ASIAN PAY TELEVISION TRUST

KEY FINANCIAL INFORMATION AND BUSINESS UPDATES

FOR THE QUARTER ENDED 31 MARCH 2024

Asian Pay Television Trust

CONTENTS

REPORT SUMMARY

KEY HIGHLIGHTS

- Revenue and EBITDA at $63.5 million[1] and $38.2 million for the quarter; EBITDA margin 60.1% for the quarter
- Positive Broadband growth momentum led to continued Broadband revenue improvement in both S$ and NT$
- Despite the removal of non-paying subscribers, TBC added c.7,000 net subscribers during the quarter; continued increase in Premium digital cable TV and Broadband subscribers lifted total subscriber base to c.1,319,000 as at 31 March 2024, from c.1,312,000 as at 31 December 2023
- The Board has re-affirmed distribution guidance of 1.05 cents per unit for the full year 2024; distributions to be paid half-yearly, subject to no material changes in planning assumptions
- Net debt repayments of $21 million made in the quarter; $45 million to be set aside for repayments during the remainder of 2024
- Approximately 90% of outstanding Onshore Facilities (equivalent to 83% of the Group's total debt) are hedged through to 30 June 2025; net exposure to rising interest rates today is contained to only 17% of total outstanding debt

FINANCIAL HIGHLIGHTS

Asian Pay Television Trust ("APTT"[2]) reported revenue of $63.5 million for the quarter ended 31 March 2024. Earnings before interest, tax, depreciation and amortisation ("EBITDA") and EBITDA margin stood at $38.2 million and 60.1% for the quarter.

Foreign exchange contributed to a negative variance of 2.8% for the quarter compared to the prior corresponding period ("pcp") due to a relatively weaker Taiwan dollar ("NT$"). In constant NT$, revenue decreased by 2.6% for the quarter compared to the pcp.

The positive Broadband growth momentum led to continued Broadband revenue improvement in both S$ and NT$. The strong performance validates the success of TBC's growth strategy. During the quarter, c.8,000 subscribers were added while ARPU[3] remained unchanged at NT$392 per month compared to the previous quarter ended 31 December 2023. In NT$, Broadband revenue, which includes revenue from data backhaul, increased by 9.7% for the quarter.

Group	Quarter ended 31 March		
Amounts in $'000	2024	2023	Variance[4] (%)
Revenue			
Basic cable TV	43,294	47,889	(9.6)
Premium digital cable TV	2,561	2,729	(6.2)
Broadband	17,598	16,462	6.9
Total revenue	**63,453**	**67,080**	**(5.4)**
Total operating expenses[5]	**(25,288)**	**(27,707)**	**8.7**
EBITDA	**38,165**	**39,373**	**(3.1)**
EBITDA margin	60.1%	58.7%	

1 All figures, unless otherwise stated, are presented in Singapore dollars ("$"), which is APTT's functional and presentation currency. Amounts in the financial information tables have been rounded to the nearest thousand dollars, unless otherwise indicated.

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, in order to arrive at EBITDA and EBITDA margin presented here.

Commenting on the success of the TBC's Broadband growth strategy, Mr Brian McKinley, Chief Executive Officer of the Trustee-Manager said, *"The growth momentum is evident from the continuous improvement in Broadband revenue, both in S$ and NT$, for over three years. Revenue from Broadband is now over 40% of Basic cable TV revenue, compared to 34% a year ago. As a percentage of total revenue, revenue from this expanding business segment is nearly 28%, up from 25% year on year. Today, the growing number of Broadband subscribers represents more than 50% of our total Basic cable TV subscriber base. Overall, we are moving in the right direction where we aim to grow cash flows from Broadband to a level that more than offsets the decline in our Basic cable TV business over the long term."*

OPERATIONAL PERFORMANCE

TBC's[6] operational highlights for the quarter ended 31 March 2024 were as follows:

- **RGU adjustments:** TBC began a detailed exercise in the second half of 2023 to remove all non-paying subscribers (greater than 90 days) across all three of TBC's service offerings. As a result, c.2,100 Basic cable TV subscribers, c.1,700 Premium digital cable TV subscribers and c.1,800 Broadband subscribers were removed during the quarter. It is important to note that the removal of these non-paying subscribers had minimal impact to revenue and cash flows as they have not been contributing to TBC's revenue. Despite these adjustments, c.7,000 net subscribers were added during the quarter, driven by continued growth in Premium digital cable TV and Broadband subscribers. The total subscriber base has increased to c.1,319,000 as at 31 March 2024, from c.1,312,000 as at the previous quarter ended 31 December 2023.

- **Basic cable TV:** Basic cable TV revenue of $43.3 million for the quarter was down 9.6% compared to the pcp. In constant NT$, Basic cable TV revenue for the quarter decreased by 6.8%. The 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.642,000 Basic cable TV RGUs[7] contributed an ARPU of NT$442 per month in the quarter to access over 100 cable TV channels. Basic cable TV RGUs decreased by c.7,000 and ARPU was lower by NT$2 per month compared to the previous quarter ended 31 December 2023. The decline in Basic cable TV RGUs was due to a number of factors, including the removal of c.2,100 non-paying subscribers, 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 franchise areas, particularly in the Taipei region. 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.

- **Premium digital cable TV:** Premium digital cable TV revenue of $2.6 million for the quarter was down 6.2% compared to the pcp. In constant NT$, Premium digital cable TV revenue for the quarter decreased by 3.4%. Revenue was generated predominantly from TBC's c.329,000 Premium digital cable TV RGUs each contributing an ARPU of NT$59 per month in the quarter for Premium digital cable TV packages and bundled DVR or DVR-only services. Despite the removal of non-paying subscribers, Premium digital cable TV RGUs increased by c.6,000 compared to the previous quarter ended 31 December 2023. ARPU was marginally lower by NT$1 per month compared to the previous quarter ended 31 December 2023 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 the local telco and from mobile operators offering inexpensive unlimited data plans, and the removal of non-paying subscribers, Broadband RGUs increased by c.8,000 during the quarter. Broadband revenue, including revenue from data backhaul, was $17.6 million for the quarter, an increase of 6.9% compared to the pcp. In constant NT$, Broadband revenue for the quarter increased by 9.7%. Broadband revenue was generated predominantly from TBC's c.348,000 Broadband RGUs each contributing an ARPU of NT$392 per month in the quarter, which remained unchanged from the previous quarter ended 31 December 2023. The continued increase in Broadband subscribers and revenue improvement in both S$ and NT$ 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 increased $3.3 million, or 52.2%, for the quarter primarily due to i) higher network investments aimed at increasing fibre density and speed; and ii) the purchase of vehicles to replace leased vehicles that were up for renewal, to save on overall costs. As a percentage of revenue, capital expenditure was 15.1% for the quarter. Going forward, the level of capital expenditure, which will continue to be within industry norms, will be closely monitored and limited to areas that can support TBC's Broadband growth strategy.

DEBT MANAGEMENT

As at 31 March 2024, approximately 90% of outstanding Onshore Facilities were hedged with interest rate swaps 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 92% of the Group's total outstanding debt, approximately 83% of total debt is protected against the risk of rising interest rates through to mid-2025. The net exposure to rising interest rates today is therefore contained to only 17% of total debt. The Trustee-Manager is confident that this level of exposure will not materially impact cash flows or affect business operations.

The refinanced 30-month 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 $80 million revolving loan facility) – a direct result of accelerated debt repayments as part of the debt management programme. The Trustee-Manager plans to complete the next refinancing in 2025, prior to the maturity of the Offshore Facilities in January 2026.

Accelerated debt repayments continued during the quarter, as net debt of $21 million was repaid. For the remainder of 2024, the Trustee-Manager will set aside $45 million for debt repayments.

