Section 1: 6-K (FORM 6-K)

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 6-K

REPORT OF FOREIGN PRIVATE ISSUER PURSUANT TO RULE 13a-16 OR 15d-16
UNDER THE SECURITIES EXCHANGE ACT OF 1934

For the month of **August, 2018**

Commission File Number: **000-55716**

Trilogy International Partners Inc.

(Translation of registrant's name into English)

155 - 108 Avenue NE, Suite 400, Bellevue, Washington 98004
(Address of principal executive offices)

Indicate by check mark whether the registrant files or will file annual reports under cover Form 20-F or Form 40-F.

[ ] Form 20-F [x] Form 40-F

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(1): [ ]

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(7): [ ]

Exhibits 99.1 and 99.2 to this report on Form 6-K shall be deemed to be filed and incorporated by reference into the registrant’s Registration Statement on Form S-8 (File No. 333-218631) and Registration Statement on Form F-10 (File No. 333-219429) and to be a part of each thereof from the date on which said exhibits are filed with this report, to the extent not superseded by documents subsequently filed or furnished.

SUBMITTED HEREWITH

Exhibits

99.1	Interim Management's Discussion and Analysis for the period ended June 30, 2018
99.2	Interim Financial Statements for the period ended June 30, 2018
99.3	Form 52-109F2 - Certification of Interim Filings - CEO
99.4	Form 52-109F2 - Certification of Interim Filings - CFO

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

	TRILOGY INTERNATIONAL PARTNERS INC. (Registrant)
Date: August 8, 2018	By: */s/ Erik Mickels* Erik Mickels Title: Senior Vice President and Chief Financial Officer

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Section 2: EX-99.1 (EXHIBIT 99.1)

MANAGEMENT'S DISCUSSION AND ANALYSIS OF TRILOGY INTERNATIONAL PARTNERS INC.

This Management's Discussion and Analysis ("MD&A") contains important information about the business of Trilogy International Partners Inc. ("TIP Inc.", together with its consolidated subsidiaries, the "Company"), and their performance for the three and six months ended June 30, 2018. This MD&A should be read in conjunction with TIP Inc.'s audited consolidated financial statements for the year ended December 31, 2017, together with the notes thereto (the "Consolidated Financial Statements"), prepared in accordance with U.S. generally accepted accounting principles ("U.S. GAAP") as issued by the Financial Accounting Standards Board ("FASB"); TIP Inc.'s MD&A for the year ended December 31, 2017; and TIP Inc.'s condensed consolidated financial statements for the three and six months ended June 30, 2018 and notes thereto (the "Condensed Consolidated Financial Statements"), prepared in accordance with U.S. GAAP as issued by the FASB.

On February 7, 2017, Trilogy International Partners LLC ("Trilogy LLC"), a Washington limited liability company, and Alignvest Acquisition Corporation (now TIP Inc.) completed a court approved plan of arrangement (the "Arrangement") pursuant to an arrangement agreement dated November 1, 2016 (as amended December 20, 2016, the "Arrangement Agreement").As a result of the Arrangement, TIP Inc., through a wholly owned subsidiary, owns and controls a majority interest in Trilogy LLC. As of June 30, 2018, TIP Inc. holds a 66.1% economic ownership interest in Trilogy LLC.

All dollar amounts are in U.S. dollars ("USD"), unless otherwise stated. Amounts for subtotals, totals and percentage variances included in tables in this MD&A may not sum or calculate using the numbers as they appear in the tables due to rounding. This MD&A is current as of August 8, 2018 and was approved by the Company's board of directors.

Cautionary Note Regarding Forward-Looking Statements

Certain statements and information in this MD&A are not based on historical facts and constitute forward-looking statements or forward-looking information within the meaning of the U.S. Private Securities Litigation Reform Act of 1995 and Canadian securities laws ("forward-looking statements"), including the Company's business outlook for the short and longer term and statements regarding the Company's strategy, plans and future operating performance. Forward-looking statements are provided to help you understand the Company's views of its short and longer term plans, expectations and prospects. The Company cautions you that forward-looking statements may not be appropriate for other purposes.

Any statements that express or involve discussions with respect to predictions, expectations, beliefs, plans, projections, objectives, assumptions or future events or performance (often, but not always, identified by words or phrases such as "expects", "is expected", "anticipates", "believes", "plans", "projects", "estimates", "assumes", "intends", "strategy", "goals", "objectives", "potential", "possible" or variations thereof or stating that certain actions, events, conditions or results "may", "could", "would", "should", "might" or "will" occur, be taken, or be achieved, or the negative of any of these terms and similar expressions) are not statements of historical fact and may be forward-looking statements. Forward-looking statements are not promises or guarantees of future performance. Such statements reflect the Company's current views with respect to future events and are subject to, and are necessarily based upon, a number of estimates and assumptions that, while considered reasonable by the Company, are inherently subject to significant business, economic, competitive, political and social uncertainties and contingencies, many of which, with respect to future events, are subject to change. The material assumptions used by the Company to develop such forward-looking statements include, but are not limited to:

- the absence of unforeseen changes in the legislative and operating frameworks for the Company;
- the Company meeting its future objectives and priorities;
- the Company having access to adequate capital to fund its future projects and plans;
- the Company's future projects and plans proceeding as anticipated;
- taxes payable;

- subscriber growth, pricing, usage and “churn” rates;
- technology deployment;
- data based on good faith estimates that are derived from management’s knowledge of the industry and other independent sources;
- assumptions concerning general economic and industry growth rates; and
- commodity prices, currency exchange and interest rates and competitive intensity.

Forward-looking statements are based on estimates and assumptions made by the Company in light of its experience and its perception of historical trends, current conditions and expected future developments, as well as other factors that the Company believes are appropriate in the circumstances. Many factors could cause the Company's actual results, performance or achievements to differ materially from those expressed or implied by the forward-looking statements, including, without limitation, those described under the heading "*Risk Factors*" included in the Annual Information Form for the year ended December 31, 2017 (the "2017 AIF") filed on SEDAR by TIP Inc., and filed with the U.S. Securities and Exchange Commission ("SEC") EDGAR system together with the TIP Inc. Annual Report on Form 40-F for the year ended December 31, 2017 and those referred to in TIP Inc.'s other regulatory filings with the SEC in the United States and the provincial securities commissions in Canada. Such risks, as well as uncertainties and other factors that could cause actual events or results to differ significantly from those expressed or implied in the Company's forward-looking statements include, without limitation:

- Trilogy LLC's and the Company's history of incurring losses and the possibility that the Company will incur losses in the future;
- the Company having insufficient financial resources to achieve its objectives;
- risks associated with any potential acquisition, investment or merger;
- the Company's significant level of consolidated indebtedness and the refinancing, default and other risks, as well as the limits, restrictive covenants and restrictions resulting therefrom;
- the Company's and Trilogy LLC's status as holding companies;
- the restrictive covenants in the documentation evidencing the Company's outstanding indebtedness;
- the Company's ability to incur additional debt despite its indebtedness level;
- the Company's ability to pay interest due on its indebtedness;
- the Company's ability to refinance its indebtedness;
- the risk that the Company's credit ratings could be downgraded;
- the significant political, social, economic and legal risks of operating in Bolivia;
- the regulated nature of the industry in which the Company participates;
- the Company's operations being in markets with substantial tax risks and inadequate protection of shareholder rights;
- the need for spectrum access;
- the use of "conflict minerals" and the availability of certain products, including handsets;
- anti-corruption compliance;
- intense competition in all aspects of the Company's business;
- lack of control over network termination costs, roaming revenues and international long distance revenues;
- rapid technological change and associated costs;
- reliance on equipment suppliers;
- subscriber "churn" risks, including those associated with prepaid accounts;
- the need to maintain distributor relationships;
- the Company's future growth being dependent on innovation and development of new products;
- security threats and other material disruptions to the Company's wireless network;
- the ability of the Company to protect subscriber information and cybersecurity risks generally;
- actual or perceived health risks associated with handsets;
- litigation including class actions and regulatory matters;
- fraud, including device financing, customer credit card, subscription and dealer fraud;
- reliance on limited management resources;
- risks related to the minority shareholders of the Company's subsidiaries;
- general economic risks;
- natural disasters including earthquakes;
- foreign exchange rate changes;
- currency controls and withholding taxes;
- interest rate risk;
- Trilogy LLC's ability to utilize carried forward tax losses;
- tax related risks;
- the Company's dependence on Trilogy LLC to make contributions to pay the Company's taxes and other expenses;
- Trilogy LLC's obligations to make distributions to the Company and the other owners of Trilogy LLC;
- differing interests among the Company's and Trilogy LLC's equity owners in certain circumstances;
- the Company's internal controls over financial reporting;
- an increase in costs and demands on management resources when the Company ceases to qualify as an "emerging growth company" under the U.S. Jumpstart Our Business Startups Act of 2012 (the "JOBS Act");
- additional expenses if the Company loses its foreign private issuer status under U.S. federal securities laws;
- risks that the market price of the common shares of TIP Inc. (the "Common Shares") may be volatile;
- risks that substantial sales of Common Shares may cause the price of the shares to decline;

- risks that the Company may not pay dividends;
- restrictions on the ability of Trilogy LLC's subsidiaries to pay dividends;
- dilution of the Common Shares and other risks associated with equity financings;
- risks related to the influence of securities industry analyst research reports on the trading market for the Common Shares;
- new laws and regulations; and
- risks as a publicly traded company, including, but not limited to, compliance and costs associated with the U.S. Sarbanes-Oxley Act of 2002 (to the extent applicable).

This list is not exhaustive of the factors that may affect any of the Company's forward-looking statements.

The Company's forward-looking statements are based on the beliefs, expectations and opinions of management on the date the statements are made, and the Company does not assume any obligation to update forward-looking statements if circumstances or management's beliefs, expectations or opinions should change, except as required by applicable law. For the reasons set forth above, investors should not place undue reliance on forward-looking statements.

Market and Other Industry Data

This MD&A includes industry and trade association data and projections as well as information that the Company has prepared based, in part, upon data, projections and information obtained from independent trade associations, industry publications and surveys. Some data is also based on the Company's good faith estimates, which are derived from management's knowledge of the industry and independent sources. Industry publications, surveys and projections generally state that the information contained therein has been obtained from sources believed to be reliable. The Company has not independently verified any of the data from third-party sources nor has it ascertained the underlying economic assumptions relied upon therein. Statements as to the Company's market position are based on market data currently available to the Company. Its estimates involve risks and uncertainties and are subject to change based on various factors, including those discussed in TIP Inc.'s 2017 AIF under the heading "*Risk Factors*" and discussed herein under the heading "*Cautionary Note Regarding Forward-Looking Statements*". Projections and other forward-looking information obtained from independent sources are subject to the same qualifications and uncertainties as the other forward-looking statements in this MD&A.

Trademarks and Other Intellectual Property Rights

The Company has proprietary rights to trademarks used in this MD&A, which are important to its business, including, without limitation, 2degrees, NuevaTel and Viva. The Company has omitted the "®," "™" and similar trademark designations for such trademarks but nevertheless reserves all rights to such trademarks. Each trademark, trade name or service mark of any other company appearing in this MD&A is owned by its respective holder.

About the Company

TIP Inc., together with its consolidated subsidiaries in New Zealand and Bolivia, is a provider of wireless voice and data communications including local, international long distance and roaming services, for both subscribers and international visitors roaming on its networks. The Company also provides fixed broadband communications to residential and enterprise customers in New Zealand. The Company's services cover an aggregate population of 15.6 million persons. The Company's founding executives launched operations of the Company's Bolivian subsidiary, Empresa de Telecomunicaciones NuevaTel (PCS de Bolivia), S.A. ("NuevaTel"), in 2000, when it was owned by Western Wireless Corporation ("Western Wireless"). Trilogy LLC acquired control of NuevaTel from Western Wireless in 2006, shortly after Trilogy LLC was founded. Trilogy LLC launched its greenfield operations in New Zealand, Two Degrees Mobile Limited ("2degrees"), in 2009. As of June 30, 2018, the Company had approximately 1,887 employees.

The Company's Strategy

The Company's strategy is to build, acquire and manage wireless and wireline operations in markets that are located outside the United States of America and demonstrate the potential for continuing growth. The Company believes that the wireless communications business will continue to expand in these markets because of the increasing functionality and affordability of wireless communications technologies as well as the acceleration of wireless data consumption as experienced in more developed countries. Data revenue growth continues to present a significant opportunity with each of the Company's markets in different stages of smartphone and other data-enabled device penetration. The Company's services are provided using a variety of wireless service communication technologies: Global System for Mobile Communications ("GSM" or "2G"), Universal Mobile Telecommunication Service, a GSM-based third generation mobile service for mobile communications networks ("3G"), and Long Term Evolution ("LTE"), a widely deployed fourth generation service ("4G"). Deployment of 4G in New Zealand and Bolivia enables the Company to offer its wireless subscribers in those markets a wide range of advanced services while achieving greater network capacity through improved spectral efficiency. The Company believes that 3G and 4G services will continue to be a catalyst for revenue growth from additional data services, such as mobile broadband, internet browsing capabilities, richer mobile content, video streaming and application downloads. Furthermore, in light of the fact that LTE standards are now ratified, the Company expects that in the foreseeable future 4G LTE networks will be enhanced with 4.5G and 4.9G services, which are recognized in the industry as LTE Advanced ("LTE-A") and LTE Advanced Pro ("LTE-A pro"), respectively. This evolution is expected to be accomplished mainly through commercial software releases by our network equipment manufacturers. In April 2015, the Company entered the New Zealand broadband market through the acquisition of a broadband business which allows it to provide both mobile and broadband services to subscribers via bundled products. The sale of bundled services in New Zealand facilitates better customer retention and the ability to capture a larger share of household communications revenues.

Foreign Currency

In New Zealand, the Company generates revenue and incurs costs in New Zealand dollars (“NZD”). Fluctuations in the value of the New Zealand dollar relative to the U.S. dollar can increase or decrease the Company’s overall revenue and profitability as stated in USD, which is the Company’s reporting currency. The following table sets forth for each period indicated the exchange rates in effect at the end of the period and the average exchange rates for such periods, for the NZD, expressed in USD.

	June 30, 2018	December 31, 2017	% Change
End of period NZD to USD exchange rate	0.68	0.71	(5%)

	Three Months Ended June 30,			Six Months Ended June 30,		
	2018	2017	% Change	2018	2017	% Change
Average NZD to USD exchange rate	0.70	0.70	0%	0.72	0.71	1%

The following table sets forth for each period indicated the exchange rates in effect at the end of the period and the average exchange rates for such periods, for the Canadian dollar (“CAD” or “C$”), expressed in USD, as quoted by the Bank of Canada.

	June 30, 2018	December 31, 2017	% Change
End of period CAD to USD exchange rate	0.76	0.80	(5%)

	Three Months Ended June 30,			Six Months Ended June 30,		
	2018	2017	% Change	2018	2017	% Change
Average CAD to USD exchange rate	0.77	0.74	4%	0.78	0.75	4%

Overall Performance

The table below summarizes the Company's key financial metrics for the three and six months ended June 30, 2018:

	Three Months Ended June 30,		Six Months Ended June 30,		% Variance	
(in thousands)	2018	2017	2018	2017	3 mo. vs 3 mo.	6 mo. vs 6 mo.
Postpaid wireless subscribers	754	721	754	721	5%	5%
Prepaid wireless subscribers	2,855	2,768	2,855	2,768	3%	3%
Other wireless subscribers[1]	60	63	60	63	(5%)	(5%)
Wireline subscribers	75	64	75	64	16%	16%
Total ending subscribers	3,744	3,616	3,744	3,616	4%	4%
(in millions, unless otherwise noted)						
Service revenues	$ 147.6	$ 151.4	$ 296.5	$ 303.6	(2%)	(2%)
Total revenues	$ 198.1	$ 193.5	$ 400.8	$ 384.7	2%	4%
Net loss[2]	$ (6.3)	$ (10.8)	$ (13.6)	$ (22.1)	42%	38%
Consolidated Adjusted EBITDA[3]	$ 37.5	$ 39.5	$ 70.3	$ 80.1	(5%)	(12%)
Consolidated Adjusted EBITDA Margin %[3]	25%	26%	24%	26%	n/m	n/m
Capital expenditures[4]	$ 20.8	$ 17.9	$ 38.2	$ 30.8	16%	24%

n/m - not meaningful

(1)Includes public telephony and other wireless subscribers.

(2)There was no gain or loss from discontinued operations in the periods presented. Thus, Loss from continuing operations presented in prior MD&A's has been replaced with Net loss.

(3)These are non-U.S. GAAP measures and do not have standardized meanings under U.S. GAAP. Therefore, they are unlikely to be comparable to similar measures presented by other companies. For definitions and reconciliation to most directly comparable GAAP financial measures, see "Definitions and Reconciliations of Non-GAAP Measures" in this MD&A.

(4)Represents purchases of property and equipment from continuing operations excluding capital expenditures acquired through vendor-backed financing and capital lease arrangements.

Reclassification of Imputed Discount on Equipment Installment Plan Receivables

Beginning with the second quarter of 2018, the amortization of imputed discount on Equipment Installment Plan ("EIP") receivables has been reclassified from Other, net and is now included as a component of Non-subscriber international long distance and other revenues on our Condensed Consolidated Statements of Operations and Comprehensive Loss. This presentation provides a clearer representation of amounts earned from the Company's ongoing operations and aligns with industry practice thereby enhancing comparability. We have applied this reclassification to all periods presented in this MD&A. Amortization of imputed discount included within Non-subscriber international long distance and other revenues was $0.6 million and $0.6 million for the three months ended June 30, 2018 and 2017, respectively, and $1.1 million and $1.1 million for the six months ended June 30, 2018 and 2017, respectively. This change had no impact on net loss for any period presented.

Q2 2018 Highlights

- Strong growth in New Zealand postpaid wireless subscribers which increased by 29 thousand or 8% as compared to the second quarter of 2017.
- New Zealand wireline subscribers increased by 10 thousand or 16% as compared to the second quarter of 2017, driving the 11% increase in New Zealand wireline service revenues in the second quarter over the comparable period in 2017.
- Prepaid wireless subscribers in Bolivia increased by 143 thousand or 8% as compared to the second quarter of 2017.
- New Zealand postpaid service revenues grew 6% in the second quarter over the comparable period in 2017 partially offset by the decline in prepaid service revenues.
- Net loss improved by 42%, or $4.5 million, over the second quarter of 2017, primarily due to lower interest expense as a result of the debt refinancing in May 2017.

- Adjusted EBITDA in the second quarter declined 5% over the prior year; Adjusted EBITDA margin decreased to 25% in the second quarter of 2018, from 26% in the second quarter of 2017, primarily due to an increase in general and administrative costs in New Zealand, including bad debt expense and losses from higher volume of sales of EIP receivables, and a decline in prepaid revenues in both New Zealand and Bolivia.

- LTE sites on air increased by 38% over the second quarter of 2017 as 96% of New Zealand and 87% of Bolivian network sites are now LTE-enabled. During the second quarter of 2018, 235 LTE sites were placed in service, of which the majority were added in the last two months of the quarter.

Key Performance Indicators

The Company measures success using a number of key performance indicators, which are outlined below. The Company believes these key performance indicators allow the Company to evaluate its performance appropriately against the Company's operating strategy as well as against the results of its peers and competitors. The following key performance indicators are not measurements in accordance with U.S. GAAP and should not be considered as an alternative to net income or any other measure of performance under U.S. GAAP (see definitions of these indicators in "Definitions and Reconciliations of Non-GAAP Measures – Key Industry Performance Measures – Definitions" at the end of this MD&A).

Subscriber Count

	As of June 30,		% Variance
(in thousands)	**2018**	**2017**	**2018 vs 2017**
New Zealand			
Postpaid wireless subscribers	408	380	8%
Prepaid wireless subscribers[1]	984	1,039	(5%)
Wireline subscribers	75	64	16%
New Zealand Total	1,466	1,483	(1%)
Bolivia			
Postpaid wireless subscribers	346	341	1%
Prepaid wireless subscribers	1,872	1,729	8%
Other wireless subscribers[2]	60	63	(5%)
Bolivia Total	2,278	2,133	7%
Consolidated			
Postpaid wireless subscribers	754	721	5%
Prepaid wireless subscribers [1]	2,855	2,768	3%
Other wireless subscribers[2]	60	63	(5%)
Wireline subscribers	75	64	16%
Consolidated Total	3,744	3,616	4%

Notes:
[1]Includes deactivations of 48 thousand of prepaid wireless subscribers relating to the 2G network shutdown in March 2018 and subsequent 12 thousand of prepaid wireless reconnections.
[2]Includes public telephony and other wireless subscribers

The Company determines the number of subscribers to its services based on a snapshot of active subscribers at the end of a specified period. When subscribers are deactivated, either voluntarily or involuntarily for non-payment, they are considered deactivations in the period the services are discontinued. Wireless subscribers include both postpaid and prepaid services for voice-only, data-only or a combination thereof in both the Company's New Zealand and Bolivia segments, as well as public telephony and other wireless subscribers in Bolivia. Wireline subscribers comprise the subscribers associated with the Company's fixed broadband product in New Zealand.

The Company ended June 30, 2018 with 3.7 million consolidated wireless subscribers, an increase of 117 thousand wireless subscribers compared to June 30, 2017, and with approximately 75 thousand wireline subscribers, an increase of 10 thousand wireline subscribers from June 30, 2017.

- New Zealand's wireless subscriber base decreased 2% compared to June 30, 2017, reflecting a reduction in prepaid subscribers of 5%, primarily due to the impact of the shutdown of the 2G network during the first quarter of 2018, partially offset by growth of 8% in postpaid subscribers; wireline subscribers increased 16% compared to June 30, 2017, reflecting growth in both residential and enterprise customers.

- Bolivia's wireless subscriber base increased 7% compared to June 30, 2017, reflecting growth in prepaid and postpaid subscribers of 8% and 1%, respectively.

