



**8I HOLDINGS LIMITED
AND ITS SUBSIDIARIES**

**RESULTS FOR ANNOUNCEMENT TO THE MARKET
(ASX APPENDIX 4E)**

**&
ANNUAL FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR
ENDED 31 MARCH 2022**

<u>Contents</u>	<u>Page</u>
Results for Announcement to the Market	1
Operations and Financials Review	2
Directors' Statement	7
Independent Auditor's Report	12
Consolidated Statement of Comprehensive Income	17
Consolidated Statement of Financial Position	18
Statement of Financial Position - Company	19
Consolidated Statement of Changes in Equity	20
Consolidated Statement of Cash Flows	22
Notes to the Financial Statements	24

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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 Ltd ("**8VI**") the Group operates under the **VI brand** within the FinTech and Financial Education space. With offices in Singapore, Malaysia, Taiwan and Shanghai, **VI** is the region's leading FinEduTech provider supporting a community of value investors 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 VI Fund Management Pte Ltd ("**VI** Fund"), the Group operates a registered fund management business in Singapore, investing in public listed equities in the United States and Asia-Pacific region. VI Funds' focused strategy involves a research-driven and systematic stock selection process refined over the years and investing in Growth Businesses with favourable industry dynamics over the mid to long term.



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

RESULTS FOR ANNOUNCEMENT TO THE MARKET (ASX APPENDIX 4E)

For the financial year from 1 April 2021 to 31 March 2022

Preliminary final report for the financial year ended 31 March 2022 as required by ASX listing rule 4.3A

RESULTS FOR ANNOUNCEMENT TO THE MARKET

(All comparisons to financial year ended 31 March 2021)

	S\$	Up/Down	% Movement
Revenue and investment gain/loss from ordinary activities	24,026,912	Down	-26.1%
Loss after tax from ordinary activities attributable to members	(4,163,175)	Down	-152.4%
Net loss attributable to members	(4,163,175)	Down	-152.4%

EXPLANATION FOR REVENUE AND INVESTMENT GAIN/LOSS FROM ORDINARY ACTIVITIES

The drop in revenue and investment gain/loss from ordinary activities is attributable to the Group's investment loss of S\$7.3 million, partly offset by the increase in revenue of the FinEduTech business of S\$5.4 million.

EXPLANATION FOR LOSS AFTER TAX FROM ORDINARY ACTIVITIES AND NET LOSS ATTRIBUTABLE TO MEMBERS

The loss after tax from ordinary activities and net loss attributable to members are mainly attributable to the Group's mark-to-market investment loss of S\$7.3 million in the current financial year as compared to the Group's investment gain of S\$6.6 million in the previous financial year. This poor performance in quoted equity securities investment was mainly due to market correction in the global equity market.

	Amount per share (Singapore cent)	Franked amount per share (Singapore cent)	Tax rate for franking credit
Dividend information			
Final FY2022 dividend per share	Nil	Nil	Nil
		31.3.2022	31.3.2021
Net tangible assets per security		S\$0.087	S\$0.094

This information should be read in conjunction with the FY2022 Annual Financial Results 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 Companies Act (Chapter 50) and Listing Rules.

Additional Appendix 4E disclosure requirements can be found in the Directors' statement and the consolidated financial statements for the financial year ended 31 March 2022.

This report is based on the consolidated financial statements which have been audited by KLP LLP.

OPERATIONS AND FINANCIALS REVIEW

For the financial year ended 31 March 2022

The last quarter of FY2022 was particularly eventful - with the invasion of Ukraine by Russia, persistent inflation, and slowing growth worldwide, amidst the backdrop of the COVID-19 pandemic and a climate crisis. This culminated in what was a “perfect long storm” according to Senior Minister Tharman Shanmugaratnam (Singapore).

While crisis has never been too far away in human civilisations, every crisis always presents itself as an event that is generally feared, and the uncertainty created in the human psyche and emotions have often created economic situations that are reflected through prices on the prevailing pessimism at that point in time.

When the pandemic started in early 2020, the US Federal Reserve made the decision to pump more liquidity into the economy to prevent a downturn. Much of these fiscal stimuli from governments around the world allowed households to hoard liquidity, providing them with excess capital that they never had. This allowed many in turn to look towards the stock and property markets as many are restricted to spending at home, and that facilitated the stock boom of the pandemic stocks, driving them to very high valuations.

When it was evident that vaccines were working, allowing the world to transit back to a pre-pandemic world, the corrections for these stocks started, and many tech-oriented Growth stocks and funds were badly hit. The darling stocks and funds of yesteryear have become the worst performing asset class in this period.

The general market correction in prices have negatively impacted us as well, as we lean towards a growth-oriented technology driven strategy. Nevertheless, we believe such corrections are temporary in nature, as we invest in fundamentally sound growing companies. It is at times like these where for those investing with a longer-term horizon, will feel like it may become a missed opportunity to grab solid companies, especially for many who are risk adverse and dare not venture into the markets, a few years down the road.

Overview

In FY2022, the Group recorded a revenue and investment loss of S\$24.0 million, representing a negative growth of 26% as compared to S\$32.5 million in FY2021. Net loss after tax for the same period was recorded at S\$3.5 million, a reversal to the net profit of S\$9.0 million in the previous corresponding period.

The decline in our Group’s performance is mainly attributed to the negative performance of our various investments in the equity markets. The main bulk (65%) of our funds (as of 31 March 2022) are invested in the US markets while the remaining (35%) are invested in Asia, in particular China and Hong Kong.

Our FinEduTech segment recorded an increase of 21% in revenue from S\$26.0 million in FY2021 to S\$31.3 million in FY2022 while the Financial Asset Management segment registered S\$7.3 million in investment loss from S\$6.6 million in investment gains previously.

Financial Position

Despite the negative financial performance for FY2022, we continue to maintain a healthy balance sheet. As of 31 March 2022, our cash and cash equivalents hovers around S\$26 million as per previous FY. Our current assets increased from S\$53.8 million in the previous FY to S\$54.9 million in the current FY.

Due to changes in accounting treatment relating to leases, our decision to take up a long term renewable lease (up to 7 years) of our new Singapore headquarters at 1557 Keppel Road resulted in a big increase in our Property, Plant & Equipment and our Lease Liabilities. This treatment takes the full value of the lease agreements signed over the entire period on top of the renovation costs involved. This is the main reason for the increase in our total assets from S\$58.0 million in the previous FY to S\$65.5 million in the current FY. From a business perspective, there is fundamentally no change in our asset-light FinEduTech business model.

OPERATIONS AND FINANCIALS REVIEW

For the financial year ended 31 March 2022

Business Segment Report



Financial Asset Management
VI Fund Management Pte Ltd

Our Financial Asset Management division registered S\$7.3 million in investment loss in FY2022, from an investment gain of S\$6.6 million in the previous FY. While the volatility of the stock markets on investment returns are to be expected, there are risk factors which we have underestimated the severity of its impact.

Despite the market conditions, we are always working on refining our investment criteria and processes. We keep ourselves open to ideas and opinions yet exercise our own independent thinking. We constantly think about how to apply and leverage technology to make it better. In a nutshell, it is what other businesses will call Research and Development.



VI Fund Asia

While Asia (and particularly China) has been on the growth path in the past few decades, the capital markets have not done as well. The discrepancy caused by this divergence could be tied to either weaker demand for Asian stocks or a general mistrust of the investment climate in China. This is exacerbated by a general mistrust

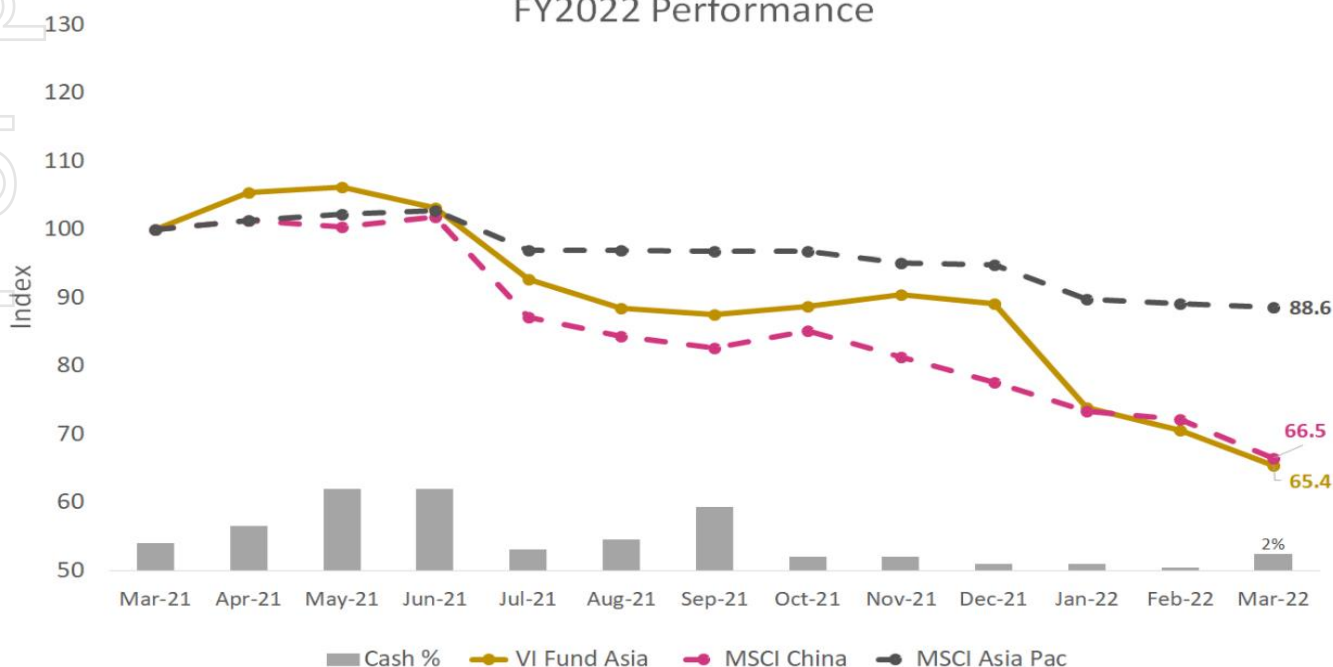
of Chinese stocks and the PRC companies' corporate governance.

This is not helped by a strategic decision that we made in deploying our capital for growth. For our Asia portfolio, we narrowed down our focus to China and Hong Kong, favoured by the scalability of their businesses in China's huge market and also Australian Technology stocks (which by leveraging on technology are more scalable). This portfolio was hit negatively in alignment with the Chinese equities up till December 2021. We encountered a downward correction in ASX technology sector in alignment with the US Technology meltdown in January 2022.

Despite the negative performance, the underlying portfolio analytics of the selected stocks continue to be very strong in their growth. The zero COVID strategy employed by the PRC Government will be likely to have some impact on their business performance. ASX Technology sector's crash corresponded with the US Technology sector meltdown in January 2021. We were seeing signs of recovery until Russia's invasion of Ukraine on 24 February 2022 and China's revival of lockdown was not supportive of a recovery in the short to mid-term. For ASX stocks, we have made a transition towards more defensive plays since.

We have positioned our portfolio's exposure to China in alignment to the Chinese Government's 14th Five-year Plan (2021- 2025) by investing in areas with thematic tailwinds such as Renewable Energy, Industrials and Technology, Rural

FY2022 Performance



OPERATIONS AND FINANCIALS REVIEW

For the financial year ended 31 March 2022

Consumption and Market Nationalism. The businesses chosen are among the top leading companies in their respective fields. However, despite strong growth rates achieved by these businesses, the stock prices still corrected significantly. Until and unless the investors are convinced that the Chinese Government's political situation and policy decisions are more predictable, many are likely to stay on the sidelines or even exit the market totally.

While the autocratic Government policies does create plenty of uncertainty and risk, our risk is reduced by the relatively lower stock prices of the Chinese companies. We must expect for the possibility of more headwinds although the wind may also change direction very quickly in today's equity markets. We believe that a clearer picture will emerge in the 2nd half of the year.

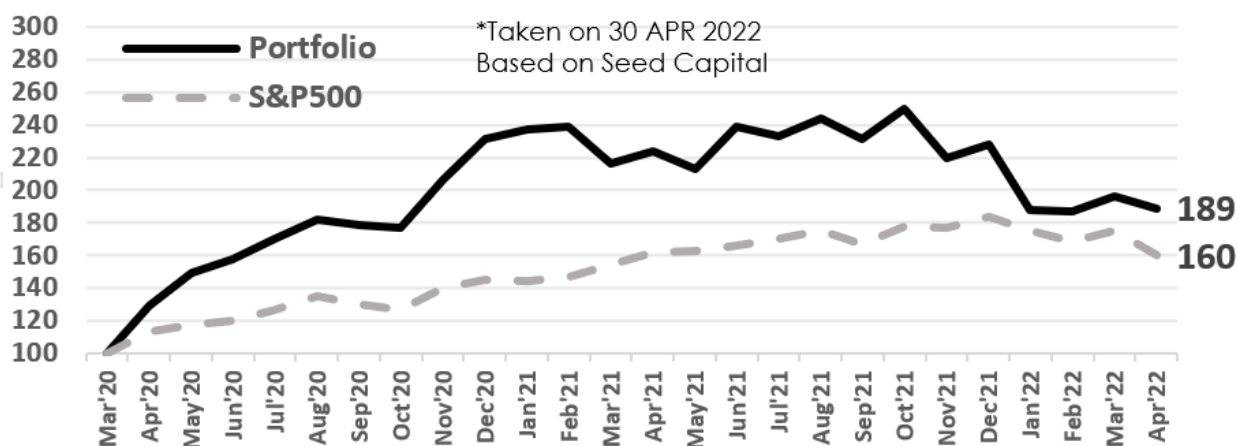
Q VI Quant US

The US market is the world's largest stock market, comprising nearly 56% (according to Statista.com 2022) of the world stocks in 2022. Since the 2008 financial crisis, US Stocks have

been outperforming the rest of the world. (<https://www.longtermtrends.net/msci-usa-vs-the-world/>). While we are generally more optimistic about the US stock markets, this perception could be shaped by this extended run up in their stock prices. And in investment, nothing could be more true than the overstated statement of "Past performance is not necessarily indicative of future performance".

At this stage, while we are expecting volatility and particularly in tech-related growth stocks, we are still optimistic about the longer term picture. In the short term, we have to be prepared that our portfolio will fluctuate and even correct downwards. However, in the long term, USA has proven that over the past two centuries and more, its constitution, political and values system allow businesses (and individuals) to grow, flourish and even exert their domination worldwide. Considering that despite the numerous major events that have happened (from World Wars, Great Depression and pandemics), the US has proven itself to be a resilient country. While there will always be a time when even the strongest will decline, we do not expect this currently nor in the next couple of decades.

Graph of \$100 invested in fund from Apr'20 – Apr'22
cumulative NAV



monthly performance

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	YTD
2020				28.7%	15.8%	6.3%	7.5%	7.1%	-2.0%	-0.8%	16.2%	12.2%	131%
2021	2.8%	0.8%	-9.7%	3.7%	-4.9%	12.0%	-2.1%	4.3%	-5.0%	7.9%	-11.8%	3.7%	-1%
2022	-17.8%	-0.1%	4.8%	-3.7%									-17%

OPERATIONS AND FINANCIALS REVIEW

For the financial year ended 31 March 2022

It is against this backdrop that we are investing the majority of our Group's net worth in the US stock market. Nevertheless, the volatility of the markets can give even the most emotionally-stable investor a severe test. Considering that, we decide to codify our investing approach so that we minimise our emotional responses to the market movements. As with all technology related matters, constant refinement is the name of the game.

As our VI Quant portfolio are well diversified (across 50 stocks or more) and now also across all sectors, by injecting funds on a regular basis (similar to dollar cost averaging), we will continue investing in the US Markets over the mid to long term. I can only foresee that the possible Achilles' heel to this strategy would be that of a war between the nuclear powers (which is always a possibility, albeit small, hopefully miniscule) or other apocalyptic events.

Otherwise, it will be a case of how well or how much better we can do as a Group for all our stakeholders. For those of you who meet the criteria of accredited investors (as defined by MAS), please reach out to us on how you can take part in this. Our interests and intent are totally aligned on this, considering that we have the majority of our net worth in this market and strategy.

Investing is a probabilistic game. And while we will select choice that will increase our odds, it does not mean that we will win according to our odds. There will be a deviation to the expected return. This deviation will be further multiplied with more volatile stocks, making returns from investments more lumpy and less predictable. The returns are also impacted by the overall market conditions and macro-economic business landscape that is often beyond the control of the businesses we invest in.



FinEduTech
8VI Holdings Limited

Since 2020, 8VI Holdings Limited ("8VI") enjoyed accelerated growth as the pandemic catalysed our digital transformation plan and created strong momentum for our acquisition, retention and technology development efforts for the following 2 years resulting in extraordinary growth for the

segment. As the world emerges from the pandemic and embraces the concept of living with COVID-19, our growth rates have normalized over the course of this financial year. While we are cognizant of the ever-changing landscape and kept a close eye on costs and cashflow against the backdrop of our broader macro-environment, the tapering growth rates have inevitably dampened our margins overall. However, this result was not unexpected given the exceptional growth rates for the Financial Education and FinTech industry in the last 2 years. On a different note, if we were to zoom out and look at our past records before the pandemic, our performance trend is still overall on the rise.

In FY2022, our Total User Growth Rate and Subscriber Growth Rate for VI App in the last twelve months were recorded at 41% and -11% accordingly. The number of graduates under VI College across the region grew by 24,069 in FY2022, as compared to 25,926 in FY2021 and 4,714 in FY2020.

Despite seeing a significant increase in marketing related expenses, especially those on social and digital media, 8VI began investing in a number of projects and initiatives in the past year as a major focus to step up our branding efforts across the region. In part, our strategy to engage the wider audience through content creation and edutainment plays a vital role in support of our branding efforts. Riding on our success in Malaysia, we formed dedicated teams in both Singapore and Taiwan to ramp up production of language-specific content for engagement building across a wider set of audience. Thus far, our teams across the region have created a total of 729 videos, garnering over 65 million views, translating to more than 2 million hours of content watched across the globe. Though on-going content creation requires significant expertise and effort, we expect this to be important initiative beneficial for our long-term development.

