



8I Holdings Limited (ASX: 8IH)
(Incorporated in the Republic of Singapore)
Company Registration Number: 201414213R
ARBN 601 582 129

ASX Interim Report – 30 September 2020

Lodged with the ASX under Listing Rule 4.2A.3

This information should be read in conjunction with the 31 March 2020 Financial Report.

RESULTS FOR ANNOUNCEMENT TO THE MARKET

(All comparisons to half-year period ended 30 September 2019)

	S\$	Up/Down	% Movement
Revenue and investment income	17,875,470	Up	272.7%
Profit after tax from ordinary activities attributable to members	6,590,154	Up	654.8%
Net profit attributable to members	6,590,154	Up	654.8%

Dividend information	Amount per share	Franked amount per share	Tax rate for franking credit
	(Singapore cent)	(Singapore cent)	
Not applicable	NIL	NIL	NIL

	30.9.2020	30.9.2019
Net tangible assets per security	S\$0.094	S\$0.085

This information should be read in conjunction with the FY2020 Annual Financial Report of 8I Holdings Limited and its subsidiaries and any public announcements made in the period by 8I Holdings Limited in accordance with the continuous disclosure requirements of the Company Act (Chapter 50) and Listing Rules.

Additional Appendix 4D disclosure requirements can be found in the Director's Statement and the consolidated financial statements for the six months ended 30 September 2020.

This report is based on the consolidated financial statements for the six months ended 30 September 2020 of 8I Holdings Limited and its subsidiaries, which have been reviewed by KLP LLP. The Independent Auditor's Review Report provided by KLP LLP is included in the consolidated financial statements for the six months ended 30 September 2020.

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EMPOWERING GROWTH
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2021

INTERIM REPORT

FINANCIAL STATEMENTS

For the six months ended 30 September 2020



8I Holdings Limited

ASX code: 8IH
Company registration number 201414213R
ARBN 601 582 129

About 8I Holdings Limited

8I Holdings Limited (“8IH” or “the Group”) is an Australian-listed investment holding company engaged in the businesses of Financial Education Technology (“FinEduTech”) and Financial Asset Management.

Through 8VI Holdings Limited (“8VI”) the Group operates under the **VI brand** within the FinEduTech space. With offices in Singapore, Malaysia, Taiwan and Shanghai, **VI** is the region’s leading FinEduTech provider supporting a community of value investors from 29 cities globally. The **VI App** is a smart stock analysis and screening tool infused with a social networking element to enable users to invest smarter, faster and easier. Through Hidden Champions Capital Management Pte Ltd (“HCCM”), the Group operates a registered fund management business in Singapore, investing in public listed equities through a focused strategy of investing in value-adding, nimble and scalable growing Hidden Champions that are typically at the forefront of their markets to achieve long-term investment returns.

8I ECOSYSTEM

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FINANCIAL ASSET MANAGEMENT

Powered by research-driven fundamental stock selection process and methodology, the fund management arm of the Group invests in public listed equities which are value-adding, nimble and growing “Hidden Champions” that are typically at the forefront of their markets.

FINANCIAL EDUCATION TECHNOLOGY

FinEduTech arm of the Group operating under the brand name VI. VI makes investments smarter, faster and easier with results-oriented and process-driven analysis powered by technology, and promotes investor education and knowledge exchange on a single platform.

At 8I, we continue to strengthen our business ecosystem on a single platform – leveraging the power of AI, big data and machine learning that sharpens our competitive edge, sharing value investing knowledge and empowering our growing community to make smart investment decisions by applying the principles of value investing.

FINANCIAL AND OPERATIONS REVIEW

For the financial period ended 30 September 2020

Overview

FY2021 began with significant headwind and a challenging operating landscape, the global pandemic, a slide in the global economy, uncertain macro-economic and geopolitical environment around the world.

Since the previous financial year, the Group has made conscious efforts in restructuring and refining its business operations through a number of initiatives, cost management and digitalisation strategy which was expedited with the COVID-19 pandemic, thus bringing the Group into recovery in the first half of FY2021.

Within the first half of FY2021, the Group recorded a revenue and investment gain of S\$17.9 million as compared to S\$4.8 million in 1HFY2020, while net profit for the same period was recorded at S\$7.2 million as compared to a loss of S\$1.5 million in the previous corresponding period.

The improvement in revenue and investment income is mainly attributable to the improved performance of the restructured Hidden Champions Fund as well as the strong growth of our FinEduTech division digitally while contending with the various lockdown and movement restriction amid the global pandemic. The FinEduTech division registered a 114% increase in revenue from S\$4 million in the previous financial period to S\$11 million in the current financial period while the Financial Asset Management division registered a S\$7 million increase in investment income from investment loss of \$0.5 million in the previous period to investment gain of S\$6.5 million in the current financial period.

Apart from returning to profitability in the 1HFY2021, the Group maintained a sound financial position. As of 30 September 2020, the Group improved its cash position with cash and cash equivalents of S\$23.5 million from S\$18.4 million since end of FY2020.

