ASIAN PAY TELEVISION TRUST

31 DECEMBER 2022

IMPORTANT NOTICES AND DISCLAIMERS

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 ("AMPL") 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 fully owned by Mr Lu Fang-Ming, the former Chairman of Asia Pacific Telecom Co., Ltd.

This presentation has been prepared based on available information. No representation or warranty, express or implied, is made as to the fairness, accuracy, completeness or correctness of the information, opinions and conclusions contained in this presentation. To the maximum extent permitted by law, neither APTT, AMPL, their directors, employees or agents, nor any other person accepts any liability for any loss arising from the use of this presentation or its contents or otherwise arising in connection with it, including, without limitation, any liability arising from fault or negligence on the part of APTT, AMPL or their directors, employees or agents. 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.

General Securities Warning

This presentation is not an offer or invitation for subscription or purchase of or a recommendation of securities. 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 presentation should not be considered as a recommendation in relation to holding, purchasing or selling securities or other instruments in APTT. Due care and attention has been used in the preparation of forecast information. However, actual results may vary from forecasts and any variation may be materially positive or negative. Forecasts by their very nature, are subject to uncertainty and contingencies many of which are outside the control of APTT. Past performance is not a reliable indication of future performance.

Investors should note that there are limitations on the rights of certain investors to own units in APTT under applicable Taiwan laws and regulations. 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. For further information, investors should refer to the prospectus dated 16 May 2013 issued by APTT and 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.

AGENDA

1. 31 DECEMBER 2022 RESULTS
2. OUTLOOK & STRATEGY
3. BUSINESS OVERVIEW
4. BUSINESS DRIVERS

31 DECEMBER 2022 RESULTS

HIGHLIGHTS

Broadband recorded continued improvements on all fronts in Q4 2022; capital expenditure within industry norms

Lower Q4 and full year 2022 EBITDA and EBITDA margin

- Revenue for the quarter and year at S$69.4 million and S$286.0 million
- EBITDA for the quarter and year at S$41.2 million and S$168.7 million
- EBITDA margin was 59.3% for the quarter and 59.0% for the year
- Decline in Q4 EBITDA was primarily due to lower revenue; full year EBITDA was also affected by higher pole rental expenses resulting from benefit of reversal of pole rental provisions in pcp

Growing total subscriber base (added c.12,000 net subscribers in Q4)

- Premium digital cable TV and Broadband subscribers have been steadily increasing over the past four years
- Added c.9,000 Premium digital cable TV and c.8,000 Broadband subscribers in the quarter, which more than offset Basic cable TV churn
- Total subscriber base increased to c.1,298,000

Continued Broadband growth momentum

- Growth in Broadband subscribers and higher ARPU led to higher revenue in S$ and NT$ for 10 consecutive quarters

Higher capital expenditure to improve network speed and future proof the growing TBC subscriber base

- As a percentage of revenue, capital expenditure was 13.5% for the quarter and 12.2% for the year – within industry norms
- Capital expenditure increased by 46.7% for the quarter and 16.5% for the year compared to pcp

HIGHLIGHTS

Made net debt repayments of S$62 million in 2022; lowered gearing to 48.7%; 2023 distribution per unit expected to be 1.05 cents – 5% higher than 2022

Debt management

- Made net debt repayments of S$62 million in the year; lowered gearing to 48.7% (31 Dec 2021: 50.1%)
- S$76 million to be set aside for principal repayments in 2023
- As at 31 December 2022, TAIBOR interest rate swaps hedged approx. 93% of the outstanding Onshore Facilities through to 30 June 2025; average fixed rate of 0.94%; the net exposure to rising interest rates is contained
- Signed agreement to refinance Offshore Facilities for a 30-month period on the same major terms; financial close expected to be in July 2023, at the maturity of the existing Offshore Facilities
- The refinanced Offshore Facilities represent an S$83.4 million reduction in offshore loans - a direct result of our accelerated debt repayments over the past two years, using cash generated from operations

Distribution

- Distribution of 0.25 cents per unit declared for Q4 2022
- Re-affirmed distribution guidance of 1.05 cents per unit for full year 2023 - 5% higher than 2022, to be paid in half-yearly instalments of 0.525 cents per unit, subject to no material changes in planning assumptions

KEY OPERATING METRICS

Broadband ARPU improved by NT$3 per month alongside c.8,000 more subscribers, reflecting the success of TBC's Broadband strategy to target broadband-only segment and offer higher speed plans at competitive prices

