

ASIAN PAY TELEVISION TRUST
(A business trust constituted on 30 April 2013
under the laws of the Republic of Singapore)
Registration Number: 2013005



managed by

APTT MANAGEMENT PTE. LIMITED
(Incorporated in the Republic of Singapore)
(As Trustee-Manager of Asian Pay Television Trust)
Company Registration Number: 201310241D

LETTER TO UNITHOLDERS

Directors of the Trustee-Manager

Mr Yong Lum Sung (Chair and Independent Director)
Mr Tan Chung Yaw, Richard (Independent Director)
Mr Leong Shin Loong (Independent Director)
Ms Ong Joo Mien, Joanna (Independent Director)
Mr Lu Fang-Ming (Vice-Chair and Non-Executive Director)
Mr Brian McKinley (Chief Executive Officer and Executive Director)

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5 April 2019

To: Unitholders of Asian Pay Television Trust

Dear Sir/Madam

1 INTRODUCTION

1.1 Summary

We refer to the proposed Ordinary Resolution 4 under the "Special Business" section of the notice dated 5 April 2019 convening the annual general meeting of Asian Pay Television Trust ("**APTT**") to be held at the Phoenix Grand Ballroom, Level 6, Novotel Singapore Clarke Quay, 177A River Valley Road, Singapore 179031, on 25 April 2019 at 10.00 a.m. (the "**AGM**").

Ordinary Resolution 4 relates to the proposed adoption of the unit buy-back mandate of APTT Management Pte. Limited as trustee-manager of APTT (the "**Trustee-Manager**"). The Trustee-Manager intends to seek a mandate from holders ("**Unitholders**") of units in APTT ("**Units**") to repurchase Units for and on behalf of APTT (the "**Unit Buy-Back Mandate**"). In this regard, the Trustee-Manager seeks approval from Unitholders at the AGM in relation to the adoption of the Unit Buy-Back Mandate.

1.2 This Letter

The purpose of this Letter is to provide Unitholders with information relating to the above proposal which will be tabled at the AGM.

1.3 Advice to Unitholders

Unitholders should note that by approving the resolution relating to the Unit Buy-Back Mandate, they will be granting authority to the Trustee-Manager to procure the repurchases of Units on the terms and conditions set out in paragraph 2 of this Letter and in accordance with the Relevant Laws, Regulations and Guidelines (as defined herein), including but not limited to the provisions of the trust deed dated 30 April 2013 constituting APTT (as amended, varied or supplemented from time to time) (the "**Trust Deed**") and the listing manual (the "**Listing Manual**") of the Singapore Exchange Securities Trading Limited (the "**SGX-ST**").

(See "The Proposed Adoption of the Unit Buy-Back Mandate" in paragraph 2 of this Letter for further details.)

If a Unitholder is in any doubt as to the action he should take, he should consult his stockbroker, bank manager, solicitor, accountant or other professional adviser immediately.

1.4 Singapore Exchange Securities Trading Limited

The SGX-ST assumes no responsibility for the accuracy of any statements or opinions made, or reports contained, in this Letter.

2 THE PROPOSED ADOPTION OF THE UNIT BUY-BACK MANDATE

2.1 Rationale for the Unit Buy-Back Mandate

The approval of the adoption of the Unit Buy-Back Mandate authorising the Trustee-Manager to repurchase Units for and on behalf of APTT would give the Trustee-Manager the flexibility to undertake repurchases of Units of up to the 10.0% limit described in paragraph 2.2.1 of this Letter at any time, during the period when the Unit Buy-Back Mandate is in force.

To the extent that APTT has capital and surplus funds which are in excess of its financial needs, the Unit Buy-Back Mandate will facilitate the return of excess cash and surplus funds to Unitholders in an expedient, effective, and cost-efficient manner.

While the Unit Buy-Back Mandate would authorise repurchases of Units of up to the said 10.0% limit during the period when the Unit Buy-Back Mandate is in force, Unitholders should note that repurchases of Units may not necessarily be carried out to the entire 10.0% limit as authorised by Unitholders.

Repurchases of Units will be made only when the Trustee-Manager considers it to be in the best interests of APTT and the Unitholders.

Rule 723 of the Listing Manual requires APTT to ensure that at least 10.0% of its Units are at all times held by the public (the “**Public Float**”). As at 12 March 2019, being the latest practicable date prior to the printing of this Letter (the “**Latest Practicable Date**”), the Public Float is approximately 88.98%, and accordingly, the Trustee-Manager is of the view that the orderly trading and the listing status of the Units on the SGX-ST is not likely to be affected by the Unitholders’ approval of the Unit Buy-Back Mandate and the repurchases of Units thereunder.

