ASIAN PAY TELEVISION TRUST

FINANCIAL REPORT
FOR THE QUARTER AND HALF-YEAR ENDED
30 JUNE 2023

Asian Pay Television Trust

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REPORT SUMMARY

REPORT SUMMARY

KEY HIGHLIGHTS

- Revenue and EBITDA at $68.3 million[1] and $38.7 million for the quarter, and $135.3 million and $78.1 million for the half-year; EBITDA margin 56.7% for the quarter and 57.7% for the half-year
- Revenue, in constant NT$, increased for the third consecutive quarter, reflecting the higher contribution from Broadband
- Positive Broadband momentum continued – growing subscriber base, higher ARPU and three years of revenue improvement in both S$ and NT$
- Continued increase in Broadband and Premium digital cable TV subscribers more than offset Basic cable TV churn; added c.10,000 net subscribers in the quarter, increasing total subscriber base to c.1,318,000
- Distribution of 0.525 cents per unit declared for the half-year; re-affirmed distribution guidance of 1.05 cents per unit for full year 2023; distributions to be paid half-yearly, subject to no material changes in planning assumptions
- Repaid net debt of $42 million in the half-year and lowered gearing to 48.1%; $38 million to be set aside for repayments for the rest of 2023
- Capital expenditure decreased by 29.3% for the quarter and 20.0% for the half-year, and continued to be within industry norms
- Approximately 93% of outstanding Onshore Facilities (constituting 91% of the Group's total debt) are hedged through to 30 June 2025; net exposure to rising interest rates is contained to only 15% of total outstanding debt

FINANCIAL HIGHLIGHTS

Asian Pay Television Trust ("APTT"[2]) reported revenue of $68.3 million for the quarter and $135.3 million for the half-year ended 30 June 2023. Earnings before interest, tax, depreciation and amortisation ("EBITDA") and EBITDA margin stood at $38.7 million and 56.7% for the quarter, and $78.1 million and 57.7% for the half-year.

Foreign exchange contributed to a negative variance of 6.8% for the quarter and 8.0% for the half-year due to a relatively stronger Taiwan dollar ("NT$"). In constant NT$, revenue increased by 1.9% for the quarter and 1.1% for the half-year. The year-on-year increase for three consecutive quarters reflects the positive momentum and higher contributions from Broadband.

Broadband continued to improve on all fronts – number of subscribers, ARPU[3] and three years of consistent revenue growth in both S$ and NT$. The strong performance validates the success of TBC's Broadband growth strategy. During the quarter, c.8,000 subscribers were added, alongside higher ARPU which improved by NT$2 per month to NT$386 per month. In NT$, Broadband revenue, which includes revenue from data backhaul, recorded double-digit growth at 12.1% for the quarter and 12.8% for the half-year.

Group	Quarter ended 30 June			Half-year ended 30 June		
Amounts in $'000	2023	2022	Variance[4] (%)	2023	2022	Variance[4] (%)
Revenue						
Basic cable TV	48,681	52,875	(7.9)	96,570	107,574	(10.2)
Premium digital cable TV	2,715	2,913	(6.8)	5,444	5,980	(9.0)
Broadband	16,856	16,006	5.3	33,318	31,806	4.8
Total revenue	**68,252**	**71,794**	**(4.9)**	**135,332**	**145,360**	**(6.9)**
Total operating expenses[5]	**(29,538)**	**(29,357)**	**(0.6)**	**(57,245)**	**(59,734)**	**4.2**
EBITDA	**38,714**	**42,437**	**(8.8)**	**78,087**	**85,626**	**(8.8)**
EBITDA margin	56.7%	59.1%		57.7%	58.9%	

1 All figures, unless otherwise stated, are presented in Singapore dollars ("$").
2 APTT refers to APTT and its subsidiaries taken as a whole.
3 ARPU refers to Average Revenue Per User.
4 A positive variance is favourable to the Group and a negative variance is unfavourable to the Group.
5 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 statement of profit or loss on page 15, in order to arrive at EBITDA and EBITDA margin presented here.

Mr Brian McKinley, Chief Executive Officer of the Trustee-Manager said, *"We are encouraged by the continued increase in total revenue in constant NT$ for three consecutive quarters, compared to the prior corresponding period. While we cannot assume that this trend will continue, it signals that Broadband is starting to cushion the impact of the decline in our Basic cable TV business. Broadband, which now constitutes around 25% of our total revenue, will remain the largest driver of our long-term growth. We aim to extract more value from our aggressive Broadband growth strategy and grow cash flows that consistently more than offset the decline in Basic cable TV."*

TBC added c.10,000 net subscribers in the quarter, increasing the total number of subscribers to c.1,318,000 as at 30 June 2023, with Broadband and Premium digital cable TV subscribers increasing by c.8,000 and c.7,000, respectively. The steady increase in Premium digital cable TV and Broadband subscribers over the past five years has consistently more than offset the churn in Basic cable TV.

OPERATIONAL PERFORMANCE

TBC's[6] operational highlights for the quarter ended 30 June 2023 were as follows:

- **Basic cable TV:** Basic cable TV revenue of $48.7 million for the quarter, which comprised subscription revenue of $39.8 million and non-subscription revenue of $8.9 million, was down 7.9% compared to the prior corresponding period ("pcp"). In constant NT$, Basic cable TV revenue for the quarter decreased by 1.1%. The overall decline in Basic cable TV revenue was mainly due to lower subscription revenue resulting from the decline in the number of subscribers and lower ARPU. TBC's c.667,000 Basic cable TV RGUs[7] contributed an ARPU of NT$455 per month in the quarter to access over 100 cable TV channels. Basic cable TV RGUs decreased by c.5,000 and ARPU was lower by NT$5 per month compared to the previous quarter ended 31 March 2023 (RGUs: c.672,000; ARPU: NT$460 per month). The decline in Basic cable TV RGUs was due to a number of factors including competition from aggressively priced IPTV, the growing popularity of online video, as well as expectations from consumers for discounts as they compare with the lower cable TV pricing outside of TBC's five franchise areas, particularly in the Taipei region. Non-subscription revenue comprised revenue from the leasing of television channels to third parties, the sale of airtime advertising and fees for the installation of set-top boxes. In constant NT$, non-subscription revenue for the quarter was higher than the pcp mainly due to higher revenue generated from channel leasing and airtime advertising sales. The leasing of television channels, which is mainly to third-party home shopping networks, will continue to face pressure from lower demand for home shopping and heightened competition from internet retailing. These trends will continue to impact channel leasing revenue.

- **Premium digital cable TV:** Premium digital cable TV revenue of $2.7 million for the quarter was down 6.8% compared to the pcp. In constant NT$, Premium digital cable TV revenue for the quarter was in line with the pcp. Revenue was generated predominantly from TBC's c.321,000 Premium digital cable TV RGUs each contributing an ARPU of NT$63 per month in the quarter for Premium digital cable TV packages and bundled DVR or DVR-only services. Premium digital cable TV RGUs increased by c.7,000 but ARPU was marginally lower by NT$1 per month compared to the previous quarter ended 31 March 2023 (RGUs: c.314,000; ARPU: NT$64 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 strong competition from mobile operators offering inexpensive unlimited data plans, Broadband RGUs increased by c.8,000 during the quarter, alongside an NT$2 per month improvement in ARPU. Broadband revenue, including revenue from data backhaul, was $16.9 million for the quarter, an increase of 5.3% compared to the pcp. In constant NT$, Broadband revenue for the quarter increased by 12.1%. Broadband revenue was generated predominantly from TBC's c.330,000 Broadband RGUs each contributing an ARPU of NT$386 per month in the quarter, which was NT$2 per month higher than the previous quarter ended 31 March 2023 (RGUs: c.322,000; ARPU: NT$384 per month). The growth in both Broadband subscribers and ARPU reflects the success of TBC's Broadband strategy to target the broadband-only segment, partner with mobile operators, as well as to offer higher speed plans at competitive prices to acquire new RGUs and re-contract existing ones.

6 TBC refers to Taiwan Broadband Communications Group.

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

Capital expenditure decreased by 29.3%, or $3.1 million, for the quarter, and 20.0%, or $3.5 million, for the half-year due to lower expenditure on maintenance as well as network, broadband and other investments. However, it was still at a level that could sufficiently support TBC's Broadband growth strategy. As a percentage of revenue, capital expenditure was 11.0% for the quarter and 10.2% for the half-year. Going forward, the level of capital expenditure, which will continue to be within industry norms, will be closely monitored, limiting to areas that will have the best potential in generating growth and sustainability for the long term.

DEBT MANAGEMENT

As at 30 June 2023, interest rate swaps have been entered into to hedge approximately 93% of outstanding Onshore Facilities through to 30 June 2025, at an average fixed rate of 0.94% which is currently lower than the prevailing three-month Taipei Interbank Offered Rate ("TAIBOR"). As Onshore Facilities constitute approximately 91% of the Group's total outstanding debt, the net exposure to rising interest rates is contained; approximately 85% of total debt is protected against the risk of rising interest rates through to 2025.

The financial close of the new 30-month Offshore Facilities on the same major terms has been successfully completed on 14 July 2023, at the maturity of the previous Offshore Facilities. The new Offshore Facilities, comprising a $46.6 million term loan facility and a $75 million revolving loan facility, are $83.4 million lower than the previous Offshore Facilities ($125 million term loan facility and a $80 million revolving loan facility) – a direct result of accelerated debt repayments as part of the debt management programme.

In the first six months, net debt of $42 million was repaid, which in turn lowered gearing to 48.1%. For the second half of 2023, the Trustee-Manager will set aside $38 million for debt repayments.

Mr McKinley said, *"Compared to four years ago, we are now in a stronger position to navigate an increasingly challenging and competitive environment. Apart from our positive Broadband growth momentum, we have been making good progress with our debt management. Our net exposure to potential rising interest rates is significantly contained due to our hedging programme, while our disciplined debt repayments will continue to reduce our total debt. When an opportunity arises, we hope to do a full refinancing for our offshore loan, which is significantly more expensive, and bring all our debt back onshore."*

OUTLOOK

Operationally, while the Trustee-Manager does not expect growth in Basic cable TV RGUs due to Taiwan's saturated cable TV market, we expect the number of Premium digital cable TV and Broadband RGUs to continue increasing in 2023. Total revenue will, however, be influenced by the ability to maintain ARPUs which will remain under pressure due to market dynamics. The decline in demand for home shopping and competition from internet retailing will continue to impact channel leasing revenue.

The Trustee-Manager is managing every expense line item very closely. Total operating expenses in 2023 are expected to be in line with 2022.

DISTRIBUTIONS

The Board of Directors of the Trustee-Manager (the "Board") has declared an ordinary interim distribution of 0.525 cents per unit for the half-year ended 30 June 2023. The record date will be 22 September 2023 and the distribution will be paid on 29 September 2023.

The Board is re-affirming the distribution guidance for the year ending 31 December 2023. The distribution for the full year 2023 is expected to be 1.05 cents per unit, to be paid in half-yearly instalments of 0.525 cents per unit, subject to no material changes in planning assumptions.

IMPACT OF RISING INTEREST RATES

On Debt:

APTT's total outstanding debt comprises 91% Onshore Facilities and 9% Offshore Facilities. Approximately 93% of outstanding Onshore Facilities are hedged through to 30 June 2025, while the Offshore Facilities are not hedged. This means that approximately 85% of APTT's total outstanding debt is protected against the risk of rising interest rates through to 2025.

The rising interest rates do have an impact on the cost of debt for the remaining 15% of total outstanding debt that remains unhedged. The Onshore Facilities are exposed to the floating interest rate of Taiwan's three-month TAIBOR, and the new Offshore Facilities are exposed to the floating interest rate of the Singapore Overnight Rate Average ("SORA"). The previous Offshore Facilities were exposed to the floating interest rate of the Singapore Interbank Offered Rate ("SIBOR"). While TAIBOR rates have not increased significantly over the last year, SORA/SIBOR rates increased substantially. Although interest rate risk is well managed with hedges on approximately 85% of APTT's total outstanding debt, total interest costs for 2023 are expected to be affected by the changes in TAIBOR and SORA rates on the remaining 15% of total outstanding debt that remains unhedged.

On Intangible Assets:

The rising interest rates also 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. The Trustee-Manager performs an assessment of the recoverable amount of the Cash Generating Unit ("CGU") using the Discounted Cash Flow ("DCF") method. The Group's cash flow forecasts, along with relevant market discount rates and average long-term growth rates, are used to derive the value-in-use of the Group's single CGU which supports the impairment assessment.

While no impairment assessment was performed for the half-year ended 30 June 2023, the impairment assessment that was performed at the end of 2022 showed that APTT's WACC was higher, due to rising interest rates, and headroom between APTT's DCF value and book value was lower, compared to 2021. The headroom was still marginally positive, mainly due to healthy business assumptions and net cash flow forecasts. Therefore, no impairment has been recognised by the Group as at the previous year ended 31 December 2022.

