ASIAN PAY TELEVISION TRUST

SGX QUARTERLY REPORT
FOR THE QUARTER ENDED 31 MARCH 2020

CONTENTS

REPORT SUMMARY

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KEY HIGHLIGHTS

- Revenue and EBITDA up 8.3% and 9.5% to $79.3 million[1] and $48.3 million, respectively; EBITDA margin increased to 60.9%
- Premium digital cable TV and Broadband subscribers have been steadily increasing for the past eight quarters; added c.5,000 Premium digital cable TV and c.4,000 Broadband subscribers during the quarter, which more than offset Basic cable TV churn for the quarter; total subscribers increased to c.1,186,000
- Efforts in executing the Broadband growth strategy deepened TBC's[2] fixed-line Broadband market penetration to 34%, from 33% as at 31 December 2019
- Distribution of 0.30 cents per unit declared for the quarter
- Proposes 1-for-4 renounceable non-underwritten Rights Issue as announced separately today

FINANCIAL HIGHLIGHTS

Asian Pay Television Trust ("APTT"[3]) reported higher revenue and EBITDA of $79.3 million and $48.3 million for the quarter ended 31 March 2020, amidst continued challenging market conditions in Taiwan.

Compared to the prior corresponding period ("pcp"), total revenue and EBITDA were higher by 8.3% and 9.5% for the quarter. This is mainly driven by higher non-subscription revenue generated from airtime advertising sales and others. ARPUs[4] continued to be under pressure including from the pricing pressure caused by the intense competition amongst mobile operators that has impacted the entire cable TV and telecommunications industry.

Foreign exchange contributed to a positive variance of 4.7% for the quarter compared to the pcp. In constant Taiwan dollar ("NT$") terms, total revenue for the quarter was 3.6% higher than the pcp.

Despite an increase in operating expenses due to higher staff costs and other operating expenses, EBITDA margin improved by 0.7 percentage point to 60.9%, from 60.2%.

Group	Quarter ended 31 March		
Amounts in $'000	2020	2019	Variance[5] (%)
Revenue			
Basic cable TV	63,669	58,083	9.6
Premium digital cable TV	3,254	3,241	0.4
Broadband	12,381	11,883	4.2
Total revenue	**79,304**	**73,207**	**8.3**
Total operating expenses	**(31,044)**	**(29,132)**	**(6.6)**
EBITDA	**48,260**	**44,075**	**9.5**
EBITDA margin	60.9%	60.2%	

[1] All figures, unless otherwise stated, are presented in Singapore dollars ("$").
[2] TBC refers to Taiwan Broadband Communications group.
[3] APTT refers to APTT and its subsidiaries taken as a whole.
[4] ARPU refers to Average Revenue Per User.
[5] A positive variance is favourable to the Group and a negative variance is unfavourable to the Group.

OPERATIONAL PERFORMANCE

TBC's operational highlights for the quarter ended 31 March 2020 were as follows:

- **Basic cable TV:** Basic cable TV revenue of $63.7 million for the quarter, which comprised subscription revenue of $48.8 million and non-subscription revenue of $14.9 million, was up 9.6% on the pcp. In constant NT$ terms, Basic cable TV revenue for the quarter increased by 4.9%. TBC's c.725,000 Basic cable TV RGUs[6], each contributing an ARPU of NT$486 per month in the quarter to access over 100 cable TV channels. Basic cable TV RGUs decreased by c.4,000 and ARPU was lower compared to the previous quarter ended 31 December 2019 (RGUs: c.729,000; ARPU: NT$489 per month). The decline in Basic cable TV RGUs was due to a number of factors including video piracy issues, competition from aggressively priced IPTV and expectations from consumers for discounts as they compare with the lower cable TV pricing outside of TBC's five franchise areas, particularly in the Taipei region. Non-subscription revenue for the quarter, including revenue from the leasing of television channels to third parties, sale of airtime advertising and fees for the installation of set-top boxes, was higher than the pcp mainly due to higher revenue generated from airtime advertising sales and others. The leasing of television channels, which is mainly to third-party home shopping networks, continued to be affected by lower demand for home shopping and heightened competition from internet retailing. These trends will continue to put pressure on channel leasing revenue not just for TBC, but for the entire cable industry in Taiwan.

- **Premium digital cable TV:** While Premium digital cable TV RGUs increased, the lower ARPU resulted in a decline in revenue in constant NT$ terms. Premium digital cable TV revenue of $3.3 million for the quarter ended 31 March 2020 was up 0.4% on the pcp. However, in constant NT$ terms, Premium digital cable TV revenue for the quarter decreased by 4.3%. Revenue was generated predominantly from TBC's c.219,000 Premium digital cable TV RGUs, each contributing an ARPU of NT$104 per month in the quarter for Premium digital cable TV packages, bundled DVR or DVR-only services. Premium digital cable TV RGUs increased by c.5,000 but ARPU was lower compared to the previous quarter ended 31 December 2019 (RGUs: c.214,000; ARPU: NT$107 per month) due to promotions and discounted bundled packages that were offered to generate new RGUs and to retain existing RGUs. Video piracy issues and aggressively priced IPTV have also impacted ARPU.

- **Broadband:** Despite the strong competition from mobile operators offering unlimited wireless data, Broadband RGUs continued to increase during the quarter. Broadband revenue of $12.4 million for the quarter ended 31 March 2020 was up 4.2% on the pcp. In constant NT$ terms, Broadband revenue for the quarter decreased marginally by 0.5%. Broadband revenue was generated predominantly from TBC's c.242,000 Broadband RGUs, each contributing an ARPU of NT$360 per month in the quarter for high-speed Broadband services. Broadband RGUs increased by c.4,000 but ARPU was lower compared to the previous quarter ended 31 December 2019 (RGUs: c.238,000 and ARPU: NT$366 per month). The availability of low-cost unlimited data offerings from mobile operators is necessitating fixed-line operators to offer higher speeds at competitive prices to acquire new RGUs and re-contract existing RGUs.

[6] RGUs refer to Revenue Generating Units, another term for subscribers or subscriptions; the terms are used interchangeably.

Continued efforts to execute the Broadband growth strategy have deepened TBC's fixed-line Broadband market penetration to 34%, from 33% as at 31 December 2019. TBC has been driving higher speed plans, developing new market segments and introducing more value-added solutions that leverage the Android gateway, which allow higher speed plan subscribers to view over-the-top content and enjoy other value-added home-centric solutions.

As part of its Broadband growth strategy, TBC has also started providing data backhaul services to a growing number of wireless operators who prefer tapping into its superior network. With the first round of 5G licences awarded at the beginning of 2020, TBC is targeting to be fully backhaul ready to support 5G network carriers in their eventual rollout.

Mr Brian McKinley, Chief Executive Officer said, *"To manage cable TV churn and ARPUs, we remain focused on executing our Broadband growth strategy. Already, we are seeing some measure of success. Our Broadband market penetration has been growing for eight consecutive quarters, while data backhaul is expected to become a material part of our business in the next few years."*

OUTLOOK

The Trustee-Manager is fully committed to navigating the challenges that APTT and the industry are facing. A key focus is to gradually reduce debt levels and strengthen the balance sheet and cash flows. This will provide the Trust with the flexibility to effectively compete in this economic and operating environment.

Unlike in previous years where bank borrowings funded a significant portion of capital expenditure, since 2019, cash generated from operations has been funding capital expenditure, specifically on areas that have the best potential in generating growth. The proposed 1-for-4 renounceable non-underwritten Rights Issue, announced today, will also be used towards lowering debt.

Commenting on APTT's debt management programme, Mr McKinley said, *"With continued pressures on APTT's EBITDA amidst the continued challenges in the economic and operating environment, we are exercising extra prudence by paying down debt when the opportunity for a fully-backed rights issue presents itself. Additionally, with capital expenditure trending downwards in 2020, more cash generated from operations may be available to make debt repayments, subject to operating conditions."*

The number of Premium digital cable TV and Broadband RGUs is expected to grow in 2020. Total revenue will, however, be influenced by the ability to maintain ARPUs which will remain under pressure due to a variety of factors, such as video piracy issues, growing popularity of online TV, aggressively priced IPTV and competition from mobile operators offering unlimited wireless data plans. The decline in demand for home shopping and competition from internet retailing will continue to put pressure on channel leasing revenue for the cable industry. Total operating expenses in 2020 are expected to be in line with 2019.

STRATEGIC REVIEW

In April 2019, the Trustee-Manager launched an independent strategic review of options available for APTT and its investment in TBC. In June 2019, Merrill Lynch (Singapore) Pte. Ltd. ("Bank of America Securities") was appointed as exclusive financial adviser for the strategic review, reporting to a special committee comprising all four independent directors on the Board and the Chief Executive Officer (the "Strategic Review Committee").

The Strategic Review Committee and Bank of America Securities spent months engaging various parties, including the Trustee-Manager's sole shareholder, Dynami Vision Pte. Ltd. ("Dynami"), to explore ways that can unlock value for APTT unitholders; a new strategic partnership at the Trustee-Manager level was one of the options considered. On 11 February 2020, the Trustee-Manager announced that Dynami's parent company had entered into a sale and purchase agreement with Da Da Digital Convergence Co., Ltd. ("Da Da Digital") for a 65% stake in Dynami (the "Proposed Transaction").

The Strategic Review Committee is of the view that this partial divestment by Dynami, if approved by the regulatory bodies in Taiwan and lenders of APTT and TBC, will be a win-win solution for all parties, and for APTT unitholders. There is potential to create synergies between APTT and Da Da Digital on the back of industry changes from Taiwan's 5G rollout. Da Da Digital has indicated its interest to increase its stake in APTT in the mid to long term, while adhering to the necessary regulations in both Taiwan and Singapore.

The Strategic Review Committee, which is steadfast in protecting unitholders' interest, looks forward to growing the partnership and working closely with Da Da Digital to extract greater value for unitholders.

The Trustee-Manager will make further announcements when appropriate. Unitholders of APTT are advised to refrain from taking any action in respect of their units or other securities of APTT which may be prejudicial to their interests, and to exercise caution when dealing in such units or other securities.

RIGHTS ISSUE

The Trustee-Manager is separately announcing a proposed renounceable non-underwritten rights issue (the "Rights Issue") of new units in APTT (the "Rights Units") today. Please refer to that announcement for more details.

DISTRIBUTIONS

The Board of directors of the Trustee-Manager has declared an ordinary interim distribution of 0.30 cents per unit for the quarter ended 31 March 2020. The record date will be on 8 May 2020 and the distribution will be paid on 15 May 2020.

