APTT Management Pte. Limited

(Formerly known as Macquarie APTT Management Pte. Limited)

(Registration No. 201310241D)

Directors' statement and financial statements for the year ended 31 March 2018

Registered office: 50 Raffles Place, #32-01 Singapore Land Tower, Singapore 048623
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Contents

Directors' statement
for the year ended 31 March 2018

The directors of APTT Management Pte. Limited (the "Company") present their statement to the member of the Company together with the audited financial statements of the Company for the year ended 31 March 2018.

In the opinion of the directors:

(a) the financial statements as set out on pages 5 to 24 are drawn up so as to give a true and fair view of the financial position of the Company as at 31 March 2018 and of its financial performance, changes in equity and cash flows for the year then ended; and

(b) at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts when they fall due.

Directors
The directors of the Company in office at the date of this statement are:

Yong Lum Sung (Chair and Independent Director)
Tan Chung Yaw, Richard (Independent Director)
Leong Shin Loong (Independent Director)
Ong Joo Mien, Joanna (Independent Director)
Lu Fang-Ming (Vice-Chair and Non-Executive Director) (appointed on 13 April 2017)
Brian McKinley (Chief Executive Officer and Executive Director) (appointed on 13 April 2017)

Arrangements to enable directors to acquire benefits by means of acquisition of shares and debentures
Neither at the end of the year nor at any time during the year did there subsist any arrangement where the objective is to enable the directors of the Company to acquire benefits by means of the acquisition of shares, or debentures in the Company or any other body corporate.

Directors' interest in shares and debentures
The directors of the Company holding office at the end of the financial year had no interests in the share capital and debentures of the company and related corporations as recorded in the register of directors' shareholdings kept by the Company under section 164 of the Singapore Companies Act, except as follows:

Name of directors and companies in which interests are held	Shareholdings registered in the name of director		Shareholdings in which directors are deemed to have an interest	
	At the beginning of the year or date of appointment, if later	At the end of the year	At the beginning of the year or date of appointment, if later	At the end of the year
Lu Fang-Ming				
Ordinary shares				
Dynami Vision Ltd.	320,000,000	320,000,000	-	-
Brave Guts Limited	-	-	10,800,000	10,800,000
Gear Rise Limited	-	-	10,800,000	10,800,000
Dynami Vision Pte. Ltd.	-	-	10,800,000	10,800,000
APTT Management Pte. Limited	-	-	400,000	400,000

Directors' statement
for the year ended 31 March 2018

Share options

There were no options granted during the year to subscribe for unissued shares of the Company.

No shares have been issued during the year by virtue of the exercise of options to take up unissued shares of the Company.

There were no unissued shares of the Company under option at the end of the year.

Auditor

The independent auditor, Deloitte & Touche LLP, has expressed its willingness to accept re-appointment.

On behalf of the Board of directors,

Yong Lum Sung
Chair and Independent Director

Brian McKinley
Chief Executive Officer and Executive Director

Singapore
3 August 2018

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the accompanying financial statements of APTT Management Pte. Limited (the “Company”), which comprise the statement of financial position as at 31 March 2018, and the statement of profit or loss, statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to financial statements, including a summary of significant accounting policies, as set out on pages 5 to 24.

In our opinion, the accompanying financial statements are properly drawn up in accordance with the provisions of the Companies Act, Chapter 50 (the “Act”) and Financial Reporting Standards in Singapore (“FRSs”) so as to give a true and fair view of the financial position of the Company as at 31 March 2018, and of the financial performance, changes in equity and cash flows of the Company for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with Singapore Standards on Auditing (“SSAs”). Our responsibilities under those standards are further described in the *Auditor’s Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the Accounting and Corporate Regulatory Authority (“ACRA”) *Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities* (“ACRA Code”) together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Matters

The financial statements of the Company for the previous year ended 31 March 2017 were audited by another auditor who expressed an unmodified opinion on those financial statements in their report dated 11 August 2017.

Information Other than the Financial Statements and Auditor’s Report Thereon

Management is responsible for the other information. The other information comprises the Directors’ statement set out on pages 1 to 2. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Directors for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Act and FRSs, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

In preparing the financial statements, management is responsible for assessing the Company’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The directors’ responsibilities include overseeing the Company’s financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

(a) Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

(b) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

(c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

(d) Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

(e) Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

In our opinion, the accounting and other records required by the Act to be kept by the Company have been properly kept in accordance with the provisions of the Act.

