, by definition, involve risks and uncertainties that could cause actual results to differ materially from those expressed or implied by such statements. In particular, statements under *Description of our Business* and *Management's Discussion and Analysis of Financial Condition and Results of Operations* may contain forward-looking statements, including statements regarding: our business, products, foreign currency and finance strategies; our property and equipment additions; grants or renewals of licenses; subscriber growth and retention rates; changes in competitive, regulatory and economic factors; the timing and impact of proposed transactions, including the Tower Transactions; our anticipated integration plans, synergies, opportunities and integration costs in Panama following the Claro Panama Acquisition; changes in our revenue, costs or growth rates; debt levels; our liquidity and our ability to access the liquidity of our subsidiaries; interest rate risks; credit risks; internal control over financial reporting and remediation of material weaknesses; foreign currency risks; compliance with debt, financial and other covenants; our future projected sources and uses of cash; and other information and statements that are not historical fact. Where, in any forward-looking statement, we express an expectation or belief as to future results or events, such expectation or belief is expressed in good faith and believed to have a reasonable basis, but there can be no assurance that the expectation or belief will result or be achieved or accomplished. In evaluating these statements, the following are some but not all of the factors that could cause actual results or events to differ materially from anticipated results or events:

- economic and business conditions and industry trends in the countries in which we operate;
- the competitive environment in the industries in the countries in which we operate, including competitor responses to our products and services;
- fluctuations in currency exchange rates, inflation rates and interest rates;
- our relationships with third-party programming providers and broadcasters, some of which are also offering content directly to consumers, and our ability to maintain access to desirable programming on acceptable economic terms;
- our relationships with suppliers and licensors and the ability to maintain equipment, software and certain services;
- instability in global financial markets, including sovereign debt issues and related fiscal reforms;
- our ability to obtain additional financing and generate sufficient cash to meet our debt obligations;
- the impact of restrictions contained in certain of our subsidiaries' debt instruments;
- consumer disposable income and spending levels, including the availability and amount of individual consumer debt;
- changes in consumer viewing preferences and habits, including on mobile devices that function on various operating systems and specifications, limited bandwidth, and different processing power and screen sizes;
- customer acceptance of our existing service offerings, including our video, broadband internet, fixed-line telephony, mobile and business service offerings, and of new technology, programming alternatives and other products and services that we may offer in the future;
- our ability to manage rapid technological changes;
- the impact of 5G and wireless technologies on broadband internet;
- our ability to maintain or increase the number of subscriptions to our video, broadband internet, fixed-line telephony and mobile service offerings and our average revenue per household and mobile subscriber;
- our ability to provide satisfactory customer service, including support for new and evolving products and services;
- our ability to maintain or increase rates to our subscribers or to pass through increased costs to our subscribers;
- the impact of our future financial performance, or market conditions generally, on the availability, terms and deployment of capital;
- changes in, or failure or inability to comply with, government regulations in the countries in which we operate and adverse outcomes from regulatory proceedings;
- government intervention that requires opening our broadband distribution networks to competitors;
- our ability to renew necessary regulatory licenses, concessions or other operating agreements and to otherwise acquire future spectrum or other licenses that we need to offer new mobile data or other technologies or services;

- our ability to obtain regulatory approval and satisfy other conditions necessary to close acquisitions and dispositions, and the impact of conditions imposed by competition and other regulatory authorities in connection with acquisitions;
- our ability to successfully acquire new businesses and, if acquired, to integrate, realize anticipated efficiencies from and implement our business plan with respect to the businesses we have acquired or that we expect to acquire, such as with respect to the Claro Panama Acquisition;
- changes in laws or treaties relating to taxation, or the interpretation thereof, in the U.K. or in other countries in which we operate and the results of any tax audits or tax disputes;
- changes in laws and government regulations that may impact the availability and cost of capital and the derivative instruments that hedge certain of our financial risks;
- the ability of suppliers and vendors, including third-party channel providers and broadcasters to timely deliver quality products, equipment, software, services and access;
- the availability of attractive programming for our video services and the costs associated with such programming, including retransmission and copyright fees payable to public and private broadcasters;
- uncertainties inherent in the development and integration of new business lines and business strategies;
- our ability to adequately forecast and plan future network requirements, including the costs and benefits associated with our network extension and upgrade programs;
- the availability of capital for the acquisition and/or development of telecommunications networks and services, including property and equipment additions;
- problems we may discover post-closing with the operations, including the internal controls and financial reporting process, of businesses we acquire, such as with respect to the Claro Panama Acquisition;
- our ability to profit from investments in joint ventures that we do not solely control;
- the effect of any of the identified material weaknesses in our internal control over financial reporting;
- piracy, targeted vandalism against our networks, and cybersecurity threats or other security breaches, including the leakage of sensitive customer data, which could harm our business or reputation;
- the outcome of any pending or threatened litigation;
- the loss of key employees and the availability of qualified personnel;
- the effect of any strikes, work stoppages or other industrial actions that could affect our operations;
- changes in the nature of key strategic relationships with partners and joint venturers;
- our equity capital structure;
- our ability to realize the full value of our intangible assets;
- changes in and compliance with applicable data privacy laws, rules, and regulations;
- our ability to recoup insurance reimbursements and settlements from third-party providers;
- our ability to comply with anti-corruption laws and regulations, such as the FCPA;
- our ability to comply with economic and trade sanctions laws, such as the U.S. Treasury Department's OFAC;
- the impacts of climate change such as rising sea levels or increasing frequency and intensity of certain weather phenomena; and
- events that are outside of our control, such as political conditions and unrest in international markets, terrorist attacks, malicious human acts, hurricanes and other natural disasters, pandemics like the COVID-19 pandemic, and other similar events.

The broadband distribution and mobile service industries are changing rapidly and, therefore, the forward-looking statements of expectations, plans and intent in this annual report are subject to a significant degree of risk. These forward-looking statements and the above described risks, uncertainties and other factors speak only as of the date of this annual report, and we expressly disclaim any obligation or undertaking to disseminate any updates or revisions to any forward-looking statement contained herein, to reflect any change in our expectations with regard thereto, or any other change in events, conditions or circumstances on which any such statement is based. Readers are cautioned not to place undue reliance on any forward-looking statement.

## DESCRIPTION OF OUR BUSINESS

*In this section, unless the context otherwise requires, the terms “we,” “our,” “our company” and “us” may refer, as the context requires, to C&W or collectively to C&W and our subsidiaries. C&W is a wholly-owned subsidiary of Liberty Latin America Ltd. Unless otherwise indicated, operational and statistical data, including subscriber statistics, are as of December 31, 2023. The capitalized terms used in this section may be defined in the consolidated financial statements, the notes thereto and Management’s Discussion and Analysis of Financial Condition and Results of Operations.*

### Overview

We are a leading communications company with operations in Panama, the Caribbean, including Jamaica, and other parts of Latin America. The communications and entertainment services that we deliver to our residential and business customers include video, broadband internet, telephony and mobile services. In most of our operating footprint, we offer bundles of services, including video, broadband internet and telephony products in one subscription. We are also focused on leveraging our full-service product suite to deliver fixed-mobile convergence offerings.

Our business products and services also include enterprise-grade connectivity, data center, hosting and managed security solutions, as well as IT solutions with customers ranging from small and medium enterprises to international companies and governmental agencies. We also operate an extensive subsea and terrestrial fiber optic cable network that connects approximately 40 markets in the region, providing connectivity solutions both within and outside our operating footprint.

We are the largest fixed-line provider of high-speed broadband and video services, in terms of market share, across a number of our markets. In addition, we offer mobile services across our operating footprint. As a network operator across most of our markets, we are able to offer a full range of voice and data services, including value-added, data-based and fixed-mobile converged services. For a breakdown of revenue by major category, see note 17 to our consolidated financial statements.

We have expanded our footprint through new build projects and strategic acquisitions. Our new build projects consist of network programs pursuant to which we pass additional homes and businesses with our broadband communications network. We are also upgrading our networks. During 2023, we added or upgraded approximately 257,400 additional homes and commercial premises.

Our operations are provided through various consolidated subsidiaries, including our subsidiaries C&W Bahamas and CWP where we own less than 100%.

Our operating brands include the following:





## Operating Data

The following tables present certain operating data as of December 31, 2023. The tables reflect 100% of the data applicable to our subsidiaries, regardless of our ownership percentage. For additional information regarding terms used in the following tables, see the *Operating Data Glossary* below.

	Homes Passed	Customer Relationships	Total RGUs	Video RGUs	Internet RGUs	Telephony RGUs	Total Mobile Subscribers	Prepaid	Postpaid
<b>C&amp;W Caribbean:</b>									
Jamaica .....	742,100	348,200	787,800	130,000	330,900	326,900	1,227,500	1,121,100	106,400
The Bahamas .....	125,700	33,900	67,100	7,600	26,200	33,300	162,400	137,800	24,600
Trinidad and Tobago .....	341,700	147,400	320,200	97,100	131,200	91,900	—	—	—
Barbados .....	140,400	85,200	186,000	38,800	78,000	69,200	131,100	82,200	48,900
Other .....	388,700	217,500	377,900	73,100	193,200	111,600	449,000	321,900	127,100
Total C&W Caribbean .....	1,738,600	832,200	1,739,000	346,600	759,500	632,900	1,970,000	1,663,000	307,000
C&W Panama .....	953,600	260,400	620,500	166,900	232,500	221,100	1,856,400	1,511,200	345,200
<b>Total C&amp;W .....</b>	<b>2,692,200</b>	<b>1,092,600</b>	<b>2,359,500</b>	<b>513,500</b>	<b>992,000</b>	<b>854,000</b>	<b>3,826,400</b>	<b>3,174,200</b>	<b>652,200</b>

## Operating Data Glossary

**Customer Relationships** – The number of customers who receive at least one of our video, internet or telephony services that we count as RGUs, without regard to which or to how many services they subscribe. To the extent that RGU counts include EBU adjustments, we reflect corresponding adjustments to our customer relationship counts. For further information regarding our EBU calculation, see Additional General Notes below. Customer relationships generally are counted on a unique premises basis. Accordingly, if an individual receives our services in two premises (e.g., a primary home and a vacation home), that individual generally will count as two customer relationships. We exclude mobile-only customers from customer relationships.

**Homes Passed** – Homes, residential multiple dwelling units or commercial units that can be connected to our networks without materially extending the distribution plant. Certain of our homes passed counts are based on census data that can change based on either revisions to the data or from new census results.

**Internet (Broadband) RGU** – A home, residential multiple dwelling unit or commercial unit that receives internet services over our network.

**Mobile Subscribers** – Our mobile subscriber count represents the number of active SIM cards in service rather than services provided. For example, if a mobile subscriber has both a data and voice plan on a smartphone this would equate to one mobile subscriber. Alternatively, a subscriber who has a voice and data plan for a mobile handset and a data plan for a laptop (via a dongle) would be counted as two mobile subscribers. Customers who do not pay a recurring monthly fee are excluded from our mobile telephony subscriber counts after periods of inactivity ranging from 60 to 90 days, based on industry standards within the respective country. In a number of countries, our mobile subscribers receive mobile services pursuant to prepaid contracts.

**RGU** – RGU is separately a video RGU, internet RGU or telephony RGU. A home, residential multiple dwelling unit, or commercial unit may contain one or more RGUs. For example, if a residential customer subscribed to our video service, fixed-line telephony service and broadband internet service, the customer would constitute three RGUs. RGUs are generally counted on a unique premises basis such that a given premises does not count as more than one RGU for any given service. On the other hand, if an individual receives one of our services in two premises (e.g., a primary home and a vacation home), that individual will count as two RGUs for that service. Each bundled video, internet or telephony service is counted as a separate RGU regardless of the nature of any bundling discount or promotion. Non-paying subscribers are counted as RGUs during their free promotional service period. Some of these subscribers may choose to disconnect after their free service period. Services offered without charge on a long-term basis (e.g., VIP subscribers or free service to employees) generally are not counted as RGUs. We do not include subscriptions to mobile services in our externally reported RGU counts. In this regard, our RGU counts exclude our separately reported postpaid and prepaid mobile subscribers.

**SOHO** - Small office/ home office customers.

**Telephony RGU** – A home, residential multiple dwelling unit or commercial unit that receives voice services over our network. Telephony RGUs exclude mobile subscribers.

**Video RGU** – A home, residential multiple dwelling unit or commercial unit that receives our video service over our network primarily via a digital video signal while subscribing to any recurring monthly service that requires the use of encryption-enabling technology. Video RGUs that are not counted on an EBU basis are generally counted on a unique premises basis. For example, a subscriber with one or more set-top boxes that receives our video service in one premises is generally counted as just one RGU.

### Additional General Notes:

Most of our operations provide telephony, broadband internet, data, video or other B2B services. Certain of our B2B service revenue is derived from SOHO customers that pay a premium price to receive enhanced service levels along with video, internet or telephony services that are the same or similar to the mass marketed products offered to our residential subscribers. All mass marketed products provided to SOHO customers, whether or not accompanied by enhanced service levels and/or premium prices, are included in the respective RGU and customer counts of our operations, with only those services provided at premium prices considered to be “SOHO RGUs” or “SOHO customers.” To the extent our existing customers upgrade from a residential product offering to a SOHO product offering, the number of SOHO RGUs and SOHO customers will increase, but there is no impact to our total RGU or customer counts. With the exception of our B2B SOHO customers, we generally do not count customers of B2B services as customers or RGUs for external reporting purposes.

Certain of our residential and commercial RGUs are counted on an EBU basis, including residential multiple dwelling units and commercial establishments, such as bars, hotels, and hospitals, in Puerto Rico. Our EBUs are generally calculated by

dividing the bulk price charged to accounts in an area by the most prevalent price charged to non-bulk residential customers in that market for the comparable tier of service. As such, we may experience variances in our EBU counts solely as a result of changes in rates.

While we take appropriate steps to ensure that subscriber and homes passed statistics are presented on a consistent and accurate basis at any given balance sheet date, the variability from country to country in (i) the nature and pricing of products and services, (ii) the distribution platform, (iii) billing systems, (iv) bad debt collection experience and (v) other factors add complexity to the subscriber and homes passed counting process. We periodically review our subscriber and homes passed counting policies and underlying systems to improve the accuracy and consistency of the data reported on a prospective basis. Accordingly, we may from time to time make appropriate adjustments to our subscriber and homes passed statistics based on those reviews.

#### Fixed Network and Product Penetration Data (%)

	Panama	Jamaica	The Bahamas	Trinidad and Tobago	Barbados	Other
<b>Network data:</b>						
Homes passed:						
Cable .....	37 %	42 %	— %	99 %	— %	58 %
FTTH .....	57 %	47 %	74 %	1 %	100 %	39 %
VDSL .....	6 %	11 %	26 %	— %	— %	3 %
<b>Product penetration:</b>						
Television <sup>(1)</sup> .....	15 %	18 %	6 %	28 %	28 %	19 %
Broadband internet <sup>(2)</sup> .....	24 %	45 %	21 %	38 %	56 %	52 %
Fixed-line telephony <sup>(2)</sup> .....	23 %	44 %	26 %	27 %	49 %	30 %
Double-play <sup>(3)</sup> .....	34 %	55 %	55 %	19 %	29 %	33 %
Triple-play <sup>(3)</sup> .....	52 %	35 %	22 %	49 %	44 %	21 %

(1) Percentage of total homes passed that subscribe to television services.

(2) Percentage of two-way homes passed that subscribe to broadband internet or fixed-line telephony services, as applicable.

(3) Percentage of total customers that subscribe to two services (double-play customers) or three services (triple-play customers) offered by our operations (video, broadband internet and fixed-line telephony), as applicable.

#### Video, Broadband Internet & Fixed-Line Telephony and Mobile Services

	Panama	Jamaica	The Bahamas	Trinidad and Tobago	Barbados	Other
<b>Video services:</b>						
Network System <sup>(1)</sup> .....	VDSL/ HFC/ FTTH	VDSL/ HFC/ FTTH	VDSL/ FTTH	HFC/ FTTH	FTTH	VDSL/ HFC/ FTTH
<b>Broadband internet service:</b>						
Maximum download speed offered (Mbps) .....	1,000	1,000	1,000	1,000	1,000	~600 <sup>(2)</sup>
<b>Mobile services:</b>						
Network Technology <sup>(3)</sup> .....	LTE	LTE	LTE	—	LTE	LTE

(1) These are the primary systems used for delivery of services in the countries indicated. “HFC” refers to hybrid fiber coaxial cable networks.

(2) Represents an average as speeds vary by market.

(3) Fastest available technology. “LTE” refers to the Long Term Evolution Standard.

## Products and Services

We offer our customers a comprehensive set of converged mobile, broadband, video and fixed-line telephony services. In the table below, we identify the services we offer in each of the countries in the Caribbean and Latin America where we have operations.

	Mobile	Broadband internet	Video	Fixed-line telephony
Anguilla .....	X	X	X	X
Antigua & Barbuda .....	X	X	X	—
Barbados .....	X	X	X	X
Bonaire .....	X	—	—	—
British Virgin Islands .....	X	X	X	X
Cayman Islands .....	X	X	X	X
Curaçao .....	X	X	X	X
Dominica .....	X	X	X	X
Grenada .....	X	X	X	X
Jamaica .....	X	X	X	X
Montserrat .....	X	X	—	X
Panama .....	X	X	X	X
Saba .....	X	—	—	—
St. Eustatius .....	X	—	—	—
St. Maarten .....	X	X	—	—
St. Martin .....	X	—	—	—
St. Kitts & Nevis .....	X	X	X	X
St. Lucia .....	X	X	X	X
St. Vincent & the Grenadines .....	X	X	X	X
The Bahamas .....	X	X	X	X
Trinidad and Tobago .....	—	X	X	X
Turks & Caicos .....	X	X	X	X

We believe that our ability to offer our customers greater choice and selection in bundling their services enhances the attractiveness of our service offerings, improves customer retention, minimizes churn and increases overall customer lifetime value.

### **Residential Services**

**Mobile Services.** We offer mobile services throughout our operating footprint. We are a mobile network operator, delivering high-speed services in Panama and all but one of our Caribbean markets. As a mobile network provider, we are able to offer a full range of voice and data services, including value-added services. Where available, we expect our mobile services will allow us to provide an extensive converged product offering with video, internet and fixed-line telephony, allowing our customers connectivity in and out-of-the-home. We hold spectrum licenses as a mobile network provider, with terms typically ranging from 10 to 15 years.

Subscribers to our mobile services pay varying monthly fees depending on whether the mobile service is bundled with one of our other services or includes mobile data services over their phones, tablets or laptops. Our mobile services are available on a postpaid or prepaid basis. We offer our customers the option to purchase mobile handsets with purchase terms typically related to whether the customer selects a prepaid or postpaid plan. Customers selecting a prepaid plan or service pay in advance for a pre-determined amount of airtime and/or data and generally do not enter into a minimum contract term. Customers subscribing to a postpaid plan generally enter into contracts ranging from 12 to 24 months. Long-term contracts are often taken with a subsidized mobile handset.

*Broadband Internet Services.* To support our customers' connectivity demands, we are expanding our networks to make high-speed broadband available to more people. This includes investment in the convergence of our fixed and mobile data systems and through our next generation WiFi products, which enable us to maximize the impact of our broadband networks by providing reliable, high-speed wireless connectivity anywhere in the home. These gateway products can be self-installed and have an automatic WiFi optimization function, which selects the best possible wireless frequency. During 2023, our Network Extensions programs (as defined and described below) upgraded or passed approximately 257,400 homes across our footprint.

The internet speeds we offer are one of the key focus areas for our value propositions, as customers spend more time streaming video and other bandwidth-heavy services on multiple devices. As a result, we are continuing to invest in additional bandwidth and technologies to increase internet speeds throughout our footprint. We plan to continue the upgrade and expansion of our fixed networks so that we can deploy high-speed internet service to additional customers in the coming years.

Our residential subscribers access the internet predominantly via FTTH or HFC networks and with modems connected to their internet capable devices, including personal computers, or wirelessly via next generation WiFi and telephony gateway products. In each of our markets, we offer multiple tiers of internet service. The speed of service depends on location and the tier of service selected by our subscribers.

Our value-added services include security measures and online storage. Mobile broadband internet services are also available through our mobile services described above. Subscribers to our internet service pay a monthly fee based on the tier of service selected. In addition to the monthly fee, customers pay an activation service fee upon subscribing to an internet service. This one-time fee may be waived for promotional reasons. We determine pricing for each different tier of internet service through an analysis of speed, market conditions and other factors.

*Video Services.* We offer video services in most of our residential markets and are enhancing our video offerings with next generation, market-leading digital television platforms that enable our customers to control when and where they watch their programming. These advanced services are predominantly delivered over our FTTH and HFC networks and customers access a range of features that include a DVR, a VoD offering and an advanced user interface including an electronic programming guide, voice search and recommendation. These video customers can pause their programming while a live broadcast is in progress, return to the start and find programs they may have missed. They can also stream a selection of channels and non-linear content on their own devices through "TV Everywhere" mobile applications such as "Flow Sports" in the Caribbean and "+movil Total" in Panama.

Our operations with video services typically offer multiple tiers of digital video programming starting with affordable entry or skinny and basic video service tiers. Subscribers have the option to select extended and/or premium subscription packages combining linear channels and VoD. Subscribers to our digital video services pay a fixed monthly fee and all tiers include a number of HD channels as well as access to enhanced features. In addition, through our latest generation of video CPE, subscribers can access most leading internet streaming services. Discounts to our monthly service fees are generally available to a subscriber who selects a bundled service of at least two of the following services: video, internet and fixed-line telephony.

We tailor our video services in each country of operation based on local preferences, culture, demographics and regulatory requirements. We aim to offer the most relevant mix of content to our subscribers, combining general entertainment, sports, movies, documentaries, lifestyle, news, adult, children and foreign channels, as well as local, regional and international broadcast networks. We manage multiple channels in the Caribbean, notably the prominent Caribbean sports network, Flow Sports. Additionally, we oversee a joint venture encompassing RUSH Sports, Rush Sports 2 and Rush Prime. These comprise two sports channels and one general entertainment channel, collectively accessible throughout the Caribbean.

*Telephony Services.* We are the incumbent fixed-line telephony service provider in most of our residential markets.

We offer multi-feature telephony service over our various fixed networks, including HFC, FTTH and copper networks. Depending on location, these services are provided via either circuit-switched telephony or VoIP technology. As we continue to develop and invest in new technologies that will enhance our customers' experiences, we are replacing obsolete switches with VoIP technology and older copper networks with modern fiber optics. These digital telephony services cover international and domestic services.

### ***Business Services***

*B2B Services.* We offer B2B services across our operations, leveraging our high-speed and extensive fixed and mobile infrastructure. We are the largest provider of services in many of our markets, representing a significant portion of revenue.

*Liberty Networks* We offer integrated communication and cloud services, connectivity and wholesale solutions to hyper scalers, carriers and businesses throughout the Caribbean, Latin America and the U.S. via our subsea and terrestrial fiber optic cable networks. Our systems include subsea optical systems, long-haul terrestrial backbone, metro fiber networks and data centers. We provide service to major commercial zones and cities and host several mission-critical operations for large organizations and customers in key markets within our operating footprint. Our networks deliver critical infrastructure for the transport of growing traffic from businesses, governments and other telecommunications operators across the region, particularly to high-traffic destinations in the United States and Latin America.

Below is a map of our subsea fiber network.



With approximately 50,000 kilometers of fiber optic cable, and an activated capacity of over 20 Tbps, Liberty Networks can carry large volumes of data traffic. Our networks also allow us to provide point-to-point, clear channel wholesale broadband capacity services, IP transit cloud-based services and local network services to telecommunications carriers, ISPs and large corporations. Our network provides built-in resiliency, route diversity and redundancy through our superior traffic re-routing capability.

Across our regional footprint, we also provide services to business customers in multiple segments, from small and medium businesses to larger corporate and enterprise organizations including multi-national companies and governments. We work with our business customers to customize the best end-to-end solutions, using standardized best-in-class products to fit their service needs. We target specific industry segments, such as financial institutions, the hospitality sector, education institutions and government ministries and agencies. We have agreements to provide our services over fully managed and monitored dedicated MPLS and IP networks, wavelength and metro-access fiber lines. We offer tailored solutions that combine our standard services with value-added features, such as dedicated customer care, professional services and enhanced service performance monitoring, to meet specific customer requirements. Our business products and services include voice, broadband, enterprise-grade WAN connectivity, managed WiFi, network security, software defined networking, unified communications and a range of cloud-based IT solutions, such as Infrastructure as a Service (IaaS), disaster recovery and other service offerings. We also offer a range of data, voice and internet services to carriers, ISPs and mobile operators. Our extensive fiber optic cable networks typically allow us to deliver redundant, end-to-end connectivity backed by a strong service level agreement guarantee. Our networks also allow us to provide services over dedicated access fiber lines and local and international private networks that are dedicated to our business customers.