Assuming the completion of the Rights Issue, as separately being announced today, APTT's total unitholdings will expand by 25% to 1,806,354,850 units. Following the completion of the Rights Issue, the Trustee-Manager intends to increase the total quarterly distribution payout for the remaining quarters in 2020 by 4.2% from $4.3 million to $4.5 million. Based on the enlarged unitholdings, this translates to an adjusted distribution of 0.25 cents per unit per quarter, subject to no material changes in planning assumptions.

Until the Rights Issue is completed, unitholders will continue to receive a distribution of 0.30 cents per unit per quarter for 2020.

Distribution guidance for 2021 is expected to be announced when APTT releases its third quarter results for 2020.

TRUSTEE-MANAGER UNITS IN APTT

As announced on 10 January 2020, APTT issued 2,955,468 units ("TM units") to the Trustee-Manager at a price of $0.1691778996 per unit, as payment of $0.5 million, out of the total $3.7 million Trustee-Manager base fees for the six-month period from 1 July 2019 to 31 December 2019. The issue price per unit was based on APTT's volume weighted average price for a unit for all trades done on the Singapore Exchange Securities Trading Limited (the "SGX-ST") in the ordinary course of trading on the SGX-ST for the ten business days immediately prior to the date of issue. The balance of $3.2 million Trustee-Manager base fees along with GST and any rounding off adjustment from the issue of units was settled in cash.

Following the issuance of the TM units, the Trustee-Manager's direct unitholding in APTT is 8,283,880 units, representing approximately 0.573% of the total number of issued units in APTT. Mr Lu Fang-Ming, the non-executive director and vice-chair of the Trustee-Manager, holds 5,000,000 units, representing approximately 0.346% of the total number of issued units in APTT. Mr Lu holds majority of the shares in Dynami Vision Pte. Ltd., which is the sole shareholder of the Trustee-Manager. Hong Han Investment Co., Ltd., a related entity of the Trustee-Manager, holds 43,103,999 units, representing approximately 2.983% of the total number of issued units in APTT. The total number of issued units in APTT as at the date of this report is 1,445,083,880.

IMPACT OF COVID-19

TBC operates in a relatively defensive industry, providing cable TV and fixed-line broadband services to the local households in its five closely clustered franchise areas in northern and central Taiwan. Given the subscription-based nature of its business, the impact of the COVID-19 pandemic on TBC has been limited to date.

While the COVID-19 outbreak in Taiwan is relatively contained as compared to other countries, the country's outlook remains uncertain due to the interconnected global economy. Taiwan's economy is primarily export-driven and the expected downturn in other economies will invariably have an impact on Taiwan's GDP growth, the extent of which will depend on the duration and extent of the pandemic and effectiveness of governmental countervailing measures. A significant and prolonged deterioration in the national GDP, disposable income or overall economic conditions could in turn adversely affect TBC's ability to grow or maintain revenues, and its financial position.

The Trustee-Manager will continue to:

- monitor developments of COVID-19 and their related impact on operations; and
- exercise prudence, manage its operational and capital expenditure and strengthen APTT's debt management programme. A stronger balance sheet will provide APTT with the flexibility to navigate and compete more effectively in today's uncertain economic climate.

TBC activated its Business Continuity Plan ("BCP") since the start of the virus outbreak in Taiwan. The BCP aims to protect the health and safety of all staff while minimising disruptions to its service delivery and overall operations. TBC has adhered to all regulations and guidelines from government authorities related to the containment of the virus, including split team arrangements, safe-distancing and encouraging staff to embrace good personal hygiene, and will continue to do so.

Likewise, the Trustee-Manager in Singapore has activated its BCP plan that adheres to the relevant regulations in Singapore.

PERFORMANCE REVIEW OF ASIAN PAY TELEVISION TRUST

INTRODUCTION

ABOUT APTT

Asian Pay Television Trust ("APTT" or the "Trust") is a business trust constituted on 30 April 2013 under the laws of the Republic of Singapore and registered under Chapter 31A of the Business Trusts Act ("BTA"). APTT is managed by APTT Management Pte. Limited (the "Trustee-Manager"), a wholly owned subsidiary of Dynami Vision Pte. Ltd. ("Dynami") which is a Singapore-incorporated company. A majority of the shares in Dynami are held by Mr Lu Fang-Ming, the Chairman of Asia Pacific Telecom Co., Ltd.

APTT was admitted to the Main Board of the Singapore Exchange Securities Trading Limited ("SGX-ST") and was listed on the SGX-ST on 29 May 2013. APTT is the first listed business trust in Asia focused on pay-TV and broadband businesses. APTT has approximately 11,400 unitholders, including retail investors and some of the world's foremost institutional investors.

APTT's investment mandate is to acquire controlling interests in and to own, operate and maintain mature, cash generative pay-TV and broadband businesses in Taiwan, Hong Kong, Japan and Singapore.

SOLE ASSET

As at the date of this report, APTT's portfolio comprised its sole investment, Taiwan Broadband Communications group ("TBC"). Established in 1999, TBC is a leading cable operator in Taiwan. TBC's vision is to provide seamless access to the most compelling and competitive suite of media and communication products and services in Taiwan.

TBC owns 100% of the advanced hybrid fibre coaxial cable network in its five closely clustered franchise areas in northern and central Taiwan with network coverage of more than 1.2 million homes. Through this network, TBC delivers Basic cable TV, Premium digital cable TV and high-speed fixed-line Broadband services to subscribers in these areas. TBC has almost 1.2 million RGUs across its subscriber base, providing them the choice from over 175 channels of exciting local and international content on its digital TV platforms and a full range of quality high-speed broadband access packages with speeds ranging up to 1 Gbps.

DISTRIBUTION POLICY

Distributions will be declared and paid in Singapore dollars. Any proposed distributions by the Trust will be paid from its residual cash flows ("distributable free cash flows"). These cash flows are derived from dividends and principal and interest payments (net of applicable taxes and expenses) received by the Trust from the entities held within the Group. In addition, any other cash received by the Trust from the entities held within the Group also contribute towards distributable free cash flows.

The distributable free cash flows available to the Trust are after any cash required to: (i) pay the operating expenses of the Trust, including the Trustee-Manager's fees, (ii) repay principal amounts (including any premium or fee) under any debt or financing arrangement of the Trust, (iii) pay interest or any other financing expense on any debt or financing arrangement of the Trust, (iv) provide for the cash flow needs of the Trust or to ensure that the Trust has sufficient funds and/or financing resources to meet the short-term liquidity needs of the Trust and (v) provide for the cash needs of the Trust for capital expenditure purposes.

The Trust intends to distribute 100% of its distributable free cash flows.

Distributions will be made on a quarterly basis, with the amount calculated as at 31 March, 30 June, 30 September and 31 December each year for the three-month period ending on each of the said dates. The Trustee-Manager will pay the distributions no later than 90 days after the end of each distribution period.

DISTRIBUTIONS

The Board of directors of the Trustee-Manager has declared an ordinary interim distribution of 0.30 cents per unit for the quarter ended 31 March 2020.

	Quarter ended 31 March	
	2020	2019
Ordinary interim distribution	0.30 cents per unit	0.30 cents per unit
Announcement date	28 April 2020	14 May 2019
Ex-distribution date	6 May 2020	20 June 2019
Record date	8 May 2020	21 June 2019
Date payable	15 May 2020	28 June 2019

Assuming the completion of the Rights Issue, as separately being announced today, APTT's total unitholdings will expand by 25% to 1,806,354,850 units. Following the completion of the Rights Issue, the Trustee-Manager intends to increase the total quarterly distribution payout for the remaining quarters in 2020 by 4.2% from $4.3 million to $4.5 million. Based on the enlarged unitholdings, this translates to an adjusted distribution of 0.25 cents per unit per quarter, subject to no material changes in planning assumptions.

Until the Rights Issue is completed, unitholders will continue to receive a distribution of 0.30 cents per unit per quarter for 2020.

Distribution guidance for 2021 is expected to be announced when APTT releases its third quarter results for 2020.

Historical distributions

The table below provides details of APTT's historical distributions:

Distribution period	Distribution Cents per unit
Six months ended:	
30 June 2013[1]	4.80
31 December 2013	4.13
30 June 2014	4.12
Quarter ended:	
30 September 2014	2.00
31 December 2014	2.13
31 March 2015	2.00
30 June 2015	2.00
30 September 2015	2.00
31 December 2015	2.25
31 March 2016	1.625
30 June 2016	1.625
30 September 2016	1.625
31 December 2016	1.625
31 March 2017	1.625
30 June 2017	1.625
30 September 2017	1.625
31 December 2017	1.625
31 March 2018	1.625
30 June 2018	1.625
30 September 2018	1.625
31 December 2018	0.30
31 March 2019	0.30
30 June 2019	0.30
30 September 2019	0.30
31 December 2019	0.30
31 March 2020 (to be paid on 15 May 2020)	0.30
Total	**45.105**

[1] The first distribution period was from the APTT listing date, 29 May 2013, to 30 June 2013 and included a non-recurring payment of 1.64 cents per unit as excess cash at TBC at the time of APTT's listing that was only available for distribution as part of the first APTT distribution payment.

TAXATION

Taxation of the Trust

The Trust is a business trust registered with the Monetary Authority of Singapore ("MAS") under the BTA. The Trust is liable to Singapore income tax on income accruing in or derived from Singapore (i.e. Singapore sourced income) and unless otherwise exempt, income derived from outside Singapore which is received or deemed to have been received in Singapore (i.e. foreign sourced income). Foreign sourced dividends received by the Trust would only be subject to Singapore income tax when received in Singapore or deemed received in Singapore, subject to certain exemptions. Subject to meeting certain stipulated conditions and reporting obligations, the Trust has obtained an exemption under Section 13(12) of the Income Tax Act, Chapter 134 of Singapore ("Income Tax Act") on dividend income received by the Trust from the Bermuda holding companies after its listing on the SGX-ST. Specifically, the Trust will be exempt from tax on dividends from the Bermuda holding companies that originate from dividends and interest paid out of underlying profits from substantive cable and broadband business activities carried out in Taiwan.

Taxation of the unitholders

Pursuant to Section 13(1)(zg) of the Income Tax Act, distributions by the Trust are tax-exempt and are therefore not subject to Singapore income tax in the hands of unitholders. The distributions are also not subject to Singapore withholding tax.

The tax exemption is given to all unitholders, regardless of their nationality, corporate identity or tax residence status. Unitholders are not entitled to tax credits for any taxes paid by the Trustee-Manager.

The Trust does not give tax advice and recommends that all unitholders obtain their own tax advice in relation to the distribution payment.

SELECTED FINANCIAL INFORMATION AND OPERATING DATA

The selected financial information and operating data presented on pages 13 and 14 supports the distributions to unitholders and therefore are key financial and operating metrics that the Trustee-Manager focuses on to review the amount of distributions that will be paid to unitholders. Some of the selected financial information includes non-IFRS measures.