If interest rates continue to stay elevated and/or the business environment continues to be challenging, combined with changes in other assumptions, e.g. a lower terminal growth rate, there is a possibility that this could result in an impairment loss on intangible assets in the future. Should an impairment loss on intangible assets be required, it would be recorded in the consolidated statement of profit or loss. An impairment loss would be a non-cash item and would not impact the operations of the Group or its cash flows; there would be no change to distribution guidance. The Trustee-Manager will make appropriate announcements, including a profit warning, if necessary, in the event of any material developments on the impairment assessment of intangible assets.

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 the Singapore Business Trusts Act 2004 ("BTA"). APTT is managed by APTT Management Pte. Limited (the "Trustee-Manager"). The Trustee-Manager is a wholly owned subsidiary of Dynami Vision Pte. Ltd. ("Dynami") which is a Singapore-incorporated company ultimately owned by Mr Lu Fang-Ming, the former 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 10,200 unitholders as at 30 June 2023, 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 1.3 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 close to 1.3 million RGUs across its subscriber base, providing them the choice from over 168 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.

For the year ended 31 December 2022, distributions were made on a quarterly basis, with the amount calculated for the three-month period ending on 31 March, 30 June, 30 September and 31 December, and paid no later than 90 days after the end of each distribution period.

For distribution periods after 31 December 2022, distributions will be made on a half-yearly basis, with the amount calculated for the six-month period ending on 30 June and 31 December each year. The Trustee-Manager will pay the distribution no later than 92 days after the end of each distribution period.

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 1947 ("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 their ownership of APTT units and distribution payments.

SELECTED FINANCIAL INFORMATION AND OPERATING DATA

The selected financial information and operating data presented on the following pages support 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 and intangible assets (affecting relative depreciation and amortisation expense). In particular, EBITDA eliminates the non-cash depreciation and amortisation 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 30 June 2023	Quarter ended 30 June 2022	Quarter ended 30 June Variance[3] (%)	Half-year ended 30 June 2023	Half-year ended 30 June 2022	Half-year ended 30 June Variance[3] (%)
Revenue							
Basic cable TV	22(i)	48,681	52,875	(7.9)	96,570	107,574	(10.2)
Premium digital cable TV	22(ii)	2,715	2,913	(6.8)	5,444	5,980	(9.0)
Broadband	22(iii)	16,856	16,006	5.3	33,318	31,806	4.8
Total revenue		**68,252**	**71,794**	**(4.9)**	**135,332**	**145,360**	**(6.9)**
Operating expenses[4]							
Broadcast and production costs	23(i)	(14,957)	(14,128)	(5.9)	(28,065)	(28,414)	1.2
Staff costs	23(ii)	(5,900)	(6,482)	9.0	(11,943)	(13,450)	11.2
Trustee-Manager fees	23(iv)	(1,965)	(1,835)	(7.1)	(3,909)	(3,649)	(7.1)
Other operating expenses	23(vii)	(6,716)	(6,912)	2.8	(13,328)	(14,221)	6.3
Total operating expenses		**(29,538)**	**(29,357)**	**(0.6)**	**(57,245)**	**(59,734)**	**4.2**
EBITDA		**38,714**	**42,437**	**(8.8)**	**78,087**	**85,626**	**(8.8)**
EBITDA margin[5]		56.7%	59.1%		57.7%	58.9%	
Profit after income tax[6]		**12,439**	**11,543**	**7.8**	**19,615**	**23,779**	**(17.5)**
Capital expenditure							
Maintenance		3,690	3,699	0.2	7,151	7,200	0.7
Network, broadband and other		3,833	6,947	44.8	6,667	10,081	33.9
Total capital expenditure		**7,523**	**10,646**	**29.3**	**13,818**	**17,281**	**20.0**
Maintenance capital expenditure as % of revenue		5.4	5.2		5.3	5.0	
Total capital expenditure as % of revenue		11.0	14.8		10.2	11.9	
Income tax paid, net of refunds		(6,048)	(5,004)	(20.9)	(6,431)	(6,457)	0.4
Interest and other finance costs paid		(10,652)	(10,538)	(1.1)	(23,751)	(21,897)	(8.5)

1 Group refers to APTT and its subsidiaries taken as a whole.
2 The above selected financial information should be read in conjunction with the accompanying notes.
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 statement of profit or loss on page 15, 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 after income tax is calculated in accordance with IFRS on page 15. Refer to page 23 for reconciliation of profit after income tax to EBITDA.

SELECTED OPERATING DATA

Group	As at				
	2023		2022		
	30 June	31 March	31 December	30 September	30 June
RGUs ('000)					
Basic cable TV	667	672	675	680	684
Premium digital cable TV	321	314	308	299	289
Broadband	330	322	315	307	298

Group	Quarter ended				
	2023		2022		
	30 June	31 March	31 December	30 September	30 June
ARPU[1] (NT$ per month)					
Basic cable TV	455	460	462	466	469
Premium digital cable TV	63	64	65	68	70
Broadband	386	384	382	379	377
AMCR[2] (%)					
Basic cable TV	(0.5)	(0.5)	(0.6)	(0.5)	(0.5)
Premium digital cable TV	(1.1)	(1.0)	(0.8)	(0.8)	(0.8)
Broadband	(0.6)	(0.5)	(0.6)	(0.6)	(0.6)

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 30 June 2023 was $68.3 million (30 June 2022: $71.8 million) and for the half-year was $135.3 million (30 June 2022: $145.4 million). Total revenue for the quarter and half-year was 4.9% and 6.9% lower than the pcp; in constant NT$, total revenue increased by 1.9% for the quarter and 1.1% for the half-year mainly due to higher Broadband revenue. Foreign exchange contributed to a negative variance of 6.8% for the quarter and 8.0% for the half-year 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 $29.5 million for the quarter ended 30 June 2023 were 0.6% higher than the pcp (30 June 2022: $29.4 million) mainly due to higher broadcast and production costs. Total operating expenses of $57.2 million for the half-year were 4.2% lower than the pcp (30 June 2022: $59.7 million) mainly due to lower staff costs.

(iii) EBITDA and EBITDA Margin

EBITDA of $38.7 million for the quarter ended 30 June 2023 was 8.8% lower than the pcp (30 June 2022: $42.4 million). EBITDA margin for the quarter of 56.7% was lower than the pcp (30 June 2022: 59.1%).

EBITDA of $78.1 million for the half-year ended 30 June 2023 was 8.8% lower than the pcp (30 June 2022: $85.6 million). EBITDA margin for the half-year of 57.7% was lower than the pcp (30 June 2022: 58.9%).

(iv) Capital expenditure

Total capital expenditure of $7.5 million for the quarter ended 30 June 2023 was 29.3% lower than the pcp (30 June 2022: $10.6 million). For the half-year, total capital expenditure of $13.8 million was 20.0% lower than the pcp (30 June 2022: $17.3 million). Total capital expenditure as a percentage of revenue was 11.0% for the quarter (30 June 2022: 14.8%) and 10.2% for the half-year (30 June 2022: 11.9%).

Total capital expenditure for the quarter and half-year was lower than the pcp primarily because of lower capital expenditure being incurred on maintenance, network, broadband and other capital expenditure compared to the pcp. The level of capital expenditure, which will be within industry norms, will be closely monitored to focus on areas that will have the best potential in generating growth and sustainability for the long term.

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

TBC's network is already providing data backhaul to a few mobile operators. With continued wireless network development, data backhaul through TBC's network is expected to add a meaningful income stream to its Broadband business within the next few years as mobile operators 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 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.

ASIAN PAY TELEVISION TRUST

INTERIM FINANCIAL STATEMENTS FOR THE QUARTER AND HALF-YEAR ENDED 30 JUNE 2023

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.

		Group as at		Trust as at	
Amounts in $'000	Note[1]	30 June 2023 (Unaudited)	31 December 2022 (Audited)	30 June 2023 (Unaudited)	31 December 2022 (Audited)
Assets					
Current assets					
Cash and cash equivalents	5	84,698	118,860	5,179	5,945
Trade and other receivables	6	10,913	13,180	25	-
Derivative financial instruments	10	3,068	4,393	3,068	4,393
Contract costs	11	759	884	-	-
Other assets	12	5,034	1,263	69	62
		104,472	**138,580**	**8,341**	**10,400**
Non-current assets					
Investment in subsidiaries	7	-	-	1,387,351	1,387,351
Property, plant and equipment	8	220,427	234,274	-	-
Intangible assets	9	2,308,945	2,315,258	-	-
Derivative financial instruments	10	11,413	11,276	388	665
Contract costs	11	211	262	-	-
Other assets	12	1,127	1,263	7	7
		2,542,123	**2,562,333**	**1,387,746**	**1,388,023**
Total assets		**2,646,595**	**2,700,913**	**1,396,087**	**1,398,423**
Liabilities					
Current liabilities					
Borrowings from financial institutions	13	67,706	72,974	-	-
Derivative financial instruments	10	9	-	9	-
Trade and other payables	14	31,963	51,269	3,909	3,710
Contract liabilities	15	32,600	32,907	-	-
Retirement benefit obligations	16	1,377	1,374	-	-
Income tax payable	24	5,831	6,179	-	-
Other liabilities	18	17,828	23,637	178	298
		157,314	**188,340**	**4,096**	**4,008**
Non-current liabilities					
Borrowings from financial institutions	13	1,206,100	1,243,397	-	-
Derivative financial instruments	10	53	-	53	-
Retirement benefit obligations	16	3,577	3,720	-	-
Deferred tax liabilities	17	104,326	102,348	-	-
Other liabilities	18	24,317	24,204	-	-
		1,338,373	**1,373,669**	**53**	**-**
Total liabilities		**1,495,687**	**1,562,009**	**4,149**	**4,008**
Net assets		**1,150,908**	**1,138,904**	**1,391,938**	**1,394,415**
Equity					
Unitholders' funds	19	1,389,351	1,389,351	1,389,351	1,389,351
Reserves	20	93,485	92,687	-	-
Accumulated (deficit)/surplus		(333,979)	(345,252)	2,587	5,064
Equity attributable to unitholders of APTT		**1,148,857**	**1,136,786**	**1,391,938**	**1,394,415**
Non-controlling interests	21	2,051	2,118	-	-
Total equity		**1,150,908**	**1,138,904**	**1,391,938**	**1,394,415**

1 The above statements of financial position should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

Group		Quarter ended 30 June			Half-year ended 30 June		
Amounts in $'000	Note[1]	2023 (Unaudited)	2022 (Unaudited)	Variance[2] (%)	2023 (Unaudited)	2022 (Unaudited)	Variance[2] (%)
Revenue							
Basic cable TV	22(i)	48,681	52,875	(7.9)	96,570	107,574	(10.2)
Premium digital cable TV	22(ii)	2,715	2,913	(6.8)	5,444	5,980	(9.0)
Broadband	22(iii)	16,856	16,006	5.3	33,318	31,806	4.8
Total revenue		**68,252**	**71,794**	**(4.9)**	**135,332**	**145,360**	**(6.9)**
Operating expenses							
Broadcast and production costs	23(i)	(14,957)	(14,128)	(5.9)	(28,065)	(28,414)	1.2
Staff costs[3]	23(ii)	(5,900)	(6,482)	9.0	(11,943)	(13,450)	11.2
Depreciation and amortisation expense[4]	23(iii)	(14,668)	(17,946)	18.3	(29,712)	(36,723)	19.1
Trustee-Manager fees	23(iv)	(1,965)	(1,835)	(7.1)	(3,909)	(3,649)	(7.1)
Net foreign exchange gain [5]	23(v)	1,458	961	51.7	1,308	1,125	16.3
Mark to market gain on derivative financial instruments[6]	23(vi)	1,022	620	64.8	1,423	3,061	(53.5)
Other operating expenses	23(vii)	(6,716)	(6,912)	2.8	(13,328)	(14,221)	6.3
Total operating expenses		**(41,726)**	**(45,722)**	**8.7**	**(84,226)**	**(92,271)**	**8.7**
Operating profit		**26,526**	**26,072**	**1.7**	**51,106**	**53,089**	**(3.7)**
Amortisation of deferred arrangement fees	23(viii)	(774)	(823)	6.0	(1,550)	(1,667)	7.0
Interest and other finance costs	23(ix)	(10,676)	(10,789)	1.0	(21,726)	(20,404)	(6.5)
Profit before income tax		**15,076**	**14,460**	**4.3**	**27,830**	**31,018**	**(10.3)**
Income tax expense[7]	24	(2,637)	(2,917)	9.6	(8,215)	(7,239)	(13.5)
Profit after income tax		**12,439**	**11,543**	**7.8**	**19,615**	**23,779**	**(17.5)**
Profit after income tax attributable to:							
Unitholders of APTT		12,403	11,505	7.8	19,543	23,607	(17.2)
Non-controlling interests		36	38	(5.3)	72	172	(58.1)
Profit after income tax		**12,439**	**11,543**	**7.8**	**19,615**	**23,779**	**(17.5)**
Basic and diluted earnings per unit attributable to unitholders of APTT (cents)[9]	26	**0.69**	**0.64**		**1.08**	**1.31**	

1 The above consolidated statement of profit or loss should be read in conjunction with the accompanying notes.

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

3 Decrease in staff costs was mainly due to lower staff costs in constant dollar terms. Refer Note 23(ii) for more details.