Our business services fall into five broad categories:

- VoIP and circuit-switch telephony;
- Data services for internet access, virtual private networks, high capacity point-to-point, point-to-multi-point and multi-point-to-multi-point services, managed networking services including MPLS, SDWAN and IP transit;
- Wireless services for mobile voice and data; and
- Value added Managed Services, including
  - Private and Public Cloud Infrastructure Services and integration, including Disaster Recovery Backup Services;
  - Cloud and premise based Private Branch exchange solutions, conferencing options and Hosted Contact Center solutions;
  - Cyber Security Services, including structured solutions, rapid response, and other professional services;
  - Managed WiFi;
  - Software Defined Networking, Internet of Things, Digitalization and Digital Currencies; and
  - Specialized services such as Telehealth, Digital Signage, and Retail Analytics.

The extensive reach of our network and assets, as well as our comprehensive set of capabilities positions us to meet the needs of carriers, businesses and government customers that are searching for a capable, progressive provider to manage their ever more complex communications, connectivity and information technology needs.

## **Technology**

In many of our markets, we transmit our broadband internet, video and fixed-line telephony services over an HFC cable network, and increasingly through FTTH networks. An HFC network consists primarily of fiber networks that we connect to the home over the last few hundred meters by coaxial cable and an FTTH network uses fiber-to-the-home/-cabinet/-building/-node. In a minority of cases, we transmit our services over a fixed network consisting of VDSL or DSL copper lines.

We closely monitor our network capacity and customer usage. We continue to take actions and explore improvements to our technologies that will increase our capacity and enhance our customers' connected entertainment experience. These actions include:

- recapturing bandwidth and optimizing our networks by:
  - increasing the number of nodes in our markets;
  - increasing the bandwidth of our hybrid fiber coaxial cable networks;
  - converting analog channels to digital;
  - bonding additional DOCSIS 3.0 channels and adding DOCSIS 3.1 channels;
  - replacing copper lines with modern fiber optic lines; and
  - using digital compression technologies.
- freeing spectrum for high-speed internet, VoD and other services by encouraging customers to move from analog to digital services;
- increasing the efficiency of our networks by moving head-end functions (encoding, transcoding and multiplexing) to cloud storage systems;
- enhancing our network to accommodate further business services;

- using our wireless technologies to extend services outside of the home;
- offering remote access to our video services through laptops, smart phones and tablets;
- expanding the availability of next generation decoder and set-top boxes and related products, as well as developing and introducing online media sharing and streaming or cloud-based video; and
- testing new technologies.

We are engaged in network extension and upgrade programs. We collectively refer to these network extension and upgrade programs as the “Network Extensions.” Through the Network Extensions, we continue to expand our fixed networks pursuant to which we pass or upgrade homes and businesses with our broadband communications network. For example, we have upgraded almost all of our HFC network to DOCSIS 3.1, and with a combination of FTTH and DOCSIS 3.1, over 90% of our network is currently capable of delivering speeds of 1 Gbps or above. In addition, we look for mobile service opportunities where we have established cable networks and have expanded our fixed-line networks where we have a strong mobile offering. This will allow us to offer converged fixed-line and mobile services to our customers.

We deliver high-speed data and fixed-line telephony over our various fixed networks, including HFC and FTTH networks. These networks are further connected via our subsea and terrestrial fiber optic cable networks that provide connectivity within and outside the region. Our subsea network cables terminating in the United States carry over 20 Tbps, which represent approximately 20% of their potential capacity based on current deployed technology, presenting us with significant growth opportunities.

As noted above, we operate one of the largest subsea fiber networks in the region and our systems include long-haul terrestrial backbone and metro fiber networks that provide access to major commercial zones, wireless carrier cell sites and customers in key markets within our operating footprint. For more information about our subsea network, see —*Business Services* above.

We continue to expand our wireless coverage and capacity across our markets.

#### *Mobile*

We operate mobile networks in all of our consumer markets except Trinidad & Tobago. Our networks deliver high-speed services, with approximately 90% LTE population coverage. Our wireless networks predominantly use LTE technologies, which we offer in most of the countries where we operate. We aim to increase the speed of transmission of our data services and have been expanding our LTE coverage. We transmit wireless calls and data through radio frequencies that we use under spectrum licenses. We have a diversified portfolio of frequencies which support LTE technologies. Spectrum is a limited resource, and, as a result, we may face spectrum and capacity constraints on our wireless network in certain countries. We believe our current spectrum portfolio will allow us to meet subscribers’ needs in the coming years and minimal further investment, although we will continue to evaluate our need to acquire additional frequencies to supplement our existing spectrum portfolio. For example, in 2022, AWS spectrum was allocated to our Panama operations, and we acquired additional spectrum in Barbados and Cayman.

We continue to invest significant capital in expanding our network capacity and reach and to address spectrum and capacity constraints on a market-by-market basis.

### **Supply Sources**

#### *Content*

Content is one of the key drivers for customers in selecting a provider of video, broadband and/or wireless services. Therefore, we aim to provide products that allow our customers to consume content whenever and wherever they want and feature content that matters the most to our customers. Our programming strategy is based on:

- product (enabling access through home and mobile screens at anytime, including live, catch-up, restart with the ability to pause programming, personal recording, on-demand and internet streaming apps);
- proposition (meeting our customers’ content and entertainment expectations by offering access to a wider range of channels and on-demand content, and internet streaming services at affordable and competitive price points);



- partnering (alliances with content partners and leading distributors to aggregate the best linear, on-demand and streaming content); and
- variety (expanding the content offering from video to other categories and creating an ecosystem across music, sports, retail, culinary, fitness etc. through the convenience of our products, broadband and wireless connectivity services).

Except for Flow Sports and Flow 1 services, that we operate, in the Caribbean, and the RUSH sports channel operated by a joint venture with the Digicel Group, we license our programming and on-demand content through distribution agreements with third-party content providers, including broadcasters, leading cable networks and major Hollywood studios. For such licenses, we generally pay a variable monthly fee on a per subscriber basis, through multi-year programming licenses. In our distribution agreements, we seek to include the rights to offer the licensed channels and on-demand programming to our authenticated customers through multiple delivery platforms including through our apps for IP-connected mobile and/or fixed devices, and our websites. We also acquire rights to make available, in most of our markets, video services to mobile subscribers and broadband subscribers that are not subscribers to fixed TV services.

With respect to rights for the sports and entertainment services we operate directly or in a joint-venture in the Caribbean, we seek to license locally relevant sports and general entertainment content. Additionally, we produce original series and stories. Our latest video consumer equipment that is distributed to a growing number of markets, including Panama, also enables our customers to access, through the Google App Store, leading streaming services such as Netflix, Disney+, Max and Amazon Prime Video.

### ***Mobile Handsets and Customer Premises Equipment***

We use a variety of suppliers for mobile handsets to offer our customers mobile services. For other customer premises equipment, we purchase from a number of different suppliers and regularly assess production lead times to ensure supply continuity and implement dual sourcing strategies to mitigate further risks when applicable. Customer premises equipment includes set-top boxes, modems, WiFi routers, extenders and similar devices. For each type of equipment, we retain specialists to provide customer support. For our broadband services, we use a variety of suppliers for our network equipment and the various services we offer.

### ***Software Licenses***

We license software products, including email and security software, as well as content, such as news feeds, from several suppliers for our internet services and internal IT platforms. The agreements for these products require us to pay a per subscriber fee or a one-off software license fee and a share of advertising revenue for content licenses. For our mobile network operations and our fixed-line telephony services, we license software products, such as voicemail, text messaging and caller ID, from a variety of suppliers. For these licenses we seek to enter into long-term contracts, which generally require us to pay based on usage of the services.

### **Regulatory Matters**

Video distribution, broadband internet, fixed-line telephony and mobile businesses are regulated in each of the markets in which we operate, and the scope of regulation varies from market to market. Adverse regulatory developments could subject our businesses to a number of risks. Regulation, including conditions imposed on us by competition or other authorities as a requirement to close acquisitions or dispositions, could limit growth, revenue and the number and type of services offered and could lead to increased operating costs and property and equipment additions. In addition, regulation may restrict our operations and subject them to further competitive pressure, including pricing rules and restrictions, interconnect and other access obligations, and restrictions or controls on content, including content provided by third parties. Failure to comply with current or future regulation could expose our businesses to various penalties.

We are subject to universal service obligations in a number of markets. These obligations vary in specificity and extent, but they are generally related to ensuring widespread geographic coverage of networks and that the populations of our individual markets have access to basic telecommunication services at minimum quality standards. In a number of cases, we are required to support universal access/service goals through contributions to universal service funds or participate in universal service-related projects.

### ***C&W Caribbean***

The video, broadband, telephony and mobile services provided by C&W Caribbean are subject to regulation and enforcement by various governmental and regulatory entities in each of the jurisdictions where such services are provided. The

scope and reach of these regulations are distinct in each market, with some markets such as the Dutch Caribbean being more heavily regulated than others. Generally, C&W Caribbean provides services in accordance with licenses and concessions granted by national authorities pursuant to national telecommunication legislation and associated regulations. Certain of these regulatory requirements are summarized below.

As the incumbent telecommunications provider in many of its jurisdictions, C&W Caribbean is subject to significant regulatory oversight with respect to the provision of fixed-line and mobile telephony services. Generally, in these markets, C&W Caribbean operates under a government issued license or concession that enables it to own and operate its telecommunication networks, including the establishment of wireless networks and the use of spectrum. These licenses and concessions are typically non-exclusive and have renewable multi-year terms that include competitive, qualitative and rate regulation. Licenses and concessions are in the process of being renewed in Jamaica, the Cayman Islands, The Bahamas, Antigua and the Turks and Caicos Islands. We believe we have complied with all local requirements to have existing licenses renewed and have provided all necessary information to enable local authorities to process applications for renewal in a timely manner. In addition, in some of the ECTEL states we are operating under expired licenses and have applied for renewal of such licenses. We expect that such licenses will be granted or renewed, as applicable, on the same or substantially similar terms and conditions in a timely manner. Pending issuance of new or renewed licenses or concessions, we continue to operate on the same terms and conditions as prior to the licenses expiring.

With respect to licenses for mobile spectrum, the initial grant of the spectrum is sometimes subject to an auction process, but in a number of other cases, the license may be granted on the basis of an administrative process at a set level of fees for a fixed period of time, typically to coincide with carrier licenses, subject to the payment of annual fees and compliance with applicable license requirements. In very rare cases, spectrum previously assigned to C&W Caribbean may be re-allocated by regulatory authorities to other operators in the market. Alternatively, spectrum sought by C&W Caribbean may not be available for grant, due to prior historical grants or due to the need to avoid interference with neighboring markets particularly in the Caribbean. By and large, spectrum assignments, once granted, remain unchanged for the duration of a license and beyond. In the Dutch Caribbean the frequencies are allotted on a “first come, first serve” basis, and they operate in the same frequency band divisions as mainland Europe. The regulator reserves the various spectrum evenly between the market players and grants these when needed. Once granted, the operator must start paying for the allocated spectrum.

Rate regulation of C&W Caribbean’s telephony services typically includes price caps that set the maximum rates it may charge to customers, or legislation that requires consent from a regulator prior to any price or non-price changes. In addition, all regulators determine and set the rates that may be charged by all telephony operators, including C&W Caribbean, for interconnect charges, access charges between operators for calls originating on one network that are completed through connections with one or more networks of other providers, and charges for network unbundling services. In addition, in certain markets, regulators set, or are seeking to set, mobile roaming rates and wholesale dedicated internet access. Interconnection rates (and primarily mobile termination and roaming rates) in the telecommunications industry worldwide are decreasing, and we are experiencing this trend towards lower interconnection rates in our markets. On the BES-islands, also known as the Caribbean Netherlands, data services are considered obligated services that are subject to price regulation requiring regulatory approval of any pricing changes, and Curacao is also considering whether to adjust its rules and regulations to make data services obligated services.

In recent years, a number of markets in which C&W Caribbean operate have demonstrated an increased interest in regulating various aspects of broadband internet services due to the increasing importance of high speed broadband. National regulators have also demonstrated an increased focus on the issues of network resilience, broadband affordability and penetration, quality of services and consumer rights.

Certain regulators are also seeking to mandate third-party access to C&W Caribbean’s network infrastructure, including dark fiber and landing stations, as well as to regulate wholesale services and prices. In the Dutch Caribbean and French territories, there are rules and regulations requiring such third party access to network infrastructure. Any such decision and application to grant access to our network infrastructure may strengthen our competitors by granting them the ability to access our network to offer competing products and services without making the corresponding capital intensive infrastructure investment. In addition, any resale access granted to competitors on favorable economic terms that are not set by the free market could adversely impact our ability to maintain or increase our revenue and cash flows. The extent of any such adverse impacts ultimately will be dependent on the extent that competitors take advantage of the resale access ultimately afforded to our network, the pricing mandated by regulatory authorities and other competitive factors or market developments.

As an example, in Jamaica, under The Telecommunications (Infrastructure Sharing) Rules 2022, dominant licensees are required to share infrastructure (including dark fiber, ducts, subsea cable landing stations and mobile network towers) with third parties, including competitors. However, it is anticipated that these rules will not become operational for some time as there are

specific actions (including a prescribed costing methodology) that will take considerable time to complete. Our operations in Jamaica have already submitted their objections to the OUR on the premise that due process was not followed leading up to the promulgation of these new infrastructure sharing rules. Our operations in Jamaica are resolved to challenge the process ultimately to the courts for changes to be made to any adverse provisions of the new rules or to revoke them entirely. The process of such a challenge is likely to be long, and we cannot at this time determine the possibility of a successful outcome.

In addition, the ECTEL, the regulatory body for telecommunications in five Eastern Caribbean States (Commonwealth of Dominica, Grenada, St. Kitts & Nevis, St. Lucia and St. Vincent and the Grenadines), has adopted an Electronic Communications Bill that may have a material adverse impact on C&W Caribbean's operations in the ECTEL member states. The proposed Electronic Communications Bill includes provisions relating to:

- Net neutrality principles mandating equal access to all content and applications regardless of the source and without favoring, degrading, interrupting, intercepting, blocking access or throttling speeds;
- Subscription television rate regulation;
- Regulations implementing market dominance rules;
- Network unbundling at regulated rates; and
- Mandated unbundled access to all landing station network elements at cost-based rates.

We currently cannot determine the impact these provisions will have on our operations because national regulators are required to conduct extensive market reviews before adopting specific measures and these measures might be reconsidered in accordance with the market reviews. St. Kitts and Nevis enacted the bill in 2021 and was later followed by St. Vincent and the Grenadines in 2022, so that the bill is now currently in effect in those markets. Other ECTEL states will follow to enact the legislation in the next few years, although a specific timeline is unclear, as it is the purview of each legislature to determine the precise date on which the legislation will be introduced for deliberation. Although the legislation does contain provisions which potentially increase the level and variety of regulation to which C&W Caribbean's operations in ECTEL states may be subject, implementation of such rules will be time consuming and complex.

In addition to rate regulation, several markets in which we operate have imposed, or are considering imposing, regulations designed to further encourage competition, including introducing requirements related to unbundling, network access to third parties, and LNP for fixed and mobile services. Jurisdictions such as The Bahamas, the Cayman Islands and Jamaica have implemented fixed and mobile LNP and ECTEL has implemented mobile LNP. Barbados launched fixed LNP and mobile LNP in January 2023. Other jurisdictions, including Antigua & Barbuda, Curacao and Turks and Caicos, have considered or begun to implement LNP. Although fixed LNP and mobile LNP are already in place in Trinidad and Tobago, the regulator has yet to enforce it amongst the operators. Additionally, regulators in The Bahamas have eased restrictions on the mobile market.

The pay television service provided in certain of our markets is subject to, among other things, subscriber privacy regulations, data protection laws and regulations, and the must-carry rule (as defined below) and retransmission consent rights of broadcast stations. Pay television service in certain of our markets is also under heavy pressure from illegal IP-setup boxes that are swamping the markets. The price point that these pirates offer are difficult to compete against, and regulators are having a difficult time acting against these pirates or, in some cases, are unwilling to act against them.

We are also subject to universal service obligations in a number of markets. These obligations vary in specificity and extent, but they are generally related to ensuring widespread geographic coverage of networks and that the populations of our individual markets have access to basic telecommunication services at minimum quality standards. In a number of cases, we are required to support universal access/service goals through contributions to universal service funds or participate in universal service-related projects.

In addition to the industry-specific regimes discussed above, our operating companies must comply with both specific and general legislation concerning, among other matters, data retention, consumer protection and electronic commerce. These operating companies are also subject to national level regulations on competition and on consumer protection.

In Trinidad and Tobago, we were required by the Telecommunications Authority of Trinidad and Tobago, in connection with its approval of our acquisition of Columbus International Inc. in March 2015, to dispose of its 49% shareholding in TSTT. The disposal of our stake in TSTT is not complete. We cannot predict when, or if, we will be able to dispose of this investment at an acceptable price. As such, no assurance can be given that we will be able to recover the carrying value of our investment in TSTT.

## ***Liberty Networks***

With respect to Liberty Networks's B2B and networks business in Latin America, we are subject to significantly less regulation in the markets in which we operate compared to our residential businesses described above. We do have the licenses in Latin America and the U.S. necessary to operate wholesale and enterprise services in all countries in which we operate. Although the legal framework in Latin America changes from country to country, we do own international/local carrier and Internet or data services licenses in every jurisdiction in which we operate. Most licenses are granted for a 10 to 15 year term. Some licenses and concessions are in the process of being renewed: Panama (Carrier), and United States (Carrier). We believe we have complied with all local requirements to have existing licenses renewed. We expect that such licenses will be renewed, as applicable, on the same or substantially similar terms and conditions in a timely manner. Pending issuance of new or renewed licenses or concessions, we continue to operate on the same terms and conditions as prior to the licenses expiring.

The networks business operates approximately 50,000 kilometers of submarine fiber optic cable systems in the U.S., the Caribbean and Latin America. These sub-systems have cable landing stations and facilities in the U.S. and its territories. These facilities are regulated by the FCC, the Department of Homeland Security and other U.S. governmental agencies that impose additional reporting and licensing obligations on Liberty Networks.

## ***CWP***

CWP is subject to regulatory entities, principally ASEP. ASEP regulates and controls the public services for the supply of drinking water, sanitary sewerage, telecommunications and electricity. Also, CWP is subject to the ACODECO, guarantor of consumer protection and antitrust, which operates under the direction of the Ministry of Commerce and Industries.

Public services in Panama are classified as "Type A services" and "Type B services," with Mobile Telephony and Personal Communication (PCS) services being classified as Type A services. In 1997, a concession was awarded to BSC (now Grupo Milicom) and CWP. On January 2, 2003, the Local, National and International Basic Services were opened to competition by virtue of the termination of the temporary exclusivity granted to C&W Panama for the privatization of the public operator, INTEL.

With the opening of the market, in 2008, concession contracts for the PCS Service were granted to Digicel (Panamá), S.A. and Claro Panama. Currently, C&W Panama completed a mobile market consolidation process with Claro Panama, according to Law 36 of June 5, 2018 and subsequently, Digicel declared their intention to return their concession to the Panamanian government. The law of market consolidation issued by the Panamanian government aims to maintain three mobile operators and therefore, the Panamanian state recently published the public bid for the acquisition of this concession and purchase of some assets of Digicel Panama, and it has authorized ASEP to negotiate with General International Telecom Panama for this purchase.

*Spectrum.* CWP currently has a total of 125 MHz allocated (30 MHz in the 700 MHz band, 40 MHz in the 1900 MHz band, 30 MHz of AWS Band (1710-1780 MHz and 2110 and 2180) and 25 MHz in the 850 MHz band). At the time of the acquisition of Claro Panama, C&W Panama had 65MHz allocated (20 MHz in the 700 Band, 20 MHz in the 900 MHz, 25 MHz in the 850 MHz Band), and Claro Panama had 60 MHz allocated (20 MHz in the 700 MHz Band, 40 MHz in the 1900 MHz Band). As per a consolidation law, an acquiring operator could only have a maximum of 130MHz.

*Concessions.* CWP holds thirteen concessions renewed for the following twenty years, available until the year 2037, except a pay TV license that was renewed in 2008 for 25 years. CWP decided not to renew the concessions corresponding to discontinued or not provided services (facsimile retransmission service and conventional trunk systems service for public or private use), and the Concession #104 (Pay Phone Services), was renewed under special conditions imposed by the regulator.

*Public Telephone Service.* CWP is the only operator that provides Public Telephone Service in Panama. Since 2021, efforts have been made with the regulatory authority to obtain authorization for disconnection and/or relocation of public phones, and in 2022, CWP obtained approval to remove 4,005 out of 8,445 public phones. A second request has been filed to disconnect 1,053 public phones, and CWP is in the process of analyzing additional public phones to be included in a disconnection request.

*Fixed Services (Fixed-Line Telephony, Public and Semipublic Telephone).* CWP has a license to provide Basic Local, National and International Telecommunications Services, as well as Public and Semipublic Terminals and Rental of Dedicated Voice Circuits, within the entire territory of Panama until the year 2037. CWP is a Type B concessionaire, with or without use of radio spectrum, subject to compliance with requirements regarding the fulfillment of quality goals for the provision of these services, such as the attention to recommendations issued by the International Telecommunications Union. During 2023, CWP filed considerations to a public consultation, which proposed to eliminate National Long Distance. CWP favors the proposal, subject to the compliance with a proposed staggered process.



*Mobile Services.* CWP is authorized to install, maintain, manage, operate and commercially exploit the Mobile Telephone Service, in the assigned radio spectrum segments, which currently CWP has 125 MHz for its prepaid and post-paid mobile customers, including supplementary services and other Mobile Telephony services, throughout Panama, which is valid until 2037.

*Internet Service:* There are conditions and quality parameters for providing internet service to the public that became effective in 2018, setting new regulatory conditions and supervision of the service providers starting in 2019. During May 2019, ASEP conducted an inspection intended to validate that these requirements were duly configured in the system. C&W Panama has complied with the regulatory requirements.

*Pay Television Service.* Initially, the concession for the provision of the pay television service was granted to the International Contact Center Company in 2008, and then the rights were transferred in favor of CWP. The license was granted to retransmit audio and video signals through coaxial cable and fiber optics in the province of Panama, with a validity of 25 years, which was later extended to other provinces in the coverage area for the provision of paid TV service.

## **Competition**

We operate in an emerging region of the world, where market penetration of telecommunication services such as broadband and mobile data is lower than in more developed markets. Generally, our markets are at a relatively nascent stage of the global shift to a “data-centric” world. Although there has been strong growth in data consumption in our key markets, data consumption in our operating regions still lags significantly when compared to international benchmarks. We believe that we have the opportunity to capitalize upon this underlying growth trend in the majority of our markets, and benefit from increasing penetration of our data services as well as economic growth, in all of our markets, over time.

However, technological advances and product innovations have increased and are likely to continue to increase giving customers several options for the provision of their communications services. Our customers want access to high quality communication services that allow for seamless connectivity. Accordingly, our ability to offer converged services (video, internet, fixed telephony and mobile) is a key component of our strategy. In many of our markets, we compete with companies that provide converged services, as well as companies that are established in one or more communication products and services. Consequently, our businesses face significant competition. In all markets, we seek to differentiate our communications services by focusing on customer service, competitive pricing and offering quality high-speed connectivity.

### ***Mobile Services***

Across our footprint, we are either the leading or one of the leading mobile providers and we continue to seek additional bandwidth to deliver our wide range of services to our customers and increase our high-speed coverage. We also offer various calling plans, such as unlimited network, national or international calling, unlimited off-peak calling and minute packages, including calls to fixed and mobile phones. In addition, we use our bundled offers with our video and high-speed internet services to gain mobile subscribers, where possible. Our ability to offer fixed-mobile convergence services is expected to be a key driver. In several of our markets, we expect to increase focus on converged services, including mobile, fixed-line, broadband and video.

- *C&W Caribbean.* We typically operate in duopoly mobile market structures and face competition mainly from Digicel in most of our C&W Caribbean residential markets, and ALIV in The Bahamas. From time to time, new entrants come into the markets. For example, Rock Mobile announced its intent to launch a business, and has received spectrum to do so, in Jamaica.
- *CWP.* In Panama, we primarily compete with Millicom (through the Tigo brand).

### ***Broadband Internet***

With respect to broadband internet services and online content, our businesses face competition in a rapidly evolving marketplace from incumbent and non-incumbent telecommunications companies, mobile operators and cable-based ISPs, many of which have substantial resources. The internet services offered by these competitors include both fixed-line broadband internet services using cable, DSL or FTTH networks and wireless broadband internet services. These competitors have a range of product offerings with varying speeds and pricing, as well as interactive services, data and other non-video services offered to homes and businesses. With the demand for mobile internet services increasing, competition from wireless services using various advanced technologies is a competitive factor. In several of our markets, competitors offer high-speed mobile data via LTE wireless networks. In addition, other wireless technologies, such as WiFi, are available in almost all of our markets. In this intense competitive environment, speed, bundling, and pricing are key drivers for customers.

A key component of our strategy is speed leadership. Our focus is on increasing the maximum speed of our connections as well as offering varying tiers of services and prices, a variety of bundled product offerings and a range of value added services. We update our bundles and packages on an ongoing basis to meet the needs of our customers. Our top download speeds generally range from 100 Mbps to speeds of up to 1 Gbps. In many of our markets, we offer the highest download speeds available via our HFC cable and FTTH networks. The focus is on high-speed internet products to safeguard our high-end customer base and allow us to become more aggressive at the low- and medium-end of the internet market. By fully utilizing the technical capabilities of DOCSIS 3.1 technology on our cable systems, we can compete with local FTTH initiatives and create a competitive advantage compared to DSL infrastructures and LTE initiatives on a national level.

