

**PCCW**  
*Media*™



November 2019

 **viu** **now** 



**PCCW**  
**Media™**

## I. Who We Are



# Overview of PCCW Media Group

Leading Subscription Platform and OTT Video Service in Asia

#1 Pay TV platform



Hong Kong's largest Pay TV provider  
with 76% revenue market share<sup>1</sup>

Leading Digital Media Portfolio<sup>2</sup>



OTT video streaming service  
across 17 markets

Original Content Creation



Creation of content assets for multi-  
platform deployment

<sup>1</sup> Source: Public information of licensed pay TV operators in Hong Kong.

<sup>2</sup> Digital media portfolio of PCCW Media includes Viu, Moov and Vuclip.

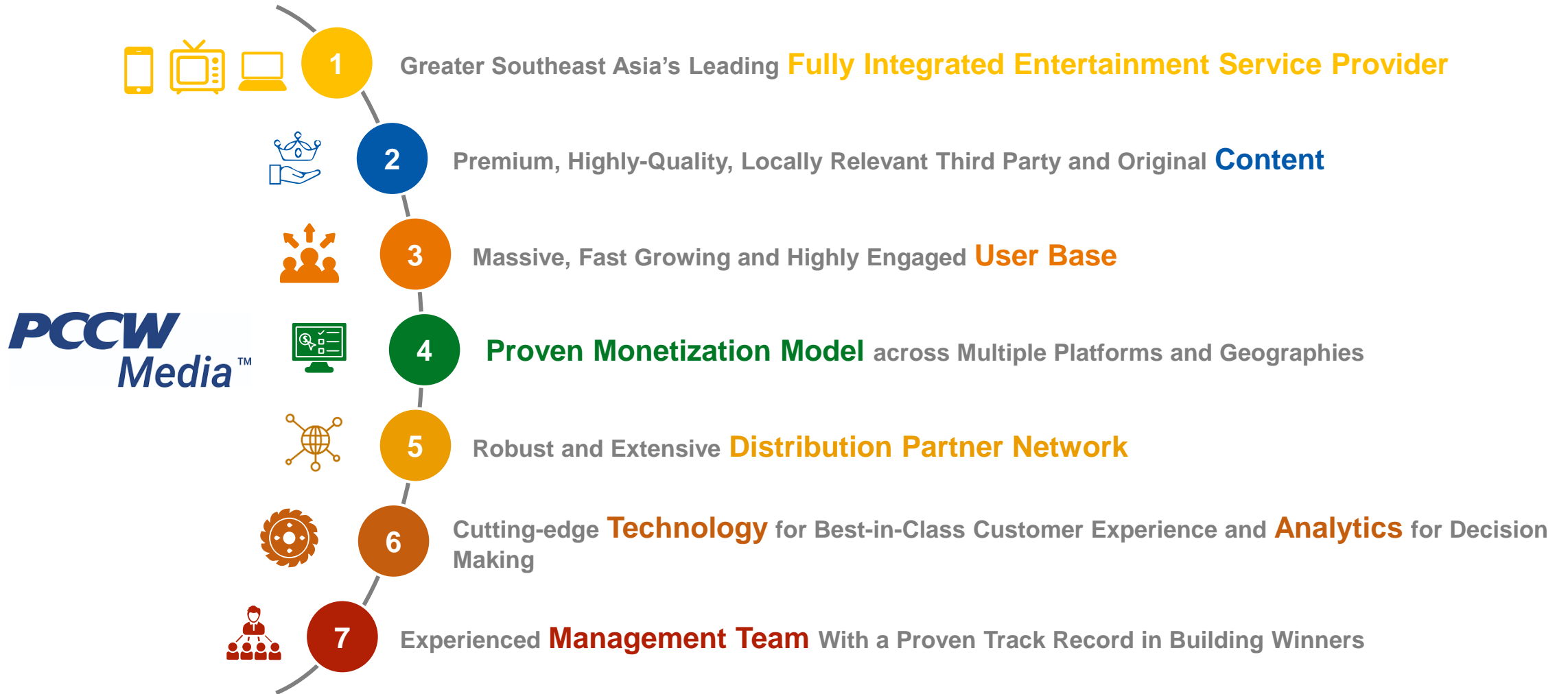


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## II. Company Highlights



# Company Highlights

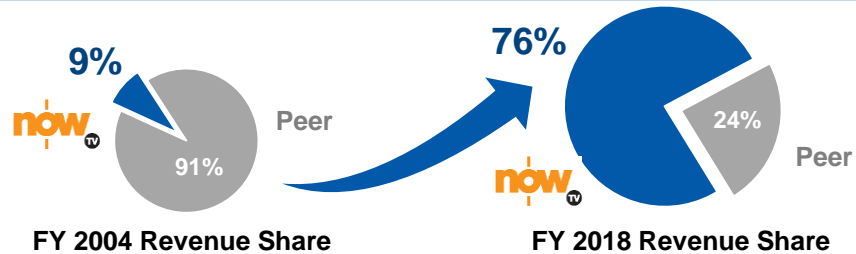


# 1 Fully Integrated Entertainment Service Provider

## Solid Home Market



- ✓ #1 Pay-TV provider in Hong Kong by subscriber base and revenue market share
- ✓ Market disruptor in content, pricing and marketing since 2003