2.2 Authority and Limits on the Unit Buy-Back Mandate

The authority conferred on the Trustee-Manager and the limits placed on the repurchases of Units by the Trustee-Manager under the Unit Buy-Back Mandate are set out below:

2.2.1 Maximum Limit

The total number of Units which may be repurchased pursuant to the Unit Buy-Back Mandate is limited to that number of Units representing not more than 10.0% of the total number of issued Units as at the date of the AGM.¹

FOR ILLUSTRATIVE PURPOSES ONLY: On the basis of 1,436,800,000 Units in issue as at the Latest Practicable Date, and assuming that no further Units are issued on or prior to the AGM at which the Unit Buy-Back Mandate is approved, not more than 143,680,000 Units (representing 10.0% of the issued Units) may be repurchased by the Trustee-Manager pursuant to the Unit Buy-Back Mandate during the Relevant Period (as defined herein).

2.2.2 Duration of Authority

Unless varied or revoked by Unitholders in a general meeting, repurchases of Units may be made during the Relevant Period. “**Relevant Period**” is the period commencing from the date of the AGM, and expiring on:

- (i) the date the next annual general meeting is or is required by the Relevant Laws, Regulations and Guidelines or the Trust Deed to be held, whichever is earlier; or
- (ii) the date on which the repurchases of Units by the Trustee-Manager pursuant to the Unit Buy-Back Mandate are carried out to the full extent mandated,

whichever is earlier.

Under the Trust Deed and the Relevant Laws, Regulations and Guidelines, APTT is required to convene an annual general meeting of Unitholders once every calendar year and not more than 15 months after the holding of the last preceding annual general meeting, and in any case within four months from the financial year end of APTT.

¹ Pursuant to the Listing Manual, a unit repurchase shall not exceed 10.0% of the total number of issued units excluding treasury units and subsidiary holdings in each class as at the date of the resolution passed by unitholders for the unit repurchase. For the avoidance of doubt, APTT does not hold any treasury units and there are no subsidiary holdings as none of the subsidiaries of APTT hold any Units. There is also only one class of units in APTT.

The authority conferred on the Trustee-Manager under the Unit Buy-Back Mandate to repurchase Units may be renewed at the next annual general meeting of Unitholders. When seeking the approval of Unitholders for any subsequent Unit buy-back mandate, the Trustee-Manager shall disclose details of each repurchase of Units made during the Relevant Period in respect of the Unit buy-back mandate immediately preceding such Unit buy-back mandate being sought, including the total number of Units repurchased, the repurchase price per Unit or the highest and lowest prices paid for such repurchases of Units, where relevant, and the total consideration paid for such repurchases.

2.2.3 Manner of Repurchase

Repurchases of Units may be made by way of:

- (i) market repurchase(s) (“**Market Repurchases**”); and/or
- (ii) off-market repurchase(s) (“**Off-Market Repurchases**”).

Market Repurchases refer to repurchases of Units by the Trustee-Manager effected on the SGX-ST and/or, as the case may be, such other stock exchange for the time being on which the Units may be listed and quoted, through one or more duly licensed stockbrokers appointed by the Trustee-Manager for the purpose.

Off-Market Repurchases refer to repurchases of Units by the Trustee-Manager (which are not Market Repurchases) made under an equal access scheme or schemes for the repurchase of Units from Unitholders in accordance with the Trust Deed. In this regard, an Off-Market Repurchase must satisfy all the following conditions:

- (i) offers for the repurchase of Units shall be made to every person who holds Units to repurchase the same percentage of their Units;
- (ii) all of the above-mentioned persons shall be given a reasonable opportunity to accept the offers made to them; and
- (iii) the terms of all the offers shall be the same, except that there shall be disregarded:
 - (a) differences in consideration attributable to the fact that offers may relate to Units with different accrued distribution entitlements;
 - (b) differences in consideration attributable to the fact that the offers may relate to Units with different amounts remaining unpaid; and
 - (c) differences in the offers introduced solely to ensure that each Unitholder is left with a whole number of Units.

Additionally, the Listing Manual provides that, in making an Off-Market Repurchase, the Trustee-Manager must issue an offer document to all Unitholders which must contain, *inter alia*:

- (i) the terms and conditions of the offer;
- (ii) the period and procedures for acceptances;
- (iii) the reasons for the proposed Unit repurchases;
- (iv) the consequences, if any, of Unit repurchases by the Trustee-Manager that will arise under the Singapore Code on Take-overs and Mergers (the “**Code**”) or other applicable take-over rules;
- (v) whether the Unit repurchases, if made, could affect the listing of the Units on the SGX-ST;
- (vi) details of any Unit repurchases made by the Trustee-Manager in the previous 12 months (whether Market Repurchases or Off-Market Repurchases in accordance with an equal access scheme), giving the total number of Units repurchased, the repurchase price per Unit or the highest and lowest prices paid for the repurchases, where relevant, and the total consideration paid for the repurchases; and
- (vii) whether the Units repurchased by the Trustee-Manager will be cancelled or kept as treasury Units.