Consolidated Key Performance Metrics[1]

(not rounded, unless otherwise noted)	Three Months Ended June 30, 2018	Three Months Ended June 30, 2017	Six Months Ended June 30, 2018	Six Months Ended June 30, 2017	% Variance 3 mo. vs 3 mo.	% Variance 6 mo. vs 6 mo.
Monthly blended wireless ARPU	$ 11.65	$ 12.28	$ 11.74	$ 12.37	(5%)	(5%)
Monthly postpaid wireless ARPU	$ 29.97	$ 30.44	$ 29.77	$ 30.46	(2%)	(2%)
Monthly prepaid wireless ARPU	$ 6.58	$ 7.22	$ 6.65	$ 7.33	(9%)	(9%)
Cost of acquisition	$ 42.83	$ 68.31	$ 45.95	$ 62.20	(37%)	(26%)
Equipment subsidy per gross addition	$ 6.63	$ 12.61	$ 6.60	$ 10.43	(47%)	(37%)
Blended wireless churn	5.93%	5.27%	5.85%	4.95%	n/m	n/m
Postpaid wireless churn	1.65%	1.82%	1.73%	1.63%	n/m	n/m
Capital expenditures (in millions)[2]	$ 20.8	$ 17.9	$ 38.2	$ 30.8	16%	24%
Capital intensity	14%	12%	13%	10%	n/m	n/m

n/m - not meaningful

[1]For definitions, see "Definitions and Reconciliations of Non-GAAP Measures - Key Industry Performance Measures-Definitions" in this MD&A.

[2]Represents purchases of property and equipment from continuing operations excluding capital expenditures acquired through vendor-backed financing and capital lease arrangements.

Monthly Blended Wireless ARPU – average monthly revenue per wireless user

Monthly blended wireless ARPU decreased by 5% for the three and six months ended June 30, 2018, respectively, compared to the same periods in 2017. An improvement in blended wireless ARPU in New Zealand was offset by a decline in Bolivia.

For the periods presented, the Company experienced a positive impact from the improving mix of postpaid subscribers within the base as the main driver for the improving blended wireless ARPU in New Zealand. Additionally, the volume of mobile data usage per subscriber, an important component of data revenues, increased due to growth in postpaid subscribers and an increase in LTE adoption by subscribers.

In Bolivia, the overall decrease in blended wireless ARPU for the three and six months ended June 30, 2018 compared to the same periods in 2017, was primarily due to increased promotional activity in Bolivia in the first and second quarters which decreased the price per unit of data usage. This pricing decrease was partially offset by an increase in mobile data usage per subscriber.

Cost of Acquisition

The Company's cost of acquisition for its segments is largely driven by increases or decreases in equipment subsidies, as well as fluctuations in its sales and marketing expenses, which are components of supporting the subscriber base; the Company measures its efficiencies based on a per gross add or acquisition basis.

Cost of acquisition decreased 37% and 26% for the three and six months ended June 30, 2018, respectively, compared to the same periods in 2017. These decreases were mainly attributable to a decrease in sales and marketing expense per gross addition in Bolivia as a result of a decrease in the expense related to the accrual for customer loyalty program.

Equipment Subsidy per Gross Addition

Equipment subsidies, a component of the Company's cost of acquisition, have centered on an increasing demand for, and promotion of, smartphone devices. In Bolivia, a comparatively new entrant into smartphone-centric usage, equipment subsidies are used to encourage smartphone-device usage. The grey market category, a source of unsubsidized devices, continues to represent the principal smartphone market in Bolivia. In New Zealand, growth in the wireline subscriber base has resulted in an increase in wireline equipment costs. The Company also periodically offers equipment subsidies on certain plans and higher-end wireless devices; however, there has been less of a focus on handset subsidies since the launch of the EIP in the third quarter of 2014.

For the three and six months ended June 30, 2018, the equipment subsidy per gross addition decreased by 47% and 37% compared to the same periods in 2017, respectively. These decreases were driven primarily by a decrease in handset subsidies in New Zealand.

Blended Wireless Churn

Generally, prepaid churn rates are higher than postpaid churn rates. Prepaid churn rates have increased in New Zealand and Bolivia during times of intensive promotional activity as well as periods associated with high-volume consumer shopping, such as major events and holidays. There is generally less seasonality with postpaid churn rates, as postpaid churn is mostly a result of service contract expirations, equipment purchased on an installment payment basis being fully paid off and new device or service launches.

Both New Zealand and Bolivia evaluate their subscriber bases periodically to assess activity in accordance with their subscriber service agreements, and customers who are unable to pay within established standards are terminated; their terminations are recorded as involuntary churn.

Blended wireless churn increased by 66 basis points and 90 basis points for the three and six months ended June 30, 2018, compared to the same periods in 2017, due to increased churn in Bolivia, partially offset by decreased churn in New Zealand. The increase in wireless churn in Bolivia was primarily due to prepaid promotional activity during the first and second quarters of 2018, which drove continued customer acquisition and customer churn. New Zealand churn was impacted during the six months ended June 30, 2018 by the shutdown of the Company’s 2G network during the first quarter of 2018. Excluding the impact of the 2G shutdown, consolidated blended wireless churn would have been 5.65% for the six months ended June 30, 2018, an increase of 70 basis points compared to the same period in 2017.

Capital Expenditures

Capital expenditures include costs associated with acquiring property and equipment and placing it into service. The Company’s industry requires significant and on-going investments, including investment in new technologies and the expansion of capacity and geographical reach. Capital expenditures have a material impact on the Company’s cash flows, therefore, planning, funding and managing them is a key focus.

Capital expenditures represent purchases of property and equipment excluding capital expenditures acquired through vendor-backed financing and capital lease arrangements. The expenditures related to the acquisition of the Company’s spectrum licenses are not included in the Company’s capital expenditures amounts. The Company believes this measure best reflects its cost of capital expenditures in a given period and is a simpler measure for comparing between periods.

For the three and six months ended June 30, 2018, compared to the same periods in 2017, the capital intensity percentage increased two and three percentage points, respectively, representing an increase in capital expenditures of $2.8 million and $7.4 million for the three and six months ended June 30, 2018, respectively, compared to the same periods in 2017, due to timing of spending on network expansion projects and software development and upgrades.

Results of Operations

Consolidated Revenues

(in millions)	Three Months Ended June 30, 2018	Three Months Ended June 30, 2017	Six Months Ended June 30, 2018	Six Months Ended June 30, 2017	% Variance 3mo. vs 3mo.	% Variance 6 mo. vs 6 mo.
Revenues:						
Wireless service revenues	$ 127.7	$ 132.8	$ 256.9	$ 267.6	(4%)	(4%)
Wireline service revenues	15.9	14.2	31.1	27.7	11%	12%
Equipment sales	50.5	42.1	104.3	81.1	20%	29%
Non-subscriber ILD and other revenues	4.0	4.4	8.5	8.3	(8%)	2%
Total revenues	$ 198.1	$ 193.5	$ 400.8	$ 384.7	2%	4%

Consolidated Wireless Service Revenues

Wireless service revenues decreased $5.0 million and $10.7 million for the three and six months ended June 30, 2018, respectively, compared to the same periods in 2017, primarily due to a decline in prepaid revenues in Bolivia, driven by lower voice usage and an increase in promotional offers in 2018, which were partially offset by an increase in the prepaid and postpaid wireless subscriber base. Wireless service revenues were flat in New Zealand for the three and six months ended June 30, 2018, compared to the same periods in 2017, due to an increase in postpaid revenues and, for the six months ended June 30, 2018, the strengthening of the New Zealand dollar as compared to the U.S. dollar, offset by a decline in prepaid subscribers and roaming revenues. Consolidated data revenues decreased by 2% and 1% for the three and six months ended June 30, 2018, respectively, compared to the same periods in 2017, as increases in New Zealand were more than offset by declines in Bolivia.

Consolidated Wireline Service Revenues

Wireline service revenues increased $1.6 million and $3.4 million for the three and six months ended June 30, 2018, respectively, compared to the same periods in 2017, primarily due to the 16% growth in the wireline subscriber base.

Consolidated Equipment Sales

Equipment sales increased $8.4 million and $23.2 million for the three and six months ended June 30, 2018, respectively, compared to the same periods in 2017, due to a shift in product mix toward higher end devices over the same periods in the prior year in New Zealand. 2degrees also offered new plan options and promotions during the first half of 2018.

Consolidated Non-subscriber International Long Distance (“ILD”) and Other Revenues

Non-subscriber ILD and other revenues decreased $0.3 million and increased $0.2 million for the three and six months ended June 30, 2018, respectively, compared to the same periods in 2017. These changes resulted from individually insignificant items.

Consolidated Operating Expenses

Operating expenses represent expenditures incurred by the Company’s operations and its corporate headquarters.

(in millions)	Three Months Ended June 30, 2018	Three Months Ended June 30, 2017	Six Months Ended June 30, 2018	Six Months Ended June 30, 2017	% Variance 3 mo. vs 3 mo.	% Variance 6 mo. vs 6 mo.
Operating expenses:						
Cost of service, exclusive of depreciation, amortization and accretion shown separately	$ 50.8	$ 53.5	$ 105.6	$ 108.0	(5%)	(2%)
Cost of equipment sales	55.0	47.9	113.0	91.2	15%	24%
Sales and marketing	24.6	25.8	52.1	50.0	(5%)	4%
General and administrative	33.9	28.3	66.1	58.6	20%	13%
Depreciation, amortization and accretion	28.8	26.5	56.7	53.8	8%	5%
Loss on disposal and abandonment of assets	0.1	0.1	-	0.3	(55%)	(106%)
Total operating expenses	$ 193.1	$ 182.3	$ 393.5	$ 361.8	6%	9%

Consolidated Cost of Service

Cost of service expense decreased $2.7 million and $2.5 million for the three and six months ended June 30, 2018, respectively, compared to the same periods in 2017, due to declines in both Bolivia and New Zealand. The decline for the three months ended June 30, 2018 was primarily due to a decline in non-subscriber interconnection costs in New Zealand associated with a decline in the volume of traffic terminating on other carriers’ network. There was also a decline in national roaming costs in New Zealand attributable to 2degrees’ investment in increasing the coverage of its network. The decline for the six months ended June 30, 2018 was also driven by a decrease in interconnection costs in Bolivia due to a lower volume of voice and SMS traffic terminating outside of NuevaTel’s network.

Consolidated Cost of Equipment Sales

Cost of equipment sales increased $7.0 million and $21.8 million for the three and six months ended June 30, 2018, respectively, compared to the same periods in 2017, primarily due to a product mix shift toward higher end devices over the same periods in the prior year in New Zealand. 2degrees offered new plan options and promotions during the first half of 2018.

Consolidated Sales and Marketing

Sales and marketing decreased $1.3 million and increased $2.1 million for the three and six months ended June 30, 2018, respectively, compared to the same periods in 2017. The decline for the three months ended June 30, 2018 was primarily due to a decline in Bolivia in the expense related to the accrual for customer loyalty program of approximately $1.4 million in the period. The increase for the six months ended June 30, 2018 was due to higher advertising and promotions costs in New Zealand driven by the timing of a new brand campaign. In addition, there was an increase in dealer commission costs in New Zealand driven by higher commission rates on new plans and an increase in postpaid subscriber activations during these periods.

Consolidated General and Administrative

General and administrative costs increased $5.6 million and $7.5 million for the three and six months ended June 30, 2018, respectively, compared to the same periods in 2017. These increases were primarily driven by increases in bad debt expense and in the loss on sales of EIP receivables in New Zealand. General and administrative costs also increased due to costs incurred related to the implementation of the new revenue recognition standard of approximately $0.8 million and $1.3 million for the three and six months ended June 30, 2018, respectively. General and administrative costs also increased due to approximately $0.7 million of additional equity-based compensation expense related to the modification of certain service-based share options in New Zealand.

Consolidated Depreciation, Amortization and Accretion

Depreciation, amortization and accretion increased $2.3 million and $2.9 million for the three and six months ended June 30, 2018, respectively, compared to the same periods in 2017, due to the timing of the capitalization of continued LTE network overlay and software development enhancements in New Zealand.

Consolidated Other Expenses (Income)

	Three Months Ended June 30,		Six Months Ended June 30,		% Variance	
(in millions)	**2018**	**2017**	**2018**	**2017**	**3 mo. vs 3 mo.**	**6 mo. vs 6 mo.**
Interest expense	$ 11.5	$ 18.5	$ 22.6	$ 37.5	(38%)	(40%)
Change in fair value of warrant liability	(2.8)	(3.5)	(5.1)	(3.5)	(20%)	46 %
Debt modification and extinguishment costs	-	6.7	-	6.7	(100%)	(100%)
Other, net	0.5	(1.6)	(0.5)	(0.3)	(130%)	62 %

Consolidated Interest Expense

Interest expense decreased $7.1 million and $14.9 million for the three and six months ended June 30, 2018, respectively, compared to the same periods in 2017, primarily due to the refinancing and repayment of the 13.375% Trilogy LLC senior secured notes due 2019 (the "Trilogy 2019 Notes") in the aggregate principal amount of $450 million. In May 2017, Trilogy LLC issued 8.875% senior secured notes due 2022 (the "Trilogy 2022 Notes") in the aggregate principal amount of $350 million and used the proceeds thereof, together with cash on hand, to repay the Trilogy 2019 Notes. This refinancing and repayment had the effect of reducing annualized interest costs at Trilogy LLC from approximately $60 million to approximately $31 million.

Consolidated Change in Fair Value of Warrant Liability

As of February 7, 2017 in connection with the completion of the Arrangement, TIP Inc.'s issued and outstanding warrants were classified as a liability, as the warrants are written options that are not indexed to Common Shares. The warrant liability is marked-to-market each reporting period with the changes in fair value recorded as a gain or loss in the Condensed Consolidated Statement of Operations. The change in fair value of the warrant liability was due to changes in the trading price of warrants. For the three and six months ended June 30, 2018, the non-cash gain decreased $0.7 million and increased $1.6 million, respectively, compared to the same periods in 2017.

Consolidated Other, Net

Other, net income decreased $2.0 million and increased $0.2 million for the three and six months ended June 30, 2018, respectively, compared to the same periods in 2017. The decrease for the three months ended June 30, 2018 was due to losses on foreign currency transactions in New Zealand as a result of the negative impact in 2018 of the changes in exchange rates between the New Zealand dollar and other currencies in which transactions are denominated. The increase for the six months ended June 30, 2018 was primarily due to individually insignificant items, partially offset by the aforementioned increase in foreign currency losses in New Zealand.

Consolidated Income Taxes

	Three Months Ended June 30,		Six Months Ended June 30,		% Variance	
(in millions)	**2018**	**2017**	**2018**	**2017**	**3 mo. vs 3 mo.**	**6 mo. vs 6 mo.**
Income tax expense	$ 2.2	$ 1.8	$ 4.0	$ 4.6	19%	(12%)

Income Tax Expense

Income tax expense increased $0.3 million and declined $0.6 million for the three and six months ended June 30, 2018, respectively, compared to the same periods in 2017. The increase for the three months ended June 30, 2018 was due to individually insignificant changes in the period. The decline for the six months ended June 30, 2018 was due to lower pre-tax earnings in Bolivia.

Business Segment Analysis

The Company's two reporting segments (New Zealand (2degrees) and Bolivia (NuevaTel)) provide a variety of wireless voice and data communications services, including local, international long distance and roaming services for both subscribers and international visitors roaming on the Company's networks. Services are provided to subscribers on both a postpaid and prepaid basis. In Bolivia, fixed public telephony services are also offered via wireless backhaul connections, as well as in-home use based on WiMAX technology. In New Zealand, fixed-broadband services, or wireline services, have been offered since May 2015.

The Company's networks support several digital technologies: GSM, 3G, 4G LTE and WiMAX. In Bolivia, the Company launched 4G LTE services in May 2015 and the Company had 1038 4G LTE sites on-air as of June 30, 2018, an increase of 204 4G LTE sites during the second quarter of 2018. In New Zealand, the Company launched 4G LTE services in 2014 and the Company had 1039 4G LTE sites on-air as of June 30, 2018.

	2degrees	**NuevaTel**
Trilogy LLC Ownership Percentage as of June 30, 2018	73.3%	71.5%
Launch Date	August 2009	November 2000
Population (in millions)[(1)]	4.5	11.1
Wireless Penetration[(2)]	143%	84%
Company Wireless Subscribers (in thousands) as of June 30, 2018	1,392	2,278
Company Market Share of Wireless Subscribers[(2)]	23%	24%

Notes:

[(1)]Source: The U.S. Central Intelligence Agency's World Factbook as of July 2017.

[(2)]Source: Management estimate based on most currently available information

Following its launch in 2009 as New Zealand's third wireless entrant, 2degrees quickly gained market share. Management estimates that 2degrees has a 23% market share of wireless subscribers in New Zealand based on the most currently available information. The Company believes there is continued opportunity for significant growth in the estimated $5 billion NZD New Zealand telecommunications market where we estimate 2degrees has approximately 13% share of the revenue.

The Bolivian market also consists of three mobile operators. The Company's Bolivian operation has matured into a stable generator of revenue and cash flow since its launch in 2000, with a 24% estimated market share of wireless subscribers based on the most currently available information. The cash flow generated from its operations has been used to fund its ongoing 3G and 4G LTE network expansion as well as to pay dividends to shareholders. Bolivia has very low smartphone and broadband penetration compared to other Latin American markets, thus creating opportunity for continued growth in data revenues. Furthermore, the Company believes that smartphone price decreases and the introduction of other mobile data-capable devices along with additional content will accelerate the data adoption and smartphone penetration rate and data usage in Bolivia.

New Zealand (2degrees)

2degrees launched commercial service in 2009. As of June 30, 2018, Company-controlled entities owned 73.3% of 2degrees with the remaining interests (26.7%) owned by Tesbrit B.V., a Dutch investment company.

Overview

Prior to 2degrees' entry, the New Zealand wireless communications market was a duopoly, and the incumbent operators, Vodafone and Telecom New Zealand (now Spark New Zealand), were able to set relatively high prices, which resulted in low wireless usage by consumers. Additionally, mobile revenue in New Zealand in 2009 was only 31% of total New Zealand telecommunications industry revenue, compared to 42% for the rest of Organization for Economic Cooperation and Development ("OECD") countries. These two factors led the Company to believe this market presented a significant opportunity for a third competitor to enter the market successfully.

Consequently, 2degrees launched in the New Zealand wireless market in 2009 through innovative pricing, a customer-centric focus, and differentiated brand positioning. 2degrees introduced a novel, low-cost, prepaid mobile product that cut the incumbents' prices of prepaid voice calls and text messages in half and rapidly gained market share. Since then, 2degrees has reinforced its reputation as the challenger brand by combining low-cost alternatives with excellent customer service. Management estimates 2degrees' wireless market subscriber share to be approximately 23% based on most currently available information.

Additionally, 2degrees provides fixed broadband communications services to residential and enterprise customers.

Services; Distribution; Network; 2degrees Spectrum Holdings
For a discussion of these topics, please refer to TIP Inc.'s MD&A for the year ended December 31, 2017.

Governmental Regulation

New Zealand has a Minister for Communications, supported by the Ministry of Business Innovation and Employment ("MBIE"), which advises on policy for telecommunications and spectrum issues. Following a general election in October 2017, the New Zealand Labour, New Zealand First and Green parties formed a new coalition government and named a new Minister for Communications. The Minister has signaled particular interest in digital content, digital inclusion, regional and broadcasting issues. Following the directions of the Minister, the MBIE is in the process of setting up a Government Chief Technology Officer role and has established a Digital Economy and Digital Inclusion Ministerial Advisory Group, to advise the government on how it can best meet its objectives to grow the digital economy, reduce digital divides and benefit from new digital technologies.

The MBIE also administers the allocation of radio frequency licenses. 2degrees offers service pursuant to licenses in the 700 MHz band, the 900 MHz band, the 1800 MHz band and the 2100 MHz band. 2degrees' 900 MHz and 700 MHz spectrum licenses expire in, or can be extended to, 2031; the 2degrees 1800 MHz and 2100 MHz spectrum licenses expire in 2021. The MBIE is due to offer renewals for 1800 MHz and 2100 MHz licenses to 2degrees and its wireless competitors in the near future; however, the MBIE has indicated that it may not offer renewals for all of this spectrum, and instead may hold a portion of the spectrum for re-allocation in the future. The MBIE is also preparing for the introduction of 5G services in New Zealand, including consideration of 5G spectrum allocations and timing. In line with international developments, the 3.5GHz band is likely to be allocated as the first key 5G band. The MBIE is currently considering technical issues related to such an allocation. The MBIE is also considering other potential 5G bands, including mmWave spectrum (above 20GHz), 600MHz, 1400MHz and 2300MHz spectrum.

The politically independent Commerce Commission of New Zealand (the "Commerce Commission") is responsible for implementation of New Zealand's Telecommunications Act 2001. The Commerce Commission includes a Telecommunications Commissioner, who oversees a team that enforces, monitors, and provides reports on the telecommunications sector. The Commerce Commission is responsible for market monitoring, identifying which telecommunications services warrant regulation, setting price and/or non-price terms for services that are regulated, and establishing enforcement arrangements applicable to regulated services. These responsibilities include wholesale regulation of the fixed line access services that 2degrees offers, including unbundled bitstream access. The Commerce Commission has announced that it will be conducting a review of the mobile market under its monitoring powers and has published the proposed scope of this study. The purpose of this review is to develop a common understanding of the competitive landscape and any emerging competition issues going forward. It will consider both evolving consumer preferences and technological shifts, including implications of fixed-mobile convergence and 5G. The Commerce Commission is expected to publish an Issues Paper in the near future and will be seeking public feedback. The Commerce Commission is also carrying out a study on domestic backhaul services.

The New Zealand government completed a review of the Telecommunications Act 2001 and issued policy recommendations in June 2017. Draft legislation is currently being considered by parliament, with enactment expected in the near future. This draft legislation sets out a new regulatory framework for fiber services, which 2degrees uses for the provision of both fixed broadband and mobile communications services to its customers. The legislation proposes taking a regulated ‘utility style’ building blocks approach post-2020, representing a shift from the current Total Service Long Run Increment Cost (“TSLRIC”) pricing approach applied to copper services. Copper services will be deregulated in areas where fiber services are available. Access to fiber unbundling will be required, but is not proposed to be price-regulated. Telecommunications monitoring will be expanded to provide a greater emphasis on service quality rather than the current price and coverage focus. The government has not yet determined how to fund such monitoring activities.