### Achievement well recognized by industry and consumers

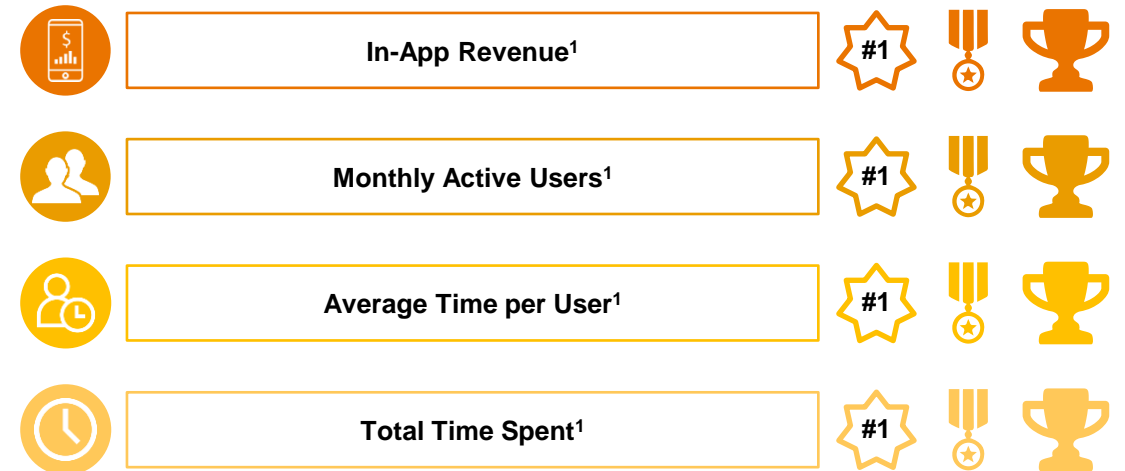
- E-Brand Award for 10 consecutive years (2010-2019)
- Best of IT Awards for 8 consecutive years (2012-2019)
- Touch Brand Award + Touch Icon for 7 consecutive years (2013-2017)
- OTT Gold Award of The CAHK Star Awards (2019)

Source: Public information of licensed pay TV operators in Hong Kong

## Rapid Market Expansion



### No. 1 Asia-based OTT Player in Greater Southeast Asia



Source: AppAnnie  
<sup>1</sup> Refer to next page for further details.

# 1 Fully Integrated Entertainment Service Provider

The Leading Asia-based OTT player in Greater Southeast Asia



Rank	IAP Revenue <sup>1</sup> (In-App Purchase)	Monthly Active Users <sup>2</sup>	Average Time per User <sup>3</sup>	Total Time <sup>4</sup>
1	Netflix	Netflix	Netflix	Netflix
<b>2</b>	<b>Viu</b>	<b>Viu</b>	<b>Viu</b>	<b>Viu</b>
3	WeTV	iWant TV	iWant TV	iWant TV
4	V – Live Broadcasting	iflix	YouTube Kids	YouTube Kids
5	TrueID	LINE TV	AIS PLAY	AIS PLAY
6	iflix	TrueID	LINE TV	LINE TV
7	HOOQ	YouTube Kids	HOOQ	iflix
8	FOX+	HOOQ	iflix	HOOQ
9	iQIYI	AIS Play	MAXstream	WeTV
10	HBO GO Singapore	MAXstream	TrueID	Twitch

**Viu ranked #2 in “IAP Revenue”, “Monthly Active Users”, “Average Time per User”, and “Total Time” in September 2019 among top video streaming apps (entertainment category) in Greater Southeast Asia (Hong Kong, Indonesia, Malaysia, Philippines, Singapore and Thailand)<sup>5</sup>.**

Source: App Annie Intelligence data by using combined data and estimates from iPhone and Android Phone as of October 17, 2019.

<sup>1</sup> Revenue: Includes any paid downloads and/or in-app revenue net of the 30% platform commission that goes to the iOS or Google Play stores in September 2019 and excludes any revenue generated outside of the app stores, such as advertising and e-commerce.

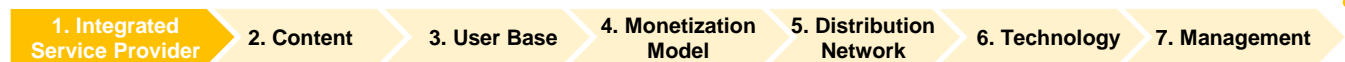
<sup>2</sup> Unique active user in September 2019.

<sup>3</sup> Average total time spent in the app per unique active user in September 2019.

<sup>4</sup> Total Time: The total time spent in an app across all users in September 2019.

<sup>5</sup> Viu ranked No.2, compared against other Greater SEA Video Streaming Apps (entertainment category) based on the total sum of each metric across regions specified above.