2.2.4 Repurchase Price

The Trustee-Manager has the discretion to determine the repurchase price for a repurchase of Units under the Unit Buy-Back Mandate, subject to such repurchase price not exceeding:

- (i) in the case of a Market Repurchase, 105.0% of the Average Closing Price (as defined herein) of the Units in accordance with Rule 884 of the Listing Manual; and
- (ii) in the case of an Off-Market Repurchase, 120.0% of the Average Closing Price of the Units, (the “**Maximum Price**”), in either case, excluding Related Expenses of such repurchase.

For the purposes of this paragraph 2.2.4:

“**Average Closing Price**” means the average of the closing market prices of the Units over the last five Market Days (as defined herein), on which transactions in the Units were recorded, immediately preceding the date of the Market Repurchase or, as the case may be, the date of the making of the offer pursuant to the Off-Market Repurchase, and deemed to be adjusted for any corporate action that occurs after the relevant five Market Days.

“**date of the making of the offer**” means the date on which the Trustee-Manager makes an offer for an Off-Market Repurchase, stating therein the repurchase price (which shall not be more than the Maximum Price for an Off-Market Repurchase calculated on the foregoing basis) for each Unit and the relevant terms of the equal access scheme for effecting the Off-Market Repurchase.

2.3 Status of Repurchased Units

Under the Trust Deed, a Unit repurchased shall be deemed cancelled immediately on repurchase (and all rights and privileges attached to such Unit will expire on such cancellation).

2.4 Reporting Requirements

Rule 886 of the Listing Manual specifies that an issuer shall notify the SGX-ST of all repurchases or acquisitions of its Units not later than 9.00 a.m.:

- (i) in the case of a Market Repurchase, on the Market Day following the day on which the Market Repurchase was made; or
- (ii) in the case of an Off-Market Repurchase under an equal access scheme, on the second Market Day after the close of acceptance of the offer for the Off-Market Repurchase.

The notification of any such repurchases of Units to the SGX-ST (in the form of an announcement on the SGXNet) shall be in such form and shall include such details as the SGX-ST may prescribe.

The Trustee-Manager shall make arrangements with the appointed stockbrokers and/or custodians to ensure that they provide the Trustee-Manager in a timely fashion the necessary information which will enable the Trustee-Manager to make the notifications to the SGX-ST.

Further, the Trustee-Manager shall make an announcement on the SGX-ST at the same time it notifies the SGX-ST of any repurchase of Units pursuant to any Unit Buy-Back Mandate, that the Board is satisfied on reasonable grounds that, immediately after the repurchase of Units, the Trustee-Manager will be able to fulfil, from the Trust Property, the liabilities of APTT as these liabilities fall due, in accordance with the Business Trusts Act.

2.5 Source of Funds

The Trustee-Manager may not repurchase Units for a consideration other than in cash. The Trustee-Manager intends to utilise APTT’s internal sources of funds, external borrowings or a combination of both to finance the Trustee-Manager’s repurchase of Units on behalf of APTT pursuant to the Unit Buy-Back Mandate, subject always to the requirements of the Relevant Laws, Regulations and Guidelines.

2.6 Financial Effects

It is not possible for the Trustee-Manager to calculate realistically or quantify the impact of repurchases of Units that may be made pursuant to the Unit Buy-Back Mandate on the distribution per unit (“**DPU**”) and the net asset value (“**NAV**”) per Unit as the resultant effect would depend on, among others, the aggregate number of Units repurchased and the repurchase prices paid for such Units.

APTT’s total number of issued Units will be diminished by the total number of Units repurchased as such Units will be cancelled.

The Trustee-Manager will only exercise the Unit Buy-Back Mandate when it considers it to be in the best interests of APTT and the Unitholders. The Trustee-Manager will consider factors such as the working capital requirements, availability of financial resources, the investment and growth strategies of APTT and

the prevailing market conditions before repurchasing Units under the Unit Buy-Back Mandate. The Trustee-Manager will exercise the Unit Buy-Back Mandate with a view to enhancing the DPU and/or the NAV per Unit. The Trustee-Manager does not intend to exercise the Unit Buy-Back Mandate to such an extent as would have a material adverse effect on the financial position of APTT.

