ASIAN PAY TELEVISION TRUST

31 DECEMBER 2021

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AGENDA

1. 31 DECEMBER 2021 RESULTS
2. OUTLOOK & STRATEGY
3. BUSINESS OVERVIEW
4. BUSINESS DRIVERS

31 DECEMBER 2021 RESULTS

HIGHLIGHTS

Broadband recorded continued growth in ARPU, revenue and subscribers in Q4 2021; registered higher EBITDA and lower capital expenditure; extended maturity date and reduced size of Onshore Facilities

Higher Q4 and full year 2021 EBITDA and EBITDA margin

- Revenue for the quarter and year at S$76.2 million and S$299.7 million
- EBITDA for the quarter and year up 8.0% and 1.2% to S$46.3 million and S$183.1 million driven by lower operating expenses
- EBITDA margin improved by 4.7 percentage points to 60.7% for the quarter and 2.2 percentage points to 61.1% for the year

Growing total subscriber base due to momentum from Broadband and Premium digital cable TV

- Premium digital cable TV and Broadband subscribers have been steadily increasing over the past 15 quarters
- Added c.7,000 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.1,246,000

Broadband growth strategy is showing results

- Recorded higher ARPU in Q4 2021, alongside continued growth momentum in Broadband subscribers
- Broadband revenue, which includes revenue from data backhaul, improved in S$ and NT$ for six consecutive quarters compared to the pcp;

Lower capital expenditure

- Capital expenditure decreased by 46.2% for the quarter and 46.6% for the year
- Aim to use excess cash generated from operations to make debt repayments, subject to operating conditions

Debt management

- Successful extension of Onshore and Offshore Facilities, ahead of maturity, reset principal repayment schedule and financial covenants
- Size of Onshore Facilities was reduced by NT$1.5 billion following accelerated debt repayments
- The Trustee-Manager aims to commence discussions in 2022 to further extend maturity date of Offshore Facilities to at least 2025; subject to the successful extension, the Trustee-Manager would not have to revisit borrowing facilities, both onshore and offshore, until 2025

HIGHLIGHTS

Reaffirmed distribution guidance of 1 cent per unit for 2022; the Trustee-Manager has approved a credit of S$169.9 thousand for the 2022 Trustee-Manager fees, underscoring commitment to cost management

Distribution

- Distribution of 0.25 cents per unit declared for Q4 2021
- Re-affirmed distribution guidance of 1.0 cent per unit for 2022, to be paid in quarterly instalments of 0.25 cents per unit, subject to no material changes in planning assumptions
- There may be some flexibility with respect to distributions after 2022, subject to operating conditions

Credit of Trustee-Manager's 2022 fee increase

- The Trustee-Manager has approved a credit of $169.6 thousand for the 2022 Trustee-Manager fees, equivalent to the 2021 CPI increase
- The net fees for 2022 will remain unchanged at $7.36 million
- Underscores the Trustee-Manager's commitment to cost management

Change to reporting of financial statements

- APTT will move to the reporting of IFRS-compliant financial statements on a half-year basis, with effect from the financial year beginning 1 January 2022
- Material business updates, key financial information and operating data, as well as abridged financial statements will be released for the first and third quarters
- Quarterly briefings to analysts and unitholders will continue
- No change to APTT's quarterly distribution policy in 2022

KEY OPERATING METRICS

Broadband ARPU improved by NT$5 per month alongside c.8,000 more subscribers, reflecting the success of TBC's marketing outreach to target Broadband only segment and offer higher speed plans at competitive prices; Basic cable TV churn is slowing down and ARPU is showing signs of stabilising

	RGUs[1] ('000)			ARPU[2] (NT$ per month)			
	As at			Quarter ended		Year ended	
	31 Dec 2021	30 Sep 2021	31 Dec 2020	31 Dec 2021	30 Sep 2021	31 Dec 2021	31 Dec 2020
Basic cable TV	691	694	709	476	478	480	484
Premium digital cable TV	273	266	244	76	80	81	96
Broadband	282	274	250	369	364	360	359

- **Basic cable TV:** RGUs decreased by c.3,000 in the quarter to c.691,000 as at 31 December 2021 due to (i) a saturated cable TV market, (ii) video piracy issues, (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[3] five franchise areas, particularly in the Taipei region

- **Premium digital cable TV:** RGUs increased by c.7,000 in the quarter to c.273,000. 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$4 per month in the quarter

- **Broadband:** Despite the competitive conditions from unlimited wireless data offerings from mobile operators, TBC's focused broadband growth strategy led to RGUs increasing by c.8,000 in the quarter to c.282,000, while ARPU improved by NT$5 per month in the quarter. Growth driven by partnership programs with mobile operators to drive fixed-line Broadband only segment, and higher speed plans at competitive prices. Broadband churn rates remained very low, averaging around 0.7% in Q4 2021

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

FINANCIAL RESULTS

Broadband revenue, which includes revenue from data backhaul, recorded growth in S$ and NT$ for six consecutive quarters compared to the pcp; aim to grow cash flows from Broadband and new initiatives 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		
	2021	2020	Variance[2] (%)	2021	2020	Variance[2] (%)
Revenue						
Basic cable TV	57,726	60,386	(4.4)	229,481	243,590	(5.8)
Premium digital cable TV	3,126	3,185	(1.9)	12,806	12,976	(1.3)
Broadband	15,393	12,944	18.9	57,458	50,812	13.1
Total revenue	**76,245**	**76,515**	**(0.4)**	**299,745**	**307,378**	**(2.5)**
Total operating expenses[3]	**(29,948)**	**(33,636)**	**11.0**	**(116,640)**	**(126,412)**	**7.7**
EBITDA	**46,297**	**42,879**	**8.0**	**183,105**	**180,966**	**1.2**
EBITDA margin	60.7%	56.0%		61.1%	58.9%	

In constant Taiwan dollars ("NT$"), total revenue was down 3.6% for the quarter and 5.2% for the year; foreign exchange contributed to a positive variance of 3.2% for the quarter and 2.7% for the year compared to the pcp