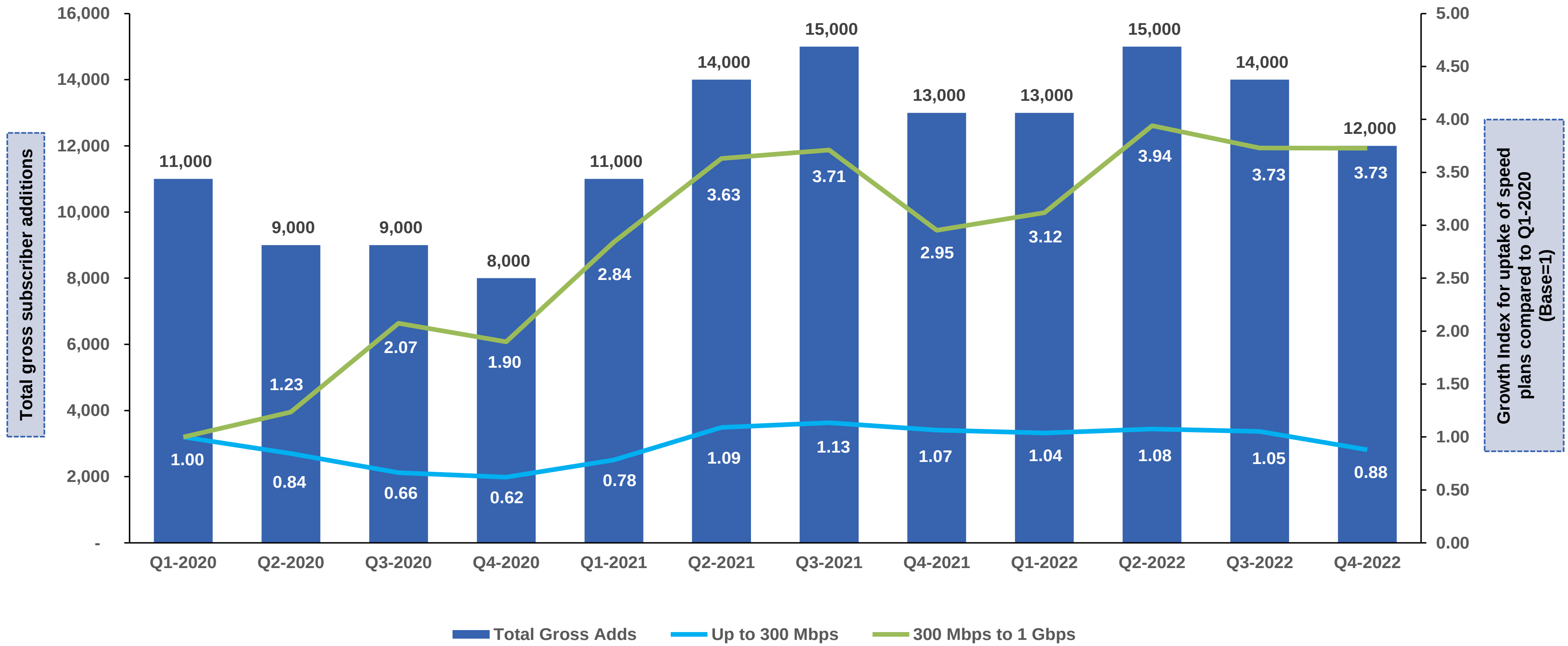
	RGUs[1] ('000)			ARPU[2] (NT$ per month)			
	As at			Quarter ended		Year ended	
	31 Dec 2022	30 Sep 2022	31 Dec 2021	31 Dec 2022	30 Sep 2022	31 Dec 2022	31 Dec 2021
Basic cable TV	675	680	691	462	466	468	480
Premium digital cable TV	308	299	273	65	68	69	81
Broadband	315	307	282	382	379	378	360

- **Basic cable TV:** RGUs decreased by c.5,000 in the quarter to c.675,000 as at 31 December 2022 due to (i) a saturated cable TV market, (ii) competition from aggressively priced IPTV, (iii) growing popularity of online video and (iv) expectations from consumers for discounts as they compare with the lower cable TV pricing outside of TBC's[3] five franchise areas, particularly in the Taipei region
- **Premium digital cable TV:** RGUs increased by c.9,000 in the quarter to c.308,000. ARPU was lower due to promotions and discounted bundled packages that were offered to generate new RGUs and to retain existing RGUs. Video piracy issues and aggressively priced IPTV have also impacted ARPU, which decreased by NT$3 per month in the quarter
- **Broadband:** TBC's focused broadband growth strategy led to RGUs increasing by c.8,000 in the quarter to c.315,000, while ARPU improved by NT$3 per month in the quarter. Growth driven by partnership programs with mobile operators to drive the fixed-line broadband-only segment, and by offering higher speed plans at competitive prices. Broadband churn rate remained very low, averaging 0.6% in Q4 2022

Notes: (1) RGUs refer to Revenue Generating Units, another term for subscribers or subscriptions; the terms are used interchangeably
(2) Average Revenue Per User ("ARPU") is calculated by dividing the subscription revenue for Basic cable TV or Premium digital cable TV or Broadband, as applicable, by the average number of RGUs for that service during the period
(3) TBC refers to Taiwan Broadband Communications Group