Deloitte & Touche LLP

Public Accountants and
Chartered Accountants

Singapore
3 August 2018

Statement of financial position

Amounts in $'000		As at 31 March	
	Note	2018	2017
Assets			
Current assets			
Cash and cash equivalents	4	1,860	4,866
Trade and other receivables	5	1,796	1,792
Other assets	6	15	-
Total assets		**3,671**	**6,658**
Liabilities			
Current liabilities			
Income tax payable	11	831	418
Other payables	7	277	1,008
Total liabilities		**1,108**	**1,426**
Net assets		**2,563**	**5,232**
Equity			
Share capital	8	500	500
Retained earnings	9	2,063	4,732
Total equity attributable to ordinary equity holder of APTT Management Pte. Limited		**2,563**	**5,232**
Total equity		**2,563**	**5,232**

The above statement of financial position should be read in conjunction with the accompanying notes.

Statement of profit or loss

Amounts in $'000	Note	Year ended 31 March 2018	2017
Revenue			
Management fees		7,252	7,226
Interest income		-	35
Other income	10	250	303
Total revenue		**7,502**	**7,564**
Operating expenses			
Fee and commission expense		-	(3,446)
Salaries and other benefits		(1,862)	(480)
Other operating expenses	10	(539)	(969)
Total expenses		**(2,401)**	**(4,895)**
Operating profit before income tax		**5,101**	**2,669**
Income tax expense	11	(821)	(418)
Profit after income tax attributable to ordinary equity holder of APTT Management Pte. Limited		**4,280**	**2,251**
Basic and diluted earnings per share attributable to ordinary equity holder of APTT Management Pte. Limited		**8.56 dollars**	**4.50 dollars**

The above statement of profit or loss should be read in conjunction with the accompanying notes.

Statement of profit or loss and other comprehensive income

Amounts in $'000	**Year ended 31 March**	
	2018	**2017**
Profit after income tax	**4,280**	**2,251**
Other comprehensive income	-	-
Total comprehensive income	**4,280**	**2,251**
Total comprehensive income attributable to ordinary equity holder of APTT Management Pte. Limited	**4,280**	**2,251**

The above statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes.

Statement of changes in equity

Amounts in $'000	Note	Share capital	Retained earnings	Total equity
Balance as at 1 April 2017		**500**	**4,732**	**5,232**
Total comprehensive income, net of tax				
Profit after income tax		-	4,280	4,280
Total		**-**	**4,280**	**4,280**
Transactions with equity holder in its capacity as ordinary equity holder:				
Dividends paid	12	-	(6,949)	(6,949)
Total		**-**	**(6,949)**	**(6,949)**
Balance as at 31 March 2018		**500**	**2,063**	**2,563**
Balance as at 1 April 2016		**500**	**2,481**	**2,981**
Total comprehensive income, net of tax				
Profit after income tax		-	2,251	2,251
Total		**-**	**2,251**	**2,251**
Balance as at 31 March 2017		**500**	**4,732**	**5,232**

The above statement of changes in equity should be read in conjunction with the accompanying notes.

Statement of cash flows

Amounts in $'000	Note	Year ended 31 March 2018	Year ended 31 March 2017
Cash flows from operating activities			
Profit after income tax		4,280	2,251
Adjustments for:			
Income tax expense		821	418
Changes in assets and liabilities:			
Trade and other receivables		(4)	176
Other assets		(10)	-
Other payables		(731)	(378)
Cash generated from operations		**4,356**	**2,467**
Income tax paid, net of refunds	11(iii)	(413)	(446)
Net cash from operating activities		**3,943**	**2,021**
Cash flows from financing activities			
Dividends paid	12	(6,949)	-
Net cash used in financing activities		**(6,949)**	**-**
Net (decrease)/increase in cash and cash equivalents		(3,006)	2,021
Cash and cash equivalents at the beginning of the year		4,866	2,845
Cash and cash equivalents at the end of the year	4	**1,860**	**4,866**

The above statement of cash flows should be read in conjunction with the accompanying notes.

