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 2019

Registered office: 50 Raffles Place, #32-01 Singapore Land Tower, Singapore 048623
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Directors' statement
for the year ended 31 March 2019

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 2019.

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 2019 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)
Brian McKinley (Chief Executive Officer and Executive Director)

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.	NT$320,000,000[1]	NT$320,000,000[1]	-	-
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

[1] Dynami Vision Ltd. is a limited company without shares incorporated in Taiwan. The shareholding presented above represents the amount of contribution by the director.

Directors' statement
for the year ended 31 March 2019

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 reappointment.

On behalf of the Board of directors,

Yong Lum Sung
Chair and Independent Director

Brian McKinley
Chief Executive Officer and Executive Director

Singapore
14 August 2019

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 2019, 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 2019, 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.

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 judgment 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
14 August 2019

Statement of financial position

Amounts in $'000	Note	As at 31 March 2019	As at 31 March 2018
Assets			
Current assets			
Cash and cash equivalents	4	2,075	1,860
Trade and other receivables	5	1,817	1,796
Other assets	6	12	15
Total assets		**3,904**	**3,671**
Liabilities			
Current liabilities			
Income tax payable	11	931	831
Other payables	7	360	277
Total liabilities		**1,291**	**1,108**
Net assets		**2,613**	**2,563**
Equity			
Share capital	8	500	500
Retained earnings	9	2,113	2,063
Total equity attributable to ordinary equity holder of APTT Management Pte. Limited		**2,613**	**2,563**
Total equity		**2,613**	**2,563**

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 2019	2018
Revenue			
Management fees		7,292	7,252
Other income	10	263	250
Total revenue		**7,555**	**7,502**
Operating expenses			
Salaries and other benefits		(1,722)	(1,862)
Other operating expenses	10	(252)	(539)
Total expenses		**(1,974)**	**(2,401)**
Operating profit before income tax		**5,581**	**5,101**
Income tax expense	11	(931)	(821)
Profit after income tax attributable to ordinary equity holder of APTT Management Pte. Limited		**4,650**	**4,280**
Basic and diluted earnings per share attributable to ordinary equity holder of APTT Management Pte. Limited		**9.30 dollars**	**8.56 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	
	2019	2018
Profit after income tax	**4,650**	**4,280**
Other comprehensive income	-	-
Total comprehensive income	**4,650**	**4,280**
Total comprehensive income attributable to ordinary equity holder of APTT Management Pte. Limited	**4,650**	**4,280**

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 2018		**500**	**2,063**	**2,563**
Total comprehensive income, net of tax				
Profit after income tax		-	4,650	4,650
Total		**-**	**4,650**	**4,650**
Transactions with equity holder in its capacity as ordinary equity holder:				
Dividends paid	12	-	(4,600)	(4,600)
Total		**-**	**(4,600)**	**(4,600)**
Balance as at 31 March 2019		**500**	**2,113**	**2,613**
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**

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 2019	2018
Cash flows from operating activities			
Profit after income tax		4,650	4,280
Adjustments for:			
Income tax expense		931	821
Changes in assets and liabilities:			
Trade and other receivables		(21)	(4)
Other assets		3	(10)
Other payables		83	(731)
Cash generated from operations		**5,646**	**4,356**
Income tax paid, net of refunds	11(iii)	(831)	(413)
Net cash from operating activities		**4,815**	**3,943**
Cash flows from financing activities			
Dividends paid	12	(4,600)	(6,949)
Net cash used in financing activities		**(4,600)**	**(6,949)**
Net increase/(decrease) in cash and cash equivalents		215	(3,006)
Cash and cash equivalents at the beginning of the year		1,860	4,866
Cash and cash equivalents at the end of the year	4	**2,075**	**1,860**

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 2019

(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 2019 were authorised for issue by the Board of directors on 14 August 2019.

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 116 *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 2019

Adoption of new and revised standards

New and amended standards adopted by the Company

On 1 April 2018, the Company has adopted all the new and revised FRSs and Interpretations of FRSs ("INT FRSs") that were effective from that date and relevant to its operations. The adoption of these new/revised FRSs and INT FRSs 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 except as disclosed below.

FRS 109 *Financial Instruments*

FRS 109 introduces new requirements for 1) the classification and measurement of financial assets and financial liabilities, 2) impairment of financial assets and 3) general hedge accounting. Details of these new requirements as well as their impact on the financial statements are described below.