Business Segment Report



FinEduTech
– 8VI Holdings Limited

As part of the Group's business model refinement, the original financial technology and financial education businesses have been enhanced and incorporated under the VI brand in January 2020, representing the Group's strategic shift into FinEduTech. Following shareholders' approval at the Annual General Meeting in July 2020, the Company's name has also been changed to "8VI Holdings Limited" to reflect the alignment of its brand and position with effect from 27 July 2020.

8VI started its operations in FY2021 with a rapid shift and expansion of its operations and services online with the rise and spread of COVID-19. This successful speedy transition was executed as part of our long-term business plan and strategy.

With seamless integration of acquisition, retention and technology capabilities on the VI platform, the Group continued with the sale and subscription of its proprietary smart investing analysis tool, VI App, and its range of VI College financial educational programmes and activities online that allowed efficient delivery of products and services beyond geographical boundaries with the adoption of technological application and solution, despite the global pandemic, generating high-quality revenue, positive cashflow and healthy cash receipt from customers.

Continuing with strategies outlined by 8VI in its FY2020 annual report; Acquisition, Retention and Technology Development remain the core focus. By expanding the digital financial education programmes and training as well as integrating the community support fully within VI App to reach a wider audience and meet evolving consumer habits, a customer is now a VI Community member tapping into our platform and products for life-long, repeat learning opportunities.

For more details on the FinEduTech segment, please refer to the FY2021 Interim Report for 8VI Holdings Limited.

FINANCIAL AND OPERATIONS REVIEW

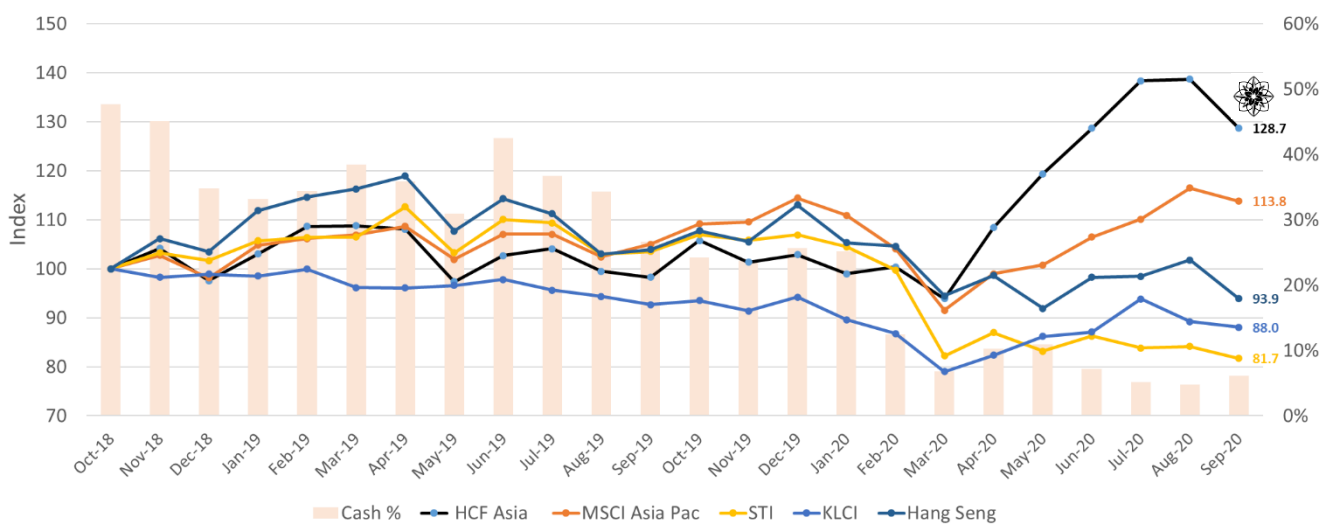
For the financial period ended 30 September 2020

Business Segment Report (continued)



Financial Asset Management – Hidden Champions Fund (Asia)

Fund Performance



	HCF Asia	MSCI Asia Pac	STI	KLCI	Heng Seng
Last 6 mths	37.0%	24.3%	-0.6%	11.4%	-0.6%
YTD	25.0%	-0.6%	-23.6%	-6.6%	-16.9%

It has been an eventful 2 years since we started with ground zero to restructure Hidden Champions fund. While we made many mistakes along the way, we also took a hard look at what went wrong and analysed how we could have done better. After each learning experience, we found ourselves to be more mindful of our selection in the next round. As it was intentional that we did not deploy all the funds but to hold more cash in the first year, the results was flattish. The second year saw us going against all odds when COVID-19 hit unexpectedly, yet it was also the time that we finally reaped the fruits of our labour. With the pandemic outbreak and crash of the global equities in late March, we jumped at the opportunity to invest in the companies already shortlisted, at a discount. These companies went through a vigorous selection process prior and most turned out to be COVID-19 resilient. As a result, they were not only able to withstand the impact of COVID-19 but also thrive during the crisis.