Note: Video streaming apps were identified from entertainment category apps on iOS App Store and Google Play, which include apps with some long-form videos in the form of TV series, movies, news programs and full sports events (including eSports) where the content provider retains ownership and control of the content. Apps exclusively showing short-form videos in the form of music videos, user-generated content and highlights and clips were excluded.



# 2 Premium and Locally Relevant Content

## Viu Content Proposition



### The Best of PAN REGIONAL ASIAN Content

- Over 40,000 hours of pan regional Asian scripted and non-scripted programs
- The most comprehensive Korean content - more than 90% of Top 20 highest rated Korean titles in 2017 and 2018, with fast turnaround localization and exclusive window
- Premium Asian content from Japanese, Mainland Chinese and Taiwanese broadcasters with exclusive windows
- Popular Asian movies to enhance SVOD premium tier offerings



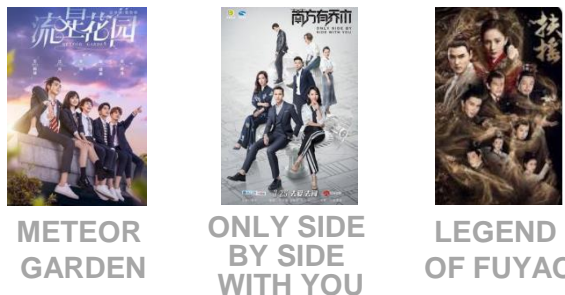
### Korean



### Japanese



### Chinese



### Home of an Expanding LOCAL Content Lineup

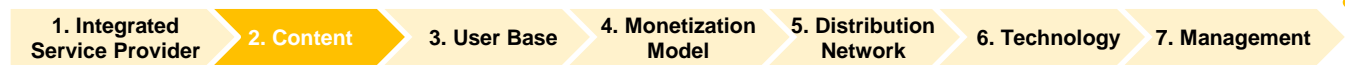
- Partnership with local content powerhouses in Thailand, Malaysia, Indonesia



### Thai



### Indonesian





# 2 Premium and Locally Relevant Content

## Viu Original Content

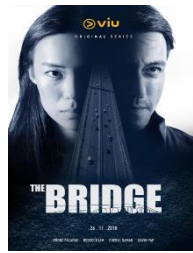


Over 150 Viu Originals addressing local and pan regional audience

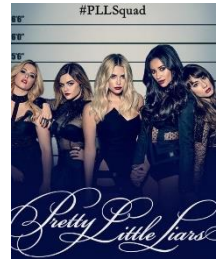
- Enhances Engagement of Existing Users and Accelerates User Base Expansion
- Wide Distribution to International & Local TV Networks



Local Adaption of Internationally Acclaimed Content



By Endemol Shine



By Warner Bros.

Asian Academy Creative Awards



Best Original by a Streamer/OTT



Best Comedy Programme

Original IP and Format Development



Best Comedy Performance



Best Promo or Trailer

Innovative Production Concepts



Social TV Concepts



NRJ Egypt Radio Ramadan Drama Award 2019



Best Drama Series



Best Documentary Series



Best Series by Juries  
Best Series Viewer's Choice  
Best Screenplay



# 2 Premium and Locally Relevant Content

## Now TV Content Proposition



Widest Range of Local and International Content Including Self-produced and Third-Party Content Across All Genres

### 160+ Channels

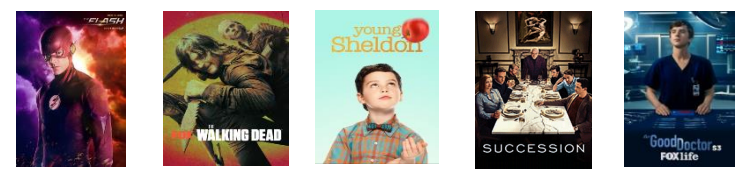


### Premium Entertainment On Demand

✓ Latest Asian and Hollywood movies and dramas at fingertips



✓ Wide selection of US drama series on the same day as the US premiere, the earliest window in town