We have also collaborated with media partners across different region to roll out several content pieces and edutainment series suited for the local context. Some notable projects:

- Money Money Home (Mediacorp, Singapore): Remake of the same series in Malaysia that sets out to educate Singaporeans on how to navigate wealth management and investment.

OPERATIONS AND FINANCIALS REVIEW

For the financial year ended 31 March 2022

- Bijak Labur (Astro Awani, Malaysia): Reboot of the YouTube series with the same name, exploring fundamental topics like financial literacy and Syariah Investment.
- The Top leaders 百大顧問 (Business Weekly, Taiwan): One of Taiwan's most influential finance magazines, featuring the most recent economic highlights, career, lifestyle, and financial news.

We have also seen new benefits stemming from the network effect from our acquisition activities, where we have forged new business verticals that is complementary to the needs of our VI Community and users in a bid to increase our organic growth and expansion revenue. With the upcoming new revenue verticals, we have been working to build positive customer experience with a larger customer support team and a centralised CRM system which captures our customers' touchpoints and thus provide us with an increasingly holistic view of our customer journey. With several major updates expected for VI App in the coming year, we have also been growing the development team with both talented and passionate individuals in all things FinEduTech.

These customer-centric culture and mindset focused on creating lifetime value is expected to support our strategy in growing our recurring revenue, creating new revenue verticals as well as increasing our customer lifetime value.

In the coming financial year, we will be growing our recurring revenue for VI College through expansion of our range of programmes revolving around the Web 3.0 theme. MetaVI World Pte Ltd was incorporated to support 8VI's efforts in introducing a series of new programmes focusing on educating the public and investing community on the emerging Web 3.0, the Metaverse, Non-Fungible Tokens ("NFTs"), cryptocurrencies and other forms of digital assets. Whereas for VI App, the rapid growth of our user base in the last 2 years has enabled us to move into the next phase, which is the Blue Ocean strategy. Data intelligence collected from our expansive user base has enabled us to create better products with improved pricing strategies to target a wider audience with an interest in investment. The new initiatives in both VI College and VI App's acquisition strategy expands the size of our

addressable market across the region and thus, bringing in new potential graduates and subscribers.

To create a more integrated experience for our customers, and thus increasing the rate of engagement, the team at VI App have successfully integrated iFast's brokerage services into VI App in January 2022. Singapore-based users have the ability to now seamlessly trade through their iFast accounts linked to VI App, with potentially other similar partnerships upcoming.

Spotting opportunities in the current ecosystem to serve the VI Community better, 8VI has also incorporated Valiant Wealth Advisory in FY2022 to provide ancillary financial services such as financial and insurance advisory, and is currently in the process of applying for licenses in both Singapore and Malaysia.

For more details on the FinEduTech segment, please refer to the full year report for 8VI Holdings Limited.

Looking Forward

While the current situation does seem to suggest that this crisis is not going away anytime soon and seems likely to trigger a recession, we are prepared to face difficult times in the next 12 to 24 months. Backed by our strong balance sheet, we are confident of getting through the tough times ahead with the support of our community and team, just as we have done numerous times before. We firmly believe that as long as we continue to adapt and innovate, we will emerge stronger, together.

Acknowledgement

Despite the challenges that we face, we would like to acknowledge all our shareholders and team members who stood by us over the years. We truly appreciate your understanding and support and as we navigate these turbulent and challenging times. Our mission and vision remain unwavering; we will continue to empower the man-on-the-street to create sustainable wealth and inspire 100 million lives.

DIRECTORS' STATEMENT

For the financial year ended 31 March 2022

The directors present their statement to the members together with the audited consolidated financial statements of 8I Holdings Limited (the "Company") and its subsidiaries (the "Group") for the financial year ended 31 March 2022 and the statement of financial position of the Company as at 31 March 2022.

In the opinion of the directors,

- (a) the statement of financial position of the Company and the consolidated financial statements of the Group are drawn up so as to give a true and fair view of the financial position of the Company and of the Group as at 31 March 2022 and the financial performance, changes in equity and cash flows of the Group for the financial year covered by the consolidated financial statements; 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.

Directors

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

Mr Chee Kuan Tat, Ken
Mr Clive Tan Che Koon
Mr Charles Mac
Mr Chay Yiowmin

Arrangements to enable directors to acquire shares and debentures

Neither at the end of nor at any time during the financial year was the Company a party to any arrangement whose object was to enable the directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate, other than as disclosed under "Rights and Share Options" in this statement.

Directors' interests in shares or debentures

- (a) According to the register of directors' shareholdings, none of the directors holding office at the end of the financial year had any interest in the shares or debentures of the Company or its related corporations, except as follows:

	Holdings registered in name of director or nominee		Holdings in which a director is deemed to have an interest	
	At 31.3.2022	At 1.4.2021	At 31.3.2022	At 1.4.2021
8I Holdings Limited (No. of ordinary shares)				
Mr Chee Kuan Tat, Ken	86,885,009	86,885,009	-	-
Mr Clive Tan Che Koon	65,140,000	65,140,000	-	-
Mr Chay Yiowmin	77,000	-	-	-
	Holdings registered in name of director or nominee		Holdings in which a director is deemed to have an interest	
	At 31.3.2022	At 1.4.2021	At 31.3.2022	At 1.4.2021
8VI Holdings Limited (No. of ordinary shares)				
Mr Chee Kuan Tat, Ken	400,000	400,000	-	-
Mr Clive Tan Che Koon	200,000	200,000	-	-
Mr Charles Mac	3,000	-	4,000	-

DIRECTORS' STATEMENT

For the financial year ended 31 March 2022

Directors' interests in shares or debentures (continued)

- (b) According to the register of directors' shareholdings, certain directors holding office at the end of the financial year had interests in performance rights and options to subscribe for ordinary shares of the Company and a Company's subsidiary, 8VI Holdings Limited ("8VI"), granted pursuant to the Group's Employee Securities Incentive Plan as set out below and under "Rights and Share Options" below:

No. of unissued 8IH ordinary shares under 8IH Performance Rights and Options			No. of unissued 8VI ordinary shares under 8VI Performance Rights and Options		
	<u>At 31.3.2022</u>	<u>At 1.4.2021</u>		<u>At 31.3.2022</u>	<u>At 1.4.2021</u>
8I Holdings Limited			8VI Holdings Limited		
<u>Mr Chee Kuan Tat, Ken</u>			<u>Mr Chee Kuan Tat, Ken</u>		
Class A 8IH Performance Rights	3,886,000	-	Class C 8VI Performance Rights	-	200,000
Class B 8IH Performance Rights	3,886,000	-	Class D 8VI Performance Rights	-	200,000
Class C 8IH Performance Rights	3,886,000	-	Class E 8VI Performance Rights	250,000	250,000
Class D 8IH Performance Rights	3,886,000	-	Class F 8VI Performance Rights	250,000	250,000
Class E 8IH Performance Rights	3,886,000	-	Options	1,000,000	1,000,000
<u>Mr Clive Tan Che Koon</u>			<u>Mr Clive Tan Che Koon</u>		
Class A 8IH Performance Rights	2,914,000	-	Class C 8VI Performance Rights	-	100,000
Class B 8IH Performance Rights	2,914,000	-	Class D 8VI Performance Rights	-	100,000
Class C 8IH Performance Rights	2,914,000	-	Class E 8VI Performance Rights	125,000	125,000
Class D 8IH Performance Rights	2,914,000	-	Class F 8VI Performance Rights	125,000	125,000
Class E 8IH Performance Rights	2,914,000	-	Options	500,000	500,000
<u>Mr Chay Yiowmin</u>					
Class A 8IH Performance Rights	100,000	-			
Class B 8IH Performance Rights	100,000	-			
Class C 8IH Performance Rights	100,000	-			
Class D 8IH Performance Rights	100,000	-			
Class E 8IH Performance Rights	100,000	-			
<u>Mr Charles Mac</u>					
Class A 8IH Performance Rights	100,000	-			
Class B 8IH Performance Rights	100,000	-			
Class C 8IH Performance Rights	100,000	-			
Class D 8IH Performance Rights	100,000	-			
Class E 8IH Performance Rights	100,000	-			

- (c) Mr Chee Kuan Tat, Ken, who by virtue of his interest of not less than 20% of the issued capital of the Company, is deemed to have an interest in the share capital of the Company's subsidiaries.

Rights and share options

(a) Employee Securities Incentive Plan

The Group's Employee Securities Incentive Plan ("Share Plan") for key directors and employees of the Group was approved by members of the Company at its annual general meeting on 23 July 2020. The Share Plan provides a means to attract, motivate and retain key directors and employees and provide them with the opportunity to participate in the future growth of the Group.

Under the Share Plan, the Group's board of directors may from time to time determine that a director of the companies of the Group, subject to its members' approval, or an employee may participate in the Share Plan to apply for securities on such terms and conditions as the Group's board of directors decides.

DIRECTORS' STATEMENT

For the financial year ended 31 March 2022

Rights and share options (continued)

(a) Employee Securities Incentive Plan (continued)

The persons to whom the rights and options have been issued have no right to participate by virtue of the options in any share issue of any other companies of the Group. The Group has no legal or constructive obligation to repurchase or settle the securities in cash.

During the financial year, pursuant to the Company's members' approval at its annual general meeting on 27 July 2021, the Company granted its directors performance rights to be converted into 35,000,000 ordinary shares of the Company upon meeting the vesting conditions ("8IH Performance Rights").

In the previous financial year, pursuant to 8VI members' approval at its annual general meeting on 23 July 2020, 8VI granted its directors options to subscribe for 2,000,000 ordinary shares at exercise price of AUD 0.45 per share ("Options") and performance rights to be converted into 2,600,000 ordinary shares of 8VI upon meeting the vesting conditions ("8VI Performance Rights").

The Options are exercisable from 21 August 2020 and expire on 30 June 2025. The vesting condition for the Options is that the holder being a director of 8VI when the Options are exercised. The total fair value of the Options granted was estimated to be AUD 955,600 using the Hoadleys Employee Stock Option Model. Details of the Options granted to directors of the Company are as follows:

No. of unissued ordinary shares of 8VI under Options

	Granted in financial year ended <u>31.03.2022</u>	Aggregate granted since commencement of scheme to <u>31.03.2022</u>	Aggregate exercised since commencement of scheme to <u>31.03.2022</u>	Aggregate outstanding as at <u>31.03.2022</u>
8VI Holdings Limited				
Mr Chee Kuan Tat, Ken	-	1,000,000	-	1,000,000
Mr Clive Tan Che Koon	-	500,000	-	500,000

The 8IH Performance Rights and 8VI Performance Rights will not have consideration on satisfaction of the vesting conditions. The vesting conditions for the 8IH Performance Rights and 8VI Performance Rights are:

- The holder being a director of the Company as at the relevant vesting determination dates specified in the table below; and
- The relevant volume weighted average price (VWAP) of the Company's and 8VI's shares traded on ASX over any 20-day period exceeds the prices specified in the table below.

<u>8IH Performance Rights and 8VI Performance Rights granted</u>			<u>Vesting conditions</u>			
	<u>Number</u>	<u>Effective grant date</u>	<u>Fair value per right at effective grant date (AUD)</u>	<u>Earliest vesting determination date</u>	<u>VWAP Share Price condition (AUD)</u>	<u>Expiry date</u>
8I Holdings Limited						
Class A 8IH Performance Rights	7,000,000	27.07.2021	0.1194	16.08.2021	0.55	30.06.2023
Class B 8IH Performance Rights	7,000,000	27.07.2021	0.1395	01.04.2022	0.70	30.06.2024
Class C 8IH Performance Rights	7,000,000	27.07.2021	0.1484	01.04.2023	0.90	30.06.2025
Class D 8IH Performance Rights	7,000,000	27.07.2021	0.1523	01.04.2024	1.10	30.06.2026
Class E 8IH Performance Rights	7,000,000	27.07.2021	0.1474	01.04.2025	1.30	30.06.2026
8VI Holdings Limited						
Class A 8VI Performance Rights	400,000	23.07.2020	0.4675	21.08.2020	0.45	30.04.2021
Class B 8VI Performance Rights	400,000	23.07.2020	0.3813	21.08.2020	0.60	30.04.2021
Class C 8VI Performance Rights	400,000	23.07.2020	0.4037	01.04.2021	0.70	30.04.2022
Class D 8VI Performance Rights	400,000	23.07.2020	0.2016	01.04.2021	2.00	30.04.2022
Class E 8VI Performance Rights	500,000	23.07.2020	0.2570	01.04.2022	2.30	30.04.2023
Class F 8VI Performance Rights	500,000	23.07.2020	0.1389	01.04.2022	5.00	30.04.2023

DIRECTORS' STATEMENT

For the financial year ended 31 March 2022

Rights and share options (continued)

(a) Employee Securities Incentive Plan (continued)

The total fair value of the 8IH Performance Rights and 8VI Performance Rights granted by the Company and 8VI were estimated to be AUD 4,949,000 and AUD 779,590 respectively using the Hoadleys Hybrid ESO Model (a Monte Carlo simulation model). Details of the 8IH Performance Rights and 8VI Performance Rights granted to directors of the Company are as follows:

No. of unissued ordinary shares of 8IH under 8IH Performance Rights

	Granted in financial year ended <u>31.03.2022</u>	Aggregate granted since commencement of scheme to <u>31.03.2022</u>	Aggregate exercised since commencement of scheme to <u>31.03.2022</u>	Aggregate outstanding as at <u>31.03.2022</u>
8I Holdings Limited				
Mr Chee Kuan Tat, Ken	19,430,000	19,430,000	-	19,430,000
Mr Clive Tan Che Koon	14,570,000	14,570,000	-	14,570,000
Mr Chay Yiowmin	500,000	500,000	-	500,000
Mr Charles Mac	500,000	500,000	-	500,000

No. of unissued ordinary shares of 8VI under 8VI Performance Rights

	Granted in financial year ended <u>31.03.2022</u>	Aggregate granted since commencement of scheme to <u>31.03.2022</u>	Aggregate exercised since commencement of scheme to <u>31.03.2022</u>	Aggregate outstanding as at <u>31.03.2022</u>
8VI Holdings Limited				
Mr Chee Kuan Tat, Ken	-	1,300,000	800,000	500,000
Mr Clive Tan Che Koon	-	650,000	400,000	250,000

During the financial year, the vesting conditions of the 8VI's Class C 8VI Performance Rights and Class D 8VI Performance Rights were satisfied and both classes of 8VI Performance Rights were converted into 8VI ordinary shares. Mr Chee and Mr Tan received 400,000 8VI ordinary shares and 200,000 8VI ordinary shares respectively from the exercising of their Class C 8VI Performance Rights and Class D 8VI Performance Rights.

(b) 8IH Performance Rights, 8VI Performance Rights and Options of the Group outstanding

The number of unissued shares of the Company and 8VI Holdings Limited under 8IH Performance Rights, 8VI Performance Rights and Options in relation to the Share Plan outstanding at the end of the financial year was as follows:

No of unissued ordinary shares of 8IH under the rights and options at 31.03.2022

8I Holdings Limited

		<u>Exercise price</u>	<u>Exercise period</u>
Class A 8IH Performance Rights	7,000,000	-	16.08.2021 to 30.06.2023
Class B 8IH Performance Rights	7,000,000	-	01.04.2022 to 30.06.2024
Class C 8IH Performance Rights	7,000,000	-	01.04.2023 to 30.06.2025
Class D 8IH Performance Rights	7,000,000	-	01.04.2024 to 30.06.2026
Class E 8IH Performance Rights	7,000,000	-	01.04.2025 to 30.06.2026

No of unissued ordinary shares of 8VI under the rights and options at 31.03.2022

8VI Holdings Limited

		<u>Exercise price</u>	<u>Exercise period</u>
Class E 8VI Performance Rights	500,000	-	01.04.2022 to 30.04.2023
Class F 8VI Performance Rights	500,000	-	01.04.2022 to 30.04.2023
Options	1,800,000	AUD 0.45	21.08.2020 to 30.06.2025

DIRECTORS' STATEMENT

For the financial year ended 31 March 2022

Audit Committee

The members of the Audit Committee at the end of the financial year were as follows:

Mr Chay Yiowmin
Mr Clive Tan Che Koon
Mr Charles Mac

All members of the Audit Committee were non-executive directors, except for Mr Clive Tan Che Koon.

The Audit Committee carried out its functions in accordance with Section 201B(5) of the Singapore Companies Act. In performing those functions, the Committee reviewed:

- the audit plan of the Company's independent auditor and any recommendations on internal accounting controls arising from the statutory audit;
- the assistance given by the Company's management to the independent auditor; and
- the statement of financial position of the Company and the consolidated financial statements of the Group for the financial year ended 31 March 2022 before their submission to the Board of Directors.

The Audit Committee has recommended to the Board that the independent auditor, KLP LLP, be nominated for re-appointment at the forthcoming Annual General Meeting of the Company.

Independent Auditor

The independent auditor, KLP LLP, has expressed its willingness to accept re-appointment.