- **Basic cable TV:** Down 7.6% for the quarter and 8.5% for the year in constant NT$ mainly due to lower subscription and non-subscription revenue compared to the pcp. Non-subscription revenue for the quarter was lower mainly due to lower revenue generated from channel leasing. Non-subscription revenue for the year was lower mainly due (i) the absence of one-off revenue arising from the sale of certain in-house content to channel providers recorded in Q1 2020; and (ii) lower revenue generated from channel leasing and airtime advertising sales in Q1 2021
- **Premium digital cable TV:** Down 5.1% for the quarter and 4.0% for the year in constant NT$. Generated predominantly from TBC's Premium digital cable TV RGUs each contributing an ARPU of NT$76 per month in the quarter for Premium digital cable TV packages and bundled DVR or DVR-only services
- **Broadband:** Up 15.7% for the quarter and 10.4% for the year in constant NT$. Generated predominantly from TBC's Broadband RGUs each contributing an ARPU of NT$369 per month in the quarter for high-speed Broadband services

Total operating expenses: Lower operating expenses for the quarter and year mainly due to lower staff costs, lower pole rental expenses resulting from the reversal of additional pole rental expenses accrued in previous years, lower legal and professional fees, marketing and selling expenses as well as general and administrative expenses

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 one-time settlement of programming fees in 2020, 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		
	2021	2020	Variance[2] (%)	2021	2020	Variance[2] (%)
Total revenue	**76,245**	**76,515**	**(0.4)**	**299,745**	**307,378**	**(2.5)**
Operating expenses						
Broadcast and production costs	(14,980)	(14,742)	(1.6)	(57,566)	(56,883)	(1.2)
Staff costs	(6,658)	(8,366)	20.4	(28,088)	(31,280)	10.2
Trustee-Manager fees	(1,855)	(1,850)	(0.3)	(7,359)	(7,359)	-
Other operating expenses	(6,455)	(8,678)	25.6	(23,627)	(30,890)	23.5
Total operating expenses	**(29,948)**	**(33,636)**	**11.0**	**(116,640)**	**(126,412)**	**7.7**
EBITDA	**46,297**	**42,879**	**8.0**	**183,105**	**180,966**	**1.2**
Other expenses						
Settlement of programming fees	-	-	-	-	(5,360)	100
Depreciation and amortisation expense	(17,562)	(23,619)	25.6	(86,592)	(89,745)	3.5
Net foreign exchange gain/(loss)	66	(506)	>100	682	492	38.6
Mark to market gain/(loss) on derivative financial instruments	391	632	(38.1)	(11)	(1,386)	99.2
Amortisation of deferred arrangement fees	(13,166)	(937)	(>100)	(16,080)	(3,642)	(>100)
Interest and other finance costs	(11,398)	(11,313)	(0.8)	(46,396)	(47,542)	2.4
Income tax expense	(4,083)	(4,865)	16.1	(14,457)	(16,106)	10.2
Total other expenses	**(45,752)**	**(40,608)**	**(12.7)**	**(162,854)**	**(163,289)**	**0.3**
Profit after income tax	**545**	**2,271**	**(76.0)**	**20,251**	**17,677**	**14.6**

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		
	2021	2020	Variance[3] (%)	2021	2020	Variance[3] (%)
Revenue						
Basic cable TV	57,726	60,386	(4.4)	229,481	243,590	(5.8)
Premium digital cable TV	3,126	3,185	(1.9)	12,806	12,976	(1.3)
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Total revenue	**76,245**	**76,515**	**(0.4)**	**299,745**	**307,378**	**(2.5)**
Total operating expenses[4]	**(29,948)**	**(33,636)**	**11.0**	**(116,640)**	**(126,412)**	**7.7**
EBITDA	**46,297**	**42,879**	**8.0**	**183,105**	**180,966**	**1.2**
EBITDA margin[5]	60.7%	56.0%		61.1%	58.9%	
Capital expenditure						
Maintenance	4,238	5,300	20.0	16,278	19,398	16.1
Network, Broadband and other	2,174	6,614	67.1	13,686	36,692	62.7
Total capital expenditure	**6,412**	**11,914**	**46.2**	**29,964**	**56,090**	**46.6**
Income tax paid, net of refunds	(4,055)	(845)	(>100)	(10,066)	(7,925)	(27.0)
Interest and other finance costs paid	(11,354)	(11,357)	0.0	(46,198)	(47,958)	3.7

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 one-time settlement of programming fees in 2020, 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; aim to repay approx. S$60 million in onshore and offshore debt in the next 12 months

Group (S$'000)	As at 31 Dec	
	2021	2020
Assets		
Current assets		
Cash and cash equivalents	124,664	96,996
Trade and other receivables	16,089	14,434
Other assets	2,591	2,845
	143,344	**114,275**
Non-current assets		
Property, plant and equipment	292,493	330,490
Intangible assets	2,584,991	2,509,476
Other assets	1,744	1,572
	2,879,228	**2,841,538**
Total assets	**3,022,572**	**2,955,813**
Liabilities		
Current liabilities		
Borrowings from financial institutions	58,395	190,874
Trade and other payables	53,510	23,550
Income tax payable	5,970	6,109
Other liabilities	63,076	68,604
	180,951	**289,137**
Non-current liabilities		
Borrowings from financial institutions	1,455,097	1,337,314
Deferred tax liabilities	107,194	97,948
Other liabilities	36,528	39,521
	1,598,819	**1,474,783**
Total liabilities	**1,779,770**	**1,763,920**
Net assets	**1,242,802**	**1,191,893**

- **Cash and cash equivalents:** Cash balance of S$124.7 million; approx. S$60 million to be set aside for onshore and offshore debt repayment 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 made using cash on Balance Sheet as part of extension of borrowing facilities, partially offset by 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

Paid down approx. S$122 million in onshore and offshore debt over the last two years and lowered gearing to 50.1%; reset principal repayment schedules and financial covenants with the extension of Onshore and Offshore Facilities; aim to make use of this period to accelerate debt repayments and save on interest costs

