



# ANNUAL REPORT FY2023

For the financial year ended 31 March 2023

**8I Holdings Limited**

ASX code: 8IH

Company registration number 201414213R

ARBN 601 582 129

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Our Vision

Empowering Growth and Transforming Lives

Our Mission

Empowering Everyone Towards Sustainable Wealth

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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 within the FinTech and Financial Education space. With offices in numerous offices across the Asia Pacific region, VI College is the region's leading financial education provider supporting a community of graduates and investors globally. GoodWhale is a smart stock analysis and screening tool aimed at making financial literacy inclusive and easily accessible to all. Through Vastus Wealth and 8VI FIN Malaysia, 8VI also provides financial advisory services focused on holistic wealth management solutions.

Through VI Fund Management Pte Ltd ("VIFM"), the Group operates a registered fund management business in Singapore.



## CHAIRMAN'S STATEMENT

Dear Valued Shareholders,

We present to you the full year report for 8I Holdings ("8IH" or the "Group") for the financial year ended 31st March 2023 ("FY2023"). This year has tested our resilience and adaptability as we navigated through a rapidly changing economic landscape and encountered formidable challenges. We write to you today with a firm commitment to address the realities of our performance.

The financial year under review brought a series of macroeconomic obstacles and market dynamics that significantly impacted our operations. The global landscape witnessed a surge in inflation rates, fuelled by energy crises, product shortages arising from zero-COVID policies, and disruptions in the global supply chain. These challenges were compounded by aggressive interest rate hikes, triggering a dramatic shift in investor behaviour. Fleeing from riskier asset classes, investors sought refuge in safer alternatives, leading to severe price corrections across various asset classes. This flight to safety reflected a profound shift in market sentiment driven by the urgent need to protect investments amidst prevailing uncertainties.

Given these circumstances, the Group experienced a decline in revenue during FY2023, primarily attributable to the underperformance of our FinEduTech segments. Our FinEduTech entity, 8VI Holdings Ltd ("8VI"), faced significant challenges in the face of the global economic climate and changing consumer habits. The difficult market conditions coupled with the impact from disruptive technologies such as Generative AI resulted in decreased demand for our products, particularly those associated with investment courses. Furthermore, we encountered a mark-to-market investment loss caused by a market correction in the global equity market. These factors had a notable impact on our financial indicators, significantly affecting both our Fund Management and FinEduTech business segments.

Despite these challenges, we remain steadfast in our commitment to continuously evaluate our business strategies and operations, ensuring optimal resource utilisation and alignment with shareholder value. Under the leadership of Ms. Low Ming Li, CEO of the FinEduTech entity, efforts have been made to bring back operational efficiency, shift the business model, and refocus on empowering the community's journey towards sustainable wealth. We have implemented operational and strategic changes within 8VI to navigate these challenging times.

Throughout FY2023, several key developments and initiatives took place within our FinEduTech segment. Our financial technology product, GoodWhale (formerly VI App), underwent successful rebranding to differentiate itself and adopt a go-to-market strategy. Our financial education arm, VI College, underwent a comprehensive review of programmes and offerings, aligning to provide future-proof knowledge and deliver bite-sized content and focusing on the continuous learning needs of the Community members. Operational inefficiencies were addressed through the optimisation of human capital and reduction in Direct Response Marketing costs.

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## CHAIRMAN'S STATEMENT

Furthermore, we are pleased to share that our financial and insurance advisory businesses, Vastus Wealth Pte Ltd ("Vastus Wealth") and 8VI FIN Malaysia Sdn Bhd ("8VI FIN"), obtained regulatory approvals to commence operations in Singapore and Malaysia, respectively. These developments are expected to diversify our revenue streams and build on our competitive advantage. We remain committed to strengthening these businesses, enhancing product offerings, and delivering personalised financial advisory services to meet our clients' needs.

Amidst our strategic evaluations, we have also made the decision to wind down the operations of our VI Fund Management unit and its associated funds. Limited growth, declining investor interest, and the prolonged volatility in the markets necessitated this strategic decision. We believe reallocating our resources towards areas with greater potential for growth and value creation will ultimately benefit the Group as a whole.

The sections that follow will provide detailed insights into the performance and developments within each business segment, including our plans for the future. While the road ahead may require more substantial changes than anticipated, we are actively evaluating our strategies to navigate these hurdles effectively. Despite the challenges we are facing, we remain resolute in our dedication to overcome obstacles and deliver long-term value to our esteemed shareholders and stakeholders.

We sincerely appreciate your unwavering trust and support during these challenging times. As we navigate the path ahead, we remain focused on our commitment to maximising shareholder value. Together, we will navigate these challenging times and emerge stronger.

Warm regards,



**Ken Chee**  
Executive Chairman



# OPERATING AND FINANCIAL REVIEW

For the financial year ended 31 March 2023

Dear Valued Shareholders,

The financial year ended 31 March 2023 ("FY2023") has been a year marked by significant macro-economic challenges and shifting market conditions, resulting in depressed performance for the Group.

## Global Inflation and Economic Uncertainty

Within FY2023, the world experienced a surge in inflation rates across various sectors. This inflationary pressure was driven by multiple factors, including energy crises, product shortages caused by zero-COVID policies and supply chain disruptions. The United States, in particular, witnessed the highest inflation rates since 1981. To address these concerns, central banks, including the Federal Reserve, implemented aggressive interest rate hikes to control demand and manage inflationary pressures. Consequently, investors reallocated their capital towards safer assets, causing price crashes in other asset classes such as stocks, bonds, cryptocurrencies and US property.

## Financial Performance

In FY2023, the Group recorded a revenue of S\$16.3 million, compared to S\$31.4 million in the previous corresponding period (FY2022). This decrease can primarily be attributed to the underperformance of the FinEduTech segments, which were adversely affected by the market downturn. A significant number of our products are closely tied to investment courses, and the challenging market conditions led to a decline in demand for our offerings.

The net loss attributable to members is mainly attributable to the decline in FinEduTech's revenue as mentioned above, as well as the Group's mark-to-market investment loss of S\$5.7 million in the current financial year. This decline in the value of quoted equity securities investments was primarily caused by a market correction in the global equity market. In addition, the Group has written down its deferred tax assets by S\$0.8 million due to the uncertainty surrounding the Group's ability to utilise these deferred tax assets effectively.

Cash and cash equivalents stand at S\$20.4 million while cash flow provided by operating activities stands at S\$3.6 million.

The comparative figures in the financial reports were restated due to under provision of sale and service tax and tax liabilities of its subsidiaries. More details can be found in the Notes to the Financial Statements.

## Business Segments

The difficult macro-economic environment and challenging market conditions have impacted both the Fund Management and FinEduTech business segments. Despite implementing operational and strategic changes, the Group's financial performance has been impacted on all fronts, as reflected in the financial results.



**FinEduTech**  
**8VI Holdings Limited**

In January 2023, Ms Low Ming Li was appointed CEO for the FinEduTech entity, and she has been leading the charge on bringing back operational efficiency, leaning into a shift for 8VI's business model and going back to 8VI's core focus of empowering the community's journey towards sustainable wealth in all aspects of one's life.

Of which, some of the key developments and initiatives from FY2023 are as follows:



**Financial Technology**  
**GoodWhale (formerly VI App)**

In February 2023, VI App successfully rebranded as GoodWhale to differentiate the product for its go-to-market strategy. In the coming financial year, GoodWhale will primarily focus its product-market fit regional launch strategy. As the team commits to delivering exceptional user experience and valuable financial technology solutions to customers, close monitoring of market trends and data analytics will be key to GoodWhale's customer acquisition and retention efforts.

# OPERATING AND FINANCIAL REVIEW

For the financial year ended 31 March 2023



## Financial Education VI College

VI College, despite experiencing substantial growth, has encountered operational inefficiencies during its rapid expansion. These challenges are not unique to 8VI but are part of the wider industry's response to evolving trends, consumer preferences, and the advent of Generative AI. In response, VI College has undertaken a deliberate process of operational disruption, primarily focusing on optimising human capital and reducing Direct Response Marketing costs. Additionally, a comprehensive review of programs and offerings has been conducted.

As a Group, we aim to embrace the future by harnessing the power of Generative AI to minimise inefficiencies, maintain a competitive edge, and empower the community with relevant, future-proof knowledge. Going forward, VI College will prioritise delivering easily consumable content and creating experiential programs while emphasizing community building and adopting a sustainable marketing approach. After extensive reflection and research, VI College is in the process of developing a platform to bridge the service and knowledge gap within the growing community, addressing feedback and improving customer service and community experience. The upcoming platform will provide streamlined outlets for communication, learning, and interaction. Further details regarding the platform's features and benefits will be disclosed in due course.



## Financial Advisory Vastus Wealth & VI FIN

In the last quarter of FY2023, financial and insurance advisory businesses, Vastus Wealth Pte. Ltd. ("Vastus Wealth") and 8VI FIN Malaysia Sdn. Bhd. ("VI FIN") have obtained regulatory approvals to commence business operations in Singapore and Malaysia. With a number of key insurance partners and wealth protection providers onboarded and more expected, the Financial Advisory business unit is now ready to offer and provide comprehensive wealth management solutions to the VI Community. This strategic move represents a promising growth opportunity for the Group, diversifying our revenue streams and providing a competitive advantage. Moving

forward, we will continue to strengthen these businesses, enhance our product offerings, and build stronger relationships with clients in Singapore and Malaysia by delivering personalized financial advisory services to meet our clients' wealth protection needs and financial goals.

More details can be found in the full report for 8VI Holdings Limited (ASX: 8VI).



## Financial Asset Management VI Fund Management Pte Ltd

### Funds Closure and Consolidation of Asset Management Activities

We have made the difficult decision to wind down the operations of our VI Fund Management Unit and its associated funds, VI Quant US and VI Fund Asia, at the end of FY2023.

After carefully reviewing the performance of the Fund Management business unit and assessing its ability to meet current and future investors' expectations, we have concluded that it is in the best interests of shareholders and fund investors to close this business unit.

The Fund Management business unit has experienced limited growth over the last five years. We have observed a gradual decline in investor interest in funds of this nature, with a preference for multi-asset strategies and ETFs. Additionally, the performance of the actively managed funds within this unit has not met our expected outcomes, making it challenging to attract new investments into the Funds.

Our management fee generated from the fund management business for 2023 is S\$0.1 million vs our expenses of S\$0.9 million per annum. From a Group's perspective, this would imply an expense ratio of 10%. For the typical fund house, the expense ratio needs to be kept low (typically not more than 1%) to make business sense.

Therefore, as part of our overall business strategy and operational review, we have decided that the Fund Management business unit will no longer be a part of our core operating segments going forward. Despite the closure, we would like to provide a brief performance analysis for both funds:

# OPERATING AND FINANCIAL REVIEW

For the financial year ended 31 March 2023

## VI Quant US

### I. Introduction

VI Quant Fund (US) is a systematic portfolio that employs a quantamental investment strategy to invest in 50 to 100 US-listed equities that exhibit high-quality growth, positive price momentum, and reasonable valuations.

### II. Performance Analysis

Since inception till FY2022, the fund's NAV performance index has increased from \$100 to \$149, while the S&P benchmark increased from \$100 to \$152. The initial performance in FY2020 of 116% was not repeated in FY2021 and FY2022. In FY2021 and FY2022, the year-to-date performances was -7% and -26%, respectively. This brought the NAV below the S&P Benchmark.

Due to the negative performance in the recent FYs and investors' appetite during these volatile times, these make it hard for the fund to scale up and be profitable. This is especially so as the fund's revenue model is performance-based with a high watermark feature.

### III. Risk Analysis

Growth funds, including those invested in high-quality stocks, typically exhibit higher volatility due to the inherent nature of growth-oriented investments, which tend to experience greater price fluctuations than their value-oriented counterparts.



## VI Fund (Asia)

### I. Introduction

VI Fund (Asia) is an Asia-focused portfolio that employs a fundamental driven active investment strategy to invest in Asian-listed equities exhibiting high-quality growth, positive price momentum, and reasonable valuations.

### II. Performance Analysis

The year 2022 proved to be challenging for the global economy, with global inflation concerns arising from various factors, including the war in Ukraine, increased liquidity resulting from loose fiscal policies around the world in 2020, and the delayed response of the US Federal Reserve in raising interest rates.

In FY2023, the Asia fund initially held positions, primarily in China, in stronger companies within sectors experiencing tailwinds. The fund was fully positioned for a recovery, with almost all cash deployed into positions. However, macro events significantly impacted China and Asian markets, including a property slump, Evergrande defaulting on payments, the re-emergence of COVID, and a Zero-COVID policy that diverged from the reopening trends observed worldwide. In response to risk management considerations, our positions were swiftly exited, resulting in a significant portion of the fund's assets held in cash for a substantial period.

### III. Risk Analysis

The markets conditions during FY2023 provided valuable lessons in risk and fund management. While we have traditionally advocated a buy-and-hold portfolio management approach, this financial year saw us embrace a more flexible strategy, incorporating technical momentum indicators and implementing a progressive exposure method. This approach, which involves a higher allocation to cash during market downturns, serves as a safeguard against severe market declines and capital protection. However, it also leads to a slower recovery due to gradual exposure to the markets when they rebound.

## Conclusion

In light of the performance of our VI Fund Management unit and its alignment with investor expectations, we have made the thoughtful decision to wind down the unit and associated funds. We firmly believe that this course of action is in the best interest of our shareholders and fund investors.

Moving forward, we maintain a steadfast commitment to the ongoing evaluation of our business strategies and operations. Our primary objective is to ensure the optimal utilisation of our resources while aligning with shareholder value and interests. As part of this continuous review process, we will actively explore various opportunities to develop initiatives that are meaningful and beneficial, and deliver outcomes that resonate with our valued shareholders.

Thank you for your continued trust and support



## BOARD OF DIRECTORS

### Ken Chee

Executive Chairman

Ken Chee is the co-founder and Executive Chairman of 8I Holdings Limited and is based in Singapore. Appointed to the board in May 2014, Ken advises on strategic planning and partnerships development, and is involved in the operations and activities of VI College under the Group's FinEduTech business.

Ken has more than 20 years of professional experience across business development, operations, strategy and marketing from his past roles, including Quicken (Singapore) and Telekurs Financial.

Ken was awarded the Spirit of Enterprise, Honoree Award in 2005 by the President of Singapore for outstanding business results. He sits on the board of 8VI Holdings Limited and is also a Young Presidents' Organisation member under the Singapore Chapter.

Ken graduated from the Singapore Polytechnic with a Diploma in Banking and Financial Services, and the University of Queensland with a Bachelors' Degree in Business Administration. He also attended Columbia Business School in New York for its Executive Program in Value Investing.

### Clive Tan

Executive Director

Clive Tan is the co-founder and Executive Director of 8I Holdings Limited and is based in Singapore.

Within the Group, Clive is responsible for the strategic planning, business development, corporate policies and risk management of its businesses, and leads the asset management activities under VI Fund Management. Clive also chairs the board of Australian-listed 8VI Holdings Limited. He began his professional career in the public education sector in Singapore.

Clive holds a Post-Graduate Diploma in Education from the National Institute of Education and an Honours Degree in Mechanical and Production Engineering from the Nanyang Technological University. He also attended the University of Technology, Sydney on an academic exchange programme.

## BOARD OF DIRECTORS

### Chay Yiwmin

Non-Executive Director

Yiwmin is currently the Chief Executive Officer of Chay Corporate Advisory Pte. Ltd., a boutique corporate advisory firm. Yiwmin is also the lead independent and non-executive director of UMS Holdings Ltd. and Raffles Infrastructure Holdings Limited, lead independent director and non-executive chairman of Watches.com Ltd. and Metech International Limited, and a non-executive director of 8I Holdings Limited. Between 2013 and 2015, Mr. Chay was the lead independent and non-executive director of Advance SCT Limited, and between 2019 and 2020, Mr. Chay was a non-executive director of Libra Group Limited.

Since graduating in 1998, Yiwmin has accumulated many years of public accounting experience in Singapore and the United Kingdom with a number of reputable international accounting firms, including PricewaterhouseCoopers LLP, Deloitte and Touche LLP, Moore Stephens LLP and BDO LLP, the latter of which he was the advisory partner heading the Corporate Finance Practice from 2012 to 2019. Prior to joining BDO LLP, Yiwmin was an assurance partner from 2010 to 2012, specialising in financial services and shipping.

Yiwmin holds a Bachelor of Accountancy (Hons) and a Master of Business from Nanyang Technological University, and a Master of Business Administration from the University of Birmingham. Yiwmin is also a Fellow Chartered Accountant (FCA Singapore) of the Institute of Singapore Chartered Accountants (ISCA), an Associate Chartered Accountant (ACA) of the Institute of Chartered Accountants in England and Wales (ICAEW), and a Chartered Valuer and Appraiser (CVA) of the Institute of Valuers and Appraisers of Singapore (IVAS).

Yiwmin currently sits on the Singapore steering committee of the Professional Risk Managers' International Association (PRMIA), and the Standards and Technical Committee of IVAS, the latter of which Yiwmin is also a programme instructor. Yiwmin is also an associate lecturer with the Singapore University of Social Sciences (SUSS) teaching financial statements analysis and valuation.

Yiwmin is also an active Grassroots Leader, serving as the Assistant Treasurer and Auditor with the Fernvale and Kebun Baru Citizen Consultative Committees respectively. Yiwmin also serves as the Chairman and Treasurer of the Buangkok Community Club Management Committee and the Fernvale Citizen Consultative Committee Community Development Welfare Fund. Yiwmin is also a member of the Kebun Baru Inter-Racial and Religious Confidence Circles. Yiwmin was awarded the Pingat Bakti Masyarakat (Public Service Medal) (PBM) by the President of the Republic of Singapore on 9 August 2016.

### Charles Mac

Non-Executive Director

Charles was appointed Non-Executive Director in April 2016. Charles has more than 18 years of IT corporate experience, of which 15 years in the SAP Industry dealing with multinational companies across the Asia Pacific Region. He has held various leadership roles for large, global multinational companies with extensive experience across Asia Pacific in Team Management, Quality Management, Audits, Business Development and Contract Deliveries.

Charles previously served on the Board of ASX-listed companies, 8VI Holdings Limited and Ennox Group Limited as Non-Executive Director. Charles is an Australian citizen and holds a Bachelor of Computing (Information System) from Monash University.

# CORPORATE GOVERNANCE STATEMENT

March 31, 2023

## Introduction

8I Holdings Limited (the "Company") and its Board has adopted comprehensive systems of control and accountability as the basis for the administration of corporate governance, which are in effect as of 30 June 2023. The Board is committed to administering the Company's policies and procedures with openness and integrity, pursuing the true spirit of corporate governance commensurate with the Company's needs.

To the extent applicable, the Company has adopted the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations (Recommendations).

In light of the Company's size and nature, the Board considers that the current Board is a cost effective and practical method of directing and managing the Company. As the Company's activities develop in size, nature and scope, the size of the Board and the implementation of additional corporate governance policies and structures will be reviewed.

The Company's main corporate governance policies and practices as at the date of this report are detailed below. The Company's full Corporate Governance Plan is available in a dedicated corporate governance information section of the Company's website at [www.8iholdings.com](http://www.8iholdings.com).

## Principle 1: Lay solid foundations for management and oversight

### Recommendation 1.1

A listed entity should disclose:

- (a) the respective roles and responsibilities of its board and management; and
- (b) those matters expressly reserved to the board and those delegated to management.

The Company has adopted a Board Charter. The Board Charter sets out the specific responsibilities of the Board, requirements as to the Board's composition, the roles and responsibilities of the Chairman and Company Secretary, the establishment, operation and management of Board Committees, Directors access to company records and information, details of the Board's relationship with management, details of the Board's performance review and details of the Board's disclosure policy. A copy of the Company's Board Charter is available on the Company's website.

The Board is responsible for the corporate governance of the Company. The Board develops strategies for the Company, reviews strategic objectives and monitors performance against those objectives. Clearly articulating the division of responsibilities between the Board and management will help manage expectations and avoid misunderstandings about their respective roles and accountabilities.

In general, the Board assumes (amongst others) the following responsibilities:

- (i) providing leadership and setting the strategic objectives of the Company;
- (ii) appointing and when necessary replacing the Executive Directors;
- (iii) approving the appointment and when necessary replacement, of other senior executives;
- (iv) undertaking appropriate checks before appointing a person, or putting forward to security holders a candidate for election, as a director;
- (v) overseeing management's implementation of the Company's strategic objectives and its performance generally;
- (vi) approving operating budgets and major capital expenditure and investment;
- (vii) overseeing the integrity of the company's accounting and corporate reporting systems including the external audit;
- (viii) overseeing the company's process for making timely and balanced disclosure of all material information concerning the Company that a reasonable person would expect to have a material effect on the price or value of the Company's securities;
- (ix) ensuring that the Company has in place an appropriate risk management framework and setting the risk appetite within which the board expects management to operate; and
- (x) monitoring the effectiveness of the Company's governance practices.



# CORPORATE GOVERNANCE STATEMENT

March 31 2023

## Principle 1: Lay solid foundations for management and oversight (continued)

The Company is committed to ensuring that appropriate checks are undertaken before the appointment of a Director and has in place written agreements with each Director which detail the terms of their appointment.

### Recommendation 1.2

A listed entity should:

- (a) undertake appropriate checks before appointing a person, or putting forward to security holders a candidate for election, as a director; and
- (b) provide security holders with all material information relevant to a decision on whether or not to elect or re-elect a director.

Election of Board members is substantially the province of the Shareholders in general meeting. The Board currently consists of the two Executive Directors (each of whom is a significant Shareholder) and two Non-Executive Directors (each of whom is independent). As the Company's activities develop in size, nature and scope, the composition of the Board and the implementation of additional corporate governance policies and structures will be reviewed.

Nominations of new Directors are considered by the full Board. If any vacancies arise on the Board, all directors are involved in the search and recruitment of a replacement.

The Board has taken a view that the full Board will hold special meetings or sessions as required. The Board is confident that this process for selection, including undertaking appropriate checks before appointing a person, or putting forward to security holders a candidate for election, and review is stringent and full details of all Directors will be provided to Shareholders in the annual report and on the Company's website.

All material information relevant to a decision on whether or not to elect or re-elect a Director will be provided to security holders in Section 3 of the Prospectus or a Notice of Meeting pursuant to which the resolution to elect or re-elect a Director will be voted on.

### Recommendation 1.3

A listed entity should have a written agreement with each director and senior executive setting out the terms of their appointment.

The Company has entered into Executive Service Agreements with executive directors and Letters of Appointment with each Non-Executive Director.

### Recommendation 1.4

The company secretary of a listed entity should be accountable directly to the board, through the chair, on all matters to do with the proper functioning of the board.