Non-IFRS measures

EBITDA and EBITDA margin are supplemental financial measures of the Group's performance and liquidity and are not required by, or presented in accordance with International Financial Reporting Standards ("IFRS") or any other generally accepted accounting principles. Furthermore, EBITDA and EBITDA margin are not measures of financial performance or liquidity under IFRS or any other generally accepted accounting principles and should not be considered as alternatives to net income, operating income or any other performance measures derived in accordance with IFRS or any other generally accepted accounting principles. EBITDA and EBITDA margin may not reflect all of the financial and operating results and requirements of the Group. In particular, EBITDA and EBITDA margin do not reflect the Group's needs for capital expenditures, debt servicing or additional capital that may be required to replace assets that are fully depreciated or amortised. Other companies may calculate EBITDA and EBITDA margin differently, limiting their usefulness as comparative measures.

The Trustee-Manager believes that these supplemental financial measures facilitate operating performance comparisons for the Group from period to period by eliminating potential differences caused by variations in capital structures (affecting interest expense), tax positions (such as the impact on periods of changes in effective tax rates or net operating losses) and the age and book depreciation of tangible assets (affecting relative depreciation expense). In particular, EBITDA eliminates the non-cash depreciation expense that arises from the capital-intensive nature of the Group's businesses and intangible assets recognised in business combinations. The Trustee-Manager presents these supplemental financial measures because it believes these measures are frequently used by securities analysts and investors in evaluating similar issuers.

SELECTED FINANCIAL INFORMATION

Group[1] Amounts in $'000	Note[2]	Quarter Ended 31 March 2020	 2019	 Variance[3]
Revenue				
Basic cable TV	A(i)	63,669	58,083	9.6
Premium digital cable TV	A(ii)	3,254	3,241	0.4
Broadband	A(iii)	12,381	11,883	4.2
Total revenue		**79,304**	**73,207**	**8.3**
Operating expenses[4]				
Broadcast and production costs	B(i)	(13,713)	(14,524)	5.6
Staff costs	B(ii)	(8,274)	(6,569)	(26.0)
Trustee-Manager fees	B(iv)	(1,830)	(1,804)	(1.4)
Other operating expenses	B(vii)	(7,227)	(6,235)	(15.9)
Total operating expenses		**(31,044)**	**(29,132)**	**(6.6)**
EBITDA		**48,260**	**44,075**	**9.5**
EBITDA margin[5]		60.9%	60.2%	
Profit after income tax[6]		**6,107**	**7,474**	**(18.3)**
Capital expenditure				
Maintenance		4,312	3,823	(12.8)
Network, Broadband and other		6,800	10,899	37.6
Total capital expenditure		**11,112**	**14,722**	**24.5**
Maintenance capital expenditure as a % of revenue		**5.4**	**5.2**	
Total capital expenditure as a % of revenue		**14.0**	**20.1**	
Income tax paid, net of refunds		(1,117)	(2,931)	61.9
Interest and other finance costs paid		(12,460)	(11,960)	(4.2)

1 Group refers to APTT and its subsidiaries taken as a whole.

2 Notes can be found on pages 26 to 30.

3 A positive variance is favourable to the Group and a negative variance is unfavourable to the Group.

4 Operating expenses presented here exclude depreciation and amortisation expense, net foreign exchange gain/loss and mark to market movements on foreign exchange contracts appearing in the consolidated statements of profit or loss on page 18, in order to arrive at EBITDA and EBITDA margin presented here.

5 EBITDA margin is a non-IFRS financial measure and is calculated by dividing EBITDA by total revenue.

6 Profit/loss after income tax is calculated in accordance with IFRS on page 18. Refer to page 24 for reconciliation of net profit/loss to EBITDA.

SELECTED OPERATING DATA

Group	As at				
	2020	2019			
	31 March	31 December	30 September	30 June	31 March
RGUs ('000)					
Basic cable TV	725	729	734	739	745
Premium digital cable TV	219	214	209	200	198
Broadband	242	238	232	225	220

Group	Quarter ended				
	2020	2019			
	31 March	31 December	30 September	30 June	31 March
ARPU[1] (NT$ per month)					
Basic cable TV	486	489	489	491	493
Premium digital cable TV	104	107	112	117	119
Broadband	360	366	376	391	404
AMCR[2] (%)					
Basic cable TV	(0.6)	(0.7)	(0.8)	(0.8)	(0.8)
Premium digital cable TV	(1.5)	(1.4)	(1.9)	(2.1)	(2.0)
Broadband	(0.9)	(1.0)	(1.0)	(1.1)	(1.1)

[1] Average Revenue Per User ("ARPU") is calculated by dividing the subscription revenue for Basic cable TV or Premium digital cable TV or Broadband, as applicable, by the average number of RGUs for that service during the period.

[2] Average Monthly Churn Rate ("AMCR") is calculated by dividing the total number of churned RGUs for a particular service during a period by the number of RGUs for that service as at the beginning of that period. The total number of churned RGUs for a particular service for a period is calculated by adding together all deactivated subscriptions, including deactivations caused by failure to make payments for that service from the billing system for the period.

REVIEW OF SELECTED FINANCIAL INFORMATION AND OPERATING DATA

(i) Revenue

Total revenue for the quarter ended 31 March 2020 was $79.3 million (31 March 2019: $73.2 million). Total revenue for the quarter was 8.3% higher than the pcp; in constant NT$ terms, total revenue for the quarter was 3.6% higher than the pcp. Foreign exchange contributed to a positive variance of 4.7% for the quarter compared to the pcp. Total revenue was influenced by a number of factors including the continued challenges in the economic and operating environment.

(ii) Operating expenses

Total operating expenses of $31.0 million for the quarter ended 31 March 2020 were 6.6% higher than the pcp (31 March 2019: $29.1 million). The higher total operating expenses for the quarter were mainly due to higher staff costs and other operating expenses, partially offset by lower broadcast and production costs.

(iii) EBITDA and EBITDA Margin

EBITDA of $48.3 million for the quarter ended 31 March 2020 was 9.5% higher than the pcp (31 March 2019: $44.1 million). EBITDA margin for the quarter of 60.9% was higher than the pcp (31 March 2019: 60.2%).

(iv) Capital expenditure

Total capital expenditure of $11.1 million for the quarter ended 31 March 2020 was 24.5% lower than the pcp (31 March 2019: $14.7 million). Total capital expenditure as a percentage of revenue was 14.0% for the quarter (31 March 2019: 20.1%).

Total capital expenditure for the quarter was lower than the pcp because of lower capital expenditure being incurred on network, Broadband and other capital expenditure compared to the pcp.

The deployment of fibre deeper into the network continues to be a key investment initiative for 2020 as it will increase network capacity to drive future growth. This investment is key to driving the Broadband business, positioning APTT to benefit from supporting wireless carriers in their network rollouts and to pursue other opportunities for the long-term success of the Trust.

Capital expenditure is trending down from 2020 onwards. The level of capital expenditure will be closely monitored to focus on areas that will have the best potential in generating growth and sustainability for the long-term.

TBC's network is already beginning to provide data backhaul to some of Taiwan's major wireless operators. With continued wireless network development, data backhaul through TBC's network is expected to become a material part of the Broadband business within the next few years as wireless carriers tap into TBC's superior network for their network rollouts.

Capital expenditure comprised the following:

- Maintenance capital expenditure to support TBC's existing infrastructure and business.
- Network, Broadband and other capital expenditure included items related to expanding the fibre network such as cabling, additional equipment to upgrade the headends, backbone and fibre nodes, DOCSIS and GPON deployments for higher speed customers, high-speed broadband modems and cable line extensions for new buildings.

ASIAN PAY TELEVISION TRUST

FINANCIAL STATEMENTS FOR THE QUARTER ENDED 31 MARCH 2020

STATEMENTS OF FINANCIAL POSITION

Financial statements of the Trust include the results and balances of the parent only, i.e. APTT. Financial statements of the Group include balances from all entities that are controlled by APTT. The material additional balances are in respect of TBC.

Amounts in $'000	Note[1]	Group as at 31 March 2020	Group as at 31 December 2019	Trust as at 31 March 2020	Trust as at 31 December 2019
Assets					
Current assets					
Cash and cash equivalents	C(i)	96,830	79,101	4,746	4,788
Trade and other receivables	C(ii)	14,882	11,956	-	-
Derivative financial instruments	C(vi)	49	225	49	225
Contract costs	C(vii)	1,079	-	-	-
Other assets	C(viii)	19,641	17,670	328	73
		132,481	**108,952**	**5,123**	**5,086**
Non-current assets					
Investment in subsidiaries	C(iii)	-	-	1,342,351	1,342,351
Property, plant and equipment	C(iv)	346,090	338,796	8	12
Intangible assets	C(v)	2,504,731	2,390,549	3	6
Derivative financial instruments	C(vi)	69	7	69	7
Contract costs	C(vii)	355	-	-	-
Other assets	C(viii)	1,440	1,225	-	-
		2,852,685	**2,730,577**	**1,342,431**	**1,342,376**
Total assets		**2,985,166**	**2,839,529**	**1,347,554**	**1,347,462**
Liabilities					
Current liabilities					
Borrowings from financial institutions	D(i)	19,572	15,400	-	-
Derivative financial instruments	D(ii)	2,353	291	2,353	291
Trade and other payables	D(iii)	44,364	39,278	1,830	3,687
Contract liabilities	D(iv)	34,532	31,451	-	-
Retirement benefit obligations	D(v)	1,495	1,427	-	-
Income tax payable	D(vi)	10,035	7,582	-	-
Other liabilities	D(viii)	19,914	21,333	126	187
		132,265	**116,762**	**4,309**	**4,165**
Non-current liabilities					
Borrowings from financial institutions	D(i)	1,566,674	1,511,288	-	-
Derivative financial instruments	D(ii)	9,957	3,928	405	198
Retirement benefit obligations	D(v)	10,421	10,118	-	-
Deferred tax liabilities	D(vii)	90,553	84,793	-	-
Other liabilities	D(viii)	31,027	28,110	-	-
		1,708,632	**1,638,237**	**405**	**198**
Total liabilities		**1,840,897**	**1,754,999**	**4,714**	**4,363**
Net assets		**1,144,269**	**1,084,530**	**1,342,840**	**1,343,099**
Equity					
Unitholders' funds		1,344,351	1,343,851	1,344,351	1,343,851
Reserves	D(ix)	157,881	100,388	-	-
Accumulated deficit		(360,491)	(362,187)	(1,511)	(752)
Equity attributable to unitholders of APTT		**1,141,741**	**1,082,052**	**1,342,840**	**1,343,099**
Non-controlling interests	D(x)	2,528	2,478	-	-
Total equity		**1,144,269**	**1,084,530**	**1,342,840**	**1,343,099**

[1] Notes can be found on pages 31 to 39.