Notes to financial statements
for the year ended 31 March 2018

(1) Company information

The Company (Registration Number 201310241D) is incorporated in Singapore with its registered office at 50 Raffles Place, #32-01 Singapore Land Tower, Singapore 048623 and its principal place of business at 150 Beach Road, #35-39 The Gateway West, Singapore 189720. The principal activity of the Company is to act as trustee-manager (the "Trustee-Manager") for and provide investment management services to Asian Pay Television Trust ("APTT"). APTT is a business trust listed on the Singapore Exchange Securities Trading Limited ("SGX-ST").

The financial statements for the year ended 31 March 2018 were authorised for issue by the Board of directors on 3 August 2018.

The financial statements are presented in Singapore dollars, which is the Company's functional currency, rounded to the nearest thousand dollars ($'000), unless otherwise stated.

(2) Summary of significant accounting policies

i) Basis of preparation

The principal accounting policies adopted in the preparation of these financial statements and that of the previous year are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

The financial statements have been prepared in accordance with the historical cost basis except as disclosed in the accounting policies below, and are drawn up in accordance with the provisions of the Singapore Companies Act (the "Act") and Financial Reporting Standards in Singapore ("FRSs"). Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the group takes into account the characteristics of the asset or liability which market participants would take into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of FRS 102 *Share-based Payment*, leasing transactions that are within the scope of FRS 17 *Leases*, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in FRS 2 *Inventories* or value in use in FRS *36 Impairment of Assets*.

In addition, for financial reporting purposes, fair value measurements are categorised into level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

Notes to financial statements
for the year ended 31 March 2018

Changes in accounting policy and disclosures

New and amended standards adopted by the Company

On 1 April 2017, the Company adopted all the new and revised FRS and Interpretations of FRS ("INT FRS") that were effective from that date and relevant to its operations. The adoption of these new/revised FRS and INT FRS did not result in changes to the Company's accounting policies and has no material effect on the amounts reported for the current or prior years.

New standards, amendments and interpretations issued but not yet effective

At the date of authorisation of these financial statements, the following FRSs, INT FRSs and amendments to FRS that are relevant to the Company were issued but not effective:

FRS 109 *Financial Instruments*[1]
FRS 115 *Revenue from Contracts with Customers (with clarifications issued)*[1]
Improvements to FRSs (December 2016)[2]

[1] Applies to annual periods beginning on or after January 1, 2018, with early application permitted.
[2] Applies to annual periods beginning on or after January 1, 2018.

The management anticipates that the adoption of the above FRSs and amendments to FRS in future periods will not have a material impact on the financial statements of the Company in the period of their initial adoption.

ii) Foreign currency translations

Functional and presentation currency

Items included in the financial statements of Company's operations are measured using the currency of the primary economic environment in which the Company operates (the "functional currency"). The Company's financial statements are presented in Singapore dollars, which is the Company's functional currency.

Transactions and balances

Foreign currency transactions are translated and recorded in the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gain and loss resulting from the settlement of such transactions and from the translation at year end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of profit or loss.

iii) Revenue and expense recognition

Revenue is measured at the fair value of the consideration received or receivable. Revenue is recognised for the major business activities as follows:

Management fees

Base fees are recognised on an accrual basis and in accordance with the terms and conditions of the Deed of Trust that the Company has entered into with APTT.

Net interest income

Interest income and expense is brought to account using the effective interest method. The effective interest method calculates the amortised cost of a financial instrument and allocates the interest income or expense over the relevant period. The effective interest rate is that rate that exactly discounts estimated future cash receipts or payments through the expected life of the financial instrument or, when appropriate, a shorter period, to the net carrying amount of the financial asset or liability.

Notes to financial statements
for the year ended 31 March 2018

Service fee and other income
Service fee and other income are recognised over the period in which the services are rendered.

Expenses
Expenses are brought to account on an accrual basis and, if not paid at the end of the reporting period, are reflected in the statement of financial position as payables.

iv) Taxation

Income tax
Income tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the statement of profit or loss because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are not taxable or tax deductible. Current income tax for current and prior periods is recognised at the amounts expected to be paid or to be recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted on the balance sheet date.

Deferred tax assets are recognised when temporary differences arise between the tax bases of assets and liabilities and their respective carrying amounts which give rise to a future tax benefit, or when a benefit arises due to unused tax losses. In both cases, deferred tax assets are recognised only to the extent that it is probable that future taxable amounts will be available to utilise those temporary differences or tax losses. Deferred tax liabilities are recognised when such temporary differences will give rise to taxable amounts that are payable in future periods. Deferred tax assets and liabilities are recognised at the tax rates expected to apply when the assets are recovered or the liabilities are settled under currently enacted tax law.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and liabilities are offset when there is a legally enforceable right to offset and an intention to either settle on a net basis, or realise the asset and settle the liability simultaneously. Current and deferred taxes attributable to amounts recognised directly in equity are recognised directly in equity.