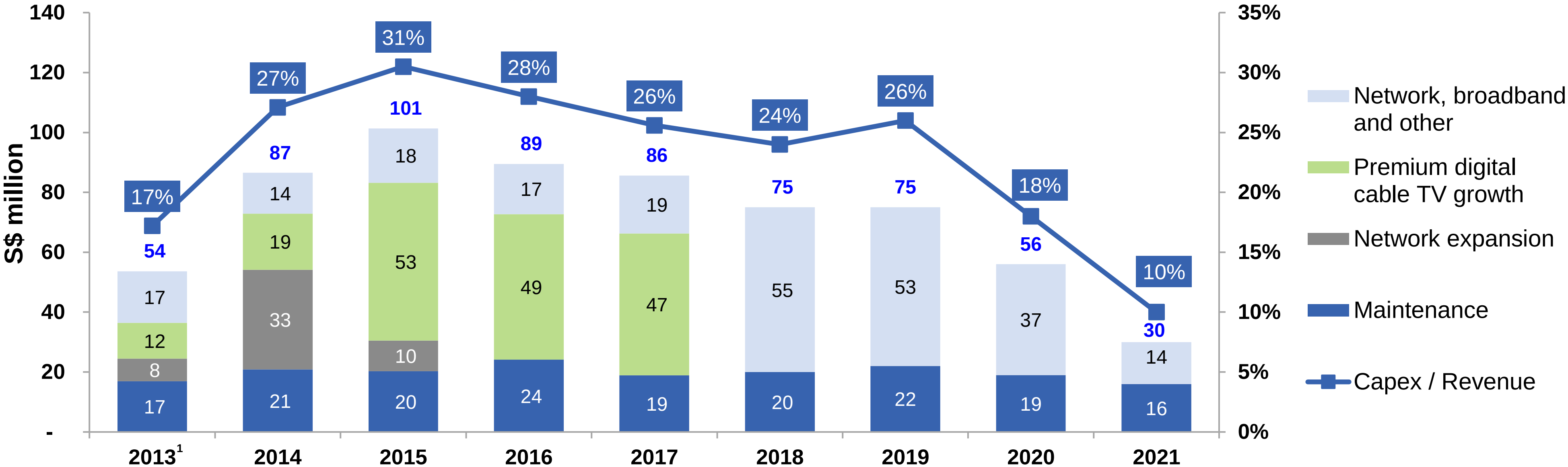
Group debt		As at 31 Dec	
		2021	2020
Total size available	S$ million	1,619	1,676
Total outstanding	S$ million	1,535	1,543
Effective interest rate - constant dollar	% p.a.	Q4 - 2.6; Full year - 2.7%	Full year - 2.6
Effective interest rate - SGD	% p.a.	Q4 - 2.9; Full year - 3.0%	Full year - 3.1
Net debt / EBITDA[1]	Multiple	7.7	8.0
Interest cover[2]	Multiple	3.9	3.8
Gearing[3]	%	50.1	51.7

- Borrowings comprised NT$ and S$ denominated loans - NT$28.0 billion (2020: NT$29.2 billion) and S$171.9 million (2020: S$170.1 million)
- In December 2021, extended maturity date of Onshore Facilities by 3 years to Nov 2028, on the same major terms; as part of the extension, pared down NT$0.8 billion (approx. S$40 million) using cash on the balance sheet
- In March 2021, extended maturity date of Offshore Facilities by 2 years to Jul 2023, on the same major terms
- Rights issue proceeds pared down 20% of outstanding Offshore Facilities in 2020, deriving annual interest cost savings of approx. S$2.9 million
- Aim to enter into new interest rate swaps to progressively hedge significant portion of outstanding Onshore Facilities and further extend Offshore Facilities to at least 2025
- Effective interest rate in constant dollar terms for the full year was higher due to higher interest margin on onshore facilities in Q3 2021, resulting from a higher leverage ratio at the TBC level
- Approx. S$85 million of revolving facilities are available to fund working capital and future initiatives, if required

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

CAPITAL EXPENDITURE

TBC's dense fibre network can now comfortably deliver higher speed plans and support mobile operators in the build out of their 5G networks; network investments projected to be lower compared to the last 3 years, focusing on areas that can support TBC's aggressive push for 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 about 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
- Aggressive targets have been set to tighten capital expenditure; to invest within industry norms standards
- With lower capital expenditure, the Trustee-Manager aims to use excess cash generated from operations to gradually pay down debt

Capital expenditure in 2021 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

POSITIONED FOR THE MID TO LONG-TERM

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

Broadband Growth Strategy

- 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
- Step up partnership programs with mobile operators to drive fixed-line Broadband only segment
- Develop new market segments and increase value-added solutions (e.g. IoT, smart home devices) that leverage the Android gateway

Capital Management

- To enter into new interest rate swaps to gradually hedge significant portion of outstanding Onshore Facilities
- Gearing stood at 50.1% as at 31 Dec 2021 (2020: 51.7%)
- Successfully extended the maturity date of Offshore Facilities to 2023, on the same major terms; aim to further extend maturity date to at least 2025
- Successfully extended the maturity date of Onshore Facilities to 2028, on the same major terms
- Aim to eliminate offshore debt and bring debt back to 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
- With network investments past the peak, capital expenditure to be lower than the last three years; aim to use excess cash generated from operations to make debt repayments, subject to operating conditions
- Monitor capital expenditure to focus on areas that can generate Broadband growth and sustainability for long-term

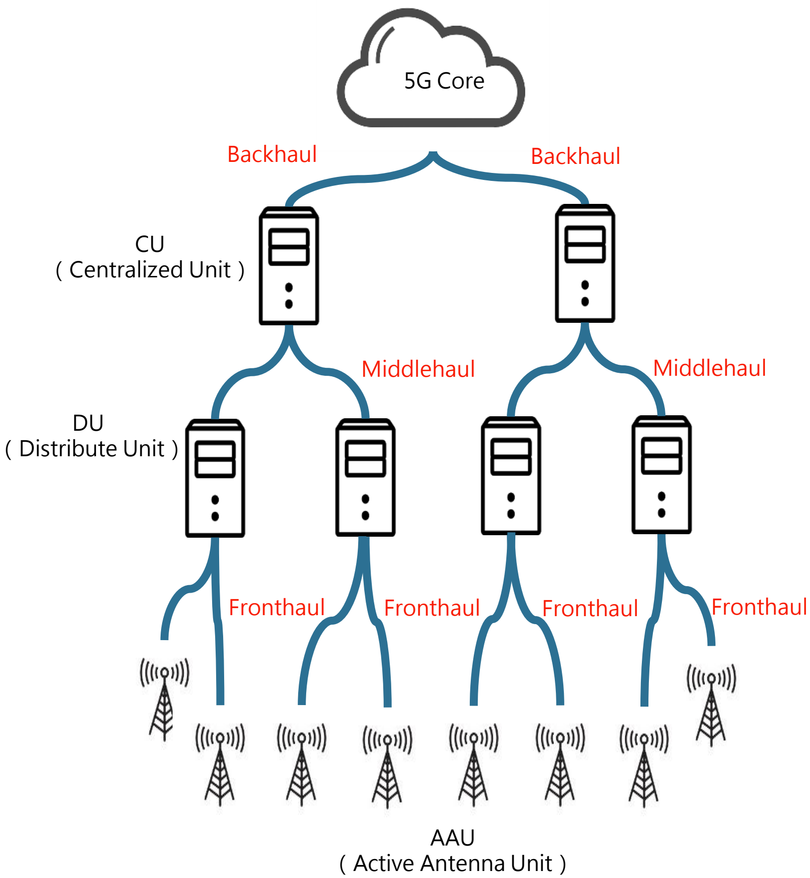
Key Investments

- 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

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 3 years ago to less than 250 end-homes per fibre node 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 two 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 has been limited to date due to the subscription-based nature of its business