CONSOLIDATED STATEMENTS OF PROFIT OR LOSS

Group		Quarter ended 31 March		
Amounts in $'000	Note[1]	2020	2019	Variance[2] (%)
Revenue				
Basic cable TV	A(i)	63,669	58,083	9.6
Premium digital cable TV	A(ii)	3,254	3,241	0.4
Broadband	A(iii)	12,381	11,883	4.2
Total revenue		**79,304**	**73,207**	**8.3**
Operating expenses				
Broadcast and production costs	B(i)	(13,713)	(14,524)	5.6
Staff costs	B(ii)	(8,274)	(6,569)	(26.0)
Depreciation and amortisation expense[3]	B(iii)	(21,554)	(20,535)	(5.0)
Trustee-Manager fees	B(iv)	(1,830)	(1,804)	(1.4)
Net foreign exchange gain/(loss)[4]	B(v)	1,168	(1,709)	>100
Mark to market (loss)/gain on derivative financial instruments[5]	B(vi)	(2,734)	1,424	(>100)
Other operating expenses[6]	B(vii)	(7,227)	(6,235)	(15.9)
Total operating expenses		**(54,164)**	**(49,952)**	**(8.4)**
Operating profit		**25,140**	**23,255**	**8.1**
Amortisation of deferred arrangement fees	B(viii)	(864)	(830)	(4.1)
Interest and other finance costs	B(ix)	(12,476)	(11,994)	(4.0)
Profit before income tax		**11,800**	**10,431**	**13.1**
Income tax expense[7]	B(x)	(5,693)	(2,957)	(92.5)
Profit after income tax		**6,107**	**7,474**	**(18.3)**
Profit after income tax attributable to:				
Unitholders of APTT		6,031	7,400	(18.5)
Non-controlling interests		76	74	2.7
Profit after income tax		**6,107**	**7,474**	**(18.3)**
Basic and diluted earnings per unit attributable to unitholders of APTT (cents)[8]		**0.42**	**0.52**	

1 Notes can be found on pages 26 to 30.

2 A positive variance is favourable to the Group and a negative variance is unfavourable to the Group.

3 Increase in depreciation and amortisation expense was mainly due to higher depreciation expense on network equipment compared to the pcp. Refer Note B(iii) for more details.

4 Variance in net foreign exchange gain/(loss) is mainly due to translations at the subsidiary level which are not expected to be realised. Refer Note B(v) for more details.

5 Variance in mark to market (loss)/gain on derivative financial instruments was due to exchange rate movements on foreign exchange contracts.

6 Other operating expenses were higher mainly due to reversal of provisions for fines in the pcp. Refer Note B(vii) for more details.

7 Variance in income tax expense was mainly due to higher current and deferred income tax expense. Refer Note B(x) for more details.

8 Earnings per unit is calculated by dividing profit/loss attributable to unitholders of APTT by the weighted average number of APTT units outstanding during the period.

CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

Group	Quarter ended 31 March		
Amounts in $'000	2020	2019	Variance[1] (%)
Profit after income tax	**6,107**	**7,474**	**(18.3)**
Other comprehensive income/(loss)			
Items that may subsequently be reclassified to profit or loss:			
Exchange differences on translation of foreign operations	61,903	(17,459)	>100
Unrealised movement on change in fair value of cash flow hedging financial instruments	(5,512)	(428)	(>100)
Deferred tax relating to items that may subsequently be reclassified to profit or loss	1,102	86	>100
Other comprehensive income/(loss), net of tax	**57,493**	**(17,801)**	**>100**
Total comprehensive income/(loss)	**63,600**	**(10,327)**	**>100**
Total comprehensive income/(loss) attributable to:			
Unitholders of APTT	63,524	(10,401)	>100
Non-controlling interests	76	74	2.7
Total comprehensive income/(loss)	**63,600**	**(10,327)**	**>100**

[1] A positive variance is favourable to the Group and a negative variance is unfavourable to the Group.

STATEMENTS OF CHANGES IN EQUITY

Group Amounts in $'000	Unitholders' funds	Reserves	Accumulated deficit	Equity attributable to unitholders of APTT	Non-controlling interests	Total equity
Balance as at 1 January 2020	**1,343,851**	**100,388**	**(362,187)**	**1,082,052**	**2,478**	**1,084,530**
Total comprehensive income						
Profit after income tax	-	-	6,031	6,031	76	6,107
Other comprehensive income, net of tax	-	57,493	-	57,493	-	57,493
Total	**-**	**57,493**	**6,031**	**63,524**	**76**	**63,600**
Transactions with unitholders, recognised directly in equity						
Units issued against settlement of management fees to Trustee-Manager	500	-	-	500	-	500
Settlement of transactions with non-controlling interests	-	-	-	-	(26)	(26)
Distributions paid	-	-	(4,335)	(4,335)	-	(4,335)
Total	**500**	**-**	**(4,335)**	**(3,835)**	**(26)**	**(3,861)**
Balance as at 31 March 2020	**1,344,351**	**157,881**	**(360,491)**	**1,141,741**	**2,528**	**1,144,269**

Group Amounts in $'000	Unitholders' funds	Reserves	Accumulated deficit	Equity attributable to unitholders of APTT	Non-controlling interests	Total equity
Balance as at 1 January 2019	**1,342,851**	**92,136**	**(363,588)**	**1,071,399**	**2,333**	**1,073,732**
Total comprehensive (loss)/income						
Profit after income tax	-	-	7,400	7,400	74	7,474
Other comprehensive loss, net of tax	-	(17,801)	-	(17,801)	-	(17,801)
Total	**-**	**(17,801)**	**7,400**	**(10,401)**	**74**	**(10,327)**
Transactions with unitholders, recognised directly in equity						
Settlement of transactions with non-controlling interests	-	-	-	-	(10)	(10)
Distributions paid	-	-	(4,310)	(4,310)	-	(4,310)
Total	**-**	**-**	**(4,310)**	**(4,310)**	**(10)**	**(4,320)**
Balance as at 31 March 2019	**1,342,851**	**74,335**	**(360,498)**	**1,056,688**	**2,397**	**1,059,085**

Trust Amounts in $'000	Unitholders' funds	Accumulated deficit	Total equity
Balance as at 1 January 2020	**1,343,851**	**(752)**	**1,343,099**
Total comprehensive income			
Profit after income tax	-	3,576	3,576
Total	**-**	**3,576**	**3,576**
Transactions with unitholders, recognised directly in equity			
Units issued against settlement of management fees to Trustee-Manager	500	-	500
Distributions paid	-	(4,335)	(4,335)
Total	**500**	**(4,335)**	**(3,835)**
Balance as at 31 March 2020	**1,344,351**	**(1,511)**	**1,342,840**

Trust Amounts in $'000	Unitholders' funds	Accumulated surplus	Total equity
Balance as at 1 January 2019	**1,342,851**	**4,104**	**1,346,955**
Total comprehensive income			
Profit after income tax	-	6,245	6,245
Total	**-**	**6,245**	**6,245**
Transactions with unitholders, recognised directly in equity			
Distributions paid	-	(4,310)	(4,310)
Total	**-**	**(4,310)**	**(4,310)**
Balance as at 31 March 2019	**1,342,851**	**6,039**	**1,348,890**

DETAIL OF CHANGES IN UNITHOLDERS' FUNDS

Trust Number of units in '000	Quarter ended 31 March 2020	 2019
At beginning of the quarter	**1,442,128**	**1,436,800**
Units issued against settlement of management fees to Trustee-Manager	2,956	-
At end of the quarter	**1,445,084**	**1,436,800**

Trust Amounts in $'000	Quarter ended 31 March 2020	 2019
At beginning of the quarter	**1,343,851**	**1,342,851**
Units issued against settlement of management fees to Trustee-Manager	500	-
At end of the quarter	**1,344,351**	**1,342,851**

There were no changes to unitholders' funds during the pcp.

On 10 January 2020, APTT issued 2,955,468 units to the Trustee-Manager at a price of $0.1691778996 per unit, for payment of $0.5 million, out of the total $3.7 million Trustee-Manager base fees for the six-month period from 1 July 2019 to 31 December 2019. The issue price per unit was based on APTT's volume weighted average price for a unit for all trades done on the SGX-ST in the ordinary course of trading on the SGX-ST for the ten business days immediately prior to the date of issue. Following the issuance of the units to the Trustee-Manager, the total number of issued units in APTT is 1,445,083,880.

With reference to paragraphs 1(d)(ii), 1(d)(iv) and 1(d)(v) of Appendix 7.2 of the SGX-ST Listing Manual, the Trustee-Manager confirms that for the quarters ended 31 March 2020 and 2019, the Trust did not have any convertible securities, treasury units or subsidiary holdings on issue.

CONSOLIDATED STATEMENTS OF CASH FLOWS

Group Amounts in $'000	Quarter ended 31 March 2020	 2019
Cash flows from operating activities		
Profit after income tax	**6,107**	**7,474**
Adjustments for:		
Depreciation and amortisation expense	21,554	20,535
Net foreign exchange (gain)/loss	(1,848)	2,223
Mark to market loss/(gain) on derivative financial instruments	2,734	(1,424)
Amortisation of deferred arrangement fees	864	830
Interest and other finance costs	12,476	11,994
Income tax expense	5,693	2,957
Settlement of management fees in units to Trustee-Manager	500	-
Operating cash flows before movements in working capital	**48,080**	**44,589**
Trade and other receivables	(2,926)	2,375
Trade and other payables	5,086	(2,275)
Contract costs	(1,434)	-
Contract liabilities	3,081	(1,071)
Retirement benefit obligations	371	(5,354)
Other assets	(2,186)	(626)
Other liabilities	(460)	(5,706)
Cash generated from operations	**49,612**	**31,932**
Income tax paid, net of refunds	(1,117)	(2,931)
Interest paid on lease liabilities	(67)	(25)
Net cash inflows from operating activities	**48,428**	**28,976**
Cash flows from investing activities		
Acquisition of property, plant and equipment	(8,314)	(15,783)
Acquisition of intangible assets	(11)	(7,101)
Net cash used in investing activities	**(8,325)**	**(22,884)**
Cash flows from financing activities		
Interest and other finance costs paid	(12,460)	(11,960)
Borrowings from financial institutions	-	10,985
Repayment of borrowings to financial institutions	(4,502)	(1,875)
Settlement of lease liabilities	(700)	(438)
Settlement of derivative financial instruments	(351)	902
Settlement of transactions with non-controlling interests	(26)	(10)
Distributions to unitholders	(4,335)	(4,310)
Net cash used in financing activities	**(22,374)**	**(6,706)**
Net increase/(decrease) in cash and cash equivalents	**17,729**	**(614)**
Cash and cash equivalents at the beginning of the year	79,101	73,576
Cash and cash equivalents at the end of the quarter	**96,830**	**72,962**

RECONCILIATION OF NET PROFIT TO EBITDA

Group	Quarter ended 31 March		
Amounts in $'000	2020	2019	Variance[1] (%)
Profit after income tax	**6,107**	**7,474**	**(18.3)**
Add: Depreciation and amortisation expense	21,554	20,535	(5.0)
Add: Net foreign exchange (gain)/loss	(1,168)	1,709	>100
Add: Mark to market loss/(gain) on derivative financial instruments	2,734	(1,424)	(>100)
Add: Amortisation of deferred arrangement fees	864	830	(4.1)
Add: Interest and other finance costs	12,476	11,994	(4.0)
Add: Income tax expense	5,693	2,957	(92.5)
EBITDA	**48,260**	**44,075**	**9.5**
EBITDA margin	60.9%	60.2%	

[1] A positive variance is favourable to the Group and a negative variance is unfavourable to the Group.

