



ANNUAL GENERAL MEETING

29 APRIL 2024

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AGENDA

1. BOARD OF DIRECTORS
2. BUSINESS OVERVIEW
3. 2023 BUSINESS & RESULTS HIGHLIGHTS
4. OUTLOOK & STRATEGY
5. Q&A
6. FORMAL PROCEEDINGS

BOARD OF DIRECTORS



BOARD OF DIRECTORS

Independent directors comprise majority of the Board (4 out of 7); six are non-executive directors



**Yong
Lum Sung**

—
Chair,
Independent
Director



**Richard
Tan**

—
Independent
Director,
Remuneration
Committee
Chair



**Leong
Shin Loong**

—
Independent
Director,
Nominating
Committee
Chair



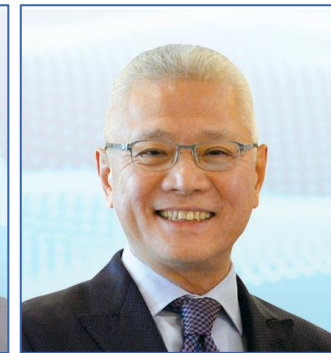
**Joanna
Ong**

—
Lead
Independent
Director,
Audit
Committee
Chair



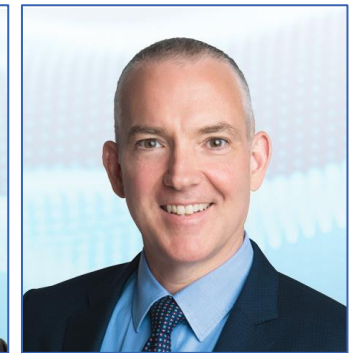
**Lu
Fang-Ming**

—
Vice-Chair,
Non-Executive
Director



**Dai
Yung Huei**

—
Non-Executive
Director



**Brian
McKinley**

—
Chief
Executive
Officer,
Executive
Director

BUSINESS OVERVIEW



OVERVIEW

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



- Sole investment in Taiwan Broadband Communications (“TBC”) – A leading cable TV and high-speed broadband operator in Taiwan

Cable TV operator in five operating 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 operating 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

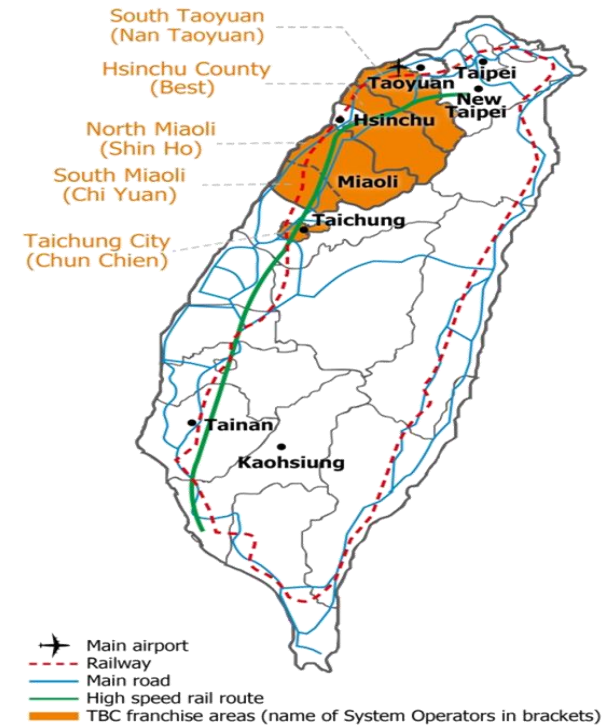
PRODUCT OFFERINGS

Approx. 87% of revenue is subscription-based from three product offerings¹

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 62 additional channels including 61 HD channels, through MPEG4 platform. 37% ¹ of TBC’s Basic cable TV subscribers are also Premium digital cable TV subscribers; opportunity to upsell to the remaining 63%	Growing market share, with ability to sell to non-TV customers on DOCSIS 3.1 enabled HFC network and current speed offerings up to 1 Gbps