BROADBAND ARPU IMPROVEMENT: UPTAKE OF HIGHER SPEED PLANS

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

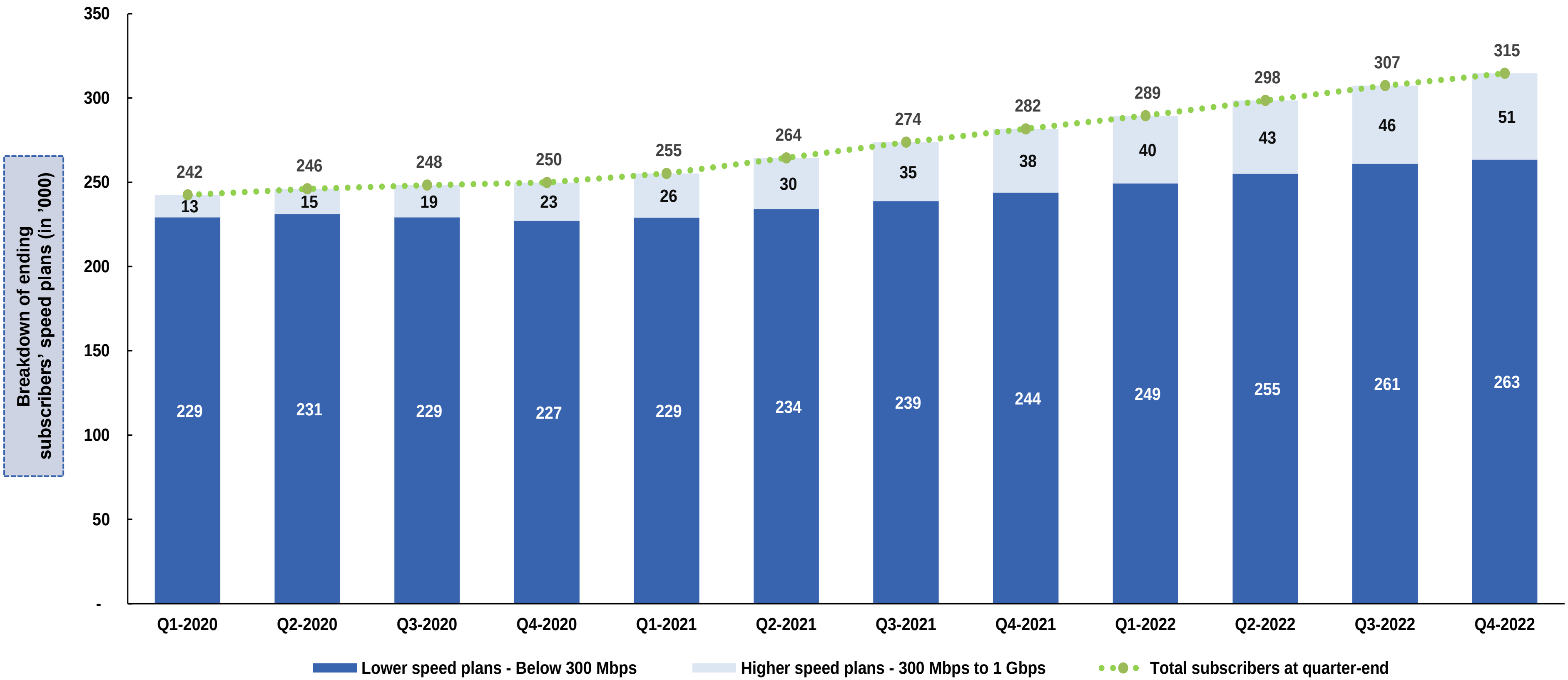


Interpretation of Growth Index from the chart above:

For e.g., in Q1-2020 if there was 1 subscriber taking up higher speed plan with speed ranging from 300 Mbps to 1 Gbps, then in Q4-2022, there were 3.73 subscribers taking up the higher speed plans.

BREAKDOWN OF BROADBAND SUBSCRIBERS: OPPORTUNITY TO UPSELL HIGHER SPEED PLANS

Runway for broadband growth – Most of TBC's subscribers are still in the speed plans below 300 Mbps, presenting an opportunity for TBC to move them up to higher speed plans



Interpretation of the subscriber breakdown from the chart above:

For e.g., out of total 315,000 broadband subscribers as at the end of Q4-2022, 263,000 subscribers are still in the lower speed plans of below 300 Mbps and only 51,000 subscribers are in the higher speed plans above 300 Mbps. So, there is a lot of opportunity to move these lower speed plan subscribers to higher speed plans.

FINANCIAL RESULTS

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

Group[1] (S$'000)	Quarter ended 31 Dec			Year ended 31 Dec		
	2022	2021	Variance[2] (%)	2022	2021	Variance[2] (%)
Revenue						
Basic cable TV	50,532	57,726	(12.5)	210,007	229,481	(8.5)
Premium digital cable TV	2,745	3,126	(12.2)	11,607	12,806	(9.4)
Broadband	16,148	15,393	4.9	64,350	57,458	12.0
Total revenue	**69,425**	**76,245**	**(8.9)**	**285,964**	**299,745**	**(4.6)**
Total operating expenses[3]	**(28,275)**	**(29,948)**	**5.6**	**(117,287)**	**(116,640)**	**(0.6)**
EBITDA	**41,150**	**46,297**	**(11.1)**	**168,677**	**183,105**	**(7.9)**
EBITDA margin	59.3%	60.7%		59.0%	61.1%	

In constant Taiwan dollars ("NT$"), total revenue was up 0.3% for the quarter and down 0.9% for the year; foreign exchange contributed to a negative variance of 9.2% for the quarter and 3.7% for the year compared to the pcp

- **Basic cable TV:** Down 3.3% for the quarter and 4.8% for the year in constant NT$ mainly due to lower subscription revenue resulting from the decline in the number of subscribers and lower ARPU
- **Premium digital cable TV:** Down 3.0% for the quarter and 5.7% for the year in constant NT$. Generated predominantly from TBC's Premium digital cable TV RGUs each contributing an ARPU of NT$65 per month in the quarter for Premium digital cable TV packages and bundled DVR or DVR-only services
- **Broadband:** Up 14.1% for the quarter and 15.7% for the year in constant NT$. Generated predominantly from TBC's Broadband RGUs each contributing an ARPU of NT$382 per month in the quarter for high-speed Broadband services. Data backhaul generated 3.5% of Broadband revenue for the year