On behalf of the directors



Chee Kuan Tat, Ken
Director

31 May 2022



Clive Tan Che Koon
Director

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF 8I HOLDINGS LIMITED

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of 8I Holdings Limited (the "Company") and its subsidiaries (the "Group"), which comprise the consolidated statement of financial position of the Group and the statement of financial position of the Company as at 31 March 2022, and the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows of the Group for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements of the Group and the statement of financial position of the Company 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 consolidated financial position of the Group and the financial position of the Company as at 31 March 2022 and of the consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group 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 Group 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.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements for the financial year ended 31 March 2022. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For the matters below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled our responsibilities described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying financial statements.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF 8I HOLDINGS LIMITED (continued)

Key Audit Matters (continued)

Key Audit Matter	How our audit addressed the Key Audit Matter
<p>Valuation and impairment of investments in subsidiaries (Refer to Note 14 to the financial statements)</p> <p>The Company carries its investments in subsidiaries at cost adjusted for impairment losses. As at 31 March 2022, the carrying amount of investments in subsidiaries amounted to S\$22,190,026. During the financial year, the Company recognised net impairment losses of S\$3,096,346 in investments in subsidiaries.</p> <p>We consider the valuation and impairment of investments in subsidiaries to be a significant key audit matter as the amount is significant to the Company. Moreover, the identification of impairment indicators or events, the estimation of recoverable amount and the determination of impairment loss requires the use of significant judgements and assumptions by management.</p>	<p>We assessed the appropriateness of management's process by which indicators of impairment were identified.</p> <p>Where impairment had been identified, for samples of investments in subsidiaries, our work included:</p> <ul style="list-style-type: none"> considering the latest developments in relation to the subsidiaries' financial position and financial performance, especially the impact from COVID-19 pandemic; examining the recoverable amounts determined by management, including the appropriateness of the method and key assumptions used; challenging management's assumptions; testing the adequacy of impairment loss; and considered the adequacy of disclosures in the financial statements in respect to the impairment. <p>Based on procedures performed, we have assessed that the aggregate provision for impairment loss is appropriate.</p>
<p>Valuation of financial instruments held at fair value (Refer to Note 3,11,16 and 25(e) to the financial statements)</p> <p>Financial instruments held by the Group at fair value include equity securities designated at fair value.</p> <p>The Group's financial instruments are predominantly valued using quoted market prices ('Level 1'). The valuations of 'Level 3' financial instruments rely on significant unobservable inputs.</p> <p>We considered the overall valuation of financial instruments (Level 1 and 3) to be a key audit matter given the financial significance to the Group, the nature of the underlying financial instruments and the estimation involved to determine fair value.</p>	<ol style="list-style-type: none"> Obtain quoted market prices of listed equity securities from independent source to determine an independent estimate of fair value for samples of the Group's Level 1 financial instruments. We compared these to the Group's calculations of fair value to assess individual material valuation differences or systemic bias; assessed the reasonableness of the methodologies used and the assumptions made for samples of financial instruments valuations with significant unobservable valuation inputs (Level 3 financial instruments); and performed tests of inputs and assessed the methodology over fair value adjustments, in light of available market data and industry trends. <p>Overall, we considered that the valuation of financial instruments held at fair value was within a reasonable range of outcomes. We also found the fair value disclosures in the financial statements to be adequate.</p>

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF 8I HOLDINGS LIMITED (continued)

Key Audit Matters (continued)

Key Audit Matter	How our audit addressed the Key Audit Matter
<p>Intangible assets recognition and measurement (Refer to Note 2.7, 3 and 15 to the financial statements)</p> <p>As at 31 March 2022, the Group's intangible assets includes development of software with carrying amount of S\$1,425,352.</p> <p>During the year, the Group conducted a continuous update on the mobile application for VI App. Management applied judgement in identifying which functions need updates and expenditure attributable to the updates that met the criteria for capitalisation under the requirements of accounting standards. Factors considered by management included the Group's intention, availability of technical, financial and other resources and technical ability to complete the updates, the likelihood of generating sufficient future economic benefits to the Group and its ability to measure the expenditure incurred.</p> <p>We considered such to be a key audit matter because of the significance of the costs capitalised and the judgement involved in assessing whether the capitalisation criteria have been met.</p>	<p>Our procedures in relation to the Group's recognition and measurement of development of software, we:</p> <ol style="list-style-type: none"> 1. Obtained an understanding and assessing the design of the controls in relation to how management determined and measured costs that are directly attributable to the development activities; 2. Evaluate the nature of the development costs incurred that are capitalised into intangible assets; 3. Assessing the reasonableness of the capitalisation based on our knowledge of the business and industry; 4. Evaluating the appropriateness of expenses capitalised on a sample basis by agreeing the costs to internal timesheet and payroll records. <p>Based on the procedure performed above, we consider the costs capitalised to be supportable by available evidence.</p>

Other Information

Management is responsible for other information. The other information comprises the information included in the annual report, but does not include the financial statements and our auditor's report thereon. The annual report is expected to be made available to us after the date of this auditor's report.

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.

When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take appropriate actions in accordance with SSAs.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF 8I HOLDINGS LIMITED (continued)

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 Group'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 Group or to cease operations, or has no realistic alternative but to do so.

The directors' responsibilities include overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- 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.
- 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 Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- 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 Group'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 Group to cease to continue as a going concern.
- 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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF 8I HOLDINGS LIMITED (continued)

Auditor's Responsibilities for the Audit of the Financial Statements (continued)

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.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

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 and by those subsidiary corporations incorporated in Singapore, of which we are the auditors, have been properly kept in accordance with the provisions of the Act.

The engagement partner on the audit resulting in this independent auditor's report is Jonathan Lim Ryh Jye.



KLP LLP
Public Accountants and
Chartered Accountants

Singapore, 31 May 2022

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the financial year ended 31 March 2022



	Note	2022 S\$	2021 S\$
Revenue	4	31,353,141	25,965,015
Investment (losses)/gains	4	(7,326,229)	6,565,281
Cost of sales and services	6	(8,387,254)	(6,147,303)
Gross profit		15,639,658	26,382,993
Other gains	5	8,694	107,486
Other income	5	1,831,834	1,208,000
Expenses			
- Administrative expenses	6	(11,528,631)	(8,877,473)
- Marketing and other operating expenses	6	(12,286,030)	(7,645,974)
- Finance costs		(116,115)	(33,770)
Share of loss/(profit) attributable to the unit holders of redeemable participating shares	21	2,670,405	(1,062,173)
(Loss)/profit before income tax		(3,780,185)	10,079,089
Income tax credit/(expense)	8	308,353	(1,037,177)
(Loss)/profit for the year		(3,471,832)	9,041,912
Other comprehensive income/(loss):			
Items that may be reclassified subsequently to profit or loss:			
- Currency translation differences arising from consolidation		89,658	(653,526)
Items that will not be reclassified subsequently to profit or loss:			
- Fair value (losses)/gains - financial assets, at FVOCI	16	(402)	795
Other comprehensive income/(loss), net of tax		89,256	(652,731)
Total comprehensive (loss)/income for the year		(3,382,576)	8,389,181
(Loss)/profit attributable to:			
- Owners of the Company		(4,163,175)	7,946,616
- Non-controlling interests		691,343	1,095,296
		(3,471,832)	9,041,912
Total comprehensive (loss)/income attributable to:			
- Owners of the Company		(4,069,230)	7,328,073
- Non-controlling interests		686,654	1,061,108
		(3,382,576)	8,389,181
(Loss)/profit per share attributable to equity holders of the Company (S\$ cent per share)			
- Basic earnings	9	(1.16)	2.21
- Diluted earnings	9	(1.09)	2.21

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

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 March 2022



	Note	31 March	
		2022 S\$	2021 S\$
ASSETS			
Current assets			
Cash and cash equivalents	10	26,348,010	26,819,650
Financial assets, at FVPL	11	24,355,600	24,868,213
Trade and other receivables	12	3,881,715	2,153,261
Current income tax asset	8	350,828	-
		54,936,153	53,841,124
Non-current assets			
Other receivables	12	-	351,900
Property, plant and equipment	13	6,907,327	1,450,709
Development of software	15	1,425,352	790,401
Financial assets, at FVOCI	16	1,308,682	1,275,182
Deferred income tax assets	22	893,704	296,355
		10,535,065	4,164,547
Total assets		65,471,218	58,005,671
LIABILITIES			
Current liabilities			
Trade and other payables	17	2,835,653	3,852,696
Lease liabilities	18	712,505	798,089
Bank borrowing	19	337,463	-
Current income tax liabilities	8	-	465,036
Unearned revenue	20	13,301,650	9,521,393
Redeemable participating shares	21	7,383,512	5,359,489
		24,570,783	19,996,703
Non-current liabilities			
Lease liabilities	18	4,087,895	73,625
Bank borrowing	19	393,707	-
Unearned revenue	20	249,867	233,789
Deferred income tax liabilities	22	129,302	4,000
		4,860,771	311,414
Total liabilities		29,431,554	20,308,117
NET ASSETS		36,039,664	37,697,554
EQUITY			
Capital and reserves attributable to owners of the Company			
Share capital	23	33,731,412	33,972,254
Treasury shares	23	(209,883)	-
Other reserves	24	(12,446,325)	(14,122,248)
Retained profits		11,399,080	15,562,255
		32,474,284	35,412,261
Non-controlling interests		3,565,380	2,285,293
Total equity		36,039,664	37,697,554

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

STATEMENT OF FINANCIAL POSITION - COMPANY

As at 31 March 2022



ASSETS

Current assets

Cash and cash equivalents
Financial assets, at FVPL
Trade and other receivables

Note	31 March	
	2022 S\$	2021 S\$
10	544,122	1,364,463
11	6,566,553	9,494,024
12	519,019	169,529
	7,629,694	11,028,016

Non-current assets

Other receivables
Investments in subsidiaries
Financial assets, at FVOCI

12	-	351,900
14	22,190,026	22,351,126
16	5,379,897	1,267,761
	27,569,923	23,970,787
	35,199,617	34,998,803

Total assets

LIABILITIES

Current liabilities

Trade and other payables

Total liabilities

NET ASSETS

17	5,196,654	316,457
	5,196,654	316,457
	30,002,963	34,682,346

EQUITY

Capital and reserves attributable to owners of the Company

Share capital
Other reserves
Accumulated (losses)/profits

Total equity

23	33,521,529	33,972,254
24	(1,724,764)	(2,087,255)
	(1,793,802)	2,797,347
	30,002,963	34,682,346

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

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the financial year ended 31 March 2022

Attributable to owners of the Company

	Share capital	Treasury shares	Fair value reserve	Currency translation reserve	Capital reserve	Employee share plan reserve	Retained profits	Total	Non-controlling interests	Total equity
	S\$	S\$	S\$	S\$	S\$	S\$	S\$	S\$	S\$	S\$
2022										
Beginning of financial year	33,972,254	-	(11,394,993)	(666,982)	(2,339,023)	278,750	15,562,255	35,412,261	2,285,293	37,697,554
Loss for the year	-	-	-	-	-	-	(4,163,175)	(4,163,175)	691,343	(3,471,832)
Other comprehensive (loss)/income for the year	-	-	(402)	94,347	-	-	-	93,945	(4,689)	89,256
Total comprehensive (loss)/income for the year	-	-	(402)	94,347	-	-	(4,163,175)	(4,069,230)	686,654	(3,382,576)
Shares buy-back (Note 23)	(240,842)	(209,883)	-	-	-	-	-	(450,725)	-	(450,725)
Value of employee services	-	-	-	-	59,511	1,734,791	-	1,794,302	218,332	2,012,634
Performance rights of a subsidiary exercised	-	-	-	-	(11,886)	(188,224)	-	(200,110)	200,110	-
Dilution of subsidiaries without change in control	-	-	-	-	(29,686)	-	-	(29,686)	102,463	72,777
Options of a subsidiary issued	-	-	-	-	91,505	(74,033)	-	17,472	72,528	90,000
Total transactions with owners of the Company, recognised directly in equity	(240,842)	(209,883)	-	-	109,444	1,472,534	-	1,131,253	593,433	1,724,686
End of financial year	33,731,412	(209,883)	(11,395,395)	(572,635)	(2,229,579)	1,751,284	11,399,080	32,474,284	3,565,380	36,039,664

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

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (continued)

For the financial year ended 31 March 2022

2021

Beginning of financial year

Profit for the year

Other comprehensive income/(loss) for the year

Total comprehensive income/(loss) for the year

Shares buy-back (Note 23)

Value of employee services

Performance rights of a subsidiary exercised

Dilution of subsidiaries without change in control

Total transactions with owners of the Company, recognised directly in equity

End of financial year

Attributable to owners of the Company							Non-controlling interests	Total equity
Share capital	Fair value reserve	Currency translation reserve	Capital reserve	Employee share plan reserve	Retained profits	Total		
S\$	S\$	S\$	S\$	S\$	S\$	S\$	S\$	S\$
34,455,641	(11,395,788)	(47,644)	(2,310,515)	-	7,615,639	28,317,333	1,058,535	29,375,868
-	-	-	-	-	7,946,616	7,946,616	1,095,296	9,041,912
-	795	(619,338)	-	-	-	(618,543)	(34,188)	(652,731)
-	795	(619,338)	-	-	7,946,616	7,328,073	1,061,108	8,389,181
(483,387)	-	-	-	-	-	(483,387)	-	(483,387)
-	-	-	-	613,958	-	613,958	-	613,958
-	-	-	201,702	(335,208)	-	(133,506)	133,506	-
-	-	-	(230,210)	-	-	(230,210)	32,144	(198,066)
(483,387)	-	-	(28,508)	278,750	-	(233,145)	165,650	(67,495)
33,972,254	(11,394,993)	(666,982)	(2,339,023)	278,750	15,562,255	35,412,261	2,285,293	37,697,554

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

CONSOLIDATED STATEMENT OF CASH FLOWS

For the financial year ended 31 March 2022

	Note	2022 S\$	2021 S\$
Cash flows from operating activities			
(Loss)/profit before income tax		(3,780,185)	10,079,089
Adjustments for:			
- Net fair value loss/(gain) of investment securities held at fair value through profit or loss	4	3,841,958	(1,548,546)
- Net loss/(gain) on disposal of investment securities held at fair value through profit or loss	4	3,656,499	(4,591,388)
- Dividend income	4	(172,228)	(425,347)
- Interest income	5	(114,601)	(70,631)
- Gain on disposal of property, plant and equipment	5	-	(1,710)
- Rent concessions	5	-	(65,191)
- Depreciation of property, plant and equipment	6	1,861,420	1,659,719
- Amortisation of development of software	6	623,336	313,134
- Property, plant and equipment written off	6	20,756	36,789
- Bad debt written off	6	45,798	198,749
- Credit loss allowance	6	(13,168)	136,263
- Finance costs		116,115	33,770
- Employee share plan expense	7	2,012,634	665,840
- Share of (loss)/profit attributable to the unit holders of redeemable participating shares	21	(2,670,404)	1,062,173
- Exchange differences		181,732	(658,242)
		5,609,662	6,824,471
Change in working capital, net of effects from disposal of subsidiaries:			
- Trade and other receivables		(1,409,184)	(145,385)
- Financial assets, at FVPL		(6,985,844)	(4,369,799)
- Trade and other payables		(1,017,042)	2,084,713
- Unearned revenue		3,796,335	5,785,430
Cash (used in)/generated from operations		(6,073)	10,179,430
Interest received		114,601	70,631
Dividend received		172,228	425,347
Income tax paid	8(b)	(981,166)	(480,791)
Net cash (used in)/provided by operating activities		(700,410)	10,194,617
Cash flows from investing activities			
Disposal/(acquisition) of non-controlling interest without a change in control		5,092	(368,474)
Proceeds from sale of property, plant and equipment		-	5,995
Net proceeds from loan to non-related parties		-	1,076,000
Additions to property, plant and equipment	13	(2,444,916)	(587,434)
Additions to development of software	15	(1,258,287)	(673,096)
Additions of financial assets through other comprehensive income	16	(34,190)	(8,126)
Net cash used in investing activities		(3,732,301)	(555,135)

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

CONSOLIDATED STATEMENT OF CASH FLOWS (continued)

For the financial year ended 31 March 2022

	Note	2022 S\$	2021 S\$
Cash flows from financing activities			
Shares buy-back	23	(450,725)	(483,387)
Payment of principal portion of lease liabilities	18	(962,324)	(1,219,403)
Interest paid		(116,115)	(33,730)
Proceeds from exercise of share options		90,000	-
Proceeds from bank borrowing		1,000,000	-
Repayment of bank borrowing		(268,830)	-
Net proceeds from fund's non-controlling unit holders	21	4,668,573	638,419
Net cash provided by/(used in) financing activities		3,960,579	(1,098,101)
Net (decrease)/increase in cash and cash equivalents		(472,132)	8,541,381
Cash and cash equivalents			
Beginning of financial year		26,819,650	18,442,385
Effects of currency translation on cash and cash equivalents		492	(164,116)
End of financial year		26,348,010	26,819,650

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

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022



These notes form an integral part of and should be read in conjunction with the accompanying financial statements.

1. General 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 1557 Keppel Road #01-01 Singapore 089066.

The principal activity of the Company is management consultancy services. The principal activities of its subsidiaries are disclosed in Note 14 to the financial statements.

2. Significant accounting policies

2.1 Basis of preparation

These financial statements have been prepared in accordance with Financial Reporting Standards in Singapore (“FRSs”) under the historical cost basis, except as disclosed in the accounting policies below.

The preparation of Group consolidation financial statements in conformity with FRSs requires management to exercise its judgement in the process of applying the Group’s accounting policies. It also requires the use of certain critical accounting estimates and assumptions. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 3.

Interpretations and amendments to published standards effective in 2021

On 1 April 2021, the Group has adopted the new or amended FRSs and Interpretations of FRSs (“INT FRSs”) that are mandatory for application for the financial year. Changes to the Group’s accounting policies have been made as required, in accordance with the transitional provisions in the respective FRSs and INT FRSs.

The adoption of these new or amended FRSs and INT FRSs did not result in substantial changes to the Group’s accounting policies and had no material effect on the amounts reported for the current or prior financial years except for the adoption of amendment to FRS 116 Leases: Covid-19-Related Rent Concessions:

Amendments to FRS 116 Leases: Covid-19-Related Rent Concessions

The Group has adopted the amendment to FRS 116 which introduced a practical expedient for a lessee to elect not to assess whether a rent concession is a lease modification, if all the following conditions are met:

- (a) the change in lease payments results in revised consideration for the lease that is substantially the same as, or less than, the consideration for the lease immediately preceding the change;
- (b) any reduction in lease payments affects only payments originally due on or before 30 June 2022; and
- (c) there is no substantive change to other terms and conditions of the lease.

The Group has elected to apply this practical expedient to all property leases. As a result of applying the practical expedient, rent concessions of S\$65,191 (Note 5) was included in “Government grants” presented under “Other income” in the profit or loss during the prior year.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

2. Significant accounting policies (continued)

2.2 Revenue recognition

Revenue is measured based on the consideration to which the Group expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

Revenue is recognised when the Group satisfies a performance obligation by transferring a promised good or service to the customer, which is when the customer obtains control of the good or service. A performance obligation may be satisfied at a point in time or over time. The amount of revenue recognised is the amount allocated to the satisfied performance obligation.

(a) Programme fees

The Group provides financial education and training services. Revenue is recognised when the participants attended first day of training. The Group will record contractual liabilities for advance payment made for the training.

(b) Subscription income

Subscription income is recognised over the subscription period.

(c) Commission income

Commission income is recognised when the corresponding service is provided.

(d) Rendering of services

The Group provide digital production and advertising income. Revenue is recognised when the services have been performed and rendered.

(e) Dividend income

Dividend income is recognised when the right to receive payment is established. It is probable that the economic benefits associated with the dividend will flow to the Group, and the amount of the dividend can be reliably measured.