Goods and services tax ("GST")
Items in the statement of profit or loss and amounts capitalised to the statement of financial position as assets are recognised net of GST (or other value-added tax), except where the tax incurred is not recoverable from the taxation authority. In these circumstances, the tax is recognised as part of the expense or included in the cost of the asset.

Receivables and payables are inclusive of GST. The net amount of GST payable to the taxation authority is included in other payables.

v) Recognition and derecognition of financial instruments

Financial instruments are recognised when the Company becomes a party to the contractual provisions of the instrument. Specific policies are provided for the various financial instrument categories below.

Financial assets are derecognised from the statement of financial position when the contractual rights to cash flows have expired, or the loan is sold and substantially all the risks and rewards of ownership are transferred.

Financial liabilities are derecognised from the statement of financial position when the Company's obligation has been discharged, cancelled or has expired.

Notes to financial statements
for the year ended 31 March 2018

Where an existing financial instrument is replaced by another with the same counterparty on substantially different terms, or the terms of an existing instrument are substantially modified, the exchange or modification is treated as a derecognition of the original instrument and the recognition of a new instrument, with the difference in the respective carrying amounts recognised in the statement of profit or loss.

vi) Cash and cash equivalents

Cash and cash equivalents include cash on hand and deposits held at call with banks and are subject to an insignificant risk of changes in value.

vii) Trade and other receivables

Trade and other receivables include fees receivable, amounts due from related entities which are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are recognised initially at fair value plus transaction costs, and subsequently measured at amortised cost using the effective interest method, less allowance for impairment.

The Company assesses at each balance sheet date whether there is objective evidence that these financial assets are impaired and recognises an allowance for impairment when such evidence exists. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy and default or significant delay in payments are objective evidence that these financial assets are impaired.

The carrying amount of these assets is reduced through the use of an impairment allowance account (Refer to Note 2(ix) for more details), which is calculated as the difference between the carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate.

Trade and other receivables are derecognised when the rights to receive cash flows have expired or have been transferred and the Company has transferred substantially all risks and rewards of ownership. On disposal of trade and other receivables, the difference between the carrying amount and the sale proceeds is recognised in the statement of profit or loss. Any amount previously recognised in other comprehensive income relating to that asset is reclassified to the statement of profit or loss.

These assets are presented as current assets except for those that are expected to be realised later than 12 months from the balance sheet date, which are presented as non-current assets.

viii) Other payables

Other payables represent unpaid liabilities for services provided to the Company prior to the end of the year. They are classified as current liabilities if payment is due within 12 months of the balance sheet date or less (or in the normal operating cycle of the business, if longer). If not, they are presented as non-current liabilities.

Other payables are initially recognised at fair value, and subsequently carried at amortised cost using the effective interest method.

ix) Impairment

Financial assets

Financial assets are subject to regular review and assessment for possible impairment. Financial assets are considered to be impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the financial assets have been affected.

Notes to financial statements
for the year ended 31 March 2018

For financial assets carried at amortised cost, the amount of impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. The carrying amount of the financial assets is reduced by impairment loss directly for all financial assets with the exception of receivables when the carrying amount is reduced through the use of an allowance account. When a receivable is uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against the allowance account. Changes in the carrying amount of the allowance account are recognised in the statement of profit or loss.

If, in a subsequent period, the amount of impairment losses decrease and the decrease can be related objectively to an event occurring after the impairment losses were recognised, the previously recognised impairment losses are reversed through the statement of profit or loss to the extent of what the amortised cost would have been had the impairment not been recognised.

x) Provisions

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is more likely than not that an outflow of resources will be required to settle the obligation and the amount has been reliably estimated. Provisions are not recognised for future operating losses.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax discount rate that reflects the current market assessment of the time value of money and risks specific to the obligation.