No major changes to the regulation of mobile-specific services have been proposed, but various Telecommunications Act 2001 processes will be streamlined, shortening the time for implementation of future regulations, which could include rules governing the mobile sector.

The New Zealand government has taken an active role in funding fiber (the Ultra-Fast Broadband Initiative) and wireless infrastructure (the Rural Broadband Initiative) (“RBI”) to enhance citizens’ access to higher speed broadband services. In March 2015, the government announced the expansion of the Ultra-Fast Broadband Initiative from 75% to 80% of premises passed, at a projected cost of between $152 million NZD and $210 million NZD. In addition, it announced an extension of the Rural Broadband Initiative and a Mobile Black Spots Fund, allocating $150 million NZD of funding for these purposes. In April 2017, 2degrees submitted a bid with other national mobile providers, Vodafone and Spark, to form a joint venture that would deliver a shared wireless broadband/mobile solution in rural areas identified by the government. In August 2017, the New Zealand government signed an agreement with the joint venture to fund a portion of the country’s rural broadband infrastructure project (the “RBI2 Agreement”). Under the RBI2 Agreement, 2degrees has a commitment to invest $20 million NZD over several years in accordance with payment milestones agreed upon between the parties to the RBI2 Agreement. 2degrees will also contribute to the operating costs of the RBI network.

In the past, New Zealand’s government has supported competition in the telecommunications market. In February 2017, the Commerce Commission rejected a proposed merger between Vodafone, one of 2degrees’ competitors, and Sky Network Television, a satellite pay television provider on grounds that the transaction would lessen competition. The government also has previously imposed limits on the quantity of spectrum that any one party and its associates can hold in specific frequency bands, and has permitted purchasers of spectrum rights to satisfy their purchase payment obligations over time (both of which assisted 2degrees’ ability to acquire spectrum rights); however, the government does not have a clear policy to continue these practices.

New Zealand - Operating Results

(in millions, unless otherwise noted)	Three Months Ended June 30, 2018	Three Months Ended June 30, 2017	Six Months Ended June 30, 2018	Six Months Ended June 30, 2017	% Variance 3 mo. vs. 3 mo.	% Variance 6 mo. vs. 6 mo.
Service revenues	$ 86.7	$ 85.5	$ 175.7	$ 172.0	1%	2%
Total revenues	$ 136.5	$ 126.5	$ 278.5	$ 251.1	8%	11%
Data as a % of wireless service revenues	69%	65%	68%	65%	n/m	n/m
New Zealand Adjusted EBITDA	$ 22.0	$ 20.7	$ 40.8	$ 43.5	6%	(6%)
New Zealand Adjusted EBITDA Margin %[1]	25%	24%	23%	25%	n/m	n/m
Postpaid Subscribers (in thousands)						
Net additions	7	3[2]	12	7	167%	68%
Total postpaid subscribers	408	380	408	380	8%	8%
Prepaid Subscribers (in thousands)						
Net additions (losses)	1[3]	(32)	(42)[3]	(27)	103%	(52%)
Total prepaid subscribers	984	1,039	984	1,039	(5%)	(5%)
Total wireless subscribers (in thousands)	1,392	1,419	1,392	1,419	(2%)	(2%)
Wireline Subscribers (in thousands)						
Net additions	2.9	3.7	6.1	8.6	(20%)	(29%)
Total wireline subscribers	75	64	75	64	16%	16%
Total ending subscribers (in thousands)	1,466	1,483	1,466	1,483	(1%)	(1%)
Blended wireless churn	2.25%[3]	3.50%	3.03%[3]	3.16%	n/m	n/m
Postpaid churn	1.61%	1.82%[2]	1.69%	1.49%	n/m	n/m
Monthly blended wireless ARPU (not rounded)	$ 16.20	$ 15.74	$ 16.30	$ 16.06	3%	1%
Monthly postpaid wireless ARPU (not rounded)	$ 35.65	$ 36.06	$ 35.94	$ 36.75	(1%)	(2%)
Monthly prepaid wireless ARPU (not rounded)	$ 7.90[3]	$ 7.73	$ 7.85[3]	$ 7.94	2%	(1%)
Capital expenditures [4]	$ 12.8	$ 10.7	$ 25.9	$ 21.0	20%	24%
Capital intensity	15%	12%	15%	12%	n/m	n/m

n/m - not meaningful
Notes:

(1) New Zealand Adjusted EBITDA Margin is calculated as New Zealand Adjusted EBITDA divided by New Zealand Service revenues.

(2) Includes deactivations of 3.0 thousand in the three months ended March 31, 2017 due to the conversion to a new business support system. On an adjusted basis, net additions would have been 1.6 thousand and 5.7 thousand for the three months ended March 31, 2017 and June 30, 2017, respectively. Similarly, postpaid churn would have been 1.43% and 1.56% for the three months ended March 31, 2017 and June 30, 2017, respectively.

(3) Includes approximately 12 thousand reconnections and 37 thousand deactivations of prepaid wireless subscribers in the three and six months ended June 30, 2018, respectively, relating to the 2G network shutdown that occured during the three months ended March 31, 2018. On an adjusted basis, prepaid net additions would have been 11 thousand net losses and 5 thousand net losses, blended wireless churn would have been 2.45% and 2.56% and monthly prepaid wireless ARPU would have been $7.57 and $7.71 for the three and six months ended June 30, 2018, respectively.

(4) Represents purchases of property and equipment excluding capital expenditures acquired through vendor-backed financing and capital lease arrangements.

Three and Six Months Ended June 30, 2018 Compared to Same Periods in 2017

Service revenues increased $1.2 million and $3.7 million for the three and six months ended June 30, 2018, respectively, compared to the same periods in 2017. The increase in service revenues was primarily due to higher postpaid and wireline service revenues, driven by the larger postpaid subscriber and fixed broadband bases. Additionally, for the six months ended June 30, 2018, compared to the same period in 2017, $1.9 million of the increase in service revenues resulted from the strengthening of the New Zealand dollar as compared to the U.S. dollar. The increases in service revenues were partially offset by declines in prepaid revenues primarily as a result of enhancing the value of service offerings in response to competitive changes.

Total revenues increased $9.9 million and $27.5 million for the three and six months ended June 30, 2018, respectively, compared to the same periods in 2017, primarily due to an increase in equipment sales. Equipment sales increased $8.8 million and $23.7 million for the three and six months ended June 30, 2018, respectively, compared to the same periods in 2017. These increases were primarily due to the sale of higher-end devices over the same periods in the prior year. 2degrees now offers the option to pay for handsets in installments over a period of up to 36 months in addition to the existing 24-month EIP.

For the three and six months ended June 30, 2018, compared to the same periods in the prior year, operating expenses increased $12.3 million and $34.8 million, respectively, primarily due to the following:

- Cost of service declined $1.9 million and $0.5 million for the three and six months ended June 30, 2018, respectively, compared to the same periods in 2017, primarily due to a decline in non-subscriber interconnection costs associated with a decline in the volume of traffic terminating on other carriers' networks. There was also a decline in national roaming costs attributable to 2degrees' investment in increasing the coverage of its network. These declines were partially offset by transmission expense increases associated with the growth of the wireline subscriber base and interconnection costs increases associated with a higher volume of traffic attributable to 2degrees subscribers completing local mobile calls outside of 2degrees' network;

- Cost of equipment sales increased $7.1 million and $22.2 million for the three and six months ended June 30, 2018, respectively, compared to the same periods in 2017, primarily due to the aforementioned shift in product mix toward high-end devices;

- Sales and marketing increased $0.6 million and $4.7 million for the three and six months ended June 30, 2018, respectively, compared to the same periods in 2017, primarily due to higher advertising and promotions costs of $0.3 million and $2.9 million for the three and six months ended June 30, 2018, respectively, associated with a re- brand campaign in the first quarter of 2018 and new promotions during the three and six months ended June 30, 2018. In addition, there was an increase in dealer commissions of $0.1 million and $1.5 million for the three and six months ended June 30, 2018, respectively, compared to the same periods in 2017, driven by higher commission rates on new plans and an increase in postpaid subscriber activations during these periods;

- General and administrative increased $4.2 million and $5.3 million for the three and six months ended June 30, 2018, respectively, compared to the same periods in 2017, driven by increases in bad debt expense and increases in loss on sale of EIP receivables due to higher volumes sold in 2018. Bad debt expense increased $1.0 million and $2.1 million for the three and six months ended June 30, 2018, respectively. The increase in bad debt expense relates to the wireline subscribers and to an increase in the EIP allowance for doubtful accounts as a result of observing recent trends and the aging of accounts receivables. Loss on sale of EIP receivables increased $0.8 million and $0.9 million for the three and six months ended June 30, 2018, respectively. General and administrative costs also increased $0.7 million in the second quarter of 2018 due to an increase in equity-based compensation expense associated with the extension of the expiration date of certain service-based share options and $0.8 million in the second quarter of 2018 related to the implementation of the new revenue recognition standard; and

- Depreciation, amortization, and accretion increased $2.3 million and $3.2 million for the three and six months ended June 30, 2018, respectively, compared to the same periods in 2017 due to the timing of the capitalization of continued LTE network overlay and software development enhancements.

New Zealand Adjusted EBITDA increased by $1.3 million and decreased by $2.7 million for the three and six months ended June 30, 2018, respectively, compared to the same periods in 2017. The increase in Adjusted EBITDA for the three months ended June 30, 2018, compared to the same period in 2017, was primarily a result of the decline in equipment subsidies and cost of service expenses along with the growth in service revenues which more than offset the increase in certain general and administrative expenses impacting Adjusted EBITDA described above. The decline in Adjusted EBITDA for the six months ended June 30, 2018, compared to the same period in 2017, was a result of the increase in sales and marketing and general and administrative expenses partially offset by growth in service revenues and decline in cost of service expenses described above.

Capital expenditures increased $2.1 million and $5.0 million for the three and six months ended June 30, 2018, respectively, compared to the same periods in 2017. These increases were primarily due to the timing of capital expenditures in 2018 for continued LTE network overlay and software development enhancements.

Subscriber Count

2degrees' wireless subscriber base decreased 2% compared to June 30, 2017, reflecting a decrease in prepaid subscribers primarily due to the 2G shutdown in the first quarter of 2018, partially offset by the continued growth in postpaid wireless subscribers. As of June 30, 2018, postpaid wireless subscribers comprised 29% of the total wireless subscriber base, an increase of approximately three percentage points from June 30, 2017. Postpaid wireless subscriber growth was primarily driven by the launch of new plans and promotions coupled with sequential improvements in postpaid churn. As of June 30, 2018, 2degrees' wireline subscriber base increased 16% compared to the second quarter of 2017. Wireline subscriber growth was mainly due to new more competitive offers that were well received in the market.

Blended Wireless ARPU

2degrees' blended wireless ARPU is generally driven by the mix of postpaid and prepaid subscribers, foreign currency exchange rate fluctuations, the amount of data consumed by the subscriber, and the mix of service plans and bundles. Blended wireless ARPU increased 3% and 1% for the three and six months ended June 30, 2018, respectively, compared to the same periods in 2017. Excluding foreign currency impact, blended wireless ARPU was flat for the six months ended June 30, 2018 compared to the same period in 2017. The increase for the three months ended June 30, 2018, compared to the same period in 2017, was due primarily to the higher proportion of postpaid wireless subscribers, partially offset by the decline associated with additional value provided in the postpaid plan packages. Blended wireless ARPU related to data revenues increased 9% and 6% for the three and six months ended June 30, 2018, respectively, compared to the same periods in 2017, or 9% and 5% excluding foreign currency impact.

New Zealand Business Outlook, Competitive Landscape and Industry Trend

The New Zealand Business Outlook, Competitive Landscape and Industry Trend are described in TIP Inc.'s MD&A for the year ended December 31, 2017.

Bolivia (NuevaTel)

The Trilogy LLC founders launched NuevaTel in 2000 while they served in senior management roles of Western Wireless. Trilogy LLC subsequently acquired a majority interest in the business in 2006 and currently owns 71.5% of NuevaTel, with the remaining 28.5% owned by Comteco, a large cooperatively owned fixed line telephone provider in Bolivia.

Overview

NuevaTel, which operates under the brand name "Viva" in Bolivia, provides wireless, long distance, public telephony and wireless broadband communication services. It provides competitively priced and technologically advanced service offerings and high quality subscriber care. NuevaTel focuses its customer targeting efforts on millennials and differentiates itself through simplicity, transparency and a strong national brand. As of June 30, 2018, NuevaTel had approximately 2.3 million wireless subscribers representing an estimated 24% subscriber market share.

Services; Distribution; Network; NuevaTel Spectrum Holdings

For a discussion of these topics, please refer to TIP Inc.'s MD&A for the year ended December 31, 2017.

Governmental Regulation

NuevaTel operates two spectrum licenses in the 1900 MHz band; the first license expires in November 2019, and the second license expires in 2028. Additionally, NuevaTel provides 4G LTE services in the 1700 / 2100 MHz bands with a license term expiring in 2029. NuevaTel also provides fixed broadband services using WiMAX and fixed LTE technologies through spectrum licenses in the 3500 MHz band with minimum terms ranging from 2024 to 2027. The long distance and public telephony licenses held by NuevaTel are valid until June 2042 and February 2043, respectively. The long distance license and the public telephony license are free and are granted upon request.

The Bolivian telecommunications law ("Bolivian Telecommunications Law"), enacted on August 8, 2011, requires telecommunications operators to pay recurring fees for the use of certain spectrum (such as microwave links), and a regulatory fee of 1% and a universal service tax of up to 2% of gross revenues. The law also authorizes the Autoridad de Regulación y Fiscalización de Telecomunicaciones y Transportes of Bolivia (the "ATT"), Bolivia's telecommunications regulator, to promulgate rules governing how service is offered to consumers and networks are deployed. The ATT has required wireless carriers to publish data throughput speeds to their subscribers and to pay penalties if they do not comply with transmission speed commitments. It has announced that it will require carriers to implement number portability by October 1, 2018. The ATT has also conditioned the 4G LTE licenses it awarded to Tigo and NuevaTel on meeting service deployment standards, requiring that the availability of 4G LTE service expand over a 96-month period from urban to rural areas. NuevaTel has met its initial 4G LTE launch commitments.

The ATT has aggressively investigated and imposed sanctions on all wireless carriers in connection with the terms on which they offer service to consumers, the manner in which they bill and collect for such services, the manner in which they maintain their networks and the manner in which they report to the ATT regarding network performance (including service interruptions). In the case of NuevaTel, the ATT has assessed fines totaling approximately $6.7 million in connection with proceedings concerning past service quality deficiencies in 2010 and a service outage in 2015. The fine relating to 2010 service quality deficiencies, in the amount of $2.2 million, was annulled by the Bolivian Supreme Court on procedural grounds, but the ATT was given the right to re-impose it. Should it do so, NuevaTel can discharge the fine by paying half of the penalty on condition that it waives its right to appeal. The Company has accrued the $2.2 million. The fine relating to the 2015 service outage, $4.5 million, was also annulled by Bolivian Public Works Ministry, which supervises the ATT; however, the ATT was allowed to re-impose the fine, which it did, although it has noted in its findings that the outage was a force majeure event. NuevaTel has filed an appeal to the Ministry against the re-imposition of the fine and the Company believes that NuevaTel has strong defenses against the assessment of a significant fine; thus, no amount for this fine has been accrued in our Condensed Consolidated Balance Sheets.

NuevaTel's licensing contracts typically require that NuevaTel post a performance bond valued at 7% of projected revenue for the first year of the respective terms and 5% of gross revenue of the authorized service in subsequent years. Such performance bonds are enforceable by the ATT in order to guarantee that NuevaTel complies with its obligations under the licensing contract and to ensure that NuevaTel pays any fines, sanctions or penalties it incurs from the ATT. NuevaTel and other carriers are permitted by ATT regulations to meet their performance bond requirements by using insurance policies, which must be renewed annually. If NuevaTel is unable to renew its insurance policies, it would be required to seek to obtain a performance bond issued by a Bolivian bank. This performance bond would likely be available under less attractive terms than NuevaTel's current insurance policies. The failure to obtain such a bond could have a material adverse effect on the Company's business, financial condition and prospects.

Under the Bolivian Telecommunications Law, carriers must negotiate new licenses (to replace their existing concessions) with the government. Both the law and the Bolivian constitution specify that carriers' vested rights under their existing concessions will be preserved; however, the Company cannot guarantee that these protections will be respected by the Bolivian government. The ATT migrated the original concessions of Entel and Tigo, wireless competitors to NuevaTel, to new licenses in 2016 in conjunction with renewing their original concessions that were due to expire. In early 2016, the ATT also issued a proposed replacement contract template to NuevaTel that purportedly incorporates provisions of the licenses accepted by Entel and Tigo. NuevaTel has submitted comments on the draft to the ATT and is in discussions with the ATT regarding revisions to the draft. The Company cannot guarantee whether any of NuevaTel's proposed revisions will be accepted by the ATT, whether a proposed replacement license will be offered by the ATT to NuevaTel, whether the terms of any replacement license will fully respect NuevaTel's vested rights under its existing concession, or whether a replacement license will eliminate the need for NuevaTel to seek a license renewal at the time its existing concession is scheduled to expire in November 2019.

Entel, the government-owned wireless carrier, maintains certain advantages under the Bolivian Telecommunications Law. Entel normally receives 75% of the universal service tax receipts paid to the government by wireless carriers; Entel uses these funds to expand its network in rural areas that are otherwise unprofitable to serve. Also, the Bolivian Telecommunications Law guarantees Entel access to new spectrum licenses, although it does require Entel to pay the same amount for new and renewed spectrum licenses as are paid by those who acquire spectrum in auctions or by arrangement with the government (including payments for license renewals).

Bolivia - Operating Results

(in millions, unless otherwise noted)	Three Months Ended June 30, 2018	Three Months Ended June 30, 2017	Six Months Ended June 30, 2018	Six Months Ended June 30, 2017	% Variance 3 mo. vs. 3 mo.	% Variance 6 mo. vs. 6 mo.
Service revenues	$ 60.8	$ 65.7	$ 120.4	$ 131.4	(8%)	(8%)
Total revenues	$ 61.5	$ 66.8	$ 121.9	$ 133.4	(8%)	(9%)
Data as a % of wireless service revenues	47%	50%	47%	48%	n/m	n/m
Bolivia Adjusted EBITDA	$ 18.3	$ 21.7	$ 35.2	$ 42.4	(16%)	(17%)
Bolivia Adjusted EBITDA Margin %(1)	30%	33%	29%	32%	n/m	n/m
Postpaid Subscribers (in thousands)						
Net additions (losses)	4	(4)	5	(4)	198%	235%
Total postpaid subscribers	346	341	346	341	1%	1%
Prepaid Subscribers (in thousands)						
Net additions (losses)	18	(72)	73	(80)	126%	191%
Total prepaid subscribers	1,872	1,729	1,872	1,729	8%	8%
Other wireless subscribers(2)	60	63	60	63	(5%)	(5%)
Total wireless subscribers (in thousands)	2,278	2,133	2,278	2,133	7%	7%
Blended wireless churn	8.19%	6.44%	7.62%	6.13%	n/m	n/m
Postpaid churn	1.69%	1.82%	1.78%	1.79%	n/m	n/m
Monthly blended wireless ARPU (not rounded)	$ 8.87	$ 9.99	$ 8.89	$ 9.95	(11%)	(11%)
Monthly postpaid wireless ARPU (not rounded)	$ 23.28	$ 24.25	$ 22.55	$ 23.58	(4%)	(4%)
Monthly prepaid wireless ARPU (not rounded)	$ 5.88	$ 6.91	$ 5.99	$ 6.97	(15%)	(14%)
Capital expenditures(3)	$ 7.9	$ 7.2	$ 12.2	$ 9.7	10%	25%
Capital intensity	13%	11%	10%	7%	n/m	n/m

n/m - not meaningful

Notes:

(1)Bolivia Adjusted EBITDA Margin is calculated as Bolivia Adjusted EBITDA divided by Bolivia Service revenues.

(2)Includes public telephony and other wireless subscribers.

(3)Represents purchases of property and equipment excluding capital expenditures acquired through vendor-backed financing and capital lease arrangements.

Three and Six Months Ended June 30, 2018 Compared to Same Periods in 2017

Service revenues declined by $4.9 million and $10.9 million for the three and six months ended June 30, 2018, respectively, compared to the same periods in 2017, primarily due to lower prepaid revenues attributable to a decline in voice and data revenues. These declines were caused by lower voice usage and higher promotional offers impacting data pricing during 2018, which were partially offset by increases in the prepaid and postpaid wireless subscriber base.

Data revenues represented 47% of wireless services revenues for the three and six months ended June 30, 2018, respectively, a decrease from 50% and 48% over the same periods in 2017. Based on the growth of LTE users, the Company expects data revenues as a percentage of service revenues to increase over time as customers continue to transition from voice communication to data communication and related application services. Data revenues were impacted during the first and second quarter of 2018 by promotional activity which drove continued customer acquisition but resulted in lower data pricing. LTE adoption increased to 21.4% as of June 30, 2018 from 16.7% as of June 30, 2017.

Total revenues decreased by $5.3 million and $11.5 million for the three and six months ended June 30, 2018, respectively, compared to the same periods in 2017, primarily due to the decreases in service revenues discussed above.

For the three and six months ended June 30, 2018 compared to the same periods in 2017, operating expenses decreased $2.0 million and $4.8 million, respectively, largely due to the following:

- Cost of service decreased $0.8 million and $1.9 million for the three and six months ended June 30, 2018, respectively, compared to the same periods in 2017, primarily due to a decrease in interconnection costs due to lower voice and SMS traffic terminating outside of NuevaTel's network; and

- Sales and marketing decreased $1.8 million and $2.5 million for the three and six months ended June 30, 2018, respectively, compared to the same periods in 2017. The decrease was primarily due to a decrease in the expense related to the accrual for customer loyalty program of $1.4 million and $2.2 million for the three and six months ended June 30, 2018, respectively.