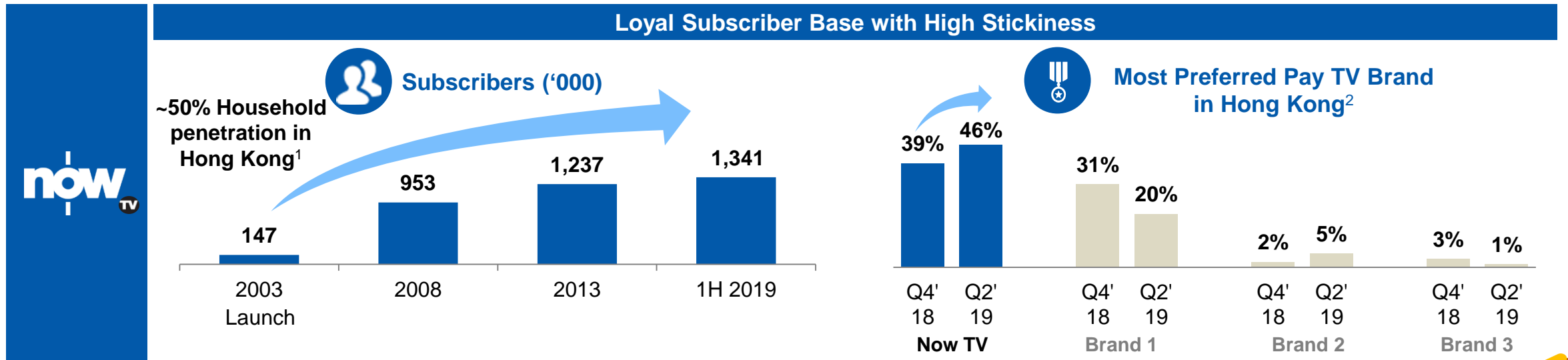
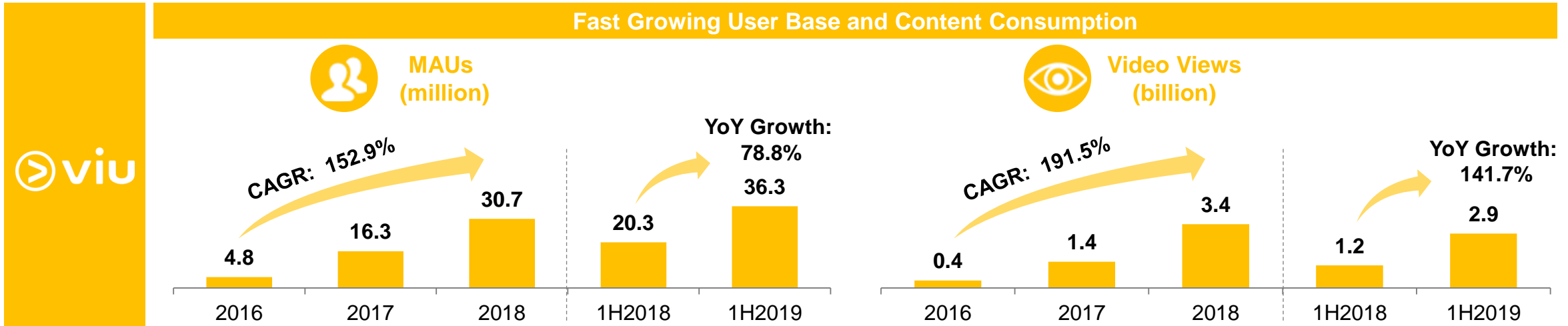
### “HOME OF SPORTS” – 2,700 live sports events per year



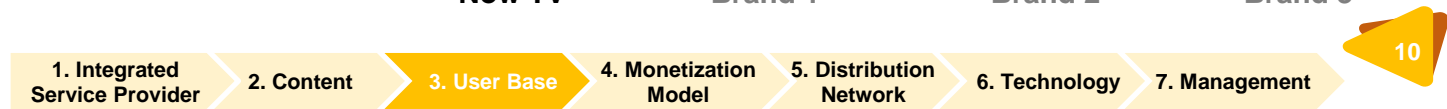
Exclusive Broadcast Rights



### 3 Massive, Fast Growing and Highly Engaged User Base



1. Now TV residential customers divided by Total TV Households published on OFCA's website  
2. Data Source: Cimigo Research & Consultancy Brand Tracking Study Q4 2018 and Q2 2019