4 Decrease in depreciation and amortisation expense was mainly due to lower depreciation expense on network equipment and amortisation expense on programming rights compared to the pcp. Refer Note 23(iii) for more details.

5 Variance in net foreign exchange gain is mainly due to unrealised foreign exchange movements at the subsidiary level which are not expected to be realised. Refer Note 23(v) for more details.

6 Variance in mark to market gain on derivative financial instruments was due to exchange rate movements on foreign exchange contracts. Refer Note 23(vi) for more details.

7 Decrease in income tax expense during the quarter was mainly due to lower withholding tax expense and increase in income tax expense during the half-year was mainly due to higher current income tax and deferred income tax expense. Refer Note 24 for more details.

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

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

Group	Quarter ended 30 June			Half-year ended 30 June		
Amounts in $'000	2023 (Unaudited)	2022 (Unaudited)	Variance[1] (%)	2023 (Unaudited)	2022 (Unaudited)	Variance[1] (%)
Profit after income tax	**12,439**	**11,543**	**7.8**	**19,615**	**23,779**	**(17.5)**
Other comprehensive income/(loss)						
Items that may subsequently be reclassified to profit or loss:						
Exchange differences on translation of foreign operations	(1,233)	(15,466)	92.0	(3,308)	(56,114)	94.1
Movement on change in fair value of cash flow hedging financial instruments	(619)	(158)	(>100)	440	16,072	(97.3)
Deferred tax relating to items that may subsequently be reclassified to profit or loss	124	32	>100	(88)	(3,214)	97.3
Other comprehensive loss, net of tax	**(1,728)**	**(15,592)**	**88.9**	**(2,956)**	**(43,256)**	**93.2**
Total comprehensive income/(loss)	**10,711**	**(4,049)**	**>100**	**16,659**	**(19,477)**	**>100**
Total comprehensive income/(loss) attributable to:						
Unitholders of APTT	10,675	(4,087)	>100	16,587	(19,649)	>100
Non-controlling interests	36	38	(5.3)	72	172	(58.1)
Total comprehensive income/(loss)	**10,711**	**(4,049)**	**>100**	**16,659**	**(19,477)**	**>100**

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

The above consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes.

STATEMENTS OF CHANGES IN EQUITY

Group (Unaudited) Amounts in $'000	Unitholders' funds	Reserves	Accumulated deficit	Equity attributable to unitholders of APTT	Non-controlling interests	Total equity
Balance as at 1 January 2023	**1,389,351**	**92,687**	**(345,252)**	**1,136,786**	**2,118**	**1,138,904**
Total comprehensive (loss)/income						
Profit after income tax	-	-	19,543	19,543	72	19,615
Other comprehensive loss, net of tax	-	(2,956)	-	(2,956)	-	(2,956)
Total	**-**	**(2,956)**	**19,543**	**16,587**	**72**	**16,659**
Transactions with unitholders, recognised directly in equity						
Transfer to capital reserves	-	3,754	(3,754)	-	-	-
Distributions paid	-	-	(4,516)	(4,516)	(139)	(4,655)
Total	**-**	**3,754**	**(8,270)**	**(4,516)**	**(139)**	**(4,655)**
Balance as at 30 June 2023	**1,389,351**	**93,485**	**(333,979)**	**1,148,857**	**2,051**	**1,150,908**

Group (Unaudited) Amounts in $'000	Unitholders' funds	Reserves	Accumulated deficit	Equity attributable to unitholders of APTT	Non-controlling interests	Total equity
Balance as at 1 April 2023	**1,389,351**	**91,459**	**(342,628)**	**1,138,182**	**2,154**	**1,140,336**
Total comprehensive (loss)/income						
Profit after income tax	-	-	12,403	12,403	36	12,439
Other comprehensive loss, net of tax	-	(1,728)	-	(1,728)	-	(1,728)
Total	**-**	**(1,728)**	**12,403**	**10,675**	**36**	**10,711**
Transactions with unitholders, recognised directly in equity						
Transfer to capital reserves	-	3,754	(3,754)	-	-	-
Distributions paid	-	-	-	-	(139)	(139)
Total	**-**	**3,754**	**(3,754)**	**-**	**(139)**	**(139)**
Balance as at 30 June 2023	**1,389,351**	**93,485**	**(333,979)**	**1,148,857**	**2,051**	**1,150,908**

The above statements of changes in equity should be read in conjunction with the accompanying notes.

Group (Unaudited) Amounts in $'000	Unitholders' funds	Reserves	Accumulated deficit	Equity attributable to unitholders of APTT	Non-controlling interests	Total equity
Balance as at 1 January 2022	**1,389,351**	**220,247**	**(369,203)**	**1,240,395**	**2,407**	**1,242,802**
Total comprehensive (loss)/income						
Profit after income tax	-	-	23,607	23,607	172	23,779
Other comprehensive loss, net of tax	-	(43,256)	-	(43,256)	-	(43,256)
Total	**-**	**(43,256)**	**23,607**	**(19,649)**	**172**	**(19,477)**
Transactions with unitholders, recognised directly in equity						
Settlement of transactions with non-controlling interests	-	-	-	-	(365)	(365)
Transfer to capital reserves	-	3,238	(3,238)	-	-	-
Distributions paid	-	-	(9,032)	(9,032)	(170)	(9,202)
Total	**-**	**3,238**	**(12,270)**	**(9,032)**	**(535)**	**(9,567)**
Balance as at 30 June 2022	**1,389,351**	**180,229**	**(357,866)**	**1,211,714**	**2,044**	**1,213,758**

Group (Unaudited) Amounts in $'000	Unitholders' funds	Reserves	Accumulated deficit	Equity attributable to unitholders of APTT	Non-controlling interests	Total equity
Balance as at 1 April 2022	**1,389,351**	**192,583**	**(361,617)**	**1,220,317**	**2,380**	**1,222,697**
Total comprehensive (loss)/income						
Profit after income tax	-	-	11,505	11,505	38	11,543
Other comprehensive loss, net of tax	-	(15,592)	-	(15,592)	-	(15,592)
Total	**-**	**(15,592)**	**11,505**	**(4,087)**	**38**	**(4,049)**
Transactions with unitholders, recognised directly in equity						
Settlement of transactions with non-controlling interests	-	-	-	-	(226)	(226)
Transfer to capital reserves	-	3,238	(3,238)	-	-	-
Distributions paid	-	-	(4,516)	(4,516)	(148)	(4,664)
Total	**-**	**3,238**	**(7,754)**	**(4,516)**	**(374)**	**(4,890)**
Balance as at 30 June 2022	**1,389,351**	**180,229**	**(357,866)**	**1,211,714**	**2,044**	**1,213,758**

The above statements of changes in equity should be read in conjunction with the accompanying notes.

Trust (Unaudited) Amounts in $'000	Unitholders' funds	Accumulated surplus	Total equity
Balance as at 1 January 2023	**1,389,351**	**5,064**	**1,394,415**
Total comprehensive income			
Profit after income tax	-	2,039	2,039
Total	**-**	**2,039**	**2,039**
Transactions with unitholders, recognised directly in equity			
Distributions paid	-	(4,516)	(4,516)
Total	**-**	**(4,516)**	**(4,516)**
Balance as at 30 June 2023	**1,389,351**	**2,587**	**1,391,938**

Trust (Unaudited) Amounts in $'000	Unitholders' funds	Accumulated surplus	Total equity
Balance as at 1 April 2023	**1,389,351**	**1,549**	**1,390,900**
Total comprehensive income			
Profit after income tax	-	1,038	1,038
Total	**-**	**1,038**	**1,038**
Balance as at 30 June 2023	**1,389,351**	**2,587**	**1,391,938**

The above statements of changes in equity should be read in conjunction with the accompanying notes.

Trust (Unaudited) Amounts in $'000	Unitholders' funds	Accumulated surplus	Total equity
Balance as at 1 January 2022	**1,389,351**	**573**	**1,389,924**
Total comprehensive income			
Profit after income tax	-	11,370	11,370
Total	**-**	**11,370**	**11,370**
Transactions with unitholders, recognised directly in equity			
Distributions paid	-	(9,032)	(9,032)
Total	**-**	**(9,032)**	**(9,032)**
Balance as at 30 June 2022	**1,389,351**	**2,911**	**1,392,262**

Trust (Unaudited) Amounts in $'000	Unitholders' funds	Accumulated surplus	Total equity
Balance as at 1 April 2022	**1,389,351**	**458**	**1,389,809**
Total comprehensive income			
Profit after income tax	-	6,969	6,969
Total	**-**	**6,969**	**6,969**
Transactions with unitholders, recognised directly in equity			
Distributions paid	-	(4,516)	(4,516)
Total	**-**	**(4,516)**	**(4,516)**
Balance as at 30 June 2022	**1,389,351**	**2,911**	**1,392,262**

The above statements of changes in equity should be read in conjunction with the accompanying notes.

DETAIL OF CHANGES IN UNITHOLDERS' FUNDS

Trust	Quarter ended 30 June		Half-year ended 30 June	
Number of units in '000	2023	2022	2023	2022
At beginning and end of the quarter/period	**1,806,355**	**1,806,355**	**1,806,355**	**1,806,355**

Trust	Quarter ended 30 June		Half-year ended 30 June	
Amounts in $'000	2023 (Unaudited)	2022 (Unaudited)	2023 (Unaudited)	2022 (Unaudited)
At beginning and end of the quarter/period	**1,389,351**	**1,389,351**	**1,389,351**	**1,389,351**

There were no changes to unitholders' funds during the quarters and half-years ended 30 June 2023 and 2022.

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 and half-years ended 30 June 2023 and 2022, and for the year ended 31 December 2022, the Trust did not have any convertible securities, treasury units or subsidiary holdings on issue.

CONSOLIDATED STATEMENT OF CASH FLOWS

Group	Quarter ended 30 June		Half-year ended 30 June	
Amounts in $'000	2023 (Unaudited)	2022 (Unaudited)	2023 (Unaudited)	2022 (Unaudited)
Operating activities				
Profit after income tax	**12,439**	**11,543**	**19,615**	**23,779**
Adjustments for:				
Depreciation and amortisation expense	14,668	17,946	29,712	36,723
Net foreign exchange (gain)/loss	(968)	(485)	(929)	1,539
Mark to market gain on derivative financial instruments	(1,022)	(620)	(1,423)	(3,061)
Amortisation of deferred arrangement fees	774	823	1,550	1,667
Interest and other finance costs	10,676	10,789	21,726	20,404
Income tax expense	2,637	2,917	8,215	7,239
Operating cash flows before movements in working capital	**39,204**	**42,913**	**78,466**	**88,290**
Trade and other receivables	11	(3,706)	2,267	(1,025)
Trade and other payables	(23,221)	13,414	(19,306)	21,587
Contract costs	121	63	176	200
Contract liabilities	(556)	(410)	(307)	(1,771)
Retirement benefit obligations	(103)	(133)	(140)	(905)
Other assets	(147)	(22,749)	(3,635)	(24,731)
Other liabilities	(2,841)	(3)	(3,035)	(3,108)
Cash generated from operations	**12,468**	**29,389**	**54,486**	**78,537**
Income tax paid, net of refunds	(6,048)	(5,004)	(6,431)	(6,457)
Interest paid on lease liabilities (Note 13)	(33)	(36)	(64)	(76)
Net cash inflows from operating activities	**6,387**	**24,349**	**47,991**	**72,004**
Investing activities				
Acquisition of property, plant and equipment	(7,172)	(5,858)	(13,012)	(13,191)
Acquisition of intangible assets	(394)	(101)	(741)	(550)
Net cash used in investing activities	**(7,566)**	**(5,959)**	**(13,753)**	**(13,741)**
Financing activities				
Interest and other finance costs paid (Note 13)	(10,652)	(10,538)	(23,751)	(21,897)
Borrowings from financial institutions (Note 13)	-	-	5,000	-
Repayment of borrowings to financial institutions (Note 13)	(10,988)	(12,860)	(46,973)	(33,470)
Settlement of lease liabilities (Note 13)	(550)	(646)	(1,108)	(1,315)
Settlement of derivative financial instruments (Note 13)	1,707	526	3,087	879
Settlement of transactions with non-controlling interests	-	(226)	-	(365)
Distributions to non-controlling interests	(139)	(148)	(139)	(170)
Distributions to unitholders	-	(4,516)	(4,516)	(9,032)
Net cash used in financing activities	**(20,622)**	**(28,408)**	**(68,400)**	**(65,370)**
Net decrease in cash and cash equivalents	**(21,801)**	**(10,018)**	**(34,162)**	**(7,107)**
Cash and cash equivalents at the beginning of the quarter/period	106,499	127,575	118,860	124,664
Cash and cash equivalents at the end of the quarter/period (Note 5)	**84,698**	**117,557**	**84,698**	**117,557**

The above consolidated statement of cash flows should be read in conjunction with the accompanying notes.