ASIAN PAY TELEVISION TRUST

MANAGEMENT REVIEW FOR THE QUARTER ENDED 31 MARCH 2020

REVIEW OF CONSOLIDATED STATEMENTS OF PROFIT OR LOSS FOR THE QUARTER ENDED 31 MARCH 2020

As presented in the consolidated statements of profit or loss disclosed on page 18

A) REVIEW OF REVENUE

Total revenue for the quarter ended 31 March 2020 was $79.3 million (31 March 2019: $73.2 million). Total revenue for the quarter was 8.3% higher than the pcp; in constant NT$ terms, total revenue for the quarter was 3.6% higher than the pcp. Foreign exchange contributed to a positive variance of 4.7% for the quarter compared to the pcp. Total revenue was influenced by a number of factors including the continued challenges in the economic and operating environment.

Total revenue comprised revenue generated from: (i) Basic cable TV, (ii) Premium digital cable TV and (iii) Broadband. An analysis of the revenue items is as follows:

(i) Basic cable TV

Basic cable TV revenue of $63.7 million for the quarter ended 31 March 2020 was up 9.6% on the pcp (31 March 2019: $58.1 million); in constant NT$ terms, Basic cable TV revenue was up 4.9% on the pcp. This comprised subscription revenue of $48.8 million (31 March 2019: $48.6 million) and non-subscription revenue of $14.9 million (31 March 2019: $9.5 million). The increase in Basic cable TV revenue was mainly due to higher subscription and non-subscription revenue as described below.

Subscription revenue was generated from TBC's c.725,000 Basic cable TV RGUs, each contributing an ARPU of NT$486 per month in the quarter to access over 100 cable TV channels. Basic cable TV RGUs decreased by c.4,000 and ARPU was lower compared to the previous quarter ended 31 December 2019 (RGUs: c.729,000; ARPU: NT$489 per month). The decline in Basic cable TV RGUs was due to a number of factors including competition from aggressively priced IPTV, video piracy issues and expectations from consumers for discounts as they compare with the lower cable TV pricing outside of TBC's five franchise areas, particularly in the Taipei region. Subscription revenue for the quarter was higher than the pcp mainly due to foreign exchange; in constant NT$ terms subscription revenue for the quarter was lower than the pcp because of a lower number of subscribers and ARPU.

Non-subscription revenue was 23.4% of Basic cable TV revenue for the quarter (31 March 2019: 16.4%). This included revenue from the leasing of television channels to third parties, sale of airtime advertising and fees for the installation of set-top boxes. Non-subscription revenue for the quarter was higher than the pcp mainly due to higher revenue generated from airtime advertising sales and others. The leasing of television channels, which is mainly to third-party home shopping networks, continued to be affected by the lower demand for home shopping and heightened competition from internet retailing. These trends will continue to put pressure on channel leasing revenue not just for TBC, but for the entire cable industry in Taiwan.

(ii) Premium digital cable TV

While Premium digital cable TV RGUs increased, the lower ARPU has resulted in a decline in revenue in constant NT$ terms. Premium digital cable TV revenue of $3.3 million for the quarter ended 31 March 2020 was up 0.4% on the pcp (31 March 2019: $3.2 million). However, in constant NT$ terms, Premium digital cable TV revenue was 4.3% lower than the pcp. This comprised subscription revenue of $3.1 million (31 March 2019: $3.1 million) and non-subscription revenue of $0.2 million (31 March 2019: $0.1 million).

Subscription revenue was generated from TBC's c.219,000 Premium digital cable TV RGUs, each contributing an ARPU of NT$104 per month in the quarter for Premium digital cable TV packages, bundled DVR or DVR-only services. Premium digital cable TV RGUs increased by c.5,000 but ARPU was lower compared to the previous quarter ended 31 December 2019 (RGUs: c.214,000; ARPU: NT$107 per month) due to promotions and discounted bundled packages that were offered to generate new RGUs and to retain existing RGUs. Video piracy issues and aggressively priced IPTV have also impacted ARPU.

Non-subscription revenue predominantly comprised revenue from the sale of electronic programme guide data to other system operators.

(iii) Broadband

Despite the strong competition from mobile operators offering unlimited wireless data, Broadband RGUs continued to increase during the quarter. Broadband revenue of $12.4 million for the quarter ended 31 March 2020 was up 4.2% on the pcp (31 March 2019: $11.9 million); in constant NT$ terms, Broadband revenue for the quarter was 0.5% lower than the pcp. This comprised subscription revenue of $11.9 million (31 March 2019: $11.7 million) and non-subscription revenue of $0.5 million (31 March 2019: $0.2 million).

Subscription revenue was generated from TBC's c.242,000 Broadband RGUs, each contributing an ARPU of NT$360 per month in the quarter for high-speed Broadband services. Broadband RGUs increased by c.4,000 but ARPU was lower compared to the previous quarter ended 31 December 2019 (RGUs: c.238,000 and ARPU: NT$366 per month). The availability of low-cost unlimited data offerings from mobile operators is necessitating fixed-line operators to offer higher speeds at competitive prices to acquire new RGUs and re-contract existing RGUs.

Non-subscription revenue predominantly comprised revenue from the provision of installation and other services.

B) REVIEW OF OPERATING EXPENSES

An analysis of the Group's expense items is as follows:

(i) Broadcast and production costs

Broadcast and production costs were $13.7 million for the quarter ended 31 March 2020, down 5.6% on the pcp (31 March 2019: $14.5 million); in constant NT$ terms, broadcast and production costs were 10.3% lower than the pcp mainly due to lower cost of acquiring cable TV content. Foreign exchange contributed to a negative variance of 4.7% for the quarter compared to the pcp.

Broadcast and production costs comprised: (i) the cost of acquiring Basic cable TV and Premium digital cable TV content, (ii) the cost of acquiring bandwidth (which consists of the leasing of domestic and international bandwidth capacity from operators to support TBC's Broadband services) and (iii) costs for producing the Group's own programming.

(ii) Staff costs

Staff costs were $8.3 million for the quarter ended 31 March 2020, up 26.0% on the pcp (31 March 2019: $6.6 million). Staff costs for the quarter were higher mainly due to higher staff costs in constant dollar terms.

Staff costs comprised direct employee costs and general and administrative employee costs including salaries, bonuses, long-term incentives and benefits.

The Group adopted a long-term incentive plan (the "LTIP") in 2013 for its senior management at TBC, under which TBC senior management are granted notional units of the Trust upon achieving prescribed performance targets. These notional units vest in tranches over a prescribed period of time initially commencing two years after the grant of the notional units. Upon vesting of such notional units under the LTIP, TBC's senior management receive a cash payment equal to the number of vested notional units multiplied by the market price of the units as determined in accordance with the LTIP.

A total of 47.6 million notional units have been granted under the LTIP since inception. Out of the total notional units granted since inception, 13.4 million notional units had vested by 31 December 2019. The remaining 34.2 million notional units remained unvested as at 31 March 2020.

LTIP expense attributable to the quarter has been recognised in the financial statements to reflect the estimate of the future obligations under the LTIP.

(iii) Depreciation and amortisation expense

Depreciation and amortisation expense was $21.6 million for the quarter ended 31 March 2020, up 5.0% on the pcp (31 March 2019: $20.5 million). The increase was mainly due to higher depreciation expense on network equipment for the quarter compared to the pcp. Refer Note C(iv) for more details.

Depreciation and amortisation expense comprised depreciation and amortisation of the Group's capital expenditures in relation to network equipment, set-top boxes, other plant and equipment, right-of-use assets, programming rights and software.

(iv) Trustee-Manager fees

The Trustee-Manager is entitled to base fees and performance fees as specified under the Trust Deed.

The Trustee-Manager base fees were $1.8 million for the quarter ended 31 March 2020 (31 March 2019: $1.8 million). There were no performance fees payable to the Trustee-Manager for the quarter ended 31 March 2020 (31 March 2019: nil).

The base fees are payable semi-annually in arrears for every six months ending 30 June and 31 December of each year. Payment of the base fees, whether in the form of cash and/or units, shall be made out of the Trust property within 30 days of the last day of every six months (or such other period as may be determined by the Trustee-Manager at its discretion).

(v) Net foreign exchange gain/(loss)

Net foreign exchange gain for the quarter ended 31 March 2020 was $1.2 million (31 March 2019: loss of $1.7 million). Net foreign exchange gain for the quarter ended 31 March 2020 included unrealised foreign exchange movements from translations at the subsidiary level which are not expected to be realised.

(vi) Mark to market (loss)/gain on derivative financial instruments

The Group uses foreign exchange contracts to manage its exposure to foreign exchange movements as discussed in Note C(vi). For the quarter ended 31 March 2020, the period end mark to market loss on foreign currency contracts was $2.7 million (31 March 2019: gain of $1.4 million). Mark to market (loss)/gain on derivative financial instruments included loss of $0.4 million (31 March 2019: gain of $0.9 million) on NT$ foreign exchange contracts settled during the quarter.

(vii) Other operating expenses

Other operating expenses were $7.2 million for the quarter ended 31 March 2020, up 15.9% on the pcp (31 March 2019: $6.2 million).

A detailed breakdown of material items included in other operating expenses is provided in the table below:

Group	Quarter ended 31 March	
Amounts in $'000	2020	2019
Lease rentals	(58)	(56)
Pole rentals	(1,537)	(1,188)
Legal and professional fees	(955)	(958)
Non-recoverable GST/VAT	(883)	(908)
Marketing and selling expenses	(1,066)	(1,261)
General and administrative expenses	(1,242)	(1,239)
Licence fees	(609)	(602)
Repairs and maintenance	(367)	(345)
Others	(510)	322
Total	**(7,227)**	**(6,235)**

Other operating expenses for the pcp included reversal of provisions of $0.8 million, for fines imposed by Taiwan regulators.