For the 1HFY2021, we are pleased to announce that the listed securities under Hidden Champions Fund (Asia) (“HCF Asia”) registered an investment gain on investment securities of S\$3.1 million (S\$1.8 million under our direct

stake). This is a return of 37.0% for the last six months, against the benchmark MSCI APAC of 24.3%.

As an asset management company, the returns from our investments will tend to be lumpy in nature which is typical in our business, since our performance depends on overall market conditions and macro-economic business landscape.

What have we done well

Of the 15 companies in our portfolio, 7 companies announced their September quarter results recently. The team is pleased to report that 6 of them performed well with strong revenue and earnings growth. For the one that experienced negative growth, we assessed the reasons and opined it temporary rather than a long-term outcome. In fact, we took the chance to average in our position on that particular investment and will continue to monitor the situation closely.

Furthermore, we have adopted an increasingly defensive stance and reduced our positions in the market to hold more cash. This will allow us to deploy it at an opportune

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FINANCIAL AND OPERATIONS REVIEW

For the financial period ended 30 September 2020

Business Segment Report (continued)

time should global equities continue to worsen, which we have reasons to believe that it might.

What could be better

The portfolio returns hovered at around 30% returns (since Oct 2018) for the past four months. The team have analysed it and attributed the stagnant results to the underperformance of our top two holdings. As the top 2 positions were built in the early stages of our fund, we would have approached that investment in a different manner based on the current situation. Over the next few months, we will be looking to make some adjustments to our allocation of these two holdings to reposition the portfolio and optimise it for growth.

Growth Strategies going forward

Moving forward, we will focus on channelling our expertise to 3 pillar funds to grow our business.

Firstly, with the HCF Asia fund showing promising results, we will be actively seeking to scale this business by raising funds to increase our AUM. This fund has shown itself to be resilient and positive in its returns since we restructured it (Oct 2018) and we believe that it has a solid foundation to build its future returns on.

The second pillar of growth would be the new HCF US fund (currently under research, development and testing). Since April 2020, we started replicating the processes from our Asia portfolio and applied similar investment methodologies to our US portfolio (currently seeded by us). The transition from Asia to US had been more manageable than we thought, thanks to the nature of the companies that are mostly mid-large cap with stronger business fundamentals and better corporate governance. So far, we have achieved above average results for our stock selection and will be looking to build this portfolio over the coming months.

The third pillar of growth is built on the foundation that we have built VI App upon. Based on our R&D efforts, we are currently testing our Quant-based methodology with our proprietary funds (currently known as VI Fund Gorilla). This portfolio has shown promising results and it has shown itself to be resilient even in the downturns thus far. As this portfolio fund is rule-based with only human interventions for refinement, it has taken care of a major issue of investing: that of human psychology. We look forward to further testing the processes and rules rigorously so that we can ensure this fund will be positioned to provide long term positive returns to our investors.

Conclusion

It has been a couple of challenging years and we want to acknowledge the resilience and hard work of every team member whose contribution is critical for the small wins we celebrate today. At the same time, we want to show our heartfelt appreciation to all our shareholders for your unceasing trust, patience and support towards the team during these challenging times. In the year ahead, we are committed to stay focused in executing our growth strategies with the aim of bringing even greater value to our shareholders.

DIRECTORS' STATEMENT

For the financial period ended 30 September 2020

In the opinion of the directors,

- (a) to the best of our knowledge, nothing has come to the attention of the Board of Directors of the Company which may render the accompanying interim financial information for the six months ended 30 September 2020 to be false or misleading; and
- (b) at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

On behalf of the directors



Chee Kuan Tat, Ken
Director

16 November 2020



Clive Tan Che Koon
Director



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REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION TO THE MEMBERS OF 8I HOLDINGS LIMITED

Introduction

We have reviewed the accompanying statement of financial position of 8I Holdings Limited and its subsidiaries (the "Group") as of 30 September 2020 and the related statements of comprehensive income, changes in equity and cash flows for the six-month period then ended, and a summary of significant accounting policies and other explanatory notes. Management is responsible for the preparation and fair presentation of this interim financial information in accordance with Financial Reporting Standards in Singapore, Interim Financial Reporting ("FRSs 34"). Our responsibility is to express a conclusion on this interim financial information based on our review.

Scope of Review

We conducted our review in accordance with Singapore Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Singapore Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial information does not give a true and fair view of the financial position of the Group as at 30 September 2020, and of its financial performance, its changes in equity and its cash flows for the six-month period then ended in accordance with FRSs 34.