RECONCILIATION OF PROFIT AFTER INCOME TAX TO EBITDA

Group	Quarter ended 30 June			Half-year ended 30 June		
Amounts in $'000	2023 (Unaudited)	2022 (Unaudited)	Variance[1] (%)	2023 (Unaudited)	2022 (Unaudited)	Variance[1] (%)
Profit after income tax	**12,439**	**11,543**	**7.8**	**19,615**	**23,779**	**(17.5)**
Add: Depreciation and amortisation expense	14,668	17,946	18.3	29,712	36,723	19.1
Add: Net foreign exchange gain	(1,458)	(961)	51.7	(1,308)	(1,125)	16.3
Add: Mark to market gain on derivative financial instruments	(1,022)	(620)	64.8	(1,423)	(3,061)	(53.5)
Add: Amortisation of deferred arrangement fees	774	823	6.0	1,550	1,667	7.0
Add: Interest and other finance costs	10,676	10,789	1.0	21,726	20,404	(6.5)
Add: Income tax expense	2,637	2,917	9.6	8,215	7,239	(13.5)
EBITDA	**38,714**	**42,437**	**(8.8)**	**78,087**	**85,626**	**(8.8)**
EBITDA margin	56.7%	59.1%		57.7%	58.9%	

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

ASIAN PAY TELEVISION TRUST

NOTES TO THE INTERIM FINANCIAL STATEMENTS

NOTES TO THE INTERIM FINANCIAL STATEMENTS

These notes form an integral part of and should be read in conjunction with the accompanying interim financial statements.

1) GENERAL INFORMATION

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 the Singapore Business Trusts Act 2004 ("BTA"). APTT is managed by APTT Management Pte. Limited (the "Trustee-Manager"). The Trustee-Manager is a wholly owned subsidiary of Dynami Vision Pte. Ltd. ("Dynami") which is a Singapore-incorporated company ultimately owned by Mr Lu Fang-Ming, the former 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, when APTT also acquired the pay-TV and broadband businesses of Taiwan Broadband Communications Group ("TBC").

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.

This results announcement for the quarter and half-year ended 30 June 2023 was authorised for issue by the Board of Directors of the Trustee-Manager on 14 August 2023.

2) BASIS OF PREPARATION

The interim financial statements for the quarter and half-year ended 30 June 2023 have been prepared in accordance with International Accounting Standard 34 *Interim Financial Reporting*. The Group has applied the same accounting policies and methods of computation in the preparation of the interim financial statements for the current period as specified in the audited financial statements for the year ended 31 December 2022, except for the adoption of new and revised International Financial Reporting Standards ("IFRS") (including its consequential amendments) and interpretations which are effective for the financial period beginning on or after 1 January 2023, as explained in Note 3.

The interim financial statements are presented in Singapore dollars ("$"), rounded to the nearest thousand dollars unless otherwise stated.

3) SIGNIFICANT ACCOUNTING POLICIES

On 1 January 2022, the Group adopted all new and revised IFRS pronouncements that are relevant to its operations. The adoption of these new and revised IFRS pronouncements did not result in material changes to the Group's accounting policies and has no material effect on the amounts reported for the current or prior corresponding reporting periods. Accordingly, comparative financial information presented in this report has not been restated.

4) CRITICAL ACCOUNTING ESTIMATES, ASSUMPTIONS AND JUDGMENTS

The interim financial statements have been prepared in accordance with IFRS. The preparation of interim financial statements in accordance with IFRS requires the use of certain critical accounting estimates. It also requires the Trustee-Manager to exercise judgment in the process of applying the accounting estimates. Estimates and judgments are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events.

The critical judgments and key sources of estimation uncertainty made by the Trustee-Manager during the current period remain unchanged from the audited financial statements for the year ended 31 December 2022. The Trustee-Manager believes that the estimates used in the preparation of the interim financial statements are reasonable. Actual results in the future, however, may differ from those reported.

5) CASH AND CASH EQUIVALENTS

Amounts in $'000	Group as at 30 June 2023 (Unaudited)	Group as at 31 December 2022 (Audited)	Trust as at 30 June 2023 (Unaudited)	Trust as at 31 December 2022 (Audited)
Cash on hand	43	45	-	-
Cash at bank	84,655	118,815	5,179	5,945
Total	**84,698**	**118,860**	**5,179**	**5,945**

Cash and cash equivalents at the Trust level decreased from $5.9 million as at 31 December 2022 to $5.2 million as at 30 June 2023. The decrease was primarily due to the payment of distributions to unitholders net of receipt of distributions from TBC during the half-year ended 30 June 2023.

Cash and cash equivalents at the Group level decreased from $118.9 million as at 31 December 2022 to $84.7 million as at 30 June 2023. The decrease was primarily due to the payment of distributions to unitholders, capital expenditure, interest payments and principal repayments during the half-year. Refer to the consolidated statement of cash flows on page 22 for more details. The Trustee-Manager will reserve approximately $38 million for scheduled principal repayments on its onshore and offshore borrowing facilities for the rest of 2023.

6) TRADE AND OTHER RECEIVABLES

Amounts in $'000	Group as at 30 June 2023 (Unaudited)	Group as at 31 December 2022 (Audited)	Trust as at 30 June 2023 (Unaudited)	Trust as at 31 December 2022 (Audited)
Trade receivables due from outside parties	10,913	13,180	-	-
Other receivables due from subsidiaries	-	-	25	-
Total	**10,913**	**13,180**	**25**	**-**

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 decreased from $13.2 million as at 31 December 2022 to $10.9 million as at 30 June 2023 mainly due to decrease in the amounts due from trade debtors for channel leasing and airtime advertising.

7) INVESTMENT IN SUBSIDIARIES

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

Held by the Trust Name of subsidiary	Principal activities	Country of incorporation	Equity holding as at % 30 June 2023	Equity holding as at % 31 December 2022	Equity holding as at $'000 30 June 2023 (Unaudited)	Equity holding as at $'000 31 December 2022 (Audited)
APTT Holdings 1 Limited	Investment holding company	Bermuda	100	100	728,359	728,359
APTT Holdings 2 Limited	Investment holding company	Bermuda	100	100	658,992	658,992
Total					**1,387,351**	**1,387,351**

The following entities were within the Group as at 30 June 2023:

Name of entity	Type	Principal activities	Country of incorporation	Proportion of ownership interest	Proportion of voting power held	Reporting date
APTT Holdings 1 Limited	Subsidiary	Investment holding company	Bermuda	100%	100%	31 December
APTT Holdings 2 Limited	Subsidiary	Investment holding company	Bermuda	100%	100%	31 December
Cable TV S.A.	Subsidiary	Investment holding company	Luxembourg	100%	100%	31 December
TBC Holdings B.V.	Subsidiary	Investment holding company	Netherlands	100%	100%	31 December
Harvest Cable Holdings B.V.[1]	Subsidiary	Investment holding company	Netherlands	15%	100%	31 December
Jie Guang Co., Ltd.	Subsidiary	Investment holding company	Taiwan	100%	100%	31 December
Jia Guang Co., Ltd.	Subsidiary	Investment holding company	Taiwan	77%	100%	31 December
Wo Jun Co., Ltd.	Subsidiary	Investment holding company	Taiwan	59.3%	100%	31 December
Tai Luo Tze Co., Ltd.[1]	Subsidiary	Investment holding company	Taiwan	11.6%	100%	31 December
Tau Luen Co., Ltd.[1]	Subsidiary	Investment holding company	Taiwan	8.9%	100%	31 December
Taiwan Broadband Communications Co., Ltd.	Subsidiary	A multisystem cable TV operator	Taiwan	59.3%	100%	31 December
Nan Taoyuan Cable TV Co., Ltd.	Subsidiary	A cable TV system operator	Taiwan	59.3%	100%	31 December
Best Cable TV Co., Ltd.	Subsidiary	A cable TV system operator	Taiwan	59.3%	100%	31 December
Shin Ho Cable TV Co., Ltd.	Subsidiary	A cable TV system operator	Taiwan	59.3%	100%	31 December
Chun Chien Cable TV Co., Ltd.	Subsidiary	A cable TV system operator	Taiwan	59.3%	99.9%	31 December
Chi Yuan Cable TV Co., Ltd.[1]	Subsidiary	A cable TV system operator	Taiwan	8.9%	100%	31 December

1 Although the Group effectively holds 15%, 11.6%, 8.9% and 8.9% interest in Harvest Cable Holdings B.V. ("Harvest Cable Holdings"), Tai Luo Tze Co., Ltd. ("Tai Luo Tze"), Tau Luen Co., Ltd. ("Tau Luen") and Chi Yuan Cable TV Co., Ltd. ("Chi Yuan") respectively, it has the ability to use its power to affect its returns from Harvest Cable Holdings, Tai Luo Tze, Tau Luen and Chi Yuan pursuant to a series of arrangements among the shareholders in these entities, and the Group receives substantially all of Harvest Cable Holdings', Tai Luo Tze's, Tau Luen's and Chi Yuan's economic interest. Accordingly, the Group regards Harvest Cable Holdings, Tai Luo Tze, Tau Luen and Chi Yuan as subsidiaries.

8) 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 includes right-of-use assets.

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

Group Carrying value (Unaudited) Amounts in $'000	As at 1 January 2023	Additions	Transfer within PPE	Disposals/ write-offs	Depreciation and impairment	Foreign exchange effect	As at 30 June 2023
Land	5,253	-	-	-	-	(10)	5,243
Buildings	2,700	-	50	-	(145)	(4)	2,601
Leasehold improvements	531	-	493	-	(165)	(2)	857
Network equipment	208,710	1,285	11,335	-	(24,052)	(343)	196,935
Plant and equipment	6,568	-	696	-	(1,795)	(10)	5,459
Transport equipment	64	-	-	-	(16)	-	48
Assets under construction	5,564	11,515	(12,574)	-	-	(7)	4,498
	229,390	**12,800**	**-**		**(26,173)**	**(376)**	**215,641**
Right-of-use assets							
Land	112	807	-	-	(139)	(4)	776
Buildings	3,369	180	-	-	(493)	(6)	3,050
Plant and equipment	17	31	-	-	(24)	-	24
Transport equipment	1,386	-	-	-	(449)	(1)	936
	4,884	**1,018**	**-**	**-**	**(1,105)**	**(11)**	**4,786**
Total	**234,274**	**13,818**	**-**	**-**	**(27,278)**	**(387)**	**220,427**

Group Carrying value (Unaudited) Amounts in $'000	As at 1 April 2023	Additions	Transfer within PPE	Disposals/ write-offs	Depreciation and impairment	Foreign exchange effect	As at 30 June 2023
Land	5,244	-	-	-	-	(1)	5,243
Buildings	2,636	-	34	-	(69)	-	2,601
Leasehold improvements	537	-	410	-	(89)	(1)	857
Network equipment	201,394	1,259	6,156	-	(11,837)	(37)	196,935
Plant and equipment	6,243	-	112	-	(896)	-	5,459
Transport equipment	56	-	-	-	(8)	-	48
Assets under construction	4,964	6,247	(6,712)	-	-	(1)	4,498
	221,074	**7,506**	**-**	**-**	**(12,899)**	**(40)**	**215,641**
Right-of-use assets							
Land	847	-	-	-	(71)	-	776
Buildings	3,294	-	-	-	(243)	(1)	3,050
Plant and equipment	21	17	-	-	(14)	-	24
Transport equipment	1,160	-	-	-	(224)	-	936
	5,322	**17**	**-**	**-**	**(552)**	**(1)**	**4,786**
Total	**226,396**	**7,523**	**-**	**-**	**(13,451)**	**(41)**	**220,427**

Group Carrying value (Audited) Amounts in $'000	As at 1 January 2022	Additions	Transfer within PPE	Disposals/ write-offs	Depreciation and impairment	Foreign exchange effect	As at 31 December 2022
Land	5,083	-	705	-	-	(535)	5,253
Buildings	3,989	-	198	-	(1,138)	(349)	2,700
Leasehold improvements	1,557	-	11	-	(943)	(94)	531
Network equipment	256,618	4,572	28,149	-	(55,497)	(25,132)	208,710
Plant and equipment	10,785	-	786	(4)	(4,098)	(901)	6,568
Transport equipment	109	-	-	-	(36)	(9)	64
Assets under construction	7,532	29,109	(29,849)	-	(508)	(720)	5,564
	285,673	**33,681**	**-**	**(4)**	**(62,220)**	**(27,740)**	**229,390**
Right-of-use assets							
Land	441	-	-	(25)	(277)	(27)	112
Buildings	3,863	1,135	-	-	(1,266)	(363)	3,369
Plant and equipment	49	-	-	-	(28)	(4)	17
Transport equipment	2,467	80	-	-	(956)	(205)	1,386
	6,820	**1,215**	**-**	**(25)**	**(2,527)**	**(599)**	**4,884**
Total	**292,493**	**34,896**	**-**	**(29)**	**(64,747)**	**(28,339)**	**234,274**

The Trust's PPE were fully depreciated before the start of the previous year ended 31 December 2022, hence there was no movement during the quarter and half-year ended 30 June 2023 and the previous year ended 31 December 2022.