In several of our C&W Caribbean markets, we are the incumbent phone company offering broadband internet products through a variety of technologies, predominantly HFC cable and FTTH. In these markets and our other Latin American markets, our key competition for internet services is from cable and IPTV operators and mobile data service providers. To compete effectively, we are expanding our LTE service areas and increasing our download speeds. In most of our markets, we offer our internet service through bundled offerings that include video and fixed-line telephony. We also offer a wide range of mobile products either on a prepaid or postpaid basis.

- *C&W Caribbean.* Where C&W Caribbean is the incumbent telecommunications provider, it competes with cable operators, the largest of which are Cable Bahamas Limited in The Bahamas and Digicel in certain of C&W Caribbean markets. To distinguish itself from these competitors, C&W Caribbean is investing in footprint expansion and upgrades and uses its bundled offers with video and telephony to promote its broadband internet services.
- *CWP.* The largest competitor in Panama is Millicom (through the Tigo brand).

### ***Video Distribution***

Our video services compete primarily with traditional FTA broadcast television services, DTH satellite service providers and other fixed-line telecommunications carriers and broadband providers, including operations offering (i) services over HFC cable networks, (ii) DTH satellite services, (iii) IPTV over broadband internet connections using asymmetric DSL or VDSL or an enhancement to VDSL called “vectoring,” (iv) IPTV over FTTH networks, or (v) LTE services. Many of these competitors have a national footprint and offer features, pricing and video services individually and in bundles comparable to what we offer. In certain markets, we also compete with other cable or FTTH based providers who have overbuilt portions of our systems.

OTT aggregators and SVoD services utilizing our or our competitors’ high-speed broadband connections are also a significant competitive factor as are other video service providers that overlap our service areas. OTT video providers (such as Max, Amazon Prime Video, Disney+, Paramount+ and Netflix in most of our markets, and Hulu, DirecTV Now, Sling, and Sportsmax in selected markets) offer rich VoD catalogs and/or linear channels. In some cases, these AVoD services are provided free-of-charge (such as YouTube and Pluto TV). Typically these services are available on multiple devices in and out of the home. To augment our video services, we continue to deploy and develop newer technologies and platforms that create flexibility for our subscribers and improve their experience. For example, through our user interface, subscribers can seamlessly subscribe to these OTT and TVE services, conduct searches, discover content, and engage in the consumption of programs. Our businesses also compete to varying degrees with other sources of entertainment and information, such as online entertainment, newspapers, magazines, books, live entertainment/concerts and sporting events.

Piracy and other unauthorized uses and distribution of content, including through web-based applications, devices and online platforms, also present challenges for our video business. These platforms illegally stream copyrighted content, for example, Premier League games that can be viewed with an internet connection. While piracy is a challenge in most jurisdictions in which we operate, it is particularly prevalent in those jurisdictions that lack developed copyright laws and effective enforcement of copyright laws.

We believe that our deep-fiber access, where available, provides us with several competitive advantages. For instance, our networks allow us to concurrently deliver internet access, together with real-time television and VoD content, without impairing our high-speed internet service. In addition, our cable infrastructure in most of our footprint allows us to provide triple-play bundled services of broadband internet, television and fixed-line telephony services without relying on a third-party service provider or network. Where mobile is available, our mobile networks, together with our fixed fiber-rich networks, will allow us to provide a comprehensive set of converged mobile and fixed-line services. Our capacity is designed to support peak consumer demand. In serving the business market, many aspects of the network can be leveraged at very low incremental costs given that business demand peaks at a time when consumer demand is low, and peaks at lower levels than consumer demand. In response to the continued growth in OTT viewing, we have launched a number of innovative video services, including Flow Sports in C&W Caribbean’s markets and +TV Total in CWP.

Our ability to attract and retain customers depends on our continued ability to acquire appealing content and services on competitive terms and to make such content available on multiple devices and outside the home. Some competitors have obtained long-term exclusive contracts for certain sports programs and other content, which limits the opportunities for other providers to offer such programs. Other competitors also have obtained long-term exclusive contracts for programs, but our operations have limited access to certain of such programming through selected contracts with those companies. If exclusive content offerings increase through other providers, programming options could be a deciding factor for subscribers on selecting a video service.

In this competitive environment, we enhance our offers with converged digital services, such as DVR and replay functionalities, VoD and multi-screen services along with exploring and aligning partnerships with adjacent categories like music, e-sports, fitness and others. In addition, we offer attractive content packages tailored to particular markets and discounts for bundled services. To improve the quality of the programming in our packages, our operations periodically modify their digital channel offerings. Where we offer mobile, we focus on our converged service offerings. We use these services, as well as bundles of our fixed-line services, as a means of driving video and other products where we can leverage convenience and price across our portfolio of available services.

- *C&W Caribbean.* C&W Caribbean competes with a variety of pay TV service providers, with several of these competitors offering double-play and triple-play packages. In several of its other markets, including Jamaica, Trinidad and Tobago and Barbados, C&W Caribbean is the largest or one of the largest video service providers. In these markets, its primary competition is from operators of IPTV services over VDSL and FTTH, such as Digicel and any DTH competitor locally.
- *CWP.* CWP competes primarily with Tigo which is owned by Millicom and which offers video, internet and fixed-line telephony over its cable network. To compete effectively, CWP invests in leading mobile and fixed networks and content.

### ***Fixed-Line Telephony***

The market for fixed-line telephony services is mature across our footprint. Changes in market share are driven by the combination of price and quality of services provided and the inclusion of telephony services in bundled offerings. In most of our C&W Caribbean markets, we are the incumbent telecommunications provider with long established customer relationships. In our other markets, our fixed-line telephony services compete against the incumbent telecommunications operator in the applicable market. In these markets, the incumbent operators have substantially more experience in providing fixed-line telephony, greater resources to devote to the provision of such services and long-standing customer relationships. In all of our markets, we also compete with VoIP operators offering services across broadband lines and OTT telephony providers, such as WhatsApp. In many countries, our businesses also face competition from other cable telephony providers, FTTH-based providers or other indirect access providers.

Competition exists in both the residential and business fixed-line telephony products due to market trends, the offering of carrier pre-select services, number portability, the replacement of fixed-line with mobile telephony and the growth of VoIP services, as well as continued deregulation of telephony markets and other regulatory action, such as general price competition. Carrier preselect allows the end user to choose the voice services of operators other than the incumbent while using the incumbent's network. Our fixed-line telephony strategy is focused around value leadership, and we position our services as "anytime" or "any destination." Our portfolio of calling plans includes a variety of innovative calling options designed to meet the needs of our subscribers. In many of our markets, we provide product innovation, such as telephone applications that allow customers to make and receive calls from their fixed-line call packages on smart phones. In addition, we offer varying plans to meet customer needs and, similar to our mobile services, we use our telephony bundle options with our digital video and internet services to help promote our telephony services and flat rate offers are standard.

- *C&W Caribbean.* We face competition in the provision of fixed-telephony services mainly from Digicel in our Caribbean markets and Cable Bahamas Limited in The Bahamas. These companies all have competitive pricing on similar services, and the intensified level of competition we are experiencing in several of our markets has added increased pressure on the pricing of our services.
- *CWP.* We face competition from Millicom (through the Tigo brand) in Panama.

### ***Business and Wholesale Services***

We provide a variety of advanced, point-to-point, clear channel broadband capacity, IP, Multiprotocol Label Switching, Ethernet and managed services over our owned and operated, technologically advanced, subsea fiber optic cable network. Our

subsea and terrestrial fiber routes combine to form a series of fully integrated networks that typically provide complete operational redundancy, stability and reliability, allowing us in most cases to provide our clients with superior service and minimal network downtime. Given the advanced technical state of the network combined with the challenges in securing the necessary governmental and environmental licenses in all of our operating markets, we believe the network is unlikely to be replicated in the region. Competing networks in the region connect fewer countries than we do and are either linear in design, or if ringed, have high latency protection routes. In addition, our network as of December 31, 2023, utilized approximately 20% of its potential design capacity, and we believe that our ability to take advantage of this large unused carrying capacity, as well as the financial and time investment required to build a similar network, and the potential delays associated with acquiring governmental permissions, makes it unlikely that our network will be replicated in the near term.

We compete in the provision of B2B services with residential telecommunications operators, as noted above. We also compete with regional and international service providers, particularly when addressing larger customers.

### **Employees**

As of December 31, 2023, we had an aggregate of approximately 7,100 full-time employees. Certain of our employees belong to organized unions and works council. We believe that our relations with our employees and unions are good.

### **Legal Proceedings**

We are a party to various legal proceedings that arise in the normal course of our business. While the results of such normal course legal proceedings cannot be predicted with certainty, management believes that, based on our current knowledge, the ultimate resolution of these matters would not likely have a material adverse effect on our business, financial condition or results of operations. However, in view of the inherent difficulty of predicting the outcome of legal matters, we cannot state with confidence what the eventual outcome of these pending matters will be, what the timing of the ultimate resolution of these matters will be or what the eventual loss, fines or penalties related to any such pending matter may be.



## MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

See the Glossary of defined terms at the beginning of this Annual Report.

The following discussion and analysis, which should be read in conjunction with our consolidated financial statements, is intended to assist in providing an understanding of our results of operations and financial condition and is organized as follows:

- *Overview.* This section provides a general description of our business and recent events.
- *Results of Operations.* This section provides an analysis of our results of operations for the years ended December 31, 2023 and 2022.
- *Liquidity and Capital Resources.* This section provides an analysis of our parent and subsidiary liquidity, consolidated statements of cash flows and contractual commitments.

Unless otherwise indicated, operational data (including subscriber statistics) is presented as of December 31, 2023.

### Overview

#### *General*

We are a subsidiary of Liberty Latin America that provides mobile, broadband internet, fixed-line telephony and video services to residential and business customers and managed services to business and government customers. We provide (i) residential and B2B services in over 20 countries, primarily in Latin America and the Caribbean, (ii) B2B services in certain other countries in Latin America and the Caribbean and (iii) wholesale services over our subsea and terrestrial fiber optic cable networks that connect approximately 40 markets in that region. Our primary markets include Panama, Jamaica, The Bahamas, Barbados, Trinidad and Tobago and Curacao.

We own less than 100% of certain of our consolidated subsidiaries, including C&W Bahamas, C&W Jamaica and CWP.

#### *Operations*

At December 31, 2023, we (i) served 3,826,400 mobile subscribers and (ii) owned and operated fixed networks that passed 2,692,200 homes and served 2,359,500 RGUs, comprising 992,000 broadband internet subscribers, 854,000 fixed-line telephony subscribers and 513,500 video subscribers.

#### *Transactions*

*Tower Transactions.* During November 2023, we entered into an agreement with Phoenix Tower International to monetize mobile tower sites across Panama, Jamaica, The Bahamas, Barbados, and the British Virgin Islands. As of December 31, 2023, we completed these transactions across most markets, which resulted in the receipt of approximately \$203 million, which is recorded as debt in our consolidated financial statements. The transaction provides arrangements to extend coverage with a further sites being built by us and Phoenix Tower International over the next five years.

#### *Internal Controls and Procedures*

In our 2018 Annual Report, management identified the following material weaknesses in internal control over financial reporting, which continue to exist as of December 31, 2023:

- The Company did not have a sufficient number of resources with the appropriate skills and knowledge to adequately support the organization in the operation of internal controls over financial reporting.
- The Company did not have an effective information and communication process to identify, capture, and process relevant information necessary for financial accounting and reporting.
- The Company did not i) have an effective IT risk assessment process that successfully identified and assessed risks associated with IT systems relevant to our financial reporting to ensure controls were designed and implemented to respond to those risks, ii) establish effective GITCs, specifically program change controls and access controls, that support the consistent operation of the Company's IT operating systems, databases and IT applications, and end user computing over all financial reporting; and, iii) have policies and procedures through which general information technology controls are deployed across the organization. Automated process-level controls and manual controls

dependent upon the accuracy and completeness of information derived from information technology systems were also rendered ineffective because they are affected by the lack of GITCs.

As a consequence, the Company did not effectively design, implement, and operate process-level control activities related to order-to-cash (including revenue, trade receivables, and deferred revenue), procure-to-pay (including operating expenses, prepaid expenses, accounts payable, and accrued liabilities), hire-to-pay (including compensation expense and accrued liabilities), long-lived assets, inventory, and other financial reporting processes.

These control deficiencies resulted in immaterial misstatements, some of which were corrected, in our consolidated financial statements as of and for the year ended December 31, 2023. These control deficiencies create a reasonable possibility that a material misstatement to the consolidated financial statements will not be prevented or detected on a timely basis, and therefore we conclude that the deficiencies represent material weaknesses in internal control over financial reporting as of December 31, 2023.

### ***Management's Remediation Plan***

We continue to implement the remediation plans for the aforementioned material weaknesses in internal control over financial reporting as follows:

- Hire additional individuals with appropriate skills and experience.
- Enhance information and communication processes, including through information technology solutions of which include, but are not limited to, implementing new enterprise resource planning software, to ensure that information needed for financial reporting is accurate, complete, relevant, reliable, and communicated in a timely manner.
- Complete our IT risk assessment process and design and implement GITCs, including program change controls and access controls, that support the consistent operation of the Company's IT operating systems, databases and IT applications, and end user computing over financial reporting, and ensure they are operating effectively to support process-level automated and manual control activities that are dependent upon information derived from IT systems.
- Enhance the design of existing control activities and implement additional process-level control activities (including controls over the order-to-cash, procure-to-pay, hire-to-pay, long-lived assets, inventory, and other financial reporting processes) and ensure they are properly evidenced and operating effectively.

We believe that these actions and the improvements we expect to achieve, when fully implemented, will strengthen our internal control over financial reporting and remediate the remaining material weaknesses.

We are committed to making further progress in our remediation efforts during 2024; however, if our remedial measures are insufficient to address the material weaknesses, or if one or more additional material weaknesses in our internal controls over financial reporting are discovered, we may be required to take additional remedial measures from our plan as disclosed above.

### ***Strategy and Management Focus***

From a strategic perspective, we are seeking to build or acquire broadband communications and mobile businesses that have strong prospects for future growth. As discussed further under *Liquidity and Capital Resources—Capitalization* below, we also seek to maintain our debt at levels that provide for attractive equity returns without assuming undue risk.

We strive to achieve “organic” revenue and customer growth in our operations by developing and marketing bundled entertainment, information and communications services, and extending and upgrading the quality of our networks where appropriate. As we use the term, organic growth excludes FX and the estimated impact of acquisitions and disposals. While we seek to increase our customer base, we also seek to maximize the average revenue we receive from each household or business by increasing the penetration of our video, broadband internet, fixed-line telephony and mobile services with existing customers through product bundling and up-selling.

### ***Competition and Other External Factors***

We are experiencing significant competition from other telecommunications operators and other communication service providers in all of our markets. The significant competition we are experiencing, together with macroeconomic factors, has adversely impacted our revenue, RGUs and/or ARPU in a number of our markets. For additional information regarding the revenue impact of changes in our RGUs and ARPU, see discussion below.

## Results of Operations

For convenience, we have aligned our results of operations discussion below to that of Liberty Latin America whereby we separately discuss activity, as applicable, relating to C&W Caribbean, CWP and Liberty Networks. The results for C&W Caribbean, CWP and Liberty Networks include intercompany activity that eliminates in consolidation.

The comparability of our operating results during 2023 and 2022 is affected by an acquisition and FX. As we use the term, “organic” changes exclude FX and the impacts of the acquisition, each as further discussed below.

In the following discussion, we quantify the estimated impact on our operating results of the periods under comparison that is attributable to an acquisition. We acquired América Móvil’s operations in Panama during July 2022. With respect to acquisitions, organic changes exclude the operating results of an acquired entity during the first 12 months following the date of acquisition.

Changes in foreign currency exchange rates may have a significant impact on our operating results as certain subsidiaries have functional currencies other than the U.S. dollar. Our primary exposure to FX risk is to the JMD, the Trinidad and Tobago dollar and the COP. In addition, our operating results are impacted by changes in the exchange rates for other local currencies in Latin America and the Caribbean. The impacts to the various components of our results of operations that are attributable to changes in FX are highlighted below.

The amounts presented and discussed below represent 100% of the revenue and expenses of each subsidiary and our corporate operations. As we have the ability to control certain subsidiaries that are not wholly-owned, we include 100% of the revenue and expenses of these entities in our consolidated statements of operations despite the fact that third parties own significant interests in these entities. The noncontrolling owners’ interests in the operating results of certain subsidiaries are reflected in net earnings or loss attributable to noncontrolling interests in our consolidated statements of operations.

On January 1, 2023, the B2B Costa Rican operations within Liberty Networks was sold to Liberty Costa Rica. The Costa Rica B2B Disposition did not have a significant impact on the financial results of Liberty Networks.

We are subject to inflationary pressures with respect to certain costs and foreign currency exchange risk with respect to costs and expenses that are denominated in currencies other than the respective functional currencies of our subsidiaries (non-functional currency expenses). Any cost increases that we are not able to pass on to our subscribers would result in increased pressure on our operating margins.

### *Revenue*

We derive our revenue primarily from (i) residential fixed services, including video, broadband internet, and fixed-line telephony, (ii) mobile services and (iii) B2B enterprise services. Liberty Networks also provides wholesale services over its subsea and terrestrial fiber optic cable networks.

While not specifically discussed in the below explanations of the changes in revenue, we experience significant competition in all of our markets. Competition has an adverse impact on our ability to increase or maintain our RGUs and/or ARPU.

Variances in the subscription revenue that we receive from our customers are a function of (i) changes in the number of RGUs or mobile subscribers during the period and (ii) changes in ARPU. Changes in ARPU can be attributable to (i) changes in prices, (ii) changes in bundling or promotional discounts, (iii) changes in the tier of services selected, (iv) variances in subscriber usage patterns and (v) the overall mix of fixed and mobile products during the period. In the following discussion, we discuss ARPU changes in terms of the net impact of the above factors on the ARPU that is derived from our video, broadband internet, fixed-line telephony and mobile products.

**Consolidated.** The following tables set forth the organic and non-organic changes in our revenue on a consolidated basis. Intercompany eliminations in the table below reflects revenue between our business, the majority of which relates to revenue at our Liberty Networks segment from our other reportable segments.

	Year ended December 31,		Increase (decrease)	Increase (decrease) from:		
	2023	2022		FX	Acquisition	Organic
	in millions					
C&W Caribbean .....	\$ 1,437.0	\$ 1,436.8	\$ 0.2	\$ (0.1)	\$ —	\$ 0.3
CWP .....	742.6	642.7	99.9	—	69.6	30.3
Liberty Networks .....	453.3	450.8	2.5	(1.1)	—	3.6
Intercompany eliminations .....	(89.7)	(81.7)	(8.0)	—	—	(8.0)
Total .....	\$ 2,543.2	\$ 2,448.6	\$ 94.6	\$ (1.2)	\$ 69.6	\$ 26.2

**C&W Caribbean.** C&W Caribbean's revenue by major category is set forth below:

	Year ended December 31,		Increase (decrease)	
	2023	2022	\$	%
	in millions, except percentages			
Residential revenue:				
Residential fixed revenue:				
Subscription revenue .....	\$ 487.5	\$ 484.3	\$ 3.2	0.7
Non-subscription revenue .....	29.0	32.6	(3.6)	(11.0)
Total residential fixed revenue .....	<u>516.5</u>	<u>516.9</u>	<u>(0.4)</u>	<u>(0.1)</u>
Residential mobile revenue:				
Service revenue .....	330.3	314.5	15.8	5.0
Interconnect, inbound roaming, equipment sales and other .....	78.8	67.9	10.9	16.1
Total residential mobile revenue .....	<u>409.1</u>	<u>382.4</u>	<u>26.7</u>	<u>7.0</u>
Total residential revenue .....	925.6	899.3	26.3	2.9
B2B revenue .....	511.4	537.5	(26.1)	(4.9)
Total .....	<u>\$ 1,437.0</u>	<u>\$ 1,436.8</u>	<u>\$ 0.2</u>	<u>—</u>

The details of the changes in C&W Caribbean's revenue during 2023, as compared to 2022, are set forth below (in millions):

Increase (decrease) in residential fixed subscription revenue due to change in:	
Average number of RGUs (a) .....	\$ 4.1
ARPU (b) .....	(0.9)
Decrease in residential fixed non-subscription revenue (c) .....	(3.7)
Total decrease in residential fixed revenue .....	<u>(0.5)</u>
Increase in residential mobile service revenue (d) .....	16.0
Increase in residential mobile interconnect, inbound roaming, equipment sales and other revenue (e) .....	10.9
Decrease in B2B revenue (f) .....	(26.1)
Total organic increase .....	0.3
Impact of FX .....	(0.1)
Total .....	<u>\$ 0.2</u>

- (a) The increase is primarily due to higher average broadband internet RGUs partially offset by lower average video RGUs.
- (b) The decrease is primarily due to the net impact of higher ARPU from broadband internet services more than offset by lower ARPU from video and fixed-line telephony services.

- (c) The decrease is primarily attributable to (i) lower interconnect revenue and (ii) a decrease associated with lower sports content revenue.
- (d) The increase is primarily attributable to higher average numbers of postpaid mobile subscribers, mostly due to growth from fixed-mobile convergence efforts.
- (e) The increase is primarily attributable to an increase in inbound roaming driven by higher volumes of traffic.
- (f) The decrease is attributable to the net effect of (i) the discontinuation of a non-core transit services arrangement at C&W Jamaica, (ii) higher fixed and managed services, primarily due to broadband internet services-related growth, and (iii) an increase in revenue associated with non-recurring projects.

**CWP.** CWP's revenue by major category is set forth below:

	Year ended December 31,		Increase (decrease)	
	2023	2022	\$	%
in millions, except percentages				
Residential revenue:				
Residential fixed revenue:				
Subscription revenue .....	\$ 116.5	\$ 102.8	\$ 13.7	13.3
Non-subscription revenue .....	5.5	7.3	(1.8)	(24.7)
Total residential fixed revenue .....	122.0	110.1	11.9	10.8
Residential mobile revenue:				
Service revenue .....	260.6	218.6	42.0	19.2
Interconnect, inbound roaming, equipment sales and other .....	52.0	49.5	2.5	5.1
Total residential mobile revenue .....	312.6	268.1	44.5	16.6
Total residential revenue .....	434.6	378.2	56.4	14.9
B2B revenue .....	308.0	264.5	43.5	16.4
Total .....	\$ 742.6	\$ 642.7	\$ 99.9	15.5

The details of the changes in CWP's revenue during 2023, as compared to 2022, are set forth below (in millions):

Increase (decrease) in residential fixed subscription revenue due to change in:	
Average number of RGUs (a) .....	\$ 10.7
ARPU .....	(1.7)
Decrease in residential fixed non-subscription revenue .....	(2.1)
Total increase in residential fixed revenue .....	6.9
Decrease in residential mobile service revenue (b) .....	(1.1)
Decrease in residential mobile interconnect, inbound roaming, equipment sales and other revenue (c) .....	(7.4)
Increase in B2B revenue (d) .....	31.9
Total organic increase .....	30.3
Impact of an acquisition .....	69.6
Total .....	\$ 99.9

- (a) The increase is primarily due to higher average broadband internet and video RGUs.
- (b) The decrease is primarily due to the net effect of (i) lower average numbers of prepaid mobile subscribers, (ii) higher ARPU from prepaid mobile services, mainly attributable to higher recharges per customer, and (iii) higher average numbers of postpaid mobile subscribers.
- (c) The decrease is primary due to the net effect of (i) lower handset revenue, (ii) higher inbound roaming, and (iii) lower interconnect revenue, primarily due to lower traffic.

- (d) The increase is primarily due to revenue from government-related projects.

**Liberty Networks.** Liberty Networks's revenue by major category is set forth below:

	Year ended December 31,		Increase	
	2023	2022	\$	%
in millions, except percentages				
B2B revenue:				
Enterprise revenue .....	\$ 118.5	\$ 113.7	\$ 4.8	4.2
Wholesale revenue .....	334.8	337.1	(2.3)	—
Total .....	<u>\$ 453.3</u>	<u>\$ 450.8</u>	<u>\$ 2.5</u>	<u>0.6</u>

The details of the changes in Liberty Networks's revenue during 2023, as compared to 2022, are set forth below (in millions):

Increase in enterprise revenue (a) .....	\$ 5.3
Decrease in wholesale revenue (b) .....	(1.7)
Total organic increase .....	3.6
Impact of FX .....	(1.1)
Total .....	<u>\$ 2.5</u>

- (a) The increase is primarily attributable to the net effect of (i) higher B2B connectivity revenue, (ii) a decrease attributable to our B2B operations that were sold to Liberty Costa Rica in January 2023, (iii) growth in managed services and (iv) an increase associated with sales-type leases on CPE installed on long-term customer solutions.
- (b) The decrease is primarily due to the net effect of (i) lower amortized prepaid capacity and operating and maintenance revenue driven by the cancellation of prepaid capacity contracts in prior periods, (ii) a decrease in revenue associated with the recognition of deferred revenue and penalties upon the termination or modification of prepaid capacity contracts, (iii) higher inter-segment revenue and (iv) an increase in non-recurring revenue related to a sales-type lease.