Note: (1) As at 31 December 2023

OPERATING FRANCHISE AREAS IN NORTHERN & CENTRAL TAIWAN

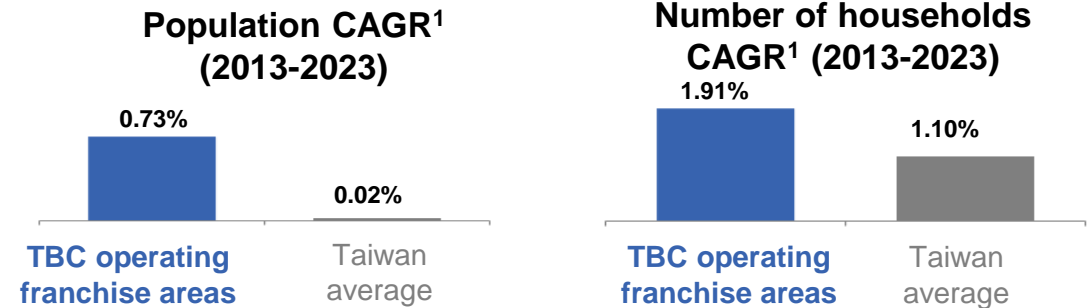


- Low churn rate of 0.6%¹ for Basic cable TV (649K¹ Revenue Generating Units)
- Up-sell Premium digital cable TV and cross-sell Broadband to large Basic cable TV subscriber base

TBC'S OPERATING FRANCHISE AREAS

Network coverage of more than 1.3 million households across five operating 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 operating franchise areas
- Population growth in the five operating franchise areas (0.73%) outstrips national average (0.02%); growing number of new households as more young Taiwanese set up families



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. 457K 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. 221K households and population of 589K



Miaoli (North & South)

- Suburban mountainous region geographically located between Hsinchu and Taichung
- Well connected via major railway and road transportation systems
- Approx. 200K 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. 488K households and population of 1.2 million

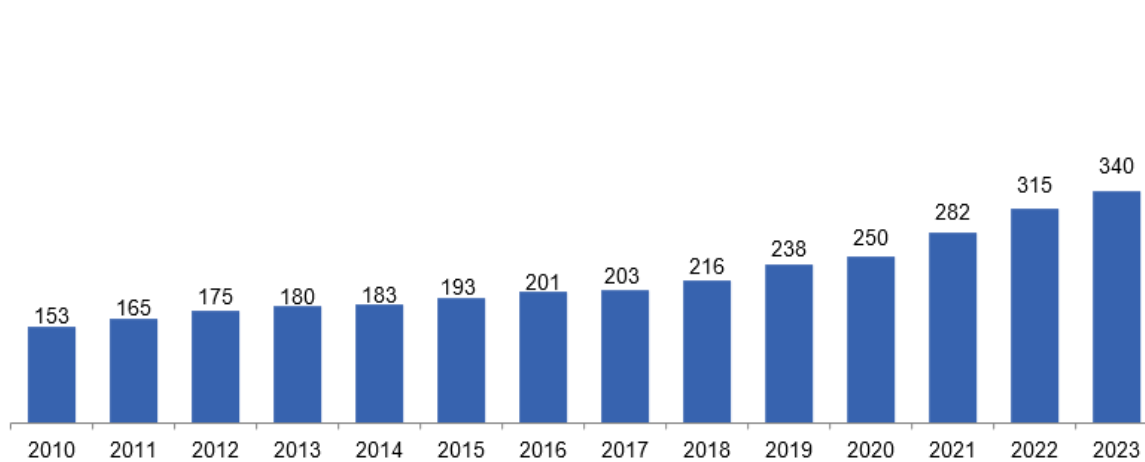
Note: (1) National Statistics, R.O.C. (Taiwan) 2023