- While the COVID-19 outbreak in Taiwan is relatively contained as compared to other countries, Taiwan's outlook remains uncertain as the expected 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 by managing operational and capital expenditure and strengthening 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.
- TBC and the Trustee-Manager have activated their respective Business Continuity Plans that adhere to all regulations and guidelines in their respective jurisdictions.

OUTLOOK

APTT is positioned to grow in a measured way

GROWTH DRIVERS		OPERATING ENVIRONMENT

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

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 unlimited wireless data
- Decline in demand for home shopping and stronger competition from internet retailing to continue impacting channel leasing revenue for cable industry

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

HIGHLY REGULATED

- Basic cable TV rates for 2022 across all five franchise areas were maintained at the same rates as 2021[1]
- All five licences that were due for renewal in 2020 and 2021 have been successfully renewed until 2029 and 2030

Broadband and Premium digital cable TV RGUs to continue increasing in 2022; total revenue will be influenced by the ability to manage ARPUs which will remain under pressure; total operating expenses in 2022 expected to be higher than 2021 due to the reversal of pole rental expenses in 2021

Note: (1) As announced by the local authorities before the end of 2021

Q&A

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Asian Pay Television Trust

Asian Pay Television Trust
Q4 2021 Results Briefing via Zoom on 25 February 2022 at 8am
Question & Answer Session

Singapore – 2 March 2022

Summarised questions from registered analysts and answers from management:

Question: **You mentioned that operating expenses will be higher because of pole rentals. Please elaborate.**

Answer: In the last two to three years there had been some industry uncertainty around what pole rental costs would be from Taipower. There were some fears in the industry that perhaps, pole rental costs would be going up significantly. As such, we accrued additional pole rental expenses over the last couple of years.

By the end of last year, it was clear what our pole rental expenses would be, and we reversed some of the excess accruals from 2019 and 2020 in the fourth quarter of 2021. We will not have the benefit of an expense reversal in 2022. As a result, we expect our full year expenses in 2022 to be higher than 2021, though we are still managing every expense line item very closely.

Question: **Does the reversal have a cash flow impact? Which line item in the P&L does it belong to?**

Answer: There is no cash impact. Pole rental expenses are included in the 'Other operating expenses' line item in the profit or loss statement.

Question: **What is the nature of the amortisation expense? It seems to be a bit more one-off in nature.**

Answer: Because we refinanced the onshore facilities in Q4 2021, under the accounting standards, we had to write off the unamortised arrangement fees from the previous refinancing. It is a one-time hit, not a cash hit, as we had paid those arrangement fees in 2018.

Question: **At the same time, you have new arrangement fees under the recent refinancing. How would that be reflected? Or has that been paid out?**

Answer: Yes, we paid the arrangement fees in cash during the refinancing at 31 December 2021. The amount will be amortised over the next 7 years.

Question: **But the cash impact has been reflected?**

Answer: Yes, the cash was paid out at the time of the refinancing.

Question: **There were some movements on depreciation compared to the previous quarters. Is there anything to take note of?**

Answer: From a capital expenditure perspective, we have been spending less. Over time, the depreciation line will trend down. Another thing to take note of is that we have not spent on programming rights for a few quarters, and we do not plan to purchase programming rights in 2022.

We did, however, extend the life of our existing programming rights. While we had been amortising the cost of our programming rights for under two years, we think that the rights are still useful and we can continue to show the content that we bought some time ago, so we extended the amortisation period thereby creating some one-time movements in amortisation. That cost/cash had been spent previously.

Question: **What makes you more optimistic on 5G for financial year 2022?**

Answer: It is just the path of growth. This year compared to last year, there will be more equipment being put in, more focus from the operators trying to sell their 5G, and extend their 5G out from the major urban centres. These are multi-year investments. As the operators extend their network, we can be more involved and this provides opportunities for us to lease more fibre circuits to them.

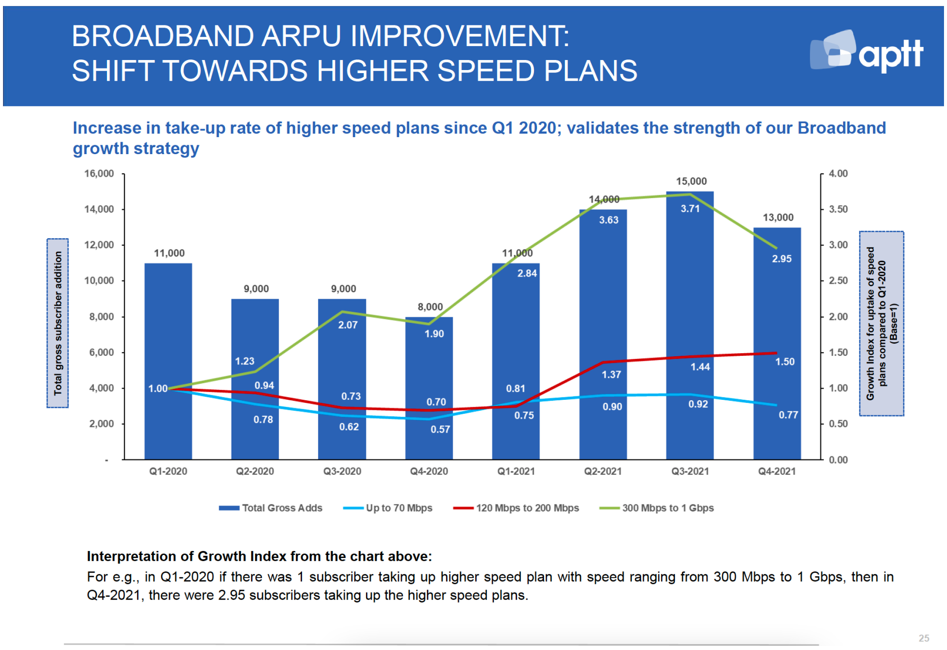
Question: **What is the regulatory timeline and roadmap in the wireless operators' 5G rollout?**

Answer: I cannot speak to their timeline exactly, but in terms of our planning, within the next two to three years.