The Board Charter outlines the roles, responsibility and accountability of the Company Secretary. The Company Secretary is accountable directly to the board, through the chair, on all matters to do with the proper functioning of the Board.

### Recommendation 1.5

A listed entity should:

- (a) have and disclose a diversity policy;
- (b) through its board or a committee of the board set measurable objectives for achieving gender diversity in the composition of its board, senior executives and workforce generally; and
- (c) disclose in relation to each reporting period:
  - (1) the measurable objectives set for that period to achieve gender diversity;
  - (2) the entity's progress towards achieving those objectives; and
  - (3) either:
    - (A) the respective proportions of men and women on the board, in senior executive positions and across the whole organisation (including how the entity has defined "senior executive" for these purposes); or
    - (B) if the entity is a "relevant employer" under the Workplace Gender Equality Act, the entity's most recent "Gender Equality Indicators", as defined in and published under that Act.

The Company has adopted a Diversity Policy. The Board values diversity and recognises the benefits it can bring to the organisation's ability to achieve its goals. Accordingly, the Company has set in place a diversity policy. This policy outlines the Company's diversity objectives in relation to gender, age, cultural background and ethnicity. It includes requirements for the Board to establish measurable objectives for achieving diversity, and for the Board to assess annually both the objectives, and the Company's progress in achieving them.

The Diversity Policy provides a framework for the Company to achieve a list of measurable objectives that encompass gender equality. The Diversity Policy provides for the monitoring and evaluation of the scope and currency of the Diversity Policy. The company is responsible for implementing, monitoring and reporting on the measurable objectives. The Diversity Policy is available on the Corporate Governance Plan on the Company's website.

The Company does not discriminate on the basis of gender. The Company is not of a relevant size to consider setting measurable objectives for achieving gender diversity. As such the board has not set any measurable objectives for achieving gender diversity.

| Category           | 31 March 2023 |        |
|--------------------|---------------|--------|
|                    | Male          | Female |
| Board of Directors | 4             | -      |
| Senior Management  | 1             | -      |
| Company wide       | 70            | 64     |

# CORPORATE GOVERNANCE STATEMENT

March 31, 2023

## Principle 1: Lay solid foundations for management and oversight (continued)

The Senior Management refer to those persons having authority and responsibility for planning, directing, controlling the activities of the consolidated entity, directly or indirectly, of the consolidated entity.

### Recommendation 1.6

A listed entity should:

- (a) have and disclose a process for periodically evaluating the performance of the board, its committees and individual directors; and
- (b) disclose in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process.

The Company is not of a relevant size to consider formation of a Nomination Committee. The responsibilities of the Nomination Committee are currently carried out by the board and evaluating the performance of the Board, any committees and individual directors on an annual basis. The Board may do so with the aid of an independent advisor. The process for this can be found in Schedule 5 of the Company's Corporate Governance Plan.

The Company has established the Nomination Committee Charter, which requires disclosure as to whether or not performance evaluations were conducted during the relevant reporting period.

During the year a performance evaluation of the Executive Chairman and Executive Director was undertaken by the non-executive directors. The performance of the board, its committees and the individual directors is assessed on an on-going basis by the Chairman of the Board.

### Recommendation 1.7

A listed entity should:

- (a) have and disclose a process for periodically evaluating the performance of its senior executives at least once every reporting period; and
- (b) disclose for each reporting period whether a performance evaluation has been undertaken in accordance with that process during or in respect of that period.

The responsibilities of the Nomination Committee are currently carried out by the board, which includes periodically evaluating the performance of senior executives. The process is disclosed in Schedule 6 of the Corporate Governance Plan.

During March 2023, over a series of informal discussions, the executive directors reviewed each senior executive. All senior executives' performances met performance criteria.

## Principle 2: Structure the board to add value

### Recommendation 2.1

The board of a listed entity should:

- (a) have a nomination committee which:
  - (i) has at least three members, a majority of whom are independent directors; and
  - (ii) is chaired by an independent director, and disclose:
    - (iii) the charter of the committee;
    - (iv) the members of the committee; and
    - (v) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or
- (b) if it does not have a nomination committee, disclose that fact and the processes it employs to address board succession issues and to ensure that the board has the appropriate balance of skills, experience, independence and knowledge of the entity to enable it to discharge its duties and responsibilities effectively.

The Company does not comply with Principle 2.1. The Company is not of a relevant size to consider formation of a nomination committee to deal with the selection and appointment of new Directors and as such a nomination committee has not been formed.

Nominations of new Directors are considered by the full Board. If any vacancies arise on the Board, all directors are involved in the search and recruitment of a replacement. The Board has taken a view that the full Board will hold special meetings or sessions as required. The Board is confident that this process for selection, including undertaking appropriate checks before appointing a person, or putting forward to security holders a candidate for election, and review is stringent and full details of all Directors will be provided to Shareholders in the annual report and on the Company's website.

### Recommendation 2.2

A listed entity should have and disclose a board skill matrix setting out the mix of skills and diversity that the board currently has or is looking to achieve in its membership.

The Company identifies the following as the main areas of skills required by the board to successfully service the Company. The directors have been measured to these areas in the skills matrix:

|                                        | Number of Directors that meet the skill |
|----------------------------------------|-----------------------------------------|
| Executive and Non-Executive experience | 4                                       |
| Industry experience and knowledge      | 4                                       |
| Leadership                             | 4                                       |
| Corporate governance & Risk Management | 4                                       |
| Strategic thinking                     | 4                                       |
| Desired behavioural competencies       | 4                                       |

# CORPORATE GOVERNANCE STATEMENT

March 31 2023

## Principle 2: Structure the board to add value

(continued)

|                            | Number of Directors that meet the skill |
|----------------------------|-----------------------------------------|
| Geographic experience      | 4                                       |
| Capital Markets experience | 3                                       |
| Subject matter expertise   |                                         |
| - accounting               | 3                                       |
| - capital management       | 3                                       |
| - corporate financing      | 3                                       |
| - industry taxation        | 1                                       |
| - risk management          | 4                                       |
| - legal                    | 3                                       |
| - IT expertise             | 1                                       |

The Board Charter requires the disclosure of each board member's qualifications and expertise as set out in the Company's Board skills matrix. Full details as to each director and senior executive's relevant skills and experience are available in the Annual Report and the Company's Website.

### Recommendation 2.3

A listed entity should disclose:

- the names of the directors considered by the board to be independent directors;
- if a director has an interest, position, association or relationship of the type described in Box 2.3 of the ASX Corporate Governance Principles and Recommendation (3rd Edition), but the board is of the opinion that it does not compromise the independence of the director, the nature of the interest, position, association or relationship in question and an explanation of why the board is of that opinion; and
- the length of service of each director.

The Board Charter provides for the disclosure of the names of Directors considered by the board to be independent. Currently two members of the Board are considered independent being Mr Yiowmin Chay and Mr Charles Mac;

The Board Charter requires Directors to disclose their interest, positions, associations and relationships and requires that the independence of Directors is regularly assessed by the board in light of the interests disclosed by Directors. Details of the Directors interests, positions associations and relationships are provided in the Annual Report; and

The Board Charter provides for the determination of the Directors' terms and requires the length of service of each Director to be disclosed. The length of service of each Director is as follows:

- Mr Ken Chee appointed on 17 May 2014
- Mr Clive Tan appointed on 17 May 2014
- Mr Yiowmin Chay appointed on 22 Sep 2014
- Mr Charles Mac appointed on 26 Apr 2016

### Recommendation 2.4

A majority of the board of a listed entity should be independent directors.

The Board considers that only two out of the four Directors are independent directors in accordance with the ASX Corporate Governance Council's definition of independence:

- Mr. Chay Yiowmin (Independent Non-Executive Director)
- Mr. Charles Mac (Independent Non-Executive Director)

The Board considers that the Company is not currently of a size, nor are its affairs of such complexity to justify the expense of the appointment of additional independent non-executive Directors.

The Board believes that the individuals on the Board can make, and do make, quality and independent judgements in the best interests of the Company on all relevant issues. Directors having a conflict of interest in relation to a particular item of business must absent themselves from the Board meeting before commencement of discussion on the topic.

### Recommendation 2.5

The chair of the board of a listed entity should be an independent director and, in particular, should not be the same person as the CEO of the entity.

Mr. Chee currently holds the position of Executive Chairman which does not comply with the ASX Corporate Governance Council's recommendations.

While the Board considers the importance of a division of responsibility and independence at the head of the Company, the existing structure is considered appropriate and provides a unified leadership structure. Mr. Chee has been the major force behind the establishment of the 8I Group and its current growth and direction. The Board considers that, at this stage of the Company's development, he is able to bring quality and independent judgement to all relevant issues, and the Company benefits from his long standing experience of its operations and business relationships.

### Recommendation 2.6

A listed entity should have a program for inducting new directors and providing appropriate professional development opportunities for continuing directors to develop and maintain the skills and knowledge needed to perform their role as a director effectively.

The Board Charter states that a specific responsibility of the Board is to procure appropriate professional development opportunities for Directors. The Remuneration Committee is responsible for the approval and review of induction and continuing professional development programs and procedures for Directors to ensure that they can effectively discharge their responsibilities.

# CORPORATE GOVERNANCE STATEMENT

March 31, 2023

## Principle 3: Act ethically and responsibly

### Recommendation 3.1

A listed entity should articulate and disclose its values.

The Company has statement of values which can be viewed on its website.

### Recommendation 3.2

A listed entity should:

- (a) have and disclose a code of conduct for its directors, senior executives and employees; and
- (b) ensure that the board or a committee of the board is informed of any material breaches of that code.

The Board is committed to the establishment and maintenance of appropriate ethical standards.

The Corporate Code of Conduct applies to the Company's directors, senior executives and employees. The Company's Corporate Code of Conduct is available in the Corporate Governance plan which is on the Company's website.

### Recommendation 3.3

A listed entity should:

- (a) have and disclose a whistleblower policy; and
- (b) ensure that the board or a committee of the board is informed of any material incidents reported under that policy.

The Company has implemented a whistleblower policy which can be viewed on its website and the Board is informed when any material incidents are reported under the policy.

### Recommendation 3.4

A listed entity should:

- (a) have and disclose an anti-bribery and corruption policy; and
- (b) ensure that the board or a committee of the board is informed of any material breaches of that policy.

The Company has implemented an anti-bribery and corruption policy which can be viewed on its website and the Board is informed when any material incidents are reported under the policy.

## Principle 4: Safeguard integrity in financial reporting

### Recommendation 4.1

The board of a listed entity should:

- (a) have an audit committee which:
  - (i) has at least three members, all of whom are non-executive directors and a majority of whom are independent directors; and
  - (ii) is chaired by an independent director, who is not the chair of the board, and disclose:
    - (iii) the charter of the committee;
    - (iv) the relevant qualifications and experience of the members of the committee; and
    - (v) in relation to each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or
- (b) if it does not have an audit committee, disclose that fact and the processes it employs that independently verify and safeguard the integrity of its financial reporting, including the processes for the appointment and removal of the external auditor and the rotation of the audit engagement partner.

The Company has established an Audit and Risk Committee comprised of three members and chaired by an independent director. The Board considers that the Company is not currently of a size, nor are its affairs of such complexity to justify the expense of the appointment of additional non-executive Director to satisfy Recommendation 4.1 in full. The Company has adopted the Audit and Risk Committee Charter and the Board believes that the individuals on the Audit and Risk Committee can make, and do make, quality and informed judgements in the best interests of the Company on all relevant issues.

### Audit and Risk Committee members

Details of attendance at meetings up to 31 March 2023 are set out below.

| Director Name        | Held | Attended |
|----------------------|------|----------|
| Chay Yiowmin (Chair) | 2    | 2        |
| Clive Tan Che Koon   | 2    | 2        |
| Charles Mac          | 2    | 2        |



# CORPORATE GOVERNANCE STATEMENT

March 31 2023

## Principle 4: Safeguard integrity in financial reporting (continued)

### Recommendation 4.2

The board of a listed entity should, before it approves the entity's financial statements for a financial period, receive from its CEO and CFO a declaration that the financial records of the entity have been properly maintained and that the financial statements comply with the appropriate accounting standards and give a true and fair view of the financial position and performance of the entity and that the opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.

The Audit and Risk Committee Charter states that a duty and responsibility of the Committee is to ensure that before the Board approves the entity's financial statements for a financial period, the Executive Chairman and CFO have declared that in their opinion the financial records of the entity have been properly maintained and that the financial statements comply with the appropriate accounting standards and give a true and fair view of the financial position and performance of the entity and that the opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.

### Recommendation 4.3

A listed entity should disclose its process to verify the integrity of any periodic corporate report it releases to the market that is not audited or reviewed by an external auditor.

Any periodic corporate reports are prepared by the accountant, reviewed by the CFO and presented to the Board for sign off prior to release to the market.

## Principle 5: Make timely and balanced disclosure

### Recommendation 5.1

A listed entity should have and disclose a written policy for complying with its continuous disclosure obligations under listing rule 3.1.

The Board Charter provides details of the Company's disclosure policy. In addition, Schedule 7 of the Corporate Governance Plan is entitled 'Disclosure-Continuous Disclosure' and details the Company's disclosure requirements as required by the ASX Listing Rules and other relevant legislation.

The Board Charter and Schedule 7 of the Corporate Governance Plan which is available at the Company's website.

### Recommendation 5.2

A listed entity should ensure that its board receives copies of all material market announcements promptly after they have been made.

All material market announcements are circulated to the board via email.

### Recommendation 5.3

A listed entity that gives a new and substantive investor or analyst presentation should release a copy of the presentation materials on the ASX Market Announcements Platform ahead of the presentation.

Results, presentations and transcripts of the Chairman's address at annual general meetings are released on the ASX Market Announcements Platform as soon as practically possible after the conclusion of the general meeting. Other presentations to new or substantive shareholders or investor analysts are released on the ASX Market Announcements Platform prior to the presentation.

# CORPORATE GOVERNANCE STATEMENT

March 31, 2023

## Principle 6: Respect the rights of security holders

### Recommendation 6.1

A listed entity should provide information about itself and its governance to investors via its website.

The Company has a comprehensive website found at [www.8iholdings.com](http://www.8iholdings.com), where there are links to directors, corporate governance, plans and policies. Also included are links to all financial reports, announcements, notice of meetings and presentations and any external media commentary made on the Company.

### Recommendation 6.2

A listed entity should design and implement an investor relations program to facilitate effective two-way communication with investors.

The Company has adopted a Shareholder Communications Strategy which aims to promote and facilitate effective two-way communication with investors. The Strategy outlines a range of ways in which information is communicated to shareholders. The Shareholder Communications Strategy can be found in the Corporate Governance plan under schedule 11 which is available at the Company's website.

### Recommendation 6.3

A listed entity should disclose the policies and processes it has in place to facilitate and encourage participation at meetings of security holders.

The Shareholder Communication Strategy, which can be found in schedule 11 of the Corporate Governance Plan which is available on the Company's website.

### Recommendation 6.4

A listed entity should ensure that all substantive resolutions at a meeting of security holders are decided by a poll rather than by a show of hands.

The company decides all resolutions at a meeting of security holders by a poll.

### Recommendation 6.5

A listed entity should give security holders the option to receive communications from, and send communications to, the entity and its security registry electronically.

Security holders can register with the Company to receive email notifications when an announcement is made by the Company to the ASX. Shareholders queries should be referred to the Company Secretary at first instance.

## Principle 7: Recognise and manage risk

### Recommendation 7.1

The board of a listed entity should:

- (a) have a committee or committees to oversee risk, each of which:
  - (i) has at least three members, a majority of whom are independent directors; and
  - (ii) is chaired by an independent director, and disclose:
    - (iii) the charter of the committee;
    - (iv) the members of the committee; and
    - (v) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings;
- or
- (b) if it does not have a risk committee or committees that satisfy (a) above, disclose that fact and the process it employs for overseeing the entity's risk management framework.

The Board has established an Audit and Risk Committee that has assumed the role of a separate Risk Management Committee and which operates under the Audit and Risk Committee Charter approved by the Board. The Board is ultimately responsible for risk oversight and risk management. Discussions on the recognition and management of risks were also considered by the Board. Further details of the committee's activities are provided in the Company's Annual Report.

### Recommendation 7.2

The board or a committee of the board should:

- (a) review the entity's risk management framework with management at least annually to satisfy itself that it continues to be sound, to determine whether there have been any changes in the material business risks the entity faces and to ensure that they remain within the risk appetite set by the board; and
- (b) disclose in relation to each reporting period, whether such a review has taken place.

The Company process for risk management and internal compliance includes a requirement to identify and measure risk, monitor the environment for emerging factors and trends that affect these risks, formulate risk management strategies and monitor the performance of risk management systems. Schedule 8 of the Corporate Governance Plan, which can be found on the Company's website, is entitled 'Disclosure - Risk Management' and details the Company's disclosure requirements with respect to the risk management review procedure and internal compliance and controls.

The Board Charter requires in relation to the reporting period relevant to that Committee, to disclose the number of times that Committee met throughout the period, and the individual attendances of the members at those Committee meetings. Details of the Committee meetings are provided in the Company's Annual Report. There have been no changes to the risk management framework during the financial period.

# CORPORATE GOVERNANCE STATEMENT

March 31 2023

## Principle 7: Recognise and manage risk

(continued)

### Recommendation 7.3

A listed entity should disclose:

- (a) if it has an internal audit function, how the function is structured and what role it performs; or
- (b) if it does not have an internal audit function, that fact and the processes it employs for evaluating and continually improving the effectiveness of its risk management and internal control processes.

The Company does not currently have an internal audit function. Given the size of the Company, no internal audit function is currently considered necessary. The Company's Management periodically undertakes an internal review of financial systems and processes and where systems are considered to require improvement these systems are developed. The Board also considers external reviews of specific areas and monitors the implementation of system improvements.

### Recommendation 7.4

A listed entity should disclose whether, it has any material exposure to economic, environmental and social sustainability risks and, if it does, how it manages or intends to manage those risks.

The Audit and Risk Committee Charter details the Company's risk management systems which assist in identifying and managing potential or apparent business, economic, environmental and social sustainability risks (if appropriate). Review of the Company's risk management framework is conducted at least annually and reports are continually created by management on the efficiency and effectiveness of the Company's risk management framework and associated internal compliance and control procedures.

## Principle 8: Remunerate fairly and responsibly

### Recommendation 8.1

The board of a listed entity should:

- (a) have a remuneration committee which:
  - (i) has at least three members, a majority of whom are independent directors; and
  - (ii) is chaired by an independent director, and disclose:
    - (iii) the charter of the committee;
    - (iv) the members of the committee; and
    - (v) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or
- (b) if it does not have a remuneration committee, disclose that fact and the processes it employs for setting the level and composition of remuneration for directors and senior executives and ensuring that such remuneration is appropriate and not excessive.

The Company has a Remuneration Committee which is made up by Mr Charles Mac as Chairman, Mr Yiowmin Chay and Mr Clive Tan. The committee is made up of a majority of independent directors and is chaired by one of the independent directors and is therefore compliant with recommendation 8.1 (a)(i) and(ii).

The Company has adopted The Remuneration Committee Charter. The Remuneration Committee Charter outlines the roles and responsibilities of the Remuneration Committee and provides that:

- (i) The Remuneration Committee comprises of at least three Directors, the majority of whom are independent non-executive Directors;
- (ii) The Remuneration Committee must be chaired by an independent Director who is appointed by the Board.
- (iii) The Remuneration Committee Charter is available in the Corporate Governance Plan which is available on the Company's website;
- (iv) The Board Charter requires disclosure of the members of the Committee. Details of the current members are provided in the Annual Report; and
- (v) The Board Charter requires each Committee in relation to the reporting period relevant to that Committee, to disclose the number of times that Committee met throughout the period, and the individual attendances of the members at those Committee meetings. Details of the Committee meetings will be provided in the Company's Annual Report.

### Remuneration Committee members

Details of attendance at meetings up to 31 March 2023 are set out below.

| Director Name       | Held | Attended |
|---------------------|------|----------|
| Charles Mac (Chair) | 1    | 1        |
| Clive Tan Che Koon  | 1    | 1        |
| Chay Yiowmin        | 1    | 1        |

# CORPORATE GOVERNANCE STATEMENT

March 31, 2023

## Principle 8: Remunerate fairly and responsibly

(continued)

### Recommendation 8.2

A listed entity should separately disclose its policies and practices regarding the remuneration of non-executive directors and the remuneration of executive directors and other senior executives.

The Remuneration Committee Charter outlines the Company's policies and practices regarding the remuneration of non-executive, executive and other senior directors.

The remuneration of any Executive Director will be decided by the Board following the recommendation of the Remuneration Committee, without the affected Executive Director participating in that decision-making process.

The Constitutions provide that the Non-Executive Directors will be paid by way of remuneration for their services as Directors a sum not exceeding such fixed sum per annum pursuant to a resolution passed at a general meeting of the Company. Until a different amount is determined, the amount of the remuneration is S\$200,000 per annum.

In addition, subject to any necessary Shareholder approval, a Director may be paid fees or other amounts as the Directors determine where a Director performs special duties or otherwise performs services outside the scope of the ordinary duties of a Director (e.g. non-cash performance incentives such as options).

Directors are also entitled to be paid reasonable travel and other expenses incurred by them in the course of the performance of their duties as Directors.

The Remuneration Committee reviews and approves the Company's remuneration policy in order to ensure that the Company is able to attract and retain executives and Directors who will create value for Shareholders, having regard to the amount considered to be commensurate for an entity of the Company's size and level of activity as well as the relevant Directors' time, commitment and responsibility.

The Board is also responsible for reviewing any employee incentive and equity-based plans including the appropriateness of performance hurdles and total payments proposed.

### Recommendation 8.3

A listed entity which has an equity-based remuneration scheme should:

- (a) have a policy on whether participants are permitted to enter into transactions (whether through the use of derivatives or otherwise) which limit the economic risk of participating in the scheme; and
- (b) disclose that policy or a summary of it.

The Company had obtained its shareholders' approval on the creation of an equity-based remuneration scheme. The Company's full Employee Share Plan is available in the Company's website at [www.8iholdings.com](http://www.8iholdings.com).

The Board has adopted a policy that sets out the guidelines on the sale and purchase of securities in the Company by its key management personnel (i.e. Directors and, if applicable, any employees reporting directly to the Executive Directors). The policy generally provides that the written acknowledgement of the Executive Chairman (or the Board in the case of the Executive Chairman) must be obtained prior to trading.



# CORPORATE GOVERNANCE STATEMENT

March 31, 2023

## Principle 9: Additional Recommendations that apply only in certain cases

### Recommendation 9.1

A listed entity with a director who does not speak the language in which board or security holder meetings are held or key corporate documents are written should disclose the processes it has in place to ensure the director understands and can contribute to the discussions at those meetings and understands and can discharge their obligations in relation to those documents.