IMPROVING BROADBAND MARKET SHARE

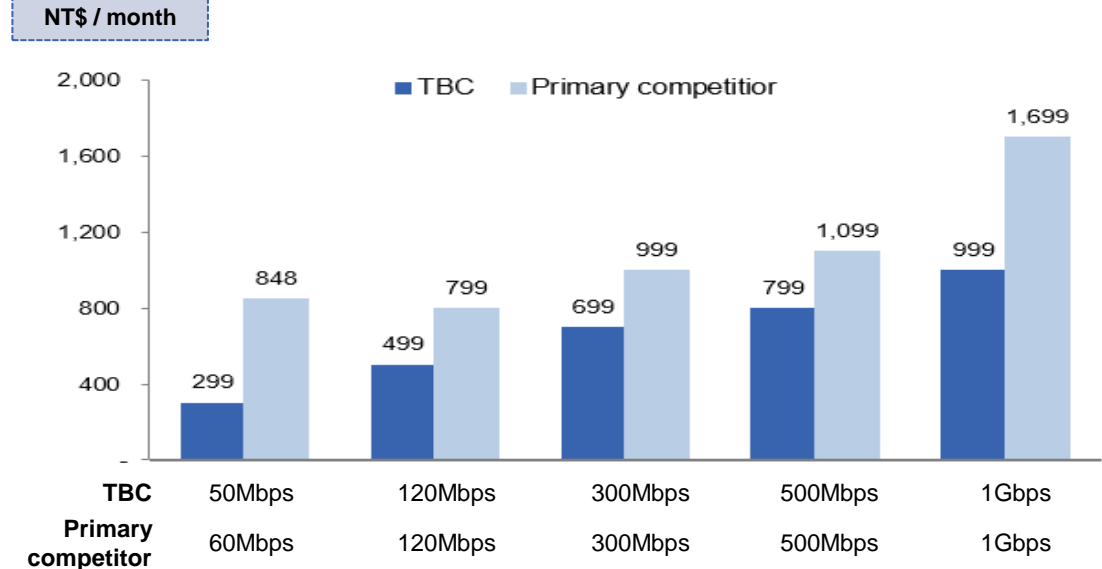
TBC's broadband market share improving in its franchise areas year-on-year

Broadband RGUs ('000)