Changes in the estimated timing or amount of the expenditure or discount rate are recognised in the statement of profit or loss as they arise.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

Dividends
Provisions for dividends to be paid by the Company are recognised in the statement of financial position as a liability and a reduction in retained earnings when the dividend has been declared.

xi) Offsetting financial instruments

Financial assets and financial liabilities are offset and the net amount reported in the statement of financial position where there is a legally enforceable right to offset the amounts and either there is an intention to settle on a net basis, or realise the asset and settle the liability simultaneously. A right to set-off must be available today rather than being contingent on a future event and must be exercisable by any of the counterparties, both in the normal course of business and in the event of default, insolvency or bankruptcy.

xii) Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from the proceeds.

Notes to financial statements
for the year ended 31 March 2018

(3) Critical accounting judgements and key sources of estimation uncertainty

In the application of the Company's accounting policies, which are described in Note 2, management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Critical judgements in applying the Company's accounting policies
Management is of the opinion that there were no critical judgements involved in the process of applying the Company's accounting policies that would have a significant impact on the amounts recognised in the financial statements.

Key sources of estimation uncertainty
Management is of the opinion that there are no key sources of estimation uncertainty at the end of the reporting period that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next year.

(4) Cash and cash equivalents

Amounts in $'000	**As at 31 March**	
	2018	**2017**
Cash at bank	1,860	158
Cash held with former related entities	-	4,708
Total	**1,860**	**4,866**

The above amounts are expected to be recovered within 12 months of the balance sheet date by the Company.

(5) Trade and other receivables

Amounts in $'000	**As at 31 March**	
	2018	**2017**
Trade and other receivables due from related entities:		
APTT	1,796	1,792
Total	**1,796**	**1,792**

The above amounts are expected to be recovered within 12 months of the balance sheet date by the Company.

(6) Other assets

Amounts in $'000	**As at 31 March**	
	2018	**2017**
Prepayments	9	-
Income tax refund receivable (Note 11(i))	5	-
Others	1	-
Total	**15**	**-**

The above amounts are expected to be recovered within 12 months of the balance sheet date by the Company.

Notes to financial statements
for the year ended 31 March 2018

(7) Other payables

Amounts in $'000	As at 31 March	
	2018	2017
Due to former related entities	-	773
GST payable	262	220
Others	15	15
Total	**277**	**1,008**

The above amounts are expected to be settled within 12 months of the balance sheet date by the Company.

(8) Share capital

	2018		2017	
	Number of shares '000	$'000	Number of shares '000	$'000
Fully paid ordinary share capital				
At the beginning and end of the year	**500**	**500**	**500**	**500**

Each fully paid ordinary share carries one vote and a right to dividend as and when declared by the Company.

(9) Retained earnings

Amounts in $'000	As at 31 March	
	2018	2017
Balance at the beginning of the year	4,732	2,481
Profit after income tax attributable to ordinary equity holder of the Company	4,280	2,251
Dividends paid (Note 12)	(6,949)	-
Balance at the end of the year	**2,063**	**4,732**

(10) Other income and other operating expenses

Amounts in $'000	Year ended 31 March	
	2018	2017
Other income		
Other operating income	250	303
Total	**250**	**303**
Other operating expenses		
Group service charges and cost recoveries[1] (Note 13)	-	(931)
Professional fees[2]	(489)	(7)
Auditor's remuneration	(16)	(15)
Other expenses	(34)	(16)
Total	**(539)**	**(969)**

1 Group service charges and cost recoveries mainly relates to related party transactions with former related entities. There were no such transactions in the current year.

2 The increase in professional fees is mainly due to one-time Service Fee of $475 thousand paid to a former related entity following the completion of the Transaction, as defined in Note 13.

Notes to financial statements
for the year ended 31 March 2018

(11) Income tax

(i) Income tax expense

Amounts in $'000	Year ended 31 March	
	2018	2017
Current tax	(831)	(418)
Overprovision of current tax in prior years	10	-
Total	**(821)**	**(418)**

Income tax is calculated at 17% (2017: 17%) of the estimated assessable income for the year. Of the $10 thousand overprovision of current tax in prior years recognised against income tax expense during the year, $5 thousand was received as income tax refund during the year and the remaining $5 thousand (Note 6) has been recognised as other assets in the statement of financial position.