Question: **On Broadband, was the improvement in ARPU quarter on quarter purely due to a general lift in prices or was it due to a shift in product mix?**

Answer: Definitely, there has been an increase from the speed plans that subscribers sign up to. Slide 25 shows the take-up of higher speed plans over the last eight quarters. The blue bars show a general increase in the number of new subscriber additions. If you use Q1 2020 as the base, the take-up rate for higher speed plans (300 Mbps to 1 Gbps) was almost 3 to 1 in Q4 2021, and almost 4 to 1 in Q3 2021.

We are really focusing on higher speed plans including with our partnerships with the wireless operators. Today, when people go to the wireless operators' shops, we try to get them to sign up for the higher speed fixed-line Broadband plans of 500 Mbps and above.



Question: **Can I confirm these are gross adds?**

Answer: These are gross adds, before churns, but our churn rates are low. The churn rate for the quarter and full year was 0.7%, compared to 0.9% in 2020. When we win subscribers, they tend to stay with us.

Question: **From the chart, the prices start to meaningfully move in Q1 2021. What is the trigger? Did you move the prices down and that was why the plans became more attractive relatively, or was it because the mobile operators started to sell these plans?**

Answer: Yes, we have seen a more meaningful increase in our ARPUs over the last three quarters.

The increase in ARPU was mostly due to our push for higher speed plans. Certainly over time, the plans generally get cheaper per Mbps. The ARPU increase has to do more with our focus to drive higher speed plans. Being in the wireless shops has also certainly helped.

Question: **You mentioned Far EasTone. Are there plans to add any more mobile operators?**

Answer: In Taiwan, there are three big players – Chunghwa Telecom (“CHT”), Taiwan Mobile and Far EasTone. We are now working with two out of these three big operators.

As we are direct competitors of CHT in fixed-line Broadband, there is zero likelihood that we will be able to sell our Broadband services in a CHT shop.

We are also cooperating with Asia Pacific Telecom. We are targeting to be everywhere we can be, outside of CHT.

Question: **On margin profile, is there anything else to note? For example, the difference between Broadband and cable TV is the additional programming costs. What is the trending of programming costs? Anything else you can share.**

Answer: Our content agreements ended on 31 December 2021. We are in the midst of negotiating our contracts for 2022 and beyond. Typically, we sign three-year agreements.

If we look at the profile of cable TV subscribers and ARPUs, there is no basis to increase content costs and certainly, this is our negotiating position. It is not an area where demand and prices are increasing. Negotiations are underway.

We expect content costs to land within our guidance. Our overall operating expenses are expected to be higher in 2022 than 2021; this is mostly a result of not having the benefit of pole rental expense reversals in 2022.

Question: **There are moving parts. If the programmers’ content is not as attractive, they have no budget, and they can’t rely on advertisers, can there be any positives in the longer term?**

Answer: Advertising is going down but at the end of the day, basic cable TV is the biggest video platform in Taiwan. If you are producing content, you do want it to be on cable TV. Basic cable TV still provides advertisers with a very good base.

Question: **The margin profile for Broadband is better as there is no programming cost. What about set-up costs?**

Answer: We share less than 10% of our revenue with one of the national operators. Our current agreement is with Asia Pacific Telecom where we get the interconnect to the World Wide Web and to the rest of the country. Our closed fibre optic system connects to Asia Pacific Telecom.

For new customers, there is a modem cost up-front, but this is similar to Basic cable TV where there is a set top box cost up-front.

Question: **On interest rates, the next refinancing is 2025. But debt levels are high. Can we say that the impact from higher rates will only more meaningfully apply on the next refinancing, assuming the rates continue to climb?**

Answer: Not necessarily. We hedge most of the onshore facilities and these hedges matured at 31 December 2021.

Now that we have done the onshore refinancing, we will enter into interest rate swaps to lock in interest rates for the next two to three years. There will therefore be some risks this year as we put on our interest rate swaps. Once we are done, which is anticipated to be by the end of the year, interest rates for our onshore facilities will then be fixed for the next two to three years.

For the offshore facilities, it is a much smaller balance and declining. SIBOR is more volatile than TAIBOR and the associated cost of hedging SIBOR in the past has been quite expensive; so we have not hedged our offshore facilities. While it is certainly something that we can revisit if necessary, our strategy is to hedge the majority of our onshore borrowings.

Question: **To confirm, if you do put on interest rate swaps for the onshore facilities, you will lock in interest rates for the next two to three years?**

Answer: That's correct. The likelihood is that we put on interest rate swaps during 2022 and they will mature either Q2, Q3 or Q4 of 2025.

Question: **As a follow-up question on interest rate swaps, how much more basis points will that add to your interest costs if you take on the swaps?**

Answer: It is a function of what the floating rate at that time is and what we lock in at. In Taiwan, typically, it would add about 10 to 15 basis points to the floating rate. That is why we generally hedge only the onshore borrowings because the cost to hedge is not so expensive.

For our onshore borrowings, if we look at our TAIBOR swap rates that matured on 31 December 2021, it was around 82 basis points for our total base rate. There was also 1.6% to 1.9% interest margin cost on top of that.

Compared to that, SIBOR would be much more expensive, sometimes as high as 50 basis points above the floating rate at that time. Given the cost to hedge and that a much smaller proportion of our borrowings are against SIBOR, we have not hedged our offshore borrowings to date.

Question: **Amortisation of transaction costs was $16 million in 2021. Would you consider providing an effective interest rate going forward, taking into account all the related costs?**

Answer: We will report our effective interest rate in the first quarter of 2022. It is not something that we forecast but we will certainly look into what else we can share, in terms of guidance.