Not Applicable

### Recommendation 9.2

A listed entity established outside Australia should ensure that meetings of security holders are held at a reasonable place and time.

Meetings of security holders are held at the Company's head office in Singapore. In addition, where possible the Company provide security holders with the option to attend the meeting via electronic/online facilities.

### Recommendation 9.3

A listed entity established outside Australia, and an externally managed listed entity that has an AGM, should ensure that its external auditor attends its AGM and is available to answer questions from security holders relevant to the audit.

The Company ensures that its auditor attends each AGM and is available to answer questions from security holders relevant to the audit.

# REMUNERATION REPORT

For the financial year ended 31 March 2023

This remuneration report set out information about the remuneration of 8I Holdings Limited's key management personnel for the financial year ended 31 March 2023. The term 'key management personnel' refer to those persons having authority and responsibility for planning, directing, controlling the activities of the consolidated entity, directly or indirectly, including any director (whether executive or otherwise) of the consolidated entity.

## Remuneration Policy

The remuneration policy of 8I Holdings Limited has been designed to align director and executive objectives with shareholder and business objectives. The board of the Company believes the remuneration policy to be appropriate and effective in its ability to attract and retain the best executives and directors to run and manage the Company and Consolidated Group, as well as create goal congruence between directors, executives and shareholders.

All remuneration paid to directors and executives is valued at the cost to the Consolidated Group and expensed.

The names and positions of key management personnel of the Company and of the Consolidated Entity who have held office during the financial year are:

|                      |                                                                                                                                                          |
|----------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------|
| Chee Kuan Tat, Ken   | Executive Chairman                                                                                                                                       |
| Clive Tan Che Koon   | Executive Director                                                                                                                                       |
| Chay Yiowmin         | Non-Executive Director                                                                                                                                   |
| Charles Mac          | Non-Executive Director                                                                                                                                   |
| Low Ming Li          | Chief Operating Officer<br>(reassigned on 3 <sup>rd</sup> January 2023 to 8VI Holdings Limited, a subsidiary of the Company, as Chief Executive Officer) |
| Louis Chua Chun Woei | Chief Financial Officer;<br>Chief Risk Officer;<br>and Company Secretary (Australia)                                                                     |

### Non-Executive Directors' remuneration

The Constitution and the ASX Listing Rules specify that the aggregate remuneration of Non-Executive Directors shall be determined from time to time by shareholders in general meeting. Total remuneration for all Non-Executive Directors, last voted upon by shareholders in 2022, is not to exceed \$200,000 per annum. Directors' fees cover all main board activities and membership of committees if applicable.

Non-Executive Directors do not receive any retirement benefits.

### Executive remuneration

Remuneration for executives is set out in employment agreements. Details of the employment agreement with Executive Directors are provided below.

Executive Directors may receive performance-related compensation but do not receive any retirement benefits, other than statutory Central Provident Fund (CPF) contribution.

### Assessing performance

The Board is responsible for assessing performance against Key Performance Indicators (KPIs) and determining the Short-term Incentives (STI) and Long-term Incentive (LTI) to be paid. To assist in this assessment, the Board may request detailed reports on performance from management and market share.

The Group does not have any formal bonus scheme in place. The Group does not have any ongoing commitment to pay bonuses.

### Long-term incentive

Long-term Incentives (LTI) may be provided to key management personnel in the form of Share Plans over ordinary shares of the Company. LTI are considered to promote continuity of employment and provide additional incentive to recipients to increase shareholder wealth. Share Plans may only be issued to Directors subject to approval by shareholders in general meeting.

## Service Agreements

Remuneration and other terms of employment for the Executive Directors and other Key Management Personnel are formalized in a service agreement. For Non-Executive Directors, these terms are set out in a Letter of Appointment. The major provisions of the agreements relating to Directors' remuneration as at date of this report are set out below.

| Name               | Base Salary <sup>(1)</sup>                        | Fees                          |
|--------------------|---------------------------------------------------|-------------------------------|
| Chee Kuan Tat, Ken | S\$117,600 p.a.<br>S\$134,400 p.a. <sup>(2)</sup> | S\$nil                        |
| Clive Tan Che Koon | S\$176,400 p.a.                                   | S\$30,240 p.a. <sup>(3)</sup> |
| Chay Yiowmin       | S\$nil                                            | S\$33,600 p.a.                |
| Charles Mac        | S\$nil                                            | S\$33,600 p.a.                |

\* There are no fixed term nor notice period in the Directors' service agreements

<sup>(1)</sup> Excluding employer's Central Provident Fund (CPF) contribution

<sup>(2)</sup> Executive director remuneration of a subsidiary

<sup>(3)</sup> Non-executive director fee of a subsidiary

In response to the Group's underperformance, the Directors, the Key Management implemented a 30% reduction in their remuneration starting from January 2023.

# REMUNERATION REPORT

For the financial year ended 31 March 2023

## Details of Remuneration

A breakdown showing the level and mix of each Director's and Key Management Personnel's remuneration for the financial year ended 31 March 2023 is set out below:

| Name of Directors            | Short-term        |                                     | Post-employment<br>CPF<br>Contribution<br>S\$'000 | Share-based<br>Payments<br>Share Plan <sup>(1)</sup><br>S\$'000 | Total<br>S\$'000 |                           |
|------------------------------|-------------------|-------------------------------------|---------------------------------------------------|-----------------------------------------------------------------|------------------|---------------------------|
|                              | Salary<br>S\$'000 | Bonus/<br>Profit-sharing<br>S\$'000 |                                                   |                                                                 |                  | Directors' Fee<br>S\$'000 |
| Executive Directors          |                   |                                     |                                                   |                                                                 |                  |                           |
| Chee Kuan Tat, Ken           |                   |                                     |                                                   |                                                                 |                  |                           |
| Remuneration of Company      | 155               | -                                   | -                                                 | 12                                                              | -                | 167                       |
| Remuneration of a subsidiary | 178               | 134                                 | -                                                 | 12                                                              | -                | 324                       |
| Clive Tan Che Koon           |                   |                                     |                                                   |                                                                 |                  |                           |
| Remuneration of Company      | 208               | -                                   | -                                                 | 12                                                              | -                | 220                       |
| Remuneration of a subsidiary | -                 | -                                   | 40                                                | -                                                               | -                | 40                        |
| Non-executive Directors      |                   |                                     |                                                   |                                                                 |                  |                           |
| Chay Yiowmin                 |                   |                                     |                                                   |                                                                 |                  |                           |
| Remuneration of Company      | -                 | -                                   | 44                                                | -                                                               | -                | 44                        |
| Charles Mac                  |                   |                                     |                                                   |                                                                 |                  |                           |
| Remuneration of Company      | -                 | -                                   | 44                                                | -                                                               | -                | 44                        |

<sup>(1)</sup> On 1<sup>st</sup> January 2023, the Directors voluntarily waived all their rights to the performance rights issued to them by the Company and its subsidiaries. During the financial year an aggregate amount of S\$1,149,345 pertaining to the share plan granted to the directors was charged to profit or loss.

| Name of Key Management Personnel      | Designation                                                                                                             | <u>Short-term</u> |         | <u>Post-employment</u> | <u>Share-based Payments</u> | Total |
|---------------------------------------|-------------------------------------------------------------------------------------------------------------------------|-------------------|---------|------------------------|-----------------------------|-------|
|                                       |                                                                                                                         | Salary %          | Bonus % | CPF Contribution %     | Share Plan %                |       |
| <b>S\$150,000 to below S\$250,000</b> |                                                                                                                         |                   |         |                        |                             |       |
| Low Ming Li                           | Chief Operating Officer (reassigned on 3 <sup>rd</sup> January 2023 to 8VI Holdings Limited as Chief Executive Officer) | 95                | -       | 5                      | -                           | 100   |
| Louis Chua Chun Woei                  | Chief Financial Officer; Chief Risk Officer; and Company Secretary (Australia)                                          | 96                | -       | 4                      | -                           | 100   |

# REMUNERATION REPORT

For the financial year ended 31 March 2023

The total remuneration of each Key Management Personnel has not been disclosed in dollar terms given the sensitivity of remuneration matters and to maintain the confidentiality of the remuneration packages of these Key Management Personnel.

The total remuneration of the top five key executives (who are not directors of the Company) is S\$886,383 for the financial year ended 31 March 2023 (2021: S\$1,599,601).

There were no terminations, retirement or post-employment benefits granted to Directors and Key Management Personnel other than the standard contractual notice period termination payment in lieu of service for the financial year ended 31 March 2023.

No employee whose remuneration exceeded S\$50,000 during the financial year is an immediate family member of any of the members of the Board. Apart from disclosed elsewhere in this report, the Company did not provide any equity compensation to Directors or executives during the financial year ended 31 March 2023.

## Details of Remuneration (continued)

The Company also reimburses validly incurred business expenses of Directors and Key Management Personnel.

### Share-based remuneration

No options over ordinary shares in the Company were granted as compensation to each key management person during the reporting period.

## Other Information

There were no loans made to any Key Management Personnel during the financial year or outstanding at financial year ended.

Apart from disclosed elsewhere in this report, there were no transactions with Key Management Personnel during the financial year. During the financial year, the Remuneration Committee reviewed and approved the Company's remuneration policy.

## Directors Meetings

Since the beginning of the financial year, five meetings of directors were held. Attendances by each director during the period were as follows:

| DIRECTORS' MEETINGS |                    |          |
|---------------------|--------------------|----------|
| DIRECTORS           | ELIGIBLE TO ATTEND | ATTENDED |
| Chee Kuan Tat, Ken  | 5                  | 5        |
| Clive Tan Che Koon  | 5                  | 5        |
| Chay Yiowmin        | 5                  | 5        |
| Charles Mac         | 5                  | 5        |

## Environmental Issues

The Company's operations comply with all relevant environmental laws and regulations, and have not been subject to any actions by environmental regulators.



# DIRECTORS' STATEMENT

For the financial year ended 31 March 2023

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 2023 and the statement of financial position of the Company as at 31 March 2023 and statement of changes in equity of the Company for the financial year ended 31 March 2023.

In the opinion of the directors,

- (a) the consolidated financial statements of the Group and the statement of financial position and statement of changes in equity of the Company are drawn up so as to give a true and fair view of the financial position of the Group and of the Company as at 31 March 2023 and the financial performance, changes in equity and cash flows of the Group and changes in equity of the Company for the year ended on that date, 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 kept by the Company under section 164 of the Singapore Companies Act 1967 (the "Act"), 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<br>director or nominee |             | Holdings in which a director is<br>deemed to have an interest |             |
|---------------------------------------------------------|-------------------------------------------------------|-------------|---------------------------------------------------------------|-------------|
|                                                         | At 31.3.2023                                          | At 1.4.2022 | At 31.3.2023                                                  | At 1.4.2022 |
| <b>8I Holdings Limited</b><br>(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<br>director or nominee |             | Holdings in which a director is<br>deemed to have an interest |             |
|                                                         | At 31.3.2023                                          | At 1.4.2022 | At 31.3.2023                                                  | At 1.4.2022 |
| <b>8VI Holdings Limited</b><br>(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                                                 | 3,000       | 4,000                                                         | 4,000       |

# DIRECTORS' STATEMENT

For the financial year ended 31 March 2023

## 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<br>8IH ordinary shares under<br>8IH Performance Rights |             |                                | No. of unissued<br>8VI ordinary shares under<br>8VI Performance Rights<br>and Options |             |
|--------------------------------|------------------------------------------------------------------------|-------------|--------------------------------|---------------------------------------------------------------------------------------|-------------|
|                                | At 31.3.2023                                                           | At 1.4.2022 |                                | At 31.3.2023                                                                          | At 1.4.2022 |
| <b>8I Holdings Limited</b>     |                                                                        |             | <b>8VI Holdings Limited</b>    |                                                                                       |             |
| <u>Mr Chee Kuan Tat, Ken</u>   |                                                                        |             | <u>Mr Chee Kuan Tat, Ken</u>   |                                                                                       |             |
| Class A 8IH Performance Rights | -                                                                      | 3,886,000   | Class E 8VI Performance Rights | -                                                                                     | 250,000     |
| Class B 8IH Performance Rights | -                                                                      | 3,886,000   | Class F 8VI Performance Rights | -                                                                                     | 250,000     |
| Class C 8IH Performance Rights | -                                                                      | 3,886,000   | Options                        | 1,000,000                                                                             | 1,000,000   |
| Class D 8IH Performance Rights | -                                                                      | 3,886,000   |                                |                                                                                       |             |
| Class E 8IH Performance Rights | -                                                                      | 3,886,000   |                                |                                                                                       |             |
| <u>Mr Clive Tan Che Koon</u>   |                                                                        |             | <u>Mr Clive Tan Che Koon</u>   |                                                                                       |             |
| Class A 8IH Performance Rights | -                                                                      | 2,914,000   | Class E 8VI Performance Rights | -                                                                                     | 125,000     |
| Class B 8IH Performance Rights | -                                                                      | 2,914,000   | Class F 8VI Performance Rights | -                                                                                     | 125,000     |
| Class C 8IH Performance Rights | -                                                                      | 2,914,000   | Options                        | 500,000                                                                               | 500,000     |
| Class D 8IH Performance Rights | -                                                                      | 2,914,000   |                                |                                                                                       |             |
| Class E 8IH Performance Rights | -                                                                      | 2,914,000   |                                |                                                                                       |             |
| <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 2023

## 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.

In the previous financial year 2021, 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").

In the previous financial year 2022, 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").

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 as of 23 July 2020 using the Hoadleys Hybrid ESO Model (a Monte Carlo simulation 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<br>year ended<br><u>31.03.2023</u> | Aggregate granted<br>since<br>commencement of<br>scheme to<br><u>31.03.2023</u> | Aggregate<br>exercised since<br>commencement of<br>scheme to<br><u>31.03.2023</u> | Aggregate<br>outstanding as at<br><u>31.03.2023</u> |
|-----------------------------|---------------------------------------------------------|---------------------------------------------------------------------------------|-----------------------------------------------------------------------------------|-----------------------------------------------------|
| <b>8VI Holdings Limited</b> |                                                         |                                                                                 |                                                                                   |                                                     |
| 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 do not require 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.

#### 8IH Performance Rights and 8VI Performance Rights granted

#### Vesting conditions

|                                | <u>Number</u> | <u>Effective<br/>grant date</u> | <u>Fair value per<br/>right at<br/>effective grant<br/>date (AUD)</u> | <u>Earliest vesting<br/>determination<br/>date</u> | <u>VWAP Share<br/>Price condition<br/>(AUD)</u> | <u>Expiry date</u> |
|--------------------------------|---------------|---------------------------------|-----------------------------------------------------------------------|----------------------------------------------------|-------------------------------------------------|--------------------|
| <b>8I Holdings Limited</b>     |               |                                 |                                                                       |                                                    |                                                 |                    |
| 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         |
| <b>8VI Holdings Limited</b>    |               |                                 |                                                                       |                                                    |                                                 |                    |
| 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 2023

## 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 as of 27 July 2021 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

|                            | <u>Granted in<br/>financial year<br/>ended<br/>31.03.2023</u> | <u>Aggregate<br/>granted since<br/>commencement<br/>of scheme to<br/>31.03.2023</u> | <u>Aggregate<br/>exercised since<br/>commencement<br/>of scheme to<br/>31.03.2023</u> | <u>Aggregate<br/>waived since<br/>commencement<br/>of scheme to<br/>31.03.2023</u> | <u>Aggregate<br/>outstanding as<br/>at 31.03.2023</u> |
|----------------------------|---------------------------------------------------------------|-------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------|------------------------------------------------------------------------------------|-------------------------------------------------------|
| <b>8I Holdings Limited</b> |                                                               |                                                                                     |                                                                                       |                                                                                    |                                                       |
| Mr Chee Kuan Tat, Ken      | -                                                             | 19,430,000                                                                          | -                                                                                     | (19,430,000)                                                                       | -                                                     |
| Mr Clive Tan Che Koon      | -                                                             | 14,570,000                                                                          | -                                                                                     | (14,570,000)                                                                       | -                                                     |
| Mr Chay Yiowmin            | -                                                             | 500,000                                                                             | -                                                                                     | (500,000)                                                                          | -                                                     |
| Mr Charles Mac             | -                                                             | 500,000                                                                             | -                                                                                     | (500,000)                                                                          | -                                                     |

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

|                             | <u>Granted in<br/>financial year<br/>ended<br/>31.03.2023</u> | <u>Aggregate<br/>granted since<br/>commencement<br/>of scheme to<br/>31.03.2023</u> | <u>Aggregate<br/>exercised since<br/>commencement<br/>of scheme to<br/>31.03.2023</u> | <u>Aggregate<br/>waived since<br/>commencement<br/>of scheme to<br/>31.03.2023</u> | <u>Aggregate<br/>outstanding as<br/>at 31.03.2023</u> |
|-----------------------------|---------------------------------------------------------------|-------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------|------------------------------------------------------------------------------------|-------------------------------------------------------|
| <b>8VI Holdings Limited</b> |                                                               |                                                                                     |                                                                                       |                                                                                    |                                                       |
| Mr Chee Kuan Tat, Ken       | -                                                             | 1,300,000                                                                           | (800,000)                                                                             | (500,000)                                                                          | -                                                     |
| Mr Clive Tan Che Koon       | -                                                             | 650,000                                                                             | (400,000)                                                                             | (250,000)                                                                          | -                                                     |

In previous financial year 2022, 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.

During the financial year, the directors voluntarily waived all their rights to the performance rights issued to them by the Company and 8VI.

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

There are no unissued shares of the Company and 8VI under 8IH Performance Rights and 8VI Performance Rights in relation to the Share Plan outstanding at the end of the financial year. The number of unissued shares of 8VI under 8IH Performance Options in relation to the Share Plan outstanding at the end of the financial year was as follows:

|                             | <u>No of unissued ordinary shares of 8VI under the<br/>rights and options at 31.03.2023</u> | <u>Exercise price</u> | <u>Exercise period</u>   |
|-----------------------------|---------------------------------------------------------------------------------------------|-----------------------|--------------------------|
| <b>8VI Holdings Limited</b> |                                                                                             |                       |                          |
| Options                     | 1,500,000                                                                                   | AUD 0.45              | 21.08.2021 to 30.06.2025 |

# DIRECTORS' STATEMENT

For the financial year ended 31 March 2023

## 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 2023 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

30 June 2023



**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 2023, and the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows of the Group and the statement of changes in equity of the Company 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 and statement of changes in equity of the Company are properly drawn up in accordance with the provisions of the Companies Act 1967 (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 2023 and of the consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group and the changes in equity of the Company for the year ended on that date.

#### Basis for Opinion

We conducted our audit in accordance with Singapore Standards on Auditing ("SSAs"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the 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 2023. 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.

## 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><b>Carrying amount and impairment of investment in subsidiaries</b><br/><i>(Refer to Note 2.8, 2.9 and 14 to the financial statements)</i></p> <p>The Company carries its investment in subsidiaries at cost adjusted for impairment losses. As at 31 March 2023, the carrying amount of investment in subsidiaries amounted to S\$18,944,445. During the financial year 2023, the Company recognised an impairment loss of S\$3,645,581.</p> <p>We consider the carrying amount and impairment of investment in subsidiaries to be a significant key audit matter as the amount is significant to the Company. Moreover, the identification of impairment indicators, 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 in the investment in subsidiaries, our procedures included:</p> <ul style="list-style-type: none"> <li>considering the latest developments in relation to the subsidiaries' financial position and financial performance;</li> <li>examining the recoverable amounts determined by management, including the appropriateness of the method and key assumptions used;</li> <li>challenging management's assumptions;</li> <li>testing the adequacy of impairment loss; and</li> <li>considered the adequacy of disclosures in the financial statements.</li> </ul> <p>Based on procedures performed above, we have assessed that the provision for impairment loss is appropriate.</p>                                                       |
| <p><b>Valuation of financial instruments held at fair value</b><br/><i>(Refer to Note 3.2(c), 11, 16 and 25(e) to the financial statements)</i></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 (unquoted financial assets measured at fair value through other comprehensive income) rely on significant unobservable inputs. Accordingly, we have involved our valuation specialists in assessing the reasonableness of the significant unobservable inputs used by the Group.</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 high degree of judgement involved in the estimation of fair value.</p> <p>In the current financial year 2023, the Group recognised fair value loss on financial assets at FVPL and fair value loss on financial assets at FVOCI of S\$2,553,803 and S\$977,389, respectively.</p> | <p>Working with our valuation specialists, our procedures included:</p> <ol style="list-style-type: none"> <li>Obtain quoted market prices of listed equity securities from independent sources to compare the fair values of Level 1 financial instruments determined by management;</li> <li>Assessed the reasonableness of the methodologies used and the assumptions made by management for financial instruments valuations with significant unobservable valuation inputs (Level 3 financial instruments); and</li> <li>Performed tests of source data and inputs, in light of available market data and industry trends.</li> </ol> <p>Based on procedures performed above, we have assessed that the fair value measurements of Level 1 and Level 3 financial instruments held at fair value were reasonable.</p> <p>The fair value disclosures in the financial statements are 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><b>Intangible assets recognition, measurement and impairment – Development of software</b><br/>(Refer to Note 2.7, 2.9, 3.1(b), 3.2(e) and 15 to the financial statements)</p> <p><i>Recognition and measurement of development of software</i></p> <p>During the year, the Group regularly update the mobile application for GoodWhale App (formerly known as VI App). Management applied judgement in identifying which functions need updates and capitalising the expenses incurred on the updates. Factors considered by management included the Group's intention, availability of technical, financial and other resources and 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 the recognition and measurement of intangible assets 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><i>Impairment of development of software</i></p> <p>The accounting for the carrying value of 8Bit Global Pte. Ltd. ("8Bit"), which is considered a cash generating unit ("CGU"), has a material impact on the Group due to 8Bit's significant value of the intangible assets arising from development of the GoodWhale App (formerly known as VI App).</p> <p>In the current financial year 2023, the Group recorded a full impairment on the carrying amount of development of software of S\$1,684,011.</p> <p>Impairment assessment of 8Bit's intangible assets is a key audit matter given the high degree of judgment required by us in assessing the significant assumptions the Group applied in their Value in Use ("VIU") impairment model.</p> | <p>Our procedures in relation to the Group's recognition and measurement of development of software included:</p> <ol style="list-style-type: none"> <li>1. Obtained an understanding and assessing how management determined and measured costs that are directly attributable to the intangible assets;</li> <li>2. Evaluated the nature of the development costs that are capitalized into intangible assets;</li> <li>3. Assessed the reasonableness of the capitalization based on accounting standards;</li> <li>4. Reperformed the calculations of expenses capitalized; and</li> <li>5. Performed reasonableness test on the amortisation cost of intangible assets.</li> </ol> <p>Our procedures in relation to the Group's impairment assessment of intangible assets included:</p> <ol style="list-style-type: none"> <li>1. Ensured the cash flow forecasts used in the impairment model are approved by the Board;</li> <li>2. Considered management's expectations of the future business developments and corroborated certain information with market data; we also considered known future operational plans of the businesses and how these plans would impact future cash flows and whether these were appropriately reflected in the cash flow forecasts used;</li> <li>3. Performed sensitivity analysis of key assumptions used in the cash flow forecasts;</li> <li>4. We recalculated the impairment charge against the recorded amount;</li> <li>5. Assessed the appropriateness of the disclosures in the financial statements in accordance with the requirements of the accounting standards.</li> </ol> <p>Based on the procedures performed above, we found the key assumptions and estimates used in determining the impairment loss recorded to be within a supportable range.</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><b>Revenue recognition</b><br/>(Refer to Note 2.2, 3.1(a), and 4 to the financial statements)</p> <p>The Group offers sale of programme to customers at a fixed price, which is a bundled package that comprised of financial education programs, access to financial education and investing events, and creation of NFT. Some of the services and products in the bundled packages are specialized products or services that are sold only as part of a bundled arrangement by the Group.</p> <p>For the Group's revenue streams in these bundled packages, there is an inherent risk around the accuracy of amounts recorded as revenue due to:</p> <ul style="list-style-type: none"> <li>significant judgement involved in identifying the performance obligations in the bundled packages; and</li> <li>significant judgement involved in the estimation of the relative standalone selling prices of the products and services provided to the customers at the inception of revenue contract, for the purpose of allocating the transaction price to separate performance obligations.</li> </ul> <p>The accounting policies for revenue recognition, are set out in Notes 2.2 to the financial statements and the various revenue streams for the Group have been disclosed in Note 4 to the financial statements.</p> <p>As the Group's judgement is involved in determining the revenue for the aforesaid bundled revenue streams and in view of the significance of the aggregate revenue from these revenue streams over the Group's total revenue, this is a key audit matter.</p> | <p>Our procedures included:</p> <ol style="list-style-type: none"> <li>We obtained an understanding of the nature of the various revenue streams and the related billing and revenue recording processes, systems and controls;</li> <li>We tested, on a sample basis, over time and point in time revenue transactions recorded throughout the year. This testing included assessing, the existence of an underlying arrangement with the customer; the amounts invoiced to customers in accordance with the Group's approved pricing list; and the timing of revenue recognition for each revenue contract based on completed performance obligations and the Group's revenue recognition policy;</li> <li>We assessed the identification of the performance obligations in the bundled packages based on whether the good and service that is distinct or a series of distinct goods or services that are substantially the same and that have the same pattern of transfer to the customer; and</li> <li>For the bundled packages that includes specialized products or services that are sold only as part of a bundled arrangement by the Group, we assessed the reasonableness of the Group's judgement in determining the relative standalone selling price of these specialized services and products that are not directly observable.</li> </ol> <p>We found the revenue recognition of the revenue streams from the bundled packages to be appropriate. We found the assumptions used and estimates made in regard to the policies for revenue recognition to be reasonable.</p> |

### Other Information

Management is responsible for the other information contained in the annual report. Other information is defined as all information in the annual report other than the financial statements and our auditors' report thereon. We have obtained all the other information prior to the date of this auditors' 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.