(f) Interest income

Interest income is recognised using the effective interest method.

(g) Rental income

Rental income from events site is accounted for on a straight-line basis over the period of the rent.

2.3 Government grants

Grants from the government are recognised as a receivable at their fair value when there is reasonable assurance that the grant will be received and the Group will comply with all the attached conditions.

Government grants received are recognised as income over the periods necessary to match them with the related costs which they are intended to compensate, on a systematic basis. Government grants relating to expenses are shown separately as other income.

2.4 Borrowing costs

All borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognised in profit or loss in the period in which they are incurred.

2.5 Group accounting

(a) Subsidiaries

(i) Consolidation

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date on that control ceases.

In preparing the consolidated financial statements, inter-companies transactions and balances and unrealised gains on transactions between group entities are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment indicator of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Non-controlling interests comprise the portion of a subsidiary's net results of operations and its net assets, which is attributable to the interests that are not owned directly or indirectly by the equity holders of the Company. They are shown separately in the consolidated statement of comprehensive income, statement of changes in equity, and consolidated statement of financial position. Total comprehensive income is attributed to the non-controlling interests based on their respective interests in a subsidiary, even if this results in the non-controlling interests having a deficit balance.

(ii) Acquisitions

The acquisition method of accounting is used to account for business combinations entered into by the Group.

The consideration transferred for the acquisition of a subsidiary or business comprises the fair value of the assets transferred, the liabilities incurred and the equity interests issued by the Group. The consideration transferred also includes any contingent consideration arrangement and any pre-existing equity interest in the subsidiary measured at their fair values at the acquisition date.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

2. Significant accounting policies (continued)

2.5 Group accounting (continued)

(a) Subsidiaries (continued)

(ii) Acquisitions (continued)

Acquisition-related costs are expensed as incurred.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date.

On an acquisition-by-acquisition basis, the Group recognises any non-controlling interest in the acquiree at the date of acquisition either at fair value or at the non-controlling interest's proportionate share of the acquiree's identifiable net assets.

The excess of (a) the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the (b) fair value of the identifiable net assets acquired is recorded as goodwill.

(iii) Disposals

When a change in the Group's ownership interest in a subsidiary results in a loss of control over the subsidiary, the assets and liabilities of the subsidiary including any goodwill are derecognised. Amounts previously recognised in other comprehensive income in respect of that entity are also reclassified to profit or loss or transferred directly to retained earnings if required by a specific Standard.

Any retained equity interest in the entity is remeasured at fair value. The difference between the carrying amount of the retained interest at the date when control is lost and its fair value is recognised in profit or loss.

Please refer to the paragraph "Investments in subsidiaries and associated companies" for the accounting policy on investments in subsidiaries in the separate financial statements of the Company.

(b) Transactions with non-controlling interests

Changes in the Group's ownership interest in a subsidiary that do not result in a loss of control over the subsidiary are accounted for as transactions with equity owners of the Company. Any difference between the change in the carrying amounts of the non-controlling interest and the fair value of the consideration paid or received is recognised within equity attributable to the equity holders of the Company.

(c) Associated companies

Associated companies are entities over which the Group has significant influence, but not control, generally accompanied by a shareholding giving rise to voting rights of 20% and above but not exceeding 50%.

Investments in associated companies is accounted for in the consolidated financial statements using the equity method of accounting less impairment losses, if any.

(i) Acquisitions

Investments in associated companies is initially recognised at cost. The cost of an acquisition is measured at the fair value of the assets given, equity instruments issued or liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the acquisition. Goodwill on associated companies represents the excess of the cost of acquisition of the associated company over the Group's share of the fair value of the identifiable net assets of the associated company and is included in the carrying amount of the investments.

(ii) Equity method of accounting

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise Group's share of its associated companies' post-acquisition profits or losses of the investee in profit or loss and its share of movements in other comprehensive income of the investee's other comprehensive income. Dividends received or receivable from the associated companies are recognised as a reduction of the carrying amount of the investments. When the Group's share of losses in an associated company equals to or exceeds its interest in the associated company, the Group does not recognise further losses, unless it has legal or constructive obligations to make, or has made, payments on behalf of the associated company. If the associated company subsequently reports profits, the Group resumes recognising its share of those profits only after its share of the profits equals the share of losses not recognised.

Unrealised gains on transactions between the Group and its associated companies are eliminated to the extent of the Group's interest in the associated companies. Unrealised losses are also eliminated unless the transactions provide evidence of impairment of the assets transferred. The accounting policies of associated companies is changed where necessary to ensure consistency with the accounting policies adopted by the Group.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

2. Significant accounting policies (continued)

2.5 Group accounting (continued)

(c) Associated companies (continued)

(iii) Disposals

Investments in associated companies is derecognised when the Group loses significant influence. If the retained equity interest in the former associated company is a financial asset, the retained equity interest is measured at fair value. The difference between the carrying amount of the retained interest at the date when significant influence is lost, and its fair value and any proceeds on partial disposal, is recognised in profit or loss.

Please refer to the paragraph "Investments in subsidiaries and associated companies" for the accounting policy on investments in associated companies in the separate financial statements of the Company.

2.6 Property, plant and equipment

(a) Measurement

(i) Property, plant and equipment

Property, plant and equipment are initially recognised at cost and subsequently carried at cost less accumulated depreciation and accumulated impairment losses.

(ii) Components of costs

The cost of an item of property, plant and equipment initially recognised includes its purchase price and any cost that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

(b) Depreciation

Depreciation of property, plant and equipment is calculated using the straight-line method to allocate their depreciable amounts over their estimated useful lives as follows:

	<u>Useful lives</u>
Office premises	1 to 7 years
Office equipment	1 to 3 years
Furniture and fittings	3 to 7 years
Motor vehicles	5 years

The residual values, estimated useful lives and depreciation method of property, plant and equipment are reviewed, and adjusted as appropriate, at each reporting date. The effects of any revision are recognised in profit or loss when the changes arise.

(c) Subsequent expenditure

Subsequent expenditure relating to property, plant and equipment that has already been recognised is added to the carrying amount of the asset only when it is probable that future economic benefits associated with the item will flow to the entity and the cost of the item can be measured reliably. All other repair and maintenance expenses are recognised in profit or loss when incurred.

(d) Disposal

On disposal of an item of property, plant and equipment, the difference between the disposal proceeds and its carrying amount is recognised in profit or loss within "other gains".

2.7 Intangible assets

Development of software

Research costs are recognised as an expense when incurred. Costs directly attributable to the development of VI App and CRM system are capitalised as intangible assets only when technical feasibility of the project is demonstrated, the Group has an intention and ability to complete and use the software and the costs can be measured reliably. Such costs include purchases of materials and services and payroll-related costs of employees directly involved in the project and are amortised over their estimated useful lives of 2 years.

2.8 Investments in subsidiaries and associated companies

Investments in subsidiaries and associated companies are carried at cost less accumulated impairment losses in the Company's statement of financial position. On disposal of such investments, the difference between disposal proceeds and the carrying amounts of the investments are recognised in profit or loss.

2.9 Impairment of non-financial assets

Intangible assets – Development of software

Property, plant and equipment

Right-of-use assets

Investments in subsidiaries and associated companies

Intangible assets, property, plant and equipment, right-of-use assets and investments in subsidiaries and associated companies are tested for impairment whenever there is any objective evidence or indication that these assets may be impaired.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

2. Significant accounting policies (continued)

2.9 Impairment of non-financial assets (continued)

For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash inflows that are largely independent of those from other assets. If this is the case, the recoverable amount is determined for the CGU to which the asset belongs.

If the recoverable amount of the asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount.

The difference between the carrying amount and recoverable amount is recognised as an impairment loss in profit or loss.

An impairment loss for an asset other than goodwill is reversed only if, there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. The carrying amount of this asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortisation or depreciation) had no impairment loss been recognised for the asset in prior years.

A reversal of impairment loss for an asset other than goodwill is recognised in profit or loss, unless the asset is carried at revalued amount, in which case, such reversal is treated as a revaluation increase. However, to the extent that an impairment loss on the same revalued asset was previously recognised as an expense, a reversal of that impairment is also recognised in profit or loss.

2.10 Financial assets

(a) Classification and measurement

The Group classifies its financial assets in the following measurement categories:

- Amortised cost;
- Fair value through other comprehensive income (FVOCI); and
- Fair value through profit or loss (FVPL).

The classification depends on the Group's business model for managing the financial assets as well as the contractual terms of the cash flows of the financial asset.

The Group reclassifies debt investments when and only when its business model for managing those assets changes.

At initial recognition

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

At subsequent measurement

(i) Debt instruments

Debt instruments mainly comprise of cash and cash equivalents and trade and other receivables.

There are three subsequent measurement categories, depending on the Group's business model for managing the asset and the contractual cash flow characteristics of the asset:

- **Amortised cost:** Debt instruments that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in other income and presented as interest income, using the effective interest rate method.
- **FVOCI:** Debt instruments that are held for collection of contractual cash flows and for sale, and where the assets' cash flows represent solely payments of principal and interest, are classified as FVOCI. Movements in fair values are recognised in Other Comprehensive Income (OCI) and accumulated in fair value reserve, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses, which are recognised in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and presented in "other gains and(losses)". Interest income from these financial assets is recognised using the effective interest rate method and presented in "interest income".
- **FVPL:** Debt instruments that are held for trading as well as those that do not meet the criteria for classification as amortised cost or FVOCI are classified as FVPL. Movement in fair values and interest income that is not part of a hedging relationship is recognised in profit or loss in the period in which it arises and presented in "other gains and(losses)".

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

2. Significant accounting policies (continued)

2.10 Financial assets (continued)

(a) Classification and measurement (continued)

At subsequent measurement (continued)

(ii) Equity instruments

The Group subsequently measures all its equity investments at their fair values. Equity instruments are classified as FVPL with movements in their fair values recognised in profit or loss in the period in which the changes arise and presented in "other gains and losses", except where the Group has elected to classify the investments as FVOCI.

Movements in fair values of investments classified as FVOCI are presented as "fair value gains and losses" in Other Comprehensive Income. Dividends from equity investments are recognised in profit or loss as "dividend income".

(b) Expected credit losses

The Group recognises an allowance for expected credit losses (ECLs) for all debt instruments not held at FVPL. ECLs are based on the difference between the contractual cashflows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is recognised for credit losses expected over the remaining life of the exposure, irrespective of timing of the default (a lifetime ECL).

For trade receivables, the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment which could affect debtors' ability to pay.

For debt instruments at FVOCI, the Group applies the low credit risk simplification. At every reporting date, the Group evaluates whether the debt instrument is considered to

have low credit risk using all reasonable and supportable information that is available without undue cost or effort. In making that evaluation, the Company reassesses the internal credit rating of the debt instrument. In addition, the Company considers that there has been a significant increase in credit risk when the contractual payments are more than 30 days past due.

The Group considers a financial asset in default when contractual payments are 60-365 days past due. However, in certain cases, the Group may also consider a financial asset to be default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

(c) Impairment

The Group assesses on a forward looking basis the expected credit losses associated with its debt financial assets carried at amortised cost and FVOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables, the Group applies the simplified approach permitted by the FRS 109, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

(d) Recognition and derecognition

Regular way purchases and sales of financial assets are recognised on trade date – the date on which the Group commits to purchase or sell the asset.

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all risks and rewards of ownership.

On disposal of a debt instrument, the difference between the carrying amount and the sale proceeds is recognised in profit or loss. Any amount previously recognised in other comprehensive income relating to that asset is reclassified to profit or loss.

On disposal of an equity investment, the difference between the carrying amount and sales proceed is recognised in profit or loss if there was no election made to recognise fair value changes in other comprehensive income. If there was an election made, any difference between the carrying amount and sales proceed amount would be recognised in other comprehensive income and transferred to retained profits along with the amount previously recognised in other comprehensive income relating to that asset.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

2. Significant accounting policies (continued)

2.11 Offsetting of financial instruments

Financial assets and liabilities are offset and the net amount reported in the consolidated statement of financial position when there is a legally enforceable right to offset and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

2.12 Borrowings

Borrowings are presented as current liabilities unless the Group has an unconditional right to defer settlement for at least 12 months after the balance sheet date, in which case they are presented as non-current liabilities.

Borrowings are initially recognised at fair value (net of transaction costs) and subsequently carried at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption value is recognised in profit or loss over the period of the borrowings using the effective interest method.

2.13 Trade and other payables

Trade and other payables represent liabilities for goods and services provided to the Group prior to the end of financial year which are unpaid. They are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). Otherwise, they are presented as non-current liabilities.

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

2.14 Fair value estimation of financial assets and liabilities

The fair values of financial instruments traded in active markets (such as exchange-traded and over-the-counter securities and derivatives) are based on quoted market prices at the reporting date. The quoted market prices used for financial assets are the current bid prices; the appropriate quoted market prices used for financial liabilities are the current asking prices.

The fair values of financial instruments that are not traded in an active market are determined by using valuation techniques. The Group uses a variety of methods and makes assumptions based on market conditions that are existing at each reporting date. Where appropriate, quoted market prices or dealer quotes for similar instruments are used. Valuation techniques, such as discounted cash flow analysis, are also used to determine the fair values of the financial instruments.

2.15 Leases

(a) When the Group is the lessee:

At the inception of the contract, the Group assesses if the contract contains a lease. A contract contains a lease if the contract convey the right to control the use of an identified asset for a period of time in exchange for consideration. Reassessment is only required when the terms and conditions of the contract are changed.

• Right-of-use assets

The Group recognised a right-of-use asset and lease liability at the date which the underlying asset is available for use. Right-of-use assets are measured at cost which comprises the initial measurement of lease liabilities adjusted for any lease payments made at or before the commencement date and lease incentive received. Any initial direct costs that would not have been incurred if the lease had not been obtained are added to the carrying amount of the right-of-use assets.

These right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term.

Right-of-use assets (except for those which meets the definition of an investment property) are presented within "Property, plant and equipment".

• Lease liabilities

The initial measurement of lease liability is measured at the present value of the lease payments discounted using the implicit rate in the lease, if the rate can be readily determined. If that rate cannot be readily determined, the Group shall use its incremental borrowing rate.

Lease payments include the following:

- Fixed payment (including in-substance fixed payments), less any lease incentives receivables;
- Variable lease payment that are based on an index or rate, initially measured using the index or rate as at the commencement date;
- Amount expected to be payable under residual value guarantees;
- The exercise price of a purchase option if is reasonably certain to exercise the option; and

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

2. Significant accounting policies (continued)

2.15 Leases (continued)

(a) When The Group is the lessee (continued)

- **Lease liabilities (continued)**

- Payment of penalties for terminating the lease, if the lease term reflects the Group exercising that option.

For contract that contain both lease and non-lease components, the Group allocates the consideration to each lease component on the basis of the relative stand-alone price of the lease and non-lease component. The Group has elected to not separate lease and non lease component for property leases and account these as one single lease component.

Lease liability is measured at amortised cost using the effective interest method. Lease liability shall be remeasured when:

- There is a change in future lease payments arising from changes in an index or rate;
- There is a changes in the Group's assessment of whether it will exercise an extension option; or
- There are modification in the scope or the consideration of the lease that was not part of the original term.

Lease liability is remeasured with a corresponding adjustment to the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

- **Short term and low value leases**

The Group has elected to not recognised right-of-use assets and lease liabilities for short-term leases that have lease terms of 12 months or less and leases of low value leases, except for sublease arrangements. Lease payments relating to these leases are expensed to profit or loss on a straight-line basis over the lease term.

- **Adoption of amendment to FRS 116 Leases: Covid-19-Related Rent Concessions**

The Group has applied the amendment to FRS 116 Leases: Covid-19-Related Rent Concessions. The Group applies the practical expedient allowing it not to assess whether a rent concession related to COVID-19 is a lease modification. The Group applies the practical expedient consistently to contracts with similar characteristics and in similar circumstances. For rent concessions in leases to which the Group chooses not to apply the practical expedient, or that do not qualify

for the practical expedient, the Group assesses whether there is a lease modification.

(b) When the Group is the lessor:

The accounting policy applicable to the Group as a lessor in the comparative period were the same under FRS 16 except when the Group is an intermediate lessor.

In classifying a sublease, the Group as an intermediate lessor classifies the sublease as a finance or an operating lease with reference to the right of-use asset arising from the head lease, rather than the underlying asset.

When the sublease is assessed as a finance lease, the Group derecognises the right-of-use asset relating to the head lease that it transfers to the sublessee and recognised the net investment in the sublease within "Trade and other receivables". Any differences between the right-of-use asset derecognised and the net investment in sublease is recognised in profit or loss. Lease liability relating to the head lease is retained in the balance sheet, which represents the lease payments owed to the head lessor.

When the sublease is assessed as an operating lease, the Group recognise lease income from sublease in profit or loss within "Other income". The right-of-use asset relating to the head lease is not derecognised.

For contract which contains lease and non-lease components, the Group allocates the consideration based on a relative stand-alone selling price basis.

2.16 Income taxes

Current income tax for current and prior periods is recognised at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted at the end of reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions, where appropriate, on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is recognised for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements except when the deferred income tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

2. Significant accounting policies (continued)

2.16 Income taxes (continued)

A deferred income tax liability is recognised on temporary differences arising on investments in subsidiaries and associated companies, except where the Group is able to control the timing of the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

A deferred income tax asset is recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilised.

Deferred income tax is measured:

- (i) at the tax rates that are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period; and
- (ii) based on the tax consequence that will follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amounts of its assets and liabilities.

Current and deferred income taxes are recognised as income or expense in profit or loss, except to the extent that the tax arises from a business combination or a transaction which is recognised directly in equity. Deferred tax arising from a business combination is adjusted against goodwill on acquisition.

The Group accounts for investment tax credits (for example, productivity and innovative credit) similar to accounting for other tax credits where deferred tax asset is recognised for unused tax credits to the extent that it is probable that future taxable profit will be available against which the unused tax credit can be utilised.

2.17 Provisions

Provisions are measured at the present value of the expenditure 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 the risks specific to the obligation. The increase in the provision due to the passage of time is recognised in the statement of comprehensive income as finance cost.

Changes in the estimated timing or amount of the expenditure or discount rate are recognised in profit or loss when the changes arise.

2.18 Employee compensation

Employee benefits are recognised as an expense, unless the cost qualifies to be capitalised as an asset.