FOR ILLUSTRATIVE PURPOSES ONLY: The financial effects of a repurchase of Units on APTT are based on the assumptions set out below:

- (i) 1,436,800,000 Units are in issue as at the Latest Practicable Date (assuming no further Units are issued on or prior to the AGM at which the Unit Buy-Back Mandate is approved);
- (ii) 143,680,000 Units (representing approximately 10.0% of the issued Units as at the Latest Practicable Date) are repurchased by the Trustee-Manager pursuant to the Unit Buy-Back Mandate on 1 January 2018;
- (iii) Units are repurchased:
 - (a) in the case of Market Repurchases by the Trustee-Manager at the Maximum Price of S\$0.136 per Unit (being 105.0% of the Average Closing Price of the Units of S\$0.130 per Unit immediately preceding the Latest Practicable Date), and accordingly, the maximum amount of funds required for the repurchase of the 143,680,000 Units, representing 10.0% of the issued Units as at the Latest Practicable Date (excluding Related Expenses) is approximately S\$19.54 million; and
 - (b) in the case of Off-Market Repurchases by the Trustee-Manager at the Maximum Price of S\$0.156 per Unit (being 120.0% of the Average Closing Price of the Units of S\$0.130 per Unit immediately preceding the Latest Practicable Date), and accordingly, the maximum amount of funds required for the repurchase of the 143,680,000 Units, representing 10.0% of the issued Units as at the Latest Practicable Date (excluding Related Expenses) is approximately S\$22.41 million;
- (iv) the Unit Buy-Back Mandate has been effective since 1 January 2018;
- (v) all Units repurchased under the Unit Buy-Back Mandate are cancelled;
- (vi) the repurchases of Units are funded solely by internal sources of funds of APTT; and
- (vii) there are no changes to the distribution policy to Unitholders.

Based on the assumptions set out above, the financial effects of the repurchase of 143,680,000 Units (representing 10.0% of the issued Units as at the Latest Practicable Date) by the Trustee-Manager pursuant to the Unit Buy-Back Mandate are set out below based on the audited financial statements of APTT and its subsidiaries (the “**APTT Group**”) for the financial year ended 31 December 2018 (“**FY 2018**” and the audited financial statements of the APTT Group for FY 2018, the “**FY 2018 Audited Financial Statements**”):

	FY 2018 Audited Financial Statements	Pro forma financial effects of Unit repurchases on the FY 2018 Audited Financial Statements	
		Market Repurchases	Off-Market Repurchases
Net Assets (S\$ million)	1,073.73	1,054.19	1,051.32
Current Assets (S\$ million)	90.31	70.77	67.89
Current Liabilities (S\$ million)	(101.45)	(101.45)	(101.45)
Number of issued Units (as at the Latest Practicable Date) (million)	1,436.8	1,293.1	1,293.1
Financial Ratios			
NAV per Unit (attributable to unitholders of APTT) (S\$)	0.746	0.813	0.811
Distribution per Unit (cents) ¹	5.175	5.750	5.750
Net debt/EBITDA (times)	7.90	8.00	8.02
Gearing (total debt/total assets) (%)	54.11	54.49	54.54

Note:

¹ For FY2018, distribution was at 1.625 cents per Unit per quarter for the first three quarters and 0.30 cents per Unit for the fourth quarter.

On 14 November 2018, APTT announced a revised distribution guidance (the “**Revised Distribution Guidance**”) of 1.20 cents per Unit per year for 2019 and 2020, subject to no material changes in planning assumptions. The new distribution level was implemented from the fourth quarter of 2018; the fourth quarter distribution of 2018 was prorated to 0.30 cents per unit. Assuming that the amount of distribution expected under the Revised Distribution Guidance had applied for FY 2018, the adjusted Distribution per Unit (adjusted for the repurchase of 143,680,000 Units by the Trustee-Manager pursuant to the Unit Buy-Back Mandate) would have been 1.333 cents per Unit.

The Revised Distribution Guidance is a statement of the present intention of the Trustee-Manager in relation to the Trust and may be subject to modification in the sole and absolute discretion of the Trustee-Manager. The form, frequency and amount of future distributions (if any) on the Trust’s Units will depend on, among others, the earnings, financial position and result of operations of the Trust.

Unitholders should note that the financial effects set out in the table above are based on the FY 2018 Audited Financial Statements and are presented strictly for illustrative purposes only. The results of the APTT Group for FY 2018 may not be representative of future performance. Although the Unit Buy-Back Mandate would authorise the Trustee-Manager to repurchase up to 10.0% of the total number of issued Units, the Trustee-Manager may not necessarily repurchase or be able to repurchase the entire 10.0% of the total number of issued Units at any time while the Unit Buy-Back Mandate is in force.

2.7 Taxation

Unitholders who are in doubt as to their respective tax positions or the tax implications of Unit repurchases by the Trustee-Manager, or, who may be subject to tax whether in or outside Singapore, should consult their own professional advisers.

2.8 Black-Out Periods

The Trustee-Manager will not repurchase any Units for and on behalf of APTT at any time after a material price sensitive development has occurred or has been the subject of a decision until such time the price sensitive information has been publicly announced. In addition, the Trustee-Manager will not repurchase Units for and on behalf of APTT during the period commencing two weeks before the announcement of the APTT Group’s financial statements for each of the first three quarters of its financial year and one month before the announcement of the APTT Group’s full year financial statements.