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

### Other Information (continued)

When we read the other information, 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.

### 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, 30 June 2023

# CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the financial year ended 31 March 2023

|                                                                                                                            | Note | 2023<br>S\$         | 2022<br>S\$<br>(Restated) |
|----------------------------------------------------------------------------------------------------------------------------|------|---------------------|---------------------------|
| <b>Continuing operations</b>                                                                                               |      |                     |                           |
| Revenue                                                                                                                    | 4    | 16,299,675          | 31,353,141                |
| Investment losses                                                                                                          | 4    | (2,533,557)         | (2,903,356)               |
| Cost of sales and services                                                                                                 | 6    | (8,574,814)         | (7,375,444)               |
| <b>Gross profit</b>                                                                                                        |      | <b>5,191,304</b>    | <b>21,074,341</b>         |
| Other gains                                                                                                                | 5    | 35,459              | 200,134                   |
| Other income                                                                                                               | 5    | 561,626             | 1,698,515                 |
| Expenses                                                                                                                   |      |                     |                           |
| - Administrative expenses                                                                                                  | 6    | (9,916,950)         | (11,165,729)              |
| - Marketing and other operating expenses                                                                                   | 6    | (9,792,957)         | (12,660,637)              |
| - Finance costs                                                                                                            |      | (145,211)           | (112,560)                 |
| Loss before income tax                                                                                                     |      | (14,066,729)        | (965,936)                 |
| Income tax (expense)/credit                                                                                                | 8    | (717,287)           | 311,098                   |
| <b>Loss from continuing operations</b>                                                                                     |      | <b>(14,784,016)</b> | <b>(654,838)</b>          |
| <b>Discontinued operations</b>                                                                                             |      |                     |                           |
| Loss from discontinued operations (net of tax)                                                                             | 28   | (2,491,582)         | (3,213,535)               |
| <b>Loss for the year</b>                                                                                                   |      | <b>(17,275,598)</b> | <b>(3,868,373)</b>        |
| Other comprehensive (loss)/income:                                                                                         |      |                     |                           |
| Items that may be reclassified subsequently to profit or loss:                                                             |      |                     |                           |
| - Currency translation differences arising from consolidation                                                              |      | (121,324)           | 89,658                    |
| Items that will not be reclassified subsequently to profit or loss:                                                        |      |                     |                           |
| - Fair value losses - financial assets, at FVOCI                                                                           | 16   | (977,389)           | (402)                     |
| Other comprehensive (loss)/income, net of tax                                                                              |      | (1,098,713)         | 89,256                    |
| <b>Total comprehensive loss for the year</b>                                                                               |      | <b>(18,374,311)</b> | <b>(3,779,117)</b>        |
| Loss attributable to:                                                                                                      |      |                     |                           |
| - Owners of the Company                                                                                                    |      |                     |                           |
| - from continuing operations                                                                                               |      | (12,438,524)        | (1,265,326)               |
| - from discontinued operations                                                                                             |      | (2,491,582)         | (3,213,535)               |
| - Non-controlling interests                                                                                                |      | (2,345,492)         | 610,488                   |
|                                                                                                                            |      | <b>(17,275,598)</b> | <b>(3,868,373)</b>        |
| Total comprehensive loss attributable to:                                                                                  |      |                     |                           |
| - Owners of the Company                                                                                                    |      |                     |                           |
| - from continuing operations                                                                                               |      | (13,316,088)        | (1,243,189)               |
| - from discontinued operations                                                                                             |      | (2,592,540)         | (3,141,727)               |
| - Non-controlling interests                                                                                                |      | (2,465,683)         | 605,799                   |
|                                                                                                                            |      | <b>(18,374,311)</b> | <b>(3,779,117)</b>        |
| Loss per share for profit from continuing and discontinued operations attributable to owners of the Company (\$ per share) |      |                     |                           |
| Basic earnings                                                                                                             |      |                     |                           |
| - From continuing operations                                                                                               | 9    | (0.0348)            | (0.0035)                  |
| - From discontinued operations                                                                                             | 9    | (0.0070)            | (0.0090)                  |
| Diluted earnings                                                                                                           |      |                     |                           |
| - From continuing operations                                                                                               | 9    | (0.0348)            | (0.0033)                  |
| - From discontinued operations                                                                                             | 9    | (0.0070)            | (0.0084)                  |

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

# CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 March 2023

|                                                                   | Note | 31 March<br>2023<br>S\$ | 31 March<br>2022<br>S\$<br>(Restated) | 1 April<br>2021<br>S\$<br>(Restated) |
|-------------------------------------------------------------------|------|-------------------------|---------------------------------------|--------------------------------------|
| <b>ASSETS</b>                                                     |      |                         |                                       |                                      |
| <b>Current assets</b>                                             |      |                         |                                       |                                      |
| Cash and cash equivalents                                         | 10   | 20,406,258              | 26,348,010                            | 26,819,650                           |
| Financial assets, at FVPL                                         | 11   | 3,500,665               | 24,355,600                            | 24,868,213                           |
| Trade and other receivables                                       | 12   | 3,175,639               | 3,881,715                             | 2,153,261                            |
| Tax recoverable                                                   | 8    | 535,868                 | 350,828                               | -                                    |
|                                                                   |      | <b>27,618,430</b>       | <b>54,936,153</b>                     | <b>53,841,124</b>                    |
| <b>Non-current assets</b>                                         |      |                         |                                       |                                      |
| Other receivables                                                 |      | -                       | -                                     | 351,900                              |
| Property, plant and equipment                                     | 13   | 5,902,486               | 6,907,327                             | 1,450,709                            |
| Development of software                                           | 15   | -                       | 1,425,352                             | 790,401                              |
| Financial assets, at FVOCI                                        | 16   | 687,690                 | 1,308,682                             | 1,275,182                            |
| Deferred income tax assets                                        | 22   | -                       | 893,704                               | 296,355                              |
|                                                                   |      | <b>6,590,176</b>        | <b>10,535,065</b>                     | <b>4,164,547</b>                     |
| <b>Total assets</b>                                               |      | <b>34,208,606</b>       | <b>65,471,218</b>                     | <b>58,005,671</b>                    |
| <b>LIABILITIES</b>                                                |      |                         |                                       |                                      |
| <b>Current liabilities</b>                                        |      |                         |                                       |                                      |
| Trade and other payables                                          | 17   | 1,712,890               | 3,494,663                             | 4,115,165                            |
| Lease liabilities                                                 | 18   | 764,607                 | 712,505                               | 798,089                              |
| Bank borrowing                                                    | 19   | 342,513                 | 337,463                               | -                                    |
| Current income tax liabilities                                    | 8    | 184,100                 | 588,142                               | 1,053,178                            |
| Contract liabilities                                              | 20   | 8,731,221               | 13,301,650                            | 9,521,393                            |
| Redeemable participating shares                                   | 21   | -                       | 7,383,512                             | 5,359,489                            |
|                                                                   |      | <b>11,735,331</b>       | <b>25,817,935</b>                     | <b>20,847,314</b>                    |
| <b>Non-current liabilities</b>                                    |      |                         |                                       |                                      |
| Trade and other payables                                          | 17   | 169,460                 | -                                     | -                                    |
| Lease liabilities                                                 | 18   | 3,489,124               | 4,087,895                             | 73,625                               |
| Bank borrowing                                                    | 19   | 57,086                  | 393,707                               | -                                    |
| Contract liabilities                                              | 20   | 1,296,564               | 249,867                               | 233,789                              |
| Deferred income tax liabilities                                   | 22   | -                       | 129,302                               | 4,000                                |
|                                                                   |      | <b>5,012,234</b>        | <b>4,860,771</b>                      | <b>311,414</b>                       |
| <b>Total liabilities</b>                                          |      | <b>16,747,565</b>       | <b>30,678,706</b>                     | <b>21,158,728</b>                    |
| <b>NET ASSETS</b>                                                 |      | <b>17,461,041</b>       | <b>34,792,512</b>                     | <b>36,846,943</b>                    |
| <b>EQUITY</b>                                                     |      |                         |                                       |                                      |
| <b>Capital and reserves attributable to owners of the Company</b> |      |                         |                                       |                                      |
| Share capital                                                     | 23   | 33,731,412              | 33,731,412                            | 33,972,254                           |
| Treasury shares                                                   | 23   | (209,883)               | (209,883)                             | -                                    |
| Other reserves                                                    | 24   | (14,953,905)            | (12,446,325)                          | (14,122,248)                         |
| (Accumulated losses)/retained profits                             |      | (2,127,434)             | 10,406,223                            | 14,885,084                           |
|                                                                   |      | <b>16,440,190</b>       | <b>31,481,427</b>                     | <b>34,735,090</b>                    |
| <b>Non-controlling interests</b>                                  |      | <b>1,020,851</b>        | <b>3,311,085</b>                      | <b>2,111,853</b>                     |
| <b>Total equity</b>                                               |      | <b>17,461,041</b>       | <b>34,792,512</b>                     | <b>36,846,943</b>                    |

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

# STATEMENT OF FINANCIAL POSITION - COMPANY

As at 31 March 2023

|                                                                   | Note | 31 March<br>2023<br>S\$ | 2022<br>S\$       |
|-------------------------------------------------------------------|------|-------------------------|-------------------|
| <b>ASSETS</b>                                                     |      |                         |                   |
| <b>Current assets</b>                                             |      |                         |                   |
| Cash and cash equivalents                                         | 10   | 7,567,233               | 544,122           |
| Financial assets, at FVPL                                         | 11   | 2,493,367               | 6,566,553         |
| Trade and other receivables                                       | 12   | 511,664                 | 519,019           |
|                                                                   |      | <b>10,572,264</b>       | <b>7,629,694</b>  |
| <b>Non-current assets</b>                                         |      |                         |                   |
| Investments in subsidiaries                                       | 14   | 18,944,445              | 22,190,026        |
| Financial assets, at FVOCI                                        | 16   | 628,728                 | 5,379,897         |
|                                                                   |      | <b>19,573,173</b>       | <b>27,569,923</b> |
| <b>Total assets</b>                                               |      | <b>30,145,437</b>       | <b>35,199,617</b> |
| <b>LIABILITIES</b>                                                |      |                         |                   |
| <b>Current liabilities</b>                                        |      |                         |                   |
| Trade and other payables                                          | 17   | 8,801,847               | 5,196,654         |
| <b>Total liabilities</b>                                          |      | <b>8,801,847</b>        | <b>5,196,654</b>  |
| <b>NET ASSETS</b>                                                 |      | <b>21,343,590</b>       | <b>30,002,963</b> |
| <b>EQUITY</b>                                                     |      |                         |                   |
| <b>Capital and reserves attributable to owners of the Company</b> |      |                         |                   |
| Share capital                                                     | 23   | 33,731,412              | 33,731,412        |
| Treasury shares                                                   | 23   | (209,883)               | (209,883)         |
| Other reserves                                                    | 24   | (2,511,668)             | (1,724,764)       |
| Accumulated losses                                                |      | (9,666,271)             | (1,793,802)       |
| <b>Total equity</b>                                               |      | <b>21,343,590</b>       | <b>30,002,963</b> |

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

# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the financial year ended 31 March 2023

## Attributable to owners of the Company

Group

2023

At 1 April 2022, as previously stated

Impact of prior period adjustment (Note 29)

At 1 April 2022, as restated

Loss for the year

Other comprehensive loss for the year

Total comprehensive loss for the year

Value of employee services

Waiver of performance rights & options

Dilution of subsidiaries without change in control

Disposal of subsidiaries

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

End of financial year

| Share capital | Treasury shares | Fair value reserve | Currency translation reserve | Capital reserve | Employee share plan reserve | Retained Profits/ (accumulated losses) | Total        | Non-controlling interests | Total equity |
|---------------|-----------------|--------------------|------------------------------|-----------------|-----------------------------|----------------------------------------|--------------|---------------------------|--------------|
| S\$           | S\$             | S\$                | S\$                          | S\$             | S\$                         | S\$                                    | S\$          | S\$                       | S\$          |
| 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   |
| -             | -               | -                  | -                            | -               | -                           | (992,857)                              | (992,857)    | (254,295)                 | (1,247,152)  |
| 33,731,412    | (209,883)       | (11,395,395)       | (572,635)                    | (2,229,579)     | 1,751,284                   | 10,406,223                             | 31,481,427   | 3,311,085                 | 34,792,512   |
| -             | -               | -                  | -                            | -               | -                           | (14,930,106)                           | (14,930,106) | (2,345,492)               | (17,275,598) |
| -             | -               | (864,691)          | (113,831)                    | -               | -                           | -                                      | (978,522)    | (120,191)                 | (1,098,713)  |
| -             | -               | (864,691)          | (113,831)                    | -               | -                           | (14,930,106)                           | (15,908,628) | (2,465,683)               | (18,374,311) |
| -             | -               | -                  | -                            | -               | 1,138,548                   | -                                      | 1,138,548    | 10,797                    | 1,149,345    |
| -             | -               | -                  | -                            | -               | (2,326,512)                 | 2,390,871                              | 64,359       | (64,359)                  | -            |
| -             | -               | -                  | -                            | (335,516)       | -                           | -                                      | (335,516)    | 202,780                   | (132,736)    |
| -             | -               | -                  | 48,567                       | (54,145)        | -                           | 5,578                                  | -            | 26,231                    | 26,231       |
| -             | -               | -                  | 48,567                       | (389,661)       | (1,187,964)                 | 2,396,449                              | 867,391      | 175,449                   | 1,042,840    |
| 33,731,412    | (209,883)       | (12,260,086)       | (637,899)                    | (2,619,240)     | 563,320                     | (2,127,434)                            | 16,440,190   | 1,020,851                 | 17,461,041   |

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 2023

| Group                                                                               | Attributable to owners of the Company |                 |                    |                              |                 |                             |                  | Non-controlling interests | Total equity |
|-------------------------------------------------------------------------------------|---------------------------------------|-----------------|--------------------|------------------------------|-----------------|-----------------------------|------------------|---------------------------|--------------|
|                                                                                     | Share capital                         | Treasury shares | Fair value reserve | Currency translation reserve | Capital reserve | Employee share plan reserve | Retained profits |                           |              |
|                                                                                     | S\$                                   | S\$             | S\$                | S\$                          | S\$             | S\$                         | S\$              | S\$                       | S\$          |
| <b>2022</b>                                                                         |                                       |                 |                    |                              |                 |                             |                  |                           |              |
| <b>At 1 April 2021, as previously stated</b>                                        | 33,972,254                            | -               | (11,394,993)       | (666,982)                    | (2,339,023)     | 278,750                     | 15,562,255       | 2,285,293                 | 37,697,554   |
| Impact of prior period adjustment (Note 29)                                         |                                       |                 |                    |                              |                 |                             | (677,171)        | (173,440)                 | (850,611)    |
| <b>At 1 April 2021, as restated</b>                                                 | 33,972,254                            | -               | (11,394,993)       | (666,982)                    | (2,339,023)     | 278,750                     | 14,885,084       | 2,111,853                 | 36,846,943   |
| Loss for the year (restated)                                                        | -                                     | -               | -                  | -                            | -               | -                           | (4,478,861)      | 610,488                   | (3,868,373)  |
| Other comprehensive (loss)/income for the year                                      | -                                     | -               | (402)              | 94,347                       | -               | -                           | 93,945           | (4,689)                   | 89,256       |
| <b>Total comprehensive (loss)/income for the year</b>                               | -                                     | -               | (402)              | 94,347                       | -               | -                           | (4,478,861)      | 605,799                   | (3,779,117)  |
| Shares buy-back                                                                     | (240,842)                             | (209,883)       | -                  | -                            | -               | -                           | (450,725)        | -                         | (450,725)    |
| Value of employee services                                                          | -                                     | -               | -                  | -                            | 59,511          | 1,734,791                   | -                | 218,332                   | 2,012,634    |
| Performance rights of a subsidiary exercised                                        | -                                     | -               | -                  | -                            | (11,886)        | (188,224)                   | -                | 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)                    | -                | 72,528                    | 90,000       |
| <b>Total transactions with owners of the Company, recognised directly in equity</b> | (240,842)                             | (209,883)       | -                  | -                            | 109,444         | 1,472,534                   | -                | 593,433                   | 1,724,686    |
| <b>End of financial year (restated)</b>                                             | 33,731,412                            | (209,883)       | (11,395,395)       | (572,635)                    | (2,229,579)     | 1,751,284                   | 10,406,223       | 3,311,085                 | 34,792,512   |

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

# STATEMENT OF CHANGES IN EQUITY – COMPANY

For the financial year ended 31 March 2023

Company

2023

Beginning of financial year

Loss for the year

Other comprehensive loss for the year

**Total comprehensive loss for the year**

Value of employee services

Waiver of performance rights & options

Disposal of FVOCI

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

**End of financial year**

| Attributable to owners of the Company |                 |                    |                 |                             |                    |             |
|---------------------------------------|-----------------|--------------------|-----------------|-----------------------------|--------------------|-------------|
| Share capital                         | Treasury shares | Fair value reserve | Capital reserve | Employee share plan reserve | Accumulated losses | Total       |
| S\$                                   | S\$             | S\$                | S\$             | S\$                         | S\$                | S\$         |
| 33,731,412                            | (209,883)       | (1,072,073)        | (1,638,846)     | 986,155                     | (1,793,802)        | 30,002,963  |
| -                                     | -               | -                  | -               | -                           | (8,073,103)        | (8,073,103) |
| -                                     | -               | (1,684,216)        | -               | -                           | -                  | (1,684,216) |
| -                                     | -               | (1,684,216)        | -               | -                           | (8,073,103)        | (9,757,319) |
| -                                     | -               | -                  | -               | 1,097,946                   | -                  | 1,097,946   |
| -                                     | -               | -                  | -               | (2,084,101)                 | 2,084,101          | -           |
| -                                     | -               | 1,883,467          | -               | -                           | (1,883,467)        | -           |
| -                                     | -               | 1,883,467          | -               | (986,155)                   | 200,634            | 1,097,946   |
| 33,731,412                            | (209,883)       | (872,822)          | (1,638,846)     | -                           | (9,666,271)        | 21,343,590  |

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

# STATEMENT OF CHANGES IN EQUITY – COMPANY (continued)

For the financial year ended 31 March 2023

| Company                                                                             | Attributable to owners of the Company |                 |                    |                 |                             |                                        | Total       |
|-------------------------------------------------------------------------------------|---------------------------------------|-----------------|--------------------|-----------------|-----------------------------|----------------------------------------|-------------|
|                                                                                     | Share capital                         | Treasury shares | Fair value reserve | Capital reserve | Employee share plan reserve | Retained Profits/ (accumulated losses) |             |
|                                                                                     | S\$                                   | S\$             | S\$                | S\$             | S\$                         | S\$                                    |             |
| <b>2022</b>                                                                         |                                       |                 |                    |                 |                             |                                        |             |
| <b>Beginning of financial year</b>                                                  | 33,972,254                            | -               | (448,409)          | (1,638,846)     | -                           | 2,797,347                              | 34,682,346  |
| Loss for the year                                                                   | -                                     | -               | -                  | -               | -                           | (4,591,149)                            | (4,591,149) |
| Other comprehensive loss for the year                                               | -                                     | -               | (623,664)          | -               | -                           | -                                      | (623,664)   |
| <b>Total comprehensive loss for the year</b>                                        | -                                     | -               | (623,664)          | -               | -                           | (4,591,149)                            | (5,214,813) |
| Shares buy-back                                                                     | (240,842)                             | (209,883)       | -                  | -               | -                           | -                                      | (450,725)   |
| Value of employee services                                                          | -                                     | -               | -                  | -               | 986,155                     | -                                      | 986,155     |
| <b>Total transactions with owners of the Company, recognised directly in equity</b> | (240,842)                             | (209,883)       | -                  | -               | 986,155                     | -                                      | 535,430     |
| <b>End of financial year (restated)</b>                                             | 33,731,412                            | (209,883)       | (1,072,073)        | (1,638,846)     | 986,155                     | (1,793,802)                            | 30,002,963  |