(viii) Amortisation of deferred arrangement fees

The Group pays financing fees to the lenders when entering into debt facilities or refinance existing facilities. At inception, the financing fees are recorded as unamortised arrangement fees. The fees are amortised over the period of the debt facilities as an expense to the consolidated statements of profit or loss. Amortisation of deferred arrangement fees was $0.9 million for the quarter ended 31 March 2020 (31 March 2019: $0.8 million).

(ix) Interest and other finance costs

Interest and other finance costs were $12.5 million for the quarter ended 31 March 2020, 4.0% higher than the pcp (31 March 2019: $12.0 million). These comprised interest expense and commitment and other fees on the Group's debt facilities. Interest and other finance costs for the quarter ended 31 March 2020 also included finance charges on lease liabilities of $0.07 million (31 March 2019: $0.03 million).

(x) Income tax expense

The Group is subject to income tax in several jurisdictions. Significant judgment is required in determining provisions for income tax, including a judgment on whether tax positions are probable of being sustained in income tax assessments. There are certain transactions and calculations for which the ultimate income tax determination is uncertain during the ordinary course of business. The Group recognises liabilities for anticipated income tax issues based on estimates of whether additional taxes will be due. Where the final income tax outcome of these matters is different from the amounts that were initially recorded, these differences will impact the income tax and deferred income tax provisions in the period in which such determination is made.

The Trustee-Manager evaluates positions taken in income tax returns with respect to situations in which applicable income tax regulations are subject to interpretation. The income tax liabilities are recognised when it is more likely than not that certain tax positions may be changed upon review by income tax authorities. The Group believes that the final tax outcome of these positions can differ from those initially recognised when reviews or audits by tax authorities of tax returns are completed. Benefits from tax positions are measured at the single best estimate of the most likely outcome. At each statement of financial position date, the tax positions are reviewed and to the extent that new information becomes available that causes the Trustee-Manager to change its judgment regarding the adequacy of existing income tax liabilities, these changes to income tax liabilities are duly recognised as income tax expense in the year in which the determination is made.

Income tax expense recognised in the consolidated statements of profit or loss was as follows:

Group	Quarter ended 31 March	
Amounts in $'000	**2020**	**2019**
Current income tax	(2,038)	(897)
Deferred income tax	(2,722)	(743)
Withholding tax	(933)	(1,317)
Total	**(5,693)**	**(2,957)**

REVIEW OF STATEMENTS OF FINANCIAL POSITION AND NET ASSETS AS AT 31 MARCH 2020

As presented in the statements of financial position disclosed on page 17

C) ASSETS

(i) Cash and cash equivalents

Cash and cash equivalents include cash on hand and deposits held at call with banks and are subject to an insignificant risk of changes in value.

Cash and cash equivalents at the Trust level decreased from $4.8 million as at 31 December 2019 to $4.7 million as at 31 March 2020. The decrease was primarily due to the payment of distributions to unitholders net of receipt of distributions from TBC during the quarter ended 31 March 2020.

Cash and cash equivalents at the Group level increased from $79.1 million as at 31 December 2019 to $96.8 million as at 31 March 2020. The increase was primarily driven by operating cash flows and changes in working capital, partially offset by the payment of distributions to unitholders, capital expenditure and interest payments during the quarter. Refer to the consolidated statements of cash flows on page 23 for more details.

(ii) Trade and other receivables

Trade receivables are initially recognised at fair value plus transaction costs, and subsequently measured at amortised cost using the effective interest method, less any impairment.

Trade and other receivables at the Group level increased from $12.0 million as at 31 December 2019 to $14.9 million as at 31 March 2020 mainly due to increase in the amounts due from trade debtors for channel leasing and advertising revenue.

(iii) Investment in subsidiaries

The Trust invested in TBC through the acquisition of two Bermudian investment holding companies.

Held by the Trust	Principal activities	Country of incorporation	Equity holding			
			%		$'000	
Name of subsidiary			2020	2019	2020	2019
APTT Holdings 1 Limited	Investment holding company	Bermuda	100	100	704,734	704,734
APTT Holdings 2 Limited	Investment holding company	Bermuda	100	100	637,617	637,617
Total cost					**1,342,351**	**1,342,351**

(iv) Property, plant and equipment

All items of property, plant and equipment ("PPE") are initially recorded at cost, subsequently measured at cost less accumulated depreciation and any accumulated impairment losses. The Group's PPE included right-of-use assets. The amounts recognised in the statements of financial position were determined as follows:

Group Carrying value Amounts in $'000	As at 1 January 2020	Additions	Transfer within PPE	Disposals/ write-offs	Depreciation and impairment	Foreign exchange effect	As at 31 March 2020
Land	4,690	-	-	-	-	227	4,917
Buildings	7,912	-	4	-	(717)	365	7,564
Leasehold improvements	3,660	-	20	-	(333)	171	3,518
Network equipment	283,553	166	8,535	-	(17,025)	13,524	288,753
Plant and equipment	13,277	-	30	-	(1,079)	618	12,846
Transport equipment	569	-	152	-	(105)	28	644
Assets under construction	14,252	8,868	(8,741)	-	-	692	15,071
Right-of-use assets							
Land	753	1	-	-	(73)	35	716
Buildings	6,030	1,919	-	-	(417)	326	7,858
Transport equipment	4,100	158	-	-	(251)	196	4,203
Total	**338,796**	**11,112**	**-**	**-**	**(20,000)**	**16,182**	**346,090**

Group Carrying value Amounts in $'000	As at 1 January 2019	Additions	Transfer within PPE	Disposals/ write-offs	Depreciation and impairment	Foreign exchange effect	As at 31 December 2019
Land	4,571	-	159	-	(67)	27	4,690
Buildings	6,573	-	3,031	-	(1,723)	31	7,912
Leasehold improvements	1,485	-	2,996	-	(871)	50	3,660
Network equipment	293,717	1,847	50,722	(3)	(64,247)	1,517	283,553
Plant and equipment	6,081	8	10,054	-	(2,995)	129	13,277
Transport equipment	977	-	(24)	(1)	(382)	(1)	569
Leased equipment	2	-	-	-	-	(2)	-
Assets under construction	14,802	66,716	(66,938)	-	(394)	66	14,252
Right-of-use assets							
Land	1,015	-	-	-	(280)	18	753
Buildings	5,503	1,819	-	-	(1,435)	143	6,030
Transport equipment	100	4,467	-	(34)	(511)	78	4,100
Total	**334,826**	**74,857**	**-**	**(38)**	**(72,905)**	**2,056**	**338,796**

Trust Carrying value Amounts in $'000	As at 1 January 2020	Additions	Transfer within PPE	Disposals/ write-offs	Depreciation and impairment	Foreign exchange effect	As at 31 March 2020
Plant and equipment	12	-	-	-	(4)	-	8
Total	**12**	**-**	**-**	**-**	**(4)**	**-**	**8**

Trust Carrying value Amounts in $'000	As at 1 January 2019	Additions	Transfer within PPE	Disposals/ write-offs	Depreciation and impairment	Foreign exchange effect	As at 31 December 2019
Plant and equipment	29	-	-	-	(17)	-	12
Total	**29**	**-**	**-**	**-**	**(17)**	**-**	**12**

During the quarter ended 31 March 2020, the Group acquired property, plant and equipment with an aggregate cost of $11.1 million (31 March 2019: $14.7 million), of which $10.3 million remained unpaid as at 31 March 2020 (31 March 2019: $3.4 million). In addition, property, plant and equipment with an aggregate cost of $7.5 million, unpaid as at 31 December 2019, was paid during the quarter (31 December 2018: $4.5 million).

(v) Intangible assets

Cable TV licences

Costs incurred in acquiring cable TV licences are brought to account as intangible assets. The assets are assessed as having indefinite useful lives and therefore there is no amortisation charge booked against the carrying value. Consequently, no deferred tax liabilities have been provided on the temporary differences relating to the cable TV licences as at the acquisition date as it is deemed that recovery would be through a sale transaction, which the Trustee-Manager expects would not be subject to capital gains taxes.

Software

Costs incurred in acquiring software are brought to account as intangible assets. Software is carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over its estimated useful life.

Programming rights

Costs incurred in acquiring programming rights, with a broadcasting period of more than one year, are brought to account as intangible assets. Programming rights are carried at cost less accumulated amortisation and any accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful life.

Goodwill

Goodwill arising on acquisition represents the excess of the cost of acquisition over the fair value of the Group's share of the identifiable assets, liabilities and contingent liabilities of the acquiree. Goodwill is stated at cost less any impairment losses. Goodwill is allocated to cash-generating units and is tested annually for impairment.

The amounts recognised in the statements of financial position were determined as follows:

Group Carrying value Amounts in $'000	As at 1 January 2020	Additions	Amortisation	Foreign exchange effect	As at 31 March 2020
Cable TV licences	2,365,216	-	-	114,437	2,479,653
Software	4,108	107	(539)	189	3,865
Programming rights	13,404	-	(1,015)	624	13,013
Goodwill	7,821	-	-	379	8,200
Total	**2,390,549**	**107**	**(1,554)**	**115,629**	**2,504,731**

Group Carrying value Amounts in $'000	As at 1 January 2019	Additions	Amortisation	Foreign exchange effect	As at 31 December 2019
Cable TV licences	2,351,682	-	-	13,534	2,365,216
Software	3,807	2,471	(2,193)	23	4,108
Programming rights	8,572	16,129	(11,465)	168	13,404
Goodwill	7,777	-	-	44	7,821
Total	**2,371,838**	**18,600**	**(13,658)**	**13,769**	**2,390,549**

Trust Carrying value Amounts in $'000	As at 1 January 2020	Additions	Amortisation	Foreign exchange effect	As at 31 March 2020
Software	6	-	(3)	-	3
Total	**6**	**-**	**(3)**	**-**	**3**

Trust Carrying value Amounts in $'000	As at 1 January 2019	Additions	Amortisation	Foreign exchange effect	As at 31 December 2019
Software	17	-	(11)	-	6
Total	**17**	**-**	**(11)**	**-**	**6**

During the quarter ended 31 March 2020, the Group acquired intangible assets with an aggregate cost of $0.1 million (31 March 2019: $5.8 million) which remained unpaid as at 31 March 2020. Out of the intangible assets with an aggregate cost of $0.3 million, unpaid as at 31 December 2019 (31 December 2018: $1.7 million), $0.01 million was paid during the quarter (31 March 2019: $1.7 million). Total aggregate cost of intangible asset which remained unpaid as at 31 March 2020 was $0.4 million (31 March 2019: $0.4 million).