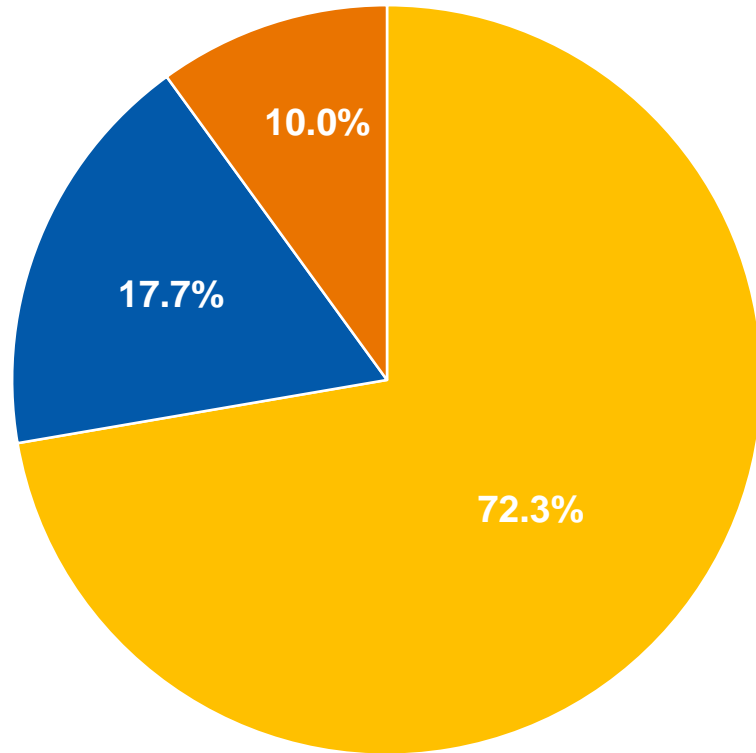


### 3 Massive, Fast Growing and Highly Engaged User Base

Viu Monthly Active Users and Video Views by Market

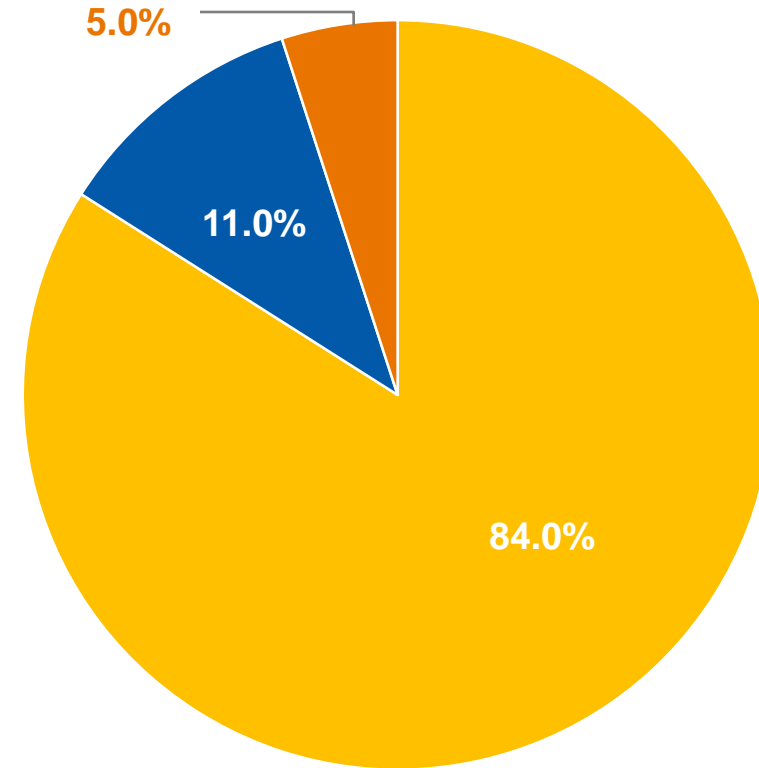


Monthly Active Users (MAUs)