As at 30 June 2023, the Group has pledged property, plant and equipment having carrying amounts of $208.4 million (31 December 2022: $221.4 million) to secure debt facilities granted to the Group (Note 13).

During the quarter and half-year ended 30 June 2023, the Group acquired property, plant and equipment with an aggregate cost of $7.5 million (30 June 2022: $10.6 million) and $12.8 million (30 June 2022: $17.0 million), of which $3.2 million remained unpaid as at 30 June 2023 (30 June 2022: $7.5 million). In addition, property, plant and equipment with an aggregate cost of $2.8 million, unpaid as at 31 March 2023, was paid during the quarter (30 June 2022: $2.8 million) and property, plant and equipment with an aggregate cost of $3.4 million, unpaid as at 31 December 2022, was paid during the half-year (30 June 2022: $3.8 million).

9) 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 its 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 ("CGU") and is tested for impairment annually or more frequently if there are indications that goodwill might be impaired.

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

Group Carrying value (Unaudited) Amounts in $'000	As at 1 January 2023	Additions	Amortisation	Foreign exchange effect	As at 30 June 2023
Cable TV licences	2,298,597	-	-	(4,319)	2,294,278
Software	3,789	463	(1,114)	(4)	3,134
Programming rights	5,271	-	(1,320)	(5)	3,946
Goodwill	7,601	-	-	(14)	7,587
Total	**2,315,258**	**463**	**(2,434)**	**(4,342)**	**2,308,945**

Group Carrying value (Unaudited) Amounts in $'000	As at 1 April 2023	Additions	Amortisation	Foreign exchange effect	As at 30 June 2023
Cable TV licences	2,294,753	-	-	(475)	2,294,278
Software	3,289	405	(559)	(1)	3,134
Programming rights	4,604	-	(658)	-	3,946
Goodwill	7,588	-	-	(1)	7,587
Total	**2,310,234**	**405**	**(1,217)**	**(477)**	**2,308,945**

Group Carrying value (Audited) Amounts in $'000	As at 1 January 2022	Additions	Amortisation	Foreign exchange effect	As at 31 December 2022
Cable TV licences	2,563,652	-	-	(265,055)	2,298,597
Software	4,043	2,392	(2,268)	(378)	3,789
Programming rights	8,818	-	(2,797)	(750)	5,271
Goodwill	8,478	-	-	(877)	7,601
Total	**2,584,991**	**2,392**	**(5,065)**	**(267,060)**	**2,315,258**

The Trust's intangible assets were fully amortised before the start of the previous year ended 31 December 2022, hence there was no movement during the quarter and half-year ended 30 June 2023 and the previous year ended 31 December 2022.

The value of the cable TV licences and goodwill is allocated to the Group's single CGU which is principally engaged in the Basic cable TV, Premium digital cable TV and high-speed Broadband services in Taiwan. No impairment has been recognised by the Group as at 30 June 2023.

During the quarter and half-year ended 30 June 2023, the Group acquired intangible assets with an aggregate cost of $0.4 million (30 June 2022: $0.7 million) and $0.5 million (30 June 2022: $0.7 million), of which $0.4 million remained unpaid as at 30 June 2023 (30 June 2022: $0.7 million). In addition, intangible assets with an aggregate cost of $0.4 million, unpaid as at 31 March 2023 (31 March 2022: $0.3 million), was paid during the quarter (30 June 2022: $0.1 million) and intangible assets with an aggregate cost of $0.7 million, unpaid as at 31 December 2022 (31 December 2021: $0.8 million), was paid during the half-year (30 June 2022: $0.6 million). Total aggregate cost of intangible assets which remained unpaid as at 30 June 2023 was $0.4 million (30 June 2022: $0.9 million).

10) DERIVATIVE FINANCIAL INSTRUMENTS

(i) Currency forwards

The Group and Trust use foreign exchange contracts to manage their exposure to foreign exchange movements of NT$ and US$ estimated future 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 30 June 2023, the total notional amount of outstanding foreign exchange contracts to which the Group and Trust were committed to, is as follows:

	Group as at		Trust as at	
Amounts in $'000	30 June 2023 (Unaudited)	31 December 2022 (Audited)	30 June 2023 (Unaudited)	31 December 2022 (Audited)
Sell NT$1,541 million (31 December 2022: NT$1,752 million)	71,500	83,400	71,500	83,400
Total	**71,500**	**83,400**	**71,500**	**83,400**

As at 30 June 2023, mark to market movements, classified as current and non-current assets, on such contracts were $3.1 million (31 December 2022: $4.4 million) and $0.4 million (31 December 2022: $0.7 million); and classified as current and non-current liabilities, on such contracts were $0.01 million (31 December 2022: nil) and $0.1 million (31 December 2022: nil) respectively both at the Group and Trust level.

(ii) Interest rate swaps

The Group uses interest rate swaps to manage its exposure to interest rate movements on its NT$ denominated borrowings from financial institutions by swapping a 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 30 June 2023, approximately 93% of the outstanding onshore facilities were hedged through to 30 June 2025. The average fixed rate on these swaps is 0.94%.

The fair value of the interest rate swaps with notional value of NT$24.9 billion as at 30 June 2023 (31 December 2022: NT$25.3 billion) was estimated at $11.0 million (31 December 2022: $10.6 million), which resulted in a derivative financial instrument non-current asset being recognised by the Group. The unrealised gains represent the difference between the contract rates at which the interest rate swaps were entered into and the market rates as at the end of the reporting period. These amounts were based on valuation techniques at the end of the reporting period. The aforementioned interest rate swaps qualify for hedge accounting. For the quarter ended 30 June 2023, the movement in the fair value of cash flow hedging interest rate derivatives resulted in a loss of $0.6 million (30 June 2022: $0.2 million), with a deferred tax benefit amounting to $0.1 million (30 June 2022: $0.03 million), which resulted in a net loss of $0.5 million (30 June 2022: $0.1 million), being recognised directly in other comprehensive income. For the half-year ended 30 June 2023, the movement in the fair value of cash flow hedging interest rate derivatives resulted in a gain of $0.4 million (30 June 2022: $16.1 million), net of deferred tax expense amounting to $0.1 million (30 June 2022: $3.2 million), which resulted in a net gain of $0.4 million (30 June 2022: $12.9 million), being recognised directly in other comprehensive income.

The following table gives information about how the fair values of derivative financial instruments are determined (in particular, the valuation technique(s) and inputs used):

Financial assets/ liabilities Amounts in $'000	Fair value as at		Fair value hierarchy	Valuation technique(s) and key input(s)	Significant unobservable input(s)
	30 June 2023 (Unaudited)	31 December 2022 (Audited)			
Foreign exchange contracts	**Assets:** Current - 3,068 Non-current - 388 **Liabilities:** Current - 9 Non-current - 53	**Assets:** Current - 4,393 Non-current - 665 **Liabilities:** Current - nil Non-current - nil	Level 2	The fair value of forward foreign exchange contracts is determined using forward exchange rates at the balance sheet date, with the resulting value discounted back to present value.	N/A
Interest rate swaps	**Assets:** Current - nil Non-current - 11,025 **(designated for hedging)**	**Assets:** Current - nil Non-current - 10,611 **(designated for hedging)**	Level 2	Fair value of interest rate swaps is calculated as the present value of the estimated future cash flows based on observable yield curves.	N/A

11) CONTRACT COSTS

Amounts in $'000	Group as at 30 June 2023 (Unaudited)	Group as at 31 December 2022 (Audited)	Trust as at 30 June 2023 (Unaudited)	Trust as at 31 December 2022 (Audited)
Current	759	884	-	-
Non-current	211	262	-	-
Total	**970**	**1,146**	**-**	**-**

The contract costs represent sales incentives provided for contracting Broadband RGUs. These costs are amortised on a straight-line basis over the period of such contracts.

12) OTHER ASSETS

Amounts in $'000	Group as at 30 June 2023 (Unaudited)	Group as at 31 December 2022 (Audited)	Trust as at 30 June 2023 (Unaudited)	Trust as at 31 December 2022 (Audited)
Current				
Prepayments	2,094	812	32	28
Tax receivables	1,097	404	37	16
Refundable deposits	3	21	-	18
Other assets	1,840	26	-	-
Total	**5,034**	**1,263**	**69**	**62**
Non-current				
Refundable deposits	857	1,002	7	7
Other assets	270	261	-	-
Total	**1,127**	**1,263**	**7**	**7**
Total other assets	**6,161**	**2,526**	**76**	**69**

13) BORROWINGS FROM FINANCIAL INSTITUTIONS

Group Amounts in $'000	As at 30 June 2023 (Unaudited)	As at 31 December 2022 (Audited)
Current portion	70,383	75,871
Less: Unamortised arrangement fees	(2,677)	(2,897)
	67,706	**72,974**
Non-current portion	1,218,080	1,256,733
Less: Unamortised arrangement fees	(11,980)	(13,336)
	1,206,100	**1,243,397**
Total current and non-current portion[1]	1,288,463	1,332,604
Less: Total unamortised arrangement fees	(14,657)	(16,233)
Total	**1,273,806**	**1,316,371**

[1] Comprised outstanding NT$ denominated borrowings of NT$26.9 billion (31 December 2022: NT$27.4 billion) at the TBC level and S$ denominated borrowings of S$117.0 million (31 December 2022: S$136.9 million) at the Bermuda holding companies' level.

The reduction in the total debt balance during the half-year is due mostly to net debt repayments of $42 million.

Onshore Facilities

The NT$ denominated facilities of NT$29.5 billion at TBC level ("Onshore Facilities") are repayable in tranches by 2028 and are secured by certain land, buildings, network equipment and plant and equipment held by TBC (Note 8) 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 30 June 2023, the total carrying value of property, plant and equipment pledged for the Onshore Facilities was $208.4 million (31 December 2022: $221.4 million). In addition, guarantees in favour of 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 2.1% (2022: 1.1% to 2.1%) per annum depending on its leverage ratio. As discussed in Note 10(ii), the Group uses interest rate swaps to swap a significant portion of its borrowings from floating rate to fixed rate.

At inception, debt related fees are recorded as unamortised arrangement fees. The fees are then amortised over the period of the debt facilities as an expense to the statement of profit or loss.

Offshore Facilities

As at 30 June 2023, Offshore facilities consisted 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 $80.0 million secured by APTT Holdings 1 Limited and APTT Holdings 2 Limited ("Offshore Facilities").

The Trustee-Manager announced on 17 January 2023 that it has signed the facility agreement to refinance its Offshore Facilities on the same major terms. The financial close has been successfully completed on 14 July 2023, at the maturity of the previous Offshore Facilities. The new Offshore Facilities will mature 30 months from 14 July 2023. After including the impact of scheduled repayments until the financial close, the size of the new Offshore Facilities will be reduced to a $46.6 million term loan facility and a $75 million revolving loan facility on financial close.

The new Offshore Facilities are denominated in Singapore dollars and repayable in tranches by 2026. They 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 30 June 2023, the total carrying value of assets pledged for the Offshore Facilities was $1,135 million (31 December 2022: $1,135 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 new Offshore Facilities bear a floating interest rate of Singapore Overnight Rate Average ("SORA") plus the applicable SIBOR adjustment spread and an interest margin of 4.1% to 4.9% (2022: 4.1% to 5.5%) per annum depending on the leverage ratio of the Group.

At inception, debt related fees are recorded as unamortised arrangement fees. The fees are then amortised over the period of the debt facilities as an expense to the statement of profit or loss.