Total operating expenses: Lower operating expenses for the quarter were mainly due to lower broadcast and production costs and staff costs. Higher operating expenses for the year were mainly due to higher pole rental expenses, resulting from benefit of reversing pole rental provisions in the pcp

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

NET PROFIT

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

Group[1] (S$'000)	Quarter ended 31 Dec			Year ended 31 Dec		
	2022	2021	Variance[2] (%)	2022	2021	Variance[2] (%)
Total revenue	**69,425**	**76,245**	**(8.9)**	**285,964**	**299,745**	**(4.6)**
Operating expenses						
Broadcast and production costs	(13,004)	(14,980)	13.2	(55,628)	(57,566)	3.4
Staff costs	(6,049)	(6,658)	9.1	(25,822)	(28,088)	8.1
Trustee-Manager fees	(1,855)	(1,855)	-	(7,359)	(7,359)	-
Other operating expenses	(7,367)	(6,455)	(14.1)	(28,478)	(23,627)	(20.5)
Total operating expenses	**(28,275)**	**(29,948)**	**5.6**	**(117,287)**	**(116,640)**	**(0.6)**
EBITDA	**41,150**	**46,297**	**(11.1)**	**168,677**	**183,105**	**(7.9)**
Other expenses						
Depreciation and amortisation expense	(15,911)	(17,562)	9.4	(69,812)	(86,592)	19.4
Net foreign exchange (loss)/gain	(1,942)	66	(>100)	(949)	682	(>100)
Mark to market gain/(loss) on derivative financial instruments	2,263	391	>100	8,695	(11)	>100
Amortisation of deferred arrangement fees	(785)	(13,166)	94.0	(3,263)	(16,080)	79.7
Interest and other finance costs	(11,286)	(11,398)	1.0	(42,664)	(46,396)	8.0
Income tax expense	(5,291)	(4,083)	(29.6)	(15,181)	(14,457)	(5.0)
Total other expenses	**(32,952)**	**(45,752)**	**28.0**	**(123,174)**	**(162,854)**	**24.4**
Profit after income tax	**8,198**	**545**	**>100**	**45,503**	**20,251**	**>100**

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

SELECTED FINANCIAL INFORMATION

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

Group[2] (S$'000)	Quarter ended 31 Dec			Year ended 31 Dec		
	2022	2021	Variance[3] (%)	2022	2021	Variance[3] (%)
Revenue						
Basic cable TV	50,532	57,726	(12.5)	210,007	229,481	(8.5)
Premium digital cable TV	2,745	3,126	(12.2)	11,607	12,806	(9.4)
Broadband	16,148	15,393	4.9	64,350	57,458	12.0
Total revenue	**69,425**	**76,245**	**(8.9)**	**285,964**	**299,745**	**(4.6)**
Total operating expenses[4]	**(28,275)**	**(29,948)**	**5.6**	**(117,287)**	**(116,640)**	**(0.6)**
EBITDA	**41,150**	**46,297**	**(11.1)**	**168,677**	**183,105**	**(7.9)**
EBITDA margin[5]	59.3%	60.7%		59.0%	61.1%	
Capital expenditure						
Maintenance	5,491	4,238	(29.6)	17,923	16,278	(10.1)
Network, broadband and other	3,916	2,174	(80.1)	16,973	13,686	(24.0)
Total capital expenditure	**9,407**	**6,412**	**(46.7)**	**34,896**	**29,964**	**(16.5)**
Income tax paid, net of refunds	(1,563)	(4,055)	61.5	(11,011)	(10,066)	(9.4)
Interest and other finance costs paid	(11,113)	(11,354)	2.1	(43,737)	(46,198)	5.3

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

FINANCIAL POSITION

Strengthening balance sheet and managing debt levels remain a key focus

Group (S$'000)	As at 31 Dec	
	2022	2021
Assets		
Current assets		
Cash and cash equivalents	118,860	124,664
Trade and other receivables	13,180	16,089
Other assets	6,540	2,591
	138,580	**143,344**
Non-current assets		
Property, plant and equipment	234,274	292,493
Intangible assets	2,315,258	2,584,991
Other assets	12,801	1,744
	2,562,333	**2,879,228**
Total assets	**2,700,913**	**3,022,572**
Liabilities		
Current liabilities		
Borrowings from financial institutions	72,974	58,395
Trade and other payables	51,269	53,510
Income tax payable	6,179	5,970
Other liabilities	57,918	63,076
	188,340	**180,951**
Non-current liabilities		
Borrowings from financial institutions	1,243,397	1,455,097
Deferred tax liabilities	102,348	107,194
Other liabilities	27,924	36,528
	1,373,669	**1,598,819**
Total liabilities	**1,562,009**	**1,779,770**
Net assets	**1,138,904**	**1,242,802**

- **Cash and cash equivalents:** Cash balance of S$118.9 million; S$76 million to be set aside for onshore and offshore debt repayments in the next 12 months
- **Intangible assets:** Comprise mainly cable TV licences and includes value of goodwill, franchise rights and customer relationships
- **Borrowings:** Decrease is mostly attributable to repayments of Onshore and Offshore Facilities and exchange rate movement. Refer to the next slide for additional details on borrowings
- **Depreciation/amortisation:** Depreciation is computed on a straight-line basis over the estimated useful lives of the assets as follows:
  - Buildings: 3-50 years
  - Leasehold improvements: 3-10 years
  - Network equipment: 2-10 years
  - Transport equipment: 5 years
  - Plant and equipment: 2-5 years
  - Right-of-use assets: 2-30 years

