ASIAN PAY TELEVISION TRUST

30 SEPTEMBER 2022

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AGENDA

1. 30 SEPTEMBER 2022 RESULTS
2. OUTLOOK & STRATEGY
3. BUSINESS OVERVIEW
4. BUSINESS DRIVERS

30 SEPTEMBER 2022 RESULTS

HIGHLIGHTS

Broadband recorded continued improvements on all fronts in Q3 2022; capital expenditure within industry norms

Lower Q3 2022 EBITDA and EBITDA margin on higher operating expenses

- Revenue and EBITDA at S$71.2 million and S$41.9 million
- EBITDA margin stood at 58.9%
- Decline in EBITDA was primarily due to higher pole rental expenses resulting from benefit of reversal of pole rental provisions in pcp

Growing total subscriber base

- Premium digital cable TV and Broadband subscribers have been steadily increasing over the past four years
- Added c.10,000 Premium digital cable TV and c.9,000 Broadband subscribers in the quarter, which more than offset Basic cable TV churn
- Total subscriber base increased to c.1,286,000

Continued Broadband growth momentum

- Growth in Broadband subscribers and higher ARPU led to higher revenue in S$ and NT$ for nine consecutive quarters compared to the pcp

Higher capital expenditure due to network investments to improve network speed and future proof TBC's network

- As a percentage of revenue, capital expenditure was 11.5% for the quarter and 11.8% for the nine months – within industry norms
- Capital expenditure increased by 14.7% for the quarter and 8.2% for the nine months compared to pcp

HIGHLIGHTS

Made debt repayment of S$56 million in 9M 2022; gearing at 49.5%; distribution frequency in 2023 revised from quarterly to half-yearly

Debt management

- Made debt repayments of S$56 million in 9M 2022; lowered gearing to 49.5% (30 Sep 2021: 51.1%)
- S$37 million set aside for principal repayments in the next six months
- As at 30 September 2022, TAIBOR interest rate swaps hedged approx. 91% of the outstanding Onshore Facilities through to 30 June 2025; average fixed rate of 0.94%; the net exposure to rising interest rates is contained
- Discussions with lenders for the refinancing of Offshore Facilities progressing well; expect to finalise the refinancing documents before the end of 2022

Distribution

- Distribution of 0.25 cents per unit declared for Q3 2022
- Re-affirmed distribution guidance of 0.25 cents per unit for the fourth quarter of 2022
- Distribution in 2023 to increase by 5%; guidance at 1.05 cents per unit for full year 2023
- The distribution frequency in 2023 will be revised from quarterly to half-yearly; distribution in 2023 to be paid half-yearly instalments of 0.525 cents per unit, subject to no material changes in planning assumptions
- The change to half-yearly distributions, which is in line with the amendments to the SGX-ST's quarterly reporting framework, will derive savings from distribution processing costs

KEY OPERATING METRICS

Broadband ARPU improved by NT$2 per month alongside c.9,000 more subscribers, reflecting the success of TBC's Broadband strategy to target broadband-only segment and offer higher speed plans at competitive prices

	RGUs[1] ('000)			ARPU[2] (NT$ per month)		
	As at			Quarter ended		
	30 Sep 2022	30 Jun 2022		30 Sep 2022	30 Jun 2022	
Basic cable TV	680	684	⬇	466	469	⬇
Premium digital cable TV	299	289	⬆	68	70	⬇
Broadband	307	298	⬆	379	377	⬆

- **Basic cable TV:** RGUs decreased by c.4,000 in the quarter to c.680,000 as at 30 September 2022 due to (i) a saturated cable TV market, (ii) competition from aggressively priced IPTV, (iii) growing popularity of online video and (iv) expectations from consumers for discounts as they compare with the lower cable TV pricing outside of TBC's[3] five franchise areas, particularly in the Taipei region

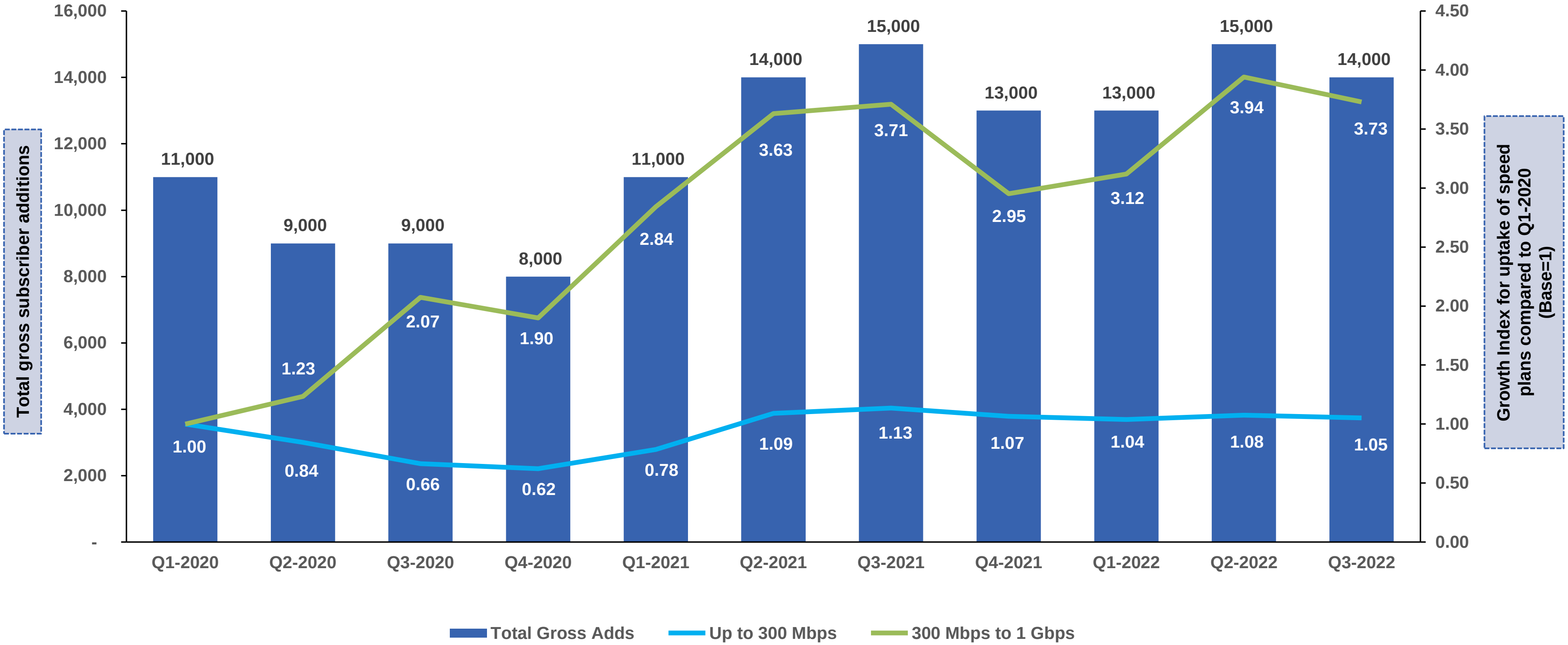
- **Premium digital cable TV:** RGUs increased by c.10,000 in the quarter to c.299,000. ARPU was lower due to promotions and discounted bundled packages that were offered to generate new RGUs and to retain existing RGUs. Video piracy issues and aggressively priced IPTV have also impacted ARPU, which decreased by NT$2 per month in the quarter

- **Broadband:** TBC's focused broadband growth strategy led to RGUs increasing by c.9,000 in the quarter to c.307,000, while ARPU improved by NT$2 per month in the quarter. Growth driven by partnership programs with mobile operators to drive fixed-line broadband-only segment, and higher speed plans at competitive prices. Broadband churn rates remained very low, averaging around 0.6% in Q3 2022

Notes: (1) RGUs refer to Revenue Generating Units, another term for subscribers or subscriptions; the terms are used interchangeably
(2) 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
(3) TBC refers to Taiwan Broadband Communications Group

BROADBAND ARPU IMPROVEMENT: UPTAKE OF HIGHER SPEED PLANS

Increase in take-up rate of higher speed plans since Q1 2020 contributing to Broadband ARPU improvement; validates the strength of our Broadband growth strategy