Mr McKinley said, *"The Trust is now in a stronger position to navigate an increasingly challenging and competitive environment. Apart from our Broadband growth momentum, our debt management programme is also making good progress. We will keep up with our disciplined debt repayments to lower our borrowings. We also intend to initiate discussions for the refinancing of our Offshore and Onshore debt facilities, aiming to complete the next refinancing around mid-2025."*

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 2024. 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 2024 are expected to be in line with 2023.

DISTRIBUTIONS

The Board of Directors of the Trustee-Manager (the "Board") is re-affirming the distribution guidance for the full year ending 31 December 2024. The distribution for 2024 is expected to remain unchanged at 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. The first half-yearly distribution for the period from 1 January 2024 to 30 June 2024 will be paid in September 2024.

The 2024 distribution guidance takes into account elevated interest rates and a weaker NT$ against S$. At this distribution level, the Board is confident that operational cash flows can still support disciplined debt repayments and fund capital expenditure to future-proof TBC's Broadband business.

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), the age and book depreciation of tangible and intangible assets (affecting relative depreciation and amortisation expense) and impairment loss on goodwill, intangible assets and property plant and equipment. 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 31 March 2024	 2023	 Variance[3] (%)
Revenue				
Basic cable TV	1(i)	43,294	47,889	(9.6)
Premium digital cable TV	1(ii)	2,561	2,729	(6.2)
Broadband	1(iii)	17,598	16,462	6.9
Total revenue		**63,453**	**67,080**	**(5.4)**
Operating expenses[4]				
Broadcast and production costs		(11,952)	(13,108)	8.8
Staff costs	2(i)	(6,100)	(6,043)	(0.9)
Trustee-Manager fees	2(ii)	(1,960)	(1,944)	(0.8)
Other operating expenses	2(iii)	(5,276)	(6,612)	20.2
Total operating expenses		**(25,288)**	**(27,707)**	**8.7**
EBITDA		**38,165**	**39,373**	**(3.1)**
EBITDA margin[5]		60.1%	58.7%	
Profit after income tax[6]		**13,792**	**7,176**	**92.2**
Capital expenditure	3			
Maintenance		3,546	3,461	(2.5)
Network, broadband and other		6,037	2,834	(>100)
Total capital expenditure		**9,583**	**6,295**	**(52.2)**
Maintenance capital expenditure as % of revenue		5.6	5.2	
Total capital expenditure as % of revenue		15.1	9.4	
Income tax paid, net of refunds		(1,166)	(383)	(>100)
Interest and other finance costs paid		(11,765)	(13,099)	10.2

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

2 Refer to accompanying notes for more details.

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, 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 the consolidated statement of profit or loss and a reconciliation is presented in reconciliation of profit after income tax to EBITDA.

SELECTED OPERATING DATA

Group	As at				
	2024	2023			
	31 March	31 December	30 September	30 June	31 March
RGUs ('000)					
Basic cable TV	642	649	659	667	672
Premium digital cable TV	329	323	320	321	314
Broadband	348	340	335	330	322

Group	Quarter ended				
	2024	2023			
	31 March	31 December	30 September	30 June	31 March
ARPU[1] (NT$ per month)					
Basic cable TV	442	444	448	455	460
Premium digital cable TV	59	60	61	63	64
Broadband	392	392	389	386	384
AMCR[2] (%)					
Basic cable TV	(0.7)	(0.8)	(0.7)	(0.5)	(0.5)
Premium digital cable TV	(1.3)	(1.4)	(1.9)	(1.1)	(1.0)
Broadband	(0.9)	(1.1)	(0.9)	(0.6)	(0.5)

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.