KLP LLP

Public Accountants and
Chartered Accountants

Singapore, 16 November 2020

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CONDENSED INTERIM CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Interim Financial Report for the financial period ended 30 September 2020

	Note	Half-year ended 30 Sep 2020 S\$	Half-year ended 30 Sep 2019 S\$
Revenue	4	11,399,376	5,321,555
Investment gain/(loss)	4	6,476,094	(525,778)
Other income	5	808,793	248,680
Expenses			
- Cost of sales and services		(1,967,764)	(1,421,140)
- Administrative expenses		(4,551,225)	(3,396,530)
- Marketing and other operating expenses		(2,975,762)	(2,072,313)
- Finance costs		(22,677)	(41,863)
Share of (profit)/loss attributable to the unit holders of redeemable participating shares		(1,362,543)	551,024
Share of loss of an associated company		-	(37,001)
Profit/(loss) before income tax		7,804,292	(1,373,366)
Income tax expense	6	(593,959)	(99,366)
Profit/(loss) for the period		7,210,333	(1,472,732)
Other comprehensive (loss)/income:			
Items that may be reclassified subsequently to profit or loss:			
- Currency translation differences arising from consolidation		(423,835)	163,840
Items that will not be reclassified subsequently to profit or loss:			
- Financial gain/(loss), at FVOCI		36,841	(143,274)
Other comprehensive (loss)/income, net of tax		(386,994)	20,566
Total comprehensive income/(loss) for the period		6,823,339	(1,452,166)
Profit/(loss) attributable to:			
- Owners of the Company		6,590,154	(1,187,926)
- Non-controlling interests		620,179	(284,806)
		7,210,333	(1,472,732)
Total comprehensive income/(loss) attributable to:			
- Owners of the Company		6,213,025	(1,176,392)
- Non-controlling interests		610,314	(275,774)
		6,823,339	(1,452,166)
Profit/(loss) per share attributable to equity holders of the Company (S\$ per share)			
- Basic earnings	7	0.0182	(0.0033)
- Diluted earnings	7	0.0182	(0.0033)

The accompanying notes form an integral part of these financial statements.

CONDENSED INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As At 30 September 2020

	Note	30 Sep 2020 S\$	31 Mar 2020 S\$
ASSETS			
Current assets			
Cash and cash equivalents		23,545,668	18,442,385
Trade and other receivables	8	2,356,099	2,527,868
Financial assets, at FVPL		21,527,574	14,358,481
Current income tax asset		-	129,122
		47,429,341	35,457,856
Non-current assets			
Other receivables	8	653,335	1,242,921
Property, plant and equipment		848,233	1,597,993
Intangible assets	9	550,535	430,439
Financial assets, at FVOCI		1,303,061	1,266,261
Deferred income tax assets		262,814	264,331
		3,617,978	4,801,945
Total assets		51,047,319	40,259,801
LIABILITIES			
Current liabilities			
Trade and other payables		2,386,637	1,767,983
Lease liabilities		519,130	1,146,938
Current income tax liabilities		582,621	-
Unearned revenue	10	5,997,318	3,969,752
Redeemable participating shares	11	5,262,565	3,927,686
		14,748,271	10,812,359
Non-current liabilities			
Lease liabilities		5,841	67,574
Deferred income tax liabilities		4,000	4,000
		9,841	71,574
Total liabilities		14,758,112	10,883,933
NET ASSETS		36,289,207	29,375,868
EQUITY			
Capital and reserves attributable to owners of the Company			
Share capital		34,393,460	34,455,641
Other reserves		(14,098,289)	(13,753,947)
Retained profits		14,205,793	7,615,639
		34,500,964	28,317,333
Non-controlling interests			
		1,788,243	1,058,535
Total equity		36,289,207	29,375,868

The accompanying notes form an integral part of these financial statements.

CONDENSED INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Interim Financial Report for the financial period ended 30 September 2020

	Attributable to owners of the Company						Non-		Total equity
	Share capital	Fair value reserve	Currency translation reserve	Capital reserve	Retained profits	Total	controlling interests		
	S\$	S\$	S\$	S\$	S\$	S\$	S\$	S\$	
Half-year FY2021									
Opening balance as at 1 Apr 2020	34,455,641	(11,395,788)	(47,644)	(2,310,515)	7,615,639	28,317,333	1,058,535	29,375,868	
Profit for the period	-	-	-	-	6,590,154	6,590,154	620,179	7,210,333	
Other comprehensive income/(loss) for the period	-	36,841	(413,970)	-	-	(377,129)	(9,865)	(386,994)	
Total comprehensive income for the period	-	36,841	(413,970)	-	6,590,154	6,213,025	610,314	6,823,339	
Share buy-back	(62,181)	-	-	-	-	(62,181)	-	(62,181)	
Dilution of subsidiary without change in control	-	-	-	32,787	-	32,787	119,394	152,181	
Total transactions with owners of the Company, recognised directly in equity	(62,181)	-	-	32,787	-	(29,394)	119,394	90,000	
Closing balance as at 30 Sep 2020	34,393,460	(11,358,947)	(461,614)	(2,277,728)	14,205,793	34,500,964	1,788,243	36,289,207	

The accompanying notes form an integral part of these financial statements.