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

# CONSOLIDATED STATEMENT OF CASH FLOWS

For the financial year ended 31 March 2023

|                                                                                           | Note | 2023<br>S\$        | 2022<br>S\$<br>Restated |
|-------------------------------------------------------------------------------------------|------|--------------------|-------------------------|
| <b>Cash flows from operating activities</b>                                               |      |                    |                         |
| Loss before income tax from continuing operations                                         |      | (14,066,729)       | (965,936)               |
| Loss before income tax from discontinued operations                                       |      | (2,491,660)        | (3,210,790)             |
| Loss before income tax                                                                    |      | (16,558,389)       | (4,176,726)             |
| Adjustments for:                                                                          |      |                    |                         |
| - Gain on disposal of subsidiaries                                                        |      | (35,459)           | -                       |
| - Net fair value loss of investment securities held at fair value through profit or loss  |      |                    |                         |
| - continuing operations                                                                   | 4    | 2,553,803          | 1,413,695               |
| - discontinued operations                                                                 |      | 298,997            | 2,428,263               |
| - Net loss on disposal of investment securities held at fair value through profit or loss |      |                    |                         |
| - continuing operations                                                                   | 4    | -                  | 1,500,599               |
| - discontinued operations                                                                 |      | 2,961,556          | 2,155,900               |
| - Dividend income                                                                         |      |                    |                         |
| - continuing operations                                                                   | 4    | (20,246)           | (10,939)                |
| - discontinued operations                                                                 |      | (131,979)          | (161,289)               |
| - Interest income                                                                         |      |                    |                         |
| - continuing operations                                                                   | 5    | (372,208)          | (113,744)               |
| - discontinued operations                                                                 |      | (72,434)           | (857)                   |
| - Depreciation of property, plant and equipment                                           |      |                    |                         |
| - continuing operations                                                                   | 6    | 1,576,275          | 1,847,350               |
| - discontinued operations                                                                 | 6    | 51,811             | 14,070                  |
| - Amortisation of development of software                                                 | 6    | 1,116,553          | 623,336                 |
| - Property, plant and equipment written off                                               | 6    | 20,771             | 20,756                  |
| - Bad debt written off                                                                    | 6    | 89,727             | 45,798                  |
| - Credit loss allowance                                                                   | 6    | (17,451)           | (13,168)                |
| - Impairment of development of software                                                   | 6    | 1,684,011          | -                       |
| - Finance costs                                                                           |      | 152,543            | 116,115                 |
| - Employee share plan expense                                                             | 7    | 1,149,345          | 2,012,634               |
| - Share of loss attributable to the unit holders of redeemable participating shares       | 21   | (1,592,197)        | (2,670,404)             |
| - Non-cash shares compensation to non-controlling interest                                |      | 250,000            | -                       |
| - Reversal of legal compensation receivable                                               | 6    | 510,631            | -                       |
| - Exchange differences                                                                    |      | 24,807             | 181,732                 |
|                                                                                           |      | (6,359,533)        | 5,213,121               |
| Change in working capital, net of effects from disposal of subsidiaries:                  |      |                    |                         |
| - Trade and other receivables                                                             |      | 640,163            | (1,409,184)             |
| - Financial assets, at FVPL                                                               |      | 15,040,579         | (6,985,844)             |
| - Trade and other payables                                                                |      | (2,146,552)        | (620,501)               |
| - Contract liabilities                                                                    |      | (3,523,732)        | 3,796,335               |
| Cash generated from/(used in) operations                                                  |      | 3,650,926          | (6,073)                 |
| Interest received                                                                         |      | 444,642            | 114,601                 |
| Dividend received                                                                         |      | 152,225            | 172,228                 |
| Income tax paid                                                                           | 8(b) | (604,252)          | (981,166)               |
| <b>Net cash provided by/(used in) operating activities</b>                                |      | <b>3,643,540</b>   | <b>(700,410)</b>        |
| <b>Cash flows from investing activities</b>                                               |      |                    |                         |
| (Acquisition)/disposal of non-controlling interest without a change in control            |      | (392,446)          | 5,092                   |
| Net proceeds from disposal of subsidiaries                                                |      | (44,684)           | -                       |
| Additions to property, plant and equipment                                                | 13   | (220,744)          | (2,444,916)             |
| Additions to development of software                                                      | 15   | (1,375,212)        | (1,258,287)             |
| Additions of financial assets through other comprehensive income                          | 16   | (356,855)          | (34,190)                |
| <b>Net cash used in investing activities</b>                                              |      | <b>(2,389,941)</b> | <b>(3,732,301)</b>      |

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

# CONSOLIDATED STATEMENT OF CASH FLOWS (continued)

For the financial year ended 31 March 2023

|                                                              | Note | 2023<br>S\$        | 2022<br>S\$<br>Restated |
|--------------------------------------------------------------|------|--------------------|-------------------------|
| <b>Cash flows from financing activities</b>                  |      |                    |                         |
| Shares buy-back                                              | 23   | -                  | (450,725)               |
| Payment of principal portion of lease liabilities            | 18   | (807,684)          | (962,324)               |
| Interest paid                                                |      | (152,543)          | (116,115)               |
| Proceeds from exercise of share options                      |      | -                  | 90,000                  |
| Proceeds from bank borrowing                                 |      | -                  | 1,000,000               |
| Repayment of bank borrowing                                  |      | (331,571)          | (268,830)               |
| Net proceeds from fund's non-controlling unit holders        | 21   | (5,386,701)        | 4,668,573               |
| <b>Net cash (used in)/provided by financing activities</b>   |      | <b>(6,678,449)</b> | <b>3,960,579</b>        |
| <b>Net decrease in cash and cash equivalents</b>             |      | <b>(5,424,900)</b> | <b>(472,132)</b>        |
| <b>Cash and cash equivalents</b>                             |      |                    |                         |
| Beginning of financial year                                  |      | 26,348,010         | 26,819,650              |
| Effects of currency translation on cash and cash equivalents |      | (516,852)          | 492                     |
| <b>End of financial year</b>                                 |      | <b>20,406,258</b>  | <b>26,348,010</b>       |

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

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2023

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 activities of the Company is management consultancy services and investment holding. 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 2022

On 1 April 2022, 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.

### 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 Group provides the financial education and training services to the customers. The Group will record contractual liabilities for advance payments received 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.



# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2023

## 2. Significant accounting policies (continued)

### 2.2 Revenue recognition (continued)

#### (d) Rendering of services

The Group provides 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.

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.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2023

## 2. Significant accounting policies (continued)

### 2.5 Group accounting (continued)

#### (a) Subsidiaries (continued)

##### (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.

##### (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.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2023

## 2. Significant accounting policies (continued)

### 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:

|                        | Useful lives |
|------------------------|--------------|
| 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.

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.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2023

## 2. Significant accounting policies (continued)

### 2.9 Impairment of non-financial assets (continued)

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)".

##### (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".

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2023

## 2. Significant accounting policies (continued)

### 2.10 Financial assets (continued)

#### (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.

### 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.



# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2023

## 2. Significant accounting policies (continued)

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



# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2023

## 2. Significant accounting policies (continued)

### 2.15 Leases (continued)

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

##### • Lease liabilities (continued)

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.

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.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2023

## 2. Significant accounting policies (continued)

### 2.16 Income taxes (continued)

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 2023

## 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.

### 2.24 Discontinued operations

A discontinued operation is a component of an entity that either has been disposed of, or that is classified as held-for-sale and:

- (a) represents a separate major line of business or geographical area of operations; or
- (b) is part of a single co-ordinated plan to dispose of a separate major line of business or geographical area of operations; or
- (c) is a subsidiary acquired exclusively with a view to resale.

### 2.25 Contract liabilities

Contract liabilities represent advances collected from the customers before the Group's performance obligations to deliver the services are satisfied. Contract liabilities are recognised as revenue as and when the performance obligations are satisfied.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2023

## 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.

### 3.1 Critical accounting estimates and assumptions

#### a. Determination of standalone selling price

The Group offers sale of programme to customers, which is a bundled package that comprised of services and products such as financial education programs, access to financial education and investing events, and creation of NFT. Some of the services and products in the bundled packages are specialized products or services that are usually not sold separately to the customers. Because these bundled packages include multiple performance obligations, the transaction price must be allocated to each performance obligations on a relative standalone selling price basis. Management estimates the stand-alone selling price at contract inception based on expected cost plus a margin approach, which considers factors such as cost structure, margins achieved on standalone sale of similar services, profit objectives and market conditions, in the determination of the expected cost and margin of the bundled packages.

#### b. Impairment of non-financial assets – intangible assets

In the current financial year 2023, the Group recorded a full impairment on the carrying amount of development of software of S\$1,684,011, as disclosed in Note 15.

In performing the impairment assessment of the carrying amount of development of software, as disclosed in Note 15, the recoverable amounts of the cash-generating units ("CGUs") in which intangible assets are attributable to, are determined using value-in-use ("VIU") calculation.

Significant judgements are used to estimate the gross margin, growth rates and pre-tax discount rates applied in computing the recoverable amounts of the CGUs. In making these estimates, management has relied on past performance, its expectations of market developments in Singapore and the industry trends in financial technology.

### 3.2 Critical judgements in applying the entity's accounting policies

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

As at 31 March 2023, the Group's lease liabilities, which are measured with reference to an estimate of the lease term, amounted to S\$4,253,730 (2022: S\$4,800,400), of which S\$2,247,084 (2022: 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 2023, 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.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2023

## 3. Critical accounting estimates, assumptions and judgements (continued)

### 3.2 Critical judgements in applying the entity's accounting policies (continued)

#### 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 intangible 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.

## 4. Revenue and investment losses

|                                              | Group             |                   |
|----------------------------------------------|-------------------|-------------------|
|                                              | 2023              | 2022              |
|                                              | S\$               | S\$               |
| <b>Revenue</b>                               |                   |                   |
| (a) Disaggregation of revenue                |                   |                   |
| <u>Type of good or service</u>               |                   |                   |
| - Financial education program sales          | 7,521,449         | 22,380,607        |
| - Subscription income                        | 6,738,568         | 8,735,767         |
| - Commission income                          | 116,525           | 224,971           |
| - Rendering of services                      | 1,013,427         | 11,796            |
| - Others                                     | 909,706           | -                 |
|                                              | <b>16,299,675</b> | <b>31,353,141</b> |
| <u>Timing of transfer of good or service</u> |                   |                   |
| - At a point in time                         | 8,597,542         | 22,617,374        |
| - Over time                                  | 7,702,133         | 8,735,767         |
|                                              | <b>16,299,675</b> | <b>31,353,141</b> |

#### (b) Contract liabilities

|                                     | Group             |                   |
|-------------------------------------|-------------------|-------------------|
|                                     | 31 March          | 1 April           |
|                                     | 2023              | 2021              |
|                                     | S\$               | S\$               |
| <u>Contract liabilities</u>         |                   |                   |
| - Financial education program sales | 5,287,366         | 7,258,933         |
| - Subscription income               | 2,077,076         | 5,649,964         |
| - Rendering of services             | 2,663,343         | 506,038           |
| - Others                            | -                 | 136,582           |
|                                     | <b>10,027,785</b> | <b>13,551,517</b> |

Contract liabilities relate to the Group's obligation to provide financial education program and financial technology application to customers for which the Group has received advances from customers for the services. Contract liabilities are recognised as revenue over the period the services are provided.

Set out below is the amount of revenue recognised from:

|                                                                       | Group             |                  |
|-----------------------------------------------------------------------|-------------------|------------------|
|                                                                       | 2023              | 2022             |
|                                                                       | S\$               | S\$              |
| Amounts included in contract liabilities at the beginning of the year | <b>13,301,651</b> | <b>9,521,393</b> |



# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2023

## 4. Revenue and investment losses (continued)

Management expects that the transaction price allocated to unsatisfied performance obligations as at 31 March 2023 and 31 March 2022 may be recognised as revenue in the next reporting periods as follows:

|                                                              | 2023<br>S\$ | 2024<br>S\$ | 2025<br>S\$ | Total<br>S\$ |
|--------------------------------------------------------------|-------------|-------------|-------------|--------------|
| Partial and fully unsatisfied performance obligations as at: |             |             |             |              |
| 31 March 2023                                                | -           | 8,732,221   | 1,296,564   | 10,027,785   |
| 31 March 2022                                                | 13,301,651  | 249,867     | -           | 13,551,518   |

|                                          | 2023<br>S\$        | Group<br>2022<br>S\$ |
|------------------------------------------|--------------------|----------------------|
| <b>Investment losses</b>                 |                    |                      |
| Fair value loss on investment securities | (2,553,803)        | (1,413,695)          |
| Loss on sale of investment securities    | -                  | (1,500,600)          |
| Dividend income                          | 20,246             | 10,939               |
|                                          | <b>(2,533,557)</b> | <b>(2,903,356)</b>   |

## 5. Other gains and other income

|                                  | 2023<br>S\$    | Group<br>2022<br>S\$ |
|----------------------------------|----------------|----------------------|
| <b>Other gains</b>               |                |                      |
| Gain on foreign exchange – net   | -              | 200,134              |
| Gain on disposal of subsidiaries | 35,459         | -                    |
|                                  | <b>35,459</b>  | <b>200,134</b>       |
| <b>Other income</b>              |                |                      |
| Interest income                  | 372,209        | 113,744              |
| Government grants                | 158,616        | 328,773              |
| Legal compensation               | -              | 1,111,870            |
| Others                           | 30,801         | 144,128              |
|                                  | <b>561,626</b> | <b>1,698,515</b>     |

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

## 6. Expenses by nature

|                                                                                                                                         | 2023<br>S\$        | Group<br>2022<br>S\$<br>(Restated) |
|-----------------------------------------------------------------------------------------------------------------------------------------|--------------------|------------------------------------|
| Audit fees paid to:                                                                                                                     |                    |                                    |
| - Auditors of the Company                                                                                                               | 160,868            | 177,204                            |
| - Other auditors                                                                                                                        | 29,536             | 30,613                             |
| Non-audit fees paid to auditors of the Company                                                                                          | 18,700             | 49,700                             |
| Depreciation of property, plant and equipment (Note 13)                                                                                 |                    |                                    |
| - continuing operations                                                                                                                 | 1,576,275          | 1,847,350                          |
| - discontinued operations                                                                                                               | 51,811             | 14,070                             |
| Employee compensation (Note 7)                                                                                                          | 10,417,226         | 11,051,477                         |
| Rental expense on operating leases (Note 18(d))                                                                                         | 18,581             | 20,816                             |
| Travelling expense                                                                                                                      | 592,051            | 402,465                            |
| Professional fees                                                                                                                       | 562,301            | 796,802                            |
| Commission                                                                                                                              | 90,092             | 69,064                             |
| Loss on foreign exchange – net                                                                                                          | 481,950            | -                                  |
| Marketing expenses                                                                                                                      | 5,071,668          | 9,988,753                          |
| Credit card charges                                                                                                                     | 458,589            | 1,186,651                          |
| Trainer fees                                                                                                                            | 748,484            | 1,280,120                          |
| Food catering expense                                                                                                                   | 57,016             | 72,682                             |
| Book and printing expenses                                                                                                              | 511,933            | 408,907                            |
| Other program costs                                                                                                                     | 199,674            | 50,861                             |
| Investment related expense                                                                                                              | 467,172            | 522,059                            |
| Corporate expenses                                                                                                                      | -                  | 330,726                            |
| Training costs                                                                                                                          | 134,188            | 131,160                            |
| AGM and listing expenses                                                                                                                | 120,933            | 182,501                            |
| Office expenses                                                                                                                         | 297,433            | 245,016                            |
| Amortisation of development of software (Note 15)                                                                                       | 1,116,553          | 623,336                            |
| Information technology cost                                                                                                             | 2,053,316          | 1,585,297                          |
| Property, plant and equipment written off                                                                                               | 20,771             | 20,756                             |
| Bad debt written off                                                                                                                    | 89,727             | 45,798                             |
| Credit loss allowance (Note 25(b))                                                                                                      |                    |                                    |
| - Trade receivables                                                                                                                     | (17,451)           | (13,168)                           |
| Donation                                                                                                                                | 24,747             | 101,723                            |
| Withholding tax expense                                                                                                                 | 141,961            | 391,317                            |
| Admin expenses                                                                                                                          | 487,785            | 397,579                            |
| Non-cash shares compensation to non-controlling interest                                                                                | 250,000            | -                                  |
| Sale and service tax expense                                                                                                            | 270,161            | 396,541                            |
| Reversal of legal compensation receivable                                                                                               | 510,631            | -                                  |
| Impairment of development of software (Note 15)                                                                                         | 1,684,011          | -                                  |
| Other expenses                                                                                                                          | 624,220            | 190,280                            |
|                                                                                                                                         | <b>29,322,896</b>  | <b>32,598,456</b>                  |
| Less: Amounts attributable to discontinued operations                                                                                   | <b>(1,038,175)</b> | <b>(1,396,646)</b>                 |
| Total cost of sales and services, administrative expenses, marketing and other operating expenses attributable to continuing operations | <b>28,284,721</b>  | <b>31,201,810</b>                  |



# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2023

## 7. Employee compensation

|                                                       | Group             |                   |
|-------------------------------------------------------|-------------------|-------------------|
|                                                       | 2023<br>S\$       | 2022<br>S\$       |
| Wages and salaries                                    | 8,101,874         | 7,936,495         |
| Employer's contribution to defined contribution plans | 928,884           | 822,027           |
| Other short-term benefits                             | 237,123           | 280,321           |
| Employee share plan                                   | 1,149,345         | 2,012,634         |
|                                                       | <b>10,417,226</b> | <b>11,051,477</b> |
| Less: Amounts attributable to discontinued operations | <b>(680,233)</b>  | <b>(622,903)</b>  |
| Amounts attributable to continuing operations         | <b>9,736,993</b>  | <b>10,428,574</b> |

## 8. Income taxes

### (a) Income tax (expense)/credit

|                                                          | Group            |                           |
|----------------------------------------------------------|------------------|---------------------------|
|                                                          | 2023<br>S\$      | 2022<br>S\$<br>(Restated) |
| Tax (expense)/credit attributable to loss is made up of: |                  |                           |
| - Loss for the financial year:                           |                  |                           |
| From continuing operations                               |                  |                           |
| Current income tax                                       |                  |                           |
| - Foreign                                                | <b>(15,971)</b>  | <b>(103,549)</b>          |
|                                                          | <b>(15,971)</b>  | <b>(103,549)</b>          |
| Deferred income tax (Note 22)                            | <b>(702,117)</b> | <b>473,655</b>            |
|                                                          | <b>(718,088)</b> | <b>370,106</b>            |
| From discontinued operations                             |                  |                           |
| Current income tax                                       |                  |                           |
| - Foreign                                                | -                | <b>(2,745)</b>            |
|                                                          | -                | <b>(2,745)</b>            |
| Deferred income tax (Note 22)                            | <b>78</b>        | -                         |
|                                                          | <b>78</b>        | <b>(2,745)</b>            |
| - Over/(under) provision in prior financial years:       |                  |                           |
| Current income tax                                       | <b>801</b>       | <b>(59,008)</b>           |
|                                                          | <b>(717,209)</b> | <b>308,353</b>            |
| Tax (expense)/credit attributable to:                    |                  |                           |
| - continuing operations                                  | <b>(717,287)</b> | <b>311,098</b>            |
| - discontinued operations                                | <b>78</b>        | <b>(2,745)</b>            |
|                                                          | <b>(717,209)</b> | <b>308,353</b>            |

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

|                           | Group               |                           |
|---------------------------|---------------------|---------------------------|
|                           | 2023<br>S\$         | 2022<br>S\$<br>(Restated) |
| Loss before income tax    |                     |                           |
| - continuing operations   | <b>(14,066,729)</b> | <b>(965,936)</b>          |
| - discontinued operations | <b>(2,491,660)</b>  | <b>(3,210,790)</b>        |
|                           | <b>(16,558,389)</b> | <b>(4,176,726)</b>        |

|                                                                      |                    |                  |
|----------------------------------------------------------------------|--------------------|------------------|
| Tax calculated at tax rate of 17%<br>(2022: 17%)                     | <b>(2,814,926)</b> | <b>(710,043)</b> |
| Effects of:                                                          |                    |                  |
| - different tax rates in other countries                             | -                  | <b>(88,439)</b>  |
| - income not subject to tax                                          | <b>(6,028)</b>     | -                |
| - losses/expenses not deductible for tax purposes                    | <b>392,882</b>     | <b>230,014</b>   |
| - reversal of deferred tax asset recognised in prior years           | <b>783,845</b>     | -                |
| - deferred tax assets not recognised                                 | <b>2,516,811</b>   | <b>406,884</b>   |
| - utilisation of group relief and previously unrecognised tax losses | <b>(113,970)</b>   | <b>(357,248)</b> |
| - others                                                             | <b>(40,604)</b>    | <b>151,471</b>   |
| - (Over)/under provision of tax in prior financial years             | <b>(801)</b>       | <b>59,008</b>    |
| <b>Tax charge/(credit)</b>                                           | <b>717,209</b>     | <b>(308,353)</b> |

### (b) Movement in income tax recoverable/(tax liabilities):

|                                                 | Group            |                           |
|-------------------------------------------------|------------------|---------------------------|
|                                                 | 2023<br>S\$      | 2022<br>S\$<br>(Restated) |
| Beginning of financial year                     | <b>(237,314)</b> | <b>(1,053,178)</b>        |
| Income tax paid                                 | <b>604,252</b>   | <b>981,166</b>            |
| Tax expense                                     | <b>(15,971)</b>  | <b>(106,294)</b>          |
| Over/(under) provision in prior financial years | <b>801</b>       | <b>(59,008)</b>           |
| End of financial year                           | <b>351,768</b>   | <b>(237,314)</b>          |
|                                                 |                  |                           |
|                                                 | Group            |                           |
|                                                 | 2023<br>S\$      | 2022<br>S\$<br>(Restated) |
| Current income tax asset                        | <b>535,868</b>   | <b>350,828</b>            |
| Current income tax liabilities                  | <b>(184,100)</b> | <b>(588,142)</b>          |
|                                                 | <b>351,768</b>   | <b>(237,314)</b>          |