Reconciliation of liabilities arising from financing activities

The table below details changes in the Group's liabilities arising from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are those for which cash flows were, or future cash flows will be, classified in the Group's consolidated statement of cash flows as cash flows from financing activities.

Group	As at	Financing	Non-cash changes						As at
Amounts in $'000	1 January 2023	cash flows	Amortisation of deferred arrangement fees	Lease liabilities, net	Interest and other finance costs	Equity component of change in fair value of cash flow hedging financial instruments	Fair value adjustment	Foreign exchange movement	30 June 2023 (Unaudited)
Borrowings from financial institutions (Note 13)	1,316,371	(41,973)[1]	1,550	-	-	-	-	(2,142)	1,273,806
Interest rate swaps (Note 10(ii))	(10,611)	-	-	-	-	(440)	-	26	(11,025)
Foreign exchange contracts (Note 10(i))	(5,058)	3,087	-	-	-	-	(1,423)[2]	-	(3,394)
Lease liabilities (Note 18)	4,864	(1,108)	-	1,017	-	-	-	(12)	4,761
Interest and other finance costs (Note 18)	1,975	(23,815)[3]	-	-	21,726	-	-	1,766	1,652
Total	**1,307,541**	**(63,809)**	**1,550**	**1,017**	**21,726**	**(440)**	**(1,423)**	**(362)**	**1,265,800**

1 The cash flows from borrowings from financial institutions make up the net amount of proceeds from borrowings and repayments of borrowings in the consolidated statement of cash flows.

2 The fair value adjustments of foreign exchange contracts during the half-year ended 30 June 2023 consists of $1.7 million of unrealised losses from the mark to market movements (30 June 2022: gains of $2.2 million) and $3.1 million of realised gains from settlement of foreign exchange contracts (30 June 2022: $0.9 million). The fair value adjustments of foreign exchange contracts during the quarter ended 30 June 2023 consists of $0.7 million of unrealised losses from the mark to market movements (30 June 2022: gains of $0.1 million) and $1.7 million of realised gains from settlement of foreign exchange contracts (30 June 2022: $0.5 million).

3 The cash flows from interest and other finance costs comprised interest and commitment and other fees paid on Group's debt facilities and interest paid on lease liabilities.

Group Amounts in $'000	As at 1 April 2023	Financing cash flows	Non-cash changes: Amortisation of deferred arrangement fees	Lease liabilities, net	Interest and other finance costs	Equity component of change in fair value of cash flow hedging financial instruments	Fair value adjustment	Foreign exchange movement	As at 30 June 2023 (Unaudited)
Borrowings from financial institutions (Note 13)	1,284,252	(10,988)[1]	774	-	-	-	-	(232)	1,273,806
Interest rate swaps (Note 10(ii))	(11,645)	-	-	-	-	619	-	1	(11,025)
Foreign exchange contracts (Note 10(i))	(4,079)	1,707	-	-	-	-	(1,022)[2]	-	(3,394)
Lease liabilities (Note 18)	5,295	(550)	-	17	-	-	-	(1)	4,761
Interest and other finance costs (Note 18)	1,624	(10,685)[3]	-	-	10,676	-	-	37	1,652
Total	**1,275,447**	**(20,516)**	**774**	**17**	**10,676**	**619**	**(1,022)**	**(195)**	**1,265,800**

Group Amounts in $'000	As at 1 January 2022	Financing cash flows	Non-cash changes: Amortisation of deferred arrangement fees	Lease liabilities, net	Interest and other finance costs	Equity component of change in fair value of cash flow hedging financial instruments	Fair value adjustment	Foreign exchange movement	As at 31 December 2022 (Audited)
Borrowings from financial institutions (Note 13)	1,513,492	(62,349)[1]	3,263	-	-	-	-	(138,035)	1,316,371
Interest rate swaps (Note 10(ii))	-	-	-	-	-	(11,916)	-	1,305	(10,611)
Foreign exchange contracts (Note 10(i))	(137)	3,774	-	-	-	-	(8,695)	-	(5,058)
Lease liabilities (Note 18)	6,810	(2,538)	-	1,188	-	-	-	(596)	4,864
Interest and other finance costs (Note 18)	3,190	(43,874)[3]	-	-	42,664	-	-	(5)	1,975
Total	**1,523,355**	**(104,987)**	**3,263**	**1,188**	**42,664**	**(11,916)**	**(8,695)**	**(137,331)**	**1,307,541**

1 The cash flows from borrowings from financial institutions make up the net amount of proceeds from borrowings and repayments of borrowings in the consolidated statement of cash flows.

2 The fair value adjustments of foreign exchange contracts during the half-year ended 30 June 2023 consists of $1.7 million of unrealised losses from the mark to market movements (30 June 2022: gains of $2.2 million) and $3.1 million of realised gains from settlement of foreign exchange contracts (30 June 2022: $0.9 million). The fair value adjustments of foreign exchange contracts during the quarter ended 30 June 2023 consists of $0.7 million of unrealised losses from the mark to market movements (30 June 2022: gains of $0.1 million) and $1.7 million of realised gains from settlement of foreign exchange contracts (30 June 2022: $0.5 million).

3 The cash flows from interest and other finance costs comprised interest and commitment and other fees paid on Group's debt facilities and interest paid on lease liabilities.

14) TRADE AND OTHER PAYABLES

	Group as at		Trust as at	
Amounts in $'000	**30 June 2023 (Unaudited)**	**31 December 2022 (Audited)**	**30 June 2023 (Unaudited)**	**31 December 2022 (Audited)**
Trade payables due to outside parties	28,054	47,559	-	-
Base fees payable to the Trustee-Manager	3,909	3,710	3,909	3,710
Total	**31,963**	**51,269**	**3,909**	**3,710**

The Group's trade and other payables as at 30 June 2023 of $32.0 million (31 December 2022: $51.3 million) comprised mainly broadcast and production costs payable of $25.5 million (31 December 2022: $45.0 million), other payables of $2.6 million (31 December 2022: $2.6 million) and base fees payable to the Trustee-Manager of $3.9 million (31 December 2022: $3.7 million).

The Trust's trade and other payables as at 30 June 2023 comprised mainly base fees payable to the Trustee-Manager of $3.9 million (31 December 2022: $3.7 million).

15) CONTRACT LIABILITIES

Contract liabilities were $32.6 million as at 30 June 2023 (31 December 2022: $32.9 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 initial sales transactions whereas revenue is recognised over the period that services are provided to 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 and half-year ended 30 June 2023 which related to brought-forward contract liabilities as at the end of the previous year was $1.8 million (30 June 2022: $2.0 million) and $32.2 million (30 June 2022: $36.6 million).

16) RETIREMENT BENEFIT OBLIGATIONS

The Group operates two retirement benefit arrangements for all employees in accordance with legislation in the country of employment: for eligible employees in Taiwan, a defined benefit plan and for all other employees, a defined contribution plan. The defined benefit plan provides benefits based on years of service and average salary in the six-month period before retirement. The defined contribution plan receives fixed contributions from the Group companies and the Group legal or constructive obligation is limited to these contributions. As at 30 June 2023, the Group's retirement benefit obligations, classified as current and non-current liabilities, were $1.4 million (31 December 2022: $1.4 million) and $3.6 million (31 December 2022: $3.7 million) respectively.

17) DEFERRED TAX LIABILITIES

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

Group (Unaudited) Amounts in $'000	As at 1 January 2023	Recognised in profit or loss	Recognised in other comprehensive income	Foreign exchange effect	As at 30 June 2023
Impairment loss	(850)	-	-	2	(848)
Cash flow hedging reserves	2,122	-	88	(5)	2,205
Intangible assets that are partially deductible for tax purposes[1]	104,668	3,177	-	(208)	107,637
Undistributed earnings of subsidiaries	5,128	(1,216)	-	(15)	3,897
Arrangement fees	(4,831)	403	-	7	(4,421)
Carry forward of losses	(4,354)	-	-	9	(4,345)
Others	(1)	-	-	(1)	(2)
Unrealised exchange differences	466	(262)	-	(1)	203
Deferred tax liabilities, net	**102,348**	**2,102**	**88**	**(212)**	**104,326**

Group (Audited) Amounts in $'000	As at 1 January 2022	Recognised in profit or loss	Recognised in other comprehensive income	Foreign exchange effect	As at 31 December 2022
Impairment loss	(948)	-	-	98	(850)
Cash flow hedging reserves	-	-	2,383	(261)	2,122
Intangible assets that are partially deductible for tax purposes[1]	109,663	6,731	-	(11,726)	104,668
Undistributed earnings of subsidiaries	5,304	337	-	(513)	5,128
Arrangement fees	(6,287)	854	-	602	(4,831)
Carry forward of losses	(3,595)	(1,146)	-	387	(4,354)
Others	(8)	6	-	1	(1)
Unrealised exchange differences	3,065	(2,473)	-	(126)	466
Deferred tax liabilities, net	**107,194**	**4,309**	**2,383**	**(11,538)**	**102,348**

1 Following the settlement principles agreed between the Group and the Taiwan tax authorities in 2014, deferred tax liabilities of $107.6 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 30 June 2023 (31 December 2022: $104.7 million).

18) OTHER LIABILITIES

	Group as at		Trust as at	
Amounts in $'000	30 June 2023 (Unaudited)	31 December 2022 (Audited)	30 June 2023 (Unaudited)	31 December 2022 (Audited)
Current				
Accrued expenses	11,632	13,937	178	298
Withholding tax payable	680	671	-	-
Other tax payable	1,549	3,201	-	-
Lease liabilities	2,146	1,974	-	-
Interest and other finance costs payable	1,652	1,975	-	-
Others	169	1,879	-	-
Total	**17,828**	**23,637**	**178**	**298**
Non-current				
Subscriber deposits	18,792	18,463	-	-
Lease liabilities	2,615	2,890	-	-
Others	2,910	2,851	-	-
Total	**24,317**	**24,204**	**-**	**-**
Total other liabilities	**42,145**	**47,841**	**178**	**298**

19) UNITHOLDERS' FUNDS

Group and Trust	As at			
	Number of units		$'000	
	30 June 2023	31 December 2022	30 June 2023 (Unaudited)	31 December 2022 (Audited)
Balance at the beginning and end of the period/year	**1,806,354,850**	**1,806,354,850**	**1,389,351**	**1,389,351**

Ordinary units entitle the holder to participate in distributions and the proceeds on winding up of the Trust in proportion to the number of the units held.

On a show of hands every holder of ordinary units present at a meeting in person or by proxy, is entitled to one vote, and upon a poll each unit is entitled to one vote.

20) RESERVES

Group Amounts in $'000	As at 30 June 2023 (Unaudited)	 31 December 2022 (Audited)
Foreign currency translation reserves	44,933	48,241
Retirement benefit obligations reserves	(7,608)	(7,608)
Cash flow hedging reserves[1]	9,885	9,533
Capital reserves[2]	46,275	42,521
Total	**93,485**	**92,687**

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

Group (Unaudited) Amounts in $'000	Foreign currency translation reserves	Cash flow hedging reserves	Capital reserves	Retirement benefit obligations reserves	Total
Balance as at 1 January 2023	**48,241**	**9,533**	**42,521**	**(7,608)**	**92,687**
Exchange differences on translation of foreign operations	(3,308)	-	-	-	(3,308)
Movement on change in fair value of cash flow hedging financial instruments:					
Interest rate swaps	-	440	-	-	440
Deferred tax relating to items that may subsequently be reclassified to profit or loss	-	(88)	-	-	(88)
Transfer from accumulated profits[2]	-	-	3,754	-	3,754
Balance as at 30 June 2023	**44,933**	**9,885**	**46,275**	**(7,608)**	**93,485**
Balance as at 1 April 2023	**46,166**	**10,380**	**42,521**	**(7,608)**	**91,459**
Exchange differences on translation of foreign operations	(1,233)	-	-	-	(1,233)
Movement on change in fair value of cash flow hedging financial instruments:					
Interest rate swaps	-	(619)	-	-	(619)
Deferred tax relating to items that may subsequently be reclassified to profit or loss	-	124	-	-	124
Transfer from accumulated profits[2]	-	-	3,754		3,754
Balance as at 30 June 2023	**44,933**	**9,885**	**46,275**	**(7,608)**	**93,485**

1 The cash flow hedging reserves represent the cumulative effective portion of gains or losses arising on changes in fair value of hedging instruments entered into for cash flow hedges. The cumulative gains or losses arising on changes in fair value of the hedging instruments that are recognised and accumulated under the heading of cash flow hedging reserves will be reclassified to profit or loss only when the hedged transaction affects the profit or loss, or included as a basis adjustment to the non-financial hedged item, consistent with the Group's accounting policy.

2 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.