Total: 36.3 mm as of 30-Jun-2019

Video Views



Total: 2.9 bn for 1H2019

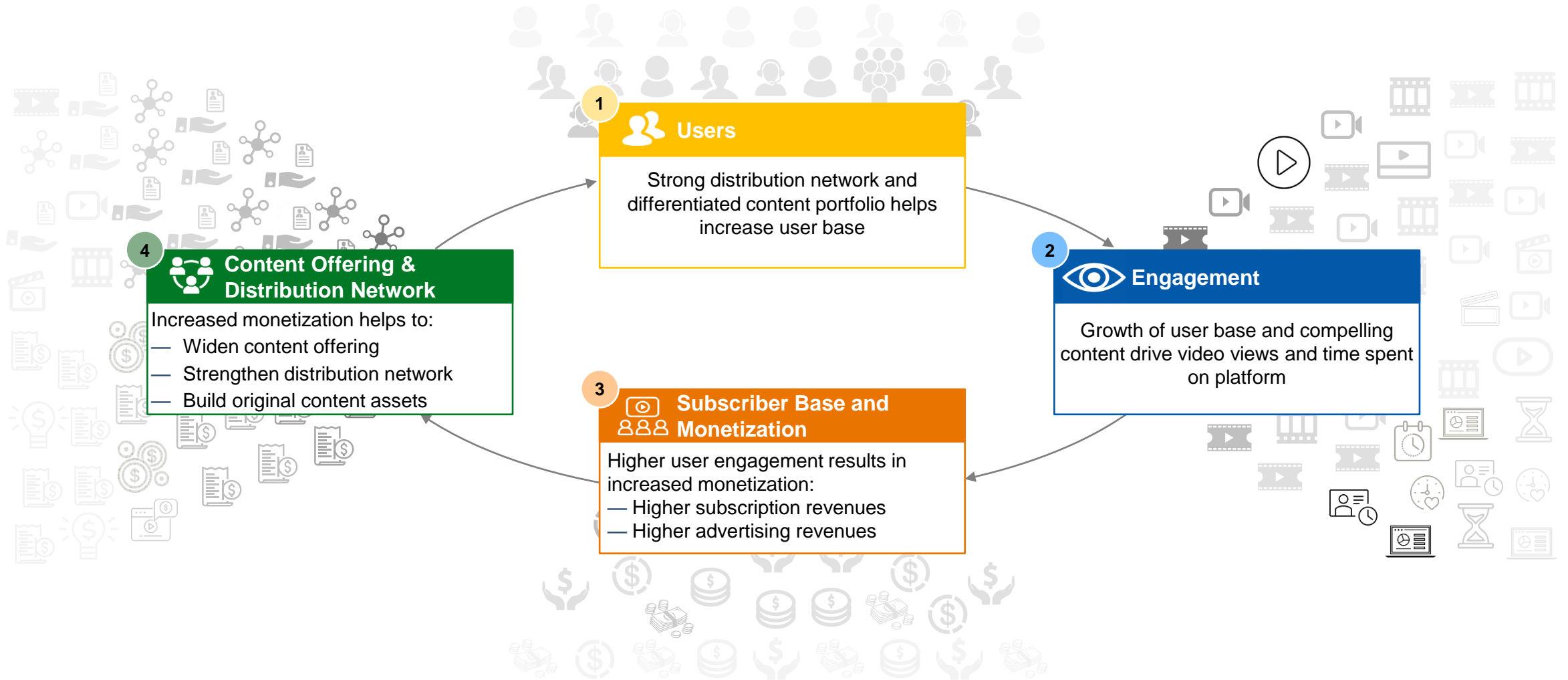
■ Greater Southeast Asia

■ Middle East & Africa

■ India

# 3 Massive, Fast Growing and Highly Engaged User Base

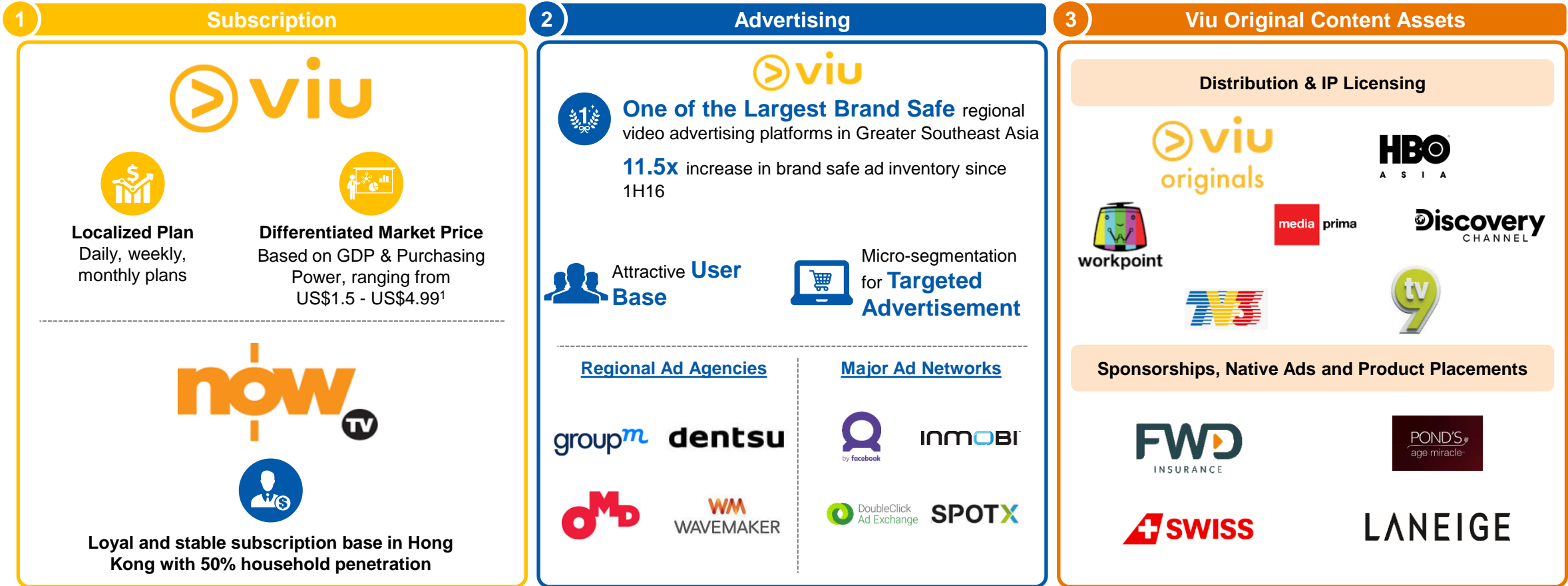
## Strong Network Effect



# 4 Proven Monetization Model

## Local Insights Enabling:

- Viu to be One of the First OTT Platforms to Launch Dual Revenue Streams in Asia
- Differentiated and Locally Relevant Content Proposition for Audience in Asia



1. In Greater Southeast Asia

# 5 Robust and Extensive Distribution Partner Network

## Wide Distribution Network via 360 Partnerships & Physical Touchpoints

### Extensive Telco Partnerships

- In Hong Kong, HKT promotes PCCW Media products
- Partnership with **30+** top tier Telcos



### E-Commerce and Offline Partners

- Increasing online distribution outlets
- Offline distribution to supplement prepaid market including convenience stores, kiosks, reloading stations, etc.



### Mobile / TV Partners

- Preferred partnerships



### Content Distribution and IP Licensing



# 6 Cutting Edge Technology & Analytics

For Best-in-Class Customer Experience



## Localized Viewing Experience

Fast track local subtitles – as soon as 4 hours after premiere



## 10 language options

- 繁體中文
- 简体中文
- ✓ English
- 한국어
- 日本語
- Malay
- Indo
- ภาษาไทย
- Filipino
- မြန်မာဘာသာ



## Patented Adaptive Streaming



## Personalized Content Discovery



## Multi-Screen Synchronization



## Now One



- 1<sup>st</sup> in Market 4K Ultra HD All-in-one Set Top Box
- Android TV Box as a Gateway to Entertainment

## Multi-Screen Experience



TV Screen.  
PC.  
Mobile Device.