BORROWINGS

Net exposure to rising interest rates is contained: approx. 93% of outstanding Onshore Facilities are hedged; as Onshore Facilities constitute 90% of total outstanding debt, 84% of total debt is protected against the risk of rising interest rates through to 2025

Group debt		As at 31 Dec	
		2022	2021
Total size available	S$ million	1,413	1,619
Total outstanding	S$ million	1,333	1,535
Effective interest rate - constant dollar	% p.a.	Q4 - 2.8; YTD - 2.6	Full year - 2.7
Effective interest rate - SGD	% p.a.	Q4 - 3.3; YTD - 3.0	Full year - 3.0
Net debt / EBITDA[1]	Multiple	7.2	7.7
Interest cover[2]	Multiple	4.0	3.9
Gearing[3]	%	48.7	50.1

- Borrowings comprised NT$ and S$ denominated loans - NT$27.4 billion (2021: NT$28.0 billion) and S$136.9 million (2021: S$171.9 million)
- In 2021, extended maturity date of Onshore Facilities by three years to Nov 2028, on the same major terms; pared down NT$0.8 billion (approx. S$40 million) as part of Onshore Facilities' extension, using cash on the balance sheet
- As at 31 December 2022, TAIBOR swaps have been entered into to hedge approx. 93% of the outstanding Onshore Facilities through to 30 June 2025. The average fixed rate on all TAIBOR swaps is 0.94% which is currently lower than the prevailing three-month TAIBOR. As Onshore Facilities constitute approximately 90% of the Group's total outstanding debts, the net exposure to rising interest rates is contained
- Effective interest rate in constant dollar terms of 2.8% p.a. for the quarter and 2.6% p.a. for the full year (Full year 2021: 2.7% p.a.). Actual effective interest rate in SGD was 3.3% p.a. for the quarter and 3.0% p.a. for the full year (Full year 2021: 3.0% p.a.)
- As at 31 December 2022, approx. S$80 million of revolving facilities are available to fund working capital and future initiatives, if required
- Refinanced Offshore Facilities for the next 30-month period on the same major terms. Refer to the next slide for more details

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

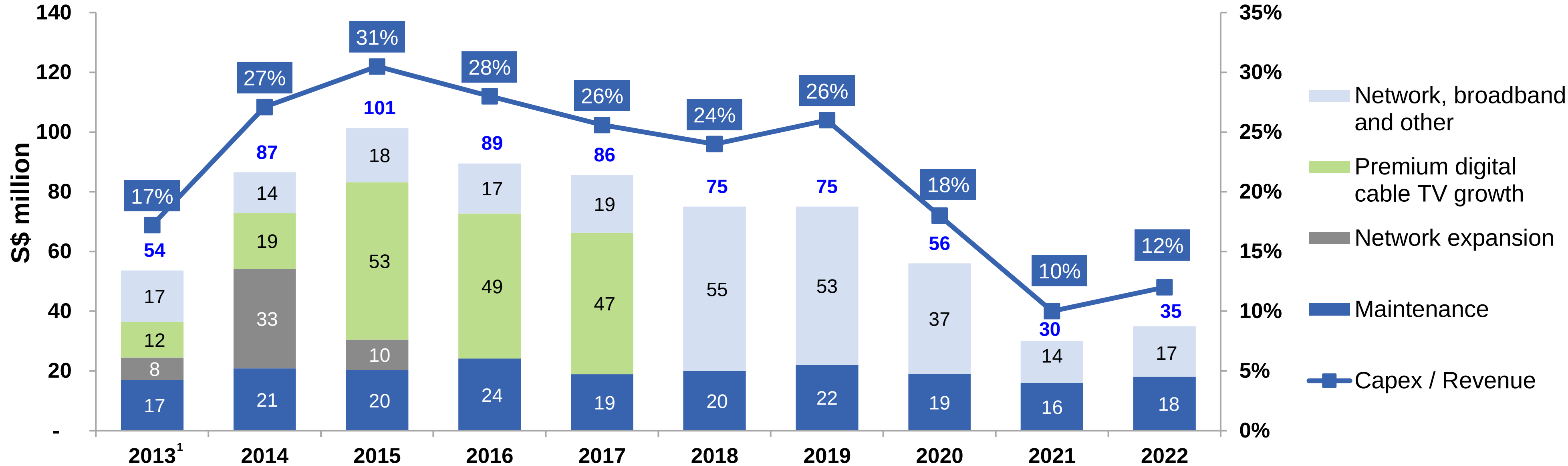
OFFSHORE LOAN REDUCTION

Refinanced Offshore Facilities are S$83.4 million lower than the current Offshore Facilities – a direct result of debt management programme where accelerated debt repayments were made over the past two years, using cash generated from operations

- Facility agreement signed on 17 January 2023 to refinance Offshore Facilities for a 30-month period, on the same major terms; financial close expected to be in July 2023, at the maturity of the existing Offshore Facilities
- After including the impact of scheduled repayments until the financial close, the size of the refinanced facilities will be reduced to a S$46.6 million term loan facility and a S$75 million revolving loan facility on financial close
- The refinanced facilities will bear a floating interest rate plus an interest margin ranging from 4.1% to 4.9% per annum, based on the leverage ratio of the Group (compared to 4.1% to 5.5% for the existing Offshore Facilities)
- Successful refinancing reflects lenders' confidence in APTT's business and the management
- Aim to eliminate offshore debt, which is more expensive, and bring all debt back onshore over the long term