2010-23 Broadband RGU CAGR: 6.3%



TBC Group offers competitive prices¹ with reliable service

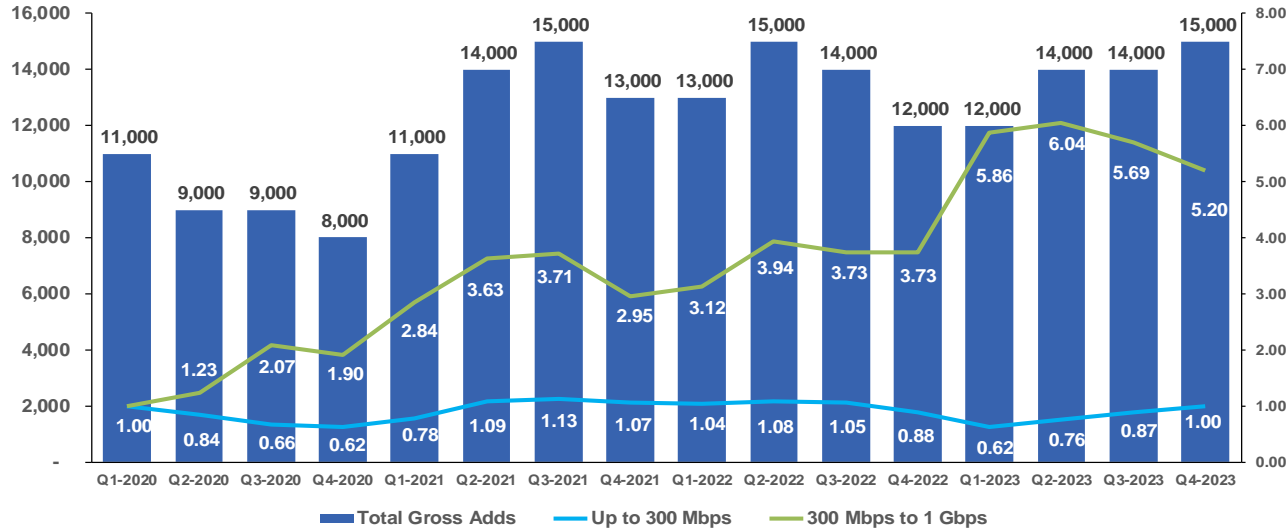


Note: (1) Primary competitor pricing based on NCC data

- 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

BROADBAND GROWTH MOMENTUM

Total gross subscriber additions



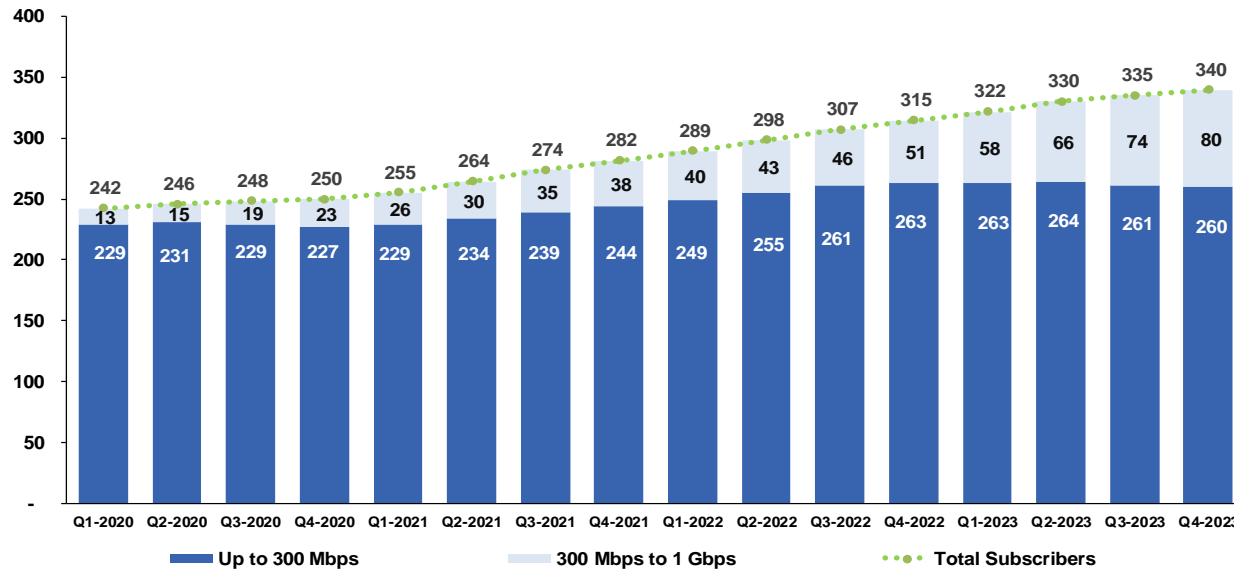
Growth Index for uptake of speed plans compared to Q1-2020 (Base=1)

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

Interpretation of Growth Index from the chart:

For example, in Q1-2020 if there was 1 subscriber taking up higher speed plan with speed ranging from 300 Mbps to 1 Gbps, then in Q4-2023, there were 5.20 times more subscribers taking up higher speed plans.

Breakdown of ending subscribers' speed plans (in '000)



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:

Out of total 340,000 broadband subscribers as at the end of Q4-2023, 260,000 subscribers are still in the lower speed plans of below 300 Mbps and 80,000 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.

2023 BUSINESS & RESULTS HIGHLIGHTS



2023 BUSINESS HIGHLIGHTS

Growing Broadband business aims to cushion impact of the declining Basic cable TV business for the long term



Broadband growth momentum

- Growth in number of subscribers and higher ARPU led to higher revenue in both S\$ and NT\$ for over three years
- Continued double-digit NT\$ revenue growth
- Total Broadband subscribers at 340 thousand, which is over 50% of the Basic cable TV subscriber base
- Over 25% of total revenue is now generated from Broadband, compared to 22% a year ago



Credit of Trustee-Manager's fee

- The Trustee-Manager has approved a credit of S\$494 thousand for the 2024 Trustee-Manager fees, comprising a 100% credit of the 2023 CPI increase (S\$383.4 thousand) and the extension of the 2023 credit (S\$110.6 thousand) to 2024
- Underscores the Trustee-Manager's commitment to cost management and its direct contribution to it
- 2024 Trustee-Manager's net fees will remain unchanged at S\$7.88 million



Impairment loss of S\$440 million (non-cash item)

- Due to decline in cable TV business amidst higher interest rates and a weaker Taiwan dollar
- This non-cash item has no impact on operations, cash flows, distributions or financial covenants