CONDENSED INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Interim Financial Report for the financial period ended 30 September 2020

	Attributable to owners of the Company						Non-controlling interests	Total equity
	Share capital	Fair value reserve	Currency translation reserve	Capital reserve	Retained profits	Total		
	S\$	S\$	S\$	S\$	S\$	S\$	S\$	
Half-year FY2020								
Opening balance as at 1 Apr 2019	34,491,447	(11,078,218)	(405,377)	(2,309,547)	10,874,431	31,572,736	756,702	32,329,438
Loss for the period	-	-	-	-	(1,187,926)	(1,187,926)	(284,806)	(1,472,732)
Other comprehensive income/(loss) for the period	-	(143,274)	154,808	-	-	11,534	9,032	20,566
Total comprehensive income/(loss) for the period	-	(143,274)	154,808	-	(1,187,926)	(1,176,392)	(275,774)	(1,452,166)
Share buy-back	(35,806)	-	-	-	-	(35,806)	-	(35,806)
Dilution of subsidiary without change in control	-	-	-	468,591	-	468,591	600,182	1,068,773
Total transactions with owners of the Company, recognised directly in equity	(35,806)	-	-	468,591	-	432,785	600,182	1,032,967
Closing balance as at 30 Sep 2019	34,455,641	(11,221,492)	(250,569)	(1,840,956)	9,686,505	30,829,129	1,081,110	31,910,239

The accompanying notes form an integral part of these financial statements.

CONDENSED INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS

Interim Financial Report for the financial period ended 30 September 2020

	Half-year ended 30 Sep 2020 S\$	Half-year ended 30 Sep 2019 S\$
Cash flows from operating activities		
Profit/(loss) before income tax	7,804,292	(1,373,366)
Adjustments for:		
- Net fair value (gain)/loss of investment securities held at fair value through profit or loss	(4,749,292)	830,293
- Net (gain)/loss on disposal of investment securities held at fair value through profit or loss	(1,304,107)	334,185
- Interest income	(39,091)	(129,305)
- Dividend income	(422,695)	(638,700)
- Depreciation of property, plant and equipment	834,855	893,532
- Amortisation of intangible assets	131,729	44,462
- Property, plant and equipment written off	11,213	-
- Bad debt written off	83,029	-
- Credit loss allowance	49,119	84,098
- Finance costs	22,677	41,863
- Share of loss of an associated company	-	37,001
- Share of profit/(loss) attributable to the unit holders of redeemable participating shares	1,362,543	(551,024)
- Exchange differences	(260,014)	94,096
	3,524,258	(332,865)
Change in working capital:		
- Trade and other receivables	29,207	120,410
- Financial assets, at FVPL	(1,115,694)	(197,521)
- Trade and other payables	618,654	(7,749)
- Unearned revenue	2,027,565	477,031
Cash generated from operations	5,083,990	59,306
Interest received	39,091	-
Dividend received	422,695	638,700
Interest paid	-	(825)
Income tax refund/(paid)	119,303	(221,853)
Net cash provided by operating activities	5,665,079	475,328
Cash flows from investing activities		
Proceeds from sale of non-controlling interest without a change in control	150,093	1,068,773
Proceeds from loan to non-related parties	600,000	100,000
Additions to property, plant and equipment	(125,442)	(96,405)
Additions to intangible assets	(251,825)	(197,741)
Additions to financial assets through other comprehensive income	-	(12,814)
Loan to employee	-	(90,464)
Net cash provided by investing activities	372,826	771,349
Cash flows from financing activities		
Shares buy-back	(62,181)	(35,806)
Principal payment of lease liabilities	(689,541)	(744,230)
Finance cost paid	(22,677)	-
Proceeds received from fund's non-controlling unit holders	545,366	-
Payment to fund's non-controlling unit holders	(521,208)	(263,845)
Net cash used in financing activities	(750,241)	(1,043,881)
Net increase in cash and cash equivalents	5,287,664	202,796
Cash and cash equivalents		
Beginning of financial period	18,442,385	12,382,781
Effects of currency translation on cash and cash equivalents	(184,381)	59,706
End of financial period	23,545,668	12,645,283

The accompanying notes form an integral part of these financial statements.

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

Interim Financial Report For the financial period ended 30 September 2020

1. Corporate information

8I HOLDINGS LIMITED (the "Company") is listed on the Australian Securities Exchange and incorporated and domiciled in Singapore. The address of its registered office and principal place of business is Goldbell Towers, 47 Scotts Road, #03-03/04, Singapore 228233.

The principal activities of the Company are investment holding and management consultancy services. The principal activities of its subsidiaries are as follows:

Name	Principal activities	Country of business/ incorporation	Proportion of ordinary shares directly held by parent		Proportion of ordinary shares held by the Group		Proportion of ordinary shares held by non-controlling interests	
			30 Sep 2020	31 Mar 2020	30 Sep 2020	31 Mar 2020	30 Sep 2020	31 Mar 2020
Held by the Company:								
8 Investment Pte. Ltd.	Business management consultancy	Singapore	100	100	100	100	-	-
Hidden Champions Capital Management Pte. Ltd.	Registered fund management company	Singapore	100	100	100	100	-	-
8IH Global Limited	Investment trading	Mauritius	100	100	100	100	-	-
8VI Holdings Limited (Previously known as 8VIC Holdings Limited)	Investment holding and management consultancy services	Singapore	79.6	79.9	79.6	79.9	20.3	20.1
8Bit Global Pte. Ltd.	Computer programming and data processing and hosting	Singapore	42	42	82.6	82.8	17.4	17.2
8 Business Pte. Ltd.	Dormant	Singapore	100	100	100	100	-	-
Held through 8VI Holdings Limited								
8VI Global Pte. Ltd.	Seminar and programs organiser	Singapore	-	-	79.6	79.9	20.3	20.1
Held through 8VI Global Pte. Ltd								
8VI Malaysia Sdn. Bhd. (Previously known as 8VIC Malaysia Sdn. Bhd.)	Seminar and programs organiser	Malaysia	-	-	79.6	79.9	20.3	20.1
8VI Taiwan Co., Ltd (Previously known as 8VIC Taiwan Co., Ltd)	Seminar and programs organiser	Taiwan	-	-	55.7	55.9	44.3	44.1
8VI China Pte. Ltd.	Business management consultancy	Singapore	-	-	51.7	52.0	48.3	48.0
8VIC (Thailand) Company Limited	Dormant	Thailand	-	-	72.1	72.3	27.9	27.7
8VIC Singapore Pte. Ltd.	Dormant	Singapore	-	-	79.6	79.9	20.3	20.1
Value Investing College Pte. Ltd.	Dormant	Singapore	-	-	79.6	79.9	20.3	20.1
8VIC (Australia) Pty Ltd	Struck off	Australia	-	-	-	79.9	-	20.1

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

Interim Financial Report For the financial period ended 30 September 2020

1. Corporate information (continued)

The principal activities of its subsidiaries are as follows: (continued)

Name	Principal activities	Country of business/ incorporation	Proportion of ordinary shares directly held by parent		Proportion of ordinary shares held by the Group		Proportion of ordinary shares held by non-controlling interests	
			30 Sep 2020 %	31 Mar 2020 %	30 Sep 2020 %	31 Mar 2020 %	30 Sep 2020 %	31 Mar 2020 %
Held through 8VI Malaysia Sdn. Bhd.								
8VIC JooY Media Sdn. Bhd.	Agency and media	Malaysia	-	-	55.7	55.9	44.3	44.1
Held through 8VI China Pte. Ltd.								
8VI China (Shanghai) Co. Ltd 信益安（上海）实业有限公司 (previously known as 8IH China (Shanghai) Co. Ltd)	Business and management consultancy services	People's Republic of China	-	-	51.7	52.0	48.3	48.0
Held through 8VI China (Shanghai) Co. Ltd.								
Shanghai Ba Tou Culture Media Co. Ltd 上海巴投文化传媒有限公司	Seminar and programs organiser	People's Republic of China	-	-	100	-	-	-
Held through 8 Investment Pte. Ltd.								
Vue at Red Hill Pte. Ltd.	Dormant	Singapore	-	-	100	100	-	-
Held through 8IH Global Limited								
Hidden Champions Fund	Investment trading	Mauritius	-	-	100	100	-	-

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

Interim Financial Report For the financial period ended 30 September 2020

2. Basis of preparation and changes in accounting policies

The condensed consolidated interim financial information for the half-year ended 30 September 2020 has been prepared in accordance with FRS 34, Interim Financial Reporting.

The condensed consolidated interim financial information does not include all the notes of the type normally included in annual financial statements. Accordingly, this report is to be read in conjunction with the annual financial statements as at 30 September 2020 and any public announcements made by 8I Holdings Limited during the interim reporting period.

The accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period, except for the adoption of new and amended standards as set out below.

The financial statements are presented in Singapore Dollars (SGD or S\$).

3. Significant accounting judgement and estimates

The preparation of the Group's condensed consolidated interim financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities at the reporting date. However, uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amount of the asset or liability affected in the future periods.

3.1 Critical judgements in applying the entity's accounting policies

Estimates, assumptions and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

Interim Financial Report For the financial period ended 30 September 2020

4. Revenue and investment income

	Half-year ended 30 Sep 2020 S\$	Half-year ended 30 Sep 2019 S\$
Revenue		
<u>Type of good or service</u>		
Rendering of services		
Financial education program sales	9,691,831	4,458,802
Advertising income	1,525	53,118
Non-financial education program sales	-	426,310
Others	1,706,020	383,325
	11,399,376	5,321,555
<u>Timing of transfer of good or service</u>		
At a point in time	9,701,215	5,135,105
Over time	1,698,161	186,450
	11,399,376	5,321,555
Investment gain/(loss) from public markets		
Fair value gain/(loss) on investment securities	4,749,292	(830,293)
Gain/(loss) on sale of investment securities	1,304,107	(334,185)
Dividend income	422,695	638,700
	6,476,094	(525,778)

5. Other income

	Half-year ended 30 Sep 2020 S\$	Half-year ended 30 Sep 2019 S\$
Other income		
Interest income	39,091	129,305
Government grants	669,129	-
Seminar room rental	58,125	81,938
Others	42,448	37,437
	808,793	248,680

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6. Income taxes

Income tax expense is recognised based on management's estimate of the weighted average effective annual income tax rate expected for the full financial year.