CAPITAL EXPENDITURE

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



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

Capital expenditure in 2022 comprised the following:

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

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

OUTLOOK & STRATEGY

POTENTIAL IMPACT OF RISING INTEREST RATES (TAIBOR & SIBOR)

On Debt

- 84% of total outstanding debt is hedged and protected against rising interest rates through to 2025

- 16% of total outstanding debt is unhedged:
  - 6% exposed to TAIBOR
  - 10% (Offshore Facilities) exposed to SIBOR

- While TAIBOR rates have not increased significantly over the last year, SIBOR rates have increased substantially in 2022

- Total interest costs for 2023 are expected to be affected by the changes in interest rates on the remaining 16% of total outstanding debt that remains unhedged

On Intangible Assets

- Rising interest rates affect the calculation of APTT's Weighted Average Cost of Capital ("WACC") used in the annual impairment assessment of goodwill, cable TV licences with indefinite useful lives and property, plant and equipment

- Due to rising interest rates, WACC as at the end of the year has increased compared to 31 Dec 2021

- The impairment assessment as at 31 Dec 2022 using the higher WACC, shows that the headroom between APTT's DCF value and book value has decreased compared to 31 Dec 2021. The headroom is still marginally positive, mainly due to healthy business assumptions and net cash flow forecasts

- If interest rates continue to stay elevated and 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

- Impairment loss (if any) would be a non-cash item and would not impact the Group's operations or its cash flows

POSITIONED FOR THE MID TO LONG-TERM

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

Broadband Growth Strategy

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

Capital Management

- Interest rate swaps covering 93% of outstanding Onshore Facilities hedged through to 30 June 2025
- Average fixed rate on TAIBOR swaps is 0.94%
- Gearing stood at 48.7% as at 31 Dec 2022 (2021: 50.1%)
- In 2021, successfully extended the maturity date of Onshore Facilities to 2028, on the same major terms
- Signed facility agreement to refinance Offshore Facilities for a 30-month period on the same major terms; financial close expected to be in July 2023, at the maturity of the existing Offshore Facilities
- Aim to eliminate offshore debt and bring debt back onshore to save on interest costs over the long term

Strengthen Balance Sheet

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

Key Investments

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

OUTLOOK

APTT is positioned to grow in a measured way

GROWTH DRIVERS

UP-SELL & CROSS-SELL

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

BROADBAND RGU GROWTH

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

SCALABLE & EFFICIENT COST STRUCTURE

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

PREMIUM DIGITAL TV

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

OPERATING ENVIRONMENT

CHALLENGING ENVIRONMENT

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

HIGHLY REGULATED

- Basic cable TV rates for 2023 across all five franchise areas were maintained at the same rates as 2022
- All five licences have most recently been renewed in 2020 and 2021 and will be next due for renewal in 2029 or 2030

Broadband and Premium digital cable TV RGUs to continue increasing in 2023; total revenue will be influenced by the ability to manage ARPUs which will remain under pressure; total operating expenses in 2023 expected to be in line with 2022

BUSINESS OVERVIEW

TRUST STRUCTURE

Unitholders

Asian Pay Television Trust

Trust Deed

APTT Management Pte. Limited (“Trustee-Manager”)

Offshore companies

Offshore Holding Companies

Ownership of assets

Income from assets

Onshore (Taiwan) companies and system operators

Taiwan Broadband Communications Group (“TBC”)

OVERVIEW

aptt
Asian Pay Television Trust

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

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

TBC

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

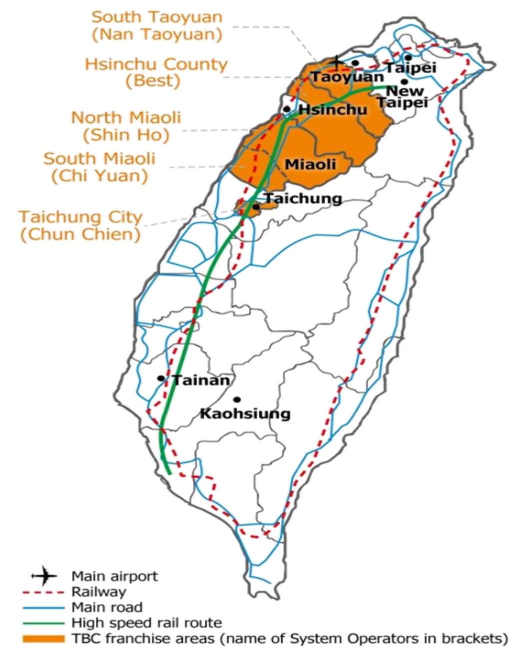
- Owns 100% of the advanced hybrid fibre coaxial cable network in the five franchise areas
- Resilient business with high barriers of entry due to high network roll out requirements
- Large customer base makes TBC attractive to local content providers
- Long standing relationship with subscribers; deep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