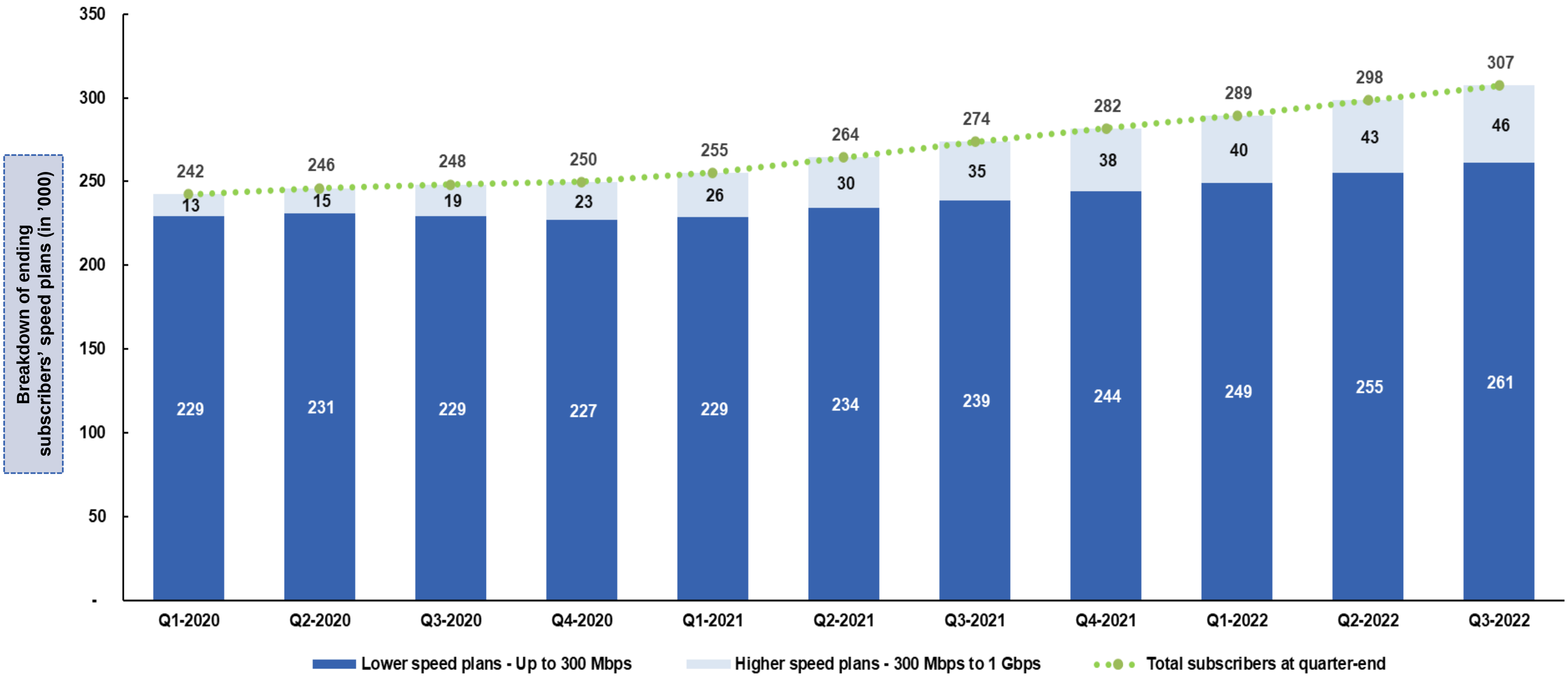


Interpretation of Growth Index from the chart above:

For e.g., in Q1-2020 if there was 1 subscriber taking up higher speed plan with speed ranging from 300 Mbps to 1 Gbps, then in Q3-2022, there were 3.73 subscribers taking up the higher speed plans.

BREAKDOWN OF BROADBAND SUBSCRIBERS: OPPORTUNITY TO UPSELL HIGHER SPEED PLANS

Runway for broadband growth - Still a lot of TBC's subscribers are in the speed plans of below 300 Mbps, presenting an opportunity for TBC to move them up to higher speed plans



Interpretation of the subscriber breakdown from the chart above:

For e.g., out of total 307,000 broadband subscribers as at the end of Q3-2022, 261,000 subscribers are still in the lower speed plans of below 300 Mbps and only 46,000 subscribers are in the higher speed plans above 300 Mbps. So, there is a lot of opportunity to move these lower speed plans subscribers up to higher speed plans.

FINANCIAL RESULTS

Aim is to grow cash flows from Broadband business to a level that more than offsets the decline in Basic cable TV business

Group[1] (S$'000)	Quarter ended 30 Sep			Nine months ended 30 Sep		
	2022	2021	Variance[2] (%)	2022	2021	Variance[2] (%)
Revenue						
Basic cable TV	51,901	57,540	(9.8)	159,475	171,755	(7.1)
Premium digital cable TV	2,882	3,167	(9.0)	8,862	9,680	(8.5)
Broadband	16,396	14,752	11.1	48,202	42,065	14.6
Total revenue	**71,179**	**75,459**	**(5.7)**	**216,539**	**223,500**	**(3.1)**
Total operating expenses[3]	**(29,278)**	**(29,279)**	**-**	**(89,012)**	**(86,692)**	**(2.7)**
EBITDA	**41,901**	**46,180**	**(9.3)**	**127,527**	**136,808**	**(6.8)**
EBITDA margin	58.9%	61.2%		58.9%	61.2%	

In constant Taiwan dollars ("NT$"), total revenue was down 0.4% for the quarter and 1.1% for the nine months; foreign exchange contributed to a negative variance of 5.3% for the quarter and 2.0% for the nine months compared to the pcp

- **Basic cable TV:** Down 4.5% for the quarter and 5.1% for the nine months in constant NT$ mainly due to lower subscription revenue resulting from the decline in the number of subscribers and lower ARPU as well as lower non-subscription revenue resulting from lower revenue generated from channel leasing and airtime advertising sales
- **Premium digital cable TV:** Down 3.7% for the quarter and 6.5% for the nine months in constant NT$. Generated predominantly from TBC's Premium digital cable TV RGUs each contributing an ARPU of NT$68 per month in the quarter for Premium digital cable TV packages and bundled DVR or DVR-only services
- **Broadband:** Up 16.4% for the quarter and 16.6% for the nine months in constant NT$. Generated predominantly from TBC's Broadband RGUs each contributing an ARPU of NT$379 per month in the quarter for high-speed Broadband services

Total operating expenses: Operating expenses for the quarter were in line with pcp. Lower staff costs for 3Q and 9M in constant dollar terms. Higher operating expenses for the nine months were mainly due to higher pole rental expenses, resulting from benefit of reversing pole rental provisions in the pcp

Notes: (1) Group refers to APTT and its subsidiaries taken as a whole; (2) A positive variance is favourable to the Group and a negative variance is unfavourable to the Group
(3) Total operating expenses exclude depreciation and amortisation expense, net foreign exchange gain/loss and mark to market movements on foreign exchange contracts, in order to arrive at EBITDA and EBITDA margin

NET PROFIT

Net profit includes non-cash items such as depreciation and amortisation expense, foreign exchange, mark to market movements and deferred taxes

Group[1] (S$'000)	Quarter ended 30 Sep			Nine months ended 30 Sep		
	2022	2021	Variance[2] (%)	2022	2021	Variance[2] (%)
Total revenue	**71,179**	**75,459**	**(5.7)**	**216,539**	**223,500**	**(3.1)**
Operating expenses						
Broadcast and production costs	(14,210)	(14,343)	0.9	(42,624)	(42,586)	(0.1)
Staff costs	(6,323)	(8,302)	23.8	(19,773)	(21,430)	7.7
Trustee-Manager fees	(1,855)	(1,855)	-	(5,504)	(5,504)	-
Other operating expenses	(6,890)	(4,779)	(44.2)	(21,111)	(17,172)	(22.9)
Total operating expenses	**(29,278)**	**(29,279)**	**-**	**(89,012)**	**(86,692)**	**(2.7)**
EBITDA	**41,901**	**46,180**	**(9.3)**	**127,527**	**136,808**	**(6.8)**
Other expenses						
Depreciation and amortisation expense	(17,178)	(22,526)	23.7	(53,901)	(69,030)	21.9
Net foreign exchange (loss)/gain	(132)	131	(>100)	993	616	61.2
Mark to market gain/(loss) on derivative financial instruments	3,371	151	>100	6,432	(402)	>100
Amortisation of deferred arrangement fees	(811)	(889)	8.8	(2,478)	(2,914)	15.0
Interest and other finance costs	(10,974)	(12,604)	12.9	(31,378)	(34,998)	10.3
Income tax expense	(2,651)	(5,864)	54.8	(9,890)	(10,374)	4.7
Total other expenses	**(28,375)**	**(41,601)**	**31.8**	**(90,222)**	**(117,102)**	**23.0**
Profit after income tax	**13,526**	**4,579**	**>100**	**37,305**	**19,706**	**89.3**