7. Earnings per share

The basic earnings per share is calculated by dividing the profit for the period attributable to owners of the Company by the weighted average number of ordinary shares for basic earnings per share computation. The following table reflects the profit and share data used in the computation of basic earnings per share for the period ended 30 September:

	Half-year ended 30 Sep 2020 S\$	Half-year ended 30 Sep 2019 S\$
Net profit/(loss) attributable to equity holders of the Company (S\$)	6,590,154	(1,187,926)
Weighted average number of ordinary shares outstanding for basic earnings per share	<u>361,472,696</u>	<u>362,037,671</u>
Basic earnings per share (S\$ per share)	<u>0.0182</u>	<u>(0.0033)</u>

The Company does not have other instruments which may have effect to dilute ordinary shares.

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

Interim Financial Report For the financial period ended 30 September 2020

8. Trade and other receivables

	30 Sep 2020 S\$	31 Mar 2020 S\$
Current		
Trade receivables		
- Non-related parties (a)	464,457	455,836
Other receivables		
- Non-related parties (b)	633,087	618,237
- Others	414,477	708,564
Deposits	681,198	736,981
Prepayments	359,590	202,199
Credit loss allowance	(196,710)	(193,949)
	<u>2,356,099</u>	<u>2,527,868</u>
Non-current		
Other receivables (c)	<u>653,335</u>	<u>1,242,921</u>

(a) Trade receivables are non-interest bearing and are generally on 30 to 60 days' terms. There is no other class of financial assets that is past due and/or impaired except for trade receivables.

(b) Included in the current other receivable is a loan made to a non-related developer amounting to S\$576,675 (31 Mar 2020: S\$561,825). The loan is secured by guarantee, bears interest at 6% per annum and is repayable in full by December 2020.

(c) Non-current other receivables fair value approximates carrying amount. Included in the non-current other receivables are loans to third parties of S\$653,335 (31 Mar 2020: S\$1,242,921). The loans bear interest at 4.5% to 6% per annum.

9. Intangible assets

	30 Sep 2020 S\$	31 Mar 2020 S\$
Software Development Expenditure	550,535	430,439
	<u>550,535</u>	<u>430,439</u>
Cost		
Beginning of financial period	649,965	244,183
Additions	251,825	405,782
End of financial period	<u>901,790</u>	<u>649,965</u>
Accumulated amortisation		
Beginning of financial period	219,526	61,045
Amortisation charge	131,729	158,481
End of financial period	<u>351,255</u>	<u>219,526</u>
Net book value	<u>550,535</u>	<u>430,439</u>

Amortisation expense included in the statement of comprehensive income is analysed as follows:

	Half-year ended 30 Sep 2020 S\$	Half-year ended 30 Sep 2019 S\$
Administrative expenses	<u>131,729</u>	<u>44,462</u>

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NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

Interim Financial Report For the financial period ended 30 September 2020

10. Unearned revenue

	30 Sep 2020 S\$	31 Mar 2020 S\$
Advances from customer	5,997,318	3,696,702
Deferred grant income	-	273,050
	<u>5,997,318</u>	<u>3,969,752</u>

Advances from customer represent revenue received from customers but not yet recognised to the profit or loss as service has yet to be rendered as at reporting date.

11. Redeemable participating shares

	30 Sep 2020 S\$	31 Mar 2020 S\$
As at beginning of period	3,927,686	5,582,278
Proceeds received from fund's non-controlling unit holders	545,366	-
Payment to fund's non-controlling unit holders	(521,208)	(1,180,311)
Share of profit/(loss) attributable to the unit holders of redeemable participating shares	1,362,543	(719,846)
Currency translation differences	(51,822)	245,565
As at end of period	<u>5,262,565</u>	<u>3,927,686</u>

Hidden Champions Fund is an investment fund with redeemable participating shares. These shares relate to amounts payable to non-controlling unit holders of the redeemable participating shares in Hidden Champions Fund. The unit holders are entitled to redeem their shares in cash at the option of the holders at the value proportionate to the investors share in the fund's net assets at the redemption price.

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Interim Financial Report For the financial period ended 30 September 2020

12. Fair value of assets and liabilities

(a) Fair value hierarchy

The Group categorised fair value measurements using a fair value hierarchy that is dependent on the valuation inputs used as follows:

- (i) quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1);
- (ii) inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices) (Level 2); and
- (iii) inputs for the asset or liability that are not based on observable market data (unobservable inputs) (Level 3).

Fair value measurements that use inputs of different hierarchy levels are categorised in its entirety in the fair value hierarchy as the lowest level input that is significant to the entire measurement.