Group (Audited) Amounts in $'000	Foreign currency translation reserves	Cash flow hedging reserves	Capital reserves	Retirement benefit obligations reserves	Total
Balance as at 1 January 2022	**192,682**	**-**	**39,283**	**(11,718)**	**220,247**
Exchange differences on translation of foreign operations	(144,441)	-	-	-	(144,441)
Movement on change in fair value of cash flow hedging financial instruments:					
Interest rate swaps	-	11,916	-	-	11,916
Deferred tax relating to items that may subsequently be reclassified to profit or loss	-	(2,383)	-	-	(2,383)
Transfer from accumulated profits[1]	-	-	3,238	-	3,238
Remeasurement of defined benefit obligations	-	-	-	4,110	4,110
Balance as at 31 December 2022	**48,241**	**9,533**	**42,521**	**(7,608)**	**92,687**

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.

21) 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.

Group	As at	
Amounts in $'000	30 June 2023 (Unaudited)	31 December 2022 (Audited)
Balance at the beginning of the year	**2,118**	**2,407**
Total comprehensive income attributable to non-controlling interests	72	250
Settlement of transactions with non-controlling interests	-	(365)
Distributions paid	(139)	(174)
Balance at the end of the period/year	**2,051**	**2,118**

22) REVENUE

Total revenue for the quarter ended 30 June 2023 was $68.3 million (30 June 2022: $71.8 million) and for the half-year was $135.3 million (30 June 2022: $145.4 million). Total revenue for the quarter and half-year was 4.9% and 6.9% lower than the pcp; in constant NT$, total revenue for the quarter and half-year was 1.9% and 1.1% higher than pcp. Foreign exchange contributed to a negative variance of 6.8% for the quarter and 8.0% for the half-year 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 $48.7 million for the quarter ended 30 June 2023 was down 7.9% compared to the pcp (30 June 2022: $52.9 million). In constant NT$, Basic cable TV revenue was down 1.1%. This comprised subscription revenue of $39.8 million (30 June 2022: $45.2 million) and non-subscription revenue of $8.9 million (30 June 2022: $7.7 million). The decrease in Basic cable TV revenue in constant NT$ was mainly due to lower subscription revenue as described below.

Basic cable TV revenue of $96.6 million for the half-year ended 30 June 2023 was down 10.2% compared to the pcp (30 June 2022: $107.6 million). In constant NT$, Basic cable TV revenue was down 2.2%. This comprised subscription revenue of $80.5 million (30 June 2022: $92.3 million) and non-subscription revenue of $16.0 million (30 June 2022: $15.3 million). The decrease in Basic cable TV revenue in constant NT$ was mainly due to lower subscription revenue as described below.

Subscription revenue was generated from TBC's c.667,000 Basic cable TV RGUs each contributing an ARPU of NT$455 per month in the quarter to access over 100 cable TV channels. Basic cable TV RGUs decreased by c.5,000 and ARPU was lower by NT$5 per month compared to the previous quarter ended 31 March 2023 (RGUs: c.672,000; ARPU: NT$460 per month). The decline in Basic cable TV RGUs was due to a number of factors including competition from aggressively priced IPTV, the growing popularity of online video, as well as expectations from consumers for discounts as they compare with the lower cable TV pricing outside of TBC's five franchise areas, particularly in the Taipei region. Subscription revenue for the quarter and half-year was lower than the pcp in constant NT$ mainly due to a decline in the number of subscribers and lower ARPU.

Non-subscription revenue was 18.2% of Basic cable TV revenue for the quarter (30 June 2022: 14.6%) and 16.6% for the half-year (30 June 2022: 14.2%). This includes revenue from the leasing of television channels to third parties, the sale of airtime advertising and fees for the installation of set-top boxes. In constant NT$, non-subscription revenue for the quarter and half-year was higher than the pcp mainly due to higher revenue generated from channel leasing and airtime advertising sales. 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.

(ii) Premium digital cable TV

Premium digital cable TV revenue of $2.7 million for the quarter ended 30 June 2023 was down 6.8% compared to the pcp (30 June 2022: $2.9 million). In constant NT$, Premium digital cable TV revenue was in line with the pcp. This comprised subscription revenue of $2.6 million (30 June 2022: $2.8 million) and non-subscription revenue of $0.1 million (30 June 2022: $0.1 million).

Premium digital cable TV revenue of $5.4 million for the half-year ended 30 June 2023 was down 9.0% compared to the pcp (30 June 2022: $6.0 million). In constant NT$, Premium digital cable TV revenue was down 1.0%. This comprised subscription revenue of $5.2 million (30 June 2022: $5.7 million) and non-subscription revenue of $0.2 million (30 June 2022: $0.2 million).

Subscription revenue was generated from TBC's c.321,000 Premium digital cable TV RGUs each contributing an ARPU of NT$63 per month in the quarter for Premium digital cable TV packages and bundled DVR or DVR-only services. Premium digital cable TV RGUs increased by c.7,000 but ARPU was marginally lower by NT$1 per month compared to the previous quarter ended 31 March 2023 (RGUs: c.314,000; ARPU: NT$64 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 strong competition from mobile operators offering inexpensive unlimited data, Broadband RGUs increased by c.8,000 during the quarter ended 30 June 2023, alongside an NT$2 per month improvement in ARPU. Broadband revenue, including revenue from data backhaul, was $16.9 million for the quarter, an increase of 5.3% compared to the pcp (30 June 2022: $16.0 million). In constant NT$, Broadband revenue for the quarter was up 12.1%. This comprised subscription revenue of $16.4 million (30 June 2022: $15.5 million) and non-subscription revenue of $0.4 million (30 June 2022: $0.5 million).

Broadband revenue of $33.3 million for the half-year ended 30 June 2023, which includes revenue from data backhaul, was up 4.8% compared to the pcp (30 June 2022: $31.8 million). In constant NT$, Broadband revenue for the half-year was up 12.8%. This comprised subscription revenue of $32.5 million (30 June 2022: $31.0 million) and non-subscription revenue of $0.8 million (30 June 2022: $0.9 million).

Subscription revenue was generated from TBC's c.330,000 Broadband RGUs each contributing an ARPU of NT$386 per month in the quarter for high-speed Broadband services, which was NT$2 per month higher than the previous quarter ended 31 March 2023 (RGUs: c.322,000; ARPU: NT$384 per month). The growth in both Broadband subscribers and ARPU reflects the success of TBC's Broadband strategy to target the broadband-only segment, partner with mobile operators, as well as to offer higher speed plans at competitive prices to acquire new RGUs and re-contract existing ones. Subscription revenue includes revenue from data backhaul services, where mobile operators lease a number of fibre circuits to provide data backhaul.

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

23) REVIEW OF OPERATING EXPENSES

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

(i) Broadcast and production costs

Broadcast and production costs of $15.0 million for the quarter ended 30 June 2023, up 5.9% compared to the pcp (30 June 2022: $14.1 million); in constant NT$, broadcast and production costs were up 12.7%. Foreign exchange contributed to a positive variance of 6.8% for the quarter compared to the pcp.

Broadcast and production costs were $28.1 million for the half-year ended 30 June 2023, down 1.2% compared to the pcp (30 June 2022: $28.4 million); in constant NT$, broadcast and production costs were up 6.8%. Foreign exchange contributed to a positive variance of 8.0% for the half-year 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 $5.9 million for the quarter ended 30 June 2023, down 9.0% compared to the pcp (30 June 2022: $6.5 million) and $11.9 million for the half-year, down 11.2% compared to the pcp (30 June 2022: $13.5 million). Staff costs for the quarter and half-year were lower compared to the pcp mainly due to lower staff costs in constant dollar terms, as described below.

Staff costs, which comprise direct employee costs and general and administrative employee costs including salaries, bonuses, long-term incentives and benefits, were lower in the quarter and half-year as a result of extra prudence and tighter cost management.

(iii) Depreciation and amortisation expense

Depreciation and amortisation expense was $14.7 million for the quarter ended 30 June 2023, down 18.3% compared to the pcp (30 June 2022: $17.9 million) and $29.7 million for the half-year ended 30 June 2023, down 19.1% compared to the pcp (30 June 2022: $36.7 million). The decrease in depreciation and amortisation expense for the quarter and half-year was mainly due to lower depreciation expense on network equipment and amortisation expense on programming rights compared to the pcp. Refer Notes 8 and 9 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. For the quarter and half-year ended 30 June 2023, depreciation for right-of-use assets was $0.6 million (30 June 2022: $0.6 million) and $1.1 million (30 June 2022: $1.3 million).

(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 $2.0 million for the quarter ended 30 June 2023 (30 June 2022: $1.8 million) and $3.9 million for the half-year (30 June 2022: $3.6 million). There were no performance fees payable to the Trustee-Manager for the quarter and half-year ended 30 June 2023 (30 June 2022: 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).

In accordance with the APTT Trust Deed, the Trustee-Manager fees are subject to an annual increment, measured by the percentage increase (if any) in the year-on-year Singapore Consumer Price Index ("CPI"). The Trustee-Manager fees in 2023 are subject to the 2022 CPI increase of 6.17%, amounting to $464.5 thousand. The Trustee-Manager approved a credit of

$110.6 thousand, for the 2023 Trustee-Manager fees. This move underscores the Trustee-Manager's commitment to cost management and its direct contribution to it. Accordingly, the net fees for 2023 will only increase by 4.7% to $7.88 million.

(v) Net foreign exchange gain

Net foreign exchange gain for the quarter ended 30 June 2023 was $1.5 million (30 June 2022: $1.0 million) and for the half-year ended 30 June 2023 was $1.3 million (30 June 2022: $1.1 million). Net foreign exchange gain for the quarter and half-year ended 30 June 2023 includes unrealised foreign exchange movements at the subsidiary level which are not expected to be realised.

(vi) Mark to market gain on derivative financial instruments

The Group uses foreign exchange contracts to manage its exposure to foreign exchange movements as discussed in Note 10(i). For the quarter ended 30 June 2023, the period end mark to market gain on foreign exchange contracts was $1.0 million (30 June 2022: $0.6 million) and for the half-year, the period end mark to market gain on foreign exchange contracts was $1.4 million (30 June 2022: $3.1 million). Mark to market gain on derivative financial instruments includes gain of $1.7 million (30 June 2022: $0.5 million) and gain of $3.1 million (30 June 2022: $0.9 million) on NT$ foreign exchange contracts settled during the quarter and half-year.

(vii) Other operating expenses

Other operating expenses were $6.7 million for the quarter ended 30 June 2023, down 2.8% compared to the pcp (30 June 2022: $6.9 million) and $13.3 million for the half-year, down 6.3% compared to the pcp (30 June 2022: $14.2 million) mainly due to lower marketing and selling expenses.

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

Group	Quarter ended 30 June		Half-year ended 30 June	
Amounts in $'000	2023 (Unaudited)	2022 (Unaudited)	2023 (Unaudited)	2022 (Unaudited)
Lease rentals	(22)	(38)	(41)	(77)
Pole rentals	(1,552)	(1,611)	(3,112)	(3,262)
Legal and professional fees	(746)	(642)	(1,264)	(1,240)
Non-recoverable GST/VAT	(714)	(852)	(1,533)	(1,751)
Marketing and selling expenses	(1,115)	(1,300)	(2,259)	(2,651)
General and administrative expenses	(1,223)	(1,120)	(2,407)	(2,294)
Licence fees	(499)	(559)	(1,008)	(1,138)
Repairs and maintenance	(328)	(318)	(650)	(696)
Others	(517)	(472)	(1,054)	(1,112)
Total	**(6,716)**	**(6,912)**	**(13,328)**	**(14,221)**

Lease rentals for the quarter ended 30 June 2023 comprised short-term leases of less than $0.01 million (30 June 2022: less than $0.01 million) and leases of low-value assets of $0.02 million (30 June 2022: $0.04 million). Lease rentals for the half-year ended 30 June 2023 comprised short-term leases of $0.01 million (30 June 2022: less than $0.01 million) and leases of low-value assets of $0.03 million (30 June 2022: $0.1 million).

(viii) Amortisation of deferred arrangement fees

The Group pays financing fees to lenders when entering into new debt facilities or refinancing 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 statement of profit or loss. Amortisation of deferred arrangement fees was $0.8 million for the quarter ended 30 June 2023 (30 June 2022: $0.8 million) and $1.6 million for the half-year (30 June 2022: $1.7 million).

(ix) Interest and other finance costs

Interest and other finance costs were $10.7 million for the quarter ended 30 June 2023, 1.0% lower than the pcp (30 June 2022: $10.8 million) and $21.7 million for the half-year, 6.5% higher than the pcp (30 June 2022: $20.4 million). These comprised interest expense and commitment and other fees on the Group's debt facilities. Interest and other finance costs for the quarter and half-year also include finance charges on lease liabilities of $0.03 million (30 June 2022: $0.04 million) and $0.1 million (30 June 2022: $0.1 million).