(a) Classification and measurement of financial assets and financial liabilities

The Company has applied the requirements of FRS 109 to instruments that have not been derecognised as at 1 April 2018 and has not applied the requirements to instruments that have already been derecognised as at 1 April 2018. The classification of financial assets is based on two criteria: the Company's business model for managing the assets and whether the instruments' contractual cash flows represent 'solely payments of principal and interest' on the principal amount outstanding. There are no changes in classification and measurement of the Company's financial assets and financial liabilities.

(b) Impairment of financial assets

FRS 109 requires an expected credit loss model as opposed to an incurred credit loss model under FRS 39. The expected credit loss model requires the Company to account for expected credit losses and changes in those expected credit losses at each reporting date to reflect changes in credit risk since initial recognition of the financial assets. It is no longer necessary for a credit event to have occurred before credit losses are recognised.

Specifically, FRS 109 requires the Company to recognise a loss allowance for expected credit losses on financial assets subsequently measured at amortised cost, which the impairment requirements of FRS 109 apply.

The Company applied FRS 109 with an initial application date of 1 April 2018. The application of FRS 109 impairment requirements does not result in additional loss allowance to be recognised. The Company has not restated the comparative information, which continues to be reported under FRS 39. There is no material effects arising from the adoption of FRS 109 except for more extensive disclosures about the Company's exposure to credit risk in the financial statements. Refer Note 16.1 for more details.

FRS 115 *Revenue from Contracts with Customers*

FRS 115 supersedes FRS 11 *Construction Contracts*, FRS 18 *Revenue* and the related interpretations. FRS 115 introduces a 5-step approach to revenue recognition. Far more prescriptive guidance has been added in FRS 115 to deal with specific scenarios. Details of these new requirements as well as their impact on the financial statements are described below.

The Company has applied FRS 115 using the modified retrospective method with the cumulative effect of initially applying this Standard recognised at the date of initial application (1 April 2018) as an adjustment to the opening balance of retained earnings. Therefore, the comparative information was not restated and continues to be reported under FRS 11, FRS 18 and the related Interpretations. The Company has elected to apply this Standard retrospectively only to contracts that are not completed contracts at the date of initial application.

The Company's significant accounting policies for its revenue streams are disclosed in Note 2(iii). There was no material impact from adoption of FRS 115.

Notes to financial statements
for the year ended 31 March 2019

New standards, amendments and interpretations issued but not yet effective

At the date of authorisation of these financial statements, management has considered and anticipated that the adoption of the new/revised FRSs, INT FRSs and amendments to FRSs that were issued but not effective will not have a material impact on the financial statements of the Company in the period of their initial application.

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 recognition

Before 1 April 2018

Revenue is measured at the fair value of the consideration received or receivable, and respresents amounts receivable for services supplied. 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.

Service fee and other income

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

From 1 April 2018

Revenue is measured at the fair value of the consideration specified in a contract with a customer. The Company recognises revenue when it transfers control of a service to a customer. Revenue is recognised for the major business activities as follows:

Management fees

Base fees are recognised over time as the Company satisfies its performance obligation to its Trustee over time. The base fees are receivables semi-annually in arrears for every six months ending 30 June and 31 December of each year.

Notes to financial statements
for the year ended 31 March 2019

Service fee and other income

Service fee and other income are recognised over the period in which the services are rendered. The transaction price allocated to these services is recognised as revenue at the time of billing at the end of each quarter.

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.

Financial instruments are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial instruments are added to or deducted from the fair value of the financial assets and financial liabilities, as appropriate, on initial recognition.

Notes to financial statements
for the year ended 31 March 2019

Before 1 April 2018

Financial assets

Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial instrument and of allocating interest income or expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts or payments (including all fees on points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial instrument, or where appropriate, a shorter period. Income is recognised on an effective interest rate basis for debt instruments.

Trade and other receivables, cash and bank balances

Trade and other receivables, cash and bank balances are subsequently measured at amortised cost using the effective interest method less impairment losses. Interest is recognised by applying the effective interest method, except for short-term balances when the effect of discounting is immaterial.

Impairment of financial assets

Financial assets are assessed for indicators of impairment at the end of each reporting period. Financial assets are considered to be impaired when 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 impacted.

Objective evidence of impairment could include:

- significant financial difficulty of the issuer or counterparty; or
- it becoming probable that the borrower will enter bankruptcy or financial re-organisation.

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 is reduced through the use of an allowance account. When the receivable is uncollectible, it is written off against the allowance account. Subsequent recoveries of amount previously written off are credited against the allowance account. Changes in the carrying amount of the allowance account are recognised in profit or loss.