STATEMENTS OF FINANCIAL POSITION

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

Amounts in $'000	Note[1]	Group as at 31 March 2024	Group as at 31 December 2023	Trust as at 31 March 2024	Trust as at 31 December 2023
Assets					
Current assets					
Cash and cash equivalents	4	71,354	91,940	1,046	6,028
Trade and other receivables		10,975	11,355	-	-
Derivative financial instruments	5	2,721	1,803	2,721	1,803
Contract costs		475	572	-	-
Other assets		3,463	2,716	407	45
		88,988	**108,386**	**4,174**	**7,876**
Non-current assets					
Investment in subsidiaries		-	-	776,351	776,351
Property, plant and equipment		171,405	176,962	-	-
Intangible assets		1,833,458	1,868,200	-	-
Derivative financial instruments	5	9,530	7,182	324	57
Contract costs		66	106	-	-
Other assets		1,621	1,376	2	2
		2,016,080	**2,053,826**	**776,677**	**776,410**
Total assets		**2,105,068**	**2,162,212**	**780,851**	**784,286**
Liabilities					
Current liabilities					
Borrowings from financial institutions	6	64,871	62,131	-	-
Derivative financial instruments	5	-	215	-	215
Trade and other payables	7	20,073	22,429	1,960	3,973
Contract liabilities		30,683	32,053	-	-
Retirement benefit obligations		1,129	1,372	-	-
Income tax payable		8,858	7,032	-	-
Other liabilities		17,431	21,231	165	206
		143,045	**146,463**	**2,125**	**4,394**
Non-current liabilities					
Borrowings from financial institutions	6	1,143,658	1,186,807	-	-
Derivative financial instruments	5	51	371	51	371
Retirement benefit obligations		2,641	2,887	-	-
Deferred tax liabilities		107,550	106,967	-	-
Other liabilities		22,545	23,024	-	-
		1,276,445	**1,320,056**	**51**	**371**
Total liabilities		**1,419,490**	**1,466,519**	**2,176**	**4,765**
Net assets		**685,578**	**695,693**	**778,675**	**779,521**
Equity					
Unitholders' funds		1,389,351	1,389,351	1,389,351	1,389,351
Reserves		59,350	73,774	-	-
Accumulated deficit		(765,279)	(769,553)	(610,676)	(609,830)
Equity attributable to unitholders of APTT		**683,422**	**693,572**	**778,675**	**779,521**
Non-controlling interests		2,156	2,121	-	-
Total equity		**685,578**	**695,693**	**778,675**	**779,521**

1 Refer to accompanying notes for more details.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

Group Amounts in $'000	Note[1]	Quarter ended 31 March 2024	 2023	 Variance[2] (%)
Revenue				
Basic cable TV	1(i)	43,294	47,889	(9.6)
Premium digital cable TV	1(ii)	2,561	2,729	(6.2)
Broadband	1(iii)	17,598	16,462	6.9
Total revenue		**63,453**	**67,080**	**(5.4)**
Operating expenses				
Broadcast and production costs		(11,952)	(13,108)	8.8
Staff costs	2(i)	(6,100)	(6,043)	(0.9)
Depreciation and amortisation expense[3]		(12,917)	(15,044)	14.1
Trustee-Manager fees	2(ii)	(1,960)	(1,944)	(0.8)
Net foreign exchange gain/(loss)[4]		2,389	(150)	>100
Mark to market gain on derivative financial instruments[5]		2,365	401	>100
Other operating expenses[6]	2(iii)	(5,276)	(6,612)	20.2
Total operating expenses		**(33,451)**	**(42,500)**	**21.3**
Operating profit		**30,002**	**24,580**	**22.1**
Amortisation of deferred arrangement fees		(832)	(776)	(7.2)
Interest and other finance costs		(10,100)	(11,050)	8.6
Profit before income tax		**19,070**	**12,754**	**49.5**
Income tax expense		(5,278)	(5,578)	5.4
Profit after income tax		**13,792**	**7,176**	**92.2**
Profit after income tax attributable to:				
Unitholders of APTT		13,757	7,140	92.7
Non-controlling interests		35	36	(2.8)
Profit after income tax		**13,792**	**7,176**	**92.2**
Basic and diluted earnings per unit attributable to unitholders of APTT (cents)[7]		**0.76**	**0.40**	