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2023

## 9. Earnings per share

### (a) Basic earnings per share

Basic earnings per share is calculated by dividing the net profit attributable to equity holders of the Company by the weighted average number of ordinary shares outstanding during the financial year.

|                                                                                     | <u>Continuing operations</u> |                           | <u>Discontinued operations</u> |                           | <u>Total</u>        |                           |
|-------------------------------------------------------------------------------------|------------------------------|---------------------------|--------------------------------|---------------------------|---------------------|---------------------------|
|                                                                                     | <b>2023</b>                  | <b>2022</b><br>(Restated) | <b>2023</b>                    | <b>2022</b><br>(Restated) | <b>2023</b>         | <b>2022</b><br>(Restated) |
| Net loss attributable to equity holders of the Company (S\$)                        | <b>(12,438,524)</b>          | (1,265,326)               | <b>(2,491,582)</b>             | (3,213,535)               | <b>(14,930,106)</b> | (4,478,861)               |
| Weighted average number of ordinary shares outstanding for basic earnings per share | <b>357,355,994</b>           | 358,119,224               | <b>357,355,994</b>             | 358,119,224               | <b>357,355,994</b>  | 358,119,224               |
| Basic earnings per share (S\$ per share)                                            | <b>(0.0348)</b>              | (0.0035)                  | <b>(0.0070)</b>                | (0.0090)                  | <b>(0.0418)</b>     | (0.0125)                  |

### (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. Diluted earnings per share for continuing operations and discontinued operations attributable to equity holders of the Company is calculated as follows:

|                                                                                     | <u>Continuing operations</u> |                           | <u>Discontinued operations</u> |                           | <u>Total</u>        |                           |
|-------------------------------------------------------------------------------------|------------------------------|---------------------------|--------------------------------|---------------------------|---------------------|---------------------------|
|                                                                                     | <b>2023</b>                  | <b>2022</b><br>(Restated) | <b>2023</b>                    | <b>2022</b><br>(Restated) | <b>2023</b>         | <b>2022</b><br>(Restated) |
| Net loss attributable to equity holders of the Company (S\$)                        | <b>(12,438,524)</b>          | (1,265,326)               | <b>(2,491,582)</b>             | (3,213,535)               | <b>(14,930,106)</b> | (4,478,861)               |
| Weighted average number of ordinary shares outstanding for basic earnings per share | <b>357,355,994</b>           | 358,119,224               | <b>357,355,994</b>             | 358,119,224               | <b>357,355,994</b>  | 358,119,224               |
| Adjustments for performance rights                                                  | -                            | 23,684,932                | -                              | 23,684,932                | -                   | 23,684,932                |
|                                                                                     | <b>357,355,994</b>           | 381,804,156               | <b>357,355,994</b>             | 381,804,156               | <b>357,355,994</b>  | 381,804,156               |
| Diluted earnings per share (S\$ per share)                                          | <b>(0.0348)</b>              | (0.0033)                  | <b>(0.0070)</b>                | (0.0084)                  | <b>(0.0418)</b>     | (0.0117)                  |

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2023

## 10. Cash and cash equivalents

|                          | <u>Group</u>      |                   |
|--------------------------|-------------------|-------------------|
|                          | 2023              | 2022              |
|                          | S\$               | S\$               |
| Cash at bank and on hand | 19,638,155        | 23,482,069        |
| Short-term bank deposits | 768,103           | 2,865,941         |
|                          | <b>20,406,258</b> | <b>26,348,010</b> |

|                          | <u>Company</u> |         |
|--------------------------|----------------|---------|
|                          | 2023           | 2022    |
|                          | S\$            | S\$     |
| Cash at bank and on hand | 7,567,233      | 544,122 |

### Acquisition and disposal of subsidiaries

In March 2023, the Group disposed off all its stake in its subsidiaries, 8VI China Pte. Ltd. and 8VIC JooY Media Sdn. Bhd.. The effects of the disposal on the cash flows of the Group were:

|                                                                        | <u>Group</u>        |
|------------------------------------------------------------------------|---------------------|
|                                                                        | At date of disposal |
|                                                                        | S\$                 |
| Carrying amounts of assets and liabilities as at the date of disposal: |                     |
| Cash and bank balance                                                  | 44,684              |
| Prepayment                                                             | 4,736               |
| Property, plant and equipment                                          | 640                 |
|                                                                        | <b>50,060</b>       |
| Less: Trade and other payables                                         | (97,619)            |
| Net liabilities derecognised                                           | (47,559)            |
| Less: Non-controlling interests                                        | 23,200              |
| Net liabilities disposed of                                            | <b>(24,359)</b>     |
| Cash inflows arising from disposal:                                    |                     |
| Net liabilities disposed of (as above)                                 | (24,359)            |
| Gain on disposal                                                       | 35,459              |
| Cash receivable on disposal                                            | (11,100)            |
|                                                                        | <b>-</b>            |
| Less: Cash and bank balances in subsidiaries disposed of               | (44,684)            |
| Net cash outflow on disposal                                           | <b>(44,684)</b>     |

## 11. Financial assets, at FVPL

|                                           | <u>Group</u>     |                   |
|-------------------------------------------|------------------|-------------------|
|                                           | 2023             | 2022              |
|                                           | S\$              | S\$               |
| <i>Fair value through profit or loss:</i> |                  |                   |
| Listed securities                         |                  |                   |
| - Equity securities - Australia           | 23,567           | 2,339,325         |
| - Equity securities - India               | 1,534,309        | 1,888,964         |
| - Equity securities - China               | -                | 2,155,330         |
| - Equity securities - Hong Kong           | 33,765           | 2,172,089         |
| - Equity securities - America             | 1,539,880        | 15,507,834        |
| - Equity securities - Malaysia            | 313,344          | 189,362           |
| - Equity securities - Singapore           | 55,800           | 86,800            |
| - Equity securities - Japan               | -                | 15,896            |
|                                           | <b>3,500,665</b> | <b>24,355,600</b> |

|                                           | <u>Company</u>   |                  |
|-------------------------------------------|------------------|------------------|
|                                           | 2023             | 2022             |
|                                           | S\$              | S\$              |
| <i>Fair value through profit or loss:</i> |                  |                  |
| Listed securities                         |                  |                  |
| - Equity securities - Australia           | -                | 24,753           |
| - Equity securities - America             | 819,785          | 6,521,088        |
| - Equity securities - India               | 1,534,309        | -                |
| - Equity securities - Japan               | -                | 15,896           |
| - Equity securities - Malaysia            | 133,208          | -                |
| - Equity securities - Hong Kong           | 6,065            | 4,816            |
|                                           | <b>2,493,367</b> | <b>6,566,553</b> |

The instruments are all mandatorily measured at fair value through profit or loss.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2023

## 12. Trade and other receivables

|                                    | <u>Group</u>     |                  |
|------------------------------------|------------------|------------------|
|                                    | 2023             | 2022             |
|                                    | S\$              | S\$              |
| <b>Current</b>                     |                  |                  |
| Trade receivables                  |                  |                  |
| - Non-related parties (a)          | 107,252          | 958,379          |
| Other receivables                  |                  |                  |
| - Non-related parties (b)          | 238,202          | 605,077          |
| - Others                           | 664,318          | 1,399,233        |
| Deposits (c)                       | 879,348          | 555,832          |
| Prepayments                        | 1,579,083        | 680,131          |
| Credit loss allowance (Note 25(b)) | (292,564)        | (316,937)        |
|                                    | <b>3,175,639</b> | <b>3,881,715</b> |
|                                    | <u>Company</u>   |                  |
|                                    | 2023             | 2022             |
|                                    | S\$              | S\$              |
| <b>Current</b>                     |                  |                  |
| Other receivables                  |                  |                  |
| - Non-related parties (b)          | 692,357          | 605,077          |
| - Subsidiaries                     | 1,051,618        | 94,260           |
| Prepayments                        | 44,869           | 45,244           |
| Credit loss allowance (Note 25(b)) | (1,277,180)      | (225,562)        |
|                                    | <b>511,664</b>   | <b>519,019</b>   |

- (a) Trade receivables are non-interest bearing and are generally on 30 to 60 days' (2022: 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\$269 as at 31 March 2023 and S\$70,510 as at 1 April 2022 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> |               |
|----------------------------------------------|--------------|---------------|
|                                              | 2023         | 2022          |
|                                              | S\$          | S\$           |
| Trade receivables past due but not impaired: |              |               |
| Lesser than 30 days                          | -            | 70,510        |
| 31-60 days                                   | 269          | -             |
|                                              | <b>269</b>   | <b>70,510</b> |

### 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>  |               |
|---------------------------------|---------------|---------------|
|                                 | 2023          | 2022          |
|                                 | S\$           | S\$           |
| Movement in allowance accounts: |               |               |
| At 1 April                      | 91,375        | 104,650       |
| Write back for the year         | (17,451)      | (13,168)      |
| Currency translation difference | (6,922)       | (107)         |
| At 31 March                     | <b>67,002</b> | <b>91,375</b> |

- (b) Included in the other receivables are unsecured loans to third parties of S\$225,562 (2022: 225,562). The loans were past due and full allowance for credit losses were made.
- (c) Included in current deposits are bankers' guarantees of S\$190,000 and S\$218,000 (2022: S\$190,000 and S\$236,500) as required by Global Payments Asia Pacific (Hong Kong Holding) Limited and Green World FinTech Service Co., Ltd. respectively in order to provide services in accordance to the merchant agreements.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2023

## 13. Property, plant and equipment

|                                  | Office<br>premises<br>S\$ | Office<br>equipment<br>S\$ | Furniture and<br>fittings<br>S\$ | Motor<br>vehicles<br>S\$ | Total<br>S\$     |
|----------------------------------|---------------------------|----------------------------|----------------------------------|--------------------------|------------------|
| <b>Group</b>                     |                           |                            |                                  |                          |                  |
| <b>2023</b>                      |                           |                            |                                  |                          |                  |
| <b>Cost</b>                      |                           |                            |                                  |                          |                  |
| Beginning of financial year      | 5,112,107                 | 1,668,259                  | 2,107,124                        | 100,899                  | 8,988,389        |
| Currency translation differences | (23,402)                  | (21,574)                   | (44,582)                         | (6,582)                  | (96,140)         |
| Additions                        | 456,635                   | 173,983                    | 46,761                           | -                        | 677,379          |
| Disposal                         | -                         | (359)                      | (482)                            | -                        | (841)            |
| Written off                      | (368,306)                 | (35,583)                   | (72,364)                         | -                        | (476,253)        |
| <b>End of financial year</b>     | <b>5,177,034</b>          | <b>1,784,726</b>           | <b>2,036,457</b>                 | <b>94,317</b>            | <b>9,092,534</b> |
| <b>Accumulated depreciation</b>  |                           |                            |                                  |                          |                  |
| Beginning of financial year      | 584,571                   | 885,015                    | 510,577                          | 100,899                  | 2,081,062        |
| Currency translation differences | (12,449)                  | (17,130)                   | (27,256)                         | (6,582)                  | (63,417)         |
| Depreciation charge (Note 6)     |                           |                            |                                  |                          |                  |
| - continuing operations          | 879,447                   | 447,222                    | 249,606                          | -                        | 1,576,275        |
| - discontinued operations        | 38,398                    | -                          | 13,413                           | -                        | 51,811           |
| Disposal                         | -                         | -                          | (201)                            | -                        | (201)            |
| Written off                      | (368,306)                 | (26,295)                   | (60,881)                         | -                        | (455,482)        |
| <b>End of financial year</b>     | <b>1,121,661</b>          | <b>1,288,812</b>           | <b>685,258</b>                   | <b>94,317</b>            | <b>3,190,048</b> |
| <b>Net book value</b>            |                           |                            |                                  |                          |                  |
| <b>End of financial year</b>     | <b>4,055,373</b>          | <b>495,914</b>             | <b>1,351,199</b>                 | <b>-</b>                 | <b>5,902,486</b> |
| <b>2022</b>                      |                           |                            |                                  |                          |                  |
| <b>Cost</b>                      |                           |                            |                                  |                          |                  |
| 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        |
| Disposal                         | -                         | -                          | -                                | -                        | -                |
| Written off                      | (1,127,068)               | (152,844)                  | (700,838)                        | -                        | (1,980,750)      |
| <b>End of financial year</b>     | <b>5,112,107</b>          | <b>1,668,259</b>           | <b>2,107,124</b>                 | <b>100,899</b>           | <b>8,988,389</b> |
| <b>Accumulated depreciation</b>  |                           |                            |                                  |                          |                  |
| 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)     |                           |                            |                                  |                          |                  |
| - continuing operations          | 1,224,745                 | 412,430                    | 210,175                          | -                        | 1,847,350        |
| - discontinued operations        | 9,599                     | -                          | 4,471                            | -                        | 14,070           |
| Written off                      | (1,127,069)               | (151,820)                  | (699,106)                        | -                        | (1,977,995)      |
| <b>End of financial year</b>     | <b>584,571</b>            | <b>885,015</b>             | <b>510,577</b>                   | <b>100,899</b>           | <b>2,081,062</b> |
| <b>Net book value</b>            |                           |                            |                                  |                          |                  |
| <b>End of financial year</b>     | <b>4,527,536</b>          | <b>783,244</b>             | <b>1,596,547</b>                 | <b>-</b>                 | <b>6,907,327</b> |

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 2023

## 14. Investments in subsidiaries

|                                 | <u>Company</u>    |            |
|---------------------------------|-------------------|------------|
|                                 | <b>2023</b>       | 2022       |
|                                 | <b>S\$</b>        | S\$        |
| <b>Equity investments</b>       |                   |            |
| <b>Cost</b>                     |                   |            |
| Beginning of financial year     | <b>37,838,588</b> | 34,903,342 |
| Increase in investment          | <b>400,000</b>    | 2,935,246  |
| Disposal of subsidiaries        | <b>(176,974)</b>  | -          |
| <b>End of financial year</b>    | <b>38,061,614</b> | 37,838,588 |
| <b>Provision for impairment</b> |                   |            |
| Beginning of financial year     | <b>15,648,562</b> | 12,552,216 |
| Charge for the year             | <b>3,645,581</b>  | 3,096,346  |
| Disposal of subsidiaries        | <b>(176,974)</b>  | -          |
| <b>End of financial year</b>    | <b>19,117,169</b> | 15,648,562 |
| <b>Net carrying value</b>       |                   |            |
| <b>End of financial year</b>    | <b>18,944,445</b> | 22,190,026 |

During the financial year, the Company provided an impairment loss of S\$3,645,581 (2022: S\$3,096,346) representing the write-down of the carrying value of the subsidiaries to the recoverable amount.

The Group has the following subsidiaries as at 31 March 2023 and 2022:

| <u>Name</u>                                                                                                | <u>Principal activities</u>                            | <u>Country of business/ incorporation</u> | <u>Proportion of ordinary shares directly held by parent</u> |      | <u>Proportion of ordinary shares held by the Group</u> |      | <u>Proportion of ordinary shares held by non-controlling interests</u> |      |
|------------------------------------------------------------------------------------------------------------|--------------------------------------------------------|-------------------------------------------|--------------------------------------------------------------|------|--------------------------------------------------------|------|------------------------------------------------------------------------|------|
|                                                                                                            |                                                        |                                           | <b>2023</b>                                                  | 2022 | <b>2023</b>                                            | 2022 | <b>2023</b>                                                            | 2022 |
|                                                                                                            |                                                        |                                           | %                                                            | %    | %                                                      | %    | %                                                                      | %    |
| <b>Held by the Company:</b>                                                                                |                                                        |                                           |                                                              |      |                                                        |      |                                                                        |      |
| 8 Investment Pte. Ltd.                                                                                     | Business management consultancy                        | Singapore                                 | <b>100</b>                                                   | 100  | <b>100</b>                                             | 100  | -                                                                      | -    |
| VI Fund Management Pte. Ltd.                                                                               | Registered fund management company                     | Singapore                                 | <b>100</b>                                                   | 100  | <b>100</b>                                             | 100  | -                                                                      | -    |
| 8IH Global Limited                                                                                         | Investment trading                                     | Mauritius                                 | <b>100</b>                                                   | 100  | <b>100</b>                                             | 100  | -                                                                      | -    |
| 8VI Holdings Limited                                                                                       | Investment holding and management consultancy services | Singapore                                 | <b>79.6</b>                                                  | 78.7 | <b>79.6</b>                                            | 78.7 | <b>20.4</b>                                                            | 21.3 |
| 8Bit Global Pte. Ltd.                                                                                      | Computer programming and data processing and hosting   | Singapore                                 | <b>42.0</b>                                                  | 42.0 | <b>82.6</b>                                            | 82.2 | <b>17.4</b>                                                            | 17.8 |
| 8IH VCC                                                                                                    | Investment trading                                     | Singapore                                 | <b>100</b>                                                   | 100  | <b>100</b>                                             | 100  | -                                                                      | -    |
| <b>Held through 8VI Holdings Limited</b>                                                                   |                                                        |                                           |                                                              |      |                                                        |      |                                                                        |      |
| 8VI Global Pte. Ltd.                                                                                       | Seminar and programs organiser                         | Singapore                                 | -                                                            | -    | <b>79.6</b>                                            | 78.7 | <b>20.4</b>                                                            | 21.3 |
| Vastus Wealth Advisory Singapore Pte. Ltd. (Formerly known as Valiant Wealth Advisory Singapore Pte. Ltd.) | Insurance agencies and agents                          | Singapore                                 | -                                                            | -    | <b>39.8</b>                                            | 39.4 | <b>60.2</b>                                                            | 60.6 |
| METAVI World Pte. Ltd. (Formerly known as 8 Business Pte. Ltd.)                                            | Seminar and programs organiser                         | Singapore                                 | -                                                            | 100  | <b>74.3</b>                                            | 100  | <b>25.7</b>                                                            | -    |
| <b>Held through 8VI Global Pte. Ltd</b>                                                                    |                                                        |                                           |                                                              |      |                                                        |      |                                                                        |      |
| 8VI Malaysia Sdn. Bhd.                                                                                     | Seminar and programs organiser                         | Malaysia                                  | -                                                            | -    | <b>79.6</b>                                            | 78.7 | <b>20.4</b>                                                            | 21.3 |



# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2023

## 14. Investments in subsidiaries (continued)

The Group has the following subsidiaries as at 31 March 2023 and 2022: (continued)

| Name                                          | Principal activities                         | Country of business/<br>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 |           |
|-----------------------------------------------|----------------------------------------------|---------------------------------------|-------------------------------------------------------|-----------|-------------------------------------------------|-----------|-----------------------------------------------------------------|-----------|
|                                               |                                              |                                       | 2023<br>%                                             | 2022<br>% | 2023<br>%                                       | 2022<br>% | 2023<br>%                                                       | 2022<br>% |
| 8VI Taiwan Co., Ltd                           | Seminar and programs organiser               | Taiwan                                | -                                                     | -         | 72.6                                            | 55.1      | 27.4                                                            | 44.9      |
| 8VIC (Thailand) Company Limited               | Struck off                                   | Thailand                              | -                                                     | -         | -                                               | 51.2      | -                                                               | 48.8      |
| 8VI China Pte. Ltd.                           | Business management consultancy              | Singapore                             | -                                                     | -         | -                                               | 51.2      | -                                                               | 48.8      |
| Value Investing College Pte. Ltd.             | Dormant                                      | Singapore                             | -                                                     | -         | 79.6                                            | 78.7      | 20.4                                                            | 21.3      |
| <b>Held through 8VI Malaysia Sdn. Bhd.</b>    |                                              |                                       |                                                       |           |                                                 |           |                                                                 |           |
| 8VIC JooY Media Sdn. Bhd.                     | Agency and media                             | Malaysia                              | -                                                     | -         | -                                               | 78.7      | -                                                               | 21.3      |
| 8VI FIN Malaysia Sdn. Bhd.                    | Advisory services                            | Malaysia                              | -                                                     | -         | 55.7                                            | 55.1      | 44.3                                                            | 44.9      |
| <b>Held through 8VI China Pte. Ltd.</b>       |                                              |                                       |                                                       |           |                                                 |           |                                                                 |           |
| 8VI China (Shanghai) Co. Ltd<br>信益安（上海）实业有限公司 | Business and management consultancy services | People's Republic of China            | -                                                     | -         | -                                               | 51.2      | -                                                               | 48.8      |
| <b>Held through 8IH Global Limited</b>        |                                              |                                       |                                                       |           |                                                 |           |                                                                 |           |
| Hidden Champions Fund                         | Investment trading                           | Mauritius                             | -                                                     | -         | 100                                             | 100       | -                                                               | -         |

### Capital and financial requirements

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

#### 8BIT Global Pte. Ltd. and Vastus Wealth Pte. Ltd.

(i) 8BIT and Vastus Wealth are required to meet minimum base capital of S\$250,000 and S\$300,000 respectively, 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 each entities, less any interim loss in the latest accounts and any dividend that has been declared since the latest audited accounts.

(ii) 8BIT and Vastus Wealth are also required to maintain continuing financial requirements, net asset value of not less than:

- 1) One-quarter of their relevant annual expenditure\* of the immediately preceding financial year; or
- 2) S\$150,000; whichever is higher.

\* the relevant annual expenditure of a licensed financial adviser for the immediately preceding financial year means the total expenditure of the financial adviser for that year less the following:

- (a) staff bonuses (except to the extent that they are guaranteed);
- (b) employees' and directors' shares in profits (except to the extent that they are guaranteed); and
- (c) any commission or fee paid to its representatives which is directly related to the commission or fee received by the financial adviser.

#### VI Fund Management Pte. Ltd.

VIFM is 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 VIFM, less any interim loss in the latest accounts and any dividend that has been declared since the latest audited accounts.