2.9 Take-over Implications

The circumstances under which Unitholders and persons acting in concert with them will incur an obligation to make a mandatory take-over offer under Rule 14 of the Code after a repurchase of Units by the Trustee-Manager are set out in Appendix 2 of the Code. The take-over implications which may arise from any repurchase by the Trustee-Manager of Units are set out below.

2.9.1 Obligation to make a Take-over Offer

If, as a result of any repurchase by the Trustee-Manager of the Units, the proportionate interest in the voting rights of a Unitholder and persons acting in concert with him increases, such increase will be treated as an acquisition for the purposes of Rule 14 of the Code. Consequently, a Unitholder or a group of Unitholders acting in concert could obtain or consolidate effective control of APTT and become obliged to make a mandatory take-over offer under Rule 14 of the Code.

2.9.2 Persons Acting in Concert

Applying the Code to APTT, to the extent possible, persons acting in concert comprise individuals or companies who, pursuant to an agreement or understanding (whether formal or informal), co-operate, through the acquisition by any of them of Units (or otherwise), to obtain or consolidate effective control of APTT.

Unless the contrary is established, the following persons, among others, will be presumed to be acting in concert, namely:

- (i) the following companies:
 - (a) a company (“A”);
 - (b) the parent company of (A) (“B”);

- (c) the subsidiaries of (A) (each, “(C)”);
 - (d) the fellow subsidiaries of (A) (each, “(D)”);
 - (e) the associated companies of any of (A), (B), (C), or (D) (each, “(E)”);
 - (f) companies whose associated companies include any of (A), (B), (C), (D) or (E); and
 - (g) any person who has provided financial assistance (other than a bank in the ordinary course of business) to any of the foregoing companies for the purchase of voting rights; and
- (ii) a company with any of its directors (together with their close relatives, related trusts as well as companies controlled by any of the directors, their close relatives and related trusts).

For this purpose, a company is an “**associated company**” (as defined in the Code) of another company if the second company owns or controls at least 20.0% but not more than 50.0% of the voting rights of the first-mentioned company.

2.9.3 Effect of Rule 14 and Appendix 2 of the Code

In general terms, the effect of Rule 14 and Appendix 2 of the Code is that, unless exempted,¹ Unitholders and/or persons acting in concert with them will incur an obligation to make a mandatory take-over offer under Rule 14 of the Code if, as a result of the Trustee-Manager repurchasing Units, the voting rights of such Unitholders and/or their concert parties would increase to 30.0% or more, or in the event that such Unitholders and/or their concert parties hold between 30.0% and 50.0% of the voting rights in APTT, if the voting rights of such Unitholders and/or their concert parties would increase by more than 1.0% in any period of six months.

Under Appendix 2 of the Code, a Unitholder not acting in concert with the Directors will not be required to make a mandatory take-over offer under Rule 14 of the Code if, as a result of the Trustee-Manager repurchasing Units, the voting rights of such Unitholder would increase to 30.0% or more, or, if such Unitholder holds between 30.0% and 50.0% of the voting rights in APTT, the voting rights of such Unitholder would increase by more than 1.0% in any period of six months. Such Unitholder need not abstain from voting in respect of the resolution relating to the adoption of the Unit Buy-Back Mandate.

Based on the interests of the Substantial Unitholders (as defined herein) in Units recorded in the Register of Substantial Unitholders as at the Latest Practicable Date, none of the Substantial Unitholders would become obliged to make a take-over offer for APTT under Rule 14 of the Code as a result of any repurchase of Units by the Trustee-Manager pursuant to the Unit Buy-Back Mandate of the maximum limit of 10.0% of its issued Units as at the Latest Practicable Date.

Important:

The statements herein do not purport to be a comprehensive or exhaustive description of all the relevant provisions of, or all the implications that may arise under the Code. Unitholders are advised to consult their professional advisers and/or the Securities Industry Council at the earliest opportunity as to whether an obligation to make a mandatory take-over offer would arise by reason of any Unit repurchases by the Trustee-Manager.

2.10 Unitholders’ Approval

In view of the foregoing, the Trustee-Manager is seeking the approval of Unitholders for the resolution relating to the adoption of the Unit Buy-Back Mandate.

Important:

Unitholders should note that by voting in favour of the resolution relating to the adoption of the Unit Buy-Back Mandate, they will be authorising the Trustee-Manager to procure the repurchases of Units on the terms and conditions set out in paragraph 2 of this Letter and in accordance with the provisions of the Trust Deed and the Relevant Laws, Regulations and Guidelines including, but not limited to the Listing Manual.

¹ Unitholders and/or persons acting in concert with them will be exempt from the requirement to make a mandatory take-over offer under Rule 14 of the Code upon the satisfaction of the conditions set out in paragraph 3(a) of Appendix 2 of the Code.