1 Refer to accompanying notes for more details.
2 A positive variance is favourable to the Group and a negative variance is unfavourable to the Group.
3 Decrease in depreciation and amortisation expense was mainly due to lower depreciation expense on network equipment and amortisation expense on software and programming rights compared to the pcp.
4 Variance in net foreign exchange gain/(loss) is mainly due to translations at the subsidiary level which are not expected to be realised.
5 Variance in mark to market gain on derivative financial instruments was due to exchange rate movements on foreign exchange contracts.
6 Decrease in other operating expenses during the quarter was mainly due to lower pole rental expenses and marketing and selling expenses.
7 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 31 March		
Amounts in $'000	2024	2023	Variance[1] (%)
Profit after income tax	**13,792**	**7,176**	**92.2**
Other comprehensive (loss)/income			
Items that may subsequently be reclassified to profit or loss:			
Exchange differences on translation of foreign operations	(16,213)	(2,075)	(>100)
Movement on change in fair value of cash flow hedging financial instruments	2,236	1,059	>100
Deferred tax relating to items that may subsequently be reclassified to profit or loss	(447)	(212)	(>100)
Other comprehensive loss, net of tax	**(14,424)**	**(1,228)**	**(>100)**
Total comprehensive (loss)/income	**(632)**	**5,948**	**(>100)**
Total comprehensive (loss)/income attributable to:			
Unitholders of APTT	(667)	5,912	(>100)
Non-controlling interests	35	36	(2.8)
Total comprehensive (loss)/income	**(632)**	**5,948**	**(>100)**

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

CONSOLIDATED STATEMENT OF CASH FLOWS

Group Amounts in $'000	Quarter ended 31 March 2024	 2023
Operating activities		
Profit after income tax	**13,792**	**7,176**
Adjustments for:		
Depreciation and amortisation expense	12,917	15,044
Net foreign exchange (gain)/loss	(1,889)	39
Mark to market gain on derivative financial instruments	(2,365)	(401)
Amortisation of deferred arrangement fees	832	776
Interest and other finance costs	10,100	11,050
Income tax expense	5,278	5,578
Operating cash flows before movements in working capital	**38,665**	**39,262**
Trade and other receivables	380	2,256
Trade and other payables	(2,356)	3,915
Contract costs	137	55
Contract liabilities	(1,370)	249
Retirement benefit obligations	(489)	(37)
Other assets	(992)	(3,488)
Other liabilities	(3,050)	(194)
Cash generated from operations	**30,925**	**42,018**
Income tax paid, net of refunds	(1,166)	(383)
Interest paid on lease liabilities	(23)	(31)
Net cash inflows from operating activities	**29,736**	**41,604**
Investing activities		
Acquisition of property, plant and equipment	(8,471)	(5,840)
Acquisition of intangible assets	(122)	(347)
Net cash used in investing activities	**(8,593)**	**(6,187)**
Financing activities		
Interest and other finance costs paid	(11,765)	(13,099)
Borrowings from financial institutions	8,523	5,000
Repayment of borrowings to financial institutions	(29,051)	(35,985)
Settlement of lease liabilities	(598)	(558)
Settlement of derivative financial instruments	645	1,380
Distributions to unitholders	(9,483)	(4,516)
Net cash used in financing activities	**(41,729)**	**(47,778)**
Net decrease in cash and cash equivalents	**(20,586)**	**(12,361)**
Cash and cash equivalents at the beginning of the year	91,940	118,860
Cash and cash equivalents at the end of the quarter	**71,354**	**106,499**

RECONCILIATION OF PROFIT AFTER INCOME TAX TO EBITDA

Group Amounts in $'000	Quarter ended 31 March 2024	 2023	 Variance[1] (%)
Profit after income tax	**13,792**	**7,176**	**92.2**
Add: Depreciation and amortisation expense	12,917	15,044	14.1
Add: Net foreign exchange (gain)/loss	(2,389)	150	>100
Add: Mark to market gain on derivative financial instruments	(2,365)	(401)	>100
Add: Amortisation of deferred arrangement fees	832	776	(7.2)
Add: Interest and other finance costs	10,100	11,050	8.6
Add: Income tax expense	5,278	5,578	5.4
EBITDA	**38,165**	**39,373**	**(3.1)**
EBITDA margin	60.1%	58.7%	