Defined contribution plans

Defined contribution plans are post-employment benefit plans under which the Group pays fixed contributions into separate entities such as the Central Provident Fund on a mandatory, contractual or voluntary basis. The Group has no further payment obligations once the contributions have been paid.

Short-term compensated absences

Employee entitlements to annual leave are recognised when they accrue to employees. A provision is made for the estimated liability for annual leave as a result of services rendered by employees up to the reporting date.

Employee share plan

The Group operates an equity-settled, share-based compensation plan. The value of the employee services received in exchange for the grant of options is recognised as an expense with a corresponding increase in the employee share plan reserve over the vesting period. The total amount to be recognised over the vesting period is determined by reference to the fair value of the options granted on grant date. Non-market vesting conditions are included in the estimation of the number of shares under options that are expected to become exercisable on the vesting date.

At each balance sheet date, the Group revises its estimates of the number of shares under options that are expected to become exercisable on the vesting date and recognises the impact of the revision of the estimates in profit or loss, with a corresponding adjustment to the employee share plan reserve over the remaining vesting period.

When the options are exercised, the proceeds received (net of transaction costs) and the related balance previously recognised in the employee share plan reserve are credited to the share capital account, when new ordinary shares are issued, or to the "treasury shares" account, when treasury shares are re-issued to the employees.

2.19 Currency translation

(a) Functional and presentation currency

Items included in the financial statements of each entity in the Group are measured using the currency of the primary economic environment in which the entity operates ("functional currency"). The financial statements are presented in Singapore Dollars, which is the functional currency of the Company.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

2. Significant accounting policies (continued)

2.19 Currency translation (continued)

(b) Transactions and balances

Transactions in a currency other than the functional currency ("foreign currency") are translated into the functional currency using the exchange rates at the dates of the transactions. Currency exchange differences resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at the closing rates at the reporting date are recognised in profit or loss.

(c) Translation of Group entities' financial statements

The results and financial position of all the Group entities (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- (i) assets and liabilities are translated at the closing exchange rates at the reporting date;
- (ii) income and expenses are translated at average exchange rates (unless the average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated using the exchange rates at the dates of the transactions); and
- (iii) all resulting currency translation differences are recognised in other comprehensive income and accumulated in the currency translation reserve. These currency translation differences are reclassified to profit or loss on disposal or partial disposal of the entity giving rise to such reserve.

Goodwill and fair value adjustments arising on the acquisition of foreign operations are treated as assets and liabilities of the foreign operations and translated at the closing rates at the reporting date.

2.20 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the executive committee whose members are responsible for allocating resources and assessing performance of the operating segments.

2.21 Cash and cash equivalents

For the purpose of presentation in the consolidated statement of cash flows, cash and cash equivalents include cash on hand, deposits with financial institutions which are subject to an insignificant risk of change in value. For cash subjected to restriction, assessment is made on the economic substance of the

restriction and whether they meet the definition of cash and cash equivalents.

2.22 Share capital and treasury shares

Ordinary shares are classified as equity. Incremental costs directly attributable to the issuance of new ordinary shares are deducted against the share capital account.

When any entity within the Group purchases the Company's ordinary shares ("treasury shares"), the carrying amount which includes the consideration paid and any directly attributable transaction cost is presented as a component within equity attributable to the Company's equity holders, until they are cancelled, sold or reissued.

When treasury shares are subsequently cancelled, the cost of treasury shares are deducted against the share capital account if the shares are purchased out of capital of the Company, or against the retained profits of the Company if the shares are purchased out of earnings of the Company.

When treasury shares are subsequently sold or reissued pursuant to an employee share option scheme, the cost of treasury shares is reversed from the treasury share account and the realised gain or loss on sale or reissue, net of any directly attributable incremental transaction costs and related income tax, is recognised in the capital reserve.

2.23 Redeemable participating shares

Redeemable participating shares are redeemable at the option of the unit holders and providing the investors with the right to require redemption for cash at the value proportionate to the investor's share in the fund's net assets. Profit/(losses) attributable to the holders of redeemable participating shares were recorded as part of the liabilities of redeemable participating shares.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

3. Critical accounting estimates, assumptions and judgements

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.

Critical judgements in applying the entity's accounting policies

a. *Determination of lease term of contracts with extension options*

As at 31 March 2022, the Group's lease liabilities, which are measured with reference to an estimate of the lease term, amounted to S\$4,800,400 (2021: S\$871,714), of which S\$4,087,895 arose from extension options. Extension option is included in the lease term if the lease is reasonably certain to be extended. In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise the extension option.

For leases of office premises, the following factors are considered to be most relevant:

- If any leasehold improvements are expected to have a significant remaining value, the Group typically includes the extension option in lease liabilities;
- Otherwise, the Group considers other factors including its costs required to obtain replacement assets, and business disruptions.

As at 31 March 2022, the Group included the extension option in the lease term for leases of office premises as it is certain that the extension options will be exercised.

b. *Leases – estimating the incremental borrowing rate*

The Group cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate to measure lease liabilities. The incremental borrowing rate is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The incremental borrowing rate therefore reflects what the Group 'would have to pay', which requires estimation when no observable rates are available or when they need to be adjusted to reflect the terms and conditions of the lease. The Group estimates the incremental borrowing rate using observable inputs (such as market interest rates) when available and is required to make certain entity-specific estimates.

c. *Fair value of financial instruments*

The majority of the Group's financial instruments reported at fair value are based on quoted and observable market prices or valuation techniques that are based on independently sourced or verified market parameters.

The fair value of financial instruments without an observable market price in an active market may be determined using valuation techniques. The choice of valuation techniques and assumptions that are based on market conditions requires significant judgement for investment in unquoted equities.

Please refer to Note 25(e) for further details on fair valuation and fair value hierarchy of the Group's financial instruments measured at fair value.

d. *Income taxes*

The Group has exposure to income taxes in numerous jurisdictions. Significant judgement is involved in determining the Group's provision for income taxes. The Group recognises liabilities for expected tax issues based on reasonable estimates of whether additional taxes will be due. Where uncertainty exists around the Group's tax position including resolution of any related appeals or litigation processes, appropriate provisions are provided based on technical merits of the positions with the same tax authority. Note 22 provides details of the Group's deferred tax assets/liabilities. In general, determination of the value of assets/liabilities relating to carry forward tax losses requires judgement.

e. *Development of software*

The Group estimates the useful lives to amortise the development of software based on the future performance of the assets acquired and management's judgement of the period over which economic benefits will be derived from the assets. The estimated useful lives of the development of software are reviewed periodically, taking into consideration factors such as changes in technology. The amount and timing of recorded expenses for any period would be affected by changes in the estimates. A reduction in the estimated useful lives of the development of software would increase the recorded expenses and decrease the non-current assets.

The cost of development of software is amortised on a straight-line basis over the asset's useful lives. The management estimates the useful lives of these intangible assets to be 2 years.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

4. Revenue and investment (losses)/gains

	Group	
	2022	2021
	S\$	S\$
Revenue		
<u>Type of good or service</u>		
- Financial education program sales	22,380,607	20,385,945
- Subscription income	8,735,767	5,212,642
- Commission income	224,971	277,138
- Rendering of services	11,796	84,957
- Dividend income	-	1,453
- Others	-	2,880
Total revenue	31,353,141	25,965,015
<u>Timing of transfer of good or service</u>		
At a point in time	22,617,374	20,745,148
Over time	8,735,767	5,219,867
	31,353,141	25,965,015
Investment (losses)/gains		
Fair value (loss)/gain on investment securities	(3,841,958)	1,548,546
(Loss)/gain on sale of investment securities	(3,656,499)	4,591,388
Dividend income	172,228	425,347
Total investment (losses)/gains	(7,326,229)	6,565,281

5. Other gains and other income

	Group	
	2022	2021
	S\$	S\$
Other gains		
Gain on foreign exchange - net	8,694	105,776
Gain on disposal of property, plant and equipment	-	1,710
	8,694	107,486
Other income		
Interest income	114,601	70,631
Government grants	438,694	1,031,053
Rental income (Note 18(e))	-	58,125
Legal compensation	1,111,870	-
Others	166,669	48,191
	1,831,834	1,208,000

Included within Government grants are COVID-19 related rent concessions received from lessors of S\$65,191 in the prior year to which the Group applied the practical expedient as disclosed in Note 2.1.

Included in the legal compensation is a final settlement from sought legal compensation by the Group amounting to S\$540,338 received during the financial year. There are no existing or future claims arising from the final settlement.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

6. Expenses by nature

	Group	
	2022	2021
	S\$	S\$
Audit fees paid to:		
- Auditors of the Company	177,204	97,169
- Other auditors	30,613	41,864
Non-audit fees paid to:		
- Auditors of the Company	49,700	18,190
- Other auditors	-	-
Depreciation of property, plant and equipment (Note 13)	1,861,420	1,659,719
Employee compensation (Note 7)	11,051,477	9,390,901
Rental expense on operating leases (Note 18(d))	20,816	22,077
Travelling expense	402,465	347,551
Professional fees	796,802	461,245
Commission	69,064	137,949
Marketing expenses	9,988,753	5,258,604
Credit card charges	1,186,651	1,120,270
Trainer fees	1,280,120	1,038,894
Event expenses	-	12,253
Food catering expense	72,682	27,784
Book and printing expenses	408,907	207,153
Other program costs	50,861	75,730
Investment related expense	522,059	236,368
Corporate expenses	330,726	-
Training costs	131,160	83,427
AGM and listing expenses	182,501	157,782
Office expenses	245,016	174,665
Amortisation of development of software (Note 15)	623,336	313,134
Information technology cost	1,585,297	808,139
Property, plant and equipment written off	20,756	36,789
Bad debt written off	45,798	198,749
Credit loss allowance (Note 25(b))		
- Trade receivables	(13,168)	(32,887)
- Other receivables	-	169,150
Donation	101,723	47,264
Withholding tax expense	391,317	195,707
Admin expenses	397,579	336,869
Other expenses	190,280	28,241
Total cost of sales and services, administrative expenses, marketing and other operating expenses	32,201,915	22,670,750

7. Employee compensation

	Group	
	2022	2021
	S\$	S\$
Wages and salaries	7,936,495	7,440,398
Employer's contribution to defined contribution plans	822,027	739,855
Other short-term benefits	280,321	544,808
Employee share plan	2,012,634	665,840
	11,051,477	9,390,901

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

8. Income taxes

(a) Income tax credit/(expense)

	<u>Group</u>	
	2022	2021
	S\$	S\$
Tax credit/(expense) attributable to profit/(loss) is made up of:		
- Profit/loss for the financial year:		
Current income tax		
- Singapore	-	(2,148)
- Foreign	(106,294)	(1,044,058)
	(106,294)	(1,046,206)
Deferred income tax (Note 22)	473,655	37,772
	367,361	(1,008,434)
- Under provision in prior financial years:		
Current income tax	(59,008)	(28,743)
	308,353	(1,037,177)

The tax on the Group's (loss)/profit before income tax differs from the theoretical amount that would arise using the Singapore standard rate of income tax as follows:

	<u>Group</u>	
	2022	2021
	S\$	S\$
(Loss)/profit before income tax	(3,780,185)	10,079,089
Tax calculated at tax rate of 17% (2021: 17%)	(642,631)	1,713,445
Effects of:		
- different tax rates in other countries	(88,439)	682,383
- income not subject to tax	-	(860,153)
- expenses not deductible for tax purposes	779,308	116,738
- deferred tax assets previously not recognised	406,884	-
- utilisation of previously unrecognised tax losses	(357,248)	(643,979)
- others	151,471	-
- Under provision of tax in prior financial years	59,008	28,743
Tax charge	308,353	1,037,177

(b) Movement in current income tax assets/(liabilities):

	<u>Group</u>	
	2022	2021
	S\$	S\$
Beginning of financial year	(465,036)	129,122
Income tax paid	981,166	480,791
Tax expense	(106,294)	(1,046,206)
Under provision in prior financial years	(59,008)	(28,743)
End of financial year	350,828	(465,036)
	<u>Group</u>	
	2022	2021
	S\$	S\$
Current income tax asset	350,828	-
Current income tax liabilities	-	(465,036)
	350,828	(465,036)

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

9. Earnings per share

(a) Basic earnings per share

	2022	2021
Net (loss)/profit attributable to equity holders of the Company (S\$)	(4,163,175)	7,946,616
Weighted average number of ordinary shares outstanding for basic earnings per share	358,119,224	360,221,027
Basic earnings per share (S\$ cent per share)	(1.16)	2.21

(b) Diluted earnings per share

For the purpose of calculating diluted earnings per share, profit attributable to equity holders of the Company and the weighted average number of ordinary shares outstanding are adjusted for the effects of all dilutive potential ordinary shares. The Company has one category of dilutive potential ordinary shares: performance rights.

The weighted average number of shares on issue has been adjusted as if all dilutive performance rights were exercised. No adjustment is made to the net profit.

	2022	2021
Net (loss)/profit attributable to equity holders of the Company (S\$)	(4,163,175)	7,946,616
Weighted average number of ordinary shares outstanding for basic earnings per share	358,119,224	360,221,027
Adjustments for performance rights	23,684,932	-
	381,804,156	360,221,027
Diluted earnings per share (S\$ cent per share)	(1.09)	2.21

10. Cash and cash equivalents

	Group	
	2022	2021
	S\$	S\$
Cash at bank and on hand	23,482,069	22,798,937
Short-term bank deposits	2,865,941	4,020,713
	26,348,010	26,819,650

	Company	
	2022	2021
	S\$	S\$
Cash at bank and on hand	544,122	1,364,463

11. Financial assets, at FVPL

	Group	
	2022	2021
	S\$	S\$
<i>Fair value through profit or loss:</i>		
Listed securities		
- Equity securities - Australia	2,339,325	1,681,473
- Equity securities - India	1,888,964	1,881,376
- Equity securities - China	2,155,330	3,901,156
- Equity securities - Hong Kong	2,172,089	3,145,684
- Equity securities - America	15,507,834	12,656,028
- Equity securities - Malaysia	189,362	248,480
- Equity securities - Singapore	86,800	1,265,965
- Equity securities - Canada	-	88,051
- Equity securities - Japan	15,896	-
	24,355,600	24,868,213

	Company	
	2022	2021
	S\$	S\$
<i>Fair value through profit or loss:</i>		
Listed securities		
- Equity securities - Australia	24,753	-
- Equity securities - America	6,521,088	9,405,973
- Equity securities - Canada	-	88,051
- Equity securities - Japan	15,896	-
- Equity securities - Hong Kong	4,816	-
	6,566,553	9,494,024

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

12. Trade and other receivables

	<u>Group</u>	
	2022	2021
	S\$	S\$
Current		
Trade receivables		
- Non-related parties (a)	958,379	387,505
Other receivables		
- Non-related parties (b)	605,077	281,187
- Others	1,399,233	399,575
Deposits	555,832	657,054
Prepayments	680,131	589,002
Credit loss allowance (Note 25(b))	(316,937)	(161,062)
	3,881,715	2,153,261
Non-current		
Other receivables (b)	-	521,050
Credit loss allowance (Note 25(b))	-	(169,150)
	-	351,900

	<u>Company</u>	
	2022	2021
	S\$	S\$
Current		
Other receivables		
- Non-related parties (b)	605,077	56,412
- Subsidiaries (c)	94,260	1,215,532
- Others	-	4,140
Prepayments	45,244	51,665
Credit loss allowance (Note 25(b))	(225,562)	(1,158,220)
	519,019	169,529
Non-current		
Other receivables (b)	-	521,050
Credit loss allowance (Note 25(b))	-	(169,150)
	-	351,900

- (a) Trade receivables are non-interest bearing and are generally on 30 to 60 days' (2021: 30 to 60 days') terms. There is no other class of financial assets that is past due and/or impaired except for trade receivables.

Receivables that were past due but not impaired

The Group has trade receivables amounting to S\$70,510 as at 31 March 2022 and S\$4,334 as at 1 April 2021 that are past due but not impaired. These receivables are unsecured and the analysis of their aging at the end of the reporting period is as follows:

	<u>Group</u>	
	2022	2021
	S\$	S\$
Trade receivables past due but not impaired:		
Lesser than 30 days	70,510	4,049
31-60 days	-	285
	70,510	4,334

Receivables that were past due and impaired

There were no receivables that were past due and impaired.

Expected credit losses

The movement in allowance for expected credit losses of trade receivables computed based on lifetime ECL are as follows:

	<u>Group</u>	
	2022	2021
	S\$	S\$
Movement in allowance accounts:		
At 1 April	104,650	137,537
Write back for the year	(13,168)	(32,887)
Currency translation difference	(107)	-
At 31 March	91,375	104,650

- (b) Included in the other receivables is a loan to a third party of S\$379,500 (2021: S\$351,900). The loan bears interest at 6% (2020: 6%) per annum.
- (c) Transactions with subsidiaries were made on normal commercial terms and conditions.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

13. Property, plant and equipment

	Office premises S\$	Office equipment S\$	Furniture and fittings S\$	Motor vehicles S\$	Total S\$
Group					
2022					
Cost					
Beginning of financial year	1,349,155	1,011,135	1,250,049	101,526	3,711,865
Currency translation differences	(1,126)	(7,716)	(69,319)	(627)	(78,788)
Additions	4,891,146	817,684	1,627,232	-	7,336,062
Written off	(1,127,068)	(152,844)	(700,838)	-	(1,980,750)
End of financial year	5,112,107	1,668,259	2,107,124	100,899	8,988,389
Accumulated depreciation					
Beginning of financial year	481,148	627,788	1,050,694	101,526	2,261,156
Currency translation differences	(3,852)	(3,383)	(55,657)	(627)	(63,519)
Depreciation charge (Note 6)	1,234,344	412,430	214,646	-	1,861,420
Written off	(1,127,069)	(151,820)	(699,106)	-	(1,977,995)
End of financial year	584,571	885,015	510,577	100,899	2,081,062
Net book value					
End of financial year	4,527,536	783,244	1,596,547	-	6,907,327
2021					
Cost					
Beginning of financial year	2,576,778	592,597	1,320,682	103,783	4,593,840
Currency translation differences	(7,424)	(3,514)	(2,280)	(2,257)	(15,475)
Additions	969,403	438,731	148,703	-	1,556,837
Disposal	-	(4,527)	(1,471)	-	(5,998)
Written off	(2,189,602)	(12,152)	(215,585)	-	(2,417,339)
End of financial year	1,349,155	1,011,135	1,250,049	101,526	3,711,865
Accumulated depreciation					
Beginning of financial year	1,387,447	492,008	1,028,176	88,216	2,995,847
Currency translation differences	(4,399)	(4,916)	(774)	(2,058)	(12,147)
Depreciation charge (Note 6)	1,263,914	153,403	227,034	15,368	1,659,719
Disposal	-	(1,509)	(204)	-	(1,713)
Written off	(2,165,814)	(11,198)	(203,538)	-	(2,380,550)
End of financial year	481,148	627,788	1,050,694	101,526	2,261,156
Net book value					
End of financial year	868,007	383,347	199,355	-	1,450,709

Right-of-use of assets acquired under leasing arrangements are presented together with the owned assets of the same class. Details of such leased assets are disclosed in Note 18(a).