PRODUCT OFFERINGS

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

BASIC CABLE TV	PREMIUM DIGITAL CABLE TV	BROADBAND
Over 100 channels on Basic cable TV, majority of the popular channels are only available on cable TV	Up to 68 additional channels including 67 HD channels, through MPEG4 platform. 46%[1] of TBC's Basic cable TV subscribers are also Premium digital cable TV subscribers; opportunity to upsell to the remaining 54%	Growing market share, with ability to cross-sell to non-customers on DOCSIS 3.1 enabled HFC network and current speed offerings up to 1 Gbps

FRANCHISE AREAS IN NORTHERN & CENTRAL TAIWAN



- Low churn rate of 0.6%[1] for Basic cable TV (675K[1] Revenue Generating Units)
- Up-sell Premium digital cable TV and cross-sell Broadband to large Basic cable TV subscriber base

Note: (1) As at 31 December 2022

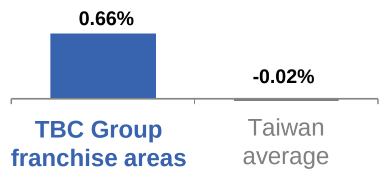
BUSINESS DRIVERS

TBC'S FRANCHISE AREAS

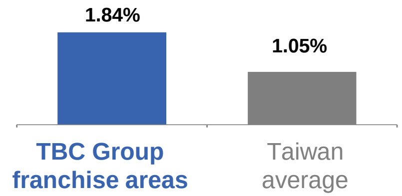
Network coverage of more than 1.3 million households across five franchise areas in four counties of Taiwan

- Well connected via major railways, road transportation and/or international airports
- Increasing population due to workforce seeking employment in TBC Group's franchise areas
- Population growth in the five franchise areas (0.66%) outstrips national average (-0.02%); Growing number of new households as more young Taiwanese set up families

Population CAGR[1] (2012-2022)



Number of households CAGR[1] (2012-2022)



South Taoyuan

- Home to Taiwan Taoyuan International Airport and close proximity to Taipei
- Service area covers 918 square km and constitutes over 75% of the total area in Taoyuan County
- Approx. 447K households and population of close to 1.2 million

Hsinchu

- Hsinchu Science Park is home to high tech companies, the city has one of the highest income levels in Taiwan
- Approx. 215K households and population of 581K

Miaoli (North & South)

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

Taichung City

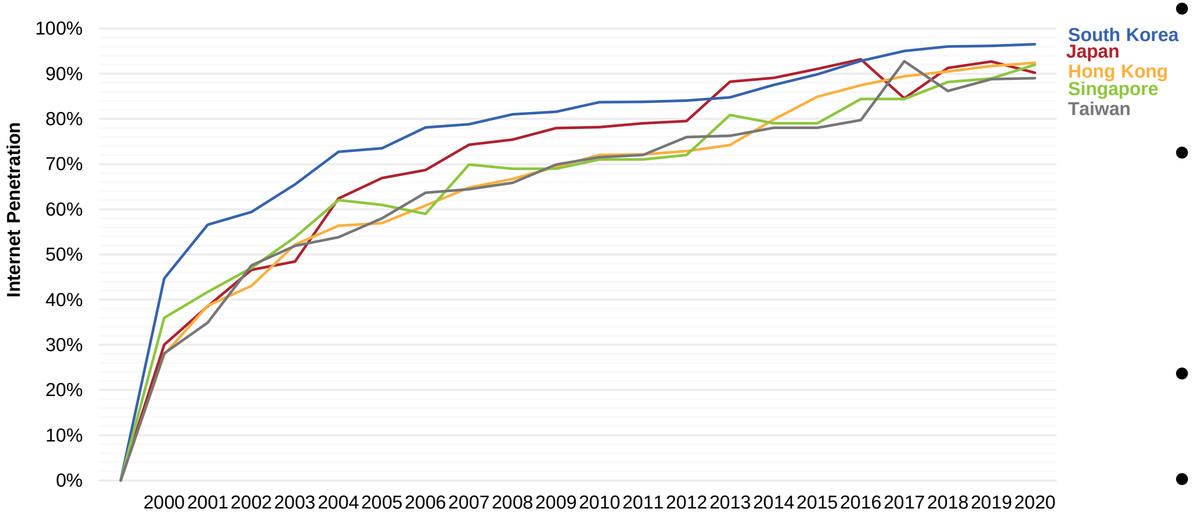
- One of the most populous cities in Taiwan; home to Taichung International Airport
- Vibrant, diverse economy: large industrial areas and a thriving commercial sector that incorporates traditional businesses, small family-run shops & factories
- Approx. 474K households and population of 1.2 million