## UX3 Interface

**My Now**  
Retrieve personal watchlist, recommendations and recordings all in one place

**TV Recordings**  
Record Now TV and DTT programs

**Watchlist**  
Organizes favorite programs from on demand catalogs or live TV channels



# 6 Cutting Edge Technology & Analytics

Enable Better Decision Making

## Data & Analytics from Wide User Base



**Audience Viewing Behavior**



**Content Meta Data**





**Campaign Performance**





**Intent & Interest Data**




### Behavior Modeling

- ✓  Customer Personas
- ✓  Predictive LTV

### Predictive Modeling

- ✓  Marketing Automation in Retention
- ✓  Upselling Campaign

### Machine Learning

- ✓  Video Recognition
- ✓  Face and Object Detection
- ✓  Auto Tagging

## Enable Better & More Precise Decision Making



### Management Dashboard

- Performance Overview and Monitoring
- Analytics Intelligence



### AI Optimization

- Personalized Recommendation Engine



### Ad Monetization

- Personalized Ad Insertion
- Increase Ad Penetration
- Ad Targeting



### Data & Business Exploration

- Correlation Analysis
- Campaign Optimization



### Value Creation

- Adjacent Business
- Expand Monetization of Existing User Base

# 7 Management Team with Proven Track Record

## Experienced Management Team With a Track Record of Building Successful Media Businesses from Ground Zero



**Janice Lee**  
CEO

- Highly regarded senior executive in the media industry with over 25 years of successful track record at PCCW, HKT, Citibank, Warner Bros. and Star TV
- Launched Now TV from the ground up and built into market leader
- Spearheaded the internationalization of PCCW Media with the launch of Viu, and developed into a leading pan-regional OTT service



**Andrew Chan**  
CFO

- Seasoned financial executive with over 20 years of experience at PCCW/HKT across different business units
- Oversees the strategic initiatives and financial operations of PCCW Media



**Helen Sou**  
Chief Business Officer  
(CBO), Asia

- Orchestrates the digital development of PCCW Media including music service MOOV, and launch of Viu in the APAC region
- Over 15 years of experience in digital media



**Arun Prakash**  
Chief Strategy Officer  
(CSO)

- Entrepreneurial executive with over 20 years of experience in media and tech, leading strategy, operations and marketing in both developed and emerging markets
- Drives and executes the company's global growth strategy across markets



**Syed Salman Hussain**  
Chief Business Officer  
(CBO), India, Middle East & Africa

- Drives sales strategy, consumer acquisition, and business development
- Leads the business operations and launch of Viu in India, Middle East & Africa
- Over 18 years of experience in mobile media



**Derek Choi**  
Head of Now TV

- Has been working for Now TV for over 15 years and has held various key positions in Marketing, Commercial and Sales
- Demonstrated a proven track record in leading Now TV towards successful business growth




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### III. Growth Strategies



# Clear Growth Strategies

1



Increase Brand Awareness, Enlarge User Base, and Enhance User Engagement

- Build further scale through targeted activations and performance marketing based on data analytics
- PLTV model to improve customer yield

5



Establish Service Extensions

- Leverage on scale of customer base, technical capabilities and insights to identify new business opportunities

2



Expand and Enhance Premium and Locally Relevant Content Offerings

- Drive content innovations in Viu Originals
- Expand network of local creative talents
- Data enable more precise content decision making



- Further develop distribution network of telcos, device, content and advertising partners

4



Strengthen Distribution Partner Ecosystem

3



Bolster Our Monetization Channels

- Continually optimize Viu's dual-revenue model
- Bolster content as a business via syndication and licensing