As at 31 March 2023 and as at the date of authorisation of these financial statements, 8BIT, Vastus Wealth and VIFM have met the capital and financial requirements stated above.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2023

## 14. Investments in subsidiaries (continued)

### Significant restrictions

Cash and short-term deposits of S\$Nil (2022: S\$126,489) 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.

|                                                    | 2023<br>S\$      | 2022<br>S\$<br>Restated |
|----------------------------------------------------|------------------|-------------------------|
| <b>Carrying value of non-controlling interests</b> |                  |                         |
| 8VI Holdings Limited and its subsidiaries          | <b>1,680,268</b> | 2,790,467               |

### 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<br>31 March<br>2023<br>S\$ | 8VI Holdings Limited and its subsidiaries<br>31 March<br>2022<br>S\$<br>Restated |
|----------------------------------|----------------------------------------------------------------------|----------------------------------------------------------------------------------|
| <b>Current</b>                   |                                                                      |                                                                                  |
| Assets                           | <b>15,694,192</b>                                                    | 30,253,233                                                                       |
| Liabilities                      | <b>(11,817,184)</b>                                                  | (18,049,092)                                                                     |
| Total current net assets         | <b>3,877,008</b>                                                     | 12,204,141                                                                       |
| <b>Non-current</b>               |                                                                      |                                                                                  |
| Assets                           | <b>5,547,236</b>                                                     | 8,760,122                                                                        |
| Liabilities                      | <b>(5,012,233)</b>                                                   | (4,860,770)                                                                      |
| Total non-current net assets     | <b>535,003</b>                                                       | 3,899,352                                                                        |
| <b>Net assets</b>                | <b>4,412,011</b>                                                     | 16,103,493                                                                       |
| <b>Non-controlling interests</b> | <b>1,680,268</b>                                                     | 2,790,467                                                                        |

### Summarised statement of comprehensive income

|                                                                          | 8VI Holdings Limited and its subsidiaries<br>For year ended<br>31 March<br>2023<br>S\$ | 8VI Holdings Limited and its subsidiaries<br>For year ended 31<br>March<br>2022<br>S\$<br>Restated |
|--------------------------------------------------------------------------|----------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------|
| Revenue                                                                  | <b>16,300,405</b>                                                                      | 31,353,141                                                                                         |
| (Loss)/profit before tax                                                 | <b>(10,458,159)</b>                                                                    | 2,807,253                                                                                          |
| Income tax (expense)/credit                                              | <b>(720,929)</b>                                                                       | 380,040                                                                                            |
| (Loss)/profit for the year                                               | <b>(11,179,088)</b>                                                                    | 3,187,293                                                                                          |
| Total comprehensive (loss)/income allocated to non-controlling interests | <b>(1,540,908)</b>                                                                     | 1,605,026                                                                                          |

### Summarised statement of cash flows

|                                                               | 8VI Holdings Limited and its subsidiaries<br>31 March<br>2023<br>S\$ | 8VI Holdings Limited and its subsidiaries<br>31 March<br>2022<br>S\$<br>Restated |
|---------------------------------------------------------------|----------------------------------------------------------------------|----------------------------------------------------------------------------------|
| <b>Cash flows from operating activities</b>                   |                                                                      |                                                                                  |
| Cash (used in)/provided by operations                         | (8,809,100)                                                          | 9,432,182                                                                        |
| Interest income received                                      | 259,680                                                              | 17,110                                                                           |
| Dividend received                                             | 15,798                                                               | 97,720                                                                           |
| Income tax paid                                               | (637,267)                                                            | (957,114)                                                                        |
| <b>Net cash (used in)/provided by operating activities</b>    | <b>(9,170,889)</b>                                                   | 8,589,898                                                                        |
| <b>Net cash generated from/(used in) investing activities</b> | <b>5,213,658</b>                                                     | (9,910,342)                                                                      |
| <b>Net cash used in financing activities</b>                  | <b>(1,657,427)</b>                                                   | (704,605)                                                                        |
| <b>Net decrease in cash and cash equivalents</b>              | <b>(5,614,658)</b>                                                   | (2,025,049)                                                                      |
| Cash and cash equivalents at beginning of year                | 16,669,160                                                           | 18,629,229                                                                       |
| Effect of currency translation on cash and cash equivalents   | (66,029)                                                             | 64,980                                                                           |
| <b>Cash and cash equivalents at end of year</b>               | <b>10,988,473</b>                                                    | 16,669,160                                                                       |

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2023

## 15. Development of software

|                                                     | <u>Group</u> |           |
|-----------------------------------------------------|--------------|-----------|
|                                                     | 2023         | 2022      |
|                                                     | S\$          | S\$       |
| <b>Cost</b>                                         |              |           |
| Beginning of financial year                         | 2,581,348    | 1,323,061 |
| Additions                                           | 1,375,212    | 1,258,287 |
| End of financial year                               | 3,956,560    | 2,581,348 |
| <b>Accumulated amortisation and impairment loss</b> |              |           |
| Beginning of financial year                         | 1,155,996    | 532,660   |
| Amortisation charge                                 | 1,116,553    | 623,336   |
| Impairment loss                                     | 1,684,011    | -         |
| End of financial year                               | 3,956,560    | 1,155,996 |
| <b>Net book value</b>                               | -            | 1,425,352 |

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

|                         | <u>Group</u> |         |
|-------------------------|--------------|---------|
|                         | 2023         | 2022    |
|                         | S\$          | S\$     |
| Administrative expenses | 1,116,553    | 623,336 |

### Impairment

Development software is pertaining to the GoodWhale App (formerly known as VI App) which was developed by the Group's subsidiary, 8Bit Global Pte. Ltd. ("8Bit"), a cash generating unit ("CGU").

The recoverable amount of a CGU was determined based on value-in-use. Cash flow projections used in the value-in-use calculations were based on financial budgets approved by management covering a three-year period, with key assumptions used in the cash flow projections includes budgeted gross margin based on past performance and its expectations of market developments, and growth rates used were consistent with industry forecast.

During the financial year, an impairment charge of S\$1,684,011 was made (included within "Marketing and other operating expenses") in the statement of comprehensive income. The impairment charge arose from the expected loss making in 8Bit in subsequent financial years that leads to negative recoverable amount of the asset, as a result of expected declining GoodWhale App's (formerly known as VI App) subscription income from customers.

## 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.

|                                                            | <u>Group</u>   |                  |
|------------------------------------------------------------|----------------|------------------|
|                                                            | 2023           | 2022             |
|                                                            | S\$            | S\$              |
| Beginning of financial year                                | 1,308,682      | 1,275,182        |
| Net additions                                              | 356,855        | 34,190           |
| Fair value losses recognised in other comprehensive income | (977,389)      | (402)            |
| Currency translation differences                           | (458)          | (288)            |
| <b>End of financial year</b>                               | <b>687,690</b> | <b>1,308,682</b> |

|                                                            | <u>Company</u> |                  |
|------------------------------------------------------------|----------------|------------------|
|                                                            | 2023           | 2022             |
|                                                            | S\$            | S\$              |
| Beginning of financial year                                | 5,379,897      | 1,267,761        |
| (Disposal)/additions                                       | (3,066,953)    | 4,735,800        |
| Fair value losses recognised in other comprehensive income | (1,684,216)    | (623,664)        |
| <b>End of financial year</b>                               | <b>628,728</b> | <b>5,379,897</b> |

Financial assets at FVOCI are analysed as follows:

|                     | <u>Group</u>   |                  |
|---------------------|----------------|------------------|
|                     | 2023           | 2022             |
|                     | S\$            | S\$              |
| Listed securities   | 6,256          | 221,351          |
| Unlisted securities | 681,434        | 1,087,331        |
| <b>Total</b>        | <b>687,690</b> | <b>1,308,682</b> |

|                     | <u>Company</u> |                  |
|---------------------|----------------|------------------|
|                     | 2023           | 2022             |
|                     | S\$            | S\$              |
| Listed securities   | -              | 4,326,756        |
| Unlisted securities | 628,728        | 1,053,141        |
| <b>Total</b>        | <b>628,728</b> | <b>5,379,897</b> |

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 2023

## 17. Trade and other payables

|                                      | <u>Group</u>     |                  |
|--------------------------------------|------------------|------------------|
|                                      | 2023             | 2022             |
|                                      | S\$              | S\$              |
|                                      | (Restated)       |                  |
| <i>Current</i>                       |                  |                  |
| Trade payables – non-related parties | 201,325          | 1,236,302        |
| Accruals for operating expenses      | 829,682          | 1,242,314        |
| GST payable                          | -                | 102,722          |
| Sale and service tax                 | 407,048          | 659,010          |
| Other payables                       | 274,835          | 254,315          |
| <b>Total</b>                         | <b>1,712,890</b> | <b>3,494,663</b> |
| <i>Non-current</i>                   |                  |                  |
| Provision for reinstatement          | 169,460          | -                |

|                                      | <u>Company</u>   |                  |
|--------------------------------------|------------------|------------------|
|                                      | 2023             | 2022             |
|                                      | S\$              | S\$              |
| <i>Current</i>                       |                  |                  |
| Trade payables – non-related parties | 7,334            | 7,887            |
| Accruals for operating expenses      | 81,419           | 81,373           |
| Amounts due to subsidiaries          | 8,633,129        | 5,034,328        |
| Other payables                       | 79,965           | 73,066           |
| <b>Total</b>                         | <b>8,801,847</b> | <b>5,196,654</b> |

Trade payables are non-interest bearing and are normally settled on 30-day (2022: 30 day) terms.

## 18. Leases

### The Group as a lessee

|              | <u>Group</u>     |                  |
|--------------|------------------|------------------|
|              | 2023             | 2022             |
|              | S\$              | S\$              |
| Current      | 764,607          | 712,505          |
| Non-current  | 3,489,124        | 4,087,895        |
| <b>Total</b> | <b>4,253,731</b> | <b>4,800,400</b> |

### 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<br>2023<br>S\$ | 1 April<br>2022<br>S\$ |
|-----------------|-------------------------|------------------------|
| Office premises | 4,055,373               | 4,527,536              |

#### (b) Depreciation charged during the year

|                 | 2023<br>S\$ | 2022<br>S\$ |
|-----------------|-------------|-------------|
| Office premises | 917,845     | 1,234,344   |

#### (c) Interest expense

|                                       |         |        |
|---------------------------------------|---------|--------|
| Interest expense on lease liabilities | 129,614 | 92,380 |
|---------------------------------------|---------|--------|

#### (d) Lease expense not capitalised in lease liabilities

|                                  |        |        |
|----------------------------------|--------|--------|
| Lease expense – low-value leases | 18,581 | 20,816 |
|----------------------------------|--------|--------|

(e) There is no income for subleasing ROU assets in the financial year 2023 (2022: S\$NIL).

(f) Total cash outflow for all the leases in the financial year 2023 was S\$955,879 (2022: S\$1,075,520).

(g) Addition of ROU assets during the financial year 2023 was S\$456,635 (2022: S\$4,891,146).

(h) There is no future cash outflow which is not capitalised in lease liabilities in 2023 (2022: S\$NIL).

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2023

## 18. Leases (continued)

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

|                                 | <u>Group</u>     |                  |
|---------------------------------|------------------|------------------|
|                                 | 2023             | 2022             |
|                                 | S\$              | S\$              |
| Beginning of financial year     | 4,800,400        | 871,714          |
| Principal and interest payments | (937,298)        | (1,054,704)      |
| Non-cash changes                |                  |                  |
| - Addition during the year      | 281,956          | 4,891,146        |
| - Interest expense              | 129,614          | 92,380           |
| - Foreign exchange movement     | (20,941)         | (136)            |
| <b>End of financial year</b>    | <b>4,253,731</b> | <b>4,800,400</b> |

## 19. Bank borrowing

|              | <u>Group</u>   |                |
|--------------|----------------|----------------|
|              | 2023           | 2022           |
|              | S\$            | S\$            |
| Current      | 342,513        | 337,463        |
| Non-current  | 57,086         | 393,707        |
| <b>Total</b> | <b>399,599</b> | <b>731,170</b> |

The bank borrowing bears fixed interest at 3% (2022: 3%) 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 2023 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 its 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>   |                |
|---------------------------------|----------------|----------------|
|                                 | 2023           | 2022           |
|                                 | S\$            | S\$            |
| Beginning of financial year     | 731,170        | -              |
| Principal and interest payments | (348,984)      | (290,902)      |
| Proceeds from borrowings        | -              | 1,000,000      |
| Non-cash changes:               |                |                |
| - Interest expense              | 17,413         | 22,072         |
| <b>End of financial year</b>    | <b>399,599</b> | <b>731,170</b> |

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2023

## 20. Contract liabilities

|                        | Group             |            |
|------------------------|-------------------|------------|
|                        | 2023              | 2022       |
|                        | S\$               | S\$        |
| <b>Current</b>         |                   |            |
| Advances from customer | <b>8,731,221</b>  | 13,301,650 |
| <b>Non-current</b>     |                   |            |
| Advances from customer | <b>1,296,564</b>  | 249,867    |
|                        | <b>10,027,785</b> | 13,551,517 |

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              |                  |
|-----------------------------------------------------------------------------------|--------------------|------------------|
|                                                                                   | 2023               | 2022             |
|                                                                                   | S\$                | S\$              |
| As at beginning of year                                                           | <b>7,383,512</b>   | 5,359,489        |
| Proceeds received from fund's non-controlling unit holders                        | <b>320,755</b>     | 5,356,053        |
| Payment to fund's non-controlling unit holders                                    | <b>(5,707,456)</b> | (687,480)        |
| Share of loss attributable to the unit holders of redeemable participating shares | <b>(1,592,197)</b> | (2,670,405)      |
| Currency translation differences                                                  | <b>(404,614)</b>   | 25,855           |
| <b>As at end of year</b>                                                          | <b>-</b>           | <b>7,383,512</b> |

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.

During the financial year, the 8IH VCC and Hidden Champions Fund performed compulsory redemption of all participating shares held by their investors at the price per participating share equal to the prevailing funds' net asset value per share in accordance with the funds' constitutions and private placement memorandums.

## 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    |                |
|--------------------------------|----------|----------------|
|                                | 2023     | 2022           |
|                                | S\$      | S\$            |
| Deferred tax assets            | -        | 893,704        |
| Deferred tax liabilities       | -        | (129,302)      |
| <b>Net deferred tax assets</b> | <b>-</b> | <b>764,402</b> |

Movement in deferred income tax account is as follows:

|                                       | Group            |                |
|---------------------------------------|------------------|----------------|
|                                       | 2023             | 2022           |
|                                       | S\$              | S\$            |
| Beginning of financial year           | <b>764,402</b>   | 292,355        |
| Currency translation differences      | <b>(62,363)</b>  | (1,608)        |
| Tax credited to profit or loss        |                  |                |
| - continuing operations (Note 8(a))   | <b>(702,117)</b> | 473,655        |
| - discontinued operations (Note 8(a)) | <b>78</b>        | -              |
| <b>End of financial year</b>          | <b>-</b>         | <b>764,402</b> |

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\$17,000,000 (2022: S\$4,245,000) 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 2023

## 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<br>tax<br>depreciation<br>S\$ | Contract<br>Liabilities<br>S\$ | Total<br>S\$ |
|----------------------------------|-------------------------------------------|--------------------------------|--------------|
| <b>2023</b>                      |                                           |                                |              |
| Beginning of financial year      | 55,262                                    | 838,442                        | 893,704      |
| Currency translation differences | -                                         | (72,088)                       | (72,088)     |
| Credited to profit or loss       | (55,262)                                  | (766,354)                      | (821,616)    |
| <b>End of financial year</b>     | -                                         | -                              | -            |

### 2022

|                                  |        |         |         |
|----------------------------------|--------|---------|---------|
| Beginning of financial year      | 2,321  | 294,034 | 296,355 |
| Currency translation differences | 208    | (1,816) | (1,608) |
| Credited to profit or loss       | 52,733 | 546,224 | 598,957 |
| <b>End of financial year</b>     | 55,262 | 838,442 | 893,704 |

#### Deferred income tax liabilities

|                                  | Accelerated<br>tax<br>depreciation<br>S\$ | Trade<br>receivable<br>S\$ | Total<br>S\$ |
|----------------------------------|-------------------------------------------|----------------------------|--------------|
| <b>2023</b>                      |                                           |                            |              |
| Beginning of financial year      | (4,000)                                   | (125,302)                  | (129,302)    |
| Currency translation differences | -                                         | 9,725                      | 9,725        |
| Charged to profit or loss        | 4,000                                     | 115,577                    | 119,577      |
| <b>End of financial year</b>     | -                                         | -                          | -            |

### 2022

|                              |         |           |           |
|------------------------------|---------|-----------|-----------|
| Beginning of financial year  | (4,000) | -         | (4,000)   |
| Charged to profit or loss    | -       | (125,302) | (125,302) |
| <b>End of financial year</b> | (4,000) | (125,302) | (129,302) |

## 23. Share capital and treasury shares

### Share capital

|                                     | Number of<br>shares | Amount<br>S\$     |
|-------------------------------------|---------------------|-------------------|
| <b>Group and Company</b>            |                     |                   |
| <b>2023</b>                         |                     |                   |
| Beginning and end of financial year | <b>358,138,783</b>  | <b>33,731,412</b> |
| <b>2022</b>                         |                     |                   |
| Beginning of financial year         | 358,992,445         | 33,972,254        |
| Shares buy-back                     | (853,662)           | (240,842)         |
| End of financial year               | <b>358,138,783</b>  | <b>33,731,412</b> |

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 did not acquire any shares in the Company during the financial year. In the previous financial year, the Company acquired 1,636,451 shares in the Company in the open market during. The total amount paid to acquire the shares was S\$450,725. 782,789 of the 1,636,451 shares acquired during the previous financial year were held as treasury shares as follows:

### Treasury share

|                                                              | Number of<br>shares | Amount<br>S\$    |
|--------------------------------------------------------------|---------------------|------------------|
| <b>Group and Company</b>                                     |                     |                  |
| <b>2023</b>                                                  |                     |                  |
| Beginning and end of financial year                          | <b>(782,789)</b>    | <b>(209,883)</b> |
| <b>2022</b>                                                  |                     |                  |
| Treasury shares purchased representing end of financial year | <b>(782,789)</b>    | <b>(209,883)</b> |

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2023

## 24. Other reserves

|                                                                                                               | Group               |                     | Company            |                    |
|---------------------------------------------------------------------------------------------------------------|---------------------|---------------------|--------------------|--------------------|
|                                                                                                               | 2023                | 2022                | 2023               | 2022               |
|                                                                                                               | S\$                 | S\$                 | S\$                | S\$                |
| Composition:                                                                                                  |                     |                     |                    |                    |
| Fair value reserve                                                                                            | (12,260,086)        | (11,395,395)        | (872,822)          | (1,072,073)        |
| Currency translation reserve                                                                                  | (637,899)           | (572,635)           | -                  | -                  |
| Capital reserve                                                                                               | (2,619,240)         | (2,229,579)         | (1,638,846)        | (1,638,846)        |
| Employee share plan reserve                                                                                   | 563,320             | 1,751,284           | -                  | 986,155            |
|                                                                                                               | <b>(14,953,905)</b> | <b>(12,446,325)</b> | <b>(2,511,668)</b> | <b>(1,724,764)</b> |
| Movements:                                                                                                    |                     |                     |                    |                    |
| (i) <b>Fair value reserve</b>                                                                                 |                     |                     |                    |                    |
| Beginning of financial year                                                                                   | (11,395,395)        | (11,394,993)        | (1,072,073)        | (448,409)          |
| Financial assets through other comprehensive income                                                           |                     |                     |                    |                    |
| - Fair value losses from financial assets at FVOCI                                                            | (864,691)           | (402)               | (1,684,216)        | (623,664)          |
| Disposal of FVOCI                                                                                             | -                   | -                   | 1,883,467          | -                  |
| End of financial year                                                                                         | <b>(12,206,086)</b> | <b>(11,395,395)</b> | <b>(872,822)</b>   | <b>(1,072,073)</b> |
| (ii) <b>Currency translation reserve</b>                                                                      |                     |                     |                    |                    |
| Beginning of financial year                                                                                   | (572,635)           | (666,982)           | -                  | -                  |
| Net currency translation differences of financial statements of foreign subsidiaries and associated companies | (113,831)           | 94,347              | -                  | -                  |
| Disposal of subsidiaries                                                                                      | 48,567              | -                   | -                  | -                  |
| End of financial year                                                                                         | <b>(637,899)</b>    | <b>(572,635)</b>    | <b>-</b>           | <b>-</b>           |
| (iii) <b>Capital reserve</b>                                                                                  |                     |                     |                    |                    |
| Beginning of financial year                                                                                   | (2,229,579)         | (2,339,023)         | (1,638,846)        | (1,638,846)        |
| Movement in equity attributable to non-controlling interest                                                   | (335,516)           | 109,444             | -                  | -                  |
| Disposal of subsidiaries                                                                                      | (54,145)            | -                   | -                  | -                  |
| End of financial year                                                                                         | <b>(2,619,240)</b>  | <b>(2,229,579)</b>  | <b>(1,638,846)</b> | <b>(1,638,846)</b> |
| (iv) <b>Employee share plan reserve</b>                                                                       |                     |                     |                    |                    |
| Beginning of financial year                                                                                   | 1,751,284           | 278,750             | 986,155            | -                  |
| Value of employee services                                                                                    | 1,138,548           | 1,734,791           | 1,097,946          | 986,155            |
| Wavier of performance rights                                                                                  | (2,326,512)         | -                   | (2,084,101)        | -                  |
| Performance rights exercised                                                                                  | -                   | (188,224)           | -                  | -                  |
| Options exercised                                                                                             | -                   | (74,033)            | -                  | -                  |
| End of financial year                                                                                         | <b>563,320</b>      | <b>1,751,284</b>    | <b>-</b>           | <b>986,155</b>     |

### 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.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2023

## 24. Other reserves (continued)

### Employee share plan – the Company (continued)

In the previous financial year 2022, 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 do not require 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
- 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.

|                                | 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 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 as of 27 July 2021 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:

| No. of unissued ordinary shares of the Company under 8IH Share Plan |                             |                               |                              |                       |                |                          |
|---------------------------------------------------------------------|-----------------------------|-------------------------------|------------------------------|-----------------------|----------------|--------------------------|
|                                                                     | Beginning of financial year | Granted during financial year | Waived during financial year | End of financial year | Exercise price | Exercise period          |
| <b>The Company</b>                                                  |                             |                               |                              |                       |                |                          |
| <b>2023</b>                                                         |                             |                               |                              |                       |                |                          |
| Class A 8IH Performance Rights                                      | 7,000,000                   | -                             | (7,000,000)                  | -                     | -              | 16.08.2022 to 30.06.2024 |
| Class B 8IH Performance Rights                                      | 7,000,000                   | -                             | (7,000,000)                  | -                     | -              | 01.08.2023 to 30.06.2024 |
| Class C 8IH Performance Rights                                      | 7,000,000                   | -                             | (7,000,000)                  | -                     | -              | 01.04.2024 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 |
|                                                                     | <b>35,000,000</b>           | <b>-</b>                      | <b>(35,000,000)</b>          | <b>-</b>              |                |                          |
| <b>2022</b>                                                         |                             |                               |                              |                       |                |                          |
| Class A 8IH Performance Rights                                      | -                           | 7,000,000                     | -                            | 7,000,000             | -              | 16.08.2022 to 30.06.2024 |
| Class B 8IH Performance Rights                                      | -                           | 7,000,000                     | -                            | 7,000,000             | -              | 01.08.2023 to 30.06.2024 |
| Class C 8IH Performance Rights                                      | -                           | 7,000,000                     | -                            | 7,000,000             | -              | 01.04.2024 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 |
|                                                                     | <b>-</b>                    | <b>35,000,000</b>             | <b>-</b>                     | <b>35,000,000</b>     |                |                          |

On 1<sup>st</sup> January 2023, the Directors voluntarily waived all their rights to the performance rights issued to them by the Company. There were no unissued ordinary shares of the Company under Share Plan in financial year 2023.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2023

## 24. Other reserves (continued)

### 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 2021, 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 Hybrid ESO Model (a Monte Carlo simulation model).