(ii) Numerical reconciliation of income tax expense to prima facie tax payable

The total charge for the year can be reconciled to the accounting profit as follows:

Amounts in $'000	Year ended 31 March	
	2018	2017
Operating profit before income tax	**5,101**	**2,669**
Income tax expense calculated at 17%	(867)	(454)
Tax effect of exempt income	26	26
Effect of tax rebates	10	10
Overprovision of current tax in prior years	10	-
Income tax expense	**(821)**	**(418)**

(iii) Income tax payable

Amounts in $'000	As at 31 March	
	2018	2017
Balance as at the beginning of the year	418	446
Tax paid during the year	(418)	(446)
Current tax	831	418
Balance as at the end of the year	**831**	**418**

Income tax paid, net of refunds of $413 thousand as presented in the statement of cash flows is derived from $418 thousand of income tax paid during the year, net of $5 thousand of income tax refunds received during the year.

(12) Dividends paid

Amounts in $'000	Year ended 31 March	
	2018	2017
Dividends paid (2018: $13.9 per share (2017: Nil)) (Note 13)	(6,949)	-
Total	**(6,949)**	-

Notes to financial statements
for the year ended 31 March 2018

(13) Related party information

As at 31 March 2017, the immediate parent entity of the Company was Macquarie Group Holdings (Singapore) Pte. Limited ("MGHSPL"), incorporated in Singapore (the "Former Parent Entity") and the ultimate parent entity of the Company was Macquarie Group Limited ("MGL"), incorporated in Australia (the "Former Ultimate Entity").

On 22 January 2016, the Former Parent Entity and Dynami Vision Pte. Ltd. ("Dynami") entered into a Share Sale and Purchase Agreement ("SPA") whereby MGHSPL was to divest its entire holding in the Company to Dynami (the "Transaction"). The Transaction was completed on 13 April 2017. With effect from 13 April 2017, Dynami became the immediate parent entity of the Company ("Current Parent Entity"). Dynami is a Singapore registered company majority owned by Mr Lu Fang-Ming, the Chairman of Asia Pacific Telecom Co., Ltd.

The Company, as Trustee-Manager of APTT, has the dual responsibility of safeguarding the interests of unitholders of APTT and managing the business conducted by APTT. The Company manages APTT's business with an objective of providing unitholders with stable and sustainable distributions.

Amounts in $'000	**Year ended 31 March**	
	2018	**2017**
During the year, the following transactions occurred with the parent entity:		
Dividends paid to Former Parent Entity	2,749	-
Dividends paid to Current Parent Entity	4,200	-
Total (Note 12)	**6,949**	-
During the year, the following transactions occurred with APTT[1]:		
Management fees	7,252	7,226
Other operating income	247	303
Total	**7,499**	**7,529**
During the previous year, the following transactions occurred with former related entities[2]:		
Fee and commission expense	-	(3,446)
Interest income	-	35
Group service charges and cost recoveries (Note 10)	-	(931)
Total	**-**	**(4,342)**

1 During the year, APTT also settled liabilities of approximately $50 thousand on behalf of the Company.

2 There were no such transactions with former related entities for the period up to 13 April 2017.

Amounts receivable and payable to related entities are disclosed in Notes 5 and 7. All transactions with related entities were made on acceptable commercial terms and conditions and at market rates, except where indicated.

Notes to financial statements
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(14) Key management personnel

Key management personnel of the Company were those persons having authority and responsibility for planning, directing and controlling the activities of the Company during the years ended 31 March 2018 and 31 March 2017, unless otherwise indicated. Key management personnel of the Company include the directors and other members of key management of the Company.

As disclosed in the Directors' statement, Mr Lu Fang-Ming (Vice-Chair and Non-Executive Director) indirectly holds an effective interest of 80% in the Company. As at 31 March 2018, no other directors of the Company were directors of the Former Parent Entity or Former Ultimate Entity or are directors of the Current Parent Entity.

The remuneration of the directors (including independent directors' fees) and other members of key management are recognised under salaries and other benefits in the statement of profit or loss. Mr Lu-Fang Ming (Vice-Chair and Non-Executive Director) was not entitled to any remuneration from the Company other than reimbursement of expenses incurred on behalf of the Company.

(15) Contingencies and commitments

The Company has no contingent liabilities/assets or commitments which are individually material or a category of contingent liabilities/assets or commitments which are material.