ABOUT APTT

APTT is the first listed business trust in Asia focused on pay-TV and broadband businesses. APTT has an investment mandate to acquire controlling interests in and to own, operate and maintain mature, cash generative pay-TV and broadband businesses in Taiwan, Hong Kong, Japan and Singapore. APTT is managed by its Trustee-Manager, APTT Management Pte. Limited. The Trustee-Manager has the dual responsibility of safeguarding the interests of Unitholders and managing the business conducted by APTT. The Trustee-Manager manages APTT's business with an objective of providing Unitholders with stable and sustainable distributions.

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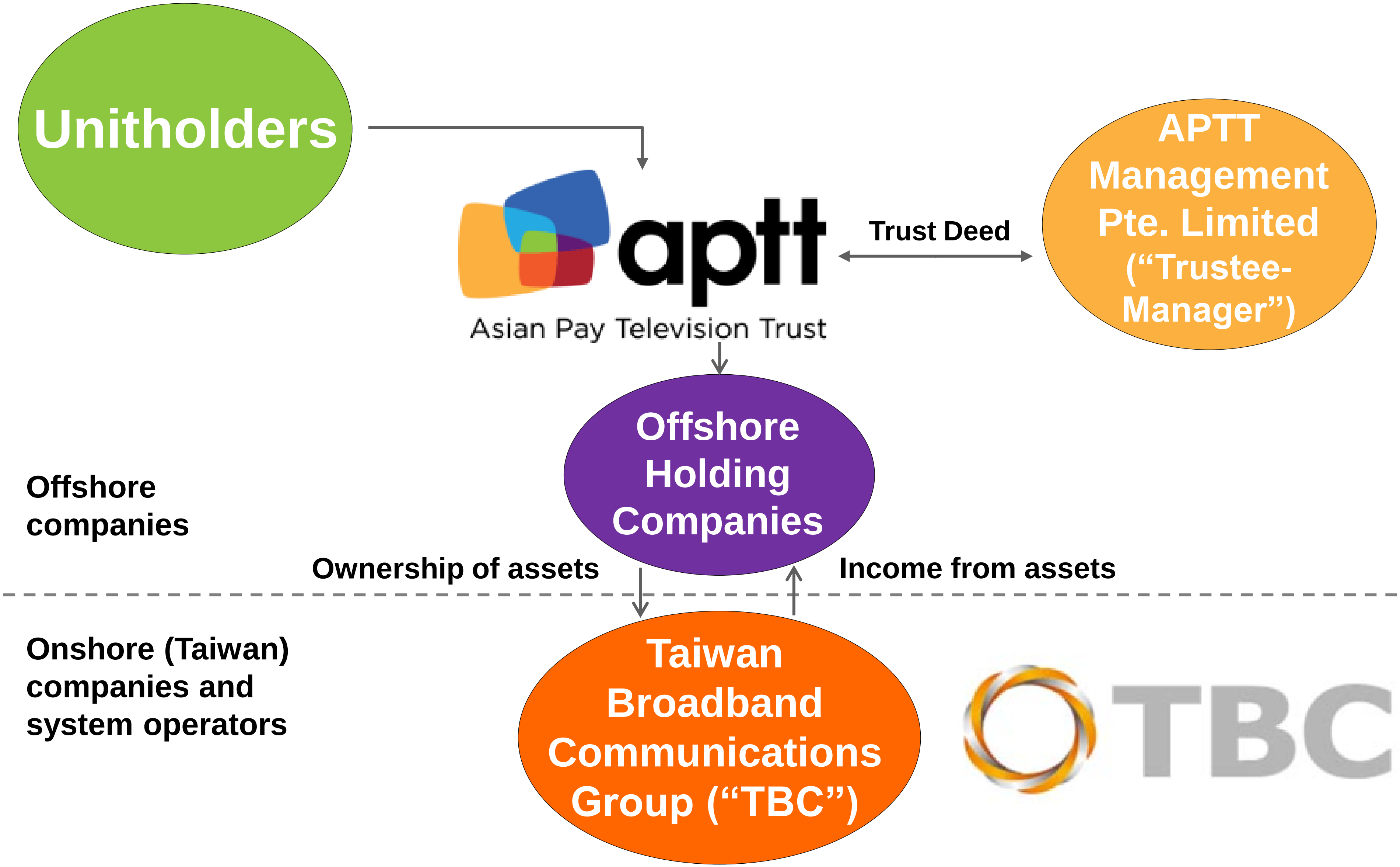
APPENDIX

BUSINESS OVERVIEW

TRUST STRUCTURE



OVERVIEW

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**

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; unique commercial arrangement with content providers
- Long standing relationship with subscribers; deep understanding of Taiwanese viewers' preferences

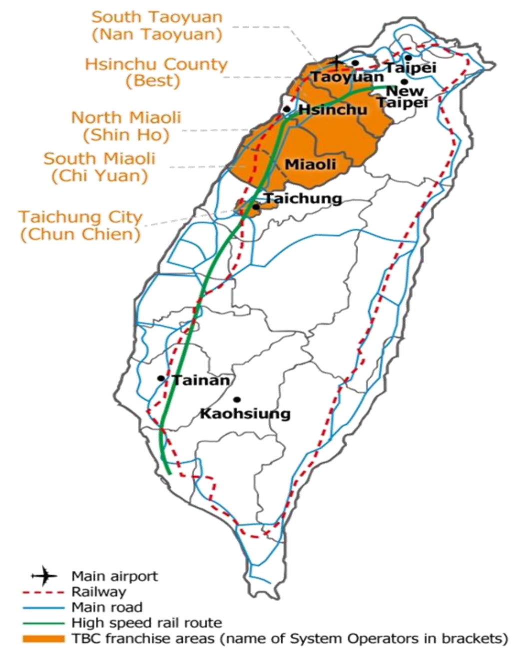
PRODUCT OFFERINGS

Approx. 87% 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, most of the popular channels are only available on cable TV	Up to 68 additional channels including 67 HD channels, through MPEG4 platform. 40%[1] of TBC's Basic cable TV subscribers are also Premium Digital Cable TV subscribers; opportunity to upsell to the remaining 60%	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

Note: (1) As at 31 December 2021

FRANCHISE AREAS IN NORTHERN & CENTRAL TAIWAN



- Low churn rate of 0.6%[1] for Basic cable TV (691K[1] Revenue Generating Units)
- Up-sell Premium digital cable TV and cross-sell Broadband to large Basic cable TV subscriber base