Derecognition of financial assets

The Company derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

Notes to financial statements
for the year ended 31 March 2019

After 1 April 2018

Financial assets

Classification of financial assets

Debt instruments mainly comprise cash and bank balances and trade and other receivables that meet the following conditions and are subsequently measured at amortised cost:

- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Amortised cost and effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period.

For financial instruments other than purchased or originated credit-impaired financial assets, the effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) excluding expected credit losses, through the expected life of the debt instrument, or, where appropriate, a shorter period, to the gross carrying amount of the debt instrument on initial recognition. For purchased or originated credit-impaired financial assets, a credit-adjusted effective interest rate is calculated by discounting the estimated future cash flows, including expected credit losses, to the amortised cost of the debt instrument on initial recognition.

The amortised cost of a financial asset is the amount at which the financial asset is measured at initial recognition minus the principal repayments, plus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount, adjusted for any loss allowance. On the other hand, the gross carrying amount of a financial asset is the amortised cost of a financial asset before adjusting for any loss allowance.

Interest is recognised using the effective interest method for debt instruments measured subsequently at amortised cost, except for short-term balances when the effect of discounting is immaterial.

Impairment of financial assets

The Company recognises lifetime expected credit loss ("ECL") when there has been a significant increase in credit risk since initial recognition. If, on the other hand, the credit risk on the financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12-month ECL. The assessment of whether lifetime ECL should be recognised is based on significant increases in the likelihood or risk of a default occurring since initial recognition instead of on evidence of a financial asset being credit-impaired at the reporting date or an actual default occurring. The Company considers a financial asset in default when internal or external information indicates that the Company is unlikely to receive the outstanding contractual amounts in full. A financial asset is written off when there is no reasonable expectation of recovering the contractual cashflows.

The ECL is estimated as the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive, discounted at the original effective interest rate.

Cash and bank balances are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value.

Notes to financial statements
for the year ended 31 March 2019

Derecognition of financial assets

The Company derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

Financial liabilities and equity instruments

Classification as debt or equity

Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments are recorded at the proceeds received, net of direct issue costs.

Financial liabilities

Other payables are initially measured at fair value, net of transaction costs, and are subsequently measured at amortised cost, using the effective interest method, with interest expense recognised on an effective yield basis.

Derecognition of financial liabilities

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or they expire.

vi) 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.

Notes to financial statements
for the year ended 31 March 2019

vii) 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.

(3) Critical accounting judgments 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 judgments, 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 judgments in applying the Company's accounting policies

Management is of the opinion that there were no critical judgments 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**	
	2019	**2018**
Cash at bank	2,075	1,860
Total	**2,075**	**1,860**

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**	
	2019	**2018**
Trade and other receivables due from related entities:		
APTT	1,804	1,796
Dynami Vision Ltd.	13	-
Total	**1,817**	**1,796**

(6) Other assets

Amounts in $'000	**As at 31 March**	
	2019	**2018**
Prepayments	10	9
Income tax refund receivable	-	5
Others	2	1
Total	**12**	**15**

Notes to financial statements
for the year ended 31 March 2019

(7) Other payables

Amounts in $'000	As at 31 March	
	2019	**2018**
GST payable	261	262
Others	99	15
Total	**360**	**277**

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

(8) Share capital

	2019		2018	
	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	
	2019	**2018**
Balance at the beginning of the year	2,063	4,732
Profit after income tax attributable to ordinary equity holder of the Company	4,650	4,280
Dividends paid (Note 12)	(4,600)	(6,949)
Balance at the end of the year	**2,113**	**2,063**

(10) Other income and other operating expenses

Amounts in $'000	Year ended 31 March	
	2019	**2018**
Other income		
Other operating income	263	250
Total	**263**	**250**
Other operating expenses		
Professional fees[1]	(206)	(489)
Auditor's remuneration	(16)	(16)
Other expenses	(30)	(34)
Total	**(252)**	**(539)**

[1] Professional fees for the year ended 31 March 2018 included a 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 2019

(11) Income tax

(i) Income tax expense

Amounts in $'000	Year ended 31 March	
	2019	2018
Current tax	(931)	(831)
Overprovision of current tax in prior years	-	10
Total	**(931)**	**(821)**

Income tax is calculated at 17% (2018: 17%) of the estimated assessable income for the year.