24) INCOME TAXES

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.

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.

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

Group	Quarter ended 30 June		Half-year ended 30 June	
Amounts in $'000	2023 (Unaudited)	2022 (Unaudited)	2023 (Unaudited)	2022 (Unaudited)
Current income tax	(1,668)	(1,425)	(3,482)	(2,851)
Deferred income tax	901	1,156	(2,102)	(938)
Withholding tax	(2,534)	(3,600)	(3,295)	(4,403)
Over provision of current tax in prior years[1]	664	952	664	953
Total	**(2,637)**	**(2,917)**	**(8,215)**	**(7,239)**

1 Over provision of current tax in prior years represents adjustments made to prior years' tax provisions in the current quarter and half-year to reflect the current position of tax provision related to those years based on tax assessment, or otherwise, and does not relate to the current quarter and half-year.

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

Group	As at	
Amounts in $'000	30 June 2023 (Unaudited)	31 December 2022 (Audited)
Balance at the beginning of the year	**6,179**	**5,970**
Current income tax provision	3,482	5,473
Over provision of current tax in prior years	(664)	(946)
Income tax payment	(3,123)	(2,064)
Prepaid and withheld income tax	(21)	(1,614)
Foreign exchange effect	(22)	(640)
Balance at the end of the period/year	**5,831**	**6,179**

25) NET ASSET VALUE ATTRIBUTABLE TO UNITHOLDERS

	Group as at		Trust as at	
	30 June 2023 (Unaudited)	31 December 2022 (Audited)	30 June 2023 (Unaudited)	31 December 2022 (Audited)
Net asset value attributable to unitholders				
Total net asset value attributable to unitholders ($'000)	1,148,857	1,136,786	1,391,938	1,394,415
Total number of units in issue used in calculation of net asset value per unit attributable to unitholders ('000)	1,806,355	1,806,355	1,806,355	1,806,355
Net asset value per unit attributable to unitholders ($)	**0.64**	**0.63**	**0.77**	**0.77**

As at 30 June 2023, the Group had negative working capital of $52.8 million (31 December 2022: $49.7 million). This includes contract liabilities of $31.8 million representing collections received in advance from subscribers, net of contract costs, which do not require any future cash outflow from the Group (31 December 2022: $32.0 million).

After adjusting for this amount, the Group would have negative working capital of $21.0 million (31 December 2022: $17.7 million). As at 30 June 2023, the Group had committed undrawn debt facilities of $84.3 million (31 December 2022: $80.4 million) which can be drawn to address any shortfall in working capital requirements. Following the financial close of the new Offshore Facilities, the committed undrawn debt facilities has reduced to $79.3 million.

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 ("SOs") that serve approximately 667,000 cable TV RGUs as at 30 June 2023, with more than 168 channels of exciting local and international content on its digital TV platforms in Taiwan. The Group's system operators first obtained cable TV licences in 1999 and 2000 and they have most recently been renewed in 2020 and 2021. All five of TBC's cable TV licences will be due for renewal in 2029 or 2030. 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 $48.0 million for the half-year ended 30 June 2023 (year ended 31 December 2022: $153.7 million);
- In view of the steady operating cash flows generated, successful refinancing history, 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.

26) EARNINGS PER UNIT

Group	Quarter ended 30 June		Half-year ended 30 June	
	2023 (Unaudited)	2022 (Unaudited)	2023 (Unaudited)	2022 (Unaudited)
Weighted average number of units in issue ('000)	1,806,355	1,806,355	1,806,355	1,806,355
Profit after income tax attributable to unitholders of APTT ($'000)	12,403	11,505	19,543	23,607
Basic and diluted earnings per unit (cents)	**0.69**	**0.64**	**1.08**	**1.31**

27) DISTRIBUTIONS

The Board of Directors of the Trustee-Manager has declared an ordinary interim distribution of 0.525 cents per unit for the half-year ended 30 June 2023.

	Half-year ended 30 June 2023	Quarter ended 30 June 2022
Ordinary interim distribution	0.525 cents per unit	0.25 cents per unit
Announcement date	14 August 2023	12 August 2022
Ex-distribution date	21 September 2023	15 September 2022
Record date	22 September 2023	16 September 2022
Date payable	29 September 2023	23 September 2022

The Board is re-affirming the distribution guidance for the year ending 31 December 2023. The distribution for the full year 2023 is expected to be 1.05 cents per unit, to be paid in half-yearly instalments of 0.525 cents per unit, subject to no material changes in planning assumptions.

Historical distributions

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

Distribution period	Six months ended		Quarter ended				Total
Distribution cents per unit	June	December	March	June	September	December	
2013	4.80[1]	4.13					8.930
2014	4.12				2.00	2.13	8.250
2015			2.00	2.00	2.00	2.25	8.250
2016			1.625	1.625	1.625	1.625	6.500
2017			1.625	1.625	1.625	1.625	6.500
2018			1.625	1.625	1.625	0.30	5.175
2019			0.30	0.30	0.30	0.30	1.200
2020			0.30	0.25	0.25	0.25	1.050
2021			0.25	0.25	0.25	0.25	1.000
2022			0.25	0.25	0.25	0.25	1.000
2023	0.525[2]						0.525
Total							**48.380**

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.

2 To be paid on 29 September 2023.

These interim financial statements do not reflect the distribution for the half-year ended 30 June 2023, which will be accounted for in total equity as an appropriation of retained earnings in the year ending 31 December 2023.

28) RELATED PARTY TRANSACTIONS

(i) The Trustee-Manager

The Trustee-Manager, APTT Management Pte. Limited, was incorporated in Singapore under the Singapore Companies Act 1967 on 17 April 2013. The Trustee-Manager is a wholly owned subsidiary of Dynami which is a Singapore-incorporated company ultimately owned by Mr Lu Fang-Ming, the former 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 and half-year:

	Quarter ended 30 June		Half-year ended 30 June	
Amounts in $'000	**2023 (Unaudited)**	**2022 (Unaudited)**	**2023 (Unaudited)**	**2022 (Unaudited)**
Trustee-Manager fees	1,965	1,835	3,909	3,649
Distributions paid	-	26	26	52
Total	**1,965**	**1,861**	**3,935**	**3,701**

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

	As at	
Amounts in $'000	**30 June 2023 (Unaudited)**	**31 December 2022 (Audited)**
Base fees payable to the Trustee-Manager	3,909	3,710

(ii) Directors

In December 2022, the TBC Group moved into a new office space, after entering into an office lease agreement ("Lease Agreement") with Araedis International Development Co., Ltd ("AIDC"). Mr Dai Yung Huei ("Mr Dai"), who is a non-executive director of the Trustee-Manager, is deemed interested in the Lease Agreement. The new office is smaller in size and has a lower rental expense per square foot than the previous office space. The lease rental of $0.07 million and $0.13 million was charged during the quarter and half-year ended 30 June 2023.

(iii) Others

For the quarter and half-year ended 30 June 2023, the Trustee-Manager recovered ancillary charges amounting to $0.1 million (30 June 2022: $0.1 million) and $0.2 million (30 June 2022: $0.2 million) from the Trust.

The Group has not obtained a general mandate from unitholders for Interested Person Transactions.

29) EFFECTS OF SEASONALITY

There were no impacts on the Group's revenue arising from seasonality.

30) FINANCIAL RISKS AND CAPITAL RISKS MANAGEMENT

There have been no changes in the financial risk management of the Group and the Group's overall capital risk management remained unchanged from the audited financial statements for the year ended 31 December 2022.

31) CONTINGENCIES

There were no contingent liabilities or contingent assets as at 30 June 2023 and 31 December 2022 both at the Group and Trust level other than the guarantees as disclosed in Note 13.

32) SEGMENT INFORMATION

The Group is principally engaged in providing cable TV and broadband services in Taiwan and therefore the Trustee-Manager considers that the Group operates in one single business and geographical segment.

33) EVENTS AFTER THE REPORTING PERIOD

Subsequent to the half-year ended 30 June 2023, the Trustee-Manager announced on 14 July 2023 that following the signing of the new Offshore Facility agreement (the "Agreement") on 17 January 2023, all the conditions precedent under the Agreement have been satisfied. The financial close of the Agreement has been successfully completed on 14 July 2023, at the maturity of the previous Offshore Facilities. The new Offshore Facilities will mature 30 months from 14 July 2023.

ADDITIONAL SGX-ST LISTING MANUAL DISCLOSURE REQUIREMENTS

(i) Announcement of financial statements

Pursuant to Rule 705(2) of the SGX-ST Listing Manual, the financial statements for the quarter and half-year ended 30 June 2023 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 condensed interim financial statements for the half-year ended 30 June 2023 have been reviewed by the Group's auditors, Deloitte & Touche LLP, in accordance with *International Standard on Review Engagements 2410*. The extract of the review report dated 14 August 2023 on the condensed interim financial statements for the half-year ended 30 June 2023 is attached to this announcement.

(iv) Basis of preparation

The Group has applied the same accounting policies and methods of computation in the preparation of the interim financial statements for the current period as specified in the audited financial statements of the Group for the year ended 31 December 2022, except for the adoption of new and revised IFRS (including its consequential amendments) and interpretations which are effective for the financial period beginning on or after 1 January 2023. Refer Notes 2, 3 and 4 for more details.

(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 interim 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 and half-year ended 30 June 2023 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
14 August 2023

DISCLAIMERS

Asian Pay Television Trust ("APTT") is a business trust registered under the Business Trusts Act 2004 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 ultimately owned by Mr Lu Fang-Ming, the former 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.

In particular, no representation or warranty is given as to the accuracy, likelihood of achievement or reasonableness of any forecasts, prospects or returns contained in the information. Such forecasts, prospects or returns are by their nature subject to significant uncertainties and contingencies. Each recipient of the information should make its own independent assessment of the information and take its own independent professional advice in relation to the information and any action taken on the basis of the information.

Investors should note that there are limitations on the rights of certain investors to own units in APTT under applicable Taiwan laws and regulations (the "Relevant Restrictions"). Such investors include individuals or certain corporate entities in the People's Republic of China ("PRC"), the Taiwan Government and political entities and other restricted entities and restricted persons (collectively, the "Restricted Persons"). Investors should note that the deed of trust constituting APTT dated 30 April 2013, as amended and restated by a First Amending and Restating Deed dated 28 April 2022 (the "Trust Deed") provides that the Trustee-Manager may, in the case of a breach of the Relevant Restrictions, take all steps and do all things as it may in its absolute discretion deem necessary to ensure that the Relevant Restrictions are complied with. In particular, the Trust Deed provides that the Trustee-Manager has the power to require the relevant Restricted Person to dispose of their units in APTT and, if such request is not complied with within 21 days after such request (or such shorter period as the Trustee-Manager shall consider reasonable), to arrange for the sale of the relevant units in APTT. The Trustee-Manager is not required to provide any reason for, and is not liable or responsible for any losses incurred as a result of, exercising such power under the Trust Deed. For further information, investors should refer to the prospectus dated 16 May 2013 issued by APTT and the Trust Deed.

Deloitte.

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14 August 2023

The Board of Directors
APTT Management Pte. Limited
As Trustee-Manager of Asian Pay Television Trust
420 North Bridge Road
#05-08, North Bridge Centre,
Singapore 188727

Dear Sirs

ASIAN PAY TELEVISION TRUST

REPORT ON REVIEW OF CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 30 JUNE 2023

Introduction

We have reviewed the condensed interim financial statements of Asian Pay Television Trust ("APTT" or the "Trust") and its subsidiaries (the "Group") which comprise the consolidated statement of financial position of the Group and the statement of financial position of the Trust as of 30 June 2023, the consolidated statement of profit or loss, the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows of the Group and the statement of changes in equity of the Trust for the half-year then ended, selected notes and other explanatory notes ("condensed interim financial statements") as set out on pages 4 to 30.

APTT Management Pte. Limited (the "Trustee-Manager") is responsible for the preparation and presentation of these condensed interim financial statements in accordance with International Accounting Standard 34 *Interim Financial Reporting* ("IAS 34"). Our responsibility is to express a conclusion on these condensed interim financial statements based on our review.

Scope of review

We conducted our review in accordance with International Standard on Review Engagements 2410 *Review of Interim Financial Information Performed by the Independent Auditor of the Entity*. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed interim financial statements are not prepared, in all material respects, in accordance with IAS 34.

Restriction on use

The interim financial statements are prepared for the Trust to meet the requirements of paragraph 3 of Appendix 7.2 of the Singapore Exchange Limited Listing Manual. As a result, the interim financial statements may not be suitable for another purpose. Our report is intended solely for the Board of Directors and should not be used by parties other than the Board of Directors.

Deloitte & Touche LLP

Public Accountants and
Chartered Accountants

Singapore