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

14. Investments in subsidiaries

	<u>Company</u>	
	2022	2021
	S\$	S\$
Equity investments		
Cost		
Beginning of financial year	34,903,342	32,975,149
Increase in investment	2,935,246	1,928,193
End of financial year	37,838,588	34,903,342
Provision for impairment		
Beginning of financial year	12,552,216	17,296,387
Charge/(write back) for the year	3,096,346	(4,744,171)
End of financial year	15,648,562	12,552,216
Net carrying value		
End of financial year	22,190,026	22,351,126

During the financial year, the Company provided an impairment loss of S\$3,096,346 representing the write-down of the carrying value of the subsidiaries to the recoverable amount as the investment no longer represented by the Company's interest in net assets of the investees.

In prior year, the Company wrote back net provision for impairment in the investment in subsidiaries of S\$4,744,171 representing the increase in the carrying value of the subsidiaries due to the recovery of the recoverable amount of the subsidiaries.

The Group has the following subsidiaries as at 31 March 2022 and 2021:

			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	
Name	Principal activities	Country of business/ incorporation	2022 %	2021 %	2022 %	2021 %	2022 %	2021 %
Held by the Company:								
8 Investment Pte. Ltd.	Business management consultancy	Singapore	100	100	100	100	-	-
VI Fund Management Pte. Ltd. (Formerly known as 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	Investment holding and management consultancy services	Singapore	78.7	79.5	78.7	79.5	21.3	20.5
8Bit Global Pte. Ltd.	Computer programming and data processing and hosting	Singapore	42.0	42.0	82.2	82.6	17.8	17.4
8 Business Pte. Ltd.	Business management consultancy	Singapore	100	100	100	100	-	-
8IH VCC	Investment trading	Singapore	100	-	100	-	-	-
Held through 8VI Holdings Limited								
8VI Global Pte. Ltd.	Seminar and programs organiser	Singapore	-	-	78.7	79.5	21.3	20.5
Valiant Wealth Advisory Singapore Pte. Ltd. (Formerly known as 8VI FIN Singapore Pte. Ltd.)	Advisory services	Singapore	-	-	39.4	-	60.6	-
Held through 8VI Global Pte. Ltd								
8VI Malaysia Sdn. Bhd.	Seminar and programs organiser	Malaysia	-	-	78.7	79.5	21.3	20.5
8VI Taiwan Co., Ltd	Seminar and programs organiser	Taiwan	-	-	55.1	55.7	44.9	44.3

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

14. Investments in subsidiaries (continued)

The Group has the following subsidiaries as at 31 March 2022 and 2021: (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	
			2022 %	2021 %	2022 %	2021 %	2022 %	2021 %
8VIC (Thailand) Company Limited	Dormant	Thailand	-	-	51.2	72.1	48.8	27.9
8VI China Pte. Ltd.	Business management consultancy	Singapore	-	-	51.2	51.7	48.8	48.3
8VIC Singapore Pte. Ltd.	Struck off	Singapore	-	-	-	79.5	-	20.5
Value Investing College Pte. Ltd.	Dormant	Singapore	-	-	78.7	79.5	21.3	20.5
Held through 8VI Malaysia Sdn. Bhd.								
8VIC JooY Media Sdn. Bhd.	Agency and media	Malaysia	-	-	78.7	79.5	21.3	20.5
8VI FIN Malaysia Sdn. Bhd.	Advisory services	Malaysia	-	-	55.1	-	44.9	-
Held through 8VI China Pte. Ltd.								
8VI China (Shanghai) Co. Ltd 信益安（上海）实业有限公司	Business and management consultancy services	People's Republic of China	-	-	51.2	51.7	48.8	48.3
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	Struck off	People's Republic of China	-	-	-	51.7	-	48.3
Held through 8 Investment Pte. Ltd.								
Vue at Red Hill Pte. Ltd.	Struck off	Singapore	-	-	-	100	-	-
Held through 8IH Global Limited								
Hidden Champions Fund	Investment trading	Mauritius	-	-	100	100	-	-

Capital and financial requirements

There are capital and financial requirements imposed on VI Fund Management Pte. Ltd. ("VIFM") and 8BIT Global Pte. Ltd. ("8BIT") by Monetary Authority Singapore (MAS) as registered fund management company and licensed financial advisor respectively.

(i) VIFM and 8BIT are each required to meet a minimum base capital of S\$250,000, by the sum of:

- 1) paid-up ordinary share capital;
- 2) paid-up irredeemable and non-cumulative preference share capital; and
- 3) any unappropriated profit or loss in the latest audited accounts of 8BIT, less any interim loss in the latest accounts and any dividend that has been declared since the latest audited accounts.

(ii) 8BIT is also required to maintain minimum financial requirements at the higher of S\$150,000 paid-up capital or one quarter of relevant annual expenditure of the immediately preceding financial year.

(iii) 8BIT is also required to maintain continuing financial requirements, net asset value of not less than:

- 1) One-quarter of its relevant annual expenditure of the immediately preceding financial year; or
- 2) Three-quarters of the minimum paid-up capital required;

whichever is higher.

As at 31 March 2022 and as at the date of these financial statements, VIFM and 8BIT have met the capital and financial requirements stated above.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

14. Investments in subsidiaries (continued)

Significant restrictions

Cash and short-term deposits of S\$126,489 (2021: S\$297,811) are held in the People's Republic of China and are subject to local exchange control regulations. These local exchange control regulations provide for restrictions on exporting capital from the country, other than through normal dividends.

	2022 S\$	2021 S\$
Carrying value of non-controlling interests		
8VI Holdings Limited and its subsidiaries	3,636,405	2,285,293

Summarised financial information of subsidiaries with material non-controlling interests

Set out below are the summarised financial information for each subsidiary that has non-controlling interests that are material to the Group. These are presented before inter-company eliminations.

Summarised statement of financial position

	8VI Holdings Limited and its subsidiaries 31 March 2022 S\$	8VI Holdings Limited and its subsidiaries 31 March 2021 S\$
Current		
Assets	30,253,233	24,413,161
Liabilities	(16,801,940)	(14,357,950)
Total current net assets	13,451,293	10,055,211
Non-current		
Assets	8,760,122	2,544,350
Liabilities	(4,860,770)	(311,414)
Total non-current net assets	3,899,352	2,232,936
Net assets	17,350,645	12,288,147
Non-controlling interests	2,790,467	876,848

Summarised statement of comprehensive income

	8VI Holdings Limited and its subsidiaries For year ended 31 March 2022 S\$	8VI Holdings Limited and its subsidiaries For year ended 31 March 2021 S\$
Revenue	31,353,141	25,960,661
Profit before tax	3,203,794	7,532,774
Income tax credit/(expense)	380,040	(1,037,169)
Profit for the year	3,583,834	6,495,605
Total comprehensive income allocated to non-controlling interests	1,605,026	645,735

Summarised statement of cash flows

	8VI Holdings Limited and its subsidiaries 31 March 2022 S\$	8VI Holdings Limited and its subsidiaries 31 March 2021 S\$
Cash flows from operating activities		
Cash provided by operations	9,432,182	17,285,587
Interest income received	17,110	37,504
Dividend received	97,720	9,581
Income tax paid	(957,114)	(579,129)
Net cash provided by operating activities	8,589,898	16,753,543
Net cash used in investing activities	(9,910,342)	(4,227,311)
Net cash used in financing activities	(704,605)	(1,253,096)
Net (decrease)/increase in cash and cash equivalents	(2,025,049)	11,273,136
Cash and cash equivalents at beginning of year	18,629,229	7,433,590
Effect of currency translation on cash and cash equivalents	64,980	(77,497)
Cash and cash equivalents at end of year	16,669,160	18,629,229

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

15. Development of software

	Group	
	2022	2021
	S\$	S\$
Cost		
Beginning of financial year	1,323,061	649,965
Additions	1,258,287	673,096
End of financial year	2,581,348	1,323,061
Accumulated amortisation		
Beginning of financial year	532,660	219,526
Amortisation charge	623,336	313,134
End of financial year	1,155,996	532,660
Net book value	1,425,352	790,401

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

	Group	
	2022	2021
	S\$	S\$
Administrative expenses	623,336	313,134

16. Financial assets, at FVOCI

Financial assets, at FVOCI comprise of equity securities which are not held for trading, and for which the Group has made an irrevocable election at initial recognition to recognise changes in fair value through OCI rather than profit or loss as these are strategic investments and the Group considered this to be more relevant.

	Group	
	2022	2021
	S\$	S\$
Beginning of financial year	1,275,182	1,266,261
Additions	34,190	8,126
Fair value (losses)/gains recognised in other comprehensive income (Note 24(i))	(402)	795
Currency translation differences	(288)	-
End of financial year	1,308,682	1,275,182

	Company	
	2022	2021
	S\$	S\$
Beginning of financial year	1,267,761	1,077,479
Additions	4,735,800	214,620
Fair value losses recognised in other comprehensive income (Note 24)	(623,664)	(24,338)
End of financial year	5,379,897	1,267,761

Financial assets at FVOCI are analysed as follows:

	Group	
	2022	2021
	S\$	S\$
Listed securities	221,351	222,041
Unlisted securities	1,087,331	1,053,141
Total	1,308,682	1,275,182

	Company	
	2022	2021
	S\$	S\$
Listed securities	4,326,756	214,620
Unlisted securities	1,053,141	1,053,141
Total	5,379,897	1,267,761

The Group has elected to measure these equity securities at FVOCI due to the Group's intention to hold these equity instruments for long term appreciation.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

17. Trade and other payables

	<u>Group</u>	
	2022	2021
	S\$	S\$
<i>Current</i>		
Trade payables – non-related parties	1,236,302	732,735
Accruals for operating expenses	1,242,314	2,694,221
GST payable	102,722	83,973
Other payables	254,315	341,767
Total trade and other payables	2,835,653	3,852,696

	<u>Company</u>	
	2022	2021
	S\$	S\$
<i>Current</i>		
Trade payables – non-related parties	7,887	41,660
Accruals for operating expenses	81,373	184,931
Amount due to subsidiaries	5,034,328	16,800
Other payables	73,066	73,066
Total trade and other payables	5,196,654	316,457

Trade payables are non-interest bearing and are normally settled on 30-day (2021: 30 day) terms.

18. Leases

The Group as a lessee

	<u>Group</u>	
	2022	2021
	S\$	S\$
Current	712,505	798,089
Non-current	4,087,895	73,625
Total	4,800,400	871,714

Nature of the Group's leasing activities

The Group leases office premises for the purpose of running financial education technology activities and back office operations.

(a) Carrying amounts

ROU assets classified within Property, plant and equipment

	31 March 2022 S\$	1 April 2021 S\$
Office premises	4,527,536	868,007

(b) Depreciation charged during the year

	2022 S\$	2021 S\$
Office premises	1,234,344	1,263,914

(c) Interest expense

Interest expense on lease liabilities	92,380	33,693
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(d) Lease expense not capitalised in lease liabilities

Lease expense – low-value leases	20,816	22,077
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(e) Total income for subleasing ROU assets in the financial year 2022 was S\$NIL (2021:S\$58,125).

(f) Total cash outflow for all the leases in the financial year 2022 was S\$1,075,520 (2021:S\$1,275,173).

(g) Addition of ROU assets during the financial year 2022 was S\$4,891,146 (2021:S\$969,403).

(h) There are no future cash outflow which are not capitalised in lease liabilities.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

18. Leases (continued)

- (i) Reconciliation of lease liabilities arising from financing activities:

	<u>Group</u>	
	2022	2021
	S\$	S\$
Beginning of financial year	871,714	1,214,512
Principal and interest payments	(1,054,704)	(1,253,096)
Non-cash changes		
- Addition during the year	4,891,146	969,403
- Rent concessions	-	(65,191)
- Interest expense	92,380	33,693
- Written off	-	(23,788)
- Foreign exchange movement	(136)	(3,819)
End of financial year	4,800,400	871,714

The Group as an intermediate lessor

Nature of the Group's leasing activities

Subleases – classified as operating leases

In prior year, the Group acts as an intermediate lessor under arrangement in which it subleases out office premises to a third party for monthly lease payments. The sublease periods do not form a major part of the remaining lease terms under the head leases and accordingly, the sub-leases are classified as operating leases.

Income from subleasing the office premises recognised in the prior year was S\$58,125. The Group was no longer lessor as at 31 March 2021.

19. Bank borrowing

	<u>Group</u>	
	2022	2021
	S\$	S\$
Current	337,463	-
Non-current	393,707	-
Total	731,170	-

The bank borrowing bears fixed interest at 3% (2021: Nil) per annum, with a monthly repayment of S\$29,082 and is secured by corporate guarantee given by 8VI Holdings Limited.

The Group is bound by the following bank borrowing covenant in form and substance satisfactory to the bank:

The Group shall at all times maintain a gearing ratio of not more than 2.50 times. Gearing ratio is defined as the aggregate bank borrowings and obligations under finance leases divided by tangible net worth.

As at 31 March 2022 and as at the date of these financial statements, the Group has complied with the above bank covenant.

The fair value of non-current bank borrowing approximates to the carrying amount as at reporting date. There is no further undrawn borrowing facilities at the reporting date.

Reconciliation of bank borrowing arising from financing activities.

	<u>Group</u>	
	2022	2021
	S\$	S\$
Beginning of financial year	-	-
Principal and interest payments	(290,902)	-
Proceeds from borrowings	1,000,000	-
Non-cash changes:		
- Interest expense	22,072	-
End of financial year	731,170	-

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

20. Unearned revenue

	Group	
	2022	2021
	S\$	S\$
Current		
Advances from customer	13,301,650	9,521,393
Non-current		
Advances from customer	249,867	233,789
	13,551,517	9,755,182

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.

21. Redeemable participating shares

	Group	
	2022	2021
	S\$	S\$
As at beginning of year	5,359,489	3,927,686
Proceeds received from fund's non-controlling unit holders	5,356,053	1,755,829
Payment to fund's non-controlling unit holders	(687,480)	(1,117,410)
Share of (loss)/profit attributable to the unit holders of redeemable participating shares	(2,670,405)	1,062,173
Currency translation differences	25,855	(268,789)
As at end of year	7,383,512	5,359,489

8IH VCC and Hidden Champions Fund are investment funds with redeemable participating shares. These shares relate to amounts payable to non-controlling unit holders of the redeemable participating shares in 8IH VCC and 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.

22. Deferred income tax assets/(liabilities)

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current income tax assets against current income tax liabilities and when the deferred income taxes relate to the same fiscal authority. The amounts, determined after appropriate offsetting, are shown on the consolidated statement of financial position as follows:

	Group	
	2022	2021
	S\$	S\$
Deferred tax assets	893,704	296,355
Deferred tax liabilities	(129,302)	(4,000)
Net deferred tax assets	764,402	292,355

Movement in deferred income tax account is as follows:

	Group	
	2022	2021
	S\$	S\$
Beginning of financial year	292,355	260,331
Currency translation differences	(1,608)	(5,748)
Tax credited to		
- profit or loss (Note 8(a))	473,655	37,772
End of financial year	764,402	292,355

Deferred income tax assets are recognised for tax losses and capital allowances carried forward to the extent that realisation of the related tax benefits through future taxable profits is probable.

The Group has unrecognised tax losses of S\$4,245,000 (2021: S\$5,651,888) at the reporting date which can be carried forward and used to offset against future taxable income subject to meeting certain statutory requirements by those companies with unrecognised tax losses and capital allowances in their respective countries of incorporation.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

22. Deferred income tax assets/(liabilities)

(continued)

The movement in deferred income tax assets/(liabilities) (prior to offsetting of balances within the same tax jurisdiction) is as follows:

Group

Deferred income tax assets

	Accelerated tax depreciation S\$	Unearned Revenue S\$	Total S\$
2022			
Beginning of financial year	2,321	294,034	296,355
Currency translation differences	208	(1,816)	(1,608)
Credited to profit or loss (Note 8)	52,733	546,224	598,957
End of financial year	55,262	838,442	893,704

2021

Beginning of financial year	2,373	261,958	264,331
Currency translation differences	(52)	(5,696)	(5,748)
Credited to profit or loss (Note 8)	-	37,772	37,772
End of financial year	2,321	294,034	296,355

Deferred income tax liabilities

	Accelerated tax depreciation S\$	Trade receivable S\$	Total S\$
2022			
Beginning of financial year	(4,000)	-	(4,000)
Charged to profit or loss	-	(125,302)	(125,302)
End of financial year	(4,000)	(125,302)	(129,302)

2021

Beginning and end of financial year	(4,000)	-	(4,000)
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23. Share capital and treasury shares

Share capital

	Number of shares	Amount S\$
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Group and Company

2022

Beginning of financial year	358,992,445	33,972,254
Shares buy-back	(853,662)	(450,725)
End of financial year	358,138,783	33,521,529

2021

Beginning of financial year	361,759,095	34,455,641
Shares buy-back	(2,766,650)	(483,387)
End of financial year	358,992,445	33,972,254

All issued ordinary shares are fully paid. There is no par value for these ordinary shares. Fully paid ordinary shares carry one vote per share and carry a right to dividends as and when declared by the Company.