Bolivia Adjusted EBITDA decreased $3.4 million and $7.2 million for the three and six months ended June 30, 2018, respectively, compared to the same periods in 2017. These decreases were primarily due to a decrease in total revenues partially offset by lower operating expenses.

Capital expenditures increased by $0.7 million and $2.4 million for three and six months ended June 30, 2018, respectively, compared to the same periods in 2017, mainly due to timing of spending for LTE overlay in 2018.

Subscriber Count

Bolivia's wireless subscriber base has historically been predominantly prepaid, although the postpaid portion of the base has grown in recent years. In addition to prepaid and postpaid, Bolivia's wireless subscriber base includes public telephony subscribers, as well as fixed wireless subscribers; these subscribers comprised 3% of the overall subscriber base as of June 30, 2018.

Bolivia's wireless subscriber base as of June 30, 2018 increased 7% compared to June 30, 2017, resulting from an increase in prepaid subscribers of 8% and an increase in postpaid subscribers of 1%.

These increases in prepaid and postpaid subscribers are largely due to increased promotional and advertising activity during the first and second quarters of 2018.

Blended Wireless ARPU

Bolivia's blended wireless ARPU is generally driven by LTE adoption, the mix and number of postpaid and prepaid subscribers, its service rate plans, and any discounts or promotional activities used to drive either subscriber growth or data usage increases. Subscriber usage of voice services, SMS, value-added services and web navigation also have an impact on Bolivia's blended wireless ARPU.

Blended wireless ARPU decreased by 11% for the three and six months ended June 30, 2018, compared to the same periods in 2017. These decreases are primarily due to 15% and 14% decreases in prepaid wireless ARPU, respectively, driven mostly by a decrease in data revenue. Data revenue was impacted during the first and second quarter of 2018 by promotional pricing in the market which more than offset the increase in data usage.

Bolivia Business Outlook, Competitive Landscape and Industry Trend

The Bolivia Business Outlook, Competitive Landscape and Industry Trend are described in TIP Inc.'s MD&A for the year ended December 31, 2017.

Selected Financial Information

The following tables set forth our summary consolidated financial and operating data for the periods ended and as of the dates indicated below.

The summary consolidated financial data is derived from our Condensed Consolidated Financial Statements for each of the periods indicated in the following tables.

Differences between amounts set forth in the following tables and corresponding amounts in our Condensed Consolidated Financial Statements and related notes which accompany this MD&A are a result of rounding. Amounts for subtotals, totals and percentage variances presented in the following tables may not sum or calculate using the numbers as they appear in the tables because of rounding.

Selected balance sheet information

The following table shows selected consolidated financial information for the Company’s financial position as of June 30, 2018 and December 31, 2017. The table below provides information related to the cause of the changes in financial position by financial statement line item for the periods compared.

Consolidated Balance Sheet Data

(in millions, except as noted)		As of June 30, 2018		As of December 31, 2017	Change includes:
Cash and cash equivalents	$	32.4	$	47.1	Decrease is primarily due to payment of $15.5M interest on the Trilogy Notes. See "Liquidity and Capital Resources Measures" within this MD&A. NuevaTel's prepayment of annual license and spectrum fees and a prepayment related to the Indefeasible Right of Use ("IRU") capacity agreement with Telefónica Celular de Bolivia S.A. ("Telecel") in the first quarter of 2018 also contributed to the decrease in cash. These decreases were partially offset by the maturity of available-for- sale investments.
% Change		(31%)			
Other current assets		141.3		153.6	Decrease is due to the maturity of available-for-sale investments.
% Change		(8%)			
Property, equipment and intangibles		483.6		515.9	Decrease is due to additions during the period being less than depreciation and amortization. There was also an approximately $15 million decline attributable to the cumulative foreign currency translation adjustment due to the strengthening of the U.S. dollar as compared to the New Zealand dollar.
% Change		(6%)			
Other non-current assets		52.6		44.4	Increase is due to additions of 2degrees' long-term unbilled EIP receivables and prepayment related to NuevaTel's IRU capacity agreement.
% Change		18%			
Total assets	$	709.9	$	761.0	
Current portion of long-term debt	$	6.9	$	10.7	Decrease is primarily due to the classification of outstanding amount as of June 30, 2018 of the New Zealand Senior Facilities Agreement as long-term debt as a result of the refinancing in July 2018. See "Liquidity and Capital Resources Measures" within this MD&A. This decrease was partially offset by transfers from Long-term debt of installments due within one year under the Bolivian Syndicated Loan.
% Change		(35%)			
All other current liabilities		183.4		209.5	Decline reflects income tax payment at NuevaTel, decrease in the price of warrants, and other individually insignificant items. There was also an approximately $7 million decline attributable to the cumulative foreign currency translation adjustment.
% Change		(12%)			
Long-term debt		495.3		496.5	Decrease is primarily due to the transfers to Current portion of long- term debt under the Bolivian Syndicated Loan partially offset by the classification of the New Zealand Senior Facilities Agreement as discussed above.
% Change		(0%)			
All other non-current liabilities		36.8		38.1	Decrease is due to individually insignificant items.
% Change		(3%)			
Total shareholders' (deficit) equity		(12.5)		6.2	Change is primarily due to net losses and foreign currency translation adjustments incurred during the first half of 2018.
% Change		(302%)			
Total liabilities and shareholders' (deficit) equity	$	709.9	$	761.0	

Selected quarterly financial information

The following table shows selected quarterly financial information prepared in accordance with U.S. GAAP. Amounts related to the amortization of imputed discount on EIP receivables have been reclassified from Other, net and are now included as a component of Service revenues and amounts related to the change in fair value of warrant liability have been reclassified from Other, net to conform to the current period presentation. These reclassifications had no effect on previously reported results of operations.

(in millions, except per unit amounts)	2018		2017				2016	
	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3
Service revenues	$ 147.6	$ 148.9	$ 143.5	$ 153.0	$ 151.4	$ 152.2	$ 154.6	$ 150.7
Equipment sales	50.5	53.8	58.9	38.8	42.1	39.0	58.8	41.2
Total revenues	198.1	202.7	202.5	191.8	193.5	191.2	213.4	191.9
Operating expenses	(193.1)	(200.4)	(198.8)	(184.1)	(182.3)	(179.5)	(197.4)	(179.8)
Operating income	5.0	2.3	3.7	7.7	11.2	11.6	16.0	12.1
Interest expense	(11.5)	(11.1)	(11.1)	(11.2)	(18.5)	(19.0)	(18.3)	(18.4)
Change in fair value of warrant liability	2.8	2.3	5.6	-	3.5	-	-	-
Debt modification and extinguishment costs	-	-	-	-	(6.7)	-	-	-
Other, net	(0.5)	1.0	0.5	0.5	1.6	(1.2)	2.4	(2.4)
(Loss) income before income taxes	(4.1)	(5.5)	(1.3)	(3.0)	(8.9)	(8.6)	0.1	(8.7)
Income tax expense	(2.2)	(1.8)	(1.0)	(2.6)	(1.8)	(2.7)	(0.1)	(3.0)
Net (loss) income	(6.3)	(7.3)	(2.4)	(5.6)	(10.8)	(11.3)	-	(11.8)
Net loss (income) attributable to noncontrolling interests and prior controlling interest	2.9	2.8	2.6	1.4	5.2	5.4	-	11.8
Net (loss) income attributable to TIP Inc.	$ (3.4)	$ (4.5)	$ 0.3	$ (4.1)	$ (5.5)	$ (5.9)	$ -	$ -
Net (loss) income attributable to TIP Inc. per share: (1)								
Basic	$ (0.06)	$ (0.09)	$ 0.01	$ (0.10)	$ (0.13)	$ (0.14)		
Diluted	$ (0.07)	$ (0.09)	$ (0.03)	$ (0.10)	$ (0.16)	$ (0.14)		

(1) Earnings per share amounts have not been presented for any period prior to the consummation of the Arrangement, as the net income (loss) prior to February 7, 2017 was attributable to noncontrolling interests or prior controlling interest.

Quarterly Trends and Seasonality

The Company’s operating results may vary from quarter to quarter because of changes in general economic conditions and seasonal fluctuations, among other things, in each of the Company’s operations and business segments. Different products and subscribers have unique seasonal and behavioral features. Accordingly, one quarter’s results are not predictive of future performance.

Fluctuations in net income from quarter to quarter can result from events that are unique or that occur irregularly, such as losses on the refinance of debt, foreign exchange gains or losses, changes in the fair value of derivative instruments, impairment of assets, and changes in income taxes.

New Zealand and Bolivia

Trends in New Zealand and Bolivia’s Service Revenues and overall operating performance are affected by:

- Lower prepaid subscribers due to shift in focus to postpaid sales;
- Higher usage of wireless data due to migration from 3G to 4G LTE;
- Higher handset sales as more consumers shift to smartphones and higher-end devices;

- Stable postpaid churn, which the Company believes is a reflection of the Company's heightened focus on high-value subscribers and the Company's enhanced subscriber service efforts;
- Decreasing voice revenue as rate plans increasingly incorporate more monthly minutes and calling features, such as long distance;
- Lower roaming revenue as network-coverage enhancements are made, as well as increased uptake of value-added roaming plans;
- Varying handset subsidies as more consumers shift toward smartphones with the latest technologies;
- Varying handset costs related to advancement of technologies and reduced supplier rebates or discounts on highly- sought devices;
- Seasonal promotions which are typically more significant in periods closer to year-end;
- Subscribers activating and suspending service to take advantage of promotions by the Company or its competitors;
- Higher voice and data costs related to the increasing number of subscribers, or, alternatively, a decrease in costs associated with a decline in voice usage; and
- Higher costs associated with the retention of high-value subscribers.

Trends unique to New Zealand's Service Revenues and operating performance, resulting from its fixed broadband business, include:

- Higher internet subscription fees as subscribers increasingly upgrade to higher-tier speed plans, including those with unlimited usage;
- Subscribers bundling their service plans at a discount;
- Fluctuations in retail broadband pricing and operating costs influenced by government-regulated copper wire services pricing and changing consumer and competitive demands;
- Availability of fiber services in a particular area or general network coverage;
- Lower general operating expenses and synergies from the wireless business; and
- Individuals swapping technologies as fiber becomes available in their connection area.

Liquidity and Capital Resources Measures

As of June 30, 2018, the Company had approximately $32.4 million in cash and cash equivalents of which $1.9 million was held by 2degrees, $22.8 million was held by NuevaTel, and $7.7 million was held primarily at headquarters. The Company also had approximately $7.0 million in short-term investments at corporate headquarters and $2.6 million of available capacity on the line of credit facility in New Zealand as of June 30, 2018. Cash and cash equivalents decreased $14.7 million since December 31, 2017. For the six months ended June 30, 2018, cash was primarily used for investment in our network related to LTE overlay.

Refinance of Senior Facilities Agreement

In July 2018, 2degrees completed a bank loan facility refinancing for $250 million NZD ($169.2 million based on the exchange rate at June 30, 2018). The new facility replaced the $200 million NZD Senior Facilities Agreement and provides additional borrowing capacity for further investments in our business. The new facility has a 3-year term and financial covenants that are materially consistent with the Senior Facilities Agreement. Distributions will continue to be subject to free cash flow tests calculated at half year and full year. The new facility also provides for an uncommitted $35 million NZD accordion facility which, after commitments are obtained, can be utilized in the future to fund capital expenditures.

NuevaTel Dividend Distribution

In July 2018, the Board of Directors of NuevaTel approved an aggregate dividend of $14.0 million for distribution to NuevaTel shareholders. NuevaTel paid those dividends, net of withholding taxes, to its shareholders in accordance with their respective ownership interest percentages. In connection with this dividend, cash and cash equivalents at headquarters increased by $8.6 million.

Selected cash flows information

The following table summarizes the Condensed Consolidated Statement of Cash Flows for the periods indicated:

(in millions)	Six Months Ended June 30, 2018	Six Months Ended June 30, 2017	% Variance 2018 vs 2017
Net cash provided by (used in)			
Operating activities	$ 12.2	$ 1.7	601%
Investing activities	(21.7)	(59.6)	64%
Financing activities	(5.1)	75.4	(107%)
Net (decrease) increase in cash and cash equivalents	**$ (14.6)**	**$ 17.5**	(183%)

Cash flow provided by operating activities

Cash flow provided by operating activities increased by $10.5 million for the six months ended June 30, 2018 compared to the same period in 2017. This change is mainly due to a decrease in cash paid on interest due to the refinancing and repayment of the Trilogy LLC 2019 Notes in May 2017 along with other favorable changes in certain working capital accounts, including a decrease in cash used to settle accounts payable due to timing. These favorable changes were partially offset by an increase in EIP receivables driven by higher volume of EIPs added in the 2018 period.

Cash flow used in investing activities

Cash flow used in investing activities decreased by $38.0 million for the six months ended June 30, 2018 compared to the same period in 2017, primarily due to the maturities and sales of short-term investments in 2018 and a decrease in purchases of short-term investments. These decreases were partially offset by an increase in capital expenditures in New Zealand and Bolivia as network expansion and 4G LTE buildout was more significant during the six months ended June 30, 2018.

Cash flow used in financing activities

Cash flow used in financing activities increased by $80.5 million for the six months ended June 30, 2018 compared to the same period in 2017. This change is primarily due to the proceeds from the equity issuance that occurred on February 7, 2017, partially offset by the refinancing of the Trilogy LLC 2019 Notes and related costs incurred in May 2017.

Contractual obligations

The Company has various contractual obligations to make future payments, including debt agreements and lease obligations. The following table summarizes the Company's future obligations due by period as of June 30, 2018 (except for subsequent events as disclosed in note [2] of table below) and based on the exchange rate as of that date:

(in millions)	Total	Through December 31, 2018	January 1, 2019 to December 31, 2020	January 1, 2021 to December 31, 2022	From and after January 1, 2023
Long-term debt, including current portion[1][2]	$ 548.3	$ 2.4	$ 32.3	$ 513.1	$ 0.5
Interest on long-term debt and obligations[2][3]	157.1	20.8	83.9	52.4	-
Operating leases	155.0	8.7	37.0	32.4	77.0
Purchase obligations[4]	131.5	73.3	27.4	13.9	16.9
Long-term obligations[5]	14.4	6.2	7.7	0.4	-
Total	$ 1,006.4	$ 111.5	$ 188.3	$ 612.2	$ 94.3

[1] Excludes the impact of a $3.2 million discount on long-term debt which is amortized through interest expense over the life of the underlying debt facility.

[2] Reflects the amounts and terms under the new $250 million NZD bank loan facility for 2degrees as discussed in the Note 16 – Subsequent Events to our Condensed Consolidated Financial Statements.

[3] Includes contractual interest payments using the interest rates in effect as of June 30, 2018.

[4] Purchase obligations are the contractual obligations under service, product, and handset contracts.

[5] Includes the fair value of derivative financial instruments as of June 30, 2018. Amount will vary based on market rates at each quarter end. Excludes asset retirement obligations and other miscellaneous items that are not significant.

In August 2017, the New Zealand government signed the RBI2 Agreement with the New Zealand telecommunications carriers' joint venture to fund a portion of the country's rural broadband infrastructure project. Under the RBI2 Agreement, 2degrees has a commitment to invest $20 million NZD over several years in accordance with payment milestones agreed upon between the parties to the RBI2 Agreement. This commitment is not included in the table above as the timing of any investment to satisfy this commitment is uncertain as of June 30, 2018.

Effect of inflation

The Company's management believes inflation has not had a material effect on its financial condition or results of operations in recent years. However, there can be no assurance that the business will not be affected by inflation in the future.

Off-Balance Sheet Arrangements

The Company does not have any off-balance sheet arrangements that would have a material effect on the financial statements as of June 30, 2018.

Transactions with Related Parties

2degrees had two separate loans from wholly owned subsidiaries of Trilogy LLC, which are eliminated upon consolidation, totaling approximately $25.7 million as of June 30, 2018. In July 2018, 2degrees paid Trilogy LLC $6.5 million NZD ($4.4 million based on the exchange rate on the date of payment) as partial repayment of one of the loans with conversion rights. If all conversion rights under such loans were exercised at June 30, 2018 and adjusted for this repayment, the impact would be an increase in Trilogy LLC's current 73.3% ownership interest in 2degrees by approximately 0.9%, subject to certain preemptive rights.

The Company and its officers have used and may continue to use, jet airplanes for Company purposes owned by certain of the Trilogy LLC founders. The Company reimburses the Trilogy LLC founders at fair market value and on terms no less favorable to the Company than the Company believes it could obtain in comparable transactions with a third party for the use of these planes. There were no such reimbursements made during the three and six months ended June 30, 2018. For the three and six months ended June 30, 2017, the Company reimbursed the Trilogy LLC founders approximately $27,000 and $197,000, respectively, for the use of their planes.

For additional information on related party transactions, see Note 20 – Related Party Transactions and discussion of the Arrangement in the notes within the Company's Consolidated Financial Statements.

Proposed Transactions

The Company continuously evaluates opportunities to expand or complement its current portfolio of businesses. All opportunities are analyzed on the basis of strategic rationale and long term shareholder value creation and a disciplined approach will be taken when deploying capital on such investments or acquisitions.

Critical Accounting Estimates

Critical Accounting Judgments and Estimates

Our significant accounting policies are described in Note 1 of the Consolidated Financial Statements for the year ended December 31, 2017. The preparation of the Company's consolidated financial statements requires it to make estimates and judgments that affect the reported amounts of assets, liabilities, revenue and expenses, and the related disclosure of contingent liabilities. The Company bases its judgments on its historical experience and on various other assumptions that the Company believes are reasonable under the circumstances, the results of which form the basis for making estimates about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates under different assumptions or conditions.

Recent Accounting Pronouncements

The effects of recently issued accounting standards are discussed in Note 1 – Description of Business, Basis of Presentation and Summary of Significant Accounting Policies to the Condensed Consolidated Financial Statements.

Changes in Accounting Policies Including Initial Adoption

Other than the change in the presentation of imputed discount on EIP receivables and the adoption of new accounting standards, as discussed in the notes to the Condensed Consolidated Financial Statements, there have been no material changes in the Company's accounting policies.

Financial Instruments and Other Instruments

The Company considers the management of financial risks to be an important part of its overall corporate risk management policy. The Company uses derivative financial instruments to manage existing exposures, irrespective of whether such relationships are formally documented as hedges in accordance with hedge accounting requirements. This is further described in TIP Inc.'s MD&A and Consolidated Financial Statements (see Note 10 – Derivatives Financial Instruments) for the year ended December 31, 2017.

Disclosure of Outstanding Share Data

As of the date of this filing, there were 55,668,332 Common Shares outstanding of which 1,675,336 are forfeitable Common Shares. There were also the following outstanding convertible securities:

Trilogy LLC Class C Units (including unvested units) – redeemable for Common Shares	28,533,512
Warrants	13,402,685
Restricted share units (unvested)	1,683,577
Deferred share units	52,283

Upon redemption or exercise of all of the forgoing convertible securities, TIP Inc. would be required to issue an aggregate of 43,672,057 Common Shares.

Risk and Uncertainty Affecting the Company's Business

The principal risks and uncertainties that could affect our future business results and associated risk mitigation activities are described in TIP Inc.'s MD&A for the year ended December 31, 2017. These risks do not differ significantly from the risk factors in respect of the Company described under the heading "Risk Factors" in the 2017 AIF filed on SEDAR by TIP Inc. (and on EDGAR with TIP Inc.'s Annual Report on Form 40-F) on March 21, 2018 and available on TIP Inc.'s SEDAR profile at www.sedar.com and TIP Inc.'s EDGAR profile at www.sec.gov.

Controls and Procedures

Evaluation of Disclosure Controls and Procedures

Disclosure controls and procedures have been designed to provide reasonable assurance that all material information relating to the Company is identified and communicated to management on a timely basis. Management of the Company, under the supervision of the Company's Chief Executive Officer ("CEO") and Chief Financial Officer ("CFO"), is responsible for establishing and maintaining disclosure controls and procedures to provide reasonable assurance that all material information relating to the Company, including its consolidated subsidiaries, is made known to the CEO and CFO to ensure appropriate and timely decisions are made regarding public disclosure.

Management's Report on Internal Control over Financial Reporting

Management of the Company, under the supervision of the Company's CEO and CFO, is responsible for establishing adequate internal controls over financial reporting. These controls are designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements in accordance with U.S. GAAP. Management uses the Internal Control – Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission to establish and maintain adequate design of the Company's internal controls over financial reporting. However, due to their inherent limitations, internal controls over financial reporting may not prevent or detect all misstatements and fraud.

As reported in TIP Inc.'s MD&A, for the years ended December 31, 2017 and December 31, 2016, management concluded that certain control deficiencies existed that, in the aggregate, were determined to be a material weakness. Based on an evaluation as of December 31, 2017, management concluded that these aggregated control deficiencies continue to be a material weakness. The material weakness relates to a current lack of accounting, compliance, and information technology ("IT") control processes and documentation, along with staffing to support these processes at 2degrees, that have not been developed to sufficiently address the increased scale and complexity in the business during the expansion that 2degrees has experienced since its launch. As a result, the documentation, rigor, and level of precision of the review process related to periodic reconciliations for certain key accounts as well as IT processes were found to be deficient. We have not identified, nor are we aware of, any material misstatements in TIP Inc.'s financial statements, notwithstanding this material weakness determination.

During the first half of 2018, the Company continued to advance measures to remediate the underlying causes of the material weakness. In order to address the material weakness, the controls that caused the material weakness have been re-designed as of June 30, 2018 to increase the precision to prevent or detect material errors. Additionally, management has identified and will continue to identify additional staffing to fill needs in compliance and IT areas at 2degrees and to further develop IT oversight processes and controls. During the remainder of the year, the Company will continue to build on progress to-date related to adding depth, rigor, and precision to reviews of periodic reconciliations of key accounts to be able to conclude on the remediation efforts. Senior management has discussed the aforementioned material weakness with TIP Inc.'s Audit Committee and Board of Directors, both of which will continue to review the progress on these remediation activities on a regular and ongoing basis. At this time, no assurance can be provided that the actions and remediation efforts to be taken or implemented will effectively remediate the material weakness described above or prevent the incidence of other material weaknesses in the Company's internal control over financial reporting in the future.