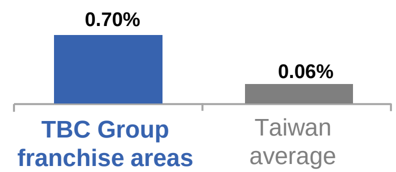
BUSINESS DRIVERS

TBC'S FRANCHISE AREAS

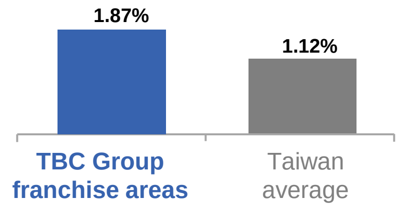
Network coverage of more than 1.3 million households across five franchise areas in four counties of Taiwan

- 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 (0.70%) outstrips national average (0.06%); Growing number of new households as more young Taiwanese set up families

Population CAGR[1] (2011-2021)



Number of households CAGR[1] (2011-2021)



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. 437K 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. 211K households and population of 576K

Miaoli (North & South)

- Suburban mountainous region geographically located between Hsinchu and Taichung
- Well connected via major railway and road transportation systems
- Approx. 195K households and population of 538K

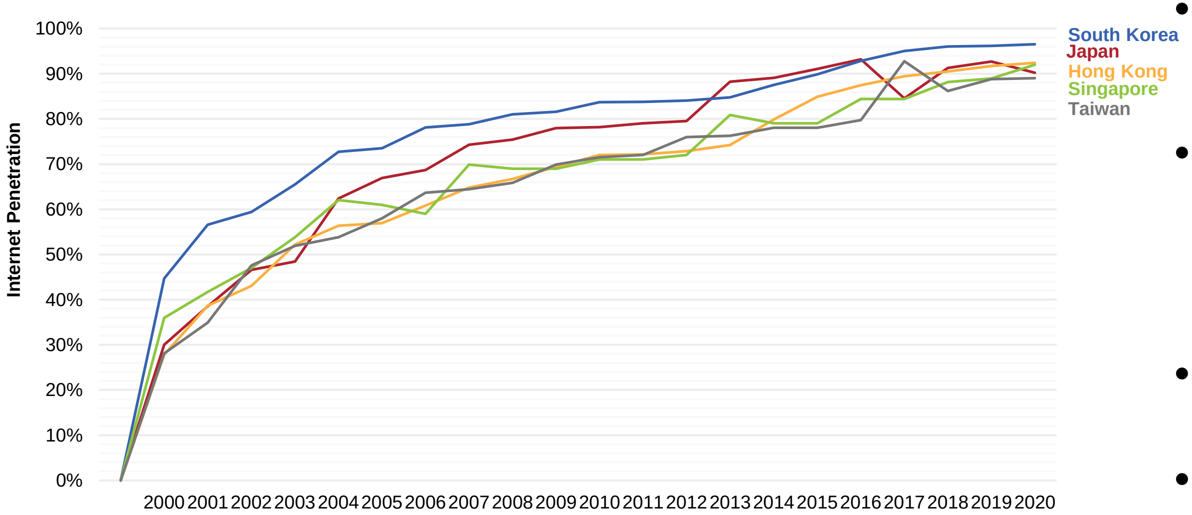
Taichung City

- 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. 465K households and population of 1.2 million

Note: (1) National Statistics, R.O.C. (Taiwan) 2021

TAIWAN MARKET – POTENTIAL IN BROADBAND

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%

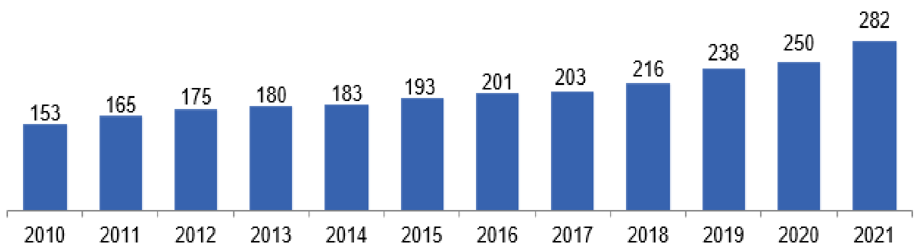
Datareportal, Digital 2021

IMPROVING BROADBAND MARKET SHARE

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

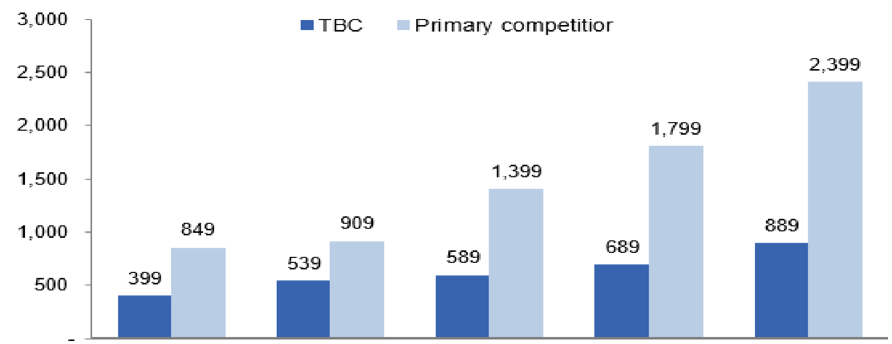
Broadband RGUs ('000)