2023 BUSINESS HIGHLIGHTS

Disciplined approach to debt management lowered debt by 18% over the last 4 years; 83% of total debt is protected against the risk of rising interest rates through to mid-2025



Lower debt levels

- Accelerated debt repayments, using cash generated from operations, have reduced the size of Offshore Facilities by S\$83.4 million
- Refinanced Offshore Facilities for a 30-month period on the same major terms; financial close was successfully completed on 14 July 2023
- Refinanced Offshore Facilities comprise a S\$46.6 million term loan facility and a S\$75 million revolving loan facility
- Made net debt repayments of S\$49 million in 2023; S\$65 million to be set aside for principal repayments in 2024



Managing rising interest rates

- As at 31 December 2023, TAIBOR interest rate swaps hedged approx. 90% of the outstanding Onshore Facilities (which represent 92% of total outstanding debt) through to 30 June 2025; average fixed rate of 0.94%
- Net exposure to rising interest rates is contained; impact of rising interest rates is not expected to materially impact cash flows or affect business operations
- 83% of total debt is protected against the risk of rising interest rates through to mid-2025

2023 RESULTS HIGHLIGHTS

Total revenue in NT\$ increased marginally, signaling that Broadband is starting to cushion the impact of the decline in our Basic cable TV business



Lower revenue and EBITDA mostly due to unfavourable foreign exchange rate movements

- Revenue and EBITDA were S\$266.4 million and S\$154.2 million for the year
- EBITDA margin was 57.9% for the year



Continued Broadband growth momentum

- Broadband revenue growth: 11.8% in NT\$ and 4.9% in S\$
- Higher contribution from Broadband led to a modest increase in real total revenue



YoY growth in total subscriber base: added c.14,000 in net subscribers

- Despite the removal of non-paying subscribers (greater than 90 days) across all three service offerings in 2H, the continued growth in Premium digital cable TV and Broadband subscribers in 2023 increased the total subscriber base to c.1,312,000 as at 31 December 2023, from c.1,298,000 a year ago



Capital expenditure within industry norms

- As a percentage of revenue, capital expenditure was 12.9% for the year – within industry norms
- Capital expenditure decreased by 1.2% for the year due to lower expenditure on maintenance

2023 RESULTS HIGHLIGHTS

Re-affirmed 2024 distribution guidance of 1.05 cents per unit



Distribution guidance

- Re-affirmed distribution guidance of 1.05 cents per unit for full year 2024; to be paid in half-yearly instalments of 0.525 cents per unit each, subject to no material changes in planning assumptions
- Takes into account various factors, including the elevated interest rates, a weaker NT\$ against S\$, ARPU pressure and a declining Basic cable TV business
- At this guided distribution level, disciplined debt repayments can still continue, while capital expenditure can be at a level to support our Broadband growth strategy

KEY OPERATING METRICS

Broadband ARPU improved by NT\$11 per month alongside c.25,000 more subscribers, reflecting the success of TBC’s strategy to target the broadband-only segment and offer higher speed plans at competitive prices

	RGUs ¹ ('000)		ARPU ² (NT\$ per month)	
	As at 31 Dec		Year ended 31 Dec	
	2023	2022	2023	2022
Basic cable TV	649	675	454	468
Premium digital cable TV	323	308	62	69
Broadband	340	315	389	378

- **Basic cable TV:** RGUs decreased by c.26,000 to c.649,000 as at 31 December 2023 due to (i) removal of c.7,200 non-paying subscribers, (ii) a saturated cable TV market, (iii) competition from aggressively priced IPTV, (iv) growing popularity of online video and (v) 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
- **Premium digital cable TV:** RGUs increased by c.15,000 to c.323,000 despite the removal of c.7,900 non-paying subscribers. 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\$7 per month
- **Broadband:** TBC’s focused broadband growth strategy led to RGUs increasing by c.25,000 to c.340,000 despite the removal of c.4,700 non-paying subscribers. ARPU improved by NT\$11 per month. 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

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

FINANCIAL RESULTS

Broadband and Premium digital cable TV recorded revenue growth in NT\$

Group ¹ (S\$'000)	Year ended 31 Dec		
	2023	2022	Variance ² (%)
Revenue			
Basic cable TV	188,033	210,007	(10.5)
Premium digital cable TV	10,852	11,607	(6.5)
Broadband	67,510	64,350	4.9
Total revenue	266,395	285,964	(6.8)
Total operating expenses³	(112,194)	(117,287)	4.3
EBITDA	154,201	168,677	(8.6)
EBITDA margin	57.9%	59.0%	