Notes: (1) Group refers to APTT and its subsidiaries taken as a whole; (2) A positive variance is favourable to the Group and a negative variance is unfavourable to the Group

SELECTED FINANCIAL INFORMATION

Selected financial information[1] are key financial metrics of APTT's business

Group[2] (S$'000)	Quarter ended 30 Sep			Nine months ended 30 Sep		
	2022	2021	Variance[3] (%)	2022	2021	Variance[3] (%)
Revenue						
Basic cable TV	51,901	57,540	(9.8)	159,475	171,755	(7.1)
Premium digital cable TV	2,882	3,167	(9.0)	8,862	9,680	(8.5)
Broadband	16,396	14,752	11.1	48,202	42,065	14.6
Total revenue	**71,179**	**75,459**	**(5.7)**	**216,539**	**223,500**	**(3.1)**
Total operating expenses[4]	**(29,278)**	**(29,279)**	**-**	**(89,012)**	**(86,692)**	**(2.7)**
EBITDA	**41,901**	**46,180**	**(9.3)**	**127,527**	**136,808**	**(6.8)**
EBITDA margin[5]	58.9%	61.2%		58.9%	61.2%	
Capital expenditure						
Maintenance	5,232	3,520	(48.6)	12,432	12,040	(3.3)
Network, broadband and other	2,976	3,633	18.1	13,057	11,512	(13.4)
Total capital expenditure	**8,208**	**7,153**	**(14.7)**	**25,489**	**23,552**	**(8.2)**
Income tax paid, net of refunds	(2,991)	(2,409)	(24.2)	(9,448)	(6,011)	(57.2)
Interest and other finance costs paid	(10,727)	(12,591)	14.8	(31,040)	(34,844)	10.9

Notes: (1) Some of the selected financial information includes non-IFRS measures
(2) Group refers to APTT and its subsidiaries taken as a whole
(3) A positive variance is favourable to the Group and a negative variance is unfavourable to the Group
(4) Total operating expenses exclude depreciation and amortisation expense, net foreign exchange gain/loss and mark to market movements on foreign exchange contracts, in order to arrive at EBITDA and EBITDA margin
(5) EBITDA margin is a non-IFRS financial measure and is calculated by dividing EBITDA by total revenue

FINANCIAL POSITION

Strengthening balance sheet and managing debt levels remain a key focus

Group (S$'000)	As at	
	30 Sep 2022	31 Dec 2021
Assets		
Current assets		
Cash and cash equivalents	121,725	124,664
Trade and other receivables	20,168	16,089
Other assets	7,292	2,591
	149,185	**143,344**
Non-current assets		
Property, plant and equipment	247,828	292,493
Intangible assets	2,395,956	2,584,991
Other assets	12,379	1,744
	2,656,163	**2,879,228**
Total assets	**2,805,348**	**3,022,572**
Liabilities		
Current liabilities		
Borrowings from financial institutions	182,470	58,395
Trade and other payables	46,756	53,510
Income tax payable	5,036	5,970
Other liabilities	55,637	63,076
	289,899	**180,951**
Non-current liabilities		
Borrowings from financial institutions	1,206,735	1,455,097
Deferred tax liabilities	102,988	107,194
Other liabilities	32,945	36,528
	1,342,668	**1,598,819**
Total liabilities	**1,632,567**	**1,779,770**
Net assets	**1,172,781**	**1,242,802**

- **Cash and cash equivalents:** Cash balance of S$121.7 million; S$37 million set aside for onshore and offshore debt repayments in the next six months
- **Intangible assets:** Comprise mainly cable TV licences and includes value of goodwill, franchise rights and customer relationships
- **Borrowings:** Decrease is mostly attributable to repayments of Onshore and Offshore Facilities and exchange rate movement. Refer to the next slide for additional details on borrowings
- **Depreciation/amortisation:** Depreciation is computed on a straight-line basis over the estimated useful lives of the assets as follows:
  - Buildings: 3-50 years
  - Leasehold improvements: 3-10 years
  - Network equipment: 2-10 years
  - Transport equipment: 5 years
  - Plant and equipment: 2-5 years
  - Right-of-use assets: 2-30 years

BORROWINGS

Approx. 91% of outstanding Onshore Facilities are hedged through to 30 June 2025 at average fixed rate of 0.94%; As Onshore Facilities constitute 90% of total outstanding debt, 82% of total debt is protected against the risk of rising interest rates through to 2025

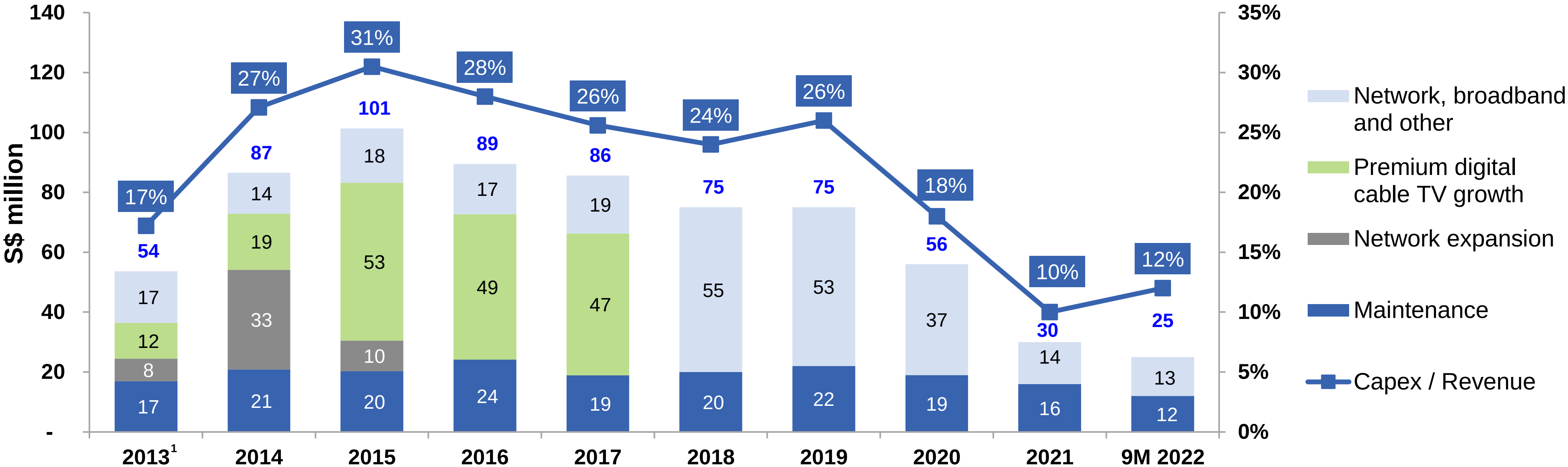
Group debt		As at	
		30 Sep 2022	31 Dec 2021
Total size available	S$ million	1,466	1,619
Total outstanding	S$ million	1,407	1,535
Effective interest rate - constant dollar	% p.a.	Q3 - 2.7; YTD - 2.5	Full year - 2.7
Effective interest rate - SGD	% p.a.	Q3 - 3.1; YTD - 2.8	Full year - 3.0
Net debt / EBITDA[1]	Multiple	7.4	7.7
Interest cover[2]	Multiple	4.1	3.9
Gearing[3]	%	49.5	50.1