#### **Programming and other direct costs of services**

Programming and other direct costs of services include programming and copyright costs, interconnect and access costs, equipment costs, which primarily relate to costs of mobile handsets and other devices, project-related costs and other direct costs related to our operations. Programming and copyright costs, which represent a significant portion of our operating costs, may increase in future periods as a result of (i) higher costs associated with the expansion of our digital video content, including rights associated with ancillary product offerings and rights that provide for the broadcast of live sporting events, (ii) rate increases or (iii) growth in the number of our video subscribers.

**Consolidated.** The following table sets forth the organic and non-organic changes in programming and other direct costs of services on a consolidated basis.

	Year ended December 31,			Increase (decrease) from:		
	2023	2022	Increase (decrease)	FX	Acquisition	Organic
	in millions					
Programming and copyright .....	\$ 91.7	\$ 103.2	\$ (11.5)	\$ —	\$ 1.0	\$ (12.5)
Interconnect .....	179.9	215.0	(35.1)	(0.1)	7.6	(42.6)
Equipment .....	91.2	81.5	9.7	(0.1)	8.6	1.2
Other .....	153.8	126.8	27.0	(0.1)	0.6	26.5
Total programming and other direct costs of services .....	\$ 516.6	\$ 526.5	\$ (9.9)	\$ (0.3)	\$ 17.8	\$ (27.4)

**C&W Caribbean.** The following table sets forth C&W Caribbean's organic and non-organic changes in programming and other direct costs of services.

	Year ended December 31,		Increase (decrease) in millions	Increase (decrease) from:	
	2023	2022		FX	Organic
Programming and copyright .....	\$ 71.5	\$ 85.9	\$ (14.4)	\$ —	\$ (14.4)
Interconnect .....	75.2	119.8	(44.6)	—	(44.6)
Equipment .....	49.0	42.5	6.5	(0.1)	6.6
Other .....	34.0	42.4	(8.4)	—	(8.4)
Total programming and other direct costs of services .....	<u>\$ 229.7</u>	<u>\$ 290.6</u>	<u>\$ (60.9)</u>	<u>\$ (0.1)</u>	<u>\$ (60.8)</u>

- **Programming and copyright:** The organic decrease is due in part to the net impact of (i) a decrease resulting from the renegotiation of certain content agreements, and (ii) the negative impact associated with the reassessment of a content-related accrual during 2022.
- **Interconnect:** The organic decrease is primarily due to the discontinuation of a non-core transit services arrangement at C&W Jamaica as of January 1, 2023.
- **Equipment:** The organic increase is primarily due to the net effect of (i) higher inventory write-offs and (ii) lower volumes of handset sales.
- **Other:** The organic decrease is primarily due to lower (i) B2B connectivity costs and (ii) managed service costs.

**CWP.** The following table sets forth CWP's organic and non-organic changes in programming and other direct costs of services.

	Year ended December 31,		Increase in millions	Increase (decrease) from:	
	2023	2022		An acquisition	Organic
Programming and copyright .....	\$ 21.4	\$ 18.5	\$ 2.9	\$ 1.0	\$ 1.9
Interconnect .....	72.2	63.8	8.4	7.6	0.8
Equipment .....	41.6	38.2	3.4	8.6	(5.2)
Other .....	117.8	86.9	30.9	0.6	30.3
Total programming and other direct costs of services .....	<u>\$ 253.0</u>	<u>\$ 207.4</u>	<u>\$ 45.6</u>	<u>\$ 17.8</u>	<u>\$ 27.8</u>

- **Equipment:** The organic decrease is primarily due to lower volumes of mobile handsets.
- **Other:** The organic increase is primarily due to higher costs associated with certain government-related projects.

**Liberty Networks.** The following table sets forth Liberty Networks's organic and non-organic changes in programming and other direct costs of services.

	Year ended December 31,		Increase (decrease) in millions	Increase (decrease) from:	
	2023	2022		FX	Organic
Interconnect.....	\$ 49.3	\$ 45.6	\$ 3.7	\$ (0.1)	\$ 3.8
Equipment.....	0.6	0.7	(0.1)	—	(0.1)
Other.....	18.8	13.7	5.1	(0.1)	5.2
Total programming and other direct costs of services.....	<u>\$ 68.7</u>	<u>\$ 60.0</u>	<u>\$ 8.7</u>	<u>\$ (0.2)</u>	<u>\$ 8.9</u>

- **Interconnect:** The organic increase is primarily due to (i) higher inter-segment costs and (ii) higher backhaul costs associated with increases in connectivity revenue.
- **Other:** The organic increase is primarily due to (i) lower amounts of capitalizable costs associated with licenses, as part of a migration into contracts with shorter terms and more cloud-based arrangements, (ii) higher costs associated with sales-type leases on CPE installed on long-term customer solutions and (iii) increases in costs associated with software licenses.

#### **Other operating costs and expenses**

Other operating costs and expenses set forth in the tables below comprise the following cost categories:

- **Personnel and contract labor-related** costs, which primarily include salary-related and cash bonus expenses, net of capitalizable labor costs, and temporary contract labor costs;
- **Network-related** expenses, which primarily include costs related to network access, system power, core network, and CPE repair, maintenance and test costs;
- **Service-related** costs, which primarily include professional services, information technology-related services, audit, legal and other services;
- **Commercial**, which primarily includes sales and marketing costs, such as advertising, commissions and other sales and marketing-related costs, and customer care costs related to outsourced call centers;
- **Facility, provision, franchise and other**, which primarily includes facility-related costs, provision for bad debt expense, operating lease rent expense, franchise-related fees, bank fees, insurance, vehicle-related, travel and entertainment and other operating-related costs; and
- **Share-based compensation** expense that relates to (i) Liberty Latin America equity awards issued to our employees and (ii) bonus-related expenses that will be paid in the form of equity. See note 14 for additional information.



**Consolidated.** The following table sets forth the organic and non-organic changes in other operating costs and expenses on a consolidated basis.

	Year ended December 31,		Increase (decrease)  in millions	Increase (decrease) from:		
	2023	2022		FX	An acquisition	Organic
Personnel and contract labor .....	\$ 329.1	\$ 325.8	\$ 3.3	\$ (0.4)	\$ 6.0	\$ (2.3)
Network-related .....	180.7	183.8	(3.1)	—	9.0	(12.1)
Service-related .....	99.8	92.4	7.4	—	1.4	6.0
Commercial .....	73.3	74.3	(1.0)	—	9.8	(10.8)
Facility, provision, franchise and other .....	257.4	245.8	11.6	—	24.0	(12.4)
Share-based compensation expense ..	22.7	27.8	(5.1)	(0.1)	—	(5.0)
Total other operating costs and expenses .....	\$ 963.0	\$ 949.9	\$ 13.1	\$ (0.5)	\$ 50.2	\$ (36.6)

**C&W Caribbean.** The following table sets forth C&W Caribbean's organic and non-organic changes in other operating costs and expenses.

	Year ended December 31,		Increase (decrease)	Increase (decrease) from:	
	2023	2022		FX	Organic
	in millions				
Personnel and contract labor .....	\$ 202.5	\$ 204.6	\$ (2.1)	\$ —	\$ (2.1)
Network-related .....	135.9	142.4	(6.5)	—	(6.5)
Service-related .....	76.5	72.7	3.8	—	3.8
Commercial .....	46.1	45.7	0.4	—	0.4
Facility, provision, franchise and other .....	149.4	145.6	3.8	—	3.8
Share-based compensation expense .....	16.8	20.1	(3.3)	—	(3.3)
Total other operating costs and expenses .....	\$ 627.2	\$ 631.1	\$ (3.9)	\$ —	\$ (3.9)

- **Personnel and contract labor:** The organic decrease is primarily due to the net effect of (i) lower costs resulting from increases in capitalized labor, and (ii) salary increases.
- **Network-related:** The organic decrease is primarily due to declines associated with lower (i) truck rolls, (ii) system power costs and (iii) maintenance costs. These declines were partially offset by higher capacity charges associated with the use of Liberty Networks' subsea network. In addition, the decrease is impacted by lower leased line costs resulting from the renegotiation of pole rental contracts during 2023.
- **Service-related:** The organic increase is primarily due to increases in professional services in connection with customer value propositions within certain of our markets.
- **Facility, provision, franchise and other:** The organic increase is primarily due to the net effect of (i) lower bad debt provisions driven by improved collections, (ii) higher travel-related expenses and (iii) higher franchise fees, including the negative impact of an accrual release during the first quarter of 2022 related to a favorable court ruling associated with an industry levy on franchise fees.

**CWP.** The following table sets forth CWP's organic and non-organic changes in other operating costs and expenses.

	Year ended December 31,		Increase (decrease) in millions	Increase (decrease) from:	
	2023	2022		An acquisition	Organic
Personnel and contract labor .....	\$ 81.7	\$ 77.6	\$ 4.1	\$ 6.0	\$ (1.9)
Network-related .....	53.9	47.8	6.1	9.0	(2.9)
Service-related .....	17.2	15.1	2.1	1.4	0.7
Commercial .....	25.5	27.2	(1.7)	9.8	(11.5)
Facility, provision, franchise and other .....	83.6	78.8	4.8	24.0	(19.2)
Share-based compensation expense .....	2.7	4.3	(1.6)	—	(1.6)
Total other operating costs and expenses .....	<u>\$ 264.6</u>	<u>\$ 250.8</u>	<u>\$ 13.8</u>	<u>\$ 50.2</u>	<u>\$ (36.4)</u>

- **Network-related:** The organic decrease is primarily due to the net effect of (i) lower system power and maintenance costs and (ii) higher capacity charges associated with the use of Liberty Networks' subsea network.
- **Commercial:** The organic decrease is primarily due to (i) lower third-party sales commissions, mainly resulting from integration-related activities, and (ii) lower marketing costs.
- **Facility, provision, franchise and other:** The organic decrease is primarily due to (i) lower office and facility-related costs, mainly resulting from integration efforts and (ii) lower bad debt expense, mostly driven by factoring of certain receivables.

**Liberty Networks.** The following table sets forth Liberty Networks's organic and non-organic changes in other operating costs and expenses.

	Year ended December 31,		Increase (decrease) in millions	Increase (decrease) from:	
	2023	2022		FX	Organic
Personnel and contract labor .....	\$ 45.0	\$ 43.6	\$ 1.4	\$ (0.4)	\$ 1.8
Network-related .....	45.7	43.3	2.4	—	2.4
Service-related .....	6.1	4.5	1.6	—	1.6
Commercial .....	1.7	1.4	0.3	—	0.3
Facility, provision, franchise and other .....	24.6	21.7	2.9	—	2.9
Share-based compensation expense .....	3.1	3.4	(0.3)	(0.1)	(0.2)
Total other operating costs and expenses .....	<u>\$ 126.2</u>	<u>\$ 117.9</u>	<u>\$ 8.3</u>	<u>\$ (0.5)</u>	<u>\$ 8.8</u>

- **Personnel and contract labor:** The organic increase is primarily due to higher salary-related expenses.
- **Network-related:** The organic increase is primarily related to higher repair and maintenance costs.
- **Facility, provision, franchise and other:** The organic increase is primarily due to higher bank and tax-related fees.

#### **Results of operations (below Adjusted OIBDA)**

#### **Share-based compensation expense (included in other operating costs and expenses)**

Our share-based compensation expense includes amounts that Liberty Latin America charged to our company with respect to share-based incentive awards held by certain of our employees, as further described in note 14 to our consolidated financial statements. We recognized share-based compensation expense of \$23 million and \$28 million during 2023 and 2022, respectively.

For additional information regarding our share-based compensation, see note 14 to our consolidated financial statements.

### ***Related-party fees and allocations***

We recorded related-party fees and allocations of \$89 million and \$54 million during 2023 and 2022, respectively. These amounts include charges for services provided to our company by Liberty Latin America or subsidiaries of Liberty Latin America.

For additional information regarding our related-party fees and allocations, see note 14 to our consolidated financial statements.

### ***Depreciation and amortization***

Our depreciation and amortization expense increased \$70 million or 12% during 2023, as compared to 2022, primarily due to increases resulting from (i) property and equipment additions, primarily associated with baseline related additions, and (ii) the Claro Panama Acquisition.

### ***Impairment, restructuring and other operating items, net***

The details of our impairment, restructuring and other operating items, net, are as follows:

	Year ended December 31,	
	2023	2022
	in millions	
Impairment charges (a) .....	\$ 56.8	\$ 559.4
Restructuring charges (b) .....	23.5	33.6
Other operating items, net (c) .....	(20.0)	2.9
Total .....	<u>\$ 60.3</u>	<u>\$ 595.9</u>

- (a) The 2023 amount primarily relates to the impairment of certain operating lease right-of-use assets, predominantly related to decommissioned tower leases at CWP. The 2022 amount primarily consists of goodwill impairment charges associated with certain reporting units within C&W Caribbean.
- (b) The amounts include employee severance and termination costs related to reorganization activities, primarily at C&W Caribbean and CWP.
- (c) The 2023 amount primarily includes the net effect of gains on asset dispositions and direct acquisition costs.

For additional information regarding our impairment and restructuring charges, see notes 7 to our consolidated financial statements.

### ***Interest expense***

Our interest expense increased \$84 million or 32.9% during 2023, as compared to 2022, primarily attributable to higher weighted-average interest rates.

For additional information regarding our outstanding indebtedness, see note 9 to our consolidated financial statements.

It is possible that the interest rates on (i) any new borrowings could be higher than the current interest rates on our existing indebtedness and (ii) our variable-rate indebtedness could increase in future periods. As further discussed in note 6 to our consolidated financial statements, we use derivative instruments to manage our interest rate risks.

***Realized and unrealized gains or losses on derivative instruments, net***

Our realized and unrealized gains or losses on derivative instruments primarily include (i) unrealized changes in the fair values of our derivative instruments that are non-cash in nature until such time as the derivative contracts are fully or partially settled and (ii) realized gains or losses upon the full or partial settlement of the derivative contracts. The details of our realized and unrealized gains on derivative instruments, net, are as follows:

	<b>Year ended December 31,</b>	
	<b>2023</b>	<b>2022</b>
	<b>in millions</b>	
Interest rate and cross-currency derivative contracts (a) .....	\$ 23.4	\$ 268.3
Weather Derivatives (b) .....	(20.9)	(21.5)
Other .....	0.4	—
Total .....	<u>\$ 2.9</u>	<u>\$ 246.8</u>

(a) The net gains during 2023 and 2022 are primarily attributable to changes in interest rates.

(b) Amounts represent the amortization of premiums associated with our Weather Derivatives.

For additional information concerning our derivative instruments, see notes 5 and 6 to our consolidated financial statements.

***Foreign currency transaction gains or losses, net***

Our foreign currency transaction gains or losses primarily result from the remeasurement of monetary assets and liabilities that are denominated in currencies other than the underlying functional currency of the applicable entity. Unrealized foreign currency transaction gains or losses are computed based on period-end exchange rates and are non-cash in nature until such time as the amounts are settled. The details of our foreign currency transaction gains (losses), net, are as follows:

	<b>Year ended December 31,</b>	
	<b>2023</b>	<b>2022</b>
	<b>in millions</b>	
Intercompany payables and receivables denominated in a currency other than the entity's functional currency .....	\$ 6.6	\$ (1.1)
Third-party receivables and payables .....	(0.1)	(27.8)
Other (a) .....	(2.3)	(1.8)
Total .....	<u>\$ 4.2</u>	<u>\$ (30.7)</u>

(a) Primarily includes cash denominated in a currency other than an entity's functional currency.

***Other income or expense, net***

We recognized other expense, net, of \$1 million and \$14 million during 2023 and 2022, respectively. The 2022 amount primarily relates to impairment of a cost method investment.

***Income tax benefit or expense***

We recognized income tax expense of \$19 million and \$27 million during 2023 and 2022, respectively.

The income tax expense during 2023 differs from the expected income tax benefit of \$16 million (based on the U.K. income tax rate of 25%), primarily due to the detrimental effects of (i) net increases in valuation allowances, (ii) permanent tax differences, such as non-deductible expenses, (iii) expiration of deferred tax assets (which are entirely offset by valuation allowance), (iv) changes in uncertain tax positions and, (v) inclusion of withholding taxes on cross-border payments and capital gains tax. These negative impacts to our effective tax rate were partially offset by the beneficial effects of (i) permanent tax differences, such as non-taxable income, (ii) effect of rate changes (but which are nearly entirely offset by valuation allowance) and (iii) jurisdictional rate differences.

The income tax expense during 2022 differs from the expected income tax benefit of \$58 million (based on the U.K. income tax rate of 19%), primarily due to the detrimental effects of (i) increases in valuation allowances, (ii) permanent items, such as non-deductible goodwill impairment and other non-deductible expenses, and (iii) the inclusion of withholding taxes on cross-border payments. These negative impacts to our effective tax rate were partially offset by the beneficial effects of (i) international rate differences and (ii) changes in enacted tax laws (but which are nearly entirely offset by valuation allowance).

For additional information regarding our income taxes, see note 13 to our consolidated financial statements.

### ***Net earnings or loss***

The following table sets forth selected summary financial information of our net loss:

	Year ended December 31,	
	2023	2022
	in millions	
Operating income (loss) .....	\$ 269.7	\$ (252.1)
Net non-operating expenses .....	\$ (334.0)	\$ (53.2)
Income tax expense .....	\$ (18.8)	\$ (27.0)
Net loss .....	\$ (83.1)	\$ (332.3)

Gains or losses associated with (i) changes in the fair values of derivative instruments and (ii) movements in foreign currency exchange rates are subject to a high degree of volatility and, as such, any gains from these sources do not represent a reliable source of income. In the absence of significant gains in the future from these sources or from other non-operating items, our ability to achieve earnings is largely dependent on our ability to increase our Adjusted OIBDA to a level that more than offsets the aggregate amount of our (i) share-based compensation expense, (ii) depreciation and amortization, (iii) related-party fees and allocations, (iv) impairment, restructuring and other operating items, (v) interest expense, (vi) other non-operating expenses and (vii) income tax expense.

Subject to the limitations included in our various debt instruments, we expect to maintain our debt at current levels relative to Covenant EBITDA. As a result, we expect that we will continue to report significant levels of interest expense for the foreseeable future.

## **Liquidity and Capital Resources**

### ***Sources and Uses of Cash***

#### ***Cash and cash equivalents***

At December 31, 2023, we had cash and cash equivalents of \$738 million, which are generally held by our subsidiaries, and include \$145 million and \$55 million of cash held by operations in CWP and C&W Bahamas, respectively.

#### ***Liquidity of C&W***

At the C&W parent level, our current sources of liquidity include loans or contributions from our parent, interest income received on our investments and, subject to certain tax and legal considerations, our unrestricted subsidiaries' cash and cash equivalents and investments. Our ability to access the liquidity of these and our other subsidiaries may be limited by tax and legal considerations, the presence of noncontrolling interests, foreign currency exchange restrictions and other factors.

The ongoing liquidity requirements of C&W include (i) corporate general and administrative expenses and (ii) other liquidity needs that may arise from time to time. In addition, C&W may require cash in connection with (i) the funding of loans or distributions to our parent (and ultimately to Liberty Latin America or other Liberty Latin America subsidiaries), (ii) the satisfaction of contingent liabilities, (iii) acquisitions and other investment opportunities, (iv) the repurchase of debt securities or (v) any funding requirements of our consolidated subsidiaries. No assurance can be given that funding from Liberty Latin America or other Liberty Latin America subsidiaries, our subsidiaries or external sources would be available on favorable terms, or at all.

In addition, the amount of cash we receive from certain of our subsidiaries to satisfy U.S. dollar-denominated liquidity requirements is impacted by fluctuations in exchange rates. In this regard, the strengthening (weakening) of the U.S. dollar against these currencies will result in decreases (increases) in the U.S. dollars received from the applicable subsidiaries to fund U.S. dollar-denominated liquidity requirements.

From time to time, we or our respective affiliates may, to the extent permitted under applicable law, acquire or repay any third-party or related-party debt through open market purchases, privately negotiated transactions, tender offers, exchange offers, redemptions or otherwise, upon such terms and at such prices as we may determine (or as may be provided for in our respective indenture agreements).

#### *Liquidity of our subsidiaries*

In addition to cash and cash equivalents, the primary sources of liquidity of our subsidiaries are cash provided by operations and borrowing availability under our debt instruments. For the details of our borrowing availability at December 31, 2023, see note 9 to our consolidated financial statements. The aforementioned sources of liquidity may be supplemented in certain cases by contributions and/or loans from Liberty Latin America and its unrestricted subsidiaries. The liquidity of our subsidiaries generally is used to fund capital expenditures, debt service requirements and income tax payments. From time to time, our subsidiaries may also require liquidity in connection with (i) acquisitions and other investment opportunities, (ii) loans to C&W and/or Liberty Latin America or other Liberty Latin America subsidiaries, (iii) capital distributions to C&W (and ultimately to Liberty Latin America) and other equity owners or (iv) the satisfaction of contingent liabilities. No assurance can be given that any external funding would be available to our subsidiaries on favorable terms, or at all.

For additional information regarding our cash flows, see the discussion under *Consolidated Statements of Cash Flows* below.

#### **Capitalization**

For the year ended December 31, 2023, our consolidated net leverage ratio was 3.6x, as specified in, and calculated in accordance with our credit agreements.

Our ability to service or refinance our debt and to maintain compliance with the leverage covenants in our credit agreements is dependent primarily on our ability to maintain Covenant EBITDA of our operating subsidiaries, as specified by our subsidiaries' debt agreements, and to achieve adequate returns on our property and equipment additions and acquisitions. In addition, our ability to obtain additional debt financing is limited by incurrence-based leverage covenants contained in our various debt instruments. For example, if our Covenant EBITDA were to decline, our ability to obtain additional debt could be limited. No assurance can be given that we would have sufficient sources of liquidity, or that any external funding would be available on favorable terms, or at all, to fund any such required repayment. At December 31, 2023, we were in compliance with our debt covenants. We do not anticipate any instances of non-compliance with respect to our debt covenants that would have a material adverse impact on our liquidity during the next 12 months.

At December 31, 2023, the outstanding principal amount of our debt, aggregated \$4,870 million, including \$307 million that is classified as current in our consolidated balance sheet and \$4,504 million that is not due until 2027 or thereafter. Included in the outstanding principal amount of our debt at December 31, 2023 is (i) \$257 million of vendor financing obligations, which we use to finance certain of our operating expenses and property and equipment additions and are generally due within one year, other than for certain licensing arrangements that generally are due over the term of the related license, and (ii) \$203 million of finance obligations related to the Tower Transactions. For additional information concerning our debt, including our debt maturities, see note 9 to our consolidated financial statements.

The weighted average interest rate in effect at December 31, 2023 for all borrowings outstanding pursuant to each debt instrument, including any applicable margin, was 7.1%. The interest rate is generally based on stated rates and does not include the impact of derivative instruments, deferred financing costs, original issue premiums or discounts and commitment fees, all of which affect our overall cost of borrowing. The weighted average impact of the derivative instruments on our borrowing costs at December 31, 2023 was a decrease of 170 basis points. Including the effects of derivative instruments, original issue premiums or discounts and commitment fees, but excluding the impact of financing costs, the weighted average interest rate on our third-party indebtedness was 5.5% at December 31, 2023.

We believe that we have sufficient resources to repay or refinance the current portion of our debt and to fund our foreseeable liquidity requirements during the next 12 months. However, as our debt maturities grow in later years, we anticipate that we will seek to refinance or otherwise extend our debt maturities. No assurance can be given that we will be able to complete refinancing transactions or otherwise extend our debt maturities. In this regard, it is difficult to predict how political,

economic and social conditions, sovereign debt concerns or any adverse regulatory developments will impact the credit markets we access and our future financial position. Our ability to access debt financing on favorable terms, or at all, could be adversely impacted by (i) the financial failure of any of our counterparties, which could (a) reduce amounts available under committed credit facilities and (b) adversely impact our ability to access cash deposited with any failed financial institution, and (ii) tightening of the credit markets. In addition, sustained or increased competition, particularly in combination with adverse economic or regulatory developments, could have an unfavorable impact on our cash flows and liquidity.

### ***Consolidated Statements of Cash Flows***

*General.* Our cash flows are subject to variations due to FX.

*Summary.* Our 2023 and 2022 consolidated statements of cash flows are summarized as follows:

	<b>Year ended December 31,</b>		<b>Change</b>
	<b>2023</b>	<b>2022</b>	
	<b>in millions</b>		
Net cash provided by operating activities .....	\$ 526.1	\$ 435.4	\$ 90.7
Net cash used by investing activities .....	(258.2)	(460.6)	202.4
Net cash provided (used) by financing activities .....	(67.5)	0.4	(67.9)
Effect of exchange rate changes on cash, cash equivalents and restricted cash .....	(4.3)	(1.2)	(3.1)
Net increase (decrease) in cash, cash equivalents and restricted cash .....	<u>\$ 196.1</u>	<u>\$ (26.0)</u>	<u>\$ 222.1</u>

*Operating Activities.* The increase in net cash provided by our operating activities is primarily due the net effect of (i) an increase in Adjusted OIBDA and related working capital, (ii) a decrease associated with higher interest payments and (iii) an increase associated with derivative instruments.