3 INTERESTS OF DIRECTORS AND SUBSTANTIAL UNITHOLDERS

3.1 Interests of Directors

As at the Latest Practicable Date, certain directors of the Trustee-Manager (“**Directors**”) collectively hold an aggregate direct and indirect interest in 1,296,001 Units. Based on the Register of Directors’ Unitholdings maintained by the Trustee-Manager, the direct and deemed interests and voting rights of the Directors as at the Latest Practicable Date are as follows:

Name of Directors	Direct Interest		Deemed Interest		Total No. of	
	No. of Units	% ¹	No. of Units	% ¹	Units held	% ¹
Yong Lum Sung	-	-	-	-	-	-
Tan Chung Yaw, Richard ²	296,000	0.02	100,000	0.01	396,000	0.03
Leong Shin Loong	100,000	0.01	-	-	100,000	0.01
Ong Joo Mien, Joanna	-	-	-	-	-	-
Lu Fang-Ming	-	-	-	-	-	-
Brian McKinley	800,001	0.06	-	-	800,001	0.06

Notes:

¹ The percentage is based on 1,436,800,000 Units in issue as at the Latest Practicable Date.

² Deemed interest is held by Mrs Lim Kim Suan, Cynthia (spouse of Mr Tan Chung Yaw, Richard).

3.2 Interests of Substantial Unitholders

Based on the information available to the Trustee-Manager, the direct and deemed interests and voting rights of the Substantial Unitholders of APTT as at the Latest Practicable Date are as follows:

Name of Substantial Unitholders ¹	Direct Interest		Deemed Interest		Total No. of	
	No. of Units	% ²	No. of Units	% ²	Units held	% ²
Venezio Investments Pte. Ltd.	113,959,812	7.93	-	-	113,959,812	7.93
Napier Investments Pte. Ltd. ³	-	-	113,959,812	7.93	113,959,812	7.93
Tembusu Capital Pte. Ltd. ³	-	-	113,959,812	7.93	113,959,812	7.93
Temasek Holdings (Private) Limited ³	-	-	113,959,812	7.93	113,959,812	7.93

Notes:

¹ “**Substantial Unitholder**” means a person with an interest in Units constituting not less than 5.0% of the total number of Units in issue.

² The percentage is based on 1,436,800,000 Units in issue as at the Latest Practicable Date.

³ Venezio Investments Pte. Ltd. (“**Venezio**”) is wholly owned by Napier Investments Pte. Ltd. (“**Napier**”), which is a wholly-owned subsidiary of Tembusu Capital Pte. Ltd. (“**Tembusu**”), which in turn is a wholly-owned subsidiary of Temasek Holdings (Private) Limited (“**Temasek**”). Napier, Tembusu and Temasek are therefore deemed to be interested in the units held by Venezio.

3.3 Unitholding Limit

There are limitations on the rights of certain investors to own units in APTT under applicable Taiwan laws and regulations.

3.3.1 PRC Investment Restrictions

Under the Measures Governing Investment Permit for the People of Mainland China Area, a PRC individual or corporate entity (“**PRC Persons**”) can only invest in certain business sectors in Taiwan allowed by the Investment Commission of the Ministry of Economic Affairs of Taiwan. As at the Latest Practicable Date, the cable TV industry is not on the list of sectors in which PRC Persons may invest in Taiwan (the “**PRC Investment Restrictions**”).

As at the Latest Practicable Date, PRC Persons hold an aggregate of 16,000 Units in APTT. The Trustee-Manager has issued notices to such PRC Persons requiring the PRC Persons to dispose of their Units as soon as possible, failing which the Trustee-Manager may exercise its power of Force Sale (as defined below).

3.3.2 Taiwan Government Ownership Restrictions

Under the Cable Radio and Television Act of Taiwan, the Taiwan government and political entities, as well as those foundations, associations and institutions established with their endowments or commissioned by these entities (“**Restricted Entities**”), shall not directly or indirectly invest in a

cable TV system operator. In addition, a Taiwan political party worker, political appointee and elected public official ("**Restricted Persons**") may not directly or indirectly invest in a cable TV system operator and the aggregate shareholdings held by spouses and relatives of Restricted Persons shall not exceed one percent of the total outstanding shares of a cable TV system operator (the "**Taiwan Government Ownership Restrictions Limit**") (the "**Taiwan Government Ownership Restrictions**").

As at the Latest Practicable Date, to the best of the Trustee-Manager's knowledge and belief, Restricted Entities, Restricted Persons, and spouses and relatives of Restricted Persons do not hold any direct or indirect interest in APTT.