(16) Financial risk management

Categories of financial instrument

The following table sets out the financial instruments as at the end of reporting period:

Amounts in $'000	**As at 31 March**	
	2018	**2017**
Financial assets		
Loan and receivables:		
Cash and cash equivalents	1,860	4,866
Trade and other receivables	1,796	1,792
Other assets	1	-
	3,657	**6,658**
Financial liabilities		
Amortised cost:		
Other payables[1]	15	773
	15	**773**
Net financial assets	**3,642**	**5,885**

1 Excludes non-contractual accruals and provisions.

Notes to financial statements
for the year ended 31 March 2018

The Company's activities expose it to credit risk, liquidity risk, market risk and capital risk.

The Company's overall risk management strategy seeks to minimise adverse effects from the unpredictability of financial markets on the Company's financial performance.

The Board of directors of the Company is responsible for setting the objectives and underlying principles of financial risk management for the Company. Management then establishes the detailed policies such as authority levels, oversight responsibilities, risk identification and measurement, exposure limits and hedging strategies, in accordance with the objectives and underlying principles approved by the Board of directors.

16.1 Credit risk

Credit risk is the risk of a counterparty failing to complete its contractual obligations when they fall due.

Managing credit risk of the Company is the responsibility of the management. The balances disclosed in the credit risk tables below exclude financial assets that are subject to risks other than credit risk.

Maximum exposure to credit risk

The table below details the concentration of maximum exposure to credit risk of the Company's financial assets by significant geographical locations and counterparty type.

Amounts in $'000 **As at 31 March**	**Cash and cash equivalents**	**Trade and other receivables**	**Other assets**	**Total**
2018				
Asia Pacific				
Financial institutions	1,860	-	-	**1,860**
Other	-	1,796	1	**1,797**
Total gross credit risk	**1,860**	**1,796**	**1**	**3,657**
2017				
Australia				
Financial institutions	4,708	-	-	**4,708**
Asia Pacific				
Financial institutions	158	-	-	**158**
Other	-	1,792	-	**1,792**
Total gross credit risk	**4,866**	**1,792**	**-**	**6,658**

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for the year ended 31 March 2018

Credit quality of financial assets

The table below details the credit quality of the Company's financial assets for the maximum exposure to credit risk. The credit quality is based on the individual counterparty's credit rating and industry type using the Company's credit rating system and excludes the benefit of collateral and credit enhancements.

Amounts in $'000 As at 31 March	Investment grade	Below investment grade	Unrated	Past due not individually impaired	Individually impaired	Total
2018						
Cash and cash equivalents						
Financial institutions	1,860	-	-	-	-	**1,860**
Trade and other receivables						
Other	-	1,796	-	-	-	**1,796**
Other assets						
Other	-	1	-	-	-	**1**
Total	**1,860**	**1,797**	**-**	**-**	**-**	**3,657**
2017						
Cash and cash equivalents						
Financial institutions	4,866	-	-	-	-	**4,866**
Trade and other receivables						
Other	-	1,792	-	-	-	**1,792**
Total	**4,866**	**1,792**	**-**	**-**	**-**	**6,658**

16.2 Liquidity risk

Liquidity risk is the risk of an entity encountering difficulty in meeting obligations with financial liabilities.

Management assesses the Company's liquidity requirements on a regular basis to ensure it has sufficient cash to meet its operational requirement.

Contractual undiscounted cash flows

The following tables summarises the maturity profile of the Company's financial liabilities as at 31 March based on contractual undiscounted repayment obligations. Repayments subject to notices are treated as if notices were given immediately. However, the Company expects that many customers will not request repayment on the earliest date the Company could be required to pay.

Amounts in $'000 As at 31 March	On demand or less than 3 months	3 to 12 months	1 to 5 years	Over 5 years	Total
2018					
Other payables	15	-	-	-	**15**
Total contractual undiscounted cash flows	**15**	**-**	**-**	**-**	**15**
2017					
Other payables	773	-	-	-	**773**
Total contractual undiscounted cash flows	**773**	**-**	**-**	**-**	**773**

Notes to financial statements
for the year ended 31 March 2018

16.3 Market risk
Market risk is the risk of adverse changes in the value of Company's trading portfolios from changes in market prices or volatility.

The Company is exposed to the following risks in each of the major markets in which it trades:

- **Interest rates**: changes in the level, shape and volatility of yield curves, the basis between different debt securities and derivatives and credit margins.

- **Foreign exchange**: changes in spot and forward exchange rates and the volatility of exchange rates.

Managing market risk of the Company is the responsibility of the management.