*Investing Activities.* Our cash used by investing activities decreased \$202 million, as we used \$210 million during 2022 related to the Claro Panama Acquisition. Additionally, we had an increase in capital expenditures, net, as further described below.

The capital expenditures, net that we report in our consolidated statements of cash flows, which relates to cash paid for property and equipment, do not include amounts that are financed under capital-related vendor financing or finance lease arrangements. Instead, these amounts are reflected as non-cash additions to our property and equipment when the underlying assets are delivered and as repayments of debt when the principal is repaid. In this discussion, we refer to (i) our capital expenditures, net, as reported in our consolidated statements of cash flows, and (ii) our total property and equipment additions, which include our capital expenditures, net on an accrual basis and amounts financed under capital-related vendor financing or finance lease arrangements.

A reconciliation of our property and equipment additions to our capital expenditures, net, as reported in our consolidated statements of cash flows, is set forth below:

	<b>Year ended December 31,</b>	
	<b>2023</b>	<b>2022</b>
	<b>in millions</b>	
Property and equipment additions .....	\$ 399.7	\$ 369.3
Assets acquired under capital-related vendor financing arrangements .....	(117.2)	(122.0)
Changes in current liabilities related to capital expenditures and other .....	(28.1)	1.6
Capital expenditures, net .....	<u>\$ 254.4</u>	<u>\$ 248.9</u>

The increase in our property and equipment additions during 2023, as compared to 2022, is primarily due to an increase in baseline additions. During 2023 and 2022, our property and equipment additions represented 15.7% and 15.1% of revenue, respectively.

*Financing Activities.* During 2023, we used \$68 million in cash for financing activities, primarily due to the net effect of (i) \$234 million of net borrowings of third-party debt, (ii) \$230 million in distributions to our Parent and (iii) \$72 million in

distributions to noncontrolling interest owners. During 2022, we generated nil in cash from financing activities, primarily due to the net effect of (i) \$134 million in distribution to our Parent and (ii) \$133 million of net borrowings of third-party debt.

### ***Off Balance Sheet Arrangements***

In the ordinary course of business, we may provide (i) indemnifications to our lenders, our vendors and certain other parties and (ii) performance and/or financial guarantees to local municipalities, our customers and vendors. Historically, these arrangements have not resulted in our company making any material payments and we do not believe that they will result in material payments in the future.

### ***Contractual Commitments***

The following table sets forth the U.S. dollar equivalents of our third-party commitments as of December 31, 2023:

	Payments due by period				
	Total	Less than 1 year	1-3 years	3-5 years	More than 5 years
			in millions		
Debt (excluding interest) .....	\$ 4,869.5	\$ 307.3	\$ 58.0	\$ 3,717.9	\$ 786.3
Operating leases .....	272.4	47.9	81.6	69.0	73.9
Other (a) .....	64.7	33.6	14.0	15.6	1.5
Total (b) .....	<u>\$ 5,206.6</u>	<u>\$ 388.8</u>	<u>\$ 153.6</u>	<u>\$ 3,802.5</u>	<u>\$ 861.7</u>
Projected cash interest payments on debt (c) .....	<u>\$ 1,602.0</u>	<u>\$ 346.5</u>	<u>\$ 652.5</u>	<u>\$ 424.2</u>	<u>\$ 178.8</u>

- (a) Amounts primarily represent guaranteed minimum commitments associated with (i) programming fees under multi-year contracts typically based on a rate per customer or stated annual fee and (ii) our CPE and mobile handset device contractual obligations.
- (b) The commitments included in this table do not reflect any liabilities that are included in our December 31, 2023 consolidated balance sheet other than debt and operating lease obligations. Our liability for uncertain tax positions, including accrued interest, in the various jurisdictions in which we operate (\$35 million at December 31, 2023) has been excluded from the table as the amount and timing of any related payments are not subject to reasonable estimation. For additional information regarding our liability for uncertain tax positions, see note 13 to our consolidated financial statements.
- (c) Amounts are based on interest rates, interest payment dates, commitment fees and contractual maturities in effect as of December 31, 2023. These amounts are presented for illustrative purposes only and will likely differ from the actual cash payments required in future periods. In addition, the amounts presented do not include the impact of our derivative contracts.

For information concerning our operating leases, debt and commitments, see notes 8, 9 and 16, respectively, to our consolidated financial statements.

In addition to the commitments set forth in the table above, we have commitments under (i) derivative instruments and (ii) defined benefit plans and similar agreements, pursuant to which we expect to make payments in future periods. For information regarding projected cash flows associated with our derivative instruments, see *Projected Cash Flows Associated with Derivative Instruments* below. For information regarding our derivative instruments, including the net cash paid or received in connection with these instruments during 2023 and 2022, see note 6 to our consolidated financial statements. For information regarding our defined benefit plans, see note 10 to our consolidated financial statements.



### ***Projected Cash Flows Associated with Derivative Instruments***

The following table provides information regarding the projected cash flows associated with our derivative instruments. The U.S. dollar equivalents presented below are based on interest rates and exchange rates that were in effect as of December 31, 2023. These amounts are presented for illustrative purposes only and will likely differ from the actual cash payments required in future periods. For additional information regarding our derivative instruments, including our counterparty credit risk, see note 6 to our consolidated financial statements.

	Receipts due during:						
	2024	2025	2026	2027	2028	Thereafter	Total
	in millions						
Projected derivative cash receipts, net:							
Interest-related (a) .....	\$ 82.6	\$ 54.7	\$ 83.8	\$ 83.8	\$ 42.4	\$ 24.7	\$ 372.0

(a) Includes the interest-related cash flows of our interest rate derivative contracts.

## **Independent Auditors' Report**

The Board of Directors  
Cable & Wireless Communications Limited:

### *Opinion*

We have audited the consolidated financial statements of Cable & Wireless Communications Limited and its subsidiaries (the Company), which comprise the consolidated balance sheets as of December 31, 2023 and 2022, and the related consolidated statements of operations, comprehensive loss, equity, and cash flows for each of the years then ended, and the related notes to the consolidated financial statements.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2023 and 2022, and the results of its operations and its cash flows for each of the years then ended in accordance with U.S. generally accepted accounting principles.

### *Basis for Opinion*

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are required to be independent of the Company and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### *Responsibilities of Management for the Consolidated Financial Statements*

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with U.S. generally accepted accounting principles, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for one year after the date that the consolidated financial statements are available to be issued.

### *Auditors' Responsibilities for the Audit of the Consolidated Financial Statements*

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the consolidated financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Accordingly, no such opinion is expressed.

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

/s/ KPMG LLP

Denver, Colorado  
March 21, 2024

**CABLE & WIRELESS COMMUNICATIONS LIMITED**  
**CONSOLIDATED BALANCE SHEETS**

	December 31,	
	2023	2022
	in millions	
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 737.9	\$ 536.2
Trade receivables, net	550.9	456.4
Prepaid expenses	42.0	33.3
Current contract assets	73.0	72.5
Current derivative assets	73.6	65.4
Other current assets, net	210.4	214.2
Total current assets	1,687.8	1,378.0
Goodwill	2,491.2	2,491.5
Property and equipment, net	2,642.4	2,759.9
Intangible assets subject to amortization, net	323.0	463.0
Other assets, net	703.9	843.8
Total assets	\$ 7,848.3	\$ 7,936.2
LIABILITIES AND EQUITY		
Current liabilities:		
Accounts payable	\$ 231.9	\$ 218.3
Current portion of deferred revenue	104.4	107.6
Current portion of debt	307.3	203.6
Accrued interest	88.0	66.6
Current derivative liabilities	5.8	21.9
Other accrued and current liabilities	571.3	523.1
Total current liabilities	1,308.7	1,141.1
Long-term debt	4,536.3	4,284.4
Deferred tax liabilities	105.6	139.2
Deferred revenue	84.1	104.8
Other long-term liabilities	451.0	422.3
Total liabilities	6,485.7	6,091.8
Commitments and contingencies		
Equity:		
Parent equity:		
Share capital	0.1	0.1
Accumulated net contributions	3,797.2	4,040.6
Accumulated deficit	(2,478.7)	(2,418.9)
Accumulated other comprehensive loss, net of taxes	(420.2)	(345.7)
Total parent equity	898.4	1,276.1
Noncontrolling interests	464.2	568.3
Total equity	1,362.6	1,844.4
Total liabilities and equity	\$ 7,848.3	\$ 7,936.2

The accompanying notes are an integral part of these consolidated financial statements.

**CABLE & WIRELESS COMMUNICATIONS LIMITED**  
**CONSOLIDATED STATEMENTS OF OPERATIONS**

	Year ended December 31,	
	2023	2022
	in millions	
Revenue .....	\$ 2,543.2	\$ 2,448.6
Operating costs and expenses (exclusive of depreciation and amortization, shown separately below):		
Programming and other direct costs of services .....	516.6	526.5
Other operating costs and expenses .....	963.0	949.9
Related-party fees and allocations .....	89.3	54.2
Depreciation and amortization .....	644.3	574.2
Impairment, restructuring and other operating items, net .....	60.3	595.9
	2,273.5	2,700.7
Operating income (loss) .....	269.7	(252.1)
Non-operating income (expense):		
Interest expense .....	(339.7)	(255.6)
Realized and unrealized gains on derivative instruments, net .....	2.9	246.8
Foreign currency transaction gains (losses), net .....	4.2	(30.7)
Other expense, net .....	(1.4)	(13.7)
	(334.0)	(53.2)
Loss before income taxes .....	(64.3)	(305.3)
Income tax expense .....	(18.8)	(27.0)
Net loss .....	(83.1)	(332.3)
Net loss attributable to noncontrolling interests .....	23.3	44.1
Net loss attributable to parent .....	\$ (59.8)	\$ (288.2)

The accompanying notes are an integral part of these consolidated financial statements.

**CABLE & WIRELESS COMMUNICATIONS LIMITED**  
**CONSOLIDATED STATEMENTS OF COMPREHENSIVE LOSS**

	<b>Year ended December 31,</b>	
	<b>2023</b>	<b>2022</b>
	<b>in millions</b>	
Net loss .....	\$ (83.1)	\$ (332.3)
Other comprehensive earnings (loss), net of taxes:		
Foreign currency translation adjustments .....	8.6	1.4
Pension-related adjustments .....	(84.6)	(86.6)
Unrealized gains (losses) on available-for-sale investments .....	2.6	(6.7)
Other comprehensive loss .....	(73.4)	(91.9)
Comprehensive loss .....	(156.5)	(424.2)
Comprehensive loss attributable to noncontrolling interests .....	22.2	44.6
Comprehensive loss attributable to parent .....	\$ (134.3)	\$ (379.6)

The accompanying notes are an integral part of these consolidated financial statements.

**CABLE & WIRELESS COMMUNICATIONS LIMITED**  
**CONSOLIDATED STATEMENTS OF EQUITY**

	Parent equity						
	Share capital	Accumulated net contributions	Accumulated deficit	Accumulated other comprehensive loss, net of taxes in millions	Total parent equity	Non- controlling interests	Total equity
Balance at January 1, 2022	\$ 0.1	\$ 4,174.7	\$ (2,130.7)	\$ (254.3)	\$ 1,789.8	\$ 614.8	\$ 2,404.6
Net loss	—	—	(288.2)	—	(288.2)	(44.1)	(332.3)
Other comprehensive loss	—	—	—	(91.4)	(91.4)	(0.5)	(91.9)
Cash distributions to Parent	—	(134.1)	—	—	(134.1)	—	(134.1)
Distribution to noncontrolling interest owners	—	—	—	—	—	(1.9)	(1.9)
Balance at December 31, 2022	<u>\$ 0.1</u>	<u>\$ 4,040.6</u>	<u>\$ (2,418.9)</u>	<u>\$ (345.7)</u>	<u>\$ 1,276.1</u>	<u>\$ 568.3</u>	<u>\$ 1,844.4</u>
Balance at January 1, 2023	\$ 0.1	\$ 4,040.6	\$ (2,418.9)	\$ (345.7)	\$ 1,276.1	\$ 568.3	\$ 1,844.4
Net loss	—	—	(59.8)	—	(59.8)	(23.3)	(83.1)
Other comprehensive loss	—	—	—	(74.5)	(74.5)	1.1	(73.4)
Cash and non-cash distributions to Parent	—	(255.5)	—	—	(255.5)	—	(255.5)
Cash and non-cash distributions to noncontrolling interest owners	—	—	—	—	—	(80.9)	(80.9)
Excess of the consideration received over the carrying value of property and equipment transferred to entities under common control	—	12.1	—	—	12.1	—	12.1
Other	—	—	—	—	—	(1.0)	(1.0)
Balance at December 31, 2023	<u>\$ 0.1</u>	<u>\$ 3,797.2</u>	<u>\$ (2,478.7)</u>	<u>\$ (420.2)</u>	<u>\$ 898.4</u>	<u>\$ 464.2</u>	<u>\$ 1,362.6</u>

The accompanying notes are an integral part of these consolidated financial statements.

**CABLE & WIRELESS COMMUNICATIONS LIMITED**  
**CONSOLIDATED STATEMENTS OF CASH FLOWS**

	<b>Year ended December 31,</b>	
	<b>2023</b>	<b>2022</b>
	<b>in millions</b>	
<b>Cash flows from operating activities:</b>		
Net loss .....	\$ (83.1)	\$ (332.3)
<b>Adjustments to reconcile net loss to net cash provided by operating activities:</b>		
Depreciation and amortization .....	644.3	574.2
Impairments and other non-cash charges .....	36.8	559.4
Amortization of debt financing costs, premiums and discounts, net .....	7.3	7.0
Realized and unrealized gains on derivative instruments, net .....	(2.9)	(246.8)
Foreign currency transaction losses (gains), net .....	(4.2)	30.7
Impairment of an investment .....	—	12.8
Deferred income tax benefit .....	(50.1)	(28.5)
<b>Changes in operating assets and liabilities, net of the effect of acquisition:</b>		
Receivables and other operating assets .....	80.6	(70.6)
Payables and accruals .....	(102.6)	(70.5)
Net cash provided by operating activities .....	<u>526.1</u>	<u>435.4</u>
<b>Cash flows from investing activities:</b>		
Capital expenditures, net .....	(254.4)	(248.9)
Cash paid in connection with an acquisition, net of cash acquired .....	—	(209.8)
Other investing activities, net .....	(3.8)	(1.9)
Net cash used by investing activities .....	<u>\$ (258.2)</u>	<u>\$ (460.6)</u>

The accompanying notes are an integral part of these consolidated financial statements.



	Year ended December 31,	
	2023	2022
	in millions	
Cash flows from financing activities:		
Borrowings of debt .....	\$ 517.0	\$ 298.5
Payments of principal amounts of debt .....	(283.3)	(165.8)
Distribution to Parent .....	(230.0)	(134.2)
Payments of financing costs and debt redemption premiums .....	(0.4)	(5.9)
Distributions to noncontrolling interest owners .....	(72.2)	(1.9)
Net cash received related to derivative instruments .....	—	10.5
Other financing activities, net .....	1.4	(0.8)
Net cash provided (used) by financing activities .....	(67.5)	0.4
Effect of exchange rate changes on cash, cash equivalents and restricted cash .....	(4.3)	(1.2)
Net increase (decrease) in cash, cash equivalents and restricted cash .....	196.1	(26.0)
Cash, cash equivalents and restricted cash:		
Beginning of year .....	542.1	568.1
End of year .....	\$ 738.2	\$ 542.1
Cash paid for interest .....	\$ 301.7	\$ 235.7
Net cash paid for taxes .....	\$ 52.2	\$ 59.9

The accompanying notes are an integral part of these consolidated financial statements.

**CABLE & WIRELESS COMMUNICATIONS LIMITED**  
**Notes to Consolidated Financial Statements**  
**December 31, 2023 and 2022**

**(1) Basis of Presentation**

See the Glossary of defined terms at the beginning of this report for terms used throughout the consolidated financial statements.

C&W is a provider of mobile, fixed and subsea telecommunications services. We provide residential and B2B services in over 20 countries across Latin America and the Caribbean. Through our Liberty Networks business, we also provide (i) enterprise services in certain other countries in Latin America and the Caribbean and (ii) wholesale services over our subsea and terrestrial fiber optic cable networks that connect approximately 40 markets in that region. C&W is a wholly-owned subsidiary of LGE Coral Holdco.

We own less than 100% of certain of our consolidated subsidiaries, including C&W Bahamas, C&W Jamaica and CWP.

The accompanying consolidated financial statements have been prepared in accordance with U.S. GAAP.

These consolidated financial statements reflect our consideration of the accounting and disclosure implications of subsequent events through March 21, 2024, the date of issuance.

**(2) Accounting Changes and Recent Accounting Pronouncements**

***Accounting Changes***

***ASU 2022-04***

In September 2022, the FASB issued ASU No. 2022-04, *Liabilities—Supplier Finance Programs (ASU 2022-04)*, which requires that a buyer in a supplier finance program disclose certain information about the program to allow financial statement users to understand the nature of the program, activity during the period and changes to the program from period to period. In each annual reporting period, the disclosure requirements include (i) the key terms of the program, including payment terms, (ii) the amount and location in the balance sheet of obligations outstanding with the finance provider or intermediary, and (iii) a rollforward of the obligations during the annual period. In each interim reporting period, the disclosure requirements include the amount of obligations outstanding that the buyer has confirmed as valid to the finance provider or intermediary as of the end of the interim period. The rollforward disclosure is effective for fiscal years beginning after December 15, 2023, while the remaining annual disclosures are required to be disclosed on an interim basis in the year of adoption. We adopted ASU 2022-04 effective January 1, 2023. Disclosures surrounding our supplier finance programs are included in note 9.

***Recent Accounting Pronouncements***

We expect to adopt the following accounting pronouncements in conjunction with Liberty Latin America.

***ASU 2020-04, ASU 2021-01 and ASU 2022-06***

In March 2020, the FASB issued ASU No. 2020-04, *Reference Rate Reform (Topic 848): Facilitation of the Effects of Reference Rate Reform on Financial Reporting (ASU 2020-04)*, which provides optional guidance for a limited time to ease the potential accounting burden associated with transitioning away from reference rates, such as LIBOR. In January 2021, the FASB issued ASU No. 2021-01, *Reference Rate Reform (Topic 848) (ASU 2021-01)*, which clarifies certain optional expedients and exceptions in Topic 848. The expedients and exceptions provided by ASU 2020-04 and ASU 2021-01 are for the application of U.S. GAAP to contracts, hedging relationships and other transactions affected by the rate reform, and was initially not intended to be available after December 31, 2022, other than for certain hedging relationships entered into before December 31, 2022. In December 2022, the FASB issued ASU No. 2022-06, *Reference Rate Reform (Topic 848): Deferral of the Sunset Date of Topic 848 (ASU 2022-06)*, which defers the expiration date of Topic 848 from December 31, 2022, to December 31, 2024, and permits companies to apply the guidance in Topic 848 through the expected cessation date of USD LIBOR. Through December 31, 2023, the phase out of LIBOR has not had a material impact on our consolidated financial statements.

***ASU 2023-09***

In December 2023, the FASB issued ASU No. 2023-09, *Income Taxes (Topic 740): Improvements to Income Tax Disclosures (ASU 2023-09)*, which was issued to enhance transparency of income tax disclosures, primarily by requiring

**CABLE & WIRELESS COMMUNICATIONS LIMITED**  
**Notes to Consolidated Financial Statements – (Continued)**  
**December 31, 2023 and 2022**

consistent categories and disaggregated information about an entity's effective tax rate reconciliation and disaggregated jurisdictional information on income taxes paid. The standard also eliminates certain existing requirements related to uncertain tax positions and unrecognized deferred tax liabilities. ASU 2023-09 is effective for annual periods beginning after December 15, 2024 with early adoption permitted. We are currently evaluating the impact this standard will have on the footnotes to our consolidated financial statements.

**(3) Summary of Significant Accounting Policies**

***Estimates***

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Estimates and assumptions are used in accounting for, among other things, the valuation of acquisition-related assets and liabilities, expected credit losses, programming and copyright expenses, deferred income taxes and related valuation allowances, loss contingencies, fair value measurements, impairment assessments, capitalization of internal costs associated with construction and installation activities, useful lives of long-lived assets and actuarial liabilities associated with certain benefit plans. Actual results could differ from those estimates.

***Reclassifications***

Certain prior year amounts have been reclassified to conform to the current year presentation.

***Principles of Consolidation***

The accompanying consolidated financial statements include our accounts and the accounts of all voting interest entities where we exercise a controlling financial interest through the ownership of a direct or indirect controlling voting interest and variable interest entities for which our company is the primary beneficiary. Intercompany accounts have been eliminated in consolidation.

***Cash and Cash Equivalents***

Cash equivalents consist of money market funds and other investments that are readily convertible into cash and have maturities of three months or less at the time of acquisition. We record money market funds at the net asset value as there are no restrictions on our ability, contractual or otherwise, to redeem our investments.

***Receivables***

We have trade receivables that are reported net of an allowance for expected credit losses.

From time to time, we may sell our trade receivables to third parties. We recognize the sale of these receivables to the extent that transfer represents either (i) an entire financial asset, or (ii) a ratable participating interest, which remains constant throughout the life of the loan, with neither party senior to the other. We then evaluate whether control over the asset has been surrendered based on certain criteria, including legal isolation, actual control and effective control. To the extent the receivable does not meet the requirements of a sale, we continue to recognize the receivable and record any cash received as a debt on our consolidated balance sheet and as a financing inflow in our consolidated statement of cash flows. During 2023 and 2022, we generated approximately nil and \$35 million, respectively, from the sale of receivables to third parties that is reflected in cash provided by operating activities in our consolidated statement of cash flows.

Concentration of credit risk with respect to trade receivables is limited due to the large number of customers and their dispersion across many different countries, with the exception of \$119 million and \$81 million at December 31, 2023 and 2022, respectively, due from a single government.

The allowances on our trade receivables is established using our best estimates of current expected credit losses based upon, among other things, actual credit loss experience over the prior 12-month period, recent collection trends, prevailing and anticipated economic conditions and specific customer credit risk. Receivables outstanding greater than 30 days are considered past due and we generally write-off receivables after they become past due for 365 days, with the exception of amounts due from certain governments.

**CABLE & WIRELESS COMMUNICATIONS LIMITED**  
**Notes to Consolidated Financial Statements – (Continued)**  
**December 31, 2023 and 2022**

The changes in our allowance for expected credit losses associated with our trade receivables are set forth below:

	<b>Year ended December 31,</b>	
	<b>2023</b>	<b>2022</b>
	<b>in millions</b>	
Beginning balance.....	\$ 56.6	\$ 60.6
Provision for expected losses .....	24.2	40.3
Write-offs .....	(27.2)	(41.3)
Foreign currency translation adjustments and other .....	0.8	(3.0)
Ending balance .....	<u>\$ 54.4</u>	<u>\$ 56.6</u>

***Financial Instruments***

Due to the short maturities of cash and cash equivalents, trade and other receivables, other current assets, accounts payable, accrued liabilities and other accrued and current liabilities, their respective carrying values approximate their respective fair values. For information concerning the fair values of our derivative and debt instruments, see notes 6 and 9, respectively. For information regarding how we arrive at certain of our fair value measurements, see note 4.

***Derivative Instruments***

*Derivative Instruments Recorded at Fair Value*

Our derivative instruments, excluding our Weather Derivatives, are recorded in our consolidated balance sheets at fair value. As of December 31, 2023, we do not apply hedge accounting to any of our derivative instruments. Accordingly, changes in the fair values of our derivative instrument are recorded in realized and unrealized gains or losses on derivative instruments, net in our consolidated statements of operations.

The net cash received or paid related to our derivative instruments is classified as an operating, investing or financing activity in our consolidated statements of cash flows based on the objective of the derivative instrument and the classification of the applicable underlying cash flows, as follows:

- Cross-currency and interest rate derivative contracts: the net cash paid or received related to principal and current interest is classified as a financing or operating activity, respectively.
- Derivative contracts that are terminated prior to maturity: the cash paid or received upon termination that relates to future periods is classified as a financing activity.

For additional information regarding our derivative instruments, see note 6.

***Inventories***

Inventories consist primarily of mobile handset devices and accessories and are valued at the lower of cost or net realizable value. We maintain inventory valuation reserves for obsolete and slow-moving inventory based on analysis of recent historical sales activity and current retail, stand-alone selling prices. We record sales of inventories under the average cost method.

***Property and Equipment***

Property and equipment are stated at cost less accumulated depreciation. We capitalize costs associated with the construction of new cable and mobile transmission and distribution facilities and the installation of new cable services. The nature and amount of labor and other costs to be capitalized with respect to construction and installation activities involves judgment. In addition to direct external and internal labor and materials, we also capitalize other costs directly attributable to our construction and installation activities, including dispatch costs, quality-control costs, vehicle-related costs and certain warehouse-related costs. The capitalization of these costs is based on time sheets, time studies, standard costs, call tracking systems and other verifiable means that directly link the costs incurred with the applicable capitalizable activity. We continuously monitor the appropriateness of our capitalization policies and update the policies when necessary to respond to changes in facts and circumstances, such as the development of new products and services and changes in the manner that installations or construction activities are performed. Installation activities that are capitalized include (i) the initial connection

**CABLE & WIRELESS COMMUNICATIONS LIMITED**  
**Notes to Consolidated Financial Statements – (Continued)**  
**December 31, 2023 and 2022**

(or drop) from our cable system to a customer location, (ii) the replacement of a drop and (iii) the installation of equipment for additional services, such as digital cable, telephone or broadband internet service. The costs of other customer-facing activities, such as reconnecting and disconnecting customer locations and repairing or maintaining drops, are expensed as incurred.