Total Revenue (FY2023)
S\$266.4 million
 ↓ 6.8%

EBITDA (FY2023)
S\$154.2 million
 ↓ 8.6%

EBITDA Margin (FY2023)
57.9%
 ↓ 1.1 PPT

In constant Taiwan dollars (“NT\$”), total revenue was up 0.1% for the year; foreign exchange contributed to a negative variance of 6.9% for the year compared to the pcg

- **Basic cable TV:** Down 3.6% 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:** Up 0.4% for the year in constant NT\$. Generated predominantly from TBC’s Premium digital cable TV RGUs each contributing an ARPU of NT\$62 per month during the year for Premium digital cable TV packages and bundled DVR or DVR-only services
- **Broadband:** Double digit revenue growth in NT\$, up 11.8% for the year. Generated predominantly from TBC’s Broadband RGUs each contributing an ARPU of NT\$389 per month during the year for high-speed Broadband services. Data backhaul generated 3.6% of Broadband revenue for the year. Broadband now constitutes over 25% of total revenue

Total operating expenses: Lower operating expenses for the year mainly due to i) lower staff costs; ii) lower marketing and selling expenses; and iii) impact of exchange rate movements

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, impairment loss, 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, impairment loss, foreign exchange, mark to market movements and deferred taxes

Group ¹ (S\$'000)	Year ended 31 Dec		
	2023	2022	Variance ² (%)
Total revenue	266,395	285,964	(6.8)
Operating expenses			
Broadcast and production costs	(55,059)	(55,628)	1.0
Staff costs	(23,870)	(25,822)	7.6
Trustee-Manager fees	(7,882)	(7,359)	(7.1)
Other operating expenses	(25,383)	(28,478)	10.9
Total operating expenses	(112,194)	(117,287)	4.3
EBITDA	154,201	168,677	(8.6)
Other expenses			
Depreciation and amortisation expense	(57,009)	(69,812)	18.3
Net foreign exchange loss	(79)	(949)	91.7
Mark to market gain on derivative financial instruments	2,013	8,695	(76.8)
Exceptional item - Impairment loss	(440,000)	-	(100)
Amortisation of deferred arrangement fees	(3,205)	(3,263)	1.8
Interest and other finance costs	(42,695)	(42,664)	(0.1)
Income tax expense	(19,629)	(15,181)	(29.3)
Total other expenses	(560,604)	(123,174)	(>100)
Profit after income tax	(406,403)	45,503	(>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 information¹ are key financial metrics of APTT's business

Group ² (S\$'000)	Year ended 31 Dec		
	2023	2022	Variance ³ (%)
Revenue			
Basic cable TV	188,033	210,007	(10.5)
Premium digital cable TV	10,852	11,607	(6.5)
Broadband	67,510	64,350	4.9
Total revenue	266,395	285,964	(6.8)
Total operating expenses⁴	(112,194)	(117,287)	4.3
EBITDA	154,201	168,677	(8.6)
EBITDA margin ⁵	57.9%	59.0%	
Capital expenditure			
Maintenance	14,892	17,923	16.9
Network, broadband and other	19,597	16,973	(15.5)
Total capital expenditure	34,489	34,896	1.2
Income tax paid, net of refunds	(12,190)	(11,011)	(10.7)
Interest and other finance costs paid	(43,878)	(43,737)	(0.3)

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, impairment loss, 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	
	2023	2022
Assets		
Current assets		
Cash and cash equivalents	91,940	118,860
Trade and other receivables	11,355	13,180
Other assets	5,091	6,540
	108,386	138,580
Non-current assets		
Property, plant and equipment	176,962	234,274
Intangible assets	1,868,200	2,315,258
Other assets	8,664	12,801
	2,053,826	2,562,333
Total assets	2,162,212	2,700,913
Liabilities		
Current liabilities		
Borrowings from financial institutions	62,131	72,974
Trade and other payables	22,429	51,269
Income tax payable	7,032	6,179
Other liabilities	54,871	57,918
	146,463	188,340
Non-current liabilities		
Borrowings from financial institutions	1,186,807	1,243,397
Deferred tax liabilities	106,967	102,348
Other liabilities	26,282	27,924
	1,320,056	1,373,669
Total liabilities	1,466,519	1,562,009
Net assets	695,693	1,138,904