(vi) Derivative financial instruments

The Group and Trust use foreign exchange contracts to manage their exposure to foreign exchange movements of NT$ and US$ future estimated cash flows from dividends and principal and interest payments received by the Trust from the entities held within the Group. The Group and Trust employ a 24-month rolling hedging programme that swaps from 25% of forecast cash flows receivable up to 24 months away, to 100% of cash flows on amounts receivable within three months. As at 31 March 2020, mark to market movements, classified as current and non-current assets, on such contracts were $0.05 million (31 December 2019: $0.2 million) and $0.1 million (31 December 2019: $0.01 million) both at the Group and Trust level.

(vii) Contract costs

As at 31 March 2020, the Group had contract costs classified as current and non-current assets of $1.1 million and $0.4 million. These represent sales incentives provided for contracting Broadband RGUs. These costs are amortised over the period of such contracts.

(viii) Other assets

As at 31 March 2020, the Group and Trust had other current assets of $19.6 million and $0.3 million (31 December 2019: $17.7 million and $0.1 million). These predominantly comprised GST recoverable, refundable deposits and expense prepayments.

Other non-current assets at the Group and Trust level of $1.4 million and nil as at 31 March 2020 (31 December 2019: $1.2 million and nil) predominantly comprised refundable deposits.

D) LIABILITIES

(i) Borrowings from financial institutions

Group	As at	
Amounts in $'000	31 March 2020	31 December 2019
Current portion	19,572	15,400
	19,572	**15,400**
Non-current portion	1,584,465	1,529,135
Less: Unamortised arrangement fees	(17,791)	(17,847)
	1,566,674	**1,511,288**
Total[1]	**1,586,246**	**1,526,688**

[1] Comprised outstanding NT$ denominated borrowings of $1,368.7 million (31 December 2019: $1,306.8 million) at TBC level and Singapore dollar denominated multicurrency borrowings of $217.5 million (31 December 2019: $219.9 million) at Bermuda holding companies' level.

Onshore Facilities

The NT$ denominated seven-year facilities of NT$31.0 billion at TBC level ("Onshore Facilities") are repayable in tranches by 2025 and are secured by certain land, buildings, network equipment and plant and equipment held by TBC as well as by pledges over shares in onshore entities of TBC and over the shares in TBC Holdings B.V. and Harvest Cable Holdings B.V. held by Cable TV S.A. The onshore affiliates of TBC are jointly liable under the debt facilities. As at 31 March 2020, the total carrying value of property, plant and equipment pledged for the Onshore Facilities was $313.2 million (31 December 2019: $298.8 million). In addition, guarantees in favour of the lenders under the debt facilities are provided by TBC Holdings B.V. and Harvest Cable Holdings B.V.

The Onshore Facilities bear a floating interest rate of Taiwan's three-month Taipei Interbank Offered Rate ("TAIBOR") plus an interest margin of 1.1% to 1.9% per annum based on its leverage ratio. As discussed in Note D(ii), the Group uses interest rate swaps to swap a significant portion of its borrowings from floating rate to fixed rate.

Arrangement fees on the refinancing of Onshore Facilities were agreed at 1.25%. At inception, such fees are recorded as unamortised arrangement fees. The fees are amortised over the period of the debt facilities as an expense to the consolidated statements of profit or loss.

Offshore Facilities

Offshore facilities consist of a multicurrency term loan facility in an aggregate amount of $125.0 million and a multicurrency revolving loan facility in an aggregate amount of $125.0 million secured by APTT Holdings 1 Limited and APTT Holdings 2 Limited ("Offshore Facilities").

The Offshore Facilities, denominated in Singapore dollars, are repayable in tranches by 2021 and are secured by a first priority pledge of all of the assets of APTT Holdings 1 Limited, APTT Holdings 2 Limited, Cable TV S.A. and APTT Management Pte. Limited, in its capacity as Trustee-Manager of APTT, including bank accounts and 100% of the total outstanding shares of APTT Holdings 1 Limited, APTT Holdings 2 Limited and Cable TV S.A. As at 31 March 2020, the total carrying value of assets pledged for the Offshore Facilities was $1,116 million (31 December 2019: $1,117 million). In addition, guarantees in favour of lenders under the debt facilities are provided by APTT Management Pte. Limited, in its capacity as Trustee-Manager of APTT, and Cable TV S.A.

The Offshore Facilities bear a floating interest rate of Singapore Interbank Offered Rate ("SIBOR") plus an interest margin of 4.1% to 5.5% per annum based on the leverage ratio of the Group.

Amendment fees on extension of maturity date from July 2019 to July 2021 were agreed at 0.30% payable on the financial close. At inception, such fees are recorded as unamortised arrangement fees. The fees are amortised over the period of the debt facilities as an expense to the consolidated statements of profit or loss.

(ii) Derivative financial instruments

The Group and Trust use foreign exchange contracts to manage their exposure to foreign exchange movements as discussed in Note C(vi). As at 31 March 2020, mark to market movements, classified as current and non-current liabilities, on such contracts were $2.4 million and $0.4 million (31 December 2019: $0.3 million and $0.2 million) at Group and Trust level.

The Group also uses interest rate swaps to manage its exposure to interest rate movements on its NT$ denominated borrowings by swapping a significant portion of those borrowings from floating rate to fixed rate. All interest rate swap contracts exchanging floating rate interest amounts for fixed rate interest amounts are designated as cash flow hedges in order to reduce the Group's cash flow exposure resulting from variable interest rates on borrowings. The interest rate swaps and the interest payments on the loan occur simultaneously and the amount deferred in equity is recognised in profit or loss over the period that the floating rate interest payments on debt impact profit or loss.

As at 31 March 2020, the notional amount of interest rate swaps on TAIBOR maturing in December 2021 was NT$28.0 billion (31 December 2019: NT$28.0 billion), thus fixing approximately 95% of outstanding Onshore Facilities through to 2021.

As at 31 March 2020, mark to market movements, classified as non-current liabilities, on such swaps were $9.6 million (31 December 2019: $3.7 million) at the Group level. Non-current derivative financial instruments at the Group level of $10.0 million as at 31 March 2020 (31 December 2019: $3.9 million) also included the mark to market movements on foreign exchange contracts of $0.4 million (31 December 2019: $0.2 million) as mentioned above.

(iii) Trade and other payables

	Group as at		Trust as at	
Amounts in $'000	31 March 2020	31 December 2019	31 March 2020	31 December 2019
Trade payables due to outside parties	42,534	35,591	-	-
Base fees payable to the Trustee-Manager	1,830	3,687	1,830	3,687
Total	**44,364**	**39,278**	**1,830**	**3,687**

The Group's trade and other payables as at 31 March 2020 of $44.4 million (31 December 2019: $39.3 million) comprised mainly broadcast and production costs payable of $36.9 million (31 December 2019: $23.9 million) and base fees payable to the Trustee-Manager of $1.8 million (31 December 2019: $3.7 million).

The Trust's trade and other payables as at 31 March 2020 comprised base fees payable to the Trustee-Manager of $1.8 million (31 December 2019: $3.7 million).

(iv) Contract liabilities

Contract liabilities were $34.5 million as at 31 March 2020 (31 December 2019: $31.5 million). These relate to considerations or collections received in advance to provide Basic cable TV, Premium digital cable TV and Broadband subscription services in future periods.

Subscription fees are paid upfront as part of the initial sales transaction whereas revenue is recognised over the period where services are provided to the subscribers. A contract liability is therefore recognised for revenue relating to subscription services at the time of the initial sales transaction and is released over the subscription period.

There were no significant changes in the contract liability balances during the reporting period.

The amount of revenue recognised during the quarter ended 31 March 2020 which related to brought-forward contract liabilities as at the end of the previous year was $30.1 million.

(v) Retirement benefit obligations

The Group operates both a defined benefit scheme and a defined contribution scheme. Eligibility for participation in each of the schemes is governed by employment and related laws in the country of employment for employees of the Group. As at 31 March

2020, the Group's retirement benefit obligations, classified as current and non-current liabilities, were $1.5 million (31 December 2019: $1.4 million) and $10.4 million (31 December 2019: $10.1 million).

(vi) Income tax payable

The Group is not required to and does not prepare a combined consolidated income tax return. The following information represents the combined income tax data of the combined consolidated entities.

Provision for income tax and the reconciliation of income tax payable were as follows:

Group	As at	
Amounts in $'000	31 March 2020	31 December 2019
Balance at the beginning of the year	**7,582**	**11,444**
Current income tax provision	2,038	3,228
Over provision of tax in prior years	-	(2,492)
Income tax payment	-	(4,330)
Prepaid and withheld income tax	-	(229)
Foreign exchange effect	415	(39)
Balance at the end of the period/year	**10,035**	**7,582**

(vii) Deferred tax liabilities

The tax effects of temporary differences that give rise to deferred tax liabilities were as follows:

Group	As at	
Amounts in $'000	31 March 2020	31 December 2019
Impairment loss	(931)	(902)
Cash flow hedging reserves	(1,911)	(746)
Intangible assets that are partially deductible for tax purposes[1]	94,094	88,120
Accelerated tax depreciation	61	145
Undistributed earnings of subsidiaries	6,485	4,976
Arrangement fees	(5,632)	(5,609)
Carry forward of losses	(1,997)	(1,904)
Provisions	(684)	(652)
Others	(20)	(37)
Unrealised exchange differences	1,088	1,402
Deferred tax liabilities, net	**90,553**	**84,793**

[1] Following the settlement principles agreed between the Group and the Taiwan tax authorities in 2014, deferred tax liabilities of $94.1 million were recorded by the Group for the partial tax deductions in respect of the amortisation of intangible assets claimed by the Group as at 31 March 2020 (31 December 2019: $88.1 million).

(viii) Other liabilities

The Group's current other liabilities as at 31 March 2020 of $19.9 million (31 December 2019: $21.3 million) predominantly comprised accrued expenses of $8.5 million (31 December 2019: $9.7 million), withholding and other tax payable of $5.0 million (31 December 2019: $4.5 million), interest and other finance costs payable of $2.2 million (31 December 2019: $2.3 million), amounts accrued under the Group's long-term incentive plan of $1.0 million (31 December 2019: $1.9 million) and lease liabilities of $3.1 million (31 December 2019: $2.7 million).

The Trust's current other liabilities as at 31 March 2020 of $0.1 million (31 December 2019: $0.2 million) comprised accruals for regular operating expenses.

The Group's non-current other liabilities as at 31 March 2020 of $31.0 million (31 December 2019: $28.1 million) predominantly comprised subscriber deposits received of $18.0 million (31 December 2019: $16.8 million), amounts accrued under the Group's long-term incentive plan of $1.8 million (31 December 2019: $1.6 million) and lease liabilities of $9.7 million (31 December 2019: $8.2 million).