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

MATERIAL UPDATES TO FINANCIAL INFORMATION

1) REVENUE

Total revenue was influenced by a number of factors, including the continued challenges in the economic and operating environment. Refer to ‘Operational Performance’ in the ‘Report Summary’ section of this report for further details.

An additional analysis of the revenue items is as follows:

(i) Basic cable TV

Basic cable TV revenue of $43.3 million for the quarter comprised subscription revenue of $36.5 million and non-subscription revenue of $6.8 million. Subscription revenue was generated from TBC’s c.642,000 Basic cable TV RGUs each contributing an ARPU of NT$442 per month in the quarter to access over 100 cable TV channels. Non-subscription revenue was 15.8% of Basic cable TV revenue for the quarter, which 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.

(ii) Premium digital cable TV

Premium digital cable TV revenue of $2.6 million for the quarter comprised subscription revenue of $2.5 million and non-subscription revenue of $0.1 million. Subscription revenue was generated from TBC’s c.329,000 Premium digital cable TV RGUs each contributing an ARPU of NT$59 per month in the quarter for Premium digital cable TV packages and bundled DVR or DVR-only services. Non-subscription revenue predominantly comprised revenue from the sale of electronic programme guide data to other system operators.

(iii) Broadband

Broadband revenue of $17.6 million for the quarter, which includes revenue from data backhaul, comprised subscription revenue of $17.2 million and non-subscription revenue of $0.4 million. Subscription revenue was generated from TBC’s c.348,000 Broadband RGUs each contributing an ARPU of NT$392 per month in the quarter for high-speed Broadband services. 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.

2) EXPENSES

(i) Staff costs

Staff costs for the quarter were higher compared to the pcp mainly due to higher staff costs in constant dollar terms.

(ii) Trustee-Manager fees

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 2024 are subject to the 2023 CPI increase of 4.80%, amounting to $383.4 thousand. The Trustee-Manager approved a 100% credit of the 2023 CPI increase. In addition, the Trustee-Manager approved to extend the 2023 credit of $110.6 thousand to 2024 and as a result the total credit for 2024 Trustee-Manager fees amounts to $494.0 thousand. This move underscores the Trustee-Manager’s commitment to cost management and its direct contribution to it. Accordingly, the net fees for 2024 will remain unchanged at the 2023 level of $7.88 million.

(iii) Other operating expenses

Other operating expenses were $5.3 million for the quarter ended 31 March 2024, down 20.2% compared to the pcp mainly due to lower pole rental expenses, resulting from the reversal of additional pole rental expenses accrued in previous years, and 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 31 March	
Amounts in $'000	2024	2023
Lease rentals	(18)	(19)
Pole rentals	(757)	(1,560)
Legal and professional fees	(437)	(518)
Non-recoverable GST/VAT	(678)	(819)
Marketing and selling expenses	(950)	(1,144)
General and administrative expenses	(1,183)	(1,184)
Licence fees	(461)	(509)
Repairs and maintenance	(254)	(322)
Others	(538)	(537)
Total	**(5,276)**	**(6,612)**

3) CAPITAL EXPENDITURE

Total capital expenditure of $9.6 million for the quarter ended 31 March 2024 was 52.2% higher than the pcp. Total capital expenditure as a percentage of revenue is within industry norms at 15.1% for the quarter.

Total capital expenditure for the quarter was higher than the pcp primarily due to i) higher network investments aimed at increasing fibre density and speed; and ii) the purchase of vehicles to replace leased vehicles that were up for renewal, to save on overall costs. The level of capital expenditure, which will be within industry norms, will be closely monitored to focus on areas that can support TBC's Broadband growth strategy.