- Borrowings comprised NT$ and S$ denominated loans - NT$28.0 billion (2021: NT$28.0 billion) and S$141.9 million (2021: S$171.9 million)
- In 2021 extended maturity date of Offshore Facilities by two years to Jul 2023 and Onshore Facilities by three years to Nov 2028, on the same major terms; pared down NT$0.8 billion (approx. S$40 million) as part of Onshore Facilities' extension, using cash on the balance sheet
- Discussions with lenders for the refinancing of Offshore Facilities progressing well; expect to finalise the refinancing documents before the end of 2022, with financial close to be in July 2023, at the maturity of the existing Offshore Facilities. The refinanced facilities, anticipated to be on the same major terms, will start immediately upon the maturity of the existing Offshore Facilities
- As at 30 September 2022, TAIBOR swaps have been entered into to hedge approx. 91% of the outstanding Onshore Facilities through to 30 June 2025. The average fixed rate on all TAIBOR swaps is 0.94% which is currently lower than the prevailing three-month TAIBOR. As Onshore Facilities constitute approximately 90% of the Group's total outstanding debts, the net exposure to rising interest rates is contained
- Effective interest rate in constant dollar terms of 2.7% p.a. for the quarter and 2.5% p.a. for the nine months (Full year 2021: 2.7% p.a.). Actual effective interest rate in SGD was 3.1% p.a. for the quarter and 2.8% p.a. for the nine months (Full year 2021: 3.0% p.a.)
- Approx. S$59 million of revolving facilities are available to fund working capital and future initiatives, if required

Notes: (1) Total debt outstanding less cash divided by LTM EBITDA; (2) LTM interest and other finance costs divided by LTM EBITDA; (3) Total debt outstanding (net of unamortised arrangement fees) divided by total assets

CAPITAL EXPENDITURE

Higher network investments in 9M 2022 to improve speed and future proof TBC's network to support TBC's growing Broadband business; capital expenditure to continue to be within industry norms



	2013[1]	2014	2015	2016	2017	2018	2019	2020	2021	9M 2022
Network, broadband and other	17	14	18	17	19	55	53	37	14	13
Premium digital cable TV growth	12	19	53	49	47					
Network expansion	8	33	10							
Maintenance	17	21	20	24	19	20	22	19	16	12
Total	54	87	101	89	86	75	75	56	30	25
Capex / Revenue	17%	27%	31%	28%	26%	24%	26%	18%	10%	12%

- Capital expenditure was higher from 2015 to 2017 due to the regulatory requirement to switch-off analogue broadcasting and complete the digitisation of TBC's subscriber base by 2017
- Network investments remain key to future-proof TBC's network; continue increasing fibre density by bringing down the number of homes served per fibre node, beyond the current level of less than 250 homes, to (i) meet the growing demand for data and high-speed broadband services; and (ii) support mobile operators in their 5G network rollouts – multi-year investments that present opportunities for the Trust
- Moving forward, capital expenditure will continue to be within industry norms
- With lower capital expenditure, the Trustee-Manager aims to use excess cash generated from operations to gradually pay down debt

Capital expenditure in 2022 comprised the following:

- Maintenance capital expenditure to support TBC's existing infrastructure and business
- Network, broadband and other capital expenditure include 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

Note: (1) Capital expenditure for full year 2013 is included here for information purposes only; APTT's ownership of TBC only commenced from 29 May 2013

OUTLOOK & STRATEGY

POTENTIAL IMPACT
OF RISING INTEREST RATES (TAIBOR & SIBOR)

On Debt

- 82% of total outstanding debt is hedged and protected against rising interest rates through to 2025
- 18% of total outstanding debt is unhedged:
  - 8% exposed to TAIBOR
  - 10% (Offshore Facilities) exposed to SIBOR
- While TAIBOR rates have not increased significantly over the last year, SIBOR rates have increased substantially in 2022
- Total interest costs for the full year 2022 are expected to be higher due to higher TAIBOR and SIBOR rates on the remaining 18% of total outstanding debt that remains unhedged

On Intangible Assets

- Rising interest rates affect the calculation of APTT's Weighted Average Cost of Capital ("WACC") used in the annual impairment assessment of goodwill, cable TV licences with indefinite useful lives and property, plant and equipment
- Due to rising interest rates, WACC as at the end of the third quarter has increased compared to 31 Dec 2021
- A preliminary assessment using a higher WACC, and with the same major assumptions used in 2021, shows that the headroom between APTT's Discounted Cash Flow ("DCF") value and book value has fallen substantially compared to 31 Dec 2021
- If this trend continues or worsens, combined with changes in other assumptions, e.g. a lower terminal growth rate, there is a high likelihood that this could result in an impairment loss on intangible assets.
- Impairment loss (if any) would be a non-cash item and would not impact the Group's operations or distribution guidance for 2023

POSITIONED FOR THE MID TO LONG-TERM

Initiatives to strengthen operations and drive growth, against an increasingly challenging and competitive environment

Broadband Growth Strategy

- Step up partnership programs with mobile operators to drive fixed-line broadband-only segment
- Develop new market segments and increase value-added solutions that leverage Android gateway
- Be data-backhaul ready; the contribution from data backhaul is growing and expected to add a meaningful income stream to the Broadband business within the next few years; multi-year investments for mobile operators

Capital Management

- Interest rate swaps covering 91% of outstanding Onshore Facilities hedged through to 30 June 2025
- Average fixed rate on TAIBOR swaps is 0.94%
- Gearing stood at 49.5% as at 30 Sep 2022 (2021: 50.1%)
- In 2021, successfully extended the maturity date of Offshore Facilities to 2023 and Onshore Facilities to 2028, on the same major terms
- Discussions with lenders to refinance Offshore Facilities progressing well; expect to finalise the refinancing documents before the end of 2022
- Aim to eliminate offshore debt and bring debt back to onshore to save on interest costs over the long term

Strengthen Balance Sheet

- Cash generated from operations to continue funding capital expenditure; and not to use bank borrowings
- Aim to use excess cash generated from operations to accelerate debt repayments, subject to operating conditions
- Monitor capital expenditure to focus on areas that can generate Broadband growth and sustainability for long-term

Key Investments

- Investments to focus on:
  - increasing network capacity and driving higher speed plans
  - positioning APTT to benefit from Taiwan's 5G rollout and drive data backhaul business

OUTLOOK

APTT is positioned to grow in a measured way

GROWTH DRIVERS | **OPERATING ENVIRONMENT**

UP-SELL & CROSS-SELL

- Continue to build on the up-sell & cross-sell initiatives across TBC's subscriber base to drive growth in future cash flows
- Leverage TBC's product offerings and strong subscriber base for growth

BROADBAND RGU GROWTH

- Intensify marketing efforts by stepping up partnership programs with mobile operators to focus on fixed-line broadband-only segment, and by offering higher speed plans at competitive prices
- High fixed broadband penetration in Taiwan; opportunity to gain more market share
- Rising demand for higher-speed broadband plans due to rapidly growing demand for data

CHALLENGING ENVIRONMENT

- ARPUs continue to remain under pressure due to growing popularity of online TV, challenges from video piracy issues, aggressively priced IPTV and competition from mobile operators offering unlimited wireless data
- Decline in demand for home shopping and stronger competition from internet retailing to continue impacting channel leasing revenue

SCALABLE & EFFICIENT COST STRUCTURE

- Headroom in network capacity that allows provision of additional services at limited incremental cost
- Support inorganic growth in future

PREMIUM DIGITAL TV

- Continue to ride on the growth momentum for Premium digital TV RGUs by stepping up marketing efforts to attract new RGUs
- Consumer preference for better quality video and interactive services
- Growing number of HD television sets in Taiwan

HIGHLY REGULATED

- Basic cable TV rates for 2022 across all five franchise areas were maintained at the same rates as 2021
- All five licences that were due for renewal in 2020 and 2021 have been successfully renewed until 2029 and 2030

Broadband and Premium digital cable TV RGUs to continue increasing in 2022 and 2023; total revenue will be influenced by the ability to manage ARPUs which will remain under pressure; total operating expenses in 2022 expected to be higher than 2021 due to the benefit in 2021 from the reversal of pole rental provisions; total operating expenses in 2023 expected to be in line with 2022

Q&A

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Asian Pay Television Trust

Asian Pay Television Trust
Q3 2022 Results Briefing via Zoom on 15 November 2022 at 8am
Question & Answer Session

Singapore – 17 November 2022

Summarised questions and answers:

Question: **What is the profile of the 9,000 Broadband subscribers added in this latest quarter? Are these additions new subscribers in Taiwan or are you taking market share from your competitor? Are they coming from the mobile operators that you are working with?**

Answer: The majority of these new subscribers are being won from our primary competitor. But the market is still growing. Internet penetration in Taiwan is lower than some of the other Asian markets. Data from the National Communications Commissions shows that nationwide fixed line broadband penetration is around 70%. So, we are certainly winning a part of that growth and market share.