3.3.3 Requirements under the Fair Trade Act of Taiwan

Under the Fair Trade Act of Taiwan (the "**Fair Trade Act**"), a "merger" includes a situation where an enterprise holds or acquires the shares or capital contributions of another enterprise to an extent of more than one-third of the total voting shares or total capital of such other enterprise (the "**Fair Trade Act Limit**", and collectively with the Taiwan Government Ownership Restrictions Limit, the "**Prescribed Limits**"). If a merger meets one of the thresholds set out in the Fair Trade Act, a pre-merger notification will need to be filed with the Fair Trade Commission of Taiwan.

As at the Latest Practicable Date, to the best of the Trustee-Manager's knowledge and belief, corporate entities which provide cable television services in Taiwan (as determined by the Trustee-Manager in its sole discretion) do not hold any direct or indirect interest in APTT.

The Trust Deed provides that the Trustee-Manager may, in the case of a breach of the PRC Investment Restrictions and/or the Taiwan Government Ownership Restrictions and/or where a corporate entity which provides cable television services in Taiwan (as determined by the Trustee-Manager in its sole discretion) holds or acquires more than one third of the total issued Units, take all steps and do all things as they may in their absolute discretion deem necessary to ensure that the restrictions thereunder are complied with.

In particular, the Trust Deed provides that the Trustee-Manager has the power to require the relevant Unitholders to dispose of their Units 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), the power to arrange for the sale of the Units. Pending such sale, the Trustee-Manager has the power to suspend the voting rights of such Units and/or to restrict the transfer of such Units. The Trustee-Manager shall not be required to give any reason for, and shall not under any circumstances be liable to or be responsible for any losses incurred by any person as a result of any decision, declaration or action taken or made in this regard ("**Force Sale**").

The Trustee-Manager will monitor the repurchase or acquisition of Units pursuant to the Unit Buy-Back Mandate to ensure that the Prescribed Limits (as applicable) will not be exceeded by spouses and relatives of Restricted Persons or corporate entities which provide cable television services in Taiwan (as determined by the Trustee-Manager in its sole discretion).

4 DIRECTORS' RECOMMENDATION

Having considered the relevant factors, including the rationale for the proposed adoption of the Unit Buy-Back Mandate as set out in paragraph 2 of this Letter, the Directors recommend that Unitholders vote at the AGM in favour of the resolution relating to the adoption of the Unit Buy-Back Mandate.

5 DIRECTORS' RESPONSIBILITY STATEMENT

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this Letter and confirm after making all reasonable enquiries that, to the best of their knowledge and belief, this Letter constitutes full and true disclosure of all material facts about the proposed adoption of the Unit Buy-Back Mandate, APTT and its subsidiaries, and the Directors are not aware of any facts the omission of which would make any statement in this Letter misleading. Where information in the Letter has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in the Letter in its proper form and context.

6 DOCUMENT ON DISPLAY

The Trust Deed will be available for inspection at the registered office of the Trustee-Manager¹ for so long as APTT is in existence.

Yours faithfully

APTT Management Pte. Limited
(Registration Number: 201310241D)
as trustee-manager of **Asian Pay Television Trust**



Yong Lum Sung
Chair and Independent Director

GLOSSARY

%	: Per centum or Percentage
AGM	: The annual general meeting of Unitholders to be held at the Phoenix Grand Ballroom, Level 6, Novotel Singapore Clarke Quay, 177A River Valley Road, Singapore 179031 on 25 April 2019 at 10.00 a.m., to approve the matters set out in the notice dated 5 April 2019 convening the annual general meeting of APTT
APTT	: Asian Pay Television Trust
APTT Group	: APTT and its subsidiaries
Average Closing Price	: The average of the closing market prices of the Units over the last five Market Days, on which transactions in the Units were recorded, immediately preceding the date of the Market Repurchase or, as the case may be, the date of the making of the offer pursuant to the Off-Market Repurchase, and deemed to be adjusted for any corporate action that occurs after the relevant five Market Days.
Business Trusts Act	: Business Trusts Act, Chapter 31A of Singapore
CDP	: The Central Depository (Pte) Limited
Code	: The Singapore Code on Take-overs and Mergers
date of the making of the offer	: The date on which the Trustee-Manager makes an offer for an Off-Market Repurchase, stating therein the repurchase price (which shall not be more than the Maximum Price for an Off-Market Repurchase) for each Unit and the relevant terms of the equal access scheme for effecting the Off-Market Repurchase
Directors	: Directors of the Trustee-Manager
DPU	: Distribution per Unit
EBITDA	: Earnings before interest, tax, depreciation and amortisation
Fair Trade Act	: The Fair Trade Act of Taiwan
Fair Trade Act Limit	: Has the meaning set out in paragraph 3.3.3

¹ Prior appointment with the Trustee-Manager will be appreciated. Please contact Brian McKinley / Nora Sng, Media and Investor Relations (Telephone: +65 6727 8370 / +65 3163 7477)