(ix) Reserves

The Group's reserves comprised foreign currency translation reserves, cash flow hedging reserves, capital reserves and retirement benefit obligations reserves as follows:

Group Amounts in $'000	Foreign currency translation reserves	Cash flow hedging reserves	Capital reserves	Retirement benefit obligations reserves	Total
Balance as at 1 January 2020	**84,262**	**(2,305)**	**30,780**	**(12,349)**	**100,388**
Exchange differences on translation of foreign operations	61,903	-	-	-	61,903
Unrealised movement on change in fair value of cash flow hedging financial instruments:					
Interest rate swaps	-	(5,512)	-	-	(5,512)
Deferred tax relating to items that may subsequently be reclassified to profit or loss	-	1,102	-	-	1,102
Balance as at 31 March 2020	**146,165**	**(6,715)**	**30,780**	**(12,349)**	**157,881**
Balance as at 1 January 2019	**76,183**	**(2,340)**	**30,362**	**(12,069)**	**92,136**
Exchange differences on translation of foreign operations	8,079	-	-	-	8,079
Unrealised movement on change in fair value of cash flow hedging financial instruments:					
Interest rate swaps	-	44	-	-	44
Deferred tax relating to items that may subsequently be reclassified to profit or loss	-	(9)	-	-	(9)
Transfer from accumulated profits[1]	-	-	418	-	418
Remeasurement of defined benefit obligations	-	-	-	(280)	(280)
Balance as at 31 December 2019	**84,262**	**(2,305)**	**30,780**	**(12,349)**	**100,388**

[1] As per articles of incorporation of Jie Guang Co., Ltd. and Tai Luo Tze Co., Ltd., the current year's earnings, after paying all taxes and offsetting prior years' operating losses, if any, should be appropriated and distributed 10% as capital reserve before dividend declaration.

(x) Non-controlling interests

In order to comply with Taiwan cable TV regulations regarding foreign ownership, the entities held within the Group have issued preferred shares to third parties in Taiwan and the Netherlands. Non-controlling interests represent the preferred shares issued to external investors and their interests in the net assets of the Group are identified separately from the Group's equity therein.

E) NET ASSET VALUE ATTRIBUTABLE TO UNITHOLDERS

	Group as at		Trust as at	
	31 March 2020	31 December 2019	31 March 2020	31 December 2019
Net asset value attributable to unitholders				
Total net asset value attributable to unitholders ($'000)	1,141,741	1,082,052	1,342,840	1,343,099
Total number of units in issue used in calculation of net asset value per unit attributable to unitholders ('000)	1,445,084	1,442,128	1,445,084	1,442,128
Net asset value per unit attributable to unitholders ($)	**0.79**	**0.75**	**0.93**	**0.93**

As at 31 March 2020, the Group had positive working capital of $0.2 million (31 December 2019: negative working capital of $7.8 million). This included $33.4 million of contract liabilities representing collections received in advance from subscribers , net of contract costs, which do not require any future cash outflow from the Group (31 December 2019: $31.5 million).

After adjusting for this amount, the Group would have positive working capital of $33.6 million (31 December 2019: $23.6 million). The Group has undrawn debt facilities of $87.1 million (31 December 2019: $83.9 million) which can be drawn to address any shortfall in working capital requirements.

The Group believes that it has adequate working capital for its present requirements and that its existing debt facilities, together with cash and cash equivalents, will provide sufficient funds to satisfy its working capital requirements and anticipated capital expenditures and other payment obligations for the next 12 months, after taking into consideration the following factors:

- The Group has five cable TV system operators, with their nine-year cable TV licences renewed in either 2008 or 2009, that serve approximately 725,000 cable TV RGUs as at 31 March 2020, with more than 175 channels of exciting local and international content on its digital TV platforms in Taiwan. The Group's cable TV licences have been extended to 12 years following the Cable Law amendments to accelerate digitisation and analogue broadcasting switch-off, making the next renewal periods in 2020 and 2021. The Group has submitted to NCC the renewal applications and corresponding business plans for licences that are due for renewal in 2020. During the quarter ended 31 March 2020, one of the licences was successfully renewed until 2029. Subsequent to the quarter ended 31 March 2020, another licence was also successfully renewed until 2029. The Group completed the digitisation of its subscriber base across all five franchise areas in 2017 and switched off analogue TV broadcasting. Hence, it is expected that the Group's core business, i.e. cable TV system operators and their related businesses, will continue generating sufficient and stable cash inflows. This is consistent with the positive operating cash flows generated by the Group of $48.4 million for the quarter ended 31 March 2020 (year ended 31 December 2019: $160.1 million);
- In view of the steady operating cash flows generated, good credibility over the past years and full compliance with the requirements as stipulated in the debt facilities, the Trustee-Manager is confident it can refinance such debt facilities when required; and
- The Trustee-Manager has carefully monitored and managed its cash flows. Management and operation reports are prepared and reviewed on a monthly basis and cash flow forecasts are prepared on a quarterly basis to project cash flow requirements of the Group using various general and operational assumptions.

F) INTERESTED PERSON TRANSACTIONS

(i) The Trustee-Manager

The Trustee-Manager, APTT Management Pte. Limited, was incorporated in Singapore under the Singapore Companies Act on 17 April 2013. The Trustee-Manager is a wholly owned subsidiary of Dynami which is a Singapore-incorporated company. A majority of the shares in Dynami are held by Mr Lu Fang-Ming, the Chairman of Asia Pacific Telecom Co., Ltd.

The Trustee-Manager has the dual responsibility of safeguarding the interests of unitholders and managing the business conducted by APTT. The Trustee-Manager manages APTT's business with an objective of providing unitholders with stable and sustainable distributions.

The following transactions occurred between APTT and the Trustee-Manager during the quarter:

	Quarter ended 31 March	
Amounts in $'000	**2020**	**2019**
Trustee-Manager fees	1,830	1,804

The Trustee-Manager elected to receive a portion of the base fees in the form of APTT units. Refer to the detail of changes in Unitholders' funds on page 22 for more details.

The following significant balances remained outstanding between APTT and the Trustee-Manager at the end of the reporting period:

	As at	
Amounts in $'000	**31 March 2020**	**31 December 2019**
Base fees payable to the Trustee-Manager	1,830	3,687

For the quarter ended 31 March 2020, the Trustee-Manager recovered ancillary charges amounting to $0.1 million (31 March 2019: $0.1 million) from the Trust.

The Group has not obtained a general mandate from unitholders for IPTs.

G) ADDITIONAL INFORMATION

(i) Announcement of financial statements

Pursuant to Rule 705(2) of the SGX-ST Listing Manual, the financial statements for the quarter ended 31 March 2020 have been disclosed within 45 days after the end of the relevant financial period.

(ii) Confirmation on undertakings from directors and executive officers

Pursuant to Rule 720(1) of the SGX-ST Listing Manual, the Trustee-Manager confirms that the Trust has procured undertakings from all its directors and executive officers in the form set out in Appendix 7.7.

(iii) Review by independent auditor

The financial statements for the quarter ended 31 March 2020 have not been audited or reviewed by the Group's auditors, Deloitte & Touche LLP.

(iv) Basis of preparation

The Group has applied the same accounting policies and methods of computation in the preparation of the financial statements for the current year as specified in the audited financial statements of the Group for the year ended 31 December 2019 except for the adoption of revised IFRS (including its consequential amendments) and interpretations effective for the financial period beginning 1 January 2020. The adoption of these revised IFRS and interpretations did not result in material changes to the Group's accounting policies and has no material effect on the amounts reported for the current financial period. Accordingly, comparative financial information presented in this report has not been restated.

The financial statements have been prepared in accordance with IFRS. The preparation of the financial statements in accordance with IFRS requires the use of certain critical accounting estimates. It also requires the Trustee-Manager to exercise judgement in the process of applying the accounting estimates. Estimates and judgements are continually evaluated and are based on historic experience and other factors, including reasonable expectations of future events. The Trustee-Manager believes that the estimates used in the preparation of the financial statements are reasonable. Actual results in the future, however, may differ from those reported.

(v) Functional and presentation currency

All figures, unless otherwise stated, are presented in Singapore dollars, which is APTT's functional and presentation currency.

(vi) Rounding of amounts in the financial statements

Amounts in the financial statements have been rounded to the nearest thousand dollars, unless otherwise indicated.

(vii) Group accounting - subsidiaries

Subsidiaries are all entities (including special purpose entities) over which control is achieved when the Trust (i) has power over the investee, (ii) is exposed, or has rights, to variable returns from its involvement with the investee and (iii) has the ability to use its power to affect its returns. Consolidation of a subsidiary begins when the Trust obtains control over the subsidiary and ceases when the Trust loses control of the subsidiary.

(viii) Forecast or prospect statement

All variances between forecasts or prospect statements ("Prospect Statement") made in previous results announcements, if any, and actual results have been explained in the report summary on pages 2 to 5 and throughout this report. The variances did not warrant that a profit warning or similar announcement be released.

CONFIRMATION OF THE BOARD PURSUANT TO RULE 705(5) OF THE LISTING MANUAL

On behalf of the Board of directors of APTT Management Pte. Limited, as Trustee-Manager of APTT, we, the undersigned hereby confirm to the best of our knowledge that nothing has come to the attention of the Board of directors which may render the financial statements for the quarter ended 31 March 2020 to be false or misleading in any material aspect.

On behalf of the Board of directors of
APTT Management Pte. Limited
(Company Registration No. 201310241D)
As Trustee-Manager of Asian Pay Television Trust

Yong Lum Sung
Chair and Independent Director

Brian McKinley
Chief Executive Officer and Executive Director

Singapore
28 April 2020

DISCLAIMERS

Asian Pay Television Trust (“APTT”) is a business trust registered under the Business Trusts Act (Chapter 31A of Singapore) and listed on the Main Board of the Singapore Exchange Securities Trading Limited. APTT Management Pte. Limited is the trustee-manager of APTT (the “Trustee-Manager”). The Trustee-Manager is a wholly owned subsidiary of Dynami Vision Pte. Ltd. (“Dynami”), which is a Singapore-incorporated company. A majority of the shares in Dynami are held by Mr Lu Fang-Ming, the Chairman of Asia Pacific Telecom Co., Ltd.

This report is not an offer or invitation for subscription or purchase of or a recommendation of securities in APTT. It does not take into account the investment objectives, financial situation and particular needs of the investor. Before making an investment in APTT, the investor or prospective investor should consider whether such an investment is appropriate to their particular investment needs, objectives and financial circumstances and consult an investment adviser if necessary.

Information, including forecast financial information, in this report should not be considered as a recommendation in relation to holding, purchasing or selling securities or other instruments in APTT. Due care and attention have been used in the preparation of forecast information. However, such information is based on certain assumptions and is subject to certain risks, contingencies and uncertainties, many of which are outside the control of APTT, which could cause actual results to vary materially from those that are forecasted and any such variation may be materially positive or negative. Past performance is not a reliable indication of future performance.

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