(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	
	2019	2018
Operating profit before income tax	**5,581**	**5,101**
Income tax expense calculated at 17%	(948)	(867)
Tax effect of exempt income	17	26
Effect of tax rebates	-	10
Overprovision of current tax in prior years	-	10
Income tax expense	**(931)**	**(821)**

(iii) Income tax payable

Amounts in $'000	As at 31 March	
	2019	2018
Balance as at the beginning of the year	831	418
Tax paid during the year	(831)	(418)
Current tax	931	831
Balance as at the end of the year	**931**	**831**

(12) Dividends paid

Amounts in $'000	Year ended 31 March	
	2019	2018
Dividends paid (2019: $9.2 per share (2018: $13.9 per share)) (Note 13)	(4,600)	(6,949)
Total	**(4,600)**	**(6,949)**

Notes to financial statements
for the year ended 31 March 2019

(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	
	2019	2018
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	4,600	4,200
Total (Note 12)	**4,600**	**6,949**
During the year, the following transactions occurred with APTT[1]:		
Management fees	7,292	7,252
Other operating income	261	247
Total	**7,553**	**7,499**

[1] During the year, APTT also settled liabilities of approximately $44 thousand (2018: $50 thousand) on behalf of the Company.

Amounts receivable and payable to related entities, if any, 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.

(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 2019 and 31 March 2018, 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 2019, no other directors of the Company 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.

Notes to financial statements
for the year ended 31 March 2019

(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	
	2019	**2018**
Financial assets		
at amortised cost (2018: loan and receivables):		
Cash and cash equivalents	2,075	1,860
Trade and other receivables	1,817	1,796
Other assets	2	1
	3,894	**3,657**
Financial liabilities		
at amortised cost:		
Other payables[1]	99	15
	99	**15**
Net financial assets	**3,795**	**3,642**

[1] Excludes non-contractual accruals and provisions.

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.

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for the year ended 31 March 2019

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
2019				
Asia Pacific				
Financial institutions	2,075	-	-	**2,075**
Other	-	1,817	2	**1,819**
Total gross credit risk	**2,075**	**1,817**	**2**	**3,894**
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**

Credit quality of financial assets

The Company's current credit risk framework comprises the following categories:

Category	Description	Basis for recognising expected credit losses ("ECL")
Performing	The counterparty has a low risk of default and does not have any past-due amounts	12-month ECL
Doubtful	Amount is >30 days past due or there has been a significant increase in credit risk since initial recognition	Lifetime ECL - not credit impaired
In default	Amount is >90 days past due or there is evidence indicating the asset is credit impaired	Lifetime ECL - credit-impaired
Write-off	There is evidence indicating that the debtor is in severe financial difficulty and the Group has no realistic prospect of recovery	Amount is written-off

The Company considers a financial asset to have low credit risk when the asset has external credit rating of 'investment grade' in accordance with the globally understood definition or if an external rating is not available, the asset has an internal rating of 'performing'. Performing means that the counterparty has a strong financial position and there is no past due amount.

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.

Notes to financial statements
for the year ended 31 March 2019

Amounts in $'000 As at 31 March	Internal credit rating	12-month or lifetime ECL	Gross carrying amount	Loss allowance	Net carrying amount
2019					
Trade and other receivables	Performing	12-month ECL	1,817	-	1,817
Other assets	Performing	12-month ECL	2	-	2
			1,819	**-**	**1,819**
2018					
Trade and other receivables	Performing	12-month ECL	1,796	-	1,796
Other assets	Performing	12-month ECL	1	-	1
			1,797	**-**	**1,797**

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. All financial assets and financial liabilities are repayable on demand or due within one year from the end of the reporting period.

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. The Company was not exposed to interest rate risk and foreign currency risk for the year ended 31 March 2019. 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 2018.

(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.

Notes to financial statements
for the year ended 31 March 2019

(18) Events after the reporting period

Subsequent to the financial year end:

(a) On 22 July 2019, APTT issued 5,328,412 units to the Company at a price of $0.1876731597 per unit, as payment of $1 million, out of the total $3.6 million Trustee-Manager base fees for the six-month period from 1 January 2019 to 30 June 2019. The issue price per unit was based on the APTT volume weighted average price for a unit for all trades done on the SGX-ST in the ordinary course of trading on the SGX-ST for the ten business days immediately preceding the date of issue. The balance of $2.6 million Trustee-Manager base fees along with GST and any rounding off adjustment from the issue of units was settled in cash.

(b) On 14 August 2019, the directors of the Company approved the declaration of an interim dividend of $1.2 million ($2.4 per share) to Dynami for the period from 1 April 2019 to 30 September 2019.

There were no other material events subsequent to 31 March 2019 that have not been reflected in the financial statements.

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