We capitalize internal and external costs directly associated with the development of internal-use software. Capitalized internal-use software is included as a component of property and equipment. We also capitalize costs associated with the purchase of software licenses. Costs associated with software obtained in a hosting arrangement are expensed over the life of the service contract, unless we have the right to take possession of the software at any time without significant penalty and it is feasible to run the software on our own hardware or contract with another party unrelated to the vendor to host the software. Maintenance and training costs, as well as costs incurred during the preliminary stage of an internal-use software development project, are expensed as incurred.

Depreciation is computed using the straight-line method over the estimated useful life of the underlying asset. Equipment under finance leases is amortized on a straight-line basis over the shorter of the lease term or estimated useful life of the asset and is included in depreciation and amortization in our consolidated statements of operations. Useful lives used to depreciate our property and equipment are assessed periodically and are adjusted when warranted. The useful lives of cable and mobile distribution systems that are undergoing a rebuild are adjusted such that property and equipment to be retired will be fully depreciated by the time the rebuild is completed. For additional information regarding the useful lives of our property and equipment, see note 7.

Additions, replacements and improvements that extend the asset life are capitalized. Repairs and maintenance are expensed as incurred.

***Intangible Assets***

Our primary intangible assets relate to goodwill, customer relationships and spectrum licenses. Goodwill represents the excess purchase price over the fair value of the identifiable net assets acquired in a business combination. Customer relationships and spectrum licenses are initially recorded at their fair values.

Goodwill and other intangible assets with indefinite useful lives are not amortized, but instead are tested for impairment at least annually. Intangible assets with finite lives are amortized on a straight-line basis over their respective estimated useful lives to their estimated residual values and reviewed for impairment.

Spectrum licenses provide us with the exclusive right to utilize a certain radio frequency spectrum to provide wireless communications services. Spectrum licenses are time-limited and renewals generally must be purchased at rates established by local authorities. As such, our spectrum licenses are amortized over a finite period. We believe we will be able to meet all requirements necessary to secure renewal of such spectrum licenses.

For additional information regarding the useful lives of our intangible assets, see note 7.

***Impairment of Property and Equipment and Intangible Assets***

When circumstances warrant, we review the carrying amounts of our property and equipment and our intangible assets (other than goodwill) to determine whether such carrying amounts continue to be recoverable. Such changes in circumstance may include (i) the impact of natural disasters, such as hurricanes, (ii) an expectation of a sale or disposal of a long-lived asset or asset group, (iii) adverse changes in market or competitive conditions, (iv) an adverse change in legal factors or business climate in the markets in which we operate and (v) operating or cash flow losses. For purposes of impairment testing, long-lived assets are grouped at the lowest level for which cash flows are largely independent of other assets and liabilities, generally at or below the reporting unit level (see below). If the carrying amount of the asset or asset group is greater than the expected undiscounted cash flows to be generated by such asset or asset group, an impairment adjustment is recognized. Such adjustment is measured by the amount that the carrying value of such asset or asset group exceeds its fair value. We generally measure fair value by considering (i) sale prices for similar assets, (ii) discounted estimated future cash flows using an appropriate discount rate and/or (iii) estimated replacement cost. Assets to be disposed of are recorded at the lower of their carrying amount or fair value less costs to sell.

We evaluate goodwill for impairment at least annually on July 1, which we changed from October 1 during 2022, and whenever facts and circumstances indicate that the fair value of a reporting unit may be less than its carrying value. We first make a qualitative assessment to determine if the goodwill or other indefinite-lived intangible may be impaired. If it is more-likely-than-not that a reporting unit's fair value is less than its carrying value, we then compare the fair value of the reporting

**CABLE & WIRELESS COMMUNICATIONS LIMITED**  
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unit to its respective carrying amount. A reporting unit is an operating segment or one level below an operating segment. Goodwill impairment is recorded as the excess of a reporting unit's carrying value over its fair value and is charged to operations as an impairment loss. For additional information regarding the fair value measurements of our property and equipment and intangible assets, see note 4. For additional information regarding impairments, see note 7.

***Contract Assets***

When we transfer goods or services to a customer but do not have an unconditional right to payment, we record a contract asset. Contract assets are reclassified to trade receivables, net, in our consolidated balance sheet at the point in time we have the unconditional right to payment. The long-term portions of contract assets were \$113 million and \$69 million as of December 31, 2023 and 2022, respectively, and are included in other assets, net in our consolidated balance sheets.

***Deferred Revenue***

We record deferred revenue when we have received payment prior to transferring goods or services to a customer. Deferred revenue primarily relates to (i) advanced payments on fixed subscription services, mobile airtime services and long-term capacity contracts and (ii) deferred installation and other upfront fees. Our aggregate current and long-term deferred revenue as of December 31, 2023 and 2022 was \$189 million and \$212 million, respectively.

***Operating Leases***

Our operating leases primarily consist of (i) property leases for mobile tower locations that generally have initial terms of five to ten years with one or more renewal options and (ii) lease commitments for (a) retail stores, offices and facilities, (b) other network assets and (c) other equipment. It is expected that in the normal course of business, operating leases that expire generally will be renewed or replaced by similar leases. For additional information regarding our leases, see note 8.

We classify leases with a term of greater than 12 months where substantially all risks and rewards incidental to ownership are retained by the third-party lessors as operating leases. We record a right-of-use asset and an operating lease liability at inception of the lease at the present value of the lease payments plus certain other payments, including variable lease payments and amounts probable of being owed by us under residual value guarantees. Payments made under operating leases, net of any incentives received from the lessors, are recognized to expense on a straight-line basis over the term of the lease. Initial direct costs incurred in negotiating and arranging operating leases are recognized to expense when incurred. Contingent rental payments are recognized to expense when incurred. Our operating lease expense is included in facility, provision, franchise and other expense, which is included in other operating costs and expenses, in our consolidated statements of operations. Our right-of-use assets and non-current operating lease liabilities are included in other assets, net, and other long-term liabilities, respectively, in our consolidated balance sheets.

We use a credit-adjusted discount rate to measure our operating lease liabilities. We derive the discount rates by firstly constructing a credit curve which is based on the implied credit spread between the risk free rate (generally U.S. dollar denominated U.S. Treasuries) and a credit curve constructed using an index of observable U.S. dollar denominated fixed rate corporate bonds issued by U.S. telecommunications companies with the same rating as ours. Next, we apply a linear fixed spread to this credit curve reflecting the difference between the observable price on the longest tradable debt instrument and the credit curve at the maturity date of the observed debt instrument. Lastly, we make adjustments for all tenors to correct for the collateralized interest rate spread by comparing unsecured debt to asset-backed securities (secured debt) trades, this adjustment is based on the difference between the index of observable U.S. dollar denominated fixed rate corporate bonds issued by U.S. telecommunications companies with the same rating as ours and a similar index for companies rated one-class higher on the rating-code scale.

***Income Taxes***

The income taxes of C&W are presented on a standalone basis, and each tax paying entity or group within C&W is presented on a separate return basis. Income taxes are accounted for under the asset and liability method. We recognize deferred tax assets and liabilities for the future tax consequences attributable to differences between the financial statement carrying amounts and income tax basis of assets and liabilities and the expected benefits of utilizing net operating loss and tax credit carryforwards, using enacted tax rates in effect for each taxing jurisdiction in which we operate for the year in which those temporary differences are expected to be recovered or settled. We recognize the financial statement effects of a tax position when it is more-likely-than-not, based on technical merits, that the position will be sustained upon examination. Net deferred tax assets are then reduced by a valuation allowance if we believe it is more-likely-than-not that such net deferred tax assets will

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not be realized. Certain of our valuation allowances are associated with entities that we acquired in business combinations. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in earnings in the period that includes the enactment date. Deferred tax liabilities related to investments in foreign entities and foreign corporate joint ventures that are essentially permanent in duration are not recognized until it becomes apparent that such amounts will reverse in the foreseeable future. In order to be considered essentially permanent in duration, sufficient evidence must indicate that the foreign entity has invested or will invest its undistributed earnings indefinitely, or that earnings will be remitted in a tax-free liquidation. Interest and penalties related to income tax liabilities are included in income tax benefit or expense in our consolidated statements of operations. For additional information regarding our income taxes, see note 13.

***Foreign Currency Translation and Transactions***

The reporting currency of our company is the U.S. dollar. The functional currency of our foreign operations is the applicable local currency for each foreign entity. Assets and liabilities of our foreign subsidiaries (including intercompany balances for which settlement is not anticipated in the foreseeable future) are translated at the spot rate in effect at the applicable reporting date. With the exception of certain material transactions, the amounts reported in our consolidated statements of operations are translated at the average exchange rates in effect during the applicable period. The resulting unrealized cumulative translation adjustment, net of applicable income taxes, is recorded as a component of accumulated other comprehensive earnings or loss in our consolidated statements of equity. With the exception of certain material transactions, the cash flows from our operations in foreign countries are translated at the average rate for the applicable period in our consolidated statements of cash flows. The impacts of material transactions generally are recorded at the applicable spot rates in our consolidated statements of operations and cash flows. The effect of exchange rates on cash balances held in foreign currencies are separately reported in our consolidated statements of cash flows.

Transactions denominated in currencies other than our or our subsidiaries' functional currencies are recorded based on exchange rates at the time such transactions arise. Changes in exchange rates with respect to monetary assets and liabilities denominated in a non-functional currency result in transaction gains and losses that are reflected in our consolidated statements of operations as unrealized (based on the applicable period end exchange rates) or realized upon settlement of the transactions.

***Revenue Recognition***

We categorize revenue into two major categories: (i) residential revenue, which includes revenue from fixed and mobile services provided to residential customers, and (ii) B2B revenue, which includes enterprise revenue and wholesale revenue. For additional information regarding our revenue by major category, see note 17. Our revenue recognition policies are as follows.

*General.* Most of our fixed and mobile residential contracts are not enforceable or do not contain substantive early termination penalties. Accordingly, revenue relating to these customers is recognized on a basis consistent with customers that are not subject to contracts. We account for customer service revenue contracts that include both non-lease and lease components as a single component in all instances where the non-lease component is the predominant component of the arrangement and the other applicable criteria are met.

*Residential Fixed and B2B Service Revenue – Fixed Networks.* We recognize revenue from video, broadband internet and fixed-line telephony services over our fixed networks to customers in the period the related residential fixed or B2B services are provided. Installation or other upfront fees related to services provided over our fixed networks are generally deferred and recognized as subscription revenue over the contractual period, or longer if the upfront fee results in a material renewal right. We defer upfront installation and certain nonrecurring fees received on B2B contracts where we maintain ownership of the installed equipment. The deferred fees are amortized into revenue on a straight-line basis over the term of the arrangement or the expected period of performance.

We may also sell video, broadband internet and fixed-line telephony services to our customers in bundled packages at a rate lower than if the customer purchased each product on a standalone basis. Arrangement consideration from bundled packages generally is allocated proportionally to the individual service based on the relative standalone price for each respective product or service.

*Mobile Revenue – General.* Consideration from mobile contracts is allocated to airtime services and handset sales based on the relative standalone prices of each performance obligation.

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*Mobile Revenue – Airtime Services.* We recognize revenue from mobile services in the period the related services are provided. Payments received from prepaid customers are recorded as deferred revenue prior to the commencement of services and are recognized as revenue as the services are rendered or usage rights expire.

*Mobile Revenue – Handset Revenue.* Arrangement consideration allocated to handsets is recognized as revenue when the goods have been transferred to the customer.

*Wholesale Revenue – Long-term Capacity Contracts.* We enter into certain long-term capacity contracts with customers where the customer either pays a fixed fee over time or prepay for the capacity upfront and pays a portion related to operating and maintenance of the network over time. We assess whether prepaid capacity contracts contain a significant financing component. If the financing component is significant, interest expense is accreted over the life of the contract using the effective interest method. The revenue associated with prepaid capacity contracts is deferred and generally recognized on a straight-line basis over the life of the contract. As of December 31, 2023, we have approximately \$280 million of unfulfilled performance obligations relating to our long-term capacity contracts, primarily subsea contracts, that generally will be recognized as revenue over an average remaining life of 4 years.

*Sales, Use and Other VAT.* Revenue is recorded net of applicable sales, use and other value-added taxes.

***Litigation Costs***

Legal fees and related litigation costs are expensed as incurred.

**(4) Fair Value Measurements**

***General***

We use the fair value method to account for most of our derivative instruments. The reported fair values of our derivative instruments likely will not represent the value that will be paid or received upon the ultimate settlement or disposition of these assets and liabilities, as we expect that the values realized generally will be based on market conditions at the time of settlement.

U.S. GAAP provides for a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value into three broad levels. Level 1 inputs are quoted market prices in active markets for identical assets or liabilities that the reporting entity has the ability to access at the measurement date. Level 2 inputs are inputs other than quoted market prices included within Level 1 that are observable for the asset or liability, either directly or indirectly. Level 3 inputs are unobservable inputs for the asset or liability.

All of our Level 2 inputs (interest rate futures, swap rates and certain of the inputs for our weighted average cost of capital calculations) and certain of our Level 3 inputs (non-interest rate curves and credit spreads) are obtained from pricing services. These inputs, or interpolations or extrapolations thereof, are used in our internal models to calculate, among other items, yield curves, forward interest and currency rates and weighted average cost of capital rates. In the normal course of business, we receive market value assessments from the counterparties to our derivative contracts. Although we compare these assessments to our internal valuations and investigate unexpected differences, we do not otherwise rely on counterparty quotes to determine the fair values of our derivative instruments. The midpoints of applicable bid and ask ranges generally are used as inputs for our internal valuations.

***Recurring Fair Value Measurements***

***Derivatives***

In order to manage our interest rate and foreign currency exchange risk, we have entered into various derivative instruments, as further described in note 6. The recurring fair value measurements of these derivative instruments are determined using discounted cash flow models. Most of the inputs to these discounted cash flow models consist of, or are derived from, observable Level 2 data for substantially the full term of these derivative instruments. This observable data mostly includes interest rate futures and swap rates, which are retrieved or derived from available market data. Although we may extrapolate or interpolate this data, we do not otherwise alter this data in performing our valuations. We incorporate a credit risk valuation adjustment in our fair value measurements to estimate the impact of both our own nonperformance risk and the nonperformance risk of our counterparties. Our and our counterparties' credit spreads represent our most significant Level 3 inputs, and these inputs are used to derive the credit risk valuation adjustments with respect to these instruments. As we would



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not expect changes in our or our counterparties' credit spreads to have a significant impact on the valuations of these instruments, we have determined that these valuations fall under Level 2 of the fair value hierarchy. Our credit risk valuation adjustments with respect to our interest rate derivative contracts are further explained in note 6.

***Non-recurring Fair Value Measurements***

Fair value measurements may also be used for purposes of non-recurring valuations performed in connection with our acquisition accounting and impairment assessments.

***Acquisition Accounting***

The nonrecurring valuations associated with acquisition accounting, which use significant unobservable inputs and therefore fall under Level 3 of the fair value hierarchy, primarily include the valuation of property and equipment, customer relationships and spectrum intangible assets, as further described below:

- *Property and equipment.* The valuation of property and equipment may use either an indirect cost approach, which utilizes trends based on historical cost information, or a combination of indirect cost approach, market approach and direct replacement cost method, which considers factors such as current prices of the same or similar equipment, the age of the equipment and economic obsolescence.
- *Customer relationships.* The valuation of customer relationships is primarily based on an excess earnings methodology, which is a form of a discounted cash flow analysis. The excess earnings methodology for customer relationship intangible assets requires us to estimate the specific cash flows expected from the acquired customer relationships, considering such factors as estimated customer life, the revenue expected to be generated over the life of the customer relationships, contributory asset charges and other factors.
- *Spectrum intangible assets.* The valuation of spectrum intangible assets may use either an adjusted market-based approach, which requires the calibration of observable market inputs to reflect the fair value of the assets acquired, or a combination of an adjusted market-based approach with other methods, such as an income-based approach (e.g. the "greenfield" valuation method), which requires a wide range of assumptions and inputs, including forecasting costs associated with building a complementary asset base.

During 2023, we finalized our acquisition accounting for the Claro Panama Acquisition, which did not result in any material changes to our opening balance sheet associated with the Claro Panama Acquisition. For additional information relating to the opening balance sheet for the Claro Panama Acquisition, see note 5.

***Impairment Assessments***

The nonrecurring valuations associated with impairment assessments, which use significant unobservable inputs and therefore fall under Level 3 of the fair value hierarchy, primarily include the valuation of reporting units for the purpose of testing for goodwill impairment. Unless a reporting unit has a readily determinable fair value, we estimate the fair value of the reporting unit using either a market-based or income-based approach.

***Goodwill***

During 2023, we completed our annual goodwill impairment assessment, which did not result in goodwill impairments for any of our reporting units. During the second quarter of 2022, primarily due to significant increases in interest rates, we performed goodwill impairment analyses of all of our reporting units. For both of these assessments, we used an income approach to determine the estimated fair values of these reporting units. Under this approach, we utilized a discounted cash flow model as the valuation technique to estimate the fair values of the reporting units from a market participant's perspective. This approach uses certain inputs and assumptions that require estimates and judgments, including forecasted cash flows and appropriate discount rates. Forecasts of future cash flows are largely based on our assumptions using Level 3 inputs, which we consider to be consistent with a market participant's approach. We used the weighted-average cost of capital for each reporting unit as the basis for the discount rate to establish the present value of the expected cash flows for the respective reporting unit. The inputs for our weighted average cost of capital calculations include Level 2 and Level 3 inputs, generally derived from third-party pricing services.

For additional information regarding goodwill impairment charges resulting from these impairment analyses, see note 7.

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**(5) Acquisition**

***2022 Acquisition***

*Claro Panama Acquisition.* On September 14, 2021, we entered into a definitive agreement to acquire América Móvil's operations in Panama in an all-cash transaction based upon an enterprise value of \$200 million on a cash- and debt-free basis. On July 1, 2022, we completed the acquisition of Claro Panama, which was financed through a combination of debt and existing cash.

The following table sets forth a reconciliation of the stated purchase price to the net cash paid (in millions):

Stated purchase price .....	\$ 200.0
Working capital adjustments .....	9.3
Total purchase price .....	209.3
Opening balance sheet cash .....	(1.2)
Net cash paid for the Claro Panama Acquisition .....	<u>\$ 208.1</u>

We have accounted for the Claro Panama Acquisition as a business combination using the acquisition method of accounting, whereby the total purchase price was allocated to the acquired identifiable net assets of Claro Panama based on assessments of their respective fair values.

A summary of the purchase price and the opening balance sheet of Claro Panama at the July 1, 2022 acquisition date is presented in the following table. The opening balance sheet presented below reflects our final purchase price allocation (in millions):

Current assets .....	\$ 24.4
Property and equipment .....	136.3
Intangible assets subject to amortization (a) .....	47.9
Other assets (b) .....	198.2
Current liabilities .....	(64.8)
Long-term liabilities (c) .....	(132.7)
Total purchase price .....	<u>\$ 209.3</u>

- (a) At July 1, 2022, the weighted average useful life of the acquired spectrum intangible assets was approximately 6 years.
- (b) Primarily consists of operating lease right-of-use assets.
- (c) Primarily consists of the non-current portion of operating lease obligations.

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**(6) Derivative Instruments**

In general, we seek to enter into derivative instruments to protect against (i) increases in the interest rates on our variable-rate debt and (ii) foreign currency movements.

The following table provides details of the fair values of our derivative instrument assets and liabilities:

	December 31, 2023			December 31, 2022		
	Current	Long-term (a)	Total	Current	Long-term (a)	Total
	in millions					
Assets (b):						
Interest rate derivative contracts .....	\$ 73.5	\$ 128.8	\$ 202.3	\$ 65.4	\$ 180.8	\$ 246.2
Other .....	0.1	—	0.1	—	—	—
Total .....	<u>\$ 73.6</u>	<u>\$ 128.8</u>	<u>\$ 202.4</u>	<u>\$ 65.4</u>	<u>\$ 180.8</u>	<u>\$ 246.2</u>
Liabilities (b):						
Interest rate derivative contracts .....	\$ 5.8	\$ 22.3	\$ 28.1	\$ 21.9	\$ —	\$ 21.9

- (a) Our long-term derivative assets and long-term derivative liabilities are included in other assets, net and other long-term liabilities, respectively, in our consolidated balance sheets.
- (b) We consider credit risk relating to our nonperformance and the nonperformance of our counterparties in the fair value assessment of our derivative instruments. In all cases, the adjustments take into account offsetting liability or asset positions and are recorded in realized and unrealized gains or losses on derivative instruments, net, in our consolidated statements of operations. For further information regarding our fair value measurements, see note 4.

The derivative assets set forth in the table above exclude our Weather Derivatives, as further described in note 14, as they are not accounted for at fair value.

The details of our realized and unrealized gains on derivative instruments, net, are as follows:

	Year ended December 31,	
	2023	2022
	in millions	
Interest rate and cross-currency derivative contracts .....	\$ 23.4	\$ 268.3
Weather Derivatives .....	(20.9)	(21.5)
Other .....	0.4	—
Total .....	<u>\$ 2.9</u>	<u>\$ 246.8</u>

The following table sets forth the classification of the net cash inflows (outflows) of our derivative instruments:

	Year ended December 31,	
	2023	2022
	in millions	
Operating activities .....	\$ 53.1	\$ (10.7)
Financing activities .....	—	10.5
Total .....	<u>\$ 53.1</u>	<u>\$ (0.2)</u>

***Counterparty Credit Risk***

We are exposed to the risk that the counterparties to our derivative instruments will default on their obligations to us. We manage these credit risks through the evaluation and monitoring of the creditworthiness of, and concentration of risk with, our

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counterparties. In this regard, credit risk associated with our derivative instruments is spread across a relatively broad counterparty base of banks and financial institutions. Collateral has not been posted by either party under our derivative instruments. At December 31, 2023, our exposure to counterparty credit risk associated with our derivative instruments, as set forth in the assets and liabilities table above, included derivative assets with an aggregate fair value of \$174 million.

We have entered into derivative instruments under agreements with our counterparties that contain master netting arrangements that are applicable in the event of early termination by either party to such derivative instrument.

**Details of our Derivative Instruments**

***Interest Rate Derivative Contracts***

In connection with the phase-out of LIBOR, we amended or entered into certain derivative contracts to reference Adjusted Term SOFR for interest periods commencing after June 30, 2023.

***Interest Rate Swaps***

We enter into interest rate swaps to protect against increases in the interest rates on our variable-rate debt. Pursuant to these derivative instruments, we typically pay fixed interest rates and receive variable interest rates on specified notional amounts. At December 31, 2023, the outstanding notional amount due from our counterparties of our interest rate swap contracts was \$2.1 billion, which includes certain interest rate swap contracts with an embedded floor of 0%, and the related weighted average remaining contractual life was 4.6 years.

***Basis Swaps***

Basis swaps involve the exchange of attributes used to calculate our floating interest rates, including (i) the benchmark rate, (ii) the underlying currency and/or (iii) the borrowing period. We typically enter into these swaps to optimize our interest rate profile based on our current evaluations of yield curves, our risk management policies and other factors. At December 31, 2023, the outstanding notional amount due from our counterparties of our basis swap contracts was \$2.1 billion and the related weighted average remaining contractual life was 1 year.

**(7) Long-lived Assets**

***Impairment Charges***

The following table sets forth the details of our impairment charges:

	<b>Year ended December 31,</b>	
	<b>2023</b>	<b>2022</b>
	<b>in millions</b>	
Goodwill .....	\$ —	\$ 555.3
Property and equipment and other .....	56.8	4.1
Total impairment charges .....	<u>\$ 56.8</u>	<u>\$ 559.4</u>

During 2023, CWP recognized impairment of certain operating lease right-of-use assets, predominantly related to decommissioned tower leases. As of December 31, 2023, these operating lease right-of-use assets were fully amortized.

During 2022, we recorded a \$555 million impairment of goodwill within certain of our reporting units. This impairment was driven primarily by macroeconomic factors, including higher interest rates, that drove an increase in the discount rates used to value these reporting units. After recording these impairments, the associated reporting units have \$498 million of goodwill remaining at December 31, 2022. If, among other factors, (i) Liberty Latin America's equity values were to decline significantly, (ii) our enterprise value were to decline, (iii) we experience additional adverse impacts associated with macroeconomic factors, including increases in our estimated weighted average cost of capital, or (iv) the adverse impacts stemming from competition, economic, regulatory or other factors were to cause our results of operations or cash flows to be worse than currently anticipated, we could conclude in future periods that additional impairment charges are required in order to reduce the carrying values of goodwill. Any such impairment charges could be significant.

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For additional information regarding the fair value methods and related assumptions used in our impairment assessments, see note 4.