- **Cash and cash equivalents:** Cash balance of S\$91.9 million; S\$65 million to be set aside for onshore and offshore debt repayments in 2024
- **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. 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: 3-5 years
 - Right-of-use assets: 1-30 years

BORROWINGS

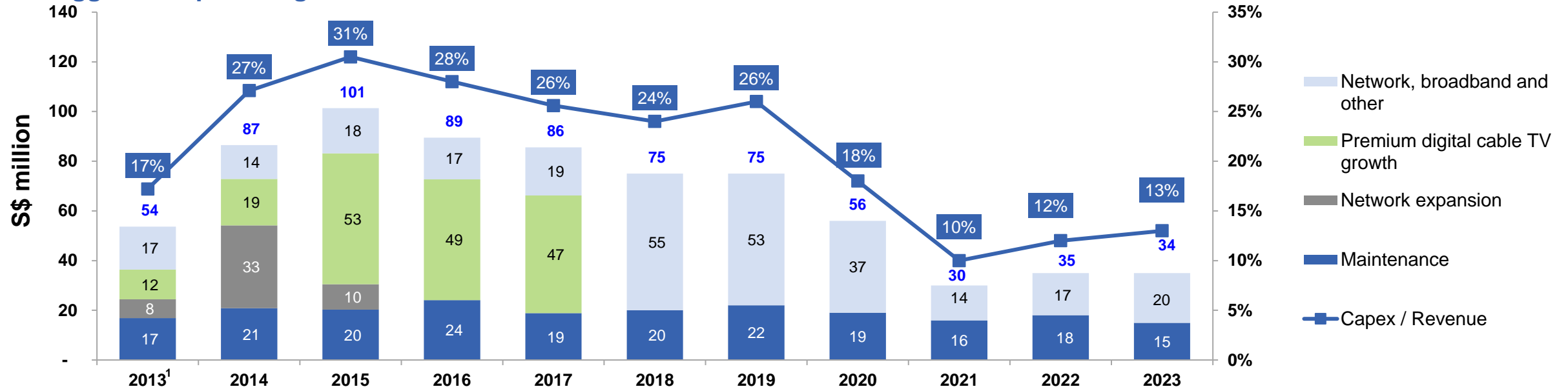
Lowered total debt by 18% over the last 4 years; net exposure to rising interest rates is contained: approx. 83% of total debt is protected against the risk of rising interest rates through to 2025

Group debt		As at 31 Dec	
		2023	2022
Total size available	S\$ million	1,312	1,413
Total outstanding	S\$ million	1,264	1,333
Effective interest rate - constant dollar	% p.a.	2.8	2.6
Effective interest rate - SGD	% p.a.	3.3	3.0
Net debt / EBITDA ¹	Multiple	7.6	7.2
Interest cover ²	Multiple	3.6	4.0

- Borrowings comprised NT\$ and S\$ denominated loans - NT\$27.0 billion (2022: NT\$27.4 billion) and S\$105.6 million (2022: S\$136.9 million)
- Refinanced Offshore Facilities for 30-month period on the same major terms. New Offshore Facilities (S\$46.6 million term loan facility and a S\$75 million revolving loan facility) are S\$83.4 million lower than the previous Offshore Facilities; bear a floating interest rate based on SORA, plus the applicable adjustment spread as per the agreement and an interest margin ranging from 4.1% to 4.9% per annum, based on the leverage ratio of the Group
- As at 31 December 2023, TAIBOR swaps hedged approx. 90% of 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 92% of the Group's total outstanding debt, the net exposure to rising interest rates is contained to the remaining 17% of total outstanding debt that remains unhedged
- Effective interest rate in constant dollar terms of 2.8% p.a. for 2023 (2022: 2.6% p.a.). Actual effective interest rate in SGD was 3.3% p.a. for 2023 (2022: 3.0% p.a.)
- As at 31 December 2023, approx. S\$48 million of revolving facilities are available to fund working capital and future initiatives, if required