Interest rate risk
The Company was exposed to non-traded interest rate risk generated by inter-company balances as at 31 March 2017. There were no such balances as at 31 March 2018. Since the amounts are not material, the Company is of the view that no further disclosure is required.

Foreign currency risk
The Company was exposed to foreign currency risk arising from transactions entered into in its normal course of business during the previous year ended 31 March 2017. There were no such transactions for the year ended 31 March 2018. Since the amounts are not material, the Company is of the view that no further disclosure is required.

16.4 Capital risk
The Company's objectives when managing capital is to ensure that the Company is adequately capitalised and to maintain an optimal structure by issuing or redeeming additional equity and debt instruments, when necessary. This ensures that the company will be able to continue as a going concern.

The Company is not subject to any externally imposed capital requirements. The Company's overall strategy remains unchanged from previous year ended 31 March 2017.

(17) Fair values of financial assets and financial liabilities

The fair value of all financial assets and liabilities approximated their respective carrying values at balance sheet date due to the relatively short-term maturity of these financial instruments.

(18) Offsetting financial assets and liabilities

The Company reports financial assets and financial liabilities on a net basis in the statement of financial position as when they meet the criteria described in Note 2(xi). The following tables provide information on the impact of offsetting that has occurred in the statement of financial position, as well as amounts covered by enforceable netting arrangements that do not meet all the criteria for offsetting in the statement of financial position. Enforceable netting arrangements may allow for net settlement of specified contracts with a counterparty only in the event of default or other pre-determined events, such that their potential effects on the Company's financial position in that circumstance is to settle as one arrangement. The Company uses a variety of credit risk mitigation strategies in addition to netting and collateral arrangements, therefore amounts presented in this note are not intended to represent the credit risk exposure of the entity. Refer to Note 16.1 for information on credit risk management.

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for the year ended 31 March 2018

Amounts in $'000	Amounts subject to enforceable netting arrangements					Amount not subject to enforceable netting arrangements	Statement of financial position total
	Subject to offsetting in statement of financial position			Related amounts not offset			
As at 31 March	Gross amount	Amount offset	Net amount presented	Other recognised financial instruments	Net amount		
2018							
Cash and cash equivalents	-	-	-	-	-	1,860	**1,860**
Trade and other receivables	-	-	-	-	-	1,796	**1,796**
Other assets	-	-	-	-	-	1	**1**
Total assets	**-**	**-**	**-**	**-**	**-**	**3,657**	**3,657**
Other payables	-	-	-	-	-	15	**15**
Total liabilities	**-**	**-**	**-**	**-**	**-**	**15**	**15**
2017							
Cash and cash equivalents	-	-	-	-	-	4,866	**4,866**
Trade and other receivables	33	(33)	-	-	-	1,792	**1,792**
Total assets	**33**	**(33)**	**-**	**-**	**-**	**6,658**	**6,658**
Other payables	(806)	33	(773)	-	(773)	-	**(773)**
Total liabilities	**(806)**	**33**	**(773)**	**-**	**(773)**	**-**	**(773)**

(19) Prior year financial statements and reclassifications

The comparative financial statements of the Company as presented differ from the statutory financial statements which were previously audited by another auditor who expressed an unmodified opinion on those financial statements in their report dated 11 August 2017.

Certain comparatives in the financial statements have been reclassified to be consistent with current year's presentation.

The management has reclassified directors' fees from other operating expenses to salaries and other benefits for better comparability and to better reflect the nature of the accounts. As a result, certain line items have been reclassified in the statement of profit or loss and the related notes to the financial statements. As the reclassifications had no impact to opening retained earnings as at 1 April 2016, the comparative figures as at 31 March 2016 were not presented on the face of the statement of financial position. Comparative figures have been adjusted to conform to the current year's presentation.

The items were reclassified as follows:

Statement of profit or loss

Amounts in $'000	2017		
	As previously reported	Reclassification	As reclassified
Salaries and other benefits	-	(480)	(480)
Other operating expenses	(1,449)	480	(969)

Notes to financial statements
for the year ended 31 March 2018

(20) Events after the reporting period

On 3 August 2018, the directors of the Company approved the declaration of an interim dividend of $2.4 million ($4.80 per share) to Dynami for the period from 1 April 2018 to 30 September 2018.

There were no other material events subsequent to 31 March 2018 that have not been reflected in the financial statements.

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