Notwithstanding the identified material weakness, management believes the Condensed Consolidated Financial Statements fairly present in all material respects the Company's financial condition, results of operations and cash flows at and for the periods presented in accordance with U.S. GAAP.

Except for the continued remediation efforts described herein, there have been no other significant changes made to the Company's internal control over financial reporting during the three months ended June 30, 2018 that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

Limitations of Controls and Procedures

The Company's disclosure controls and procedures and internal control over financial reporting are designed to provide reasonable assurance of achieving their objectives. However, due to their inherent limitations, disclosure controls and procedures and internal control over financial reporting may not prevent or detect all misstatements and fraud.

A control system, no matter how well conceived or operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met. The Company will continue to periodically review its disclosure controls and procedures and internal control over financial reporting and may make such modifications from time to time as it considers necessary.

Definitions and Reconciliations of Non-GAAP Measures

The Company reports certain non-U.S. GAAP measures that are used to evaluate the performance of the Company and the performance of its segments, as well as to determine compliance with debt covenants and to manage the capital structure. Non-U.S. GAAP measures do not have any standardized meaning under U.S. GAAP and therefore may not be comparable to similar measures presented by other issuers. Securities regulations require such measures to be clearly defined and reconciled with their most directly comparable U.S. GAAP measure.

Consolidated Adjusted EBITDA and Adjusted EBITDA Margin

Consolidated Adjusted EBITDA ("Adjusted EBITDA") represents Net loss (the most directly comparable U.S. GAAP measure) excluding amounts for: income tax expense; interest expense; depreciation, amortization and accretion; equity-based compensation (recorded as a component of General and administrative expense); (gain) loss on disposal and abandonment of assets; and all other non-operating income and expenses. Adjusted EBITDA Margin is calculated as Adjusted EBITDA divided by Service Revenues. Adjusted EBITDA and Adjusted EBITDA Margin are common measures of operating performance in the telecommunications industry. The Company's management believes Adjusted EBITDA and Adjusted EBITDA Margin are helpful measures because they allow management to evaluate the Company's performance by removing from its operating results items that do not relate to core operating performance. The Company's management believes that certain investors and analysts use Adjusted EBITDA to value companies in the telecommunications industry. The Company's management believes that certain investors and analysts also use Adjusted EBITDA and Adjusted EBITDA Margin to evaluate the performance of the Company's business. Adjusted EBITDA and Adjusted EBITDA Margin have no directly comparable U.S. GAAP measure. The following table provides a reconciliation of Adjusted EBITDA to the most comparable financial measure reported under U.S. GAAP, Net loss.

Consolidated Adjusted EBITDA (in millions)	Three Months Ended June 30,		Six Months Ended June 30,	
	2018	2017	2018	2017
Net loss[(1)]	$ (6.3)	$ (10.8)	$ (13.6)	$ (22.1)
Interest expense	11.5	18.5	22.6	37.5
Depreciation, amortization and accretion	28.8	26.5	56.7	53.8
Debt modification and extinguishment costs	-	6.7	-	6.7
Income tax expense	2.2	1.8	4.0	4.6
Change in fair value of warrant liability	(2.8)	(3.5)	(5.1)	(3.5)
Other, net	0.5	(1.6)	(0.5)	(0.3)
Equity-based compensation	2.2	0.8	3.9	1.4
(Gain) loss on disposal and abandonment of assets	0.1	0.1	-	0.3
Acquisition and other nonrecurring costs[(2)]	1.5	0.8	2.4	1.9
Consolidated Adjusted EBITDA[(3)]	$ 37.5	$ 39.5	$ 70.3	$ 80.1
Consolidated Adjusted EBITDA Margin	25%	26%	24%	26%

Notes:

[(1)]There was no gain or loss from discontinued operations in the periods presented. Thus, Loss from continuing operations as presented in prior MD&A's has been replaced with Net loss.

[(2)]2017 periods primarily include costs related to the Company's initial compliance and preparation expenses incurred in connection with the Arrangement and becoming a publicly traded entity. 2018 periods include costs related to the implementation of the new revenue recognition standard of approximately $0.8 million and $1.3 million for the three months and six months ended June 30, 2018, respectively, among other nonrecurring costs.

[(3)]In July 2013, Trilogy LLC sold to Salamanca Holding Company, a Delaware limited liability company, 80% of its interest in its wholly owned subsidiary Salamanca Solutions International LLC ("SSI"). Although Trilogy LLC holds a 20% equity interest in SSI, due to the fact that NuevaTel is SSI's primary customer, Trilogy LLC is considered SSI's primary beneficiary, and as such, the Company consolidates 100% of SSI's net losses. The impact on the Company's consolidated results of the 80% Trilogy LLC does not own was to decrease Adjusted EBITDA by $0.1 million and $0.3 million for the three months ended June 30, 2018 and 2017, respectively, and decrease Adjusted EBITDA by $0.1 million and $0.1 million for the six months ended June 30, 2018 and 2017, respectively.

Trilogy LLC Consolidated EBITDA

For purposes of the indenture for the Trilogy 2022 Notes, the following is a reconciliation of Trilogy LLC Consolidated EBITDA as defined in the indenture, to Consolidated Adjusted EBITDA.

Trilogy LLC Consolidated EBITDA

	Three Months Ended June 30,		Six Months Ended June 30,	
(in millions)	2018	2017	2018	2017
Consolidated Adjusted EBITDA	$ 37.5	$ 39.5	$ 70.3	$ 80.1
Realized gain (loss) on foreign currency	0.2	(0.1)	0.3	0.8
Interest income	0.2	0.1	0.4	0.2
Fines and penalties	-	-	0.2	(0.3)
TIP Inc. Adjusted EBITDA	0.1	0.1	0.2	0.2
Trilogy LLC Consolidated EBITDA	**$ 37.9**	**$ 39.6**	**$ 71.3**	**$ 81.2**

Consolidated Equipment Subsidy

Equipment subsidy ("**Equipment Subsidy**") is the cost of devices in excess of the revenue generated from equipment sales and is calculated by subtracting Cost of equipment sales from Equipment sales. Management uses Equipment Subsidy on a consolidated level to evaluate the net loss that is incurred in connection with the sale of equipment or devices in order to acquire and retain subscribers. Equipment Subsidy includes devices acquired and sold for wireline subscribers. Consolidated Equipment Subsidy is used in computing Equipment subsidy per gross addition. A reconciliation of Equipment Subsidy to Equipment sales and Cost of equipment sales, both U.S. GAAP measures, is presented below:

Equipment Subsidy

(in millions)	Three Months Ended June 30, 2018	Three Months Ended June 30, 2017	Six Months Ended June 30, 2018	Six Months Ended June 30, 2017
Cost of equipment sales	$ 55.0	$ 47.9	$ 113.0	$ 91.2
Less: Equipment sales	(50.5)	(42.1)	(104.3)	(81.1)
Equipment Subsidy	**$ 4.5**	**$ 5.8**	**$ 8.7**	**$ 10.1**

Key Industry Performance Measures – Definitions

The following measures are industry metrics that management finds useful in assessing the operating performance of the Company, and are often used in the wireless telecommunications industry, but do not have a standardized meaning under U.S. GAAP.

- **Monthly average revenues per wireless user** (“**ARPU**”) is calculated by dividing average monthly wireless service revenues during the relevant period by the average number of wireless subscribers during such period.

- **Wireless data revenues** (“**data revenues**”) is a component of wireless service revenues that includes the use of web navigation, SMS, multimedia messaging service (“MMS”) and value-added services that are conducted by the subscriber over the wireless network through their device.

- **Wireless service revenues** (“**wireless service revenues**”) is a component of total revenues that excludes wireline revenues, equipment revenues and non-subscriber international long distance revenues; it captures wireless performance and is the basis for the blended wireless ARPU and data as a percentage of wireless service revenue calculations.

- **Wireless data average revenue per wireless user** is calculated by dividing monthly data revenues during the relevant period by the average number of wireless subscribers during the period.

- **Churn** (“**churn**”) is the rate at which existing subscribers cancel their services, or are suspended from accessing the network, or have no revenue generating event within the most recent 90 days, expressed as a percentage. Churn is calculated by dividing the number of subscribers disconnected by the average subscriber base. It is a measure of monthly subscriber turnover.

- **Cost of Acquisition** (“**cost of acquisition**”) represents the total cost associated with acquiring a subscriber and is calculated by dividing total Sales and Marketing expense plus Cost of equipment sales minus Equipment sales during the relevant period by the number of new wireless subscribers added during the relevant period.

- **Equipment subsidy per gross addition** is calculated by dividing Equipment Subsidy by the number of new wireless subscribers added during the relevant period.

- **Capital intensity** (“**capital intensity**”) represents purchases of property and equipment divided by total Service Revenues. The Company’s capital expenditures do not include expenditures on spectrum licenses. Capital intensity allows the Company to compare the level of the Company’s additions to property and equipment to those of other companies within the same industry.

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Section 3: EX-99.2 (EXHIBIT 99.2)

Trilogy International Partners

TRILOGY INTERNATIONAL PARTNERS INC.

CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE QUARTER ENDED JUNE 30, 2018

PART I - FINANCIAL INFORMATION
Item 1) Financial Statements

TRILOGY INTERNATIONAL PARTNERS INC.
Condensed Consolidated Balance Sheets
(US dollars in thousands, except share amounts)
(unaudited)

	June 30, 2018	December 31, 2017
ASSETS		
Current assets:		
Cash and cash equivalents	$ 32,390	$ 47,093
Short-term investments	6,959	24,240
Accounts receivable, net	66,667	75,032
Equipment Installment Plan ("EIP") receivables, net	18,067	17,190
Inventory	25,991	21,351
Prepaid expenses and other current assets	23,601	15,809
Total current assets	173,675	200,715
Property and equipment, net	393,898	415,628
License costs and other intangible assets, net	89,723	100,251
Goodwill	9,090	9,539
Long-term EIP receivables	17,850	14,799
Other assets	25,672	20,106
Total assets	$ 709,908	$ 761,038
LIABILITIES AND SHAREHOLDERS' (DEFICIT) EQUITY		
Current liabilities:		
Accounts payable	$ 30,098	$ 33,553
Construction accounts payable	24,565	26,271
Current portion of debt	6,916	10,705
Customer deposits and unearned revenue	17,587	20,769
Other current liabilities and accrued expenses	111,191	128,882
Total current liabilities	190,357	220,180
Long-term debt	495,254	496,547
Deferred income taxes	2,866	3,320
Other non-current liabilities	33,925	34,801
Total liabilities	722,402	754,848
Commitments and contingencies		
Shareholders' (deficit) equity:		
Common shares and additional paid in capital; no par value, unlimited authorized, 55,305,962 and 53,815,631 shares issued and outstanding	788	-
Accumulated deficit	(62,151)	(53,259)
Accumulated other comprehensive income	3,801	6,059
Total Trilogy International Partners Inc. shareholders' deficit	(57,562)	(47,200)
Noncontrolling interests	45,068	53,390
Total shareholders' (deficit) equity	(12,494)	6,190
Total liabilities and shareholders' (deficit) equity	$ 709,908	$ 761,038

On behalf of the Board:

/s/ Mark Kroloff	/s/ Anthony Lacavera	/s/ Nadir Mohamed
Mark Kroloff Director	Anthony Lacavera Director	Nadir Mohamed Director

The accompanying notes are an integral part of these Condensed Consolidated Financial Statements

TRILOGY INTERNATIONAL PARTNERS INC.
Condensed Consolidated Statements of Operations and Comprehensive Loss
(US dollars in thousands, except share and per share amounts)
(unaudited)

	Three Months Ended June 30, 2018	Three Months Ended June 30, 2017	Six Months Ended June 30, 2018	Six Months Ended June 30, 2017
Revenues				
Wireless service revenues	$ 127,730	$ 132,778	$ 256,914	$ 267,575
Wireline service revenues	15,868	14,244	31,080	27,663
Equipment sales	50,470	42,084	104,274	81,093
Non-subscriber international long distance and other revenues	4,042	4,387	8,532	8,332
Total revenues	198,110	193,493	400,800	384,663
Operating expenses				
Cost of service, exclusive of depreciation, amortization and accretion shown separately	50,788	53,499	105,559	108,013
Cost of equipment sales	54,970	47,932	113,008	91,168
Sales and marketing	24,580	25,844	52,120	49,977
General and administrative	33,908	28,328	66,114	58,595
Depreciation, amortization and accretion	28,795	26,543	56,695	53,781
Loss (gain) on disposal and abandonment of assets	66	146	(18)	282
Total operating expenses	193,107	182,292	393,478	361,816
Operating income	5,003	11,201	7,322	22,847
Other (expenses) income				
Interest expense	(11,468)	(18,520)	(22,578)	(37,521)
Change in fair value of warrant liability	2,827	3,515	5,135	3,515
Debt modification and extinguishment costs	-	(6,689)	-	(6,689)
Other, net	(463)	1,569	539	332
Total other expenses, net	(9,104)	(20,125)	(16,904)	(40,363)
Loss before income taxes	(4,101)	(8,924)	(9,582)	(17,516)
Income tax expense	(2,191)	(1,847)	(4,029)	(4,583)
Net loss	(6,292)	(10,771)	(13,611)	(22,099)
Less: Net loss attributable to noncontrolling interests and prior controlling interest	2,852	5,235	5,693	10,645
Net loss attributable to Trilogy International Partners Inc.	$ (3,440)	$ (5,536)	$ (7,918)	$ (11,454)
Comprehensive (loss) income				
Net loss	$ (6,292)	$ (10,771)	$ (13,611)	$ (22,099)
Other comprehensive (loss) income:				
Foreign currency translation adjustments	(7,705)	5,620	(5,313)	7,287
Net (loss) gain on derivatives and short-term investments	(33)	15	(3)	133
Other comprehensive (loss) income	(7,738)	5,635	(5,316)	7,420
Comprehensive loss	(14,030)	(5,136)	(18,927)	(14,679)
Comprehensive loss attributable to noncontrolling interests and prior controlling interest	6,937	1,760	8,556	3,569
Comprehensive loss attributable to Trilogy International Partners Inc.	$ (7,093)	$ (3,376)	$ (10,371)	$ (11,110)
Net loss attributable to Trilogy International Partners Inc. per share:				
Basic (see Note 10 - Earnings per Share)	$ (0.06)	$ (0.13)	$ (0.15)	$ (0.27)[1]
Diluted (see Note 10 - Earnings per Share)	$ (0.07)	$ (0.16)	$ (0.17)	$ (0.30)[1]
[1]For the period from February 7, 2017 through June 30, 2017				
Weighted average common shares:				
Basic	53,360,532	42,513,263	52,830,853	42,509,048

Diluted	82,004,171	81,703,117	81,941,029	81,681,579

The accompanying notes are an integral part of these Condensed Consolidated Financial Statements

TRILOGY INTERNATIONAL PARTNERS INC.
Condensed Consolidated Statements of Cash Flows
(US dollars in thousands)
(unaudited)

	Six Months Ended June 30, 2018	Six Months Ended June 30, 2017
Operating activities:		
Net loss	$ (13,611)	$ (22,099)
Adjustments to reconcile net loss to net cash provided by operating activities:		
Provision for doubtful accounts	8,095	5,832
Depreciation, amortization and accretion	56,695	53,781
Equity-based compensation	3,850	1,352
(Gain) loss on disposal and abandonment of assets	(18)	282
Non-cash interest expense, net	1,769	2,009
Settlement of cash flow hedges	(698)	(918)
Change in fair value of warrant liability	(5,135)	(3,515)
Debt modification and extinguishment costs	-	6,689
Non-cash loss from change in fair value on cash flow hedges	506	898
Unrealized loss (gain) on foreign exchange transactions	191	(208)
Deferred income taxes	(443)	850
Changes in operating assets and liabilities:		
Accounts receivable	(526)	1,637
EIP receivables	(6,605)	5,578
Inventory	(5,724)	(3,581)
Prepaid expenses and other current assets	(8,171)	(3,467)
Other assets	(4,821)	(4,560)
Accounts payable	(3,246)	(13,936)
Other current liabilities and accrued expenses	(7,292)	(19,605)
Customer deposits and unearned revenue	(2,595)	(5,275)
Net cash provided by operating activities	12,221	1,744
Investing activities:		
Purchase of property and equipment	(38,203)	(30,809)
Maturities and sales of short-term investments	24,208	-
Purchase of short-term investments	(6,960)	(29,867)
Other, net	(711)	1,031
Net cash used in investing activities	(21,666)	(59,645)
Financing activities:		
Payments of debt	(96,962)	(527,969)
Proceeds from debt	96,468	418,438
Dividends to shareholders and noncontrolling interest	(3,586)	(537)
Debt issuance, modification and extinguishment costs	(1,056)	(9,151)
Proceeds from equity issuance, net of issuance costs	-	199,267
Payment of financed license obligation	-	(4,362)
Purchase of shares from noncontrolling interest	-	(1,675)
Capital contributions from equity holders	-	1,400
Net cash (used in) provided by financing activities	(5,136)	75,411
Net (decrease) increase in cash and cash equivalents	(14,581)	17,510
Cash and cash equivalents, beginning of period	47,093	21,154
Effect of exchange rate changes	(122)	503
Cash and cash equivalents, end of period	$ 32,390	$ 39,167

The accompanying notes are an integral part of these Condensed Consolidated Financial Statements

NOTE 1 – DESCRIPTION OF BUSINESS, BASIS OF PRESENTATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Description of Business and Basis of Presentation

The accompanying unaudited interim Condensed Consolidated Financial Statements include the accounts of Trilogy International Partners Inc. ("TIP Inc." and together with its consolidated subsidiaries referred to as the "Company"). All intercompany transactions and accounts were eliminated. The Condensed Consolidated Balance Sheet as of December 31, 2017 is derived from the audited TIP Inc. financial statements at that date and should be read in conjunction with these Condensed Consolidated Financial Statements. Certain information in footnote disclosures normally included in annual financial statements was condensed or omitted for the interim periods presented in accordance with accounting principles generally accepted in the United States of America ("GAAP"). In the opinion of management, the interim financial information includes all adjustments, consisting of normal recurring adjustments, necessary for a fair statement of the results for the interim periods. The interim results of operations and cash flows are not necessarily indicative of those results and cash flows expected for the full year.

On February 7, 2017, Trilogy International Partners LLC ("Trilogy LLC"), a Washington limited liability company, and Alignvest Acquisition Corporation (the prior name of TIP Inc.) completed a court approved plan of arrangement (the "Arrangement") pursuant to an arrangement agreement dated November 1, 2016 (as amended December 20, 2016, the "Arrangement Agreement"). As a result of the Arrangement, TIP Inc., through a wholly owned subsidiary, owns and controls a majority interest in Trilogy LLC.

Certain amounts in prior periods have been reclassified relating to the amortization of imputed discount on Equipment Installment Plan ("EIP") receivables. This recognition of imputed discount has been reclassified from Other, net to Non-subscriber international long distance and other revenues on our Condensed Consolidated Statements of Operations and Comprehensive loss, to conform to the current year's presentation. See EIP Receivables below for further detail.

The Company has two reportable operating segments, New Zealand and Bolivia. Unallocated corporate operating expenses, which pertain primarily to corporate administrative functions that support the operating segments, but are not specifically attributable to or managed by any segment, are presented as a reconciling item between total segment operating results and consolidated financial results. Below is a brief summary of each of the Company's operations:

New Zealand:
Two Degrees Mobile Limited ("2degrees") was formed under the laws of New Zealand on February 15, 2001. 2degrees holds spectrum licenses to provide nationwide wireless communication services. A portion of these licenses expire in 2021 while others expire in 2031. 2degrees launched commercial operations in 2009 as the third operator in New Zealand. 2degrees provides voice, data and long distance services to its customers over third generation ("3G") and fourth generation ("4G") networks. 2degrees also maintains inbound visitor roaming and international outbound roaming agreements with various international carriers. 2degrees offers its mobile communications services through both prepaid and postpaid payment plans. 2degrees also offers fixed broadband communications services to residential and enterprise customers.

As of June 30, 2018, through its consolidated subsidiaries, Trilogy LLC's ownership interest in 2degrees was 73.3%.

Bolivia:
Empresa de Telecomunicaciones NuevaTel (PCS de Bolivia), S.A. ("NuevaTel") was formed under the laws of Bolivia in November, 1999 to engage in Personal Communication Systems ("PCS") operations. NuevaTel was awarded its first PCS license in 1999 and commenced commercial service in November 2000 under the brand name Viva. NuevaTel operates a Global System for Mobile Communications ("GSM" or "2G") network along with 3G and 4G networks. These networks provide voice and a variety of data services, including high-speed Internet, messaging services and application and content downloads. NuevaTel offers its mobile communications services through both prepaid and postpaid payment plans, although the majority of NuevaTel's subscribers pay on a prepaid basis. In addition to basic voice and data services, NuevaTel offers public telephony services. NuevaTel's public telephony service utilizes wireless pay telephones located in stores and call centers that are owned and managed by NuevaTel resellers.

As of June 30, 2018, through its consolidated subsidiaries, Trilogy LLC's ownership interest in NuevaTel was 71.5%.

Additional details on our reportable operating segments are included in Note 15 – Segment Information.

Summary of Significant Accounting Policies

Use of Estimates:
The preparation of the unaudited interim Condensed Consolidated Financial Statements in conformity with GAAP requires management to make estimates and assumptions that affect the amounts of assets and liabilities and the amounts of revenues and expenses reported for the periods presented. Certain estimates require difficult, subjective or complex judgments about matters that are inherently uncertain. Actual results could differ from those estimates.