In terms of profile, it is a mix across a lot of our initiatives. We launched our fixed-line broadband services in Far EasTone mobile shops, and we have seen some positive results from our partnerships with the other mobile operators. A lot of those subscribers who signed up for our services in mobile shops were not our existing cable TV subscribers; they got to know us through the promotions in the mobile operator shops.

We are also very focused on going after our existing cable TV subscriber base as over half still do not subscribe to our broadband services. There is a lot of opportunity coming from there.

In sum, we are going after all the channels where we are seeing growth. But certainly, it was very helpful to launch in the wireless operator shops this year.

Question: **What is the EBITDA margin for Broadband versus Cable TV?**

Answer: Our average EBITDA margin for our total business just under 60%, including fixed costs. Compared to broadband, cable TV margin would be much lower because of content costs.

Broadband has no content costs; its major cost component is from leasing the interconnect to the rest of the country and the www. We have an agreement with one of the national companies for the interconnect this is less than 10% of our broadband revenue. So, the EBITDA margin (before fixed costs) for broadband is over 90%. It is a very profitable product.

This is why between cable TV and broadband, when there is an offset of one subscriber, you cannot just compare the ARPUs because the actual cash flow contribution is much more from a broadband subscriber.

Question: **On the potential impairment of intangible assets, although it is a non-cash item, will there be an impact on how banks assess your gearing?**

Answer: The bankers do not focus on intangible assets. They are very much about cash; they focus on cash, cash profile, credit quality, and our ability to repay debt.

Question: **You are working on the refinancing of Offshore Facilities. Have the bankers raised any new concerns, given that the environment has changed and that you are dealing with assets in Taiwan? Also, any positive feedback from the banks?**

Answer: The bankers are pleased with the progress they have seen in our net cash flows. If you track our historical data for EBITDA less CAPEX for the last 10 years, we have been recording strong net cash flows.

Even though EBITDA 10 years ago was higher, our CAPEX was also much higher. Our CAPEX levels were high all the way through to 2019, which was the first year where we really saw a decline and CAPEX has been coming down since.

For more than two years, we have been really tracking at the lower levels of industry norms for CAPEX. We will continue to manage CAPEX very carefully. Even though EBITDA is down, the net cash flows (EBITDA less CAPEX) are as healthy as they have been for many years. So that's something that the bankers appreciate.

The other positive feedback from bankers is on the growth of our broadband business.

The bankers have not raised major concerns on the refinancing front. Our Offshore Facilities constitute only 10% of our borrowings. One year ago, we went through a much larger refinancing process and refinanced our Onshore Facilities, which constitute 90% of our borrowings. That was a longer and more extensive exercise. We are going through the Offshore refinancing with many of the same banks. A lot of the hard work has already been done last year. We expect to finalise the Offshore refinancing documents by the end of this year.

Question: **The Basic cable TV trend continues. Even lowering ARPU has not improved the churn rate. The number of Basic cable TV subscribers is still declining. Any comments on this?**

Answer: It is tough to make predictions here. There is a growing preference of consuming online TV content. The younger generation is more drawn to online content. We are seeing this same trend in our business as well.

But as we always point out, the cable TV market in Taiwan is very different, where you get over 100 channels of the most popular content for the equivalent of only S$22. This is different than other TV markets such as Singapore and Australia, where it is much more expensive for a much more limited number of channels.

The way we approach it is, if someone is going to churn out, we would rather offer a selective discount to keep them. It is a careful decision to make going forward – but certainly one that keeps the overall cash flows in mind.

Question: **On 5G, what is driving the incremental growth?**

Answer: We are seeing a nice incremental growth from data backhaul. Revenue has grown from zero in 2018, to $1.1 million in 2019, $1.3 million in 2020 and $1.6 million in 2021. For the nine months ended 30 September 2022, data backhaul revenue was $1.7 million, representing around 3.5% of Broadband revenue.

This is how the wireless operators are approaching it; they are trying to spend as little CAPEX as needed to meet the regulatory requirements around 5G coverage. We see this trend in other markets as well.

But the reality is, in Taiwan, inside of a building, you lose a lot of 5G coverage. This is because there has not been a mass implementation of the CAPEX required to really put through the coverage for 5G. This will take time. We are staying very close to our customers and we are getting incremental amounts of revenue.

Hopefully, at some point, the amount of investments by mobile operators will pick up and as a consequence, hopefully, more revenue generated comes to us.

Question: **What was the non-subscription revenue for Q3 2022?**

Answer: Generally speaking, 80% of Basic cable TV revenue is subscription revenue and roughly 20% of revenue comes from non-subscription revenue.

For Premium digital cable TV and Broadband, the vast majority of our revenue is subscription revenue. There are some other streams of revenue when we sell installation, but they are very small amounts.

Overall, for the 9 months ended 30 September 2022, 88% of total revenue for APTT is from subscription revenue, and the remaining 12% from non-subscription sources.

Question: **Will the impairment and gearing have an impact on credit ratings?**

Answer: We do not have a credit rating; we have not issued any public debt. All our debt is private with the banks.

Question: **With the overall revenue decreasing for the past few quarters, is the 5% increase in distribution sustainable in the long run?**

Answer: We have not guided beyond 2023. Our guidance for 2023 is that we expect expenses to be in line with 2022. We expect to continue growing our Broadband and Premium digital cable TV subscribers. We are working hard to try to offset the impact of the decline in the Basic cable TV business with the growth in Broadband.

Based on our business today, especially with low CAPEX levels, we are comfortable with a 5% increase in distributions.

Question: **With the higher distributions, does it mean the rate of debt repayment will slow down from 2023?**

Answer: We will continue to make our scheduled repayments – quarterly in the Onshore facility, and six monthly repayments in the Offshore facility. We will also try to make discretionary debt repayments, where possible.

We are comfortable with a 5% increase in distributions while keeping up with our overall repayment profile.

Question: **Are you expecting lower CAPEX going forward?**

Answer: We expect our current lower CAPEX levels to remain going forward, which are within industry norms. We do not anticipate any large amounts of CAPEX at this point that would take us out of those industry norms.

For years, for various regulatory requirements and to future proof our business, we had elevated amounts of CAPEX until 2019. We have really brought these levels down since 2019.

This has helped strengthen our cash flows. Even though EBITDA is lower, it has been offset by lower CAPEX, resulting in our stronger total cash flow position. What is different today than in the past is that we are really focused on using that extra cash flow to pay down debt. So we're really trying to improve the balance sheet, reduce our dependence on debt and accelerate our debt repayments.

Question: **Distribution guidance for 2023 is 1.05 cents. This takes into account the current interest rates. If APTT is able to bring all the offshore debts back to onshore, will there be further upside revision in distribution guidance?**

Answer: Anything that improves the cash flows of our business is something that the board would take into account. For example, this year, we are paying over $1.6 million more in interest costs because of the rising interest rates. While this is still very much contained relative to our total borrowings, it has an impact nonetheless.

For next year, if interest rates remain at the current level or continue to rise, this impact could be twice as big, around $4 million. We are talking about a few million dollars more in interest costs mostly because of a higher SIBOR, which has increased quite substantially relative to TAIBOR. Our distribution guidance for 2023 was made with these considerations in mind.

We are very focused on improving our cash flow profile, bringing down the level of borrowings and eventually bringing our offshore debts back to onshore.

As for future distribution guidance, it is dependent on multiple factors, including our EBITDA, what the business environment is at the time, and are we still comfortable for debt levels to stay within five to six times EBITDA, which has historically been where we targeted.