(b) Financial instruments measured at fair value

The following table shows an analysis of each class of financial instruments measured at fair value at the end of the reporting period:

Fair value measurements at the end of the reporting period using

	Quoted prices in active markets for identical instruments <u>Level 1</u> S\$	Significant observable inputs other than quoted prices <u>Level 2</u> S\$	Unobservable inputs <u>Level 3</u> S\$	<u>Total</u> S\$
As at 30 Sep 2020				
Assets measured at fair value				
Financial assets:				
Financial assets, at FVPL	21,527,574	-	-	21,527,574
Financial assets, at FVOCI	211,703	-	1,091,358	1,303,061
Financial assets as at 30 Sep 2020	21,739,277	-	1,091,358	22,830,635
As at 31 Mar 2020				
Assets measured at fair value				
Financial assets:				
Financial assets, at FVPL	14,358,481	-	-	14,358,481
Financial assets, at FVOCI	174,903	-	1,091,358	1,266,261
Financial assets as at 31 Mar 2020	14,533,384	-	1,091,358	15,624,742

There were no transfers between levels 1 and 2 during the year.

The fair value of financial instruments traded in active markets (such as fair value through profit and loss and financial assets through other comprehensive income) is based on quoted market prices at the reporting date. The quoted market price used for financial assets held by the Group is the current bid price. These instruments are included in Level 1.

The fair value of financial instruments that are not traded in an active market (for example, investment in unquoted equities) is determined by using valuation techniques. The Group uses a variety of methods and makes assumptions that are based on market conditions existing at each balance sheet date. Valuation methods, such as using recent transacted price, are used to determine fair value for the remaining financial instruments. Where a valuation technique for these instruments is based on significant unobservable inputs, such instruments are classified as Level 3.

The carrying amount less impairment provision of trade receivables and payables are assumed to approximate their fair values.

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NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

Interim Financial Report For the financial period ended 30 September 2020

13. Contingent liabilities

The Group does not have any significant contingent liability at the end of the financial period.

14. Segment information

The Group is organised into geographic business units based on management reporting structure and organisational set-up, in line with the main business divisions driving the growth of the Group. Geographically, management manages and monitors the business in two primary geographic areas namely Singapore and Malaysia, where the Company and certain subsidiaries operate. Based on the management reporting structure, management reviews the business segments' performance and to make strategic decisions.

The segments under the reporting model are as follows:

- **Financial Education:** involved in providing financial education in the discipline of value investing and supporting a community of value investors from 29 cities globally under the "VI" brand.
- **Financial Investment:** involved in investment in listed equities in the Asia-Pacific through a focused strategy of investing in value-adding, nimble and scalable business to achieve long-term investment returns. It also involved in strategic investment in private businesses.
- **All other segments:** included fintech business and subsidiaries that provided financial education and training in China, Taiwan and Thailand.

Management monitors the operating results of its business units separately for making decisions about resource allocation and performance assessment. Segment performance is evaluated based on operating profit or loss which in certain respects, as explained in the table below, is measured differently from operating profit or loss in the consolidated financial statements.

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Interim Financial Report For the financial period ended 30 September 2020

14. Segment information (continued)

The segment information provided to the key management for the reportable segments are as follows:

	← Singapore →		← Malaysia →		All other segments	Corporate	TOTAL
	Financial Education	Financial Investment	Financial Education	Financial Investment			
	S\$	S\$	S\$	S\$	S\$	S\$	S\$
30 Sep 2020							
Revenue and investment income							
Total segment revenue and investment income	4,712,249	5,625,689	4,835,446	-	2,309,217	997,637	18,480,238
Inter-segment revenue and investment income	(135,596)	-	(128,849)	-	-	(340,323)	(604,768)
Revenue and investment income to external parties	4,576,653	5,625,689	4,706,597	-	2,309,217	657,314	17,875,470
Profit after tax	1,151,964	3,727,232	1,891,149	-	234,568	205,420	7,210,333

30 Sep 2020							
Segment assets	9,078,924	18,842,062	5,803,133	-	3,951,485	13,371,715	51,047,319
Segment assets includes additions to:							
- property, plant and equipment	44,898	-	43,014	-	11,032	26,498	125,442
- intangible assets	-	-	-	-	251,825	-	251,825
Segment liabilities	(3,679,372)	(5,339,275)	(2,264,196)	-	(2,898,022)	(577,247)	(14,758,112)

	← Singapore →		← Malaysia →		All other segments	Corporate	TOTAL
	Financial Education	Financial Investment	Financial Education	Financial Investment			
	S\$	S\$	S\$	S\$	S\$	S\$	S\$
30 Sep 2019							
Revenue and investment income							
Total segment revenue and investment income	3,136,817	(474,486)	1,631,168	-	428,951	1,063,405	5,785,855
Inter-segment revenue and investment income	(219,850)	(51,292)	(38,855)	-	-	(680,081)	(990,078)
Revenue and investment income to external parties	2,916,967	(525,778)	1,592,313	-	428,951	383,324	4,795,777
Profit/(loss) after tax	431,271	(543,481)	45,325	(37,001)	(830,316)	(538,530)	(1,472,732)

31 Mar 2020							
Segment assets	7,354,225	16,923,184	1,864,120	-	2,946,811	11,171,461	40,259,801
Segment assets includes additions to:							
- property, plant and equipment	25,797	-	138,742	-	84,625	20,394	269,558
- intangible assets	-	-	-	-	405,782	-	405,782
Segment liabilities	(3,341,104)	(4,096,384)	(1,353,464)	-	(1,430,457)	(662,524)	(10,883,933)

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