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.

4) CASH AND CASH EQUIVALENTS

Cash and cash equivalents at the Group level were $71.4 million as at 31 March 2024. The Trustee-Manager will reserve approximately $45 million for scheduled principal repayments on its onshore and offshore borrowing facilities for the rest of 2024.

5) DERIVATIVE FINANCIAL INSTRUMENTS

Mark to market unrealised gain or loss positions on the Trust's foreign exchange contracts are classified as current and non-current assets, as well as current and non-current liabilities respectively both at the Group and Trust level.

As at 31 March 2024, the notional amount of interest rate swaps on TAIBOR maturing in June 2025 was NT$24.2 billion, thus fixing approximately 90% of outstanding onshore facilities through to 30 June 2025. The average fixed rate on these swaps is 0.94%.

The movement in non-current assets also includes mark to market unrealised gains of $9.2 million on the Group's interest rate swaps which are designated as cash flow hedges. 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.

6) BORROWINGS FROM FINANCIAL INSTITUTIONS

Group	As at	
Amounts in $'000	31 March 2024	31 December 2023
Current portion	68,173	65,483
Less: Unamortised arrangement fees	(3,302)	(3,352)
	64,871	**62,131**
Non-current portion	1,153,887	1,198,049
Less: Unamortised arrangement fees	(10,229)	(11,242)
	1,143,658	**1,186,807**
Total current and non-current portion[1]	1,222,060	1,263,532
Less: Total unamortised arrangement fees	(13,531)	(14,594)
Total	**1,208,529**	**1,248,938**

[1] Comprised outstanding NT$ denominated borrowings of NT$26.9 billion at the TBC level and S$ denominated borrowings of S$87.3 million at the Bermuda holding companies' level.

The reduction in the total debt balance during the quarter is due mostly to net debt repayments of $21 million and positive foreign exchange movements of $19 million.

Onshore Facilities

The NT$ denominated facilities of NT$29.5 billion at the 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 as well as by pledges over shares in onshore entities of TBC and over the shares in TBC Holdings B.V. and Harvest Cable Holdings B.V. held by Cable TV S.A. The onshore affiliates of TBC are jointly liable under the debt facilities.

As at 31 March 2024, the total carrying value of property, plant and equipment pledged for the Onshore Facilities was $198.9 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% per annum depending on its leverage ratio. As discussed in Note 5, the Group uses interest rate swaps to swap a significant portion of its borrowings from floating rate to fixed rate.

Offshore Facilities

The Offshore Facilities secured at the Bermuda holding companies' level, consisting of a multicurrency term loan facility in an aggregate amount of $46.6 million and a multicurrency revolving loan facility in an aggregate amount of $75.0 million, are denominated in Singapore dollars and repayable in tranches by January 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 31 March 2024, the total carrying value of assets pledged for the Offshore Facilities was $1,109 million. In addition, guarantees in favour of lenders under the debt facilities are provided by APTT Management Pte. Limited, in its capacity as Trustee-Manager of APTT, and Cable TV S.A.

The Offshore Facilities bear a floating interest rate of the Singapore Overnight Rate Average ("SORA") plus the applicable adjustment spread as per the agreement and an interest margin of 4.1% to 4.9% per annum depending on the leverage ratio of the Group.

7) TRADE AND OTHER PAYABLES

	Group as at		Trust as at	
Amounts in $'000	**31 March 2024**	**31 December 2023**	**31 March 2024**	**31 December 2023**
Trade payables due to outside parties	18,113	18,456	-	-
Base fees payable to the Trustee-Manager	1,960	3,973	1,960	3,973
Total	**20,073**	**22,429**	**1,960**	**3,973**

The Group's trade and other payables as at 31 March 2024 of $20.1 million comprised mainly broadcast and production costs payable of $15.9 million, other payables of $2.2 million and base fees payable to the Trustee-Manager of $2.0 million.

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.