Question: **The current gearing is 49.5%. Is there an optimal debt level for APTT?**

Answer: Certainly, our debt level today is not optimal. And this is why we are focused on debt repayments and improving the balance sheet. The optimal level depends on the business environment at the time. Some considerations may include whether we have to offset the decline in Basic cable TV business with our Broadband business, and whether we are seeing total real revenue growth or just continued revenue growth in Broadband. There are many factors to take into account.

Question: **Post lawsuits, will you still be working with the same content agent?**

Answer: No, we are not working with the same content agent. Since 2022, for most of the content, we are negotiating directly with the programming vendors with whom we have had good relationships for years.

Question: **On slide 8, the take up rate of higher speed plans (light blue bar) is still quite slow. What needs to be changed in the environment to improve the rate of growth? Is there anything in the horizon that will improve your business dynamics?**

Answer: Over the last two years, we have seen double digit growth. This quarter, we saw real revenue growth of over 16% because we converted many new subscribers. We have also seen an increase in ARPUs over the last two years. Before that, for years since IPO, Broadband ARPU had been decreasing. So, we have reversed the ARPU trend.

As shown in the light blue bar of the chart on slide 8, we are trying to bring in new subscribers at higher speed plans, which is helping to drive higher ARPUs. Although, 85% of our subscribers, as depicted by the dark blue bar, are still on plans that are 300 Mbps and below. This represents a real opportunity for us to convert them to higher speed plans and we are confident that we will be able to do this over time. We have done a really good job so far with double digit Broadband growth. There is still a lot of runway to grow.

Question: **What would trigger a subscriber to move from a lower speed plan to a higher speed plan?**

Answer: We have seen the take-up of higher speed plans and ARPUs increase alongside COVID because there are now more applications to use, e.g. for home-based learning and work-from-home arrangements.

ABOUT APTT

APTT is the first listed business trust in Asia focused on pay-TV and broadband businesses. APTT has an investment mandate 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. APTT is managed by its Trustee-Manager, APTT Management Pte. Limited. 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.

For further information, please contact:

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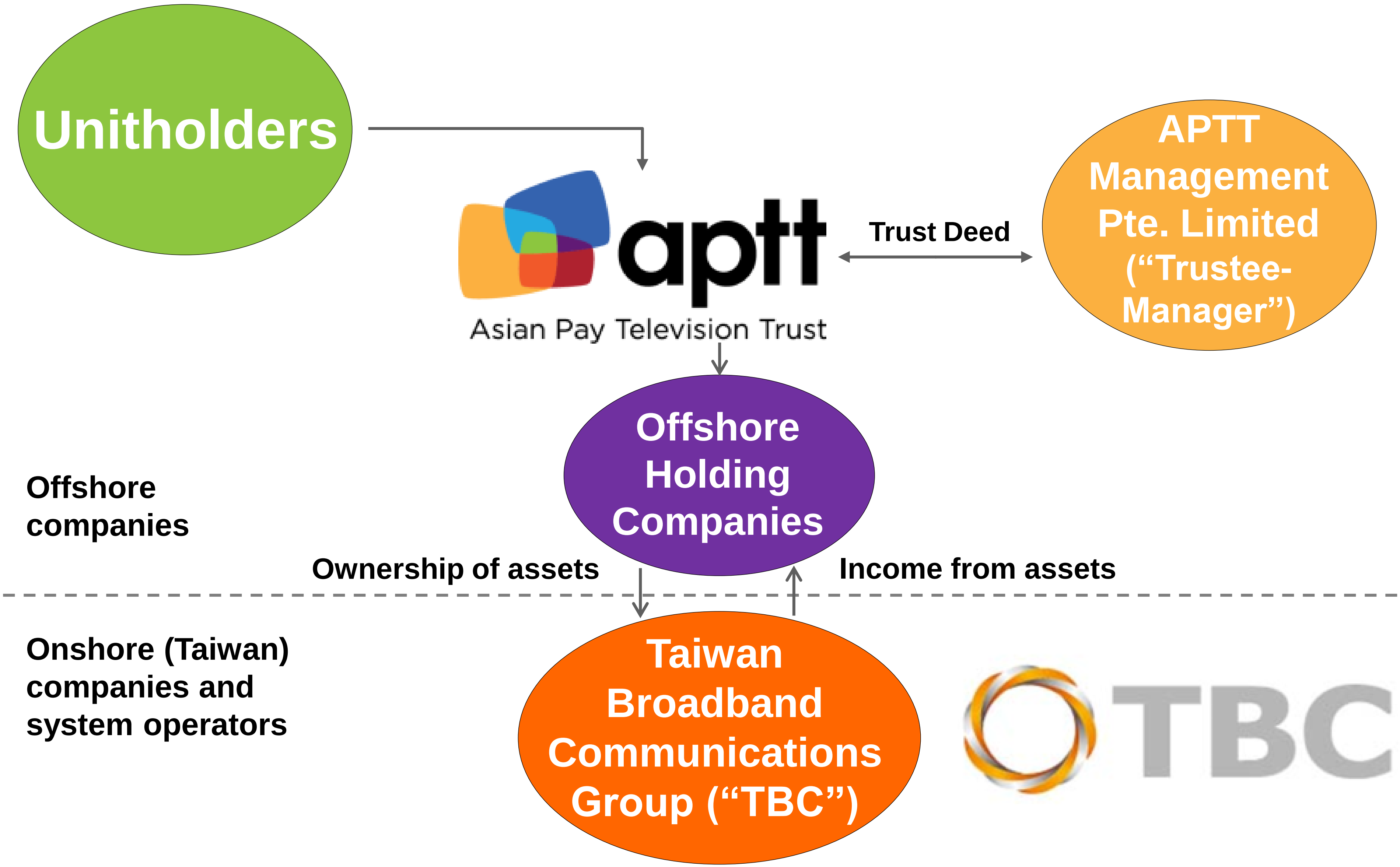
APPENDIX

BUSINESS OVERVIEW

TRUST STRUCTURE



OVERVIEW

APTT is a business trust with a mandate to own & operate pay-TV & broadband businesses in Taiwan, Hong Kong, Japan & Singapore

- Independent Directors comprise majority of the Board of Directors (4 out of 7)
- **Sole investment in Taiwan Broadband Communications ("TBC") – Taiwan's third largest cable TV operator**

Cable TV operator in five franchise areas in Taiwan, with network coverage of more than 1.3 million homes

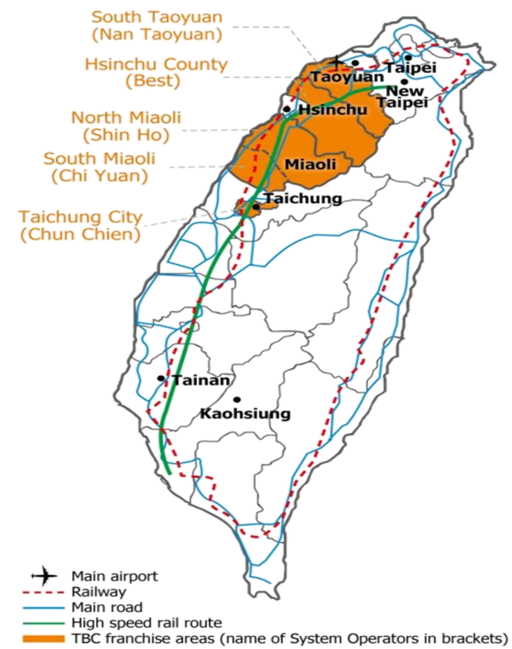
- Owns 100% of the advanced hybrid fibre coaxial cable network in the five franchise areas
- Resilient business with high barriers of entry due to high network roll out requirements
- Large customer base makes TBC attractive to local content providers
- Long standing relationship with subscribers; deep understanding of Taiwanese subscribers' viewing preferences

PRODUCT OFFERINGS

Approx. 88% of revenue is subscription-based from the three product offerings[1]

BASIC CABLE TV	PREMIUM DIGITAL CABLE TV	BROADBAND
Over 100 channels on Basic cable TV, majority of the popular channels are only available on cable TV	Up to 68 additional channels including 67 HD channels, through MPEG4 platform. 44%[1] of TBC's Basic cable TV subscribers are also Premium digital cable TV subscribers; opportunity to upsell to the remaining 56%	Growing market share, with ability to cross-sell to non-customers on DOCSIS 3.1 enabled HFC network and current speed offerings up to 1 Gbps