Force Sale	:	Has the meaning set out in paragraph 3.3
FY 2018	:	The financial year ended 31 December 2018
FY 2018 Audited Financial Statements	:	The audited financial statements of the APTT Group for FY 2018
Latest Practicable Date	:	12 March 2019, being the latest practicable date prior to the printing of this Letter
Letter	:	This Letter dated 5 April 2019
Listing Manual	:	The Listing Manual of the SGX-ST
Market Day	:	A day on which the SGX-ST and/or, as the case may be, such other stock exchange for the time being on which the Units may be listed and quoted, is open for trading in securities
Market Repurchases	:	Repurchases of Units made by way of market repurchases
Maximum Price	:	Means: <ul style="list-style-type: none"> (i) in the case of a Market Repurchase, 105.0% of the Average Closing Price of the Units in accordance with Rule 884 of the Listing Manual; and (ii) in the case of an Off-Market Repurchase, 120.0% of the Average Closing Price of the Units
NAV	:	Net asset value
Off-Market Repurchases	:	Repurchases of Units made by way of off-market repurchases
Ordinary Resolution	:	A resolution proposed and passed as such by a majority being greater than 50.0% of the total number of votes cast for and against such resolution at a meeting of Unitholders convened in accordance with the provisions of the Trust Deed
PRC	:	People's Republic of China
PRC Persons	:	Has the meaning set out in paragraph 3.3.1
PRC Investment Restrictions	:	Has the meaning set out in paragraph 3.3.1
Prescribed Limits	:	The Fair Trade Act Limit and the Taiwan Government Ownership Restrictions Limit
Public Float	:	Refers to the percentage of Units held by the public
Related Expenses	:	Brokerage, stamp duty, commission, applicable goods and services tax and other related expenses
Relevant Laws, Regulations and Guidelines	:	As applicable in the context, any or all laws, regulations and guidelines in Singapore that apply to APTT, including the Business Trusts Act, the Securities and Futures Act, Chapter 289 of Singapore, the Listing Manual, the licences required for the conduct of Authorised Businesses (as defined in the Trust Deed), and all directions, guidelines or requirements imposed by any competent authority to apply to APTT, as the same may be modified, amended, supplemented, revised or replaced from time to time
Relevant Period	:	Unless revoked or varied by Unitholders in a general meeting, the period commencing from the date of the AGM at which the Unit Buy-Back Mandate is passed, and expiring on: <ul style="list-style-type: none"> (iii) the date the next annual general meeting is or is required by the Relevant Laws, Regulations and Guidelines or the Trust Deed to be held, whichever is earlier; or (ii) the date on which the repurchases of Units by the Trustee-Manager pursuant to the Unit Buy-Back Mandate are carried out to the full extent mandated, whichever is earlier.

Restricted Entities	:	Has the meaning set out in paragraph 3.3.2
Restricted Persons	:	Has the meaning set out in paragraph 3.3.2
S\$ and cents	:	Singapore dollars and cents
SGX-ST	:	Singapore Exchange Securities Trading Limited
Substantial Unitholder	:	A person with an interest in Units constituting not less than 5.0% of the total number of Units in issue
Taiwan Government Ownership Restrictions	:	Has the meaning set out in paragraph 3.3.2
Taiwan Government Ownership Restrictions Limit	:	Has the meaning set out in paragraph 3.3.2
Trust Deed	:	The trust deed dated 30 April 2013 constituting APTT, as amended, varied, or supplemented from time to time
Trust Property	:	Has the same meaning ascribed to it in Section 2 of the Business Trusts Act
Trustee-Manager	:	APTT Management Pte. Limited, in its capacity as trustee-manager of APTT
Unit	:	A unit representing an undivided interest in APTT
Unit Buy-Back Mandate	:	The proposed unit buy-back mandate to be given to the Trustee-Manager by way of an Ordinary Resolution in a general meeting, to exercise its powers to procure the repurchases of Units for and on behalf of APTT
Unitholders	:	The registered holders for the time being of a Unit, including person(s) so registered as joint holders, except where the registered holder is CDP, the term “ Unitholder ” shall, in relation to Units registered in the name of CDP, mean, where the context requires, the Depositor whose Securities Account with CDP is credited with Units

The terms “**Depositor**” and “**Depository Register**” shall have the meanings ascribed to them respectively in Section 81SF of the Securities and Futures Act, Chapter 289 of Singapore.

Words importing the singular shall, where applicable, include the plural and vice versa and words importing the masculine gender shall, where applicable, include the feminine and neuter genders. References to persons shall include corporations.

Any reference in this Letter to any enactment is a reference to that enactment for the time being amended or re-enacted.

Any reference to a time of day in this Letter shall be a reference to Singapore time unless otherwise stated.

Any discrepancies in the tables, graphs and charts between the listed amounts and totals thereof are due to rounding. Unless otherwise stated in this Letter, figures and percentages are rounded off where applicable.