CAPITAL EXPENDITURE

Capital expenditure to continue to be within industry norms; investments will be limited to areas that can support our aggressive push to grow the Broadband business



- 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 Group
- Capital expenditure to 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 2023 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 broadband 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 ELEVATED INTEREST RATES ON DEBT



Changes in interest rates expected to affect interest costs on 17% of total outstanding debt that remains unhedged

- 83% of total outstanding debt is hedged and protected against rising interest rates through to mid-2025
- 17% of total outstanding debt is unhedged:
 - 9% exposed to TAIBOR
 - 8% exposed to SORA
- While TAIBOR rates have not increased significantly, SORA rates have increased substantially in the last two years and have recently started to show signs of stabilising
- Total interest costs in 2024 are expected to be affected by the changes in interest rates on the remaining 17% of total outstanding debt that remains unhedged

IMPAIRMENT ASSESSMENT FOR GOODWILL AND INTANGIBLE ASSETS



Recorded impairment loss of S\$440 million (non-cash item), following the annual impairment assessment exercise; no impact on operations, cash flows, distributions or financial covenants

- Rising interest rates affect the calculation of APTT's Weighted Average Cost of Capital ("WACC") or discount rate used in the annual impairment assessment of goodwill, cable TV licences with indefinite useful lives and property, plant and equipment.
- We prepare a 7-year cash flow projection and apply the discount rate; our auditors and their internal valuation team review our assumptions.
- Three factors mainly contributed to the impairment loss:
 - Moderated growth assumptions at the back of declining cable TV business and lower EBITDA in NT\$ terms for 5 consecutive years
 - Elevated interest rates and macroeconomic factors resulting in a higher discount rate
 - Weaker Taiwan dollar against Singapore dollar.
- The recoverable amount of TBC's cable TV licences has therefore reduced, and an impairment loss of S\$440 million was recorded in the Group's consolidated statement of profit or loss for the year ended 31 December 2023. The impairment loss was allocated as follows: (i) S\$7.5 million to goodwill, (ii) S\$35.8 million to property, plant and equipment and (iii) S\$396.7 million to other intangible assets.
- The impairment loss is a non-cash item and will not impact the Group's operations, nor financial covenants for the onshore and offshore borrowing facilities; lenders focus on the Group's cash, cash profile, credit quality, and debt repayment capability.
- There will be no change to the 2024 distribution guidance of 1.05 cents per unit.

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 gradually add a meaningful income stream to the Broadband business; multi-year investments for mobile operators

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

Capital Management

- Interest rate swaps covering 90% of outstanding Onshore Facilities hedged through to 30 June 2025
- Average fixed rate on TAIBOR swaps is 0.94%
- Financial close of the new 30-month Offshore Facilities on the same major terms successfully completed on 14 July 2023, at the maturity of the previous Offshore Facilities

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



PREMIUM DIGITAL TV

- Continue to drive growth 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 since analog TV signal only switched off in 2017



SCALABLE & EFFICIENT COST STRUCTURE

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

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 2024 across all five operating franchise areas were maintained at the same rates as 2023
- All five operating licences have most recently been renewed in 2020 and 2021 and will be due for next renewal in 2029 or 2030

Broadband & Premium digital cable TV RGUs expected to continue increasing in 2024; total revenue will be influenced by the ability to manage ARPUs which will remain under pressure; total operating expenses in 2024 expected to be in line with 2023

Q&A



FORMAL PROCEEDINGS



SUMMARY OF RESOLUTIONS

Ordinary Business

- **Ordinary Resolution 1:**

To receive and adopt the Report of the Trustee-Manager, Statement by the Trustee-Manager and the audited financial statements of APTT Group for the financial year ended 31 December 2023 and the Auditor's Report thereon

- **Ordinary Resolution 2:**

To reappoint Deloitte & Touche LLP as the Auditor of APTT to hold office until the next Annual General Meeting and to authorise the directors of the Trustee-Manager to fix its remuneration

Special Business

To consider and, if thought fit, to pass, with or without modifications, the following resolutions:

- **Ordinary Resolution 3:**

General mandate to issue units in APTT

END