Accounts Receivable, net:
Management makes estimates of the uncollectability of its accounts receivable. In determining the adequacy of the allowance for doubtful accounts, management analyzes historical experience and current collection trends, known troubled accounts, receivable aging and current economic trends. The Company writes off account balances against the allowance for doubtful accounts when collection efforts are unsuccessful. Provisions for uncollectible receivables are included in General and administrative expenses. The allowance for doubtful accounts was $6.7 million and $9.3 million as of June 30, 2018 and December 31, 2017, respectively.

EIP Receivables:
At the time of sale of handsets under installment plans, we impute risk adjusted interest on the receivables associated with EIPs. Historically, we recorded this imputed discount as a reduction of equipment sales and the imputed interest was deferred and included within EIP receivables, net on our Condensed Consolidated Balance Sheets. The imputed discount was amortized to interest income over the term of the EIP contract in Other, net on our Condensed Consolidated Statements of Operations and Comprehensive Loss.

Beginning with the second quarter of 2018, the amortization of imputed discount on EIP receivables has been reclassified from Other, net and is now included as a component of Non-subscriber international long distance and other revenues on our Condensed Consolidated Statements of Operations and Comprehensive Loss. This presentation provides a clearer representation of amounts earned from the Company's ongoing operations and aligns with industry practice thereby enhancing comparability. We have applied this reclassification to all periods presented. Amortization of imputed discount included within Non-subscriber international long distance and other revenues was $0.6 million and $0.6 million for the three months ended June 30, 2018 and 2017, respectively, and $1.1 million and $1.1 million for the six months ended June 30, 2018 and 2017, respectively. This change had no impact on net loss for any period presented.

Recently Adopted Accounting Standards:
On April 5, 2012, the Jumpstart Our Business Startups Act of 2012 (the "JOBS Act") was signed into law. The JOBS Act contains provisions that, among other things, reduce certain reporting requirements for qualifying public companies. As an "emerging growth company", we may delay adoption of new or revised accounting pronouncements applicable to public companies until such pronouncements are made applicable to private companies. We intend to take advantage of the benefits of this extended transition period. Accordingly, our financial statements may not be comparable to those of companies that comply with such new or revised accounting standards.

In October 2016, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") 2016-16, "Intra-Entity Transfers of Assets Other Than Inventory", which modifies the accounting for the income tax consequences of intra-entity transfers of assets other than inventory. The ASU eliminates the prohibition against the recognition of current and deferred income taxes for an intra-entity asset transfer until the asset has been sold to an outside party or otherwise recovered through use and will require entities to recognize the income tax consequences of an intra-entity transfer when the transfer occurs. The ASU requires a modified retrospective application with a cumulative-effect adjustment recorded in retained earnings as of the beginning of the period of adoption. This standard will take effect for public business entities for fiscal years beginning after December 15, 2017, including interim periods within those fiscal years. For all other organizations, the standard will take effect for fiscal years beginning after December 15, 2018, and for interim periods within fiscal years beginning after December 15, 2019. Early adoption is permitted for all entities as of the beginning of a fiscal year. As an "emerging growth company," we early adopted the ASU as of the beginning of fiscal 2018.

As discussed in Note 14 - Income Taxes, during the third quarter of 2017, the Company's New Zealand subsidiary, 2degrees, entered into an intra-entity asset transfer to separate its network assets from its retail operations business. The intra-entity asset transfer resulted in an increase to the tax bases of the assets transferred at the entity that received the network assets. Upon adoption of the ASU in the first quarter of 2018, deferred tax assets (with full corresponding valuation allowances) were recorded for the increased tax bases for transferred assets. Given the full valuation allowance position against the Company's New Zealand deferred tax assets, there was no cumulative adjustment to retained earnings as a result of the adoption of ASU 2016-16.

Recently Issued Accounting Standards:
In June 2016, the FASB issued ASU 2016-13 related to the measurement of credit losses on financial instruments. The standard requires a financial asset (or a group of financial assets) measured at amortized cost basis to be presented at the net amount expected to be collected. The measurement of expected credit losses is based on relevant information about past events, including historical experience, current conditions and reasonable and supportable forecasts that affect the collectibility of the reported amount. The standard will take effect for public entities for fiscal years beginning after December 15, 2019, including interim periods within those fiscal years. For all other organizations, the standard will take effect for fiscal years beginning after December 15, 2020, and for interim periods within fiscal years beginning after December 15, 2021. Early adoption is permitted for all organizations for fiscal years beginning after December 15, 2018. As an "emerging growth company", we intend to adopt this standard on the date it becomes applicable to private companies. The adoption of this ASU will require a cumulative-effect adjustment to Accumulated deficit as of the beginning of the first reporting period in which the guidance is effective (that is, a modified-retrospective approach). We are currently evaluating the impact this ASU will have on our consolidated financial statements.

In February 2016, the FASB issued ASU 2016-02 related to recognition of leases. This standard will require organizations that lease assets to recognize on the balance sheet the assets and liabilities for the rights and obligations created by those leases. The new guidance will require classifications of leases, both operating and capital, to be recognized on the balance sheet. Consistent with current GAAP, the recognition, measurement, and presentation of expenses and cash flows arising from a lease will depend on its classification. The standard will require disclosures to help investors and other financial statement users better understand the amount, timing and uncertainty of cash flows arising from leases. This standard will take effect for public entities for fiscal years beginning after December 15, 2018, including interim periods within those fiscal years. For all other organizations, the standard will take effect for fiscal years beginning after December 15, 2019, and for interim periods within fiscal years beginning after December 15, 2020. Early adoption is permitted for all organizations. As an "emerging growth company", we intend to adopt this standard on the date it becomes applicable to private companies. The adoption of this ASU will result in the recognition of significant right-of-use assets and lease liabilities in our balance sheets that have not previously been recorded, but we currently expect such adoption to have an insignificant impact on our statements of operations. Our evaluation is continuing, with a focus on our accounting for cell site, office, and retail leases as well as our review of system readiness and overall interpretations. We will continue our assessment of other potential impacts of this ASU on our consolidated financial statements.

In May 2014, the FASB issued ASU 2014-09 related to revenue recognition, which will supersede nearly all existing recognition guidance under GAAP. The core principle of the guidance is that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. To achieve that core principle, an entity should apply the following steps: 1) identify the contract(s) with a customer, 2) identify the performance obligations in the contract, 3) determine the transaction price, 4) allocate the transaction price to the performance obligations in the contract, and 5) recognize revenue when (or as) the entity satisfies a performance obligation. For public entities, this pronouncement is effective for annual and interim reporting periods beginning after December 15, 2017. For all other organizations, the standard will take effect for annual reporting periods beginning after December 15, 2018, and for interim periods beginning after December 15, 2019. Early adoption is permitted for all organizations. As an "emerging growth company", we intend to adopt this standard on the date it becomes applicable to private companies. We expect the standard may have an impact on the timing of revenue recognition relating to the sales of equipment and services. We also expect the standard to have an impact on contract acquisition costs, including commissions to dealers. Currently, we expense contract acquisition costs as they are incurred. Under the new standard, we will defer direct and incremental contract acquisition costs over the period of benefit. We are devoting management resources, and have engaged third-party consultants, to assist management with the implementation of the standard. Our review is not complete and to date we have focused on evaluating our customer contracts, accounting interpretations, and systems. We have completed an initial scoping review of customer contracts for certain significant revenue streams and are in the process of documenting internal policies and implementing changes to processes and internal controls to meet the standard's updated reporting and disclosure requirements. At this time, we are unable to conclude if the standard will have a material impact on our consolidated financial statements, and we will continue to evaluate the potential impact of the new standard in the coming quarters. The updated standard allows for either a full retrospective adoption or modified retrospective adoption and we plan to adopt the standard using the modified retrospective approach.

(US dollars in thousands unless otherwise noted)

NOTE 2 – PROPERTY AND EQUIPMENT

	As of June 30, 2018	As of December 31, 2017
Land, buildings and improvements	$ 8,997	$ 8,979
Wireless communication systems	760,357	754,257
Furniture, equipment, vehicles and software	162,955	164,498
Construction in progress	56,475	55,135
	988,784	982,869
Less: accumulated depreciation	(594,886)	(567,241)
Property and equipment, net	$ 393,898	$ 415,628

Depreciation expense was $24.1 million and $21.7 million for the three months ended June 30, 2018 and 2017, respectively. Depreciation expense was $47.2 million and $43.9 million for the six months ended June 30, 2018 and 2017, respectively.

Advances to equipment vendors are included in Other assets and totaled $6.4 million and $5.8 million as of June 30, 2018 and December 31, 2017, respectively.

Supplemental cash flow information:

The Company acquired $1.6 million and $1.3 million of property and equipment through current and long-term debt during the six months ended June 30, 2018 and 2017, respectively.

The Company also acquires property and equipment through current and long-term construction accounts payable. The net change in current and long-term construction accounts payable resulted in additions or (adjustments) to Purchase of property and equipment in the Condensed Consolidated Statements of Cash Flows of $2.1 million and $(4.3) million for the six months ended June 30, 2018 and 2017, respectively.

NOTE 3 – GOODWILL, LICENSE COSTS AND OTHER INTANGIBLE ASSETS

There were no goodwill impairments required to be recognized as of June 30, 2018 and December 31, 2017, since events and circumstances did not indicate such impairment. Changes in the Company's goodwill balance for the six months ended June 30, 2018 and 2017 were related to foreign currency adjustment and were not material.

The Company's license costs and other intangible assets consisted of the following:

		As of June 30, 2018			As of December 31, 2017		
	Estimated Useful Lives	Gross Carrying Amount	Accumulated Amortization	Net	Gross Carrying Amount	Accumulated Amortization	Net
License costs	7 - 20 years	$ 188,110	$ (102,404)	$ 85,706	$ 192,713	$ (97,848)	$ 94,865
Subscriber relationships	7 years	12,651	(8,819)	3,832	13,276	(8,152)	5,124
Other	6 -14 years	3,548	(3,363)	185	3,618	(3,356)	262
Total		$ 204,309	$ (114,586)	$ 89,723	$ 209,607	$ (109,356)	$ 100,251

Amortization expense was $4.4 million and $4.4 million for the three months ended June 30, 2018 and 2017, respectively. Amortization expense was $8.8 million and $9.0 million for the six months ended June 30, 2018 and 2017, respectively.

New Zealand:

(US dollars in thousands unless otherwise noted)

On October 29, 2013, Trilogy International Radio Spectrum LLC, a Delaware limited liability company and indirect wholly owned subsidiary of TIP Inc. ("TIRS"), entered into an agreement with the government of New Zealand for the acquisition of a 10 MHz paired license of 700 MHz spectrum (the "700 MHz License") for $44.0 million New Zealand dollars ("NZD") ($29.8 million based on the exchange rate at June 30, 2018). The 700 MHz License expires in 2031. TIRS has made this spectrum available to 2degrees, and 2degrees uses such spectrum in connection with its provision of 4G services.

The acquisition of the 700 MHz License was funded through a long-term payable from TIRS to the government of New Zealand. TIRS is obligated to make annual installment payments along with accrued interest. Interest on the unpaid purchase price accrues at the rate of 5.8% per annum. In March 2017, the Company paid an installment on behalf of TIRS in the total amount of $10.5 million NZD to the government of New Zealand ($7.3 million based on the average exchange rate in the month of payment of which $2.9 million was accrued interest). There were no additional payments during the six months ended June 30, 2018.

As of June 30, 2018, the outstanding current and long-term portions, excluding interest, of the license obligation for the 700 MHz License recorded in Other current liabilities and accrued expenses and Other non-current liabilities were $6.2 million and $6.6 million, respectively.

NOTE 4 – EIP RECEIVABLES

In New Zealand, 2degrees offers certain wireless subscribers the option to pay for their handsets in installments over a period of up to 36 months using an EIP.

The following table summarizes the unbilled EIP receivables:

	As of June 30, 2018	As of December 31, 2017
EIP receivables, gross	$ 41,665	$ 36,311
Unamortized imputed discount	(3,351)	(2,600)
EIP receivables, net of unamortized imputed discount	$ 38,314	$ 33,711
Allowance for doubtful accounts	(2,397)	(1,722)
EIP receivables, net	$ 35,917	$ 31,989

Classified on the balance sheet as:	As of June 30, 2018	As of December 31, 2017
EIP receivables, net	$ 18,067	$ 17,190
Long-term EIP receivables	17,850	14,799
EIP receivables, net	$ 35,917	$ 31,989

2degrees categorizes unbilled EIP receivables as prime and subprime based on subscriber credit profiles. Upon initiation of a subscriber's installment plan, 2degrees uses a proprietary scoring system that measures the credit quality of EIP receivables using several factors, such as credit bureau information, subscriber credit risk scores, service plan and EIP characteristics. 2degrees periodically assesses the proprietary scoring system. Prime subscribers are those with lower risk of delinquency and whose receivables are eligible for sale to a third party. Subprime subscribers are those with higher delinquency risk. Based on subscribers' credit quality, subscribers may be denied an EIP option or be required to participate in a risk mitigation program which includes paying a deposit and allowing for automatic payments.

The balances of EIP receivables on a gross basis by credit category as of the period presented were as follows:

	As of June 30, 2018	As of December 31, 2017
Prime	$ 29,191	$ 25,869
Subprime	12,474	10,442
Total EIP receivables, gross	$ 41,665	$ 36,311

(US dollars in thousands unless otherwise noted)

The EIP receivables had weighted average imputed discount rates of 6.75% and 6.76% as of June 30, 2018 and December 31, 2017, respectively.

The following table shows changes in the aggregate net carrying amount of the unbilled EIP receivables:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2018	2017	2018	2017
Beginning balance of EIP receivables, net	$ 35,494	$ 26,784	$ 31,989	$ 32,984
Additions	26,880	14,533	52,056	28,335
Billings and payments	(11,802)	(7,244)	(22,610)	(16,292)
Sales of EIP receivables	(11,067)	(5,783)	(21,913)	(17,790)
Foreign currency translation	(2,827)	1,424	(2,179)	1,907
Change in allowance for doubtful accounts and imputed discount	(761)	(426)	(1,426)	144
Total EIP receivables, net	$ 35,917	$ 29,288	$ 35,917	$ 29,288

Sales of EIP Receivables:

2degrees has a mobile handset receivables purchase agreement (the "EIP Sale Agreement") with a third party New Zealand financial institution (the "EIP Buyer"). The EIP Sale Agreement provides an arrangement for 2degrees to accelerate realization of receivables from wireless subscribers who purchase mobile phones from 2degrees on installment plans. Under the agreement and on a monthly basis, 2degrees offers to sell specified receivables to the EIP Buyer and the EIP Buyer may propose a price at which to purchase the receivables. Neither party is obligated to conclude a purchase, except on mutually agreeable terms.

The following table summarizes the impact of the sales of the EIP receivables in the three and six months ended June 30, 2018 and 2017:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2018	2017	2018	2017
EIP receivables derecognized	$ 11,067	$ 5,783	$ 21,913	$ 17,790
Cash proceeds	(9,295)	(5,086)	(18,531)	(15,652)
Reversal of unamortized imputed discount	(748)	(390)	(1,480)	(1,200)
Reversal of allowance for doubtful accounts	(443)	(173)	(877)	(533)
Pre-tax loss on sales of EIP receivables	$ 581	$ 134	$ 1,025	$ 405

NOTE 5 – FAIR VALUE MEASUREMENTS

The accounting guidance for fair value establishes a framework for measuring fair value that uses a three-level valuation hierarchy for disclosure of fair value measurement. The valuation hierarchy is based upon the transparency of inputs to the valuation of an asset or liability at the measurement date. The three levels are defined as follows:

- Level 1 – Quoted prices in active markets for identical assets or liabilities;
- Level 2 – Inputs other than quoted prices included within Level 1 that are either directly or indirectly observable;
- Level 3 – Unobservable inputs in which little or no market activity exists, requiring an entity to develop its own assumptions that market participants would use to value the asset or liability.

(US dollars in thousands unless otherwise noted)

The following tables present assets and liabilities measured at fair value on a recurring basis as of June 30, 2018 and December 31, 2017:

	Fair Value Measurement as of June 30, 2018			
	Total	**Level 1**	**Level 2**	**Level 3**
Assets:				
Short-term investments	$ 6,959	$ -	$ 6,959	$ -
Forward exchange contracts	1,311	-	1,311	-
Total assets	$ 8,270	$ -	$ 8,270	$ -
Liabilities:				
Warrant liability	1,325	1,325	-	-
Interest rate swaps	1,662	-	1,662	-
Total liabilities	$ 2,987	$ 1,325	$ 1,662	$ -

	Fair Value Measurement as of December 31, 2017			
	Total	**Level 1**	**Level 2**	**Level 3**
Assets:				
Short-term investments	$ 24,240	$ -	$ 24,240	$ -
Total assets	$ 24,240	$ -	$ 24,240	$ -
Liabilities:				
Forward exchange contracts	$ 11	$ -	$ 11	$ -
Warrant liability	6,625	6,625	-	-
Interest rate swaps	1,930	-	1,930	-
Total liabilities	$ 8,566	$ 6,625	$ 1,941	$ -

The fair value of the short-term investments is based on historical trading prices or model-driven valuations which are observable in the market or can be derived principally from or corroborated by observable market data. The fair value of forward exchange contracts is based on the differential between the contract price and the foreign currency exchange rate as of the balance sheet date. The fair value of the warrant liability is based on the quoted public market price of the warrants as of the balance sheet date. The fair value of interest rate swaps is measured using quotes obtained from a financial institution for similar financial instruments.

There were no transfers between levels within the fair value hierarchy during the six months ended June 30, 2018.

Cash and cash equivalents, accounts receivable, deposits, accounts payable and accrued expenses are carried at cost, which approximates fair value given their short-term nature. The carrying values of EIP receivables approximate fair value as the receivables are recorded at their present value, net of unamortized imputed discount and allowance for doubtful accounts.

The estimated fair value of the Company’s debt, including current maturities, was based on Level 2 inputs, being market quotes or values for similar instruments, and interest rates currently available to the Company for the issuance of debt with similar terms and remaining maturities as a discount rate for the remaining principal payments. The carrying amounts and estimated fair values of our total debt as of June 30, 2018 and December 31, 2017 were as follows:

	As of June 30, 2018	**As of December 31, 2017**
Carrying amount, excluding unamortized discount and deferred financing costs	$ 511,818	$ 517,641
Fair value	$ 508,576	$ 519,764

(US dollars in thousands unless otherwise noted)

For the three and six months ended June 30, 2018 and 2017, we did not record any material other-than-temporary impairments on financial assets required to be measured at fair value on a nonrecurring basis.

NOTE 6 – DEBT

The Company's long-term and other debt as of June 30, 2018 and December 31, 2017 consisted of the following:

	As of June 30, 2018	As of December 31, 2017
Trilogy LLC 2022 Notes	$ 350,000	$ 350,000
New Zealand Senior Facilities Agreement due 2020	132,715	-
New Zealand Senior Facilities Agreement due 2019	-	136,859
Bolivian Syndicated Loan due 2021	18,360	20,655
Bolivian Bank Loan due 2022	7,000	7,000
Other	3,743	3,127
	511,818	517,641
Less: unamortized discount	(3,167)	(3,499)
Less: deferred financing costs	(6,481)	(6,890)
Total debt	502,170	507,252
Less: current portion of debt	(6,916)	(10,705)
Total long-term debt	$ 495,254	$ 496,547

Trilogy LLC 2022 Notes:
On May 2, 2017, Trilogy LLC closed a private offering of $350 million aggregate principal amount of its senior secured notes due 2022 (the "Trilogy LLC 2022 Notes"). The Trilogy LLC 2022 Notes were offered to qualified institutional buyers pursuant to Rule 144A under the Securities Act of 1933, as amended (the "Securities Act"), and to non-U.S. persons in offshore transactions in reliance on Regulation S under the Securities Act.

The Trilogy LLC 2022 Notes bear interest at a rate of 8.875% per annum and were issued at 99.506%. Interest on the Trilogy LLC 2022 Notes is payable semi-annually in arrears on May 1 and November 1, beginning November 1, 2017 with interest accrued from May 2, 2017. No principal payments are due until maturity on May 1, 2022.

Trilogy LLC has the option of redeeming the Trilogy LLC 2022 Notes, in whole or in part, upon not less than 30 days' and not more than 60 days' prior notice as follows:

- Prior to May 1, 2019, at 100%, plus a "make whole" premium
- On or after May 1, 2019 but prior to May 1, 2020, at 104.438%
- On or after May 1, 2020 but prior to May 1, 2021, at 102.219%
- On or after May 1, 2021 at 100%

On or prior to May 1, 2019, Trilogy LLC may redeem up to 35% of the principal amount of the Trilogy LLC 2022 Notes at 108.875% plus accrued and unpaid interest on the notes being redeemed with the net cash proceeds of a public equity offering, provided that at least 65% of the original principal amount of the Trilogy LLC 2022 Notes remains outstanding immediately after the redemption.

The Trilogy LLC 2022 Notes are guaranteed by certain of Trilogy LLC's domestic subsidiaries and are secured by a first-priority lien on the equity interests of such guarantors and a pledge of any intercompany indebtedness owed to Trilogy LLC or any such guarantor by 2degrees or any of 2degrees' subsidiaries and certain third party indebtedness owed to Trilogy LLC by any minority shareholder in 2degrees. As of the issue date of the Trilogy LLC 2022 Notes, and as of June 30, 2018, there was no such indebtedness outstanding.

Senior Facilities Agreement:
In March 2018, 2degrees amended its senior facilities agreement (as amended, the "Senior Facilities Agreement") with the Bank of New Zealand ("BNZ") and various financial institutions (together with BNZ, the "Banks"), pursuant to which the Banks provide financing of up to $185 million NZD ($125.2 million based on the exchange rate at June 30, 2018), all of which was fully drawn down as of June 30, 2018, and a $15 million NZD working capital facility, of which $11.1 million NZD ($7.5 million based on the exchange rate at June 30, 2018) was drawn down as of June 30, 2018. The borrowings and repayments for these facilities, including the recurring activity to fund working capital requirements, are included separately as Proceeds from debt and Payments of debt within Net cash provided by financing activities in the Condensed Consolidated Statements of Cash Flows.