The Company acquired 1,636,451 (2021: 2,766,650) shares in the Company in the open market during the financial year. The total amount paid to acquire the shares was S\$450,725 (2021: S\$483,387). 782,789 of the 1,636,451 shares acquired during the financial year were held as treasury shares as follows:

Treasury share

	Number of shares	Amount S\$
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Group and Company

2022

Treasury shares purchased representing end of financial year	(782,789)	(209,883)
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2021

Beginning and end of financial year	-	-
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NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

24. Other reserves

	<u>Group</u>		<u>Company</u>	
	2022	2021	2022	2021
	S\$	S\$	S\$	S\$
Composition:				
Fair value reserve	(11,395,395)	(11,394,993)	(1,072,073)	(448,409)
Currency translation reserve	(572,635)	(666,982)	-	-
Capital reserve	(2,229,579)	(2,339,023)	(1,638,846)	(1,638,846)
Employee share plan reserve	1,751,284	278,750	986,155	-
	(12,446,325)	(14,122,248)	(1,724,764)	(2,087,255)
Movements:				
(i) Fair value reserve				
Beginning of financial year	(11,394,993)	(11,395,788)	(448,409)	(427,071)
Financial assets through other comprehensive income				
- Fair value (losses)/gains from financial assets at FVOCI (Note 16)	(402)	795	(623,664)	(24,338)
End of financial year	(11,395,395)	(11,394,993)	(1,072,073)	(448,409)
(ii) Currency translation reserve				
Beginning of financial year	(666,982)	(47,644)	-	-
Net currency translation differences of financial statements of foreign subsidiaries and associated companies	94,347	(619,338)	-	-
End of financial year	(572,635)	(666,982)	-	-
(iii) Capital reserve				
Beginning of financial year	(2,339,023)	(2,310,515)	(1,638,846)	(1,638,846)
Movement in equity attributable to non-controlling interest	109,444	(28,508)	-	-
End of financial year	(2,229,579)	(2,339,023)	(1,638,846)	(1,638,846)
(iv) Employee share plan reserve				
Beginning of financial year	278,750	-	-	-
Value of employee services (Note 7)	1,734,791	613,958	986,155	-
Performance rights exercised	(188,224)	(335,208)	-	-
Options exercised	(74,033)	-	-	-
End of financial year	1,751,284	278,750	986,155	-

Employee share plan – the Company

Performance rights of the Company were granted to key management personnel pursuant to the Company's Employee Securities Incentive Plan ("8IH Share Plan") approved by members of the Company at its annual general meeting on 23 July 2020. The 8IH Share Plan provides a means to attract, motivate and retain key directors and employees and provide them with the opportunity to participate in the future growth of the Company.

Under the 8IH Share Plan, the Company's board of directors may from time to time determine that a director of the companies of the Group, subject to its members' approval, or an employee may participate in the 8IH Share Plan to apply for securities on such terms and conditions as the Company's board of directors decides.

The persons to whom the rights and options have been issued have no right to participate by virtue of the options in any share issue of any other companies of the Group. The Group has no legal or constructive obligation to repurchase or settle the securities in cash.

During the financial year, pursuant to the Company members' approval at its annual general meeting on 27 July 2021, the Company granted its directors performance rights to be converted into 35,000,000 ordinary shares of the Company upon meeting the vesting conditions ("8IH Performance Rights").

The 8IH Performance Rights will not have consideration on satisfaction of the vesting conditions. The vesting conditions for the 8IH Performance Rights are:

- The holder being a director of the Company as at the relevant vesting determination dates specified in the table below; and

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

24. Other reserves (continued)

Employee share plan – the Company (continued)

The relevant volume weighted average price (VWAP) of the Company's shares traded on ASX over any 20-day period exceeds the prices specified in the table below.

	<u>Performance Rights granted</u>			<u>Vesting conditions</u>		
	<u>Number</u>	<u>Effective grant date</u>	<u>Fair value per right at effective grant date (AUD)</u>	<u>Earliest vesting determination date</u>	<u>VWAP Share Price condition (AUD)</u>	<u>Expiry date</u>
Class A 8IH Performance Rights	7,000,000	27.07.2021	0.1194	16.08.2021	0.55	30.06.2023
Class B 8IH Performance Rights	7,000,000	27.07.2021	0.1395	01.04.2022	0.70	30.06.2024
Class C 8IH Performance Rights	7,000,000	27.07.2021	0.1484	01.04.2023	0.90	30.06.2025
Class D 8IH Performance Rights	7,000,000	27.07.2021	0.1523	01.04.2024	1.10	30.06.2026
Class E 8IH Performance Rights	7,000,000	27.07.2021	0.1474	01.04.2025	1.30	30.06.2026

The total fair value of the 8IH Performance Rights granted was estimated to be AUD 4,949,000 using the Hoadleys Hybrid ESO Model (a Monte Carlo simulation model).

Movements in the number of unissued ordinary shares of the Company under the 8IH Share Plan and their exercise prices are as follows:

<u>No. of unissued ordinary shares of the Company under 8IH Share Plan</u>						
<u>The Company</u>	<u>Beginning of financial year</u>	<u>Granted during financial year</u>	<u>Exercised during financial year</u>	<u>End of financial year</u>	<u>Exercise price</u>	<u>Exercise period</u>
2022						
Class A 8IH Performance Rights	-	7,000,000	-	7,000,000	-	16.08.2021 to 30.06.2023
Class B 8IH Performance Rights	-	7,000,000	-	7,000,000	-	01.08.2022 to 30.06.2024
Class C 8IH Performance Rights	-	7,000,000	-	7,000,000	-	01.04.2023 to 30.06.2025
Class D 8IH Performance Rights	-	7,000,000	-	7,000,000	-	01.04.2024 to 30.06.2026
Class E 8IH Performance Rights	-	7,000,000	-	7,000,000	-	01.04.2025 to 30.06.2026
	-	35,000,000	-	35,000,000		

There were no unissued ordinary shares of the Company under Share Plan in financial year 2021.

Employee share plan – 8VI Holdings Limited

Performance rights and share options of a subsidiary, 8VI Holdings Limited ("8VI"), were granted to key management personnel pursuant to 8VI's Employee Securities Incentive Plan ("8VI Share Plan") approved by members of 8VI at its annual general meeting on 23 July 2020. The Share Plan provides a means to attract, motivate and retain key directors and employees and provide them with the opportunity to participate in the future growth of 8VI.

Under the Share Plan, the 8VI's board of directors may from time to time determine that a director of the companies of the Group, subject to its members' approval, or an employee may participate in the 8VI Share Plan to apply for securities on such terms and conditions as the 8VI's board of directors decides.

The persons to whom the rights and options have been issued have no right to participate by virtue of the options in any share issue of any other companies of the Group. The Group has no legal or constructive obligation to repurchase or settle the securities in cash.

During the prior financial year, pursuant to 8VI members' approval at its annual general meeting on 23 July 2020, 8VI granted its directors options to subscribe for 2,000,000 ordinary shares of 8VI at exercise price of AUD 0.45 per share ("8VI Options") and performance rights to be converted into 2,600,000 ordinary shares of 8VI upon meeting the vesting conditions ("8VI Performance Rights").

The 8VI Options are exercisable from 21 August 2020 and expire on 30 June 2025. The vesting condition for the 8VI Options is that the holder being a director of 8VI when the 8VI Options are exercised. The total fair value of the 8VI Options granted was estimated to be AUD 955,600 using the Hoadleys Employee Stock Option Model.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

24. Other reserves (continued)

Employee share plan – 8VI Holdings Limited (continued)

The 8VI Performance Rights will not have consideration on satisfaction of the vesting conditions. The vesting conditions for the 8VI Performance Rights are:

- The holder being a director of 8VI as at the relevant vesting determination dates specified in the table below; and
- The relevant volume weighted average price (VWAP) of 8VI's shares traded on ASX over any 20-day period exceeds the prices specified in the table below.

	Performance Rights granted			Vesting conditions		
	Number	Effective grant date	Fair value per right at effective grant date (AUD)	Earliest vesting determination date	VWAP Share Price condition (AUD)	Expiry date
Class A 8VI Performance Rights	400,000	23.07.2020	0.4675	21.08.2020	0.45	30.04.2021
Class B 8VI Performance Rights	400,000	23.07.2020	0.3813	21.08.2020	0.60	30.04.2021
Class C 8VI Performance Rights	400,000	23.07.2020	0.4037	01.04.2021	0.70	30.04.2022
Class D 8VI Performance Rights	400,000	23.07.2020	0.2016	01.04.2021	2.00	30.04.2022
Class E 8VI Performance Rights	500,000	23.07.2020	0.2570	01.04.2022	2.30	30.04.2023
Class F 8VI Performance Rights	500,000	23.07.2020	0.1389	01.04.2022	5.00	30.04.2023

The total fair value of the 8VI Performance Rights granted was estimated to be AUD 779,590 using the Hoadleys Hybrid ESO Model (a Monte Carlo simulation model).

Movements in the number of unissued ordinary shares of 8VI under the 8VI Share Plan and their exercise prices are as follows:

No. of unissued ordinary shares of 8VI under 8VI Share Plan						
8VI Holdings Limited	Beginning of financial year	Granted during financial year	Exercised during financial year	End of financial year	Exercise price	Exercise period
2022						
Class C 8VI Performance Rights	400,000	-	(400,000)	-	-	1.04.2021 to 30.04.2022
Class D 8VI Performance Rights	400,000	-	(400,000)	-	-	1.04.2021 to 30.04.2022
Class E 8VI Performance Rights	500,000	-	-	500,000	-	1.04.2022 to 30.04.2023
Class F 8VI Performance Rights	500,000	-	-	500,000	-	1.04.2022 to 30.04.2023
Options	2,000,000	-	(200,000)	1,800,000	AUD 0.45	21.08.2020 to 30.06.2025
	3,800,000	-	(1,000,000)	2,800,000		
2021						
Class A 8VI Performance Rights	-	400,000	(400,000)	-	-	21.08.2020 to 30.04.2021
Class B 8VI Performance Rights	-	400,000	(400,000)	-	-	21.08.2020 to 30.04.2021
Class C 8VI Performance Rights	-	400,000	-	400,000	-	1.04.2021 to 30.04.2022
Class D 8VI Performance Rights	-	400,000	-	400,000	-	1.04.2021 to 30.04.2022
Class E 8VI Performance Rights	-	500,000	-	500,000	-	1.04.2022 to 30.04.2023
Class F 8VI Performance Rights	-	500,000	-	500,000	-	1.04.2022 to 30.04.2023
Options	-	2,000,000	-	2,000,000	AUD 0.45	21.08.2020 to 30.06.2025
	-	4,600,000	(800,000)	3,800,000		

During the financial year, the vesting conditions of the Class C 8VI Performance Rights, Class D 8VI Performance Rights and 8VI Options were satisfied and both classes of 8VI Performance Rights and 8VI Options were exercised. 800,000 ordinary shares of 8VI were issued to the holders of Class C 8VI Performance Rights and Class D 8VI Performance Rights, and 200,000 ordinary shares of 8VI were exercised by the holders of 8VI Options.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

25. Financial risk management

Financial risk factors

The Group's activities expose it to market risk (including currency risk, interest rate risk and price risk), credit risk and liquidity risk. The Group's overall risk management strategy seeks to minimise any adverse effects from the unpredictability of financial markets on the group's financial performance.

The Board of Directors reviews and agrees policies and procedures for the management of these risks, which are executed by the Chief Financial Officer. The audit committee provides independent oversight to the effectiveness of the risk management process.

(a) Market risk

(i) Currency risk

The Group operates in Asia with dominant operations in Singapore, Malaysia and China. Entities in the Group regularly transact in currencies other than their respective functional currencies ("foreign currencies").

Currency risk arises within entities in the Group when transactions are denominated in foreign currencies primarily Singapore Dollar ("SGD"), Malaysian Ringgit ("MYR"), Australian Dollar ("AUD"), United States Dollar ("USD"), Chinese Renminbi ("RMB"), Hong Kong Dollar ("HKD"), Japanese Yen ("JPY"), New Taiwan Dollar ("NTD"), Indian Rupee ("INR") and Canadian Dollar ("CAN").

In addition, the Group is exposed to currency translation risk on the net assets in foreign operations. Currency exposure to the net assets of the Group's foreign operations in Malaysia and China are managed primarily through transactions denominated in the relevant foreign currencies.

The Group's currency exposure based on the information provided to key management is as follows:

	MYR S\$	AUD S\$	USD S\$	RMB S\$	HKD S\$	JPY S\$	NTD S\$	INR S\$	CAN S\$
At 31 March 2022									
Financial assets									
Cash and cash equivalents, financial assets, at FVPL and financial assets, at FVOCI	4,452,468	2,699,796	24,671,900	2,281,818	2,172,089	15,896	834,086	1,888,964	-
Trade and other receivables	267,507	-	164,085	17,876	-	-	1,807,530	-	-
	4,719,975	2,699,796	24,835,985	2,299,694	2,172,089	15,896	2,641,616	1,888,964	-
Financial liabilities									
Trade and other payables	(536,061)	(18,400)	(133,169)	(4,340)	-	-	(257,990)	-	-
Lease liabilities	(61,541)	-	-	-	-	-	(67,253)	-	-
Redeemable participating shares	-	-	(7,383,512)	-	-	-	-	-	-
	(597,602)	(18,400)	(7,516,681)	(4,340)	-	-	(325,243)	-	-
Net financial assets	4,122,373	2,681,396	17,319,304	2,295,354	2,172,089	15,896	2,316,373	1,888,964	-
Currency exposure of financial assets net of those denominated in the respective entities' functional currencies	-	2,681,396	20,983,292	2,150,991	2,172,089	15,896	-	1,888,964	-

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

25. Financial risk management (continued)

(a) Market risk (continued)

(i) Currency risk (continued)

	MYR S\$	AUD S\$	USD S\$	RMB S\$	HKD S\$	JPY S\$	NTD S\$	INR S\$	CAN S\$
At 31 March 2021									
Financial assets									
Cash and cash equivalents, financial assets, at FVPL and financial assets, at FVOCI	6,883,660	1,951,779	19,625,872	4,198,967	3,145,684	-	310,161	1,881,376	88,051
Trade and other receivables	454,391	-	35,870	40,828	-	-	706,292	-	-
	<u>7,338,051</u>	<u>1,951,779</u>	<u>19,661,742</u>	<u>4,239,795</u>	<u>3,145,684</u>	<u>-</u>	<u>1,016,453</u>	<u>1,881,376</u>	<u>88,051</u>
Financial liabilities									
Trade and other payables	(869,163)	(10,919)	(55,157)	(4,799)	-	-	-	-	-
Lease liabilities	(97,946)	-	-	-	-	-	(199,161)	-	-
Redeemable participating shares	-	-	(5,359,489)	-	-	-	-	-	-
	<u>(967,109)</u>	<u>(10,919)</u>	<u>(5,414,646)</u>	<u>(4,799)</u>	<u>-</u>	<u>-</u>	<u>(199,161)</u>	<u>-</u>	<u>-</u>
Net financial assets	<u>6,370,942</u>	<u>1,940,860</u>	<u>14,247,096</u>	<u>4,234,996</u>	<u>3,145,684</u>	<u>-</u>	<u>817,292</u>	<u>1,881,376</u>	<u>88,051</u>
Currency exposure of financial assets net of those denominated in the respective entities' functional currencies	<u>61,012</u>	<u>1,940,860</u>	<u>13,748,995</u>	<u>3,896,993</u>	<u>3,145,684</u>	<u>-</u>	<u>-</u>	<u>1,881,376</u>	<u>88,051</u>

The Company's currency exposure based on the information provided to key management is as follows:

	AUD S\$	USD S\$	HKD S\$	JPY S\$
At 31 March 2022				
Financial Assets				
Cash and cash equivalents, financial assets, at FVPL and financial assets, at FVOCI	275,651	11,576,256	4,816	15,896
Financial Liabilities				
Trade and other payables	(6,012)	-	-	-
Net financial assets	<u>269,639</u>	<u>11,576,256</u>	<u>4,816</u>	<u>15,896</u>
Currency exposure of financial assets net of those denominated in the respective entities' functional currencies	<u>269,639</u>	<u>11,576,256</u>	<u>4,816</u>	<u>15,896</u>

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

25. Financial risk management (continued)

(a) Market risk (continued)

(i) Currency risk (continued)

The Company's currency exposure based on the information provided to key management is as follows (continued):

	AUD S\$	USD S\$	CAN S\$
At 31 March 2021			
Financial Assets			
Cash and cash equivalents, financial assets, at FVPL and financial assets, at FVOCI	256,945	10,280,132	88,051
Financial Liabilities			
Trade and other payables	(6,230)	-	-
Net financial assets	250,715	10,280,132	88,051
Currency exposure of financial assets net of those denominated in the respective entities' functional currencies	250,715	10,280,132	-

If the MYR, AUD, USD, RMB, HKD, JPY, NTD, INR and CAN change against the SGD by 1% (2021: 2%), 5% (2021: 17%), 0% (2021: 5%), 4% (2021: 2%), 0% (2021: 6%), 9% (2021: 7%), 0% (2021: 1%), 2% (2021: 3%) and 0% (2021: 6%) respectively with all other variables including tax rate being held constant, the effects arising from the net financial asset that are exposed to currency risk will be as follows:

Group	Increase/(Decrease)			
	2022	Other comprehensive	2021	Other comprehensive
	Loss after tax S\$	loss S\$	Profit after tax S\$	income S\$
MYR against SGD				
- Strengthened	-	-	1,220	-
- Weakened	-	-	(1,220)	-
AUD against SGD				
- Strengthened	(123,339)	(10,731)	293,461	36,485
- Weakened	123,339	10,731	(293,461)	(36,485)
USD against SGD				
- Strengthened	-	-	687,450	-
- Weakened	-	-	(687,450)	-
RMB against SGD				
- Strengthened	(86,040)	-	77,940	-
- Weakened	86,040	-	(77,940)	-
HKD against SGD				
- Strengthened	-	-	188,741	-
- Weakened	-	-	(188,741)	-
JPY against SGD				
- Strengthened	(1,431)	-	-	-
- Weakened	1,431	-	-	-

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

25. Financial risk management (continued)

(a) Market risk (continued)

(i) Currency risk (continued)

	← Increase/(Decrease) →			
	<u>2022</u>		<u>2021</u>	
	Loss after tax S\$	Other comprehensive loss S\$	Profit after tax S\$	Other comprehensive income S\$
NTD against SGD				
- Strengthened	-	-	-	-
- Weakened	-	-	-	-
INR against SGD				
- Strengthened	(37,779)	-	56,441	-
- Weakened	37,779	-	(56,441)	-
CAN against SGD				
- Strengthened	-	-	5,283	-
- Weakened	-	-	(5,283)	-
<u>Company</u>				
AUD against SGD				
- Strengthened	(13,482)	-	6,136	-
- Weakened	13,482	-	(6,136)	-
USD against SGD				
- Strengthened	-	-	514,007	-
- Weakened	-	-	(514,007)	-
CAN against SGD				
- Strengthened	-	-	5,283	-
- Weakened	-	-	(5,283)	-
HKD against SGD				
- Strengthened	-	-	-	-
- Weakened	-	-	-	-
JPY against SGD				
- Strengthened	(1,431)	-	-	-
- Weakened	1,431	-	-	-

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

25. Financial risk management (continued)

(a) Market risk (continued)

(ii) Price risk

The Group is exposed to equity securities price risk arising from the investments held by the Group which are classified on the consolidated statement of financial position at fair value through profit or loss. These securities are listed in Australia, Japan, India, Taiwan, China, Hong Kong, America, Malaysia and Singapore. To manage its price risk arising from investments in equity securities, the Group diversifies its portfolio. Diversification of the portfolio is done in accordance with the limits set by the Group.