FRANCHISE AREAS IN NORTHERN & CENTRAL TAIWAN



- Low churn rate of 0.5%[1] for Basic cable TV (680K[1] Revenue Generating Units)
- Up-sell Premium digital cable TV and cross-sell Broadband to large Basic cable TV subscriber base

Note: (1) As at 30 September 2022

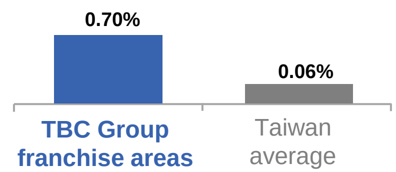
BUSINESS DRIVERS

TBC'S FRANCHISE AREAS

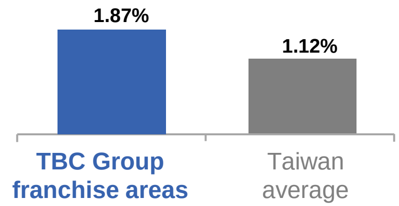
Network coverage of more than 1.3 million households across five franchise areas in four counties of Taiwan

- Well connected via major railways, road transportation and/or international airports
- Increasing population due to workforce seeking employment in TBC Group's franchise areas
- Population growth in the five franchise areas (0.70%) outstrips national average (0.06%); Growing number of new households as more young Taiwanese set up families

Population CAGR[1] (2011-2021)



Number of households CAGR[1] (2011-2021)



South Taoyuan

- Home to Taiwan Taoyuan International Airport and close proximity to Taipei
- Service area covers 918 square km and constitutes over 75% of the total area in Taoyuan County
- Approx. 444K households and population of close to 1.2 million

Hsinchu

- Hsinchu Science Park is home to high tech companies, the city has one of the highest income levels in Taiwan
- Approx. 214K households and population of 578K

Miaoli (North & South)

- Suburban mountainous region geographically located between Hsinchu and Taichung
- Well connected via major railway and road transportation systems
- Approx. 197K households and population of 535K

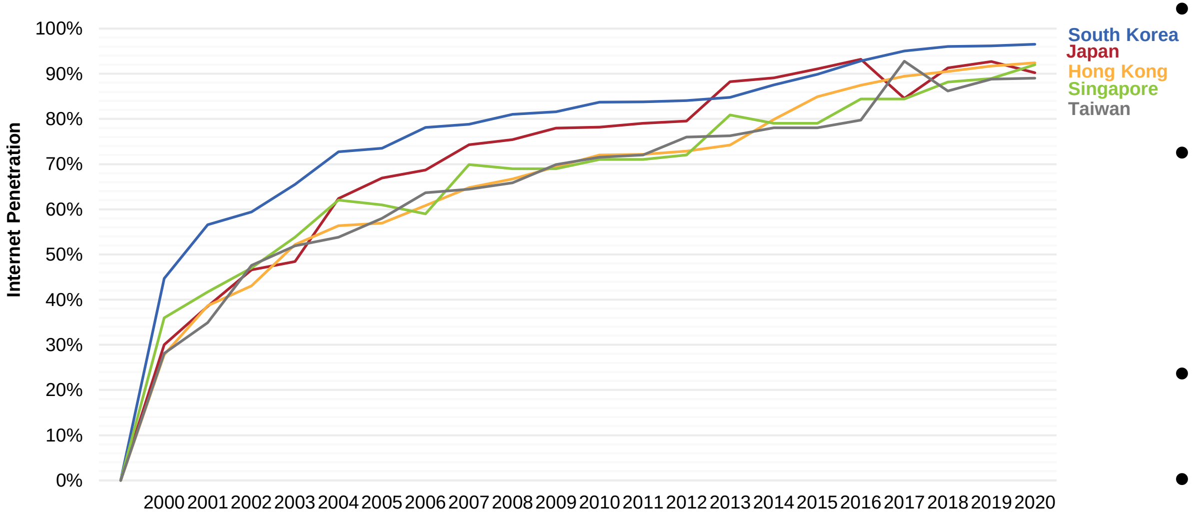
Taichung City

- One of the most populous cities in Taiwan; home to Taichung International Airport
- Vibrant, diverse economy: large industrial areas and a thriving commercial sector that incorporates traditional businesses, small family-run shops & factories
- Approx. 471K households and population of 1.2 million

Note: (1) National Statistics, R.O.C. (Taiwan) 2021

TAIWAN MARKET – POTENTIAL IN BROADBAND

Relatively lower internet penetration and speed compared to other developed APAC markets



International Telecommunications Union

- Internet penetration is lowest in Taiwan at 91.0% at the start of 2022, compared to South Korea, Japan, Singapore and Hong Kong
- Taiwan's average download speed of fixed internet connections is ranked second last among the five developed APAC markets at approx. 94.63 Mbps; there is room for Taiwan subscribers to further increase internet speed
- TBC's Broadband market share in its five franchise areas is increasing year-on-year
- Opportunity for TBC to gain more market share and meet rising demand for higher-speed broadband plans due to rapidly growing demand for data

Region	Internet penetration rate	Number of Internet users (million)	Average download speed of fixed internet connections (Mbps)	Year-on-year change in average speed of fixed internet connections
Asia-Pacific				
Taiwan	91.0%	21.72	94.63	+21.7%
South Korea	98.0%	50.29	98.86	+7.8%
Japan	94.0%	118.3	93.26	+23.9%
Singapore	92.0%	5.45	184.65	+15.2%
Hong Kong	93.0%	7.05	158.19	+31.3%

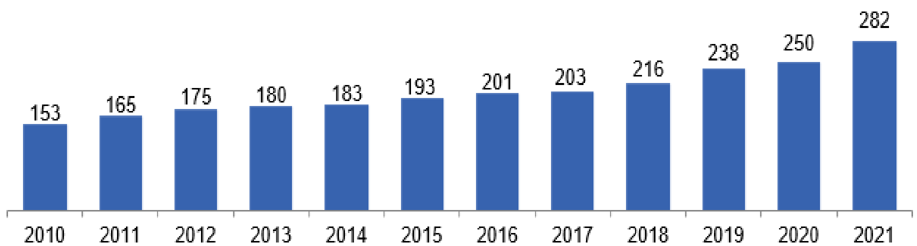
Datareportal, Digital 2022

IMPROVING BROADBAND MARKET SHARE

TBC's broadband market share improving in its franchise areas year-on-year

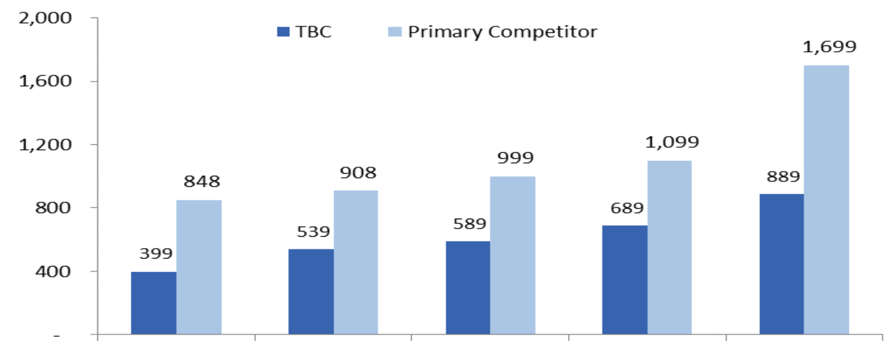
Broadband RGUs ('000)

2010-21 Broadband RGU CAGR: 5.7%



TBC Group offers competitive prices[1] with reliable services

NT$ / month



TBC	50Mbps	120Mbps	200Mbps	500Mbps	1Gbps
Primary competitor	60Mbps	120Mbps	300Mbps	500Mbps	1Gbps

Note: (1) Primary competitor pricing based on NCC data

- DOCSIS 3.1 and GPON enabled network that meets consumer demand for high-speed internet; 1 Gbps launched since 2019
- Competitive pricing and optional bundling with digital TV
- Offering value-added services including Android OTT gateway and karaoke singing box, among others. Will continue to introduce value-added solutions that leverage the Android gateway
- Developing new market segments, including enterprise clients
- Supporting mobile operators with their network development by leveraging TBC network for data backhaul