Note: (1) National Statistics, R.O.C. (Taiwan) 2022

TAITWAN MARKET –
POTENTIAL IN BROADBAND

aptt

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



International Telecommunications Union

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

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

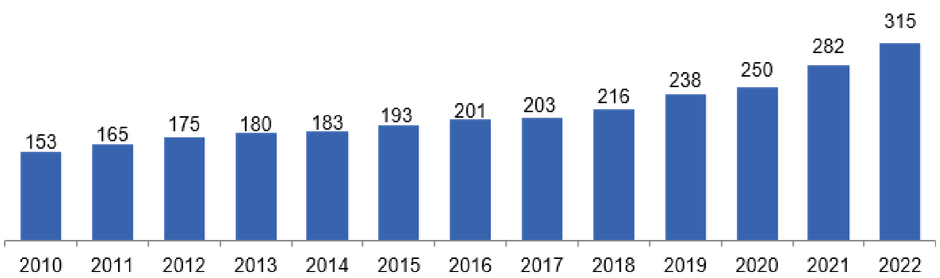
Datareportal, Digital 2022

IMPROVING BROADBAND MARKET SHARE

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

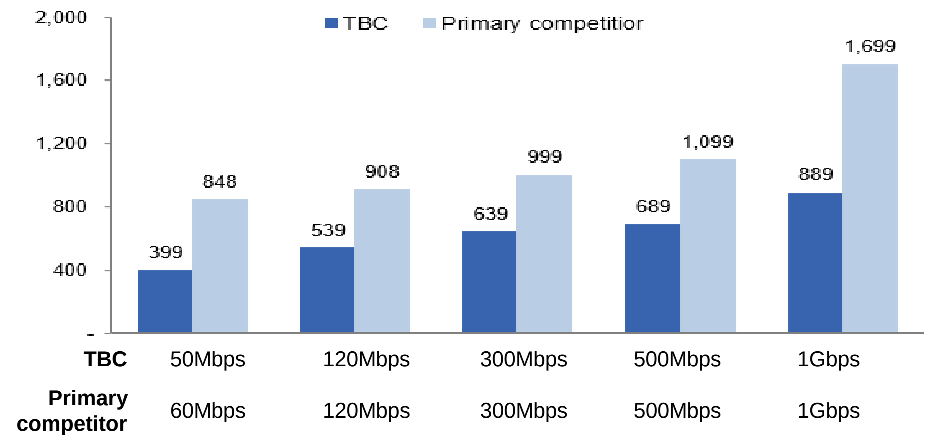
Broadband RGUs ('000)

2010-22 Broadband RGU CAGR: 6.2%



TBC Group offers competitive prices[1] with reliable services

NT$ / month



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

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

HIGH BARRIERS TO ENTRY AGAINST CABLE ENTRANTS IN TAIWAN

Cable TV continues to be the dominant TV platform

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

Barrier to entry against new cable entrants

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

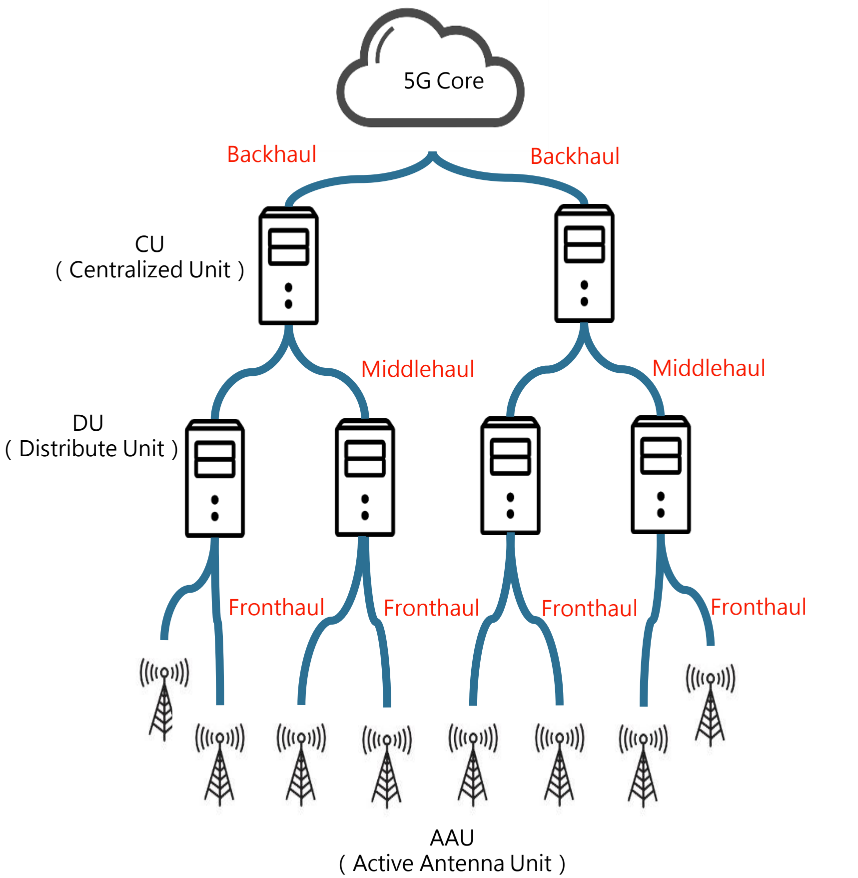
Top 20 channels in Taiwan (2022)

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

5G DATA BACKHAUL OPPORTUNITIES

HOW DATA BACKHAUL WORKS?

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



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

Demand for higher speed continues to increase

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

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

IMPACT OF COVID-19

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

- Taiwan's outlook remains uncertain as any downturn in other countries will invariably have an impact on Taiwan's export-driven economy and GDP growth. A significant and prolonged deterioration in the national GDP, disposable income or overall economic conditions could in turn adversely affect TBC's ability to grow or maintain revenues, and its financial position.
- The Trustee-Manager will continue to monitor developments of COVID-19 and their related impact on operations and exercise prudence, manage its operational and capital expenditure and strengthen APTT's debt management programme. A stronger balance sheet will provide APTT with the flexibility to navigate and compete more effectively in today's uncertain economic climate.
- During the pandemic, TBC and the Trustee-Manager activated their respective Business Continuity Plans that adhere to all regulations and guidelines in their respective jurisdictions.

END