Under the terms of the amended Senior Facilities Agreement, the Banks agreed to extend the existing maturity date of January 2019 to January 2020 for $190 million NZD ($128.6 million based on the exchange rate at June 30, 2018); $10 million NZD ($6.8 million based on the exchange rate at June 30, 2018) will retain a January 2019 maturity date. The extension of the maturity date of the Senior Facilities Agreement was analyzed and accounted for on a lender-by-lender basis under the syndicated debt model in accordance with the applicable accounting guidance for evaluating modifications, extinguishments and new issuances of debt. Accordingly, $1.5 million NZD ($1.1 million based on the average exchange rate in the month of payment) in fees paid to the Banks related to the extension was recorded as a deferred financing cost and is included as a reduction within Long-term debt on the Condensed Consolidated Balance Sheet. The unamortized balance of the deferred financing cost as of June 30, 2018, including the fees paid to the Banks discussed above along with previously deferred costs, are amortized to Interest expense using the effective interest method over the term of the Senior Facilities Agreement due January 2020.

Distributions will continue to be subject to free cash flow tests and the Company may be required to make certain prepayments of principal to the Banks.

The debt under the Senior Facilities Agreement accrues interest quarterly at a rate ranging from 1.25% to 2.05% (depending upon 2degrees' adjusted leverage ratio at that time) plus the New Zealand Bank Bill Reference Rate ("BKBM"). Additionally, a line fee of between 0.80% and 1.35% (depending upon 2degrees' adjusted leverage ratio at that time) calculated on the total committed financing under the Senior Facilities Agreement (both drawn and undrawn) is also payable quarterly. As of June 30, 2018, the line fee rate was 0.95%. The effective interest rate (weighted average interest rate plus line fee) on the combined balance of the facilities outstanding as of June 30, 2018 and December 31, 2017 was 4.68% and 4.06%, respectively. In addition, once a year, for a period of not less than five consecutive days, 2degrees must reduce the outstanding balance of the $15 million NZD facility used to fund its working capital requirements to zero. Such zero balance reduction must take place at least six months after the most recent prior zero balance reduction.

The Senior Facilities Agreement contains certain financial covenants requiring 2degrees to:

- maintain a total interest coverage ratio (as defined in the Senior Facilities Agreement) of not less than 3.0 times;
- maintain an adjusted leverage ratio (as defined in the Senior Facilities Agreement) of not greater than 3.0 times in 2018 and not greater than 2.75 times thereafter; and
- not exceed 110% of the agreed to annual capital expenditures (as defined in the Senior Facilities Agreement) in any financial year.

(US dollars in thousands unless otherwise noted)

The Senior Facilities Agreement also contains other customary representations, warranties, covenants and events of default. The Senior Facilities Agreement is secured (in favor of an independent security trustee) by substantially all of the assets of 2degrees.

In July 2018, all amounts due under the Senior Facilities Agreement discussed above were refinanced by a bank facility with maturities greater than one-year from June 30, 2018; thus we have classified all components of the Senior Facilities Agreement as long-term debt as of June 30, 2018 (see Note 16 – Subsequent Events).

Covenants:
As of June 30, 2018, the Company was in compliance with all of its debt covenants.

NOTE 7 – DERIVATIVE FINANCIAL INSTRUMENTS

Interest Rate Swaps:
2degrees enters into various interest rate swap agreements to fix its future interest payments under the Senior Facilities Agreement. Under these agreements, 2degrees principally receives a variable amount based on the BKBM and pays a fixed amount based on fixed rates ranging from 2.290% to 4.695%. Settlement in cash occurs quarterly until termination and the variable interest rate is reset on the first day of each calendar quarter. These derivative instruments have not been designated for hedge accounting, thus changes in the fair value are recognized in earnings in the period incurred. The fair value of these contracts, included in Other non-current liabilities, was $1.7 million and $1.9 million as of June 30, 2018 and December 31, 2017, respectively. As of June 30, 2018, the total notional amount of these agreements was $177.5 million NZD ($120.1 million based on the exchange rate as of June 30, 2018). The agreements have effective dates from September 30, 2014 through June 30, 2020 and termination dates from September 28, 2018 to June 30, 2022. During the six months ended June 30, 2018, interest rate swap agreements with a total notional amount of $25.0 million NZD ($16.9 million based on the exchange rate as of June 30, 2018) matured.

Summarized financial information for all of the aforementioned derivative financial instruments is shown below:

	Three Months Ended June 30,		Six Month Ended June 30,	
	2018	2017	2018	2017
Non-cash (loss)/gain from change in fair value recorded in Other, net	$ (248)	$ (223)	$ (506)	$ (780)
(Loss)/gain reclassified from comprehensive income (loss) to Other, net	$ -	$ -	$ -	$ (118)
Net cash settlement	$ (332)	$ (357)	$ (698)	$ (918)

Forward Exchange Contracts:
At June 30, 2018, 2degrees had short-term forward exchange contracts to sell an aggregate of $40.7 million NZD and buy an aggregate of $29.0 million USD and sell an aggregate of $4.0 million USD and buy an aggregate of $5.8 million NZD to manage exposure to fluctuations in foreign currency exchange rates. During the six months ended June 30, 2018, short-term forward exchange contracts to sell an aggregate of $29.5 million NZD and buy an aggregate of $21.0 million USD matured. These derivative instruments have not been designated for hedge accounting, thus changes in the fair value are recognized in earnings in the period incurred. A foreign exchange gain of $1.5 million and $1.4 million was recognized in Other, net during the three and six months ended June 30, 2018, respectively. A foreign exchange loss of $0.7 million and $1.6 million was recognized in Other, net during the three and six months ended June 30, 2017, respectively. The Company had assets, included in Prepaid expenses and other current assets, for estimated settlements under these forward exchange contracts of $1.3 million as of June 30, 2018. The estimated settlements under these forward exchange contracts were not material as of December 31, 2017.

(US dollars in thousands unless otherwise noted)

NOTE 8 – EQUITY-BASED COMPENSATION

TIP Inc. Restricted Share Units:
During the six months ended June 30, 2018, TIP Inc. granted a total of 990,374 restricted share units ("RSUs" or "Awards") to officers and employees under plans pursuant to which vesting is subject to meeting certain performance or time-based criteria. RSUs entitle the grantee to receive common shares of TIP Inc. (the "Common Shares") at the end of a specified vesting period, subject to continued service through the applicable vesting date, and certain Company performance obligations for performance-based awards.

A portion of the RSU grants consisted of awards that combine time-based elements with performance-based elements, which entitle the holder to receive a number of Common Shares that varies based on the Company's performance against the service revenues (defined as Total revenues less Equipment sales) or Adjusted EBITDA performance goals for calendar year 2018. The estimated equity-based compensation expense attributable to performance-based RSUs is updated quarterly. The total number of RSUs granted includes these performance-based awards and assumes that the performance goals will be achieved. The number of RSUs is updated upon completion of each applicable fiscal year when a final determination is made as to whether the performance goals have been achieved. These performance-based RSUs vest on a straight-line basis over a four-year employment period. The remaining RSUs were granted to officers and employees as time-based awards, which vest on a straight-line basis over a four-year service period.

Equity-based compensation expense is generally recognized on a straight-line basis over the requisite service period; however, exceptions include awards with an accelerated vesting schedule and updated estimates of achievement against performance goals for performance-based awards. On June 30, 2018, 403,118 RSUs vested based on the one-year anniversary of grants made in 2017 and the shares were issued subsequent to the quarter end. As of June 30, 2018, 1,692,993 RSUs were unvested and unrecognized compensation expense relating to RSUs is approximately $8.5 million, including $3.6 million relating to grants made in 2018. These amounts reflect time-based vesting along with estimated future expense with respect to certain performance-based awards.

Effective January 1, 2018, we early adopted the ASU 2016-09 accounting guidance that allows for the accounting of forfeitures of share-based awards when they occur, which is the Company's policy as of the adoption date. The adoption of this guidance did not have a material impact on the Company's Condensed Consolidated Financial Statements.

2degrees Option Plans:
During the first quarter of 2018, 2degrees granted a total of 3.6 million service-based share options (the "Options") to employees under a plan whose vesting is subject to meeting a required service period of up to two years. Equity-based compensation expense is recognized on a straight-line basis over the service period for these grants.

The following table summarizes the assumptions used in the Black-Scholes valuation model for options granted in the first quarter of 2018:

Expected volatility	25%
Expected term (in years)	2.75 - 3.94
Risk free interest rate	1.99% - 2.09%
Expected dividend yield	0%

The expected term of the Options was determined based upon the historical experience of similar awards, giving consideration to the contractual terms, vesting schedules and expectations of future option holder behavior. The risk-free interest rates used were based on the implied yield currently available in New Zealand Government bonds, adjusted for semi-annual coupons and converted to continuously compounded rates, with a term equivalent to the remaining life of the Options as of the date of the valuation. Expected volatility was based on average volatilities of publicly traded peer companies over the expected term. 2degrees has not paid dividends in the past and does not currently have plans to pay dividends.

During the second quarter of 2018, 2degrees modified approximately 9.8 million of its outstanding employee options and extended the expiration date of those options to May 31, 2021. The options previously had expiration dates ranging from 2018 to 2020. No other terms of the options were modified. As a result of this modification, 2degrees recognized approximately $0.7 million of additional equity-based compensation expense, included within General and administrative expenses, in the three months ended June 30, 2018, in accordance with the guidance for modifications of equity awards within Accounting Standards Codification ("ASC") 718 "Stock Compensation".

NOTE 9 – EQUITY

TIP Inc. Capital Structure

TIP Inc.'s authorized share structure consists of two classes of shares, namely Common Shares and one special voting share (the "Special Voting Share") as follows:

TIP Inc. Common Shares:
TIP Inc. is authorized to issue an unlimited number of Common Shares with no par value. As of June 30, 2018, TIP Inc. had 55,305,962 Common Shares outstanding, reflecting an increase of 1,490,331 Common Shares issued during the six months ended June 30, 2018 as a result of Trilogy LLC Class C Units (the "Class C Units") being redeemed for Common Shares and the issuance of shares in May 2018 pursuant to TIP Inc.'s dividend reinvestment plan. Holders of Common Shares are entitled to one vote for each share held on matters submitted to a vote for shareholders. Holders of Common Shares and the Special Voting Share, described below, vote together as a single class, except as provided in the Business Corporation Act (British Columbia), by law or by stock exchange rules.

Holders of Common Shares are entitled to receive dividends as and when declared by the board of directors of TIP Inc. (the "TIP Inc. Board"). In the event of the dissolution, liquidation or winding-up of TIP Inc., whether voluntary or involuntary, or any other distribution of assets of TIP Inc. among its shareholders for the purpose of winding up its affairs, the holders of Common Shares shall be entitled to receive the remaining property and assets of TIP Inc. after satisfaction of all liabilities and obligations to creditors of TIP Inc. and after $1.00 Canadian dollars ("C$") is distributed to the holder of the Special Voting Share.

In connection with the Arrangement Agreement, certain holders of Common Shares entered into lock-up agreements with TIP Inc. (the "Lock-Up Agreements"). Pursuant to the Lock-Up Agreements, each locked-up shareholder agreed that it would not during specified periods, without the prior written consent of TIP Inc., sell, assign, pledge, dispose of, or transfer any equity securities of TIP Inc. or Trilogy LLC, or enter into any swap, forward or other arrangement that transfers all or a portion of the economic consequences associated with the ownership of Common Shares. As of June 30, 2018, 5,702,775 Common Shares were locked-up pursuant to Lock-Up Agreements expiring on February 7, 2019.

During the six months ended June 30, 2018, the lock-up period expired with respect to 5,585,927 Common Shares. See "Trilogy LLC Capital Structure; Class C Units" below for lock-up periods applicable to Common Shares which may be issued upon redemption of such units.

As of June 30, 2018, TIP Inc. holds a 66.1% economic ownership interest in Trilogy LLC through its wholly owned subsidiary, Trilogy International Partners Intermediate Holdings Inc. ("Trilogy Intermediate Holdings"). The 1.6% increase in TIP Inc.'s economic ownership interest in Trilogy LLC during the six months ended June 30, 2018 is primarily attributable to the issuance of Common Shares upon redemption of Class C Units.

Special Voting Share of TIP Inc.:
TIP Inc. has one issued and outstanding Special Voting Share held by a trustee. Holders of Class C Units, as described below, are entitled to exercise voting rights in TIP Inc. through the Special Voting Share on a basis of one vote per Class C Unit held. At such time as there are no Class C Units outstanding, the Special Voting Share shall be redeemed and cancelled for C$1.00 to be paid to the holder thereof.

The holder of the Special Voting Share is not entitled to receive dividends. In the event of the dissolution, liquidation or winding-up of TIP Inc., whether voluntary or involuntary, the holder of the Special Voting Share is entitled to receive C$1.00 after satisfaction of all liabilities and obligations to creditors of TIP Inc. but before the distribution of the remaining property and assets of TIP Inc. to the holders of Common Shares.

Warrants:
At June 30, 2018, TIP Inc. had 13,402,685 warrants outstanding. Each warrant entitles the holder to purchase one Common Share at an exercise price of C$11.50, subject to normal anti-dilution adjustments. The warrants expire on February 7, 2022.

As of February 7, 2017, the date of consummation of the Arrangement, TIP Inc.'s issued and outstanding warrants were reclassified from equity to liability, as the warrants are written options that are not indexed to Common Shares. The fair value of the warrants was based on the number of warrants and the closing quoted public market prices of the warrants. The offsetting impact is reflected within Accumulated deficit as a result of the reduction of Additional paid in capital to zero with the allocation of opening equity due to the Arrangement. The warrant liability is recorded in Other current liabilities and accrued expenses on the Company's Condensed Consolidated Balance Sheets. The amount of the warrant liability was $1.3 million and $6.6 million as of June 30, 2018 and December 31, 2017, respectively. The warrant liability is marked-to-market each reporting period with the changes in fair value recorded as a gain or loss in the Condensed Consolidated Statement of Operations. The Company will continue to classify the fair value of the warrants as a liability until the warrants are exercised or expire.

Forfeitable Founders Shares:
At June 30, 2018, the Company had 1,675,336 Common Shares ("Forfeitable Founders Shares") issued and outstanding that are subject to forfeiture on February 7, 2022, unless the closing price of Common Shares exceeds C$13.00 (as adjusted for stock splits or combinations, stock dividends, reorganizations, or recapitalizations) for any 20 trading days within a 30 day-trading-day period.

Dividend Paid:
In May 2018, TIP Inc. paid a dividend of C$0.02 per Common Share. The dividend was declared on April 2, 2018 and paid to common shareholders of record as of April 16, 2018. Eligible Canadian holders of Common Shares who participated in the Company's dividend reinvestment plan had the right to acquire additional Common Shares at 95% of the volume-weighted average price of the Common Shares on the Toronto Stock Exchange for the five trading days immediately preceding the dividend payment date, by reinvesting their cash dividends, net of applicable taxes. As a result of shareholder participation in the dividend reinvestment plan, 34,734 Common Shares were issued to existing shareholders. A total cash dividend of $0.7 million was paid to shareholders that did not participate in the dividend reinvestment plan and the cash payment was recorded as financing activities in the Condensed Consolidated Statements of Cash Flows for the six months ended June 30, 2018.

Concurrently with the issuance of the TIP Inc. dividend, in accordance with the Trilogy LLC amended and restated Limited Liability Company agreement (the "Trilogy LLC Agreement"), a dividend in the form of 137,256 additional Class C Units was issued on economically equivalent terms to the holders of Trilogy LLC Class C Units.

Trilogy LLC Capital Structure
The equity interests in Trilogy LLC consist of three classes of units (the "Trilogy LLC Units") as follows:

Class A Units:
The Class A Units of Trilogy LLC ("Class A Units") possess all the voting rights under the Trilogy LLC Agreement, have nominal economic value and therefore have no rights to participate in the appreciation of the economic value of Trilogy LLC. All of the Class A Units are indirectly held by TIP Inc., through a wholly owned subsidiary, Trilogy International Partners Holdings (US) Inc. ("Trilogy Holdings"). Trilogy Holdings, the managing member of Trilogy LLC, acting through its TIP Inc. appointed directors, has full and complete authority, power and discretion to manage and control the business, affairs, and properties of Trilogy LLC, subject to applicable law and restrictions per the Trilogy LLC Agreement. As of June 30, 2018, there were 157,682,319 Class A Units outstanding.

Class B Units:
TIP Inc. indirectly holds the Class B Units of Trilogy LLC (the "Class B Units") through Trilogy Intermediate Holdings. The Class B Units represent TIP Inc.'s indirect economic interest in Trilogy LLC under the Trilogy LLC Agreement and are required at all times to be equal to the number of outstanding Common Shares. As of June 30, 2018, there were 55,305,962 Class B Units outstanding, reflecting an increase of 1,490,331 Class B Units issued during the six months ended June 30, 2018 as a result of Class C Unit redemptions for Common Shares. The economic interests of the Class B Units in Trilogy LLC are pro rata with the Class C Units.

Class C Units:
The Class C Units are held by persons who were members of Trilogy LLC immediately prior to consummation of the Arrangement. The economic interests of the Class C Units are pro rata with the Class B Units. Following the expiration of the lock-up period set forth in the Lock-Up Agreements signed by each Class C Unit holder, the holder has the right to require Trilogy LLC to redeem any or all Class C Units held by such holder for either Common Shares or a cash amount equal to the fair market value of such Common Shares, the form of consideration to be determined by Trilogy LLC. As of June 30, 2018, all redemptions have been settled in the form of Common Shares. Class C Units have voting rights in TIP Inc. through the Special Voting Share on a basis of one vote per Class C Unit held. As of June 30, 2018, there were 28,394,101 Class C Units outstanding, reflecting a decrease of 1,270,312 Class C Units outstanding primarily due to redemptions of Class C Units during the six months ended June 30, 2018. Additionally, there were 144,098 remaining unvested restricted Class C Units as of June 30, 2018, which were originally granted to an employee on December 31, 2016. These restricted Class C Units vest over a 4-year period, with one-fourth of the award vesting on the day following each anniversary date of the award based on the employee's continued service. There are no voting rights or right to receive distributions prior to vesting for these unvested Class C Units.

As of June 30, 2018, 8,677,753 Class C Units were locked-up pursuant to Lock-Up Agreements expiring on February 7, 2019.

During the six months ended June 30, 2018, the lock-up period expired with respect to 8,697,835 Class C Units.

NOTE 10 – EARNINGS PER SHARE

Basic and diluted earnings per share are computed using the two-class method, which is an earnings allocation method that determines earnings per share for Common Shares and participating securities. The undistributed earnings are allocated between Common Shares and participating securities as if all earnings had been distributed during the period. Participating securities and Common Shares have equal rights to undistributed earnings. Basic earnings per share is calculated by dividing net earnings, less earnings available to participating securities, by the basic weighted average Common Shares outstanding. Diluted earnings per share is calculated by dividing attributable net earnings by the weighted average number of Common Shares plus the effect of potential dilutive Common Shares outstanding during the period. In calculating diluted net loss per share, the numerator and denominator are adjusted, if dilutive, for the change in fair value of the warrant liability and the number of potentially dilutive Common Shares assumed to be outstanding during the period using the treasury stock method. No adjustments are made when the warrants are out of the money.

For the three and six months ended June 30, 2018, the warrants were out of the money and no adjustment was made to exclude the gain recognized by TIP Inc. for the change in fair value of the warrant liability. A gain of $2.8 million and $5.1 million resulted from the change in fair value of the warrant liability for the three and six months ended June 30, 2018, respectively. These gains reduced the net loss attributable to TIP Inc. along with the resulting basic loss per share and, therefore, resulted in the Class C Units being dilutive when included as if redeemed. The change in fair value of the warrant liability for both the three months ended June 30, 2017 and the period from February 7 to June 30, 2017, was $3.5 million.

The components of basic and diluted earnings per share were as follows:

	Three Months Ended June 30,		Six months ended June 30,	Period February 7, 2017 through
(in thousands, except per share amounts)	**2018**	**2017**	**2018**	**June 30, 2017**
Basic EPS:				
Numerator:				
Net loss attributable to TIP Inc.	$ (3,440)	$ (5,536)	$ (7,918)	$ (11,454)
Denominator:				
Basic weighted average Common Shares outstanding	53,360,532	42,513,263	52,830,853	42,509,048
Net loss per share:				
Basic	$ (0.06)	$ (0.13)	$ (0.15)	$ (0.27)
Diluted EPS:				
Numerator:				
Net loss attributable to TIP Inc.	$ (3,440)	$ (5,536)	$ (7,918)	$ (11,454)
Add back: Net loss attributable to Class C Units – Redeemable for Common Shares	$ (2,677)	$ (7,732)	$ (5,872)	$ (12,931)

(US dollars in thousands unless otherwise noted)

Net loss attributable to TIP Inc. and Class C Units	$ (6,117)	$ (13,268)	$ (13,790)	$ (24,385)
Denominator:				
Basic weighted average Common Shares outstanding	53,360,532	42,513,263	52,830,853	42,509,048
Effect of dilutive securities:				
Weighted average Class C Units – Redeemable for Common Shares	28,643,639	39,189,854	29,110,176	39,172,531
Diluted weighted average Common Shares outstanding	82,004,171	81,703,117	81,941,029	81,681,579
Net loss per share:				
Diluted	$ (0.07)	$ (0.16)	$ (0.17)	$ (0.30)

The following table indicates the weighted average dilutive effect of Common Shares that may be issued in the future. These Common Shares were not included in the computation of diluted earnings per share for the three and six months ended June 30, 2018, the three months ended June 30, 2017 and the period February 7, 2017 through June 30, 2017 because the effect was either anti-dilutive or the conditions for vesting were not met:

	Three Months Ended June 30,		Six Months Ended June 30,	Period February 7, 2017 through
	2018	**2017**	**2018**	**June 30, 2017**
Warrants	13,402,685	13,402,685	13,402,685	13,402,685
Forfeitable shares	1,675,336	1,675,336	1,675,336	1,675,336
Unvested restricted share units	2,082,116	326,819	1,666,981	206,531
Unvested Class C Units	144,098	192,130	144,098	192,130
Common Shares excluded from calculation of diluted net loss	17,304,235	15,596,970	16,889,100	15,476,682

NOTE 11 – ACCUMULATED OTHER COMPREHENSIVE INCOME

A summary of the components of Accumulated other comprehensive income is presented below:

	As of June 30, 2018	As of December 31, 2017
Cumulative foreign currency translation adjustment	$ 3,802	$ 6,058
Unrealized (loss) gain on short-term investments	(1)	1
Total accumulated other comprehensive income	$ 3,801	$ 6,059

NOTE 12 – NONCONTROLLING INTERESTS IN CONSOLIDATED SUBSIDIARIES

Noncontrolling interests represent the equity ownership interests in consolidated subsidiaries not owned by the Company. Noncontrolling interests are adjusted for contributions, distributions, and income and loss attributable to the noncontrolling interest partners of the consolidated entities. Income and losses are allocated to the noncontrolling interests based on the respective governing documents.