**Goodwill**

The changes in the carrying amount of our goodwill are set forth below:

	<b>Year ended December 31,</b>	
	<b>2023</b>	<b>2022</b>
	<b>in millions</b>	
Balance at January 1 .....	\$ 2,491.5	\$ 3,051.0
Acquisitions and related adjustments (a) .....	(5.7)	—
Impairments .....	—	(555.3)
Foreign currency translation adjustments and other .....	5.4	(4.2)
Balance at December 31 .....	<u>\$ 2,491.2</u>	<u>\$ 2,491.5</u>

(a) The change during 2023 includes a decrease resulting from the Costa Rica B2B Disposition.

Our accumulated goodwill impairments were \$2,664 million at each December 31, 2023 and 2022.

**Property and Equipment, Net**

The details of our property and equipment and the related accumulated depreciation are set forth below:

	<b>Estimated useful life at December 31, 2023</b>	<b>December 31,</b>	
		<b>2023</b>	<b>2022</b>
		<b>in millions</b>	
Distribution systems .....	3 to 25 years	\$ 3,093.9	\$ 2,974.3
Support equipment, buildings, land and CIP .....	3 to 40 years	1,291.2	1,654.1
CPE .....	3 to 5 years	608.4	659.8
		4,993.5	5,288.2
Accumulated depreciation .....		(2,351.1)	(2,528.3)
Net carrying amount .....		<u>\$ 2,642.4</u>	<u>\$ 2,759.9</u>

Depreciation expense related to our property and equipment was \$505 million and \$431 million during 2023 and 2022, respectively.

We recorded non-cash increases to our property and equipment related to vendor financing arrangements of \$117 million and \$122 million during 2023 and 2022, respectively.

**Intangible Assets Subject to Amortization, Net**

The details of our intangible assets subject to amortization, which had estimated useful lives ranging from 4 to 15 years at December 31, 2023, are set forth below:

	<b>December 31,</b>	
	<b>2023</b>	<b>2022</b>
	<b>in millions</b>	
Customer relationships .....	\$ 1,094.8	\$ 1,101.9
Licenses and other .....	209.0	210.2
	1,303.8	1,312.1
Accumulated amortization .....	(980.8)	(849.1)
Total .....	<u>\$ 323.0</u>	<u>\$ 463.0</u>

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Amortization expense related to intangible assets with finite useful lives was \$139 million and \$144 million during 2023 and 2022, respectively.

Based on our amortizable intangible assets balance at December 31, 2023, we expect that amortization expense will be as follows for the next five years and thereafter (in millions):

2024 .....	\$	104.4
2025 .....		62.0
2026 .....		40.4
2027 .....		33.9
2028 .....		26.4
Thereafter .....		55.9
Total .....	\$	<u>323.0</u>

**(8) Operating Leases**

The following table provides details of our operating lease expense:

	Year ended December 31,	
	2023	2022
	in millions	
Operating lease expense:		
Operating lease cost .....	\$ 54.2	\$ 44.2
Short-term lease cost .....	21.9	20.4
Total operating lease expense .....	<u>\$ 76.1</u>	<u>\$ 64.6</u>

Certain other details of our operating leases are set forth in the tables below:

	December 31,	
	2023	2022
	in millions	
Operating lease right-of-use assets (a) .....	<u>\$ 150.5</u>	<u>\$ 225.9</u>
Operating lease liabilities:		
Current .....	\$ 34.0	\$ 32.8
Noncurrent .....	181.1	134.1
Total operating lease liabilities .....	<u>\$ 215.1</u>	<u>\$ 166.9</u>
Weighted-average remaining lease term .....	<u>6.6 years</u>	<u>7.5 years</u>
Weighted-average discount rate .....	<u>7.1 %</u>	<u>6.9 %</u>

	Year ended December 31,	
	2023	2022
	in millions	
Operating cash outflows from operating leases .....	<u>\$ 55.6</u>	<u>\$ 40.7</u>
Right-of-use assets obtained in exchange for new operating lease liabilities (b) .....	<u>\$ 14.5</u>	<u>\$ 176.3</u>

- (a) During 2023, we recorded impairment charges totaling \$52 million associated with certain operating lease right-of-use assets, predominantly related to decommissioned tower leases at C&W Panama. These charges are included in impairment, restructuring and other, net, in our consolidated statements of operations.

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- (b) Represents non-cash transactions associated with operating leases entered into during the year, including amounts related to an acquisition, as further described in note 5.

***Maturities of Operating Leases***

Maturities of our operating lease liabilities as of December 31, 2023 are presented below. Amounts presented below represent U.S. dollar equivalents (in millions) based on December 31, 2023 exchange rates.

Years ending December 31:	
2024 .....	\$ 47.9
2025 .....	43.3
2026 .....	38.3
2027 .....	35.6
2028 .....	33.4
Thereafter .....	73.9
Total operating lease liabilities on an undiscounted basis .....	272.4
Present value discount .....	(57.3)
Present value of operating lease liabilities .....	<u>\$ 215.1</u>

**(9) Debt**

The U.S. dollar equivalents of the components of our debt are as follows:

	December 31, 2023												
	Weighted average interest rate (a)	Unused borrowing capacity (b)		Estimated fair value (c)		Principal amount							
		Borrowing currency	US \$ equivalent	December 31,		December 31,							
				2023	2022	2023	2022						
in millions													
C&W Notes .....	6.55 %	\$	—	\$	1,609.8	\$	1,591.6	\$	1,715.0	\$	1,715.0		
C&W Credit Facilities .....	7.34 %		(d)		636.5		2,663.4		2,505.0		2,694.2		2,605.2
Vendor financing and Tower Transactions (e) (f) .....	7.72 %		—		—		460.3		199.4		460.3		199.4
Total debt before premiums, discounts and deferred financing costs .....	7.10 %				\$ 636.5		\$ 4,733.5		\$ 4,296.0		\$ 4,869.5		\$ 4,519.6

The following table provides a reconciliation of total debt before premiums, discounts and deferred financing costs to total debt:

	December 31,	
	2023	2022
in millions		
Total debt before premiums, discounts and deferred financing costs .....	\$ 4,869.5	\$ 4,519.6
Premiums, discounts and deferred financing costs, net .....	(25.9)	(31.6)
Total carrying amount of debt .....	4,843.6	4,488.0
Less: Current maturities of debt .....	(307.3)	(203.6)
Long-term debt .....	<u>\$ 4,536.3</u>	<u>\$ 4,284.4</u>

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- (a) Represents the weighted average interest rate in effect at December 31, 2023 for all borrowings outstanding pursuant to each debt instrument, including any applicable margin. The interest rates presented generally represent stated rates and do not include the impact of derivative instruments, deferred financing costs, original issue premiums or discounts and commitment fees, all of which affect our overall cost of borrowing.
- (b) Unused borrowing capacity under the C&W Credit Facilities represents the maximum availability at December 31, 2023 without regard to covenant compliance calculations or other conditions precedent to borrowing and includes (i) \$572 million under the C&W Revolving Credit Facility and (ii) \$65 million under the C&W Regional Facilities. At December 31, 2023, the full amount of unused borrowing capacity under the C&W Credit Facilities was available to be borrowed, both before and after completion of the December 31, 2023 compliance reporting requirements.
- (c) The estimated fair values of our debt instruments are determined using the applicable bid prices (mostly Level 1 of the fair value hierarchy) or from quoted prices for similar instruments in active markets adjusted for the estimated credit spreads, to the extent available, and other relevant factors (Level 2 of the fair value hierarchy). For additional information regarding fair value hierarchies, see note 4.
- (d) The C&W Credit Facilities unused borrowing capacity comprise certain U.S. dollar, Trinidad & Tobago dollar and JMD revolving credit facilities. For further information, see *C&W Credit Facilities* below.
- (e) Includes \$257 million and \$199 million at December 31, 2023 and December 31, 2022, respectively, owed pursuant to interest-bearing vendor financing arrangements that are used to finance certain of our operating expenses and property and equipment additions. These obligations are generally due within one year and include VAT that were paid on our behalf by the vendor. Our operating expenses include \$175 million and \$114 million for 2023 and 2022, respectively, that were financed by an intermediary and are reflected on the borrowing date as a cash outflow within net cash provided or used by operating activities and a cash inflow within net cash provided or used by financing activities in our consolidated statements of cash flows. Repayments of vendor financing obligations are included in payments of principal amounts of debt and finance lease obligations in our consolidated statements of cash flows.
- (f) In December 2023, we entered into the Tower Transactions associated with certain of our mobile towers across various markets. The Tower Transactions did not meet the criteria to be accounted for as a sale and leaseback. The proceeds from the Tower Transactions are recorded as a financial liability and the associated tower assets remain on our balance sheet. During 2023, we received proceeds of \$203 million related to the Tower Transactions, which are included in borrowings of debt in our consolidated statement of cash flows.

***General Information***

*Credit Facilities.* We have entered into one or more credit facility agreements with certain financial institutions. Each of these credit facilities contain certain covenants, the more notable of which are as follows:

- Our credit facilities contain certain net leverage ratios, as specified in the relevant credit facility, which are required to be complied with on an incurrence and/or maintenance basis;
- Our credit facilities contain certain restrictions which, among other things, restrict our ability to (i) incur or guarantee certain financial indebtedness, (ii) make certain disposals and acquisitions, (iii) create certain security interests over their assets, in each case, subject to certain customary and agreed exceptions, and (iv) make certain restricted payments to their direct and/or indirect parent companies (and indirectly to C&W or Liberty Latin America) through dividends, loans or other distributions, subject to compliance with applicable covenants;
- Our credit facilities require us to guarantee the payment of all sums payable under the relevant credit facility and have first-ranking security granted over the shares, over certain intercompany loans and, in certain cases, over substantially all of the assets of, our borrower and guarantor entities, to secure the payment of all sums payable thereunder;
- In addition to certain mandatory prepayment events, the instructing group of lenders under the relevant credit facility may cancel the commitments thereunder and declare the loans thereunder due and payable after the applicable notice period following the occurrence of a change of control (as specified in the relevant credit facility);
- Our credit facilities contain certain customary events of default, the occurrence of which, subject to certain exceptions and materiality qualifications, would allow the instructing group of lenders to (i) cancel the total commitments, (ii)



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accelerate all outstanding loans and terminate their commitments thereunder and/or (iii) declare that all or part of the loans be payable on demand;

- Our credit facilities require that we observe certain affirmative and negative undertakings and covenants, which are subject to certain materiality qualifications and other customary and agreed exceptions; and
- In addition to customary default provisions, our credit facilities generally include certain cross-default and cross-acceleration provisions with respect to our other indebtedness, subject to agreed minimum thresholds and other customary and agreed exceptions.

*Senior and Senior Secured Notes.* In general, our senior and senior secured notes (i) are senior obligations of each respective issuer within the borrowing group that rank equally with all of the existing and future debt of such issuer and, in the case of our senior secured notes, are senior to all existing and future subordinated debt of each respective issuer within the borrowing group, (ii) contain, in most instances, guarantees from other entities of the borrowing group (as specified in the applicable indenture) and (iii) are secured by pledges over the shares of certain entities of the borrowing group and, in certain instances, over substantially all of the assets of those entities. In addition, the indentures governing our senior and senior secured notes contain certain covenants, the more notable of which are as follows:

- Our notes contain certain customary incurrence-based covenants. In addition, our notes provide that any failure to pay principal prior to expiration of any applicable grace period, or any acceleration with respect to other indebtedness of the issuer or certain other members of the borrowing group, over agreed minimum thresholds (as specified under the applicable indenture), is an event of default under the respective notes;
- Our notes contain certain restrictions that, among other things, restrict the ability of the entities of the borrowing group to (i) incur or guarantee certain financial indebtedness, (ii) make certain disposals and acquisitions, (iii) create certain security interests over their assets, in each case, subject to certain customary and agreed exceptions and (iv) make certain restricted payments to its direct and/or indirect parent companies (and indirectly to C&W or Liberty Latin America) through dividends, loans or other distributions, subject to compliance with applicable covenants; and
- If the relevant issuer or certain of its subsidiaries (as specified in the applicable indenture) sell certain assets, such issuer must offer to repurchase the applicable notes at par, or if a change of control (as specified in the applicable indenture) occurs, such issuer must offer to repurchase all of the relevant notes at a redemption price of 101%.

***C&W Notes***

The details of the outstanding C&W Notes as of December 31, 2023 are summarized in the following table:

<b>C&amp;W Notes</b>	<b>Maturity</b>	<b>Interest rate</b>	<b>Outstanding principal amount</b>	<b>Carrying value (a)</b>
<b>in millions</b>				
2027 C&W Senior Secured Notes.....	September 7, 2027	5.750 %	\$ 495.0	\$ 494.3
2027 C&W Senior Notes.....	September 15, 2027	6.875 %	1,220.0	1,218.4
Total .....			<u>\$ 1,715.0</u>	<u>\$ 1,712.7</u>

- (a) Amounts are inclusive or net of original issue premiums and deferred financing costs, as applicable.

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*Redemption Rights.* The C&W Notes are subject to certain redemption rights (as specified in the applicable indenture). Some or all of the 2027 C&W Senior Notes and 2027 C&W Senior Secured Notes may be redeemed at the following redemption prices (expressed as a percentage of the principal amount) plus accrued and unpaid interest and additional amounts (as specified in the indenture), if any, to the applicable redemption date, as set forth below:

	Redemption Price	
	2027 C&W Senior Notes	2027 C&W Senior Secured Notes
12-month period commencing:	September 15	September 7
2024 .....	100.859%	100.000%
2025 and thereafter .....	100.000%	100.000%

***C&W Credit Facilities***

The details of our borrowings under the C&W Credit Facilities as of December 31, 2023 are summarized in the following table:

C&W Credit Facilities	Maturity	Interest rate	Unused borrowing capacity	Outstanding principal amount	Carrying value (a)
in millions					
CWP Revolving Credit Facility (b) .....	January 18, 2027	Adjusted Term SOFR + 3.75%	\$ 10.0	\$ 10.0	\$ 10.0
C&W Revolving Credit Facility (b) .....	January 30, 2027	Adjusted Term SOFR + 3.25% (c)	572.0	—	—
C&W Term Loan B-5 Facility .....	January 31, 2028	Adjusted Term SOFR + 2.25% (c)	—	1,510.0	1,499.7
C&W Term Loan B-6 Facility .....	October 15, 2029	Adjusted Term SOFR + 3.0% (c)	—	590.0	582.3
2028 CWP Term Loan .....	January 18, 2028	4.25%	—	435.0	430.9
C&W Regional Facilities (d) (e) .....	various dates ranging from 2024 to 2038	6.85% (f)	54.5	80.2	78.7
C&W Other Facilities .....	(g)	6.48%	—	69.0	69.0
Total .....			<u>\$ 636.5</u>	<u>\$ 2,694.2</u>	<u>\$ 2,670.6</u>

- (a) Amounts are net of discounts and deferred financing costs, as applicable.
- (b) Has a fee on unused commitments of 0.5% per year.
- (c) Subject to a SOFR floor of 0 basis points.
- (d) The unused borrowing capacity on the C&W Regional Facilities comprise certain U.S. dollar, Trinidad & Tobago dollar and JMD denominated revolving credit facilities.
- (e) The outstanding principal amount on the C&W Regional Facilities comprise certain JMD, U.S. dollar and East Caribbean dollar-denominated credit facilities.
- (f) Represents a weighted average rate for all C&W Regional Facilities.
- (g) This borrowing is due in three annual installments beginning in May 2024.

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**Financing and Refinancing Activity**

During May 2023, the terms of the agreements underlying the C&W Credit Facilities were amended, which resulted in (i) the replacement of LIBOR-based benchmark rates with Adjusted Term SOFR for the C&W Term Loan B-5 Facility, the C&W Term Loan B-6 Facility and the C&W Revolving Credit Facility for interest periods commencing after June 30, 2023, (ii) the modification of the provisions for determining an alternative rate of interest upon the occurrence of certain events relating to the availability of interest rate benchmarks and (iii) certain conforming changes. The credit adjustment spreads applicable to the aforementioned debt instruments are 0.11448%, 0.26161% and 0.42826% for interest periods of one, three and six months, respectively.

In the tables below, non-cash activity relates to borrowings that did not pass through our bank accounts, as financing proceeds from the issuance of debt were used to directly repay some or all of our outstanding debt instruments.

During 2023 and 2022, borrowings related to significant credit facilities we drew down, entered into or amended, are as follows:

Instrument	Issued at	Borrowing	Non-cash component
		in millions	
2023:			
C&W Other Facilities	100%	\$ 69.0	\$ —
C&W Revolving Credit Facility	N/A	\$ 40.0	\$ —
C&W Regional Facilities	N/A	\$ 20.0	\$ —
CWP Credit Facilities	N/A	\$ 10.0	\$ —
2022:			
2028 CWP Term Loan	100%	\$ 435.0	\$ 272.9

During 2023 and 2022, we made certain repurchases or repayments on the following debt instruments:

Instrument	Redemption price	Amount paid	Non-cash component
in millions			
2023:			
C&W Revolving Credit Facility .....	100%	\$ 40.0	\$ —
2022:			
C&W Regional Facilities .....	100%	\$ 272.9	\$ 272.9

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***Maturities of Debt***

Maturities of our debt as of December 31, 2023 are presented below (in millions). Amounts presented below represent U.S. dollar equivalents based on December 31, 2023 exchange rates:

Years ending December 31:

2024 .....	\$ 307.3
2025 .....	32.7
2026 .....	25.3
2027 .....	1,717.6
2028 .....	2,000.3
Thereafter .....	786.3
Total debt maturities .....	4,869.5
Premiums, discounts and deferred financing costs, net .....	(25.9)
Total debt .....	<u>\$ 4,843.6</u>
Current portion .....	<u>\$ 307.3</u>
Noncurrent portion .....	<u>\$ 4,536.3</u>

**(10) Defined Benefit Plans**

We maintain various funded defined benefit plans for certain current and past employees, including (i) the CWSF, which is our largest defined benefit plan, (ii) plans in The Bahamas, Jamaica, Barbados and Curacao and (iii) certain other defined benefit arrangements in the U.K., which are governed by individual trust deeds. These defined benefit plans are closed to new entrants, and existing participants do not accrue any additional benefits.

Defined benefit plan amounts included in our consolidated balance sheets are as follows:

	<b>December 31,</b>	
	<b>2023</b>	<b>2022</b>
	<b>in millions</b>	
Other assets, net .....	\$ 37.9	\$ 119.4
Other long-term liabilities .....	(142.3)	(145.4)
Net pension asset (liability) .....	<u>\$ (104.4)</u>	<u>\$ (26.0)</u>

The table below provides summary information for our defined benefit plans:

	<b>December 31,</b>	
	<b>2023</b>	<b>2022</b>
	<b>in millions</b>	
Projected benefit obligations (a) .....	\$ (1,615.7)	\$ (1,540.5)
Fair value of plan assets (b) .....	1,511.3	1,514.5
Net pension asset (liability) .....	<u>\$ (104.4)</u>	<u>\$ (26.0)</u>

- (a) The weighted average discount rate used in determining our benefit obligations was 5.6% and 6.0% at December 31, 2023 and 2022, respectively. A 1.0% increase or decrease in the weighted average discount rate would have a (\$35 million) or \$42 million impact, respectively, on the projected benefit obligations, net of the annuity insurance policies (as described further below).
- (b) Our plan assets primarily comprise investments in insurance contracts, debt securities and equity securities. The fair value of plan assets at December 31, 2023 includes \$238 million, \$130 million and \$1,151 million of assets that are

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valued based on Level 1, Level 2 and Level 3 inputs, respectively, of the fair value hierarchy (as further described in note 4). The fair value of plan assets at December 31, 2022 includes \$657 million, \$116 million and \$742 million of assets that are valued based on Level 1, Level 2 and Level 3 inputs, respectively.

In May 2023, the CWSF completed an additional buy-in bulk annuity, resulting in 100% of the plan's liabilities being covered by insurance annuity policies, the payments from which match the corresponding obligations to employees. In addition, at December 31, 2023, 100% of the Jamaican and UTS defined benefit obligations are covered through the purchase of insurance annuity policies. The remaining investment risks in the plans have also been mitigated to a reasonable extent by a combination of matching assets and diversification of the return-seeking assets.

The CWSF buy-in resulted in the remeasurement of \$75 million from net pension assets to accumulated other comprehensive income during 2023, which represents the loss associated with the difference between the projected benefit obligations and the cost of the bulk annuity policy.

**(11) Programming and Other Direct Costs of Services**

Programming and other direct costs of services include programming and copyright costs, interconnect and access costs, equipment costs, which primarily relate to costs of mobile handsets and other devices, project-related costs and other direct costs related to our operations.

Our programming and other direct costs of services by major category are set forth below.

	<b>Year ended December 31,</b>	
	<b>2023</b>	<b>2022</b>
	<b>in millions</b>	
Programming and copyright .....	\$ 91.7	\$ 103.2
Interconnect .....	179.9	215.0
Equipment .....	91.2	81.5
Other .....	153.8	126.8
Total programming and other direct costs of services .....	<u>\$ 516.6</u>	<u>\$ 526.5</u>

**(12) Other Operating Costs and Expenses**

Other operating costs and expenses set forth in the table below comprise the following cost categories:

- **Personnel and contract labor-related** costs, which primarily include salary-related and cash bonus expenses, net of capitalizable labor costs, and temporary contract labor costs;
- **Network-related** expenses, which primarily include costs related to network access, system power, core network, and CPE repair, maintenance and test costs;
- **Service-related** costs, which primarily include professional services, information technology-related services, audit, legal and other services;
- **Commercial**, which primarily includes sales and marketing costs, such as advertising, commissions and other sales and marketing-related costs, and customer care costs related to outsourced call centers;
- **Facility, provision, franchise and other**, which primarily includes facility-related costs, provision for bad debt expense, operating lease rent expense, franchise-related fees, bank fees, insurance, vehicle-related, travel and entertainment and other operating-related costs; and
- **Share-based compensation** expense that relates to (i) Liberty Latin America equity awards issued to our employees and (ii) bonus-related expenses that will be paid in the form of equity. See note 14 for additional information.

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Our other operating costs and expenses by major category are set forth below.

	<b>Year ended December 31,</b>	
	<b>2023</b>	<b>2022</b>
	<b>in millions</b>	
Personnel and contract labor .....	\$ 329.1	\$ 325.8
Network-related .....	180.7	183.8
Service-related .....	99.8	92.4
Commercial .....	73.3	74.3
Facility, provision, franchise and other .....	257.4	245.8
Share-based compensation expense .....	22.7	27.8
Total other operating costs and expenses .....	<u>\$ 963.0</u>	<u>\$ 949.9</u>

**(13) Income Taxes**

The components of our loss before income taxes are as follows:

	<b>Year ended December 31,</b>	
	<b>2023</b>	<b>2022</b>
	<b>in millions</b>	
Domestic (a) .....	\$ (122.3)	\$ 196.4
Foreign (b) (c) .....	58.0	(501.7)
Total .....	<u>\$ (64.3)</u>	<u>\$ (305.3)</u>

- (a) C&W is incorporated in the U.K.
- (b) Amounts for the year ended December 31, 2022 include impairment charges, as further described in note 7.
- (c) Material jurisdictions that comprise the “foreign” component of our loss before income taxes include Antigua, Bahamas, Barbados, British Virgin Islands, Colombia, Curacao, Dominican Republic, Grenada, Jamaica, Panama, St. Kitts, St. Lucia, Trinidad and Tobago, Turks and Caicos and United States.

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Income tax benefit (expense) consists of:

	<u>Current</u>	<u>Deferred</u>	<u>Total</u>
	<u>in millions</u>		
Year ended December 31, 2023:			
Domestic .....	\$ (0.3)	\$ 0.7	\$ 0.4
Foreign .....	(68.6)	49.4	(19.2)
Total .....	<u>\$ (68.9)</u>	<u>\$ 50.1</u>	<u>\$ (18.8)</u>
Year ended December 31, 2022:			
Domestic .....	\$ (9.3)	\$ (0.6)	\$ (9.9)
Foreign .....	(46.2)	29.1	(17.1)
Total .....	<u>\$ (55.5)</u>	<u>\$ 28.5</u>	<u>\$ (27.0)</u>

Income tax expense attributable to our loss before income taxes differs from the amounts computed by using the applicable tax rate as a result of the following:

	<u>Year ended December 31,</u>	
	<u>2023</u>	<u>2022</u>
	<u>in millions</u>	
Computed expected tax benefit (a) .....	\$ 16.1	\$ 58.0
Effect of non-deductible goodwill impairments .....	—	(174.3)
International rate differences (a) (b) .....	59.8	95.7
Basis and other differences in the treatment of items associated with investments in Liberty Latin America entities .....	1.5	(1.2)
Enacted tax law and rate changes (c) (d) .....	73.7	(128.3)
Permanent differences (e) .....	(13.7)	(12.1)
Changes in uncertain tax positions .....	(11.4)	1.6
Decreases (increases) in valuation allowances .....	(112.1)	158.5
Expiration of deferred tax assets with full valuation allowance .....	(12.3)	(12.7)
Withholding and capital gain taxes .....	(29.6)	(5.4)
Return to provision .....	10.5	(5.6)
Other, net .....	(1.3)	(1.2)
Total income tax expense .....	<u>\$ (18.8)</u>	<u>\$ (27.0)</u>

- (a) The applicable statutory tax rate in the U.K. is 25% and 19% for the years ended December 31, 2023 and 2022 respectively.
- (b) The 2023 corporate tax rates applicable to our primary material jurisdictions are as follows: Antigua, 25%; Bahamas, 0%; Barbados, 1% to 5.5%; British Virgin Islands, 0%; Colombia, 35%; Curacao, 22%; Dominican Republic, 27%; Grenada, 28%; Jamaica, 33.33%; Panama, 25%; St. Kitts, 33%; St. Lucia, 30%; Trinidad and Tobago, 30%; Turks and Caicos, 0% and United States, 21%.
- (c) On June 10, 2021, the United Kingdom Finance Bill of 2021 enacted an increase in the main corporate tax rate to 25%, with effect from April 1, 2023. While deferred tax assets were re-valued as of enactment, there is a net nil tax impact of this on total tax result due to a full valuation allowance on all deferred tax items in the U.K.
- (d) On July 13, 2023, St. Vincent and the Grenadines Inland Revenue Department enacted a decrease in the corporate income tax from 30% to 28% with effect from January 1, 2023.