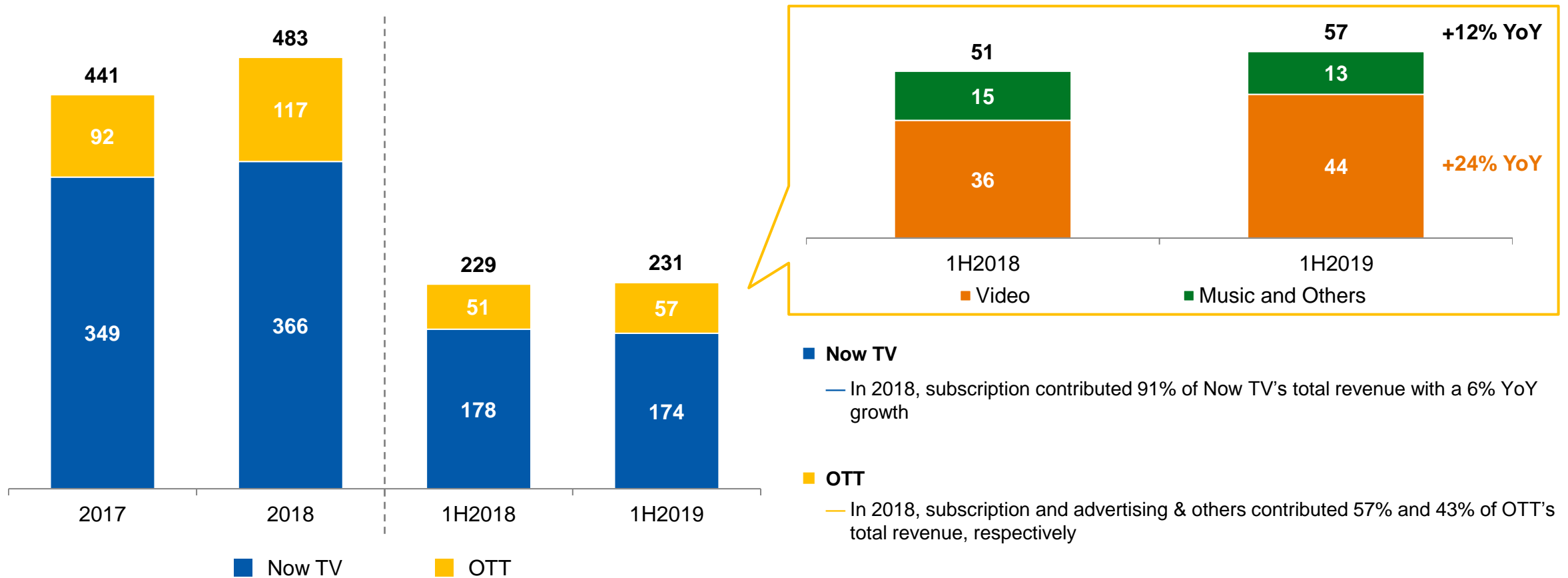
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## IV. Key Financials



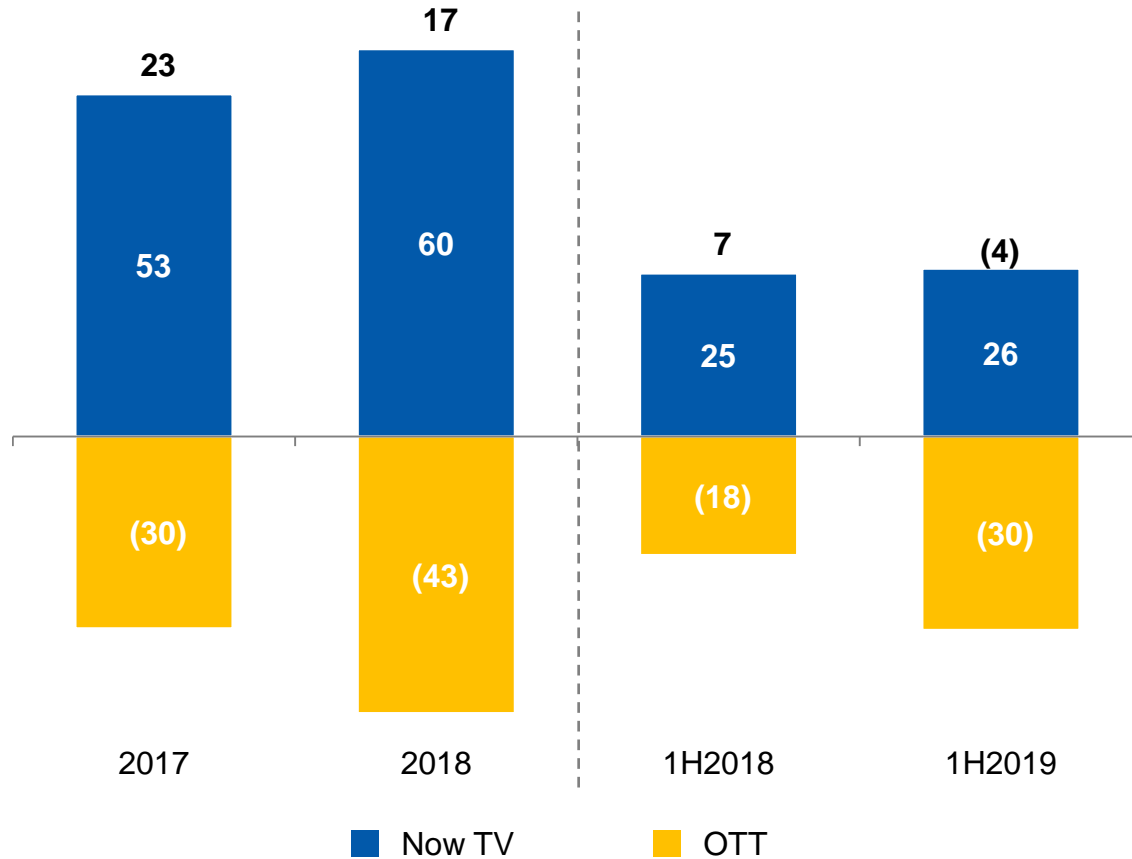
# Revenue

Revenue (US\$ mm)



# EBITDA

EBITDA (US\$ mm)



## Now TV

— EBITDA margin improvement underpinned by successful efforts in streamlining content costs

## OTT

— Marketing and content investment driving Viu regional leadership

— New market launch and geographical expansion driving significant consumer traction and monetization



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Thank You





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