HIGH BARRIERS TO ENTRY AGAINST CABLE ENTRANTS IN TAIWAN

Cable TV continues to be the dominant TV platform

- Superior content portfolio at competitive pricing
- Affordable services
- Adoption of superior technology by operators
- Technological disadvantages of IPTV in Taiwan

Barrier to entry against new cable entrants

- High network roll-out requirements
- Long standing relationships with subscribers; strong brand awareness
- Deep understanding of Taiwan subscribers' viewing preferences

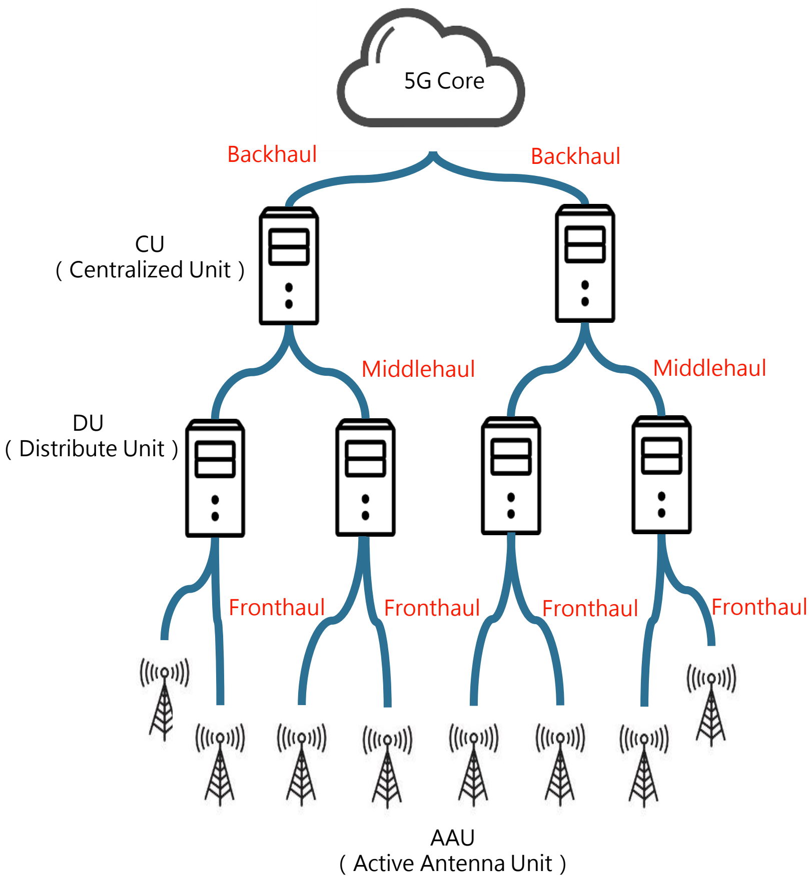
Top 20 channels in Taiwan (2021)

1	TVBS-News
2	Sanlih Taiwan Channel
3	EBC News
4	Sanlih E-Television News
5	Formosa TV News
6	Unique Satellite TV
7	TVBS
8	ERA News
9	Next TV News
10	YOYO TV
11	EBC Financial News
12	Star Chinese Channel
13	Sanlih City Channel
14	GTV Drama
15	Videoland Japanese
16	EBC Variety
17	Videoland On-TV
18	Star Chinese Movies
19	EBC Drama
20	Videoland Movies

5G DATA BACKHAUL OPPORTUNITIES

HOW DATA BACKHAUL WORKS?

For data to move from one point to another on the internet, there needs to be fibre nodes that allow these points to interface with each other.



WHY MOBILE OPERATORS IN TBC'S FIVE FRANCHISE AREAS NEED DATA BACKHAUL SERVICES?

Demand for higher speed continues to increase

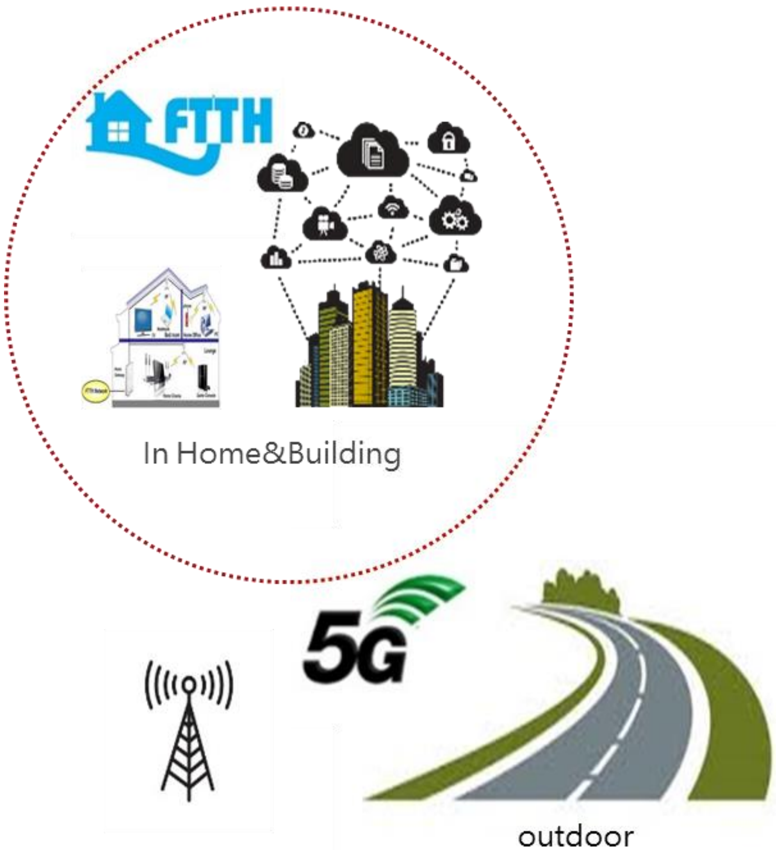
Spectrum is expensive, while wireless competition is intense. CAPEX and OPEX for 5G infrastructure are costly for a mobile operator

- TBC is one of two players in its five franchise areas that owns a dense and distributed underground fibre network; TBC does not compete in the wireless space
- More efficient for 5G mobile operators to work with a 5G data backhaul partner (via 10GPON or DOCSIS3.1) to deliver higher speed/lower loss and lower interference end-to-end 5G network transmission
- TBC has been increasing fibre density from an average of over 750 end-homes per fibre node three years ago to less than 250 end-homes per fibre node on average today; Broadband speeds ranging up to 1 Gbps
- TBC's increased fibre density can adequately support mobile operators, removing network congestion and allowing data to be transmitted at high speed; allows 5G mobile operators who are building their small cell stations to tap into TBC's high speed fibre data backhaul
- As a proof-of-concept, TBC has been providing data backhaul for 4G networks to a few mobile operators; although its contribution is still not significant, revenue from data backhaul over the last three years has been gradually increasing
- TBC is positioned to benefit from mobile operators' multi-year investments in the build out of their 5G networks

5G DATA BACKHAUL OPPORTUNITIES

OPPORTUNITIES FOR TBC AS 5G DATA BACKHAUL PROVIDER

TBC's advanced hybrid fibre coaxial network supports both indoor and outdoor coverage



- Taiwan government's push for faster build up of 5G networks
  - National Communications Commissions is providing substantial subsidies to telco operators with a goal of building 39,000 5G base stations in 2.5 years
- 5G network investment is a multi-year investment for mobile operators; flexibility to add fibre circuits from TBC as their wireless networks expand over time
- Explore partnerships with mobile operators to tender for government projects
  - 10GPON and DOCSIS3.1 are used as heterogeneous network backup in private 5G networks
- Explore a packaged suite of hybrid network environment and office applications to target the business community

IMPACT OF COVID-19

Impact of the COVID-19 pandemic on TBC has been limited to date due to the subscription-based nature of its business

- While the COVID-19 outbreak in Taiwan is relatively contained as compared to other countries, Taiwan's outlook remains uncertain as the expected downturn in other countries will invariably have an impact on Taiwan's export-driven economy and GDP growth. 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 and the Trustee-Manager have activated their respective Business Continuity Plans that adhere to all regulations and guidelines in their respective jurisdictions.

END