If prices for equity securities listed in Australia, Japan, India, China, Hong Kong, America, Canada, Malaysia and Singapore had changed by 11% (2021: 49%), 11% (2021: 49%), 11% (2021: 49%), 33% (2021: 49%), 33% (2021: 49%), 13% (2021: 68%), Nil (2021: 68%), 11% (2021: 49%) and 11% (2021: 49%) respectively with all other variables including tax rate being held constant, the effects on loss/profit after tax and other comprehensive loss/income would have been:

	← Increase/(Decrease) →			
	<u>2022</u>		<u>2021</u>	
	<u>Loss after tax</u> S\$	<u>Other comprehensive loss</u> S\$	<u>Profit after tax</u> S\$	<u>Other comprehensive income</u> S\$
Group				
Listed in Australia				
- increased by	(133,825)	(23,608)	409,585	105,164
- decreased by	133,825	23,608	(409,585)	(105,164)
Listed in Japan				
- increased by	(1,749)	-	-	-
- decreased by	1,749	-	-	-
Listed in India				
- increased by	(105,225)	-	921,874	-
- decreased by	105,225	-	(921,874)	-
Listed in China				
- increased by	(360,187)	-	934,458	-
- decreased by	360,187	-	(934,458)	-
Listed in Hong Kong				
- increased by	(363,898)	-	765,804	-
- decreased by	363,898	-	(765,804)	-
Listed in America				
- increased by	2,015,055	4,413	8,606,099	-
- decreased by	(2,015,055)	(4,413)	(8,606,099)	-
Listed in Canada				
- increased by	-	-	59,875	-
- decreased by	-	-	(59,875)	-
Listed in the Malaysia				
- increased by	(20,830)	(767)	106,493	3,636
- decreased by	20,830	767	(106,493)	(3,636)
Listed in the Singapore				
- increased by	(9,548)	-	325,032	-
- decreased by	9,548	-	(325,032)	-

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

25. Financial risk management (continued)

(a) Market risk (continued)

(ii) Price risk (continued)

	Increase/(Decrease)			
	2022		2021	
	Loss after tax S\$	Other comprehensive loss S\$	Profit after tax S\$	Other comprehensive income S\$
<u>Company</u>				
Listed in Japan				
- increased by	(1,749)	-	-	-
- decreased by	1,749	-	-	-
Listed in Hong Kong				
- increased by	(1,589)	-	-	-
- decreased by	1,589	-	-	-
Listed in Australia				
- increased by	(2,723)	-	-	-
- decreased by	2,723	-	-	-
Listed in America				
- increased by	847,741	-	6,396,062	-
- decreased by	(847,741)	-	(6,396,062)	-
Listed in Canada				
- increased by	-	-	59,875	-
- decreased by	-	-	(59,875)	-

(b) Credit risk

Credit exposure to an individual counterparty is restricted by credit limits that are approved by the Board of Directors based on ongoing credit evaluations. The counterparty's payment pattern and credit exposure are continuously monitored at the entity level by the respective management and at the Group level by the Executive Management.

Financial assets are written off when there is no reasonable expectation of recovery, such as a debtor failing to engage in a repayment plan with the Group. The Group categorises a loan or receivable for write off when a debtor fails to make contractual payments greater than a year past due based on historical collection trend. Where loans or receivables have been written off, the company continues to engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognised in profit or loss.

The Group applies the simplified approach to providing for expected credit losses prescribed by FRS 109, which permits the use of the lifetime credit loss provision for all trade receivables.

To measure the expected credit losses, trade receivables, have been grouped based on shared credit risk characteristics and days past due. In calculating the expected credit loss rates, the Group considers historical loss rates for each category of customers, and adjusts for forward-looking macroeconomic data.

The Group and Company uses four categories of internal credit risk rating for its financial assets at amortised costs. These four categories reflect the respective credit risk and how the loan loss provision is determined for each of those categories.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

25. Financial risk management (continued)

(b) Credit risk (continued)

A summary of assumptions underpinning the Group's expected credit loss model is as follows:

Group and Company's category of internal credit rating	Group and Company's definition of category	Basis for recognition of expected credit loss provision
Performing	Customers have a low risk of default and a strong capacity to meet contractual cash flows.	12-month expected credit losses
Underperforming	Loans for which there is a significant increase in credit risk. As significant increase in credit risk is presumed if interest and/or principal repayments are 30 days past due.	Lifetime expected credit losses
Non-performing	Interest and/or principal repayments are 60-365 days past due.	Lifetime expected credit losses
Write-off	Interest and/or principal repayments are 365 days past due and there is no reasonable expectation of recovery.	Asset is written off

Movements in credit loss allowance for financial assets are set out as follows:

Group	Trade receivables S\$	Other financial assets at amortised costs Stage 1 S\$	Total S\$
2022			
Balance at 1 April 2021	104,650	225,562	330,212
Changes in credit loss recognised in profit or loss:			
- Decrease due to credit risk	(13,168)	-	(13,168)
- Currency translation differences	(107)	-	(107)
Balance at 31 March 2022	91,375	225,562	316,937
2021			
Balance at 1 April 2020	137,537	56,412	193,949
Changes in credit loss recognised in profit or loss:			
- (Decrease)/increase due to credit risk	(32,887)	169,150	136,263
Balance at 31 March 2021	104,650	225,562	330,212

Company	Other financial assets at amortised costs Stage 1 S\$
2022	
Balance at 1 April 2021	1,327,370
Changes in credit loss recognised in profit or loss:	
- Decrease due to credit risk	(1,101,808)
Balance at 31 March 2022	225,562
2021	
Balance at 1 April 2020	56,412
Changes in credit loss recognised in profit or loss:	
- Increase due to credit risk	1,270,958
Balance at 31 March 2021	1,327,370

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

25. Financial risk management (continued)

(b) Credit risk (continued)

The Group's credit risk exposure in relation to trade receivables, under FRS 109 as at 31 March 2022 are set out in the provision matrix as follows:

Group	Current	Past due				Total
		Within 30 days	30 to 60 days	61-90 days	More than 90 days	
Expected loss rate	6%	10%	0%	0%	100%	
Gross carrying amount (\$\$)	852,005	70,510	-	-	35,864	958,379
Credit loss allowance (\$\$)	(48,460)	(7,051)	-	-	(35,864)	(91,375)

The Group's credit risk exposure in relation to trade receivables, under FRS 109 as at 31 March 2021 are set out in the provision matrix as follows:

Group	Current	Past due				Total
		Within 30 days	30 to 60 days	61-90 days	More than 90 days	
Expected loss rate	0%	0%	5%	0%	100%	
Gross carrying amount (\$\$)	278,522	4,049	300	-	104,634	387,505
Credit loss allowance (\$\$)	-	-	(16)	-	(104,634)	(104,650)

Trade receivables

The impairment of financial assets was assessed based on the incurred loss impairment model. Individual receivables which were known to be uncollectible were written off by reducing the carrying amount directly. The other receivables were assessed collectively, to determine whether there was objective evidence that an impairment had been incurred but not yet identified.

The Group considered that there was evidence if any of the following indicators were present:

- Significant financial difficulties of the debtor;
- Probability that the debtor will enter bankruptcy or financial reorganisation; and
- Default or delinquency in payments (more than 90 days overdue).

Financial assets that are neither past due nor impaired

Financial assets that are neither past due nor impaired are mainly deposits with banks with high credit-ratings assigned by international credit-rating agencies. Receivables that are neither past due nor impaired are substantially companies with a good collection track record with the Group and Company.

(c) Liquidity risk

Prudent liquidity risk management includes maintaining sufficient cash and cash equivalents and the ability to close out market positions at a short notice. At the reporting date, assets held by the Group and the Company for managing liquidity risk included cash and short term deposits as disclosed in Note 10.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

25. Financial risk management (continued)

(c) Liquidity risk (continued)

The table below analyses non-derivative financial liabilities of the Group and the Company into relevant maturity groupings based on the remaining period from the reporting date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying amounts as the impact of discounting is not significant.

	Less than <u>1 year</u> S\$	Between 1 and <u>5 years</u> S\$	More than <u>5 years</u> S\$
Group			
At 31 March 2022			
Trade and other payables	2,835,655	-	-
Lease liabilities	712,505	2,718,913	1,368,982
Bank borrowing	337,463	393,707	-
Redeemable participating shares	7,383,512	-	-
At 31 March 2021			
Trade and other payables	3,852,696	-	-
Lease liabilities	816,163	67,686	-
Redeemable participating shares	5,359,489	-	-
Company			
At 31 March 2022			
Trade and other payables	5,196,654	-	-
At 31 March 2021			
Trade and other payables	316,457	-	-

(d) Capital risk

Management controls the capital of the Group in order to maintain a good debt to equity ratio, provide the shareholders with adequate returns and to ensure that the Group can fund its operations and continue as a going concern.

The Group's debt and capital includes ordinary share capital and financial liabilities, supported by financial assets.

There are externally imposed capital requirements on the Group as disclosed in Note 14

Management effectively manages the Group's capital by assessing the Group's financial risks and adjusting its capital structure in response to changes in these risks and in the market. These responses include the management of debt levels, distributions to shareholders and share issues.

(e) Fair value measurements

The table below presents assets and liabilities measured and carried at fair value and classified by level of the following fair value measurement hierarchy:

- quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1);
- 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
- inputs for the asset or liability that are not based on observable market data (unobservable inputs) (Level 3).

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

25. Financial risk management (continued)

(e) Fair value measurements (continued)

	Level 1 S\$	Level 2 S\$	Level 3 S\$	Total S\$
Group				
2022				
Assets				
Financial assets, at FVPL	24,355,600	-	-	24,355,600
Financial assets, at FVOCI	221,351	-	1,087,331	1,308,682
Total assets	24,576,951	-	1,087,331	25,664,282
2021				
Assets				
Financial assets, at FVPL	24,868,213	-	-	24,868,213
Financial assets, at FVOCI	222,041	-	1,053,141	1,275,182
Total assets	25,090,254	-	1,053,141	26,143,395
Company				
2022				
Assets				
Financial assets, at FVPL	6,566,553	-	-	6,566,553
Financial assets, at FVOCI	4,326,756	-	1,053,141	5,379,897
Total assets	10,893,309	-	1,053,141	11,946,450
2021				
Assets				
Financial assets, at FVPL	9,494,024	-	-	9,494,024
Financial assets, at FVOCI	214,620	-	1,053,141	1,267,761
Total assets	9,708,644	-	1,053,141	10,761,785

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 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. Where a valuation technique for these instruments is based on significant unobservable inputs, such instruments are classified as Level 3. Level 3 instruments include unquoted equity securities which are measured based on recent transacted prices and net asset value of the investments.

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

(f) Financial instruments by category

	Group		Company	
	2022 S\$	2021 S\$	2022 S\$	2021 S\$
Financial assets, at FVPL	24,355,600	24,868,213	6,566,553	9,494,024
Financial assets, at FVOCI	1,308,682	1,275,182	5,379,897	1,267,761
Financial assets at amortised cost	29,549,594	28,735,809	1,017,897	1,834,227
Financial liabilities at amortised cost	15,648,015	9,999,926	5,196,654	316,457

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

26. Related party transactions

In addition to the information disclosed elsewhere in the financial statements, the following transactions took place between the Group and related parties at terms agreed between the parties.

Directors and key management personnel compensation

Directors and key management personnel compensation is as follows:

	<u>Group</u>	
	2022	2021
	S\$	S\$
Wages, salaries and fees	1,807,088	1,564,177
Employer's contribution to defined contribution plans, including Central Provident Fund	100,735	77,482
Employee share plan	1,756,015	460,469
	3,663,838	2,102,128

27. 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 globally under the "VI" brand.
- **Financial Investment:** involved in investment in listed equities in the United States and Asia-Pacific through strategies focusing on research-driven and systematic stock selection process investing in Growth Businesses with favourable industry dynamics over mid to long term.
- **All other segments:** included fintech business and subsidiaries that provided financial education and training in Taiwan.

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.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

27. Segment information (continued)

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

	<u>Singapore</u>		<u>Malaysia</u>	All other	<u>Corporate</u>	<u>TOTAL</u>
	<u>Financial</u>	<u>Financial</u>	<u>Financial</u>	<u>segments</u>	<u>Corporate</u>	<u>TOTAL</u>
	<u>Education</u>	<u>Investment</u>	<u>Education</u>	<u>segments</u>	<u>Corporate</u>	<u>TOTAL</u>
	S\$	S\$	S\$	S\$	S\$	S\$
2022						
Revenue and investment gains						
Total segment revenue and investment gains	12,397,231	(7,056,229)	9,697,146	11,660,918	2,627,337	29,326,403
Inter-segment revenue and investment gains	(1,488,952)	(270,000)	(201,341)	(711,861)	(2,627,337)	(5,299,491)
Revenue and investment gains to external parties	10,908,279	(7,326,229)	9,495,805	10,949,057	-	24,026,912
Profit/(loss) after tax	710,388	(4,423,385)	175,931	3,346,671	(3,281,437)	(3,471,832)
Depreciation	(1,296,070)	-	(229,000)	(233,464)	(102,886)	(1,861,420)
Amortisation	-	-	-	(623,336)	-	(623,336)
Segment assets	22,563,630	13,161,781	4,651,882	9,269,708	15,824,217	65,471,218
Segment assets includes additions to:						
- property, plant and equipment	3,027,066	93,888	156,202	1,798,461	2,260,444	7,336,062
- Development of software	-	-	-	1,258,287	-	1,258,287
Segment liabilities	(12,721,616)	(3,671,762)	(4,219,680)	(4,640,540)	(4,177,956)	(29,431,554)
2021						
Revenue and investment gains						
Total segment revenue and investment gains	12,779,314	6,536,142	10,699,785	5,211,382	679,653	35,906,276
Inter-segment revenue and investment gains	(2,122,412)	(180,000)	(393,915)	-	(679,653)	(3,375,980)
Revenue and investment gains to external parties	10,656,902	6,356,142	10,305,870	5,211,382	-	32,530,296
Profit/(loss) after tax	3,972,866	4,266,795	1,561,815	1,974,178	(2,733,742)	9,041,912
Depreciation	(1,173,897)	-	(292,520)	(164,873)	(28,429)	(1,659,719)
Amortisation	-	-	-	(313,134)	-	(313,134)
Segment assets	12,669,879	18,471,694	7,454,423	6,757,323	12,652,352	58,005,671
Segment assets includes additions to:						
- property, plant and equipment	457,322	-	63,208	53,753	13,151	587,434
- Development of software	-	-	-	673,096	-	673,096
Segment liabilities	(5,663,857)	(5,542,563)	(4,029,543)	(4,507,167)	(564,987)	(20,308,117)

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

27. Segment information (continued)

The management assesses the performance of the operating segments based on profit after tax.

(a) Revenue from major products and services

Revenues from external customers are derived mainly from financial education and training providers, investment gains from public and private markets and digital & marketing. Breakdown of the revenue and investment gains is as follows:

	2022 S\$	2021 S\$
Revenue and investment gains		
Financial Education	24,179,937	20,962,772
Financial Investment	(7,326,229)	6,356,142
Others	7,173,204	5,211,382
	24,026,912	32,530,296

(b) Geographical information

The Group's business segments operate in two main geographical areas:

- Singapore - the Company is headquartered and has operations in Singapore. The operations in this area are principally the financial education and training providers, and investment in public and private markets;
- Malaysia - the operations in this area are principally the financial education and training providers, and private markets investee;

	2022 S\$	2021 S\$
Revenue and investment gains		
Singapore	10,995,358	21,217,826
Malaysia	9,511,184	10,305,870
Others	3,520,370	1,006,600
	24,026,912	32,530,296
Non-current assets		
Singapore	14,798,233	3,409,430
Malaysia	994,971	473,116
Others	(5,258,139)	282,001
	10,535,065	4,164,547

28. New or revised accounting standards and interpretations

Below are the mandatory standards, amendments and interpretations to existing standards that have been published, and are relevant for the Group's accounting periods beginning on or after 1 April 2022 and which the Group has not early adopted.

Amendments to FRS 1 *Presentation of Financial Statements*: Classification of Liabilities as Current or Non-current (effective for annual periods beginning on or after 1 January 2023)

The narrow-scope amendments to FRS 1 *Presentation of Financial Statements* clarify that liabilities are classified as either current or non-current, depending on the rights that exist at the end of the reporting period. Classification is unaffected by the expectations of the entity or events after the reporting date (e.g. the receipt of a waiver or a breach of covenant). The amendments also clarify what FRS 1 means when it refers to the 'settlement' of a liability. The amendments could affect the classification of liabilities, particularly for entities that previously considered management's intentions to determine classification and for some liabilities that can be converted into equity. The Group does not expect any significant impact arising from applying these amendments.

Amendments to FRS 16 *Property, Plant and Equipment*: Proceeds before Intended Use (effective for annual periods beginning on or after 1 January 2022)

The amendment to FRS 16 *Property, Plant and Equipment* (PP&E) prohibits an entity from deducting from the cost of an item of PP&E any proceeds received from selling items produced while the entity is preparing the asset for its intended use. It also clarifies that an entity is 'testing whether the asset is functioning properly' when it assesses the technical and physical performance of the asset. The financial performance of the asset is not relevant to this assessment.

Entities must disclose separately the amounts of proceeds and costs relating to items produced that are not an output of the entity's ordinary activities. The Group does not expect any significant impact arising from applying these amendments.

29. Authorisation of financial statements

These financial statements were authorised for issue in accordance with a resolution of the Board of Directors of 8I Holdings Limited on 31 May 2022.