2010-21 Broadband RGU CAGR: 5.7%



TBC Group offers competitive prices[1] with reliable services

NT$ / month



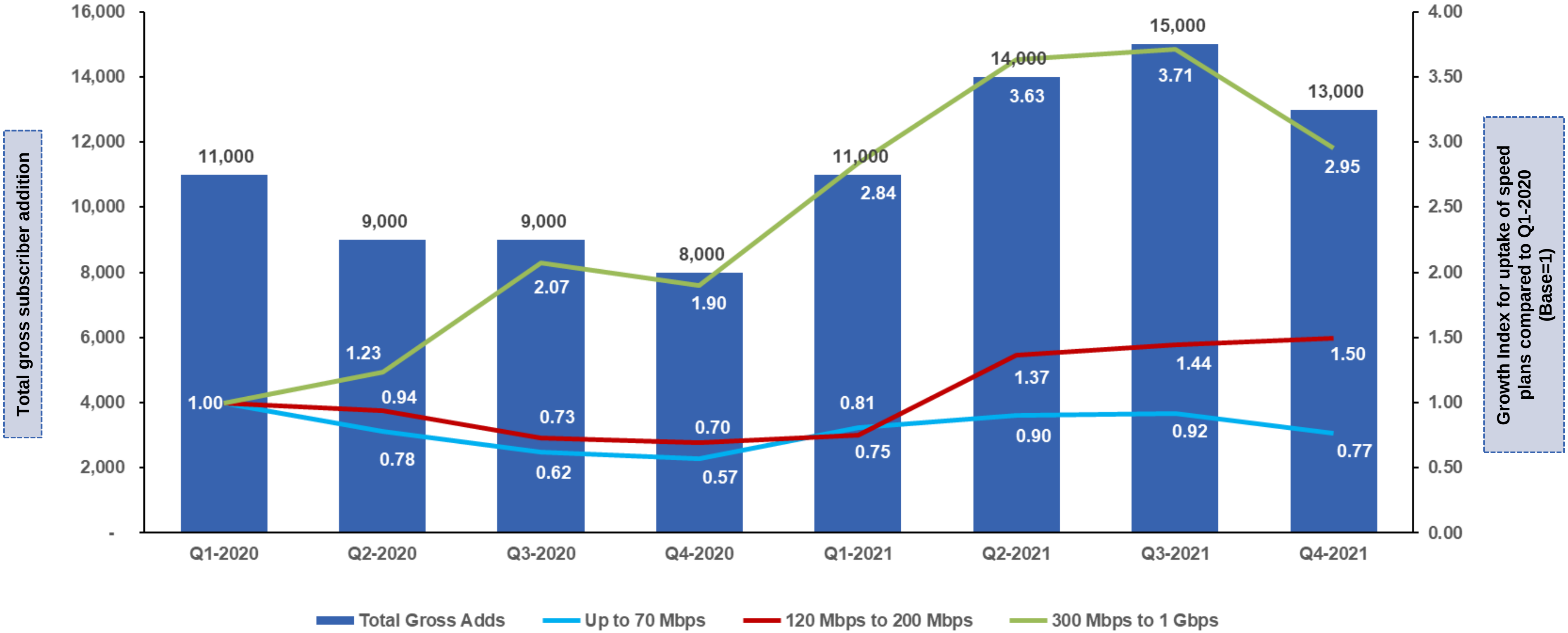
TBC	50Mbps	120Mbps	200Mbps	500Mbps	1Gbps
Primary competitor	60Mbps	100Mbps	300Mbps	500Mbps	1Gbps

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
- Launch of value-added services including Android OTT gateway and karaoke singing box. Will continue to introduce value-added solutions (e.g. IoT, smart home devices) that will leverage the Android gateway
- Develop new market segments, including enterprise clients
- Support mobile operators with their network development by leveraging TBC network for data backhaul

BROADBAND ARPU IMPROVEMENT: SHIFT TOWARDS HIGHER SPEED PLANS

Increase in take-up rate of higher speed plans since Q1 2020; 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 Q4-2021, there were 2.95 subscribers taking up the higher speed plans.

HIGH BARRIERS TO ENTRY AGAINST CABLE ENTRANTS IN TAIWAN

aptt

Cable TV continues to be the dominant TV platform

- Superior content portfolio at competitive pricing
- Affordable services
- Adoption of superior technology by operators
- Political and 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 viewers' preferences

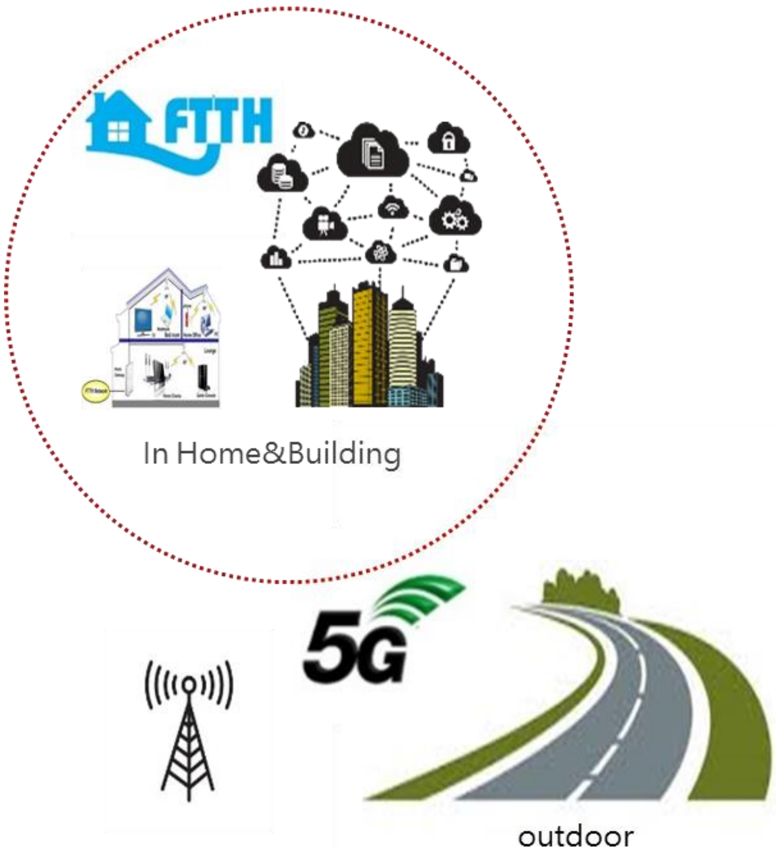
Top 20 channels in Taiwan (2021)

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

5G DATA BACKHAUL OPPORTUNITIES

OPPORTUNITIES FOR TBC AS 5G DATA BACKHAUL PROVIDER

TBC's advanced hybrid fibre coaxial network supports both indoor and outdoor coverage



- Taiwan government's push for faster build up of 5G networks
  - National Communications Commissions is providing substantial subsidies to telco operators with a goal of building 39,000 5G base stations in 2.5 years
- 5G network investment is a multi-year investment for mobile operators; flexibility to add fibre circuits from TBC as their wireless networks expand over time
- Explore partnerships with mobile operators to tender for government projects
  - 10GPON and DOCSIS3.1 are used as heterogeneous network backup in private 5G networks
- Explore a packaged suite of hybrid network environment and office applications to target the business community

END