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- (e) Permanent differences primarily relate to various non-taxable income or non-deductible expenses, such as Caribbean Community (CARICOM) treaty income, limitations on deductible management fees or other intercompany charges, among others.

Deferred income taxes reflect the impact of temporary differences between the amount of assets and liabilities recognized for financial reporting purposes and such amounts recognized for tax purposes. The components of our deferred tax assets (liabilities) are as follows:

	<b>December 31,</b>	
	<b>2023</b>	<b>2022</b>
	<b>in millions</b>	
Deferred tax assets .....	\$ 45.4	\$ 26.3
Deferred tax liabilities .....	(105.6)	(139.2)
Net deferred tax liability .....	<u>\$ (60.2)</u>	<u>\$ (112.9)</u>

The tax effects of temporary differences that give rise to significant portions of the deferred tax assets and deferred tax liabilities are presented below:

	<b>December 31,</b>	
	<b>2023</b>	<b>2022</b>
	<b>in millions</b>	
Deferred tax assets:		
Net operating losses, credits and other carryforwards .....	\$ 1,925.4	\$ 1,850.3
Accrued expenses .....	24.5	21.6
Unrealized gains and losses .....	12.3	16.7
Other future deductible amounts .....	—	2.8
Deferred tax assets .....	1,962.2	1,891.4
Valuation allowance .....	(1,897.2)	(1,784.9)
Deferred tax assets, net of valuation allowance .....	65.0	106.5
Deferred tax liabilities:		
Property and equipment, net .....	(90.1)	(154.2)
Intangible assets .....	(34.2)	(63.1)
Un-remitted foreign earnings .....	(0.6)	(2.1)
Deferred tax liabilities .....	(125.2)	(219.4)
Net deferred tax liability .....	<u>\$ (60.2)</u>	<u>\$ (112.9)</u>



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The changes in our valuation allowance are summarized below:

	<b>Year ended December 31,</b>	
	<b>2023</b>	<b>2022</b>
	<b>in millions</b>	
Balance at beginning of year .....	\$ 1,784.9	\$ 1,907.1
Net tax expense (benefit) related to operations .....	112.1	(158.5)
Translation adjustments .....	(1.5)	1.2
Acquisitions and other .....	1.7	35.1
Balance at end of year .....	<u>\$ 1,897.2</u>	<u>\$ 1,784.9</u>

Deferred tax assets related to net operating losses may be used to offset future taxable income. The significant components of our tax loss carryforwards and related tax assets at December 31, 2023 are as follows:

<b>Country</b>	<b>Tax loss carryforward</b>	<b>Related tax asset</b>	<b>Expiration date</b>
	<b>in millions</b>		
U.K.:			
Amount attributable to capital losses .....	\$ 4,704.3	\$ 1,176.1	Indefinite
Amount attributable to net operating losses ..	1,380.4	345.1	Indefinite
Barbados .....	684.9	17.5	2024-2030
Jamaica .....	411.9	137.2	Indefinite
Curacao .....	155.8	37.0	2024-2033
United States .....	38.9	9.8	2025-Indefinite
Panama .....	36.4	9.1	2024-2028
Colombia .....	15.5	5.4	Indefinite
Other .....	26.8	7.6	Various
Total .....	<u>\$ 7,454.9</u>	<u>\$ 1,744.8</u>	

As of December 31, 2023, a valuation allowance of \$1,725 million has been recorded against the net operating loss carryforwards where we do not expect to realize a future benefit, or where certain losses may be limited in use due to change in control or same-business tests.

Our tax loss carryforwards within each jurisdiction combine all companies' tax losses (both capital and ordinary losses) in that jurisdiction; however, certain tax jurisdictions limit the ability to offset taxable income of a separate company or different tax group with the tax losses associated with another separate company or group. Further, tax jurisdictions restrict the type of taxable income that the above losses are able to offset.

In 2023 and 2022, we have foreign tax credit carryforwards of \$7 million and \$2 million respectively, which are available in the U.S. Substantially all credits not utilized will expire at the end of 2033.

In 2023 and 2022, we have alternative minimum tax credit carryforwards in the amounts of \$1 million attributable to our operations in Puerto Rico for which the current tax law provides no period of expiration.

In 2023 and 2022, we have research and development credit carryforwards of \$1 million which are available in the U.S. Substantially all credits not utilized will expire at the end of 2041.

Through our consolidated subsidiaries, we maintain a presence in many countries. Many of these countries maintain highly complex tax regimes. We have accounted for the effect of these taxes based on what we believe is reasonably expected to apply to us and our consolidated subsidiaries based on tax laws currently in effect and reasonable interpretations of these laws. Because some jurisdictions do not have systems of taxation that are as well established as the system of income taxation used in other major industrialized countries, it may be difficult to anticipate how other jurisdictions will tax our and our consolidated subsidiaries' current and future operations.

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Although we intend to take reasonable tax planning measures to limit our tax exposures, no assurance can be given that we will be able to do so.

We file income tax returns in various jurisdictions. In the normal course of business, our income tax filings are subject to review by various taxing authorities. In connection with such reviews, disputes could arise with the taxing authorities over the interpretation or application of certain income tax rules related to our business in that tax jurisdiction. Such disputes may result in future tax and interest and penalty assessments by these taxing authorities. The ultimate resolution of tax contingencies will take place upon the earlier of (i) the settlement date with the applicable taxing authorities in either cash or agreement of income tax positions or (ii) the date when the tax authorities are statutorily prohibited from adjusting the company's tax computations.

In general, tax returns filed by, or that include, entities comprising C&W for years prior to 2009 are no longer subject to examination by tax authorities. We are currently undergoing income tax audits in Colombia and Trinidad and Tobago and certain other jurisdictions within the Caribbean and Latin America. Except as noted below, any adjustments that might arise from the foregoing examinations are not expected to have a material impact on our consolidated financial position or results of operations.

The changes in our unrecognized tax benefits are summarized below:

	<b>Year ended December 31,</b>	
	<b>2023</b>	<b>2022</b>
	<b>in millions</b>	
Balance at beginning of year .....	\$ 10.6	\$ 12.1
Lapse of statute of limitations .....	(1.4)	(1.7)
Additions for tax positions of prior years .....	0.6	0.2
Balance at end of year .....	<u>\$ 9.8</u>	<u>\$ 10.6</u>

No assurance can be given that any of these unrecognized tax benefits will be recognized or realized.

As of December 31, 2023, all of our unrecognized tax benefits would have a favorable impact on our effective income tax rate if ultimately recognized.

During 2024, it is reasonably possible that the resolution of ongoing examinations by tax authorities as well as expiration of statutes of limitation could result in reductions to our unrecognized tax benefits related to tax positions taken as of December 31, 2023. Other than the potential impacts of ongoing examinations and the expected expiration of certain statutes of limitation, we do not expect any material changes to our unrecognized tax benefits during 2024. No assurance can be given as to the nature or impact of any changes in our unrecognized tax positions during 2024.

During 2023 and 2022, our income tax expense includes interest expense of \$12.4 million and \$0.2 million, respectively, representing the net accrual of interest and penalties incurred during the respective period. Our other long-term liabilities include accrued interest and penalties of \$25 million and \$13 million at December 31, 2023 and 2022, respectively.

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**(14) Related-party Transactions**

*General.* We consider Liberty Latin America and its subsidiaries to be related parties.

Our related-party transactions are as follows:

	<b>Year ended December 31,</b>	
	<b>2023</b>	<b>2022</b>
	<b>in millions</b>	
Revenue .....	\$ 16.9	\$ 15.0
Programming and other direct costs of services .....	\$ 2.9	\$ 2.7
Other operating costs and expenses .....	\$ 22.7	\$ 20.5
Share-based compensation expense .....	\$ 22.7	\$ 27.8
Related-party fees and allocations:		
Other operating costs and expenses .....	\$ 61.2	\$ 31.9
Share-based compensation .....	20.5	18.5
Management fee .....	7.6	3.8
Total fees and allocations .....	\$ 89.3	\$ 54.2
Realized and unrealized losses on derivative instruments, net .....	\$ 20.9	\$ 21.5

*Revenue.* These amounts represent certain transactions with other subsidiaries of Liberty Latin America that arise in the normal course of business, which include fees for the use of our products and services and network and access charges.

*Programming and other direct costs of services.* These amounts primarily represent cash-settled interconnect costs charged to our company from other subsidiaries of Liberty Latin America.

*Other operating costs and expenses.* These amounts primarily represent the net impact of (i) our estimated share of costs charged to our company by Liberty Latin America or its subsidiaries, which are primarily related to corporate shared-service center costs, predominantly personnel and service-related costs, (ii) personnel costs we recharge to other subsidiaries of Liberty Latin America for employees who perform work on their behalf, and (iii) insurance costs allocated to us by a subsidiary of Liberty Latin America. The charges and insurance premiums are expected to be cash settled.

*Share-based compensation expense.* These amounts represent share-based compensation expense that Liberty Latin America charged to our company with respect to share-based incentive awards held by certain of our employees. These charges, which are cash settled, are included in accrued payroll and employee benefits in our consolidated balance sheets. These amounts include estimated bonus-related expenses that will be paid in the form of Liberty Latin America equity.

*Related-party fees and allocations, net.* These amounts represent fees charged to our company by Liberty Latin America and are expected to be cash settled. Although we believe the related-party fees and allocations described below are reasonable, no assurance can be given that the related-party costs and expenses reflected in our consolidated statements of operations are reflective of the costs that we would incur on a standalone basis. The categories of our fees and allocations are as follows:

- *Other operating costs and expenses.* The amounts included in this category represent our estimated share of certain centralized technology, management, marketing, finance, legal and other operating expenses of Liberty Latin America's operations whose activities benefit multiple operations, including operations within and outside of our company, net of certain fees and allocations associated with services performed by certain of our employees on behalf of other subsidiaries of Liberty Latin America. The amounts allocated represent our estimated share of the actual costs incurred by the operations of Liberty Latin America, without a mark-up. Amounts in this category generally may be deducted to arrive at our "EBITDA" metric specified by our debt agreements (**Covenant EBITDA**).
- *Share-based compensation.* The amounts included in this category represent share-based compensation associated with employees of Liberty Latin America who are not employees of our company. The amounts allocated represent our estimated share of the actual costs incurred by the operations of Liberty Latin America, without a mark-up.

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- *Management fee.* The amounts included in this category represent our estimated allocable share of the mark-up, if any, applicable to (i) each category of the related-party fees and allocations charged to our company and (ii) other operating costs and expenses allocated to us by related parties.

*Realized and unrealized losses on derivative instruments, net.* These amounts represent amortization of the premium associated with our Weather Derivatives contract, underwritten by another subsidiary of Liberty Latin America.

The following table provides details of our significant related-party balances:

	December 31,	
	2023	2022
	in millions	
<b>Assets:</b>		
Trade receivables (a) .....	\$ 25.7	\$ 14.1
Other current assets (b) .....	40.0	30.9
Total current assets .....	<u>\$ 65.7</u>	<u>\$ 45.0</u>
<b>Liabilities:</b>		
Accounts payable (c) .....	\$ 15.5	\$ 3.0
Other accrued and current liabilities (d) .....	80.6	58.0
Total current liabilities .....	<u>\$ 96.1</u>	<u>\$ 61.0</u>

- (a) Represents non-interest bearing receivables due from other subsidiaries of Liberty Latin America.
- (b) Primarily represents non-interest bearing receivables due from Liberty Latin America related to fees and allocations associated with our estimate of costs for services performed by certain of our employees on behalf of other subsidiaries of Liberty Latin America.
- (c) Primarily represents non-interest bearing payables due to Liberty Latin America related to the charges included in fees and allocations, as noted above.
- (d) Primarily represents amounts due to Liberty Latin America related to the charges noted above for fees and allocations, share-based compensation expense and other operating costs and expenses.

**(15) Accumulated Other Comprehensive Loss**

Accumulated other comprehensive loss included in our consolidated balance sheets and consolidated statements of equity reflect the aggregate impact of foreign currency translation adjustments, pension-related adjustments and unrealized gains or losses on available-for-sale investments. The changes in the components of accumulated other comprehensive loss, net of taxes, are summarized as follows:

	Parent					Non-controlling interests	Total accumulated other comprehensive loss
	Foreign currency translation adjustments	Pension-related adjustments	Unrealized gains (losses) on available-for-sale investments	Accumulated other comprehensive loss			
	in millions						
Balance at January 1, 2022 .....	\$ (287.8)	\$ 31.1	\$ 2.4	\$ (254.3)	\$ (10.4)	\$	(264.7)
Other comprehensive loss .....	1.9	(86.6)	(6.7)	(91.4)	(0.5)		(91.9)
Balance at December 31, 2022 .....	(285.9)	(55.5)	(4.3)	(345.7)	(10.9)		(356.6)
Other comprehensive loss .....	7.5	(84.6)	2.6	(74.5)	1.1		(73.4)
Balance at December 31, 2023 .....	<u>\$ (278.4)</u>	<u>\$ (140.1)</u>	<u>\$ (1.7)</u>	<u>\$ (420.2)</u>	<u>\$ (9.8)</u>		<u>\$ (430.0)</u>

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**(16) Commitments and Contingencies**

***Guarantees and Other Credit Enhancements***

In the ordinary course of business, we may provide (i) indemnifications to our lenders, our vendors and certain other parties and (ii) performance and/or financial guarantees to local municipalities, our customers and vendors. Historically, these arrangements have not resulted in our company making any material payments and we do not believe that they will result in material payments in the future.

*Regulatory Issues.* We have contingent liabilities related to matters arising in the ordinary course of business, including (i) legal proceedings, (ii) issues involving wage, property, withholding and other tax issues and (iii) disputes over interconnection, programming and copyright fees. While we generally expect that the amounts required to satisfy these contingencies will not materially differ from any estimated amounts we have accrued, no assurance can be given that the resolution of one or more of these contingencies will not result in a material impact on our results of operations, cash flows or financial position in any given period. Due, in general, to the complexity of the issues involved and, in certain cases, the lack of a clear basis for predicting outcomes, we cannot provide a meaningful range of potential losses or cash outflows that might result from any unfavorable outcomes.

**(17) Revenue by Major Category**

Our revenue by major category is set forth in the table below and includes the following categories:

- Residential fixed subscription and residential mobile services revenue, which includes amounts received from subscribers for ongoing fixed and airtime services, respectively;
- Residential fixed non-subscription revenue, which primarily includes interconnect and advertising revenue;
- B2B revenue, which comprises (i) enterprise revenue that primarily includes broadband internet, video, fixed-line telephony, mobile and managed services (including equipment installation contracts) offered to small (including small or home office), medium and large enterprises and other telecommunication operators; and (ii) wholesale revenue, which includes long-term capacity contracts with customers where the customer either pays a fee over time or prepays for the capacity upfront and pays a portion related to operating and maintenance of the network over time.

	<b>Year ended December 31,</b>	
	<b>2023</b>	<b>2022</b>
	<b>in millions</b>	
Residential revenue:		
Residential fixed revenue:		
Subscription revenue .....	\$ 604.0	\$ 587.1
Non-subscription revenue .....	33.8	39.4
Total residential fixed revenue .....	<u>637.8</u>	<u>626.5</u>
Residential mobile revenue:		
Service revenue .....	590.9	533.2
Interconnect, inbound roaming, equipment sales and other (a) .....	130.8	117.2
Total residential mobile revenue .....	<u>721.7</u>	<u>650.4</u>
Total residential revenue .....	1,359.5	1,276.9
B2B revenue (b) .....	1,183.7	1,171.7
Total .....	<u>\$ 2,543.2</u>	<u>\$ 2,448.6</u>

- (a) These amounts include revenue from sales of mobile handsets and other devices of \$28 million and \$30 million during the year ended December 31, 2023 and 2022, respectively.
- (b) These amounts include revenue from sales of mobile handsets and other devices of \$20 million and \$18 million for the year ended December 31, 2023 and 2022, respectively.

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**(18) Supplemental Financial Information**

The tables set forth below reflect supplemental balance sheet and statement operations data for the periods indicated associated with C&W Trinidad and Other C&W Entities. The financial data includes intercompany transactions between C&W Trinidad and Other C&W Entities, which are eliminated within the “consolidating adjustments” column of each respective table.

	December 31, 2023			
	C&W Trinidad	Other C&W Entities	Consolidating adjustments	Consolidated C&W
	in millions			
ASSETS				
Current assets:				
Cash and cash equivalents .....	\$ 66.7	\$ 671.2	\$ —	\$ 737.9
Trade receivables, net .....	168.6	673.9	(291.6)	550.9
Prepaid expenses .....	3.3	39.7	(1.0)	42.0
Current contract assets .....	—	73.0	—	73.0
Current derivative assets .....	—	73.6	—	73.6
Other current assets, net .....	46.3	273.3	(109.2)	210.4
Total current assets .....	284.9	1,804.7	(401.8)	1,687.8
Goodwill .....	147.3	2,343.9	—	2,491.2
Property and equipment, net .....	217.5	2,424.9	—	2,642.4
Intangible assets subject to amortization, net .....	0.1	322.9	—	323.0
Other assets, net .....	3.0	973.2	(272.3)	703.9
Total assets .....	<u>\$ 652.8</u>	<u>\$ 7,869.6</u>	<u>\$ (674.1)</u>	<u>\$ 7,848.3</u>
LIABILITIES AND EQUITY				
Current liabilities:				
Accounts payable .....	\$ 158.5	\$ 365.0	\$ (291.6)	\$ 231.9
Current portion of deferred revenue .....	4.6	99.8	—	104.4
Current portion of debt and finance lease obligations .....	5.1	302.2	—	307.3
Accrued interest .....	—	88.0	—	88.0
Current derivative liabilities .....	—	5.8	—	5.8
Other accrued and current liabilities .....	106.1	575.4	(110.2)	571.3
Total current liabilities .....	274.3	1,436.2	(401.8)	1,308.7
Long-term debt .....	3.4	4,532.9	—	4,536.3
Related-party long-term debt .....	108.8	—	(108.8)	—
Deferred tax liabilities .....	36.6	69.0	—	105.6
Deferred revenue .....	0.8	83.3	—	84.1
Other long-term liabilities .....	3.1	447.9	—	451.0
Total liabilities .....	427.0	6,569.3	(510.6)	6,485.7
Commitments and contingencies				
Equity:				
Total equity .....	225.8	1,300.3	(163.5)	1,362.6
Total liabilities and equity .....	<u>\$ 652.8</u>	<u>\$ 7,869.6</u>	<u>\$ (674.1)</u>	<u>\$ 7,848.3</u>

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	December 31, 2022			
	C&W Trinidad	Other C&W Entities	Consolidating adjustments	Consolidated C&W
	in millions			
ASSETS				
Current assets:				
Cash and cash equivalents .....	\$ 23.7	\$ 512.5	\$ —	\$ 536.2
Trade receivables, net .....	161.7	559.9	(265.2)	456.4
Prepaid expenses .....	2.5	32.3	(1.5)	33.3
Current contract assets .....	—	72.5	—	72.5
Current derivative assets .....	—	65.4	—	65.4
Other current assets, net .....	45.7	264.1	(95.6)	214.2
Total current assets .....	233.6	1,506.7	(362.3)	1,378.0
Goodwill .....	146.8	2,344.7	—	2,491.5
Property and equipment, net .....	221.1	2,538.8	—	2,759.9
Intangible assets subject to amortization, net .....	0.4	462.6	—	463.0
Other assets, net .....	3.5	1,102.7	(262.4)	843.8
Total assets .....	<u>\$ 605.4</u>	<u>\$ 7,955.5</u>	<u>\$ (624.7)</u>	<u>\$ 7,936.2</u>
LIABILITIES AND EQUITY				
Current liabilities:				
Accounts payable .....	\$ 141.2	\$ 342.3	\$ (265.2)	\$ 218.3
Current portion of deferred revenue .....	4.6	103.0	—	107.6
Current portion of debt and finance lease obligations .....	—	203.6	—	203.6
Accrued interest .....	—	66.6	—	66.6
Current derivative liabilities .....	—	21.9	—	21.9
Other accrued and current liabilities .....	86.5	533.7	(97.1)	523.1
Total current liabilities .....	232.3	1,271.1	(362.3)	1,141.1
Long-term debt .....	—	4,284.4	—	4,284.4
Related-party long-term debt .....	106.9	—	(106.9)	—
Deferred tax liabilities .....	39.6	99.6	—	139.2
Deferred revenue .....	1.3	103.5	—	104.8
Other long-term liabilities .....	3.3	419.0	—	422.3
Total liabilities .....	383.4	6,177.6	(469.2)	6,091.8
Commitments and contingencies				
Equity:				
Total equity .....	222.0	1,777.9	(155.5)	1,844.4
Total liabilities and equity .....	<u>\$ 605.4</u>	<u>\$ 7,955.5</u>	<u>\$ (624.7)</u>	<u>\$ 7,936.2</u>

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	Year ended December 31, 2023			
	C&W Trinidad	Other C&W Entities	Consolidating adjustments	Consolidated C&W
	in millions			
Revenue .....	\$ 162.3	\$ 2,386.8	\$ (5.9)	\$ 2,543.2
Operating costs and expenses (exclusive of depreciation and amortization, shown separately below):				
Programming and other direct costs of services .....	29.7	490.6	(3.7)	516.6
Other operating costs and expenses .....	72.8	922.7	(32.5)	963.0
Related-party fees and allocations .....	11.2	91.1	(13.0)	89.3
Depreciation and amortization .....	34.9	609.4	—	644.3
Impairment, restructuring and other operating items, net .....	0.2	60.1	—	60.3
	148.8	2,173.9	(49.2)	2,273.5
Operating income .....	13.5	212.9	43.3	269.7
Non-operating income (expense):				
Interest income (expense) .....	(7.5)	(338.9)	6.7	(339.7)
Realized and unrealized gain (loss) on derivative instruments, net .....	(0.6)	3.0	0.5	2.9
Foreign currency transaction gains (losses), net .....	(0.7)	4.9	—	4.2
Other expense, net .....	(0.6)	(0.8)	—	(1.4)
	(9.4)	(331.8)	7.2	(334.0)
Income (loss) before income taxes .....	4.1	(118.9)	50.5	(64.3)
Income tax expense .....	(1.0)	(17.8)	—	(18.8)
Net earnings (loss) .....	3.1	(136.7)	50.5	(83.1)
Net loss attributable to noncontrolling interests .....	—	23.3	—	23.3
Net earnings (loss) attributable to parent .....	\$ 3.1	\$ (113.4)	\$ 50.5	\$ (59.8)



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	Year ended December 31, 2022			
	C&W Trinidad	Other C&W Entities	Consolidating adjustments	Consolidated C&W
	in millions			
Revenue .....	\$ 166.4	\$ 2,289.3	\$ (7.1)	\$ 2,448.6
Operating costs and expenses (exclusive of depreciation and amortization, shown separately below):				
Programming and other direct costs of services .....	38.3	492.1	(3.9)	526.5
Other operating costs and expenses .....	61.8	912.0	(23.9)	949.9
Related-party fees and allocations .....	11.6	54.7	(12.1)	54.2
Depreciation and amortization .....	23.1	551.1	—	574.2
Impairment, restructuring and other operating items, net .....	108.6	487.3	—	595.9
	243.4	2,497.2	(39.9)	2,700.7
Operating income (loss) .....	(77.0)	(207.9)	32.8	(252.1)
Non-operating income (expense):				
Interest income (expense) .....	(5.3)	(255.6)	5.3	(255.6)
Realized and unrealized gain (loss) on derivative instruments, net .....	(0.5)	246.8	0.5	246.8
Foreign currency transaction losses, net .....	(8.2)	(22.5)	—	(30.7)
Other expense, net .....	(0.6)	(13.1)	—	(13.7)
	(14.6)	(44.4)	5.8	(53.2)
Income (loss) before income taxes .....	(91.6)	(252.3)	38.6	(305.3)
Income tax expense .....	(6.8)	(20.2)	—	(27.0)
Net earnings (loss) .....	(98.4)	(272.5)	38.6	(332.3)
Net loss attributable to noncontrolling interests .....	—	44.1	—	44.1
Net earnings (loss) attributable to parent .....	\$ (98.4)	\$ (228.4)	\$ 38.6	\$ (288.2)