(US dollars in thousands unless otherwise noted)

There are noncontrolling interests in certain of the Company's consolidated subsidiaries. The noncontrolling interests are summarized as follows:

	As of June 30, 2018	As of December 31, 2017
2degrees	$ 20,408	$ 22,321
NuevaTel	54,592	55,028
Trilogy International Partners LLC	(29,251)	(23,340)
Salamanca Solutions International LLC	(681)	(619)
Noncontrolling interests	$ 45,068	$ 53,390

Supplemental Cash Flow Disclosure:

In June 2018, the Company declared and paid a dividend to a noncontrolling interest of $2.8 million. The dividend was recorded as financing activity in the Condensed Consolidated Statement of Cash Flows for the six months ended June 30, 2018.

NOTE 13 – COMMITMENTS AND CONTINGENCIES

Commitments:

The disclosure of purchase commitments in these Condensed Consolidated Financial Statements should be read in conjunction with the Consolidated Financial Statements and related notes for the year ended December 31, 2017. The disclosures below relate to purchase commitments with significant events occurring during the six months ended June 30, 2018.

New Zealand:

Huawei

As of June 30, 2018, 2degrees had an outstanding commitment with Huawei Technologies (New Zealand) Company Limited ("Huawei") through 2020 for technical support and spare parts maintenance, software upgrades, products, and professional services in the aggregate amount of $22.7 million, based on the exchange rate at June 30, 2018. This commitment is based upon cell sites on air as of June 30, 2018 and will be updated quarterly to reflect new site additions. This commitment also assumes that in 2020, upon termination of the agreement, 2degrees will purchase the existing software license from Huawei.

2degrees also has submitted purchase orders to Huawei in the amount of $3.2 million, based on the exchange rate at June 30, 2018, for other equipment and services, which 2degrees expects to be fulfilled during 2018.

Handsets
In October 2016, 2degrees signed a purchase agreement, effective as of August 1, 2016, with a handset manufacturer that requires 2degrees to purchase a minimum number of handsets per quarter for three years (beginning with the third quarter of 2016). As part of the purchase agreement, 2degrees has committed to allocate $1.3 million NZD ($0.9 million based on the exchange rate at June 30, 2018) of its advertising budget per contract year to related marketing. As of June 30, 2018, the outstanding obligation for handset purchases under this purchase agreement, based on the exchange rate at that date, was approximately $19.9 million, which 2degrees expects to fulfill in 2018. The commitment has not been reduced for potential rebates.

Tech Mahindra Limited
In March 2018, 2degrees signed an agreement with Tech Mahindra Limited for software support services. As of June 30, 2018, the outstanding obligation under this agreement, based on the exchange rate at that date, was approximately $3.6 million through 2021.

Other
As of June 30, 2018, 2degrees has other purchase commitments aggregating $19.2 million, based on the exchange rate at June 30, 2018, with various vendors to acquire hardware and software related to ongoing network and Information Technology (“IT”) projects, as well as for IT support services, IT development, retail store fit-outs, site maintenance, and advertising and marketing costs through 2020 which have not changed significantly individually from the year ended December 31, 2017.

Bolivia:

In December 2016, NuevaTel signed an agreement with Telefónica Celular de Bolivia S.A. (“Telecel”) pursuant to which Telecel provides NuevaTel an Indefeasible Right to Use of its existing and future capacity to transport national telecommunications data. This purchase commitment expires in 2031. As of June 30, 2018, the minimum purchase commitment with Telecel was $21.4 million.

NuevaTel has a purchase commitment with Nokia Solutions and Networks Oy and Nokia Solutions and Networks Bolivia S.A. (hereinafter, collectively “Nokia”) for telecommunications equipment, software and services related to network expansion as well as a support service agreement. As of June 30, 2018, NuevaTel’s remaining purchase commitment with Nokia totaled $10.7 million, which NuevaTel expects to be fulfilled during 2018.

NuevaTel also has purchase commitments through 2027 of $29.8 million with various vendors to acquire telecommunications equipment, support services, inventory and advertising which have not changed significantly individually from the year ended December 31, 2017.

Contingencies:
General:

The financial statements reflect certain assumptions based on telecommunications laws, regulations and customary practices currently in effect in the countries in which the Company’s subsidiaries operate. These laws and regulations can have a significant influence on the Company’s results of operations and are subject to change by the responsible governmental agencies. The Company assesses the impact of significant changes in laws, regulations and political stability on a regular basis and updates the assumptions and estimates used to prepare its financial statements when deemed necessary. However, the Company cannot predict what future laws and regulations might be passed or what other event might occur that could have a material effect on its investments or results of operations. In particular, Bolivia has experienced, or may experience, political and social instability.

In addition to issues specifically discussed elsewhere in this Note to our Condensed Consolidated Financial Statements, the Company is a party to various lawsuits, regulatory proceedings and other matters arising in the ordinary course of business. Management believes that although the outcomes of these proceedings are uncertain, any liability ultimately arising from these actions should not have a material adverse impact on the Company’s financial condition, results of operations, or cash flows. The Company has accrued for any material contingencies where the Company’s management believes the loss is probable and estimable.

Bolivian Regulatory Matters:

Under the Bolivian Telecommunications Law, carriers must negotiate new licenses (to replace their existing concessions) with the government. Both the law and the Bolivian constitution specify that carriers' vested rights under their existing concessions will be preserved; however, the Company cannot guarantee that these protections will be respected by the Bolivian government. The Autoridad de Regulación y Fiscalización de Telecomunicaciones y Transportes of Bolivia ("ATT") migrated the original concessions of Entel and Tigo, wireless competitors to NuevaTel, to new licenses in 2016 in conjunction with renewing their original concessions that were due to expire. In early 2016, the ATT also issued a proposed replacement contract template to NuevaTel that purportedly incorporates provisions of the licenses accepted by Entel and Tigo. NuevaTel has submitted comments on the draft to the ATT and is in discussions with the ATT regarding revisions to the draft. The Company is uncertain whether any of NuevaTel's proposed revisions will be accepted by the ATT, whether a proposed replacement license will be offered by the ATT to NuevaTel, whether the terms of any replacement license that the ATT may offer will fully respect NuevaTel's vested rights under its existing concession, or whether a replacement license will eliminate the need for NuevaTel to seek a license renewal at the time its existing concession is scheduled to expire in November 2019.

NuevaTel's network has experienced several network outages affecting voice and 3G and 4G data services both locally and nationally over the past several years, and outages continue to occur from time to time due to a variety of causes; some of these outages relate to equipment failures or malfunctions within NuevaTel's network and some outages are the result of failures or service interruptions on communications facilities (e.g. fiber optics lines) leased by NuevaTel from other carriers. NuevaTel has voluntarily compensated the customers affected by several of these outages. As to most of these outages, the ATT is investigating if the outages were unforeseen or were events that could have been avoided by NuevaTel, and, if avoidable, whether penalties should be imposed. The ATT investigated an August 2015 outage (in the town of San José de Chiquitos) and imposed a fine of $4.5 million against NuevaTel in 2016. NuevaTel appealed the ATT's decision on the basis that the interruption was attributable to a force majeure event. The fine was rescinded by the ATT and then reimposed on different grounds. In June 2017, the Ministry of Public Works, Services and Housing (the "Ministry") vacated the fine, but allowed the ATT to reinstate the penalty provided it could establish that NuevaTel was responsible for the service interruption. The ATT has reinstated the penalty, although it has noted in its findings that the outage was a force majeure event. NuevaTel has filed another appeal to the Ministry. The Company believes that NuevaTel has strong defenses against the imposition of a significant fine; thus no amount has been accrued in our Condensed Consolidated Balance Sheets. Nevertheless, the Company cannot be certain that the appeal in this case will be successful.

In April 2013, the ATT notified NuevaTel that it proposed to assess a fine of $2.2 million against NuevaTel for delays in making repairs to public telephone equipment in several Bolivian cities in 2010. NuevaTel accrued the full amount of the fine but also filed an appeal with the Supreme Court in regard to the manner in which the fine was calculated. In December 2017, the court rescinded the fine on procedural grounds but permitted the ATT to reimpose the fine. If the ATT does so, NuevaTel will have the right to discharge the fine by paying half of the stated amount of the penalty on condition that NuevaTel foregoes any right of appeal. NuevaTel has not decided as what action it may take in such event.

Since 2012, NuevaTel has offered to its customers a loyalty program known as "Fidepuntos", a customer-rewards program that grants points for service consumption and tenure, designed to increase loyalty, develop stronger relationships between customers and NuevaTel and reduce churn. Beginning in January 2018, the Fidepuntos program came under the jurisdiction and regulation of the Bolivian gaming authority, the Autoridad de Fiscalizacion del Juego ("AJ"). NuevaTel elected to discontinue its Fidepuntos program in February 2018 and subsequently launched a short-term loyalty program that is expected to retire all outstanding redemption obligations associated with the discontinued Fidepuntos program at a cost of no more than $1.0 million. The AJ approved the short-term program and has not objected or otherwise commented on the discontinuation of the Fidepuntos program. A liability of $1.0 million related to the Fidepuntos program had been allocated in part to Other current liabilities and accrued expenses and in part to Customer deposits and unearned revenue as of June 30, 2018. The Fidepuntos program liability was reduced by $2.6 million and $3.8 million during the three and six months ended June 30, 2018, respectively, to reverse expenses that were previously recognized but are no longer expected to be paid due to updated estimates of the liability in connection with program changes.

NOTE 14 – INCOME TAXES

As of December 31, 2017, the Company had income tax net operating loss ("NOL") carryforwards related to our international operations in New Zealand of approximately $55 million with a full valuation allowance recorded as an offset to the deferred tax asset associated with these NOLs. These tax losses carry forward indefinitely provided that shareholder continuity requirements are met. As discussed in Note 9 – Equity, certain Class C Units were redeemed for Common Shares of TIP Inc. during the six months ended June 30, 2018. The redemption of Class C Units for Common Shares or sale of Common Shares by the holders may impact shareholder continuity requirements associated with the New Zealand NOLs. The Company will continue to assess the recoverability of the NOL carryforwards based on the shareholder continuity requirements as the Class C Units redemption activities become known and are analyzed.

On August 1, 2017, 2degrees transferred its network assets to a wholly owned subsidiary and entered into a transaction to separate the 2degrees network assets from the 2degrees retail operations business to allow for flexibility in future operations and strategic business activities. Assets transferred in this network company transaction included network equipment, cell sites, network licenses and spectrum licenses. This intercompany transaction also resulted in a taxable gain that utilized a portion of the existing 2degrees NOL carryforwards as of the transaction date and resulted in asset values at the new network company that have an increased tax basis. As discussed in Note 1 – Description of Business, Basis of Presentation and Summary of Significant Accounting Policies, the Company adopted an accounting standard that modified the accounting for income tax consequences of intra-entity transfers of assets other than inventory during the six months ended June 30, 2018. As a result of this accounting standard adoption and the increase to the tax bases of the assets transferred in the network company transaction, deferred tax assets of approximately $24 million were recorded along with a corresponding full valuation allowance. There was no cumulative adjustment to retained earnings or impact on the Condensed Consolidated Financial Statements due to the full valuation allowance on the recorded deferred tax assets.

On December 22, 2017, H.R. 1, commonly known as the Tax Cuts and Jobs Act (the “Tax Act”), was enacted in the U.S. Given the significance of the legislation, the Securities and Exchange Commission staff issued Staff Accounting Bulletin No. 118 (SAB 118), which allowed registrants to initially record provisional amounts and adjust these amounts during the measurement period not to exceed one year from the enactment date. During the measurement period, impacts of the law are expected to be recorded at the time a reasonable estimate for all or a portion of the effects can be made, and provisional amounts can be recognized and adjusted as information becomes available, prepared or analyzed.

Due to the interplay between the Arrangement and the implications of the one-time tax on unremitted earnings, the Company cannot yet make a reasonable estimate of the income tax liability associated with this provision of the new law as it relates to the use of certain foreign tax credits. Specifically, restrictions pursuant to Section 382 of the Internal Revenue Code may limit the ability to utilize $9.3 million of foreign tax credit carryovers that may be used to offset the one-time tax on unremitted earnings related to NuevaTel. These foreign tax credits have historically been subject to a full valuation allowance as there had been no assurance of their realization and use prior to the passing of the Tax Act. The Company will finalize its tax positions and calculations when it completes and analyzes the results of a detailed Section 382 study. At that time, the Company will be able to conclude whether any further adjustments are required to its net current and deferred tax accounts in the U.S. to account for the liability associated with the one-time tax on unremitted earnings. Any adjustments will be reported as a component of income tax expense in the reporting period in which any such adjustments are determined, which will be no later than the fourth quarter of 2018. Assuming the foreign tax credit carryovers are able to be utilized, the tax liability for unremitted foreign earnings would be immaterial. Other impacts of the Tax Act were immaterial for the three months ended June 30, 2018 due to the full valuation allowance on U.S. deferred tax assets and the nature and amount of foreign earnings for the period.

NOTE 15– SEGMENT INFORMATION

We determine our reportable segments based on the manner in which our Chief Executive Officer, considered to be the chief operating decision maker (“CODM”), regularly reviews our operations and performance. Segment information is prepared on the same basis that our CODM manages the segments, evaluates financial results, allocates resources, and makes key operating decisions.

The table below presents financial information for our reportable segments and reconciles total segment Adjusted EBITDA to Loss before income taxes:

(US dollars in thousands unless otherwise noted)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2018	**2017**	**2018**	**2017**
Revenues				
New Zealand	$ 136,457	$ 126,508	$ 278,535	$ 251,072
Bolivia	61,514	66,844	121,907	133,374
Unallocated Corporate & Eliminations	139	141	358	217
Total revenues	$ 198,110	$ 193,493	$ 400,800	$ 384,663
Segment Adjusted EBITDA				
New Zealand	$ 22,019	$ 20,722	$ 40,827	$ 43,487
Bolivia	18,270	21,698	35,230	42,419
Equity-based compensation	(2,187)	(808)	(3,850)	(1,352)
Acquisition and other nonrecurring costs	(1,495)	(832)	(2,412)	(1,887)
Depreciation, amortization and accretion	(28,795)	(26,543)	(56,695)	(53,781)
(Loss) gain on disposal and abandonment of assets	(66)	(146)	18	(282)
Interest expense	(11,468)	(18,520)	(22,578)	(37,521)
Change in fair value of warrant liability	2,827	3,515	5,135	3,515
Debt modification and extinguishment costs	-	(6,689)	-	(6,689)
Other, net	(463)	1,569	539	332
Unallocated Corporate & Eliminations	(2,743)	(2,890)	(5,796)	(5,757)
Loss before income taxes	$ (4,101)	$ (8,924)	$ (9,582)	$ (17,516)

NOTE 16 – SUBSEQUENT EVENTS

Refinance of Senior Facilities Agreement:
In July 2018, 2degrees completed a bank loan facility refinancing for $250 million NZD ($169.2 million based on the exchange rate at June 30, 2018). The new facility replaced the $200 million NZD Senior Facilities Agreement and provides additional borrowing capacity for further investments in our New Zealand business. The new facility has a 3-year term and financial covenants that are materially consistent with the Senior Facilities Agreement. Distributions will continue to be subject to free cash flow tests calculated at half year and full year. The new facility also provides for an uncommitted $35 million NZD accordion facility which, after commitments are obtained, can be utilized in the future to fund capital expenditures.

The Company will evaluate the agreement in accordance with applicable accounting guidance for evaluating modifications, extinguishments and new issuances of debt during the third quarter of 2018, when the refinance was executed.

NuevaTel Dividend Distribution:
In July 2018, the Board of Directors of NuevaTel approved an aggregate dividend of $14.0 million for distribution to NuevaTel shareholders. NuevaTel paid those dividends, net of withholding taxes, to its shareholders in accordance with their respective ownership interest percentages.

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Section 4: EX-99.3 (EXHIBIT 99.3)

FORM 52-109F2
CERTIFICATION OF INTERIM FILINGS
FULL CERTIFICATE

I, Bradley J. Horwitz, Chief Executive Officer of Trilogy International Partners Inc., certify the following:

1. ***Review:*** I have reviewed the interim financial report and interim MD&A (together, the “interim filings”) of Trilogy International Partners Inc. (the “issuer”) for the interim period ended June 30, 2018.

2. ***No misrepresentations:*** Based on my knowledge, having exercised reasonable diligence, the interim filings do not contain any untrue statement of a material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it was made, with respect to the period covered by the interim filings.

3. ***Fair presentation:*** Based on my knowledge, having exercised reasonable diligence, the interim financial report together with the other financial information included in the interim filings fairly present in all material respects the financial condition, financial performanceand cash flows of the issuer, as of the date of and for the periods presented in the interim filings.

4. ***Responsibility:*** The issuer’s other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (DC&P) and internal control over financial reporting (ICFR), as those terms are defined in National Instrument 52-109 *Certification of Disclosure in Issuers’ Annual and Interim Filings*, for the issuer.

5. ***Design:*** Subject to the limitations, if any, described in paragraphs 5.2 and 5.3, the issuer’s other certifying officer(s) and I have, as at the end of the period covered by the interim filings

(a) designed DC&P, or caused it to be designed under our supervision, to provide reasonable assurance that

> (i) material information relating to the issuer is made known to us by others, particularly during the period in which the interim filings are being prepared; and
>
> (ii) information required to be disclosed by the issuer in its annual filings, interim filings or other reports filed or submitted by it under securities legislation is recorded, processed, summarized and reported within the time periods specified in securities legislation; and

(b) designed ICFR, or caused it to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with the issuer’s GAAP.

5.1 ***Control framework****:* The control framework the issuer's other certifying officer(s) and I used to design the issuer's ICFR is the Internal Control - Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

5.2 ***ICFR – material weakness relating to design:*** The issuer has disclosed in its interim MD&A for each material weakness relating to design existing at the end of the interim period

(a) a description of the material weakness;

(b) the impact of the material weakness on the issuer’s financial reporting and its ICFR; and

(c) the issuer’s current plans, if any, or any actions already undertaken, for remediating the material weakness.

5.3 ***Limitation on scope of design:*** N/A

6. ***Reporting changes in ICFR:*** The issuer has disclosed in its interim MD&A any change in the issuer’s ICFR that occurred during the period beginning on April 1, 2018 and ended on June 30, 2018 that has materially affected, or is reasonably likely to materially affect, the issuer’s ICFR.

Date: August 8, 2018

/s/ Bradley J. Horwitz
Bradley J. Horwitz
Chief Executive Officer

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Section 5: EX-99.4 (EXHIBIT 99.4)

FORM 52-109F2
CERTIFICATION OF INTERIM FILINGS
FULL CERTIFICATE

I, Erik Mickels, Senior Vice President and Chief Financial Officer of Trilogy International Partners Inc., certify the following:

1. ***Review:*** I have reviewed the interim financial report and interim MD&A (together, the “interim filings”) of Trilogy International Partners Inc. (the “issuer”) for the interim period ended June 30, 2018.

2. ***No misrepresentations:*** Based on my knowledge, having exercised reasonable diligence, the interim filings do not contain any untrue statement of a material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it was made, with respect to the period covered by the interim filings.

3. ***Fair presentation:*** Based on my knowledge, having exercised reasonable diligence, the interim financial report together with the other financial information included in the interim filings fairly present in all material respects the financial condition, financial performanceand cash flows of the issuer, as of the date of and for the periods presented in the interim filings.

4. ***Responsibility:*** The issuer’s other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (DC&P) and internal control over financial reporting (ICFR), as those terms are defined in National Instrument 52-109 *Certification of Disclosure in Issuers’ Annual and Interim Filings*, for the issuer.

5. ***Design:*** Subject to the limitations, if any, described in paragraphs 5.2 and 5.3, the issuer’s other certifying officer(s) and I have, as at the end of the period covered by the interim filings

(a) designed DC&P, or caused it to be designed under our supervision, to provide reasonable assurance that

> (i) material information relating to the issuer is made known to us by others, particularly during the period in which the interim filings are being prepared; and
>
> (ii) information required to be disclosed by the issuer in its annual filings, interim filings or other reports filed or submitted by it under securities legislation is recorded, processed, summarized and reported within the time periods specified in securities legislation; and

(b) designed ICFR, or caused it to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with the issuer’s GAAP.

5.1 ***Control framework****:* The control framework the issuer's other certifying officer(s) and I used to design the issuer's ICFR is the Internal Control - Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

5.2 ***ICFR – material weakness relating to design:*** The issuer has disclosed in its interim MD&A for each material weakness relating to design existing at the end of the interim period

(a) a description of the material weakness;

(b) the impact of the material weakness on the issuer’s financial reporting and its ICFR; and

(c) the issuer's current plans, if any, or any actions already undertaken, for remediating the material weakness.

5.3 ***Limitation on scope of design:*** N/A

6. ***Reporting changes in ICFR:*** The issuer has disclosed in its interim MD&A any change in the issuer's ICFR that occurred during the period beginning on April 1, 2018 and ended on June 30, 2018 that has materially affected, or is reasonably likely to materially affect, the issuer's ICFR.

Date: August 8, 2018

/s/ Erik Mickels
Erik Mickels
Senior Vice President and Chief Financial Officer

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