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.

|                                | <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> |
| Class A 8VI Performance Rights | 400,000                           | 23.07.2020                  | 0.4675                                                    | 21.08.2020                                 | 0.45                                    |
| Class B 8VI Performance Rights | 400,000                           | 23.07.2020                  | 0.3813                                                    | 21.08.2020                                 | 0.60                                    |
| Class C 8VI Performance Rights | 400,000                           | 23.07.2020                  | 0.4037                                                    | 01.04.2021                                 | 0.70                                    |
| Class D 8VI Performance Rights | 400,000                           | 23.07.2020                  | 0.2016                                                    | 01.04.2021                                 | 2.00                                    |
| Class E 8VI Performance Rights | 500,000                           | 23.07.2020                  | 0.2570                                                    | 01.04.2022                                 | 2.30                                    |
| Class F 8VI Performance Rights | 500,000                           | 23.07.2020                  | 0.1389                                                    | 01.04.2022                                 | 5.00                                    |

The total fair value of the 8VI Performance Rights granted was estimated to be AUD 779,590 as of 23 July 2020 using the Hoadleys Hybrid ESO Model (a Monte Carlo simulation model).

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2023

## 24. Other reserves (continued)

### Employee share plan – 8VI Holdings Limited (continued)

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

| 8VI Holdings Limited           | No. of unissued ordinary shares of 8VI under 8VI Share Plan |                                 |                                    |                       | Exercise price | Exercise period          |
|--------------------------------|-------------------------------------------------------------|---------------------------------|------------------------------------|-----------------------|----------------|--------------------------|
|                                | Beginning of financial year                                 | Exercised during financial year | Waived/lapse during financial year | End of financial year |                |                          |
| <b>2023</b>                    |                                                             |                                 |                                    |                       |                |                          |
| 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                        | 1,800,000                                                   | -                               | (300,000)                          | 1,500,000             | AUD 0.45       | 21.08.2020 to 30.06.2025 |
|                                | <b>2,800,000</b>                                            | -                               | <b>(1,300,000)</b>                 | <b>1,500,000</b>      |                |                          |
| <b>2022</b>                    |                                                             |                                 |                                    |                       |                |                          |
| 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 |
|                                | <b>3,800,000</b>                                            | <b>(1,000,000)</b>              | -                                  | <b>2,800,000</b>      |                |                          |

In the previous financial year 2022, 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.

On 1<sup>st</sup> January 2023, the directors of 8VI voluntarily waived all their rights to the performance rights issued to them by 8VI. On 1 November 2022, one of the directors of 8VI has resigned from her position as the director of 8VI, her remaining 300,000 options not exercised were lapsed.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2023

## 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 Malaysian Ringgit ("MYR"), Australian Dollar ("AUD"), United States Dollar ("USD"), Chinese Renminbi ("RMB"), Hong Kong Dollar ("HKD"), Japanese Yen ("JPY"), New Taiwan Dollar ("NTD") and Indian Rupee ("INR").

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<br>S\$       | AUD<br>S\$     | USD<br>S\$        | RMB<br>S\$     | HKD<br>S\$    | JPY<br>S\$ | NTD<br>S\$       | INR<br>S\$       |
|---------------------------------------------------------------------------------------------------------------------------------------|------------------|----------------|-------------------|----------------|---------------|------------|------------------|------------------|
| <b>At 31 March 2023</b>                                                                                                               |                  |                |                   |                |               |            |                  |                  |
| <b>Financial assets</b>                                                                                                               |                  |                |                   |                |               |            |                  |                  |
| Cash and cash equivalents,                                                                                                            |                  |                |                   |                |               |            |                  |                  |
| financial assets, at FVPL and                                                                                                         |                  |                |                   |                |               |            |                  |                  |
| financial assets, at FVOCI                                                                                                            | 1,777,920        | 391,364        | 11,588,275        | -              | 33,765        | -          | 438,469          | 1,534,309        |
| Trade and other receivables                                                                                                           | 187,618          | -              | 156,437           | -              | -             | -          | 543,577          | -                |
|                                                                                                                                       | <b>1,965,538</b> | <b>391,364</b> | <b>11,744,712</b> | <b>-</b>       | <b>33,765</b> | <b>-</b>   | <b>982,046</b>   | <b>1,534,309</b> |
| <b>Financial liabilities</b>                                                                                                          |                  |                |                   |                |               |            |                  |                  |
| Trade and other payables                                                                                                              | (646,124)        | (7,180)        | (52,489)          | (3,971)        | -             | -          | (50,505)         | -                |
| Lease liabilities                                                                                                                     | (57,517)         | -              | -                 | -              | -             | -          | (108,319)        | -                |
|                                                                                                                                       | <b>(703,641)</b> | <b>(7,180)</b> | <b>(52,489)</b>   | <b>(3,971)</b> | <b>-</b>      | <b>-</b>   | <b>(158,824)</b> | <b>-</b>         |
| <b>Net financial assets/(liabilities)</b>                                                                                             | <b>1,261,897</b> | <b>384,184</b> | <b>11,692,223</b> | <b>(3,971)</b> | <b>33,765</b> | <b>-</b>   | <b>823,222</b>   | <b>1,534,309</b> |
| <b>Currency exposure of financial assets/(liabilities) net of those denominated in the respective entities' functional currencies</b> | <b>143,988</b>   | <b>384,184</b> | <b>10,833,230</b> | <b>(3,971)</b> | <b>33,765</b> | <b>-</b>   | <b>18,516</b>    | <b>1,534,309</b> |



# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2023

## 25. Financial risk management (continued)

### (a) Market risk (continued)

#### (i) Currency risk (continued)

|                                      | MYR<br>S\$ | AUD<br>S\$ | USD<br>S\$  | RMB<br>S\$ | HKD<br>S\$ | JPY<br>S\$ | NTD<br>S\$ | INR<br>S\$ |
|--------------------------------------|------------|------------|-------------|------------|------------|------------|------------|------------|
| <b>At 31 March 2022</b>              |            |            |             |            |            |            |            |            |
| <b>Financial assets</b>              |            |            |             |            |            |            |            |            |
| 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  |
| <b>Financial liabilities</b>         |            |            |             |            |            |            |            |            |
| 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)  | -          |
| <b>Net financial assets</b>          | 4,122,373  | 2,681,396  | 17,319,304  | 2,295,354  | 2,172,089  | 15,896     | 2,316,373  | 1,888,964  |
| <b>Currency exposure of</b>          |            |            |             |            |            |            |            |            |
| <b>financial assets net of those</b> |            |            |             |            |            |            |            |            |
| <b>denominated in the</b>            |            |            |             |            |            |            |            |            |
| <b>respective entities'</b>          |            |            |             |            |            |            |            |            |
| <b>functional currencies</b>         | -          | 2,681,396  | 20,983,292  | 2,150,991  | 2,172,089  | 15,896     | -          | 1,888,964  |

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

|                                                                          | MYR<br>S\$ | AUD<br>S\$ | USD<br>S\$ | HKD<br>S\$ | INR<br>S\$ |
|--------------------------------------------------------------------------|------------|------------|------------|------------|------------|
| <b>At 31 March 2023</b>                                                  |            |            |            |            |            |
| <b>Financial Assets</b>                                                  |            |            |            |            |            |
| Cash and cash equivalents, financial assets, at FVPL and financial       |            |            |            |            |            |
| assets, at FVOCI                                                         | 133,208    | 151,635    | 7,536,960  | 6,065      | 1,534,309  |
| <b>Financial Liabilities</b>                                             |            |            |            |            |            |
| Trade and other payables                                                 | -          | (5,514)    | -          | -          | -          |
| <b>Net financial assets</b>                                              | 133,208    | 146,121    | 7,536,960  | 6,065      | 1,534,309  |
| <b>Currency exposure of financial assets net of those denominated in</b> |            |            |            |            |            |
| <b>the respective entities' functional currencies</b>                    | 133,208    | 146,121    | 7,536,960  | 6,065      | 1,534,309  |

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2023

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

If the MYR, AUD, USD, RMB, HKD, JPY, NTD and INR change against the SGD by 1% (2022: 1%), 5% (2022: 5%), 0% (2022: 0%), 4% (2022: 4%), 0% (2022: 0%), 9% (2022: 9%), 0% (2022: 0%) and 2% (2022: 2%) 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:

|                 | Increase/(Decrease)   |                     |                       |                     |
|-----------------|-----------------------|---------------------|-----------------------|---------------------|
|                 | 2023                  | Other comprehensive | 2022                  | Other comprehensive |
| Group           | Loss after tax<br>S\$ | loss<br>S\$         | Loss after tax<br>S\$ | loss<br>S\$         |
| MYR against SGD |                       |                     |                       |                     |
| - Strengthened  | 8,266                 | -                   | -                     | -                   |
| - Weakened      | (8,266)               | -                   | -                     | -                   |
| AUD against SGD |                       |                     |                       |                     |
| - Strengthened  | 38,265                | -                   | (123,339)             | (10,731)            |
| - Weakened      | (38,265)              | -                   | 123,339               | 10,731              |
| USD against SGD |                       |                     |                       |                     |
| - Strengthened  | 179,864               | 568                 | -                     | -                   |
| - Weakened      | (179,864)             | (568)               | -                     | -                   |
| RMB against SGD |                       |                     |                       |                     |
| - Strengthened  | (296)                 | -                   | (86,040)              | -                   |
| - Weakened      | 296                   | -                   | 86,040                | -                   |
| HKD against SGD |                       |                     |                       |                     |
| - Strengthened  | 561                   | -                   | -                     | -                   |
| - Weakened      | (561)                 | -                   | -                     | -                   |
| JPY against SGD |                       |                     |                       |                     |
| - Strengthened  | -                     | -                   | (1,431)               | -                   |
| - Weakened      | -                     | -                   | 1,431                 | -                   |

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2023

## 25. Financial risk management (continued)

### (a) Market risk (continued)

#### (i) Currency risk (continued)

|                 | Increase/(Decrease)      |                                       |                          |                                       |
|-----------------|--------------------------|---------------------------------------|--------------------------|---------------------------------------|
|                 | <u>2023</u>              |                                       | <u>2022</u>              |                                       |
|                 | Loss<br>after tax<br>S\$ | Other<br>comprehensive<br>loss<br>S\$ | Loss<br>after tax<br>S\$ | Other<br>comprehensive<br>loss<br>S\$ |
| NTD against SGD |                          |                                       |                          |                                       |
| - Strengthened  | -                        | 1,229                                 | -                        | -                                     |
| - Weakened      | -                        | (1,229)                               | -                        | -                                     |
| INR against SGD |                          |                                       |                          |                                       |
| - Strengthened  | 127,348                  | -                                     | (37,779)                 | -                                     |
| - Weakened      | (127,348)                | -                                     | 37,779                   | -                                     |
| <u>Company</u>  |                          |                                       |                          |                                       |
| MYR against SGD |                          |                                       |                          |                                       |
| - Strengthened  | 7,740                    | -                                     | -                        | -                                     |
| - Weakened      | (7,740)                  | -                                     | -                        | -                                     |
| AUD against SGD |                          |                                       |                          |                                       |
| - Strengthened  | 14,554                   | -                                     | (13,482)                 | -                                     |
| - Weakened      | (14,554)                 | -                                     | 13,482                   | -                                     |
| USD against SGD |                          |                                       |                          |                                       |
| - Strengthened  | 125,114                  | -                                     | -                        | -                                     |
| - Weakened      | (125,114)                | -                                     | -                        | -                                     |
| HKD against SGD |                          |                                       |                          |                                       |
| - Strengthened  | 101                      | -                                     | -                        | -                                     |
| - Weakened      | (101)                    | -                                     | -                        | -                                     |
| INR against SGD |                          |                                       |                          |                                       |
| - Strengthened  | 127,348                  | -                                     | (1,431)                  | -                                     |
| - Weakened      | (127,348)                | -                                     | 1,431                    | -                                     |

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2023

## 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, Taiwan, Hong Kong, America, Malaysia and Singapore had changed by 11% (2022: 11%), 11% (2022: 11%), 11% (2022: 11%), 33% (2022: 33%), 33% (2022: Nil%), 33% (2022: 33%), 13% (2022: 13%), 11% (2022: 11%) and 11% (2022: 11%) 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)      |                                       |                          |                                       |
|-------------------------|--------------------------|---------------------------------------|--------------------------|---------------------------------------|
|                         | 2023                     |                                       | 2022                     |                                       |
|                         | Loss<br>after tax<br>S\$ | Other<br>comprehensive<br>loss<br>S\$ | Loss<br>after tax<br>S\$ | Other<br>comprehensive<br>loss<br>S\$ |
| <u>Group</u>            |                          |                                       |                          |                                       |
| Listed in Australia     |                          |                                       |                          |                                       |
| - increased by          | (978)                    | -                                     | 133,825                  | (23,608)                              |
| - decreased by          | 978                      | -                                     | (133,825)                | 23,608                                |
| Listed in Japan         |                          |                                       |                          |                                       |
| - increased by          | -                        | -                                     | 1,749                    | -                                     |
| - decreased by          | -                        | -                                     | (1,749)                  | -                                     |
| Listed in India         |                          |                                       |                          |                                       |
| - increased by          | (63,674)                 | -                                     | 105,225                  | -                                     |
| - decreased by          | 63,674                   | -                                     | (105,225)                | -                                     |
| Listed in China         |                          |                                       |                          |                                       |
| - increased by          | -                        | -                                     | 360,187                  | -                                     |
| - decreased by          | -                        | -                                     | (360,187)                | -                                     |
| Listed in Taiwan        |                          |                                       |                          |                                       |
| - increased by          | -                        | 1,481                                 | -                        | -                                     |
| - decreased by          | -                        | (1,481)                               | -                        | -                                     |
| Listed in Hong Kong     |                          |                                       |                          |                                       |
| - increased by          | (2,242)                  | -                                     | 363,898                  | -                                     |
| - decreased by          | 2,242                    | -                                     | (363,898)                | -                                     |
| Listed in America       |                          |                                       |                          |                                       |
| - increased by          | (38,343)                 | 1,026                                 | 2,015,055                | 4,413                                 |
| - decreased by          | 38,343                   | (1,026)                               | (2,015,055)              | (4,413)                               |
| Listed in the Malaysia  |                          |                                       |                          |                                       |
| - increased by          | (13,003)                 | 313                                   | 20,830                   | 767                                   |
| - decreased by          | 13,003                   | (313)                                 | (20,830)                 | (767)                                 |
| Listed in the Singapore |                          |                                       |                          |                                       |
| - increased by          | (2,316)                  | 31,436                                | 9,548                    | -                                     |
| - decreased by          | 2,316                    | (31,436)                              | (9,548)                  | -                                     |

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2023

## 25. Financial risk management (continued)

### (a) Market risk (continued)

#### (ii) Price risk (continued)

|                     | Increase/(Decrease)      |                                       |                          |                                       |
|---------------------|--------------------------|---------------------------------------|--------------------------|---------------------------------------|
|                     | 2023                     |                                       | 2022                     |                                       |
|                     | Loss<br>after tax<br>S\$ | Other<br>comprehensive<br>loss<br>S\$ | Loss<br>after tax<br>S\$ | Other<br>comprehensive<br>loss<br>S\$ |
| <u>Company</u>      |                          |                                       |                          |                                       |
| Listed in Japan     |                          |                                       |                          |                                       |
| - increased by      | -                        | -                                     | 1,749                    | -                                     |
| - decreased by      | -                        | -                                     | (1,749)                  | -                                     |
| Listed in India     |                          |                                       |                          |                                       |
| - increased by      | (63,674)                 | -                                     | -                        | -                                     |
| - decreased by      | 63,674                   | -                                     | -                        | -                                     |
| Listed in Hong Kong |                          |                                       |                          |                                       |
| - increased by      | (403)                    | -                                     | 1,589                    | -                                     |
| - decreased by      | 403                      | -                                     | (1,589)                  | -                                     |
| Listed in Australia |                          |                                       |                          |                                       |
| - increased by      | -                        | -                                     | 2,723                    | -                                     |
| - decreased by      | -                        | -                                     | (2,723)                  | -                                     |
| Listed in America   |                          |                                       |                          |                                       |
| - increased by      | (20,413)                 | -                                     | 847,741                  | -                                     |
| - decreased by      | 20,413                   | -                                     | (847,741)                | -                                     |
| Listed in Singapore |                          |                                       |                          |                                       |
| - increased by      | -                        | 14,201                                | -                        | -                                     |
| - decreased by      | -                        | (14,201)                              | -                        | -                                     |
| Listed in Malaysia  |                          |                                       |                          |                                       |
| - increased by      | (5,528)                  | -                                     | -                        | -                                     |
| - decreased by      | 5,528                    | -                                     | -                        | -                                     |

### (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.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2023

## 25. Financial risk management (continued)

### (b) Credit risk (continued)

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.

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

| 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<br>S\$ | Other financial assets at amortised costs<br>Stage 1<br>S\$ | Total<br>S\$   |
|------------------------------------------------------|--------------------------|-------------------------------------------------------------|----------------|
| <b>2023</b>                                          |                          |                                                             |                |
| <b>Balance at 1 April 2022</b>                       | 91,375                   | 225,562                                                     | 316,937        |
| Changes in credit loss recognised in profit or loss: |                          |                                                             |                |
| - Decrease due to credit risk                        | (17,451)                 | -                                                           | (17,451)       |
| - Currency translation differences                   | (6,922)                  | -                                                           | (6,922)        |
| <b>Balance at 31 March 2023</b>                      | <b>67,002</b>            | <b>225,562</b>                                              | <b>292,564</b> |
| <b>2022</b>                                          |                          |                                                             |                |
| <b>Balance at 1 April 2021</b>                       | 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)          |
| <b>Balance at 31 March 2022</b>                      | <b>91,375</b>            | <b>225,562</b>                                              | <b>316,937</b> |

| Company                                              | Other financial assets at amortised costs<br>Stage 1<br>S\$ |
|------------------------------------------------------|-------------------------------------------------------------|
| <b>2023</b>                                          |                                                             |
| <b>Balance at 1 April 2022</b>                       | 225,562                                                     |
| Changes in credit loss recognised in profit or loss: |                                                             |
| - Increase due to credit risk                        | 1,051,618                                                   |
| <b>Balance at 31 March 2023</b>                      | <b>1,277,180</b>                                            |
| <b>2022</b>                                          |                                                             |
| <b>Balance at 1 April 2021</b>                       | 1,327,370                                                   |
| Changes in credit loss recognised in profit or loss: |                                                             |
| - Decrease due to credit risk                        | (1,101,808)                                                 |
| <b>Balance at 31 March 2022</b>                      | <b>225,562</b>                                              |



# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2023

## 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 2023 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 (\$\$) | 39,982  | -              | 283           | -          | 66,987            | 107,252  |
| Credit loss allowance (\$\$) | -       | -              | (15)          | -          | (66,987)          | (67,002) |

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) |

#### 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 whether 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 2023

## 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<br><u>1 year</u><br>S\$ | Between<br><u>1 and</u><br><u>5 years</u><br>S\$ | More than<br><u>5 years</u><br>S\$ |
|---------------------------------|-----------------------------------|--------------------------------------------------|------------------------------------|
| <b>Group</b>                    |                                   |                                                  |                                    |
| <b>At 31 March 2023</b>         |                                   |                                                  |                                    |
| Trade and other payables        | 1,305,842                         | -                                                | -                                  |
| Lease liabilities               | 764,607                           | 2,832,647                                        | 656,477                            |
| Bank borrowing                  | 342,513                           | 57,086                                           | -                                  |
| Redeemable participating shares | -                                 | -                                                | -                                  |
| <b>At 31 March 2022</b>         |                                   |                                                  |                                    |
| Trade and other payables        | 2,732,931                         | -                                                | -                                  |
| Lease liabilities               | 712,505                           | 2,718,913                                        | 1,368,982                          |
| Bank borrowing                  | 337,463                           | 393,707                                          | -                                  |
| Redeemable participating shares | 7,383,512                         | -                                                | -                                  |
| <b>Company</b>                  |                                   |                                                  |                                    |
| <b>At 31 March 2023</b>         |                                   |                                                  |                                    |
| Trade and other payables        | 8,801,847                         | -                                                | -                                  |
| <b>At 31 March 2022</b>         |                                   |                                                  |                                    |
| Trade and other payables        | 5,196,654                         | -                                                | -                                  |

### (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:

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

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2023

## 25. Financial risk management (continued)

### (e) Fair value measurements (continued)

|                            | Level 1<br>S\$    | Level 2<br>S\$ | Level 3<br>S\$   | Total<br>S\$      |
|----------------------------|-------------------|----------------|------------------|-------------------|
| <b>Group</b>               |                   |                |                  |                   |
| <b>2023</b>                |                   |                |                  |                   |
| Assets                     |                   |                |                  |                   |
| Financial assets, at FVPL  | 3,500,665         | -              | -                | 3,500,665         |
| Financial assets, at FVOCI | 6,256             | -              | 681,434          | 687,690           |
| <b>Total assets</b>        | <b>3,506,921</b>  | <b>-</b>       | <b>681,434</b>   | <b>4,188,355</b>  |
| <b>2022</b>                |                   |                |                  |                   |
| Assets                     |                   |                |                  |                   |
| Financial assets, at FVPL  | 24,355,600        | -              | -                | 24,355,600        |
| Financial assets, at FVOCI | 221,351           | -              | 1,087,331        | 1,308,682         |
| <b>Total assets</b>        | <b>24,576,951</b> | <b>-</b>       | <b>1,087,331</b> | <b>25,664,282</b> |
| <b>Company</b>             |                   |                |                  |                   |
| <b>2023</b>                |                   |                |                  |                   |
| Assets                     |                   |                |                  |                   |
| Financial assets, at FVPL  | 2,493,367         | -              | -                | 2,493,367         |
| Financial assets, at FVOCI | -                 | -              | 628,728          | 628,728           |
| <b>Total assets</b>        | <b>2,493,367</b>  | <b>-</b>       | <b>628,728</b>   | <b>3,122,095</b>  |
| <b>2022</b>                |                   |                |                  |                   |
| Assets                     |                   |                |                  |                   |
| Financial assets, at FVPL  | 6,566,553         | -              | -                | 6,566,553         |
| Financial assets, at FVOCI | 4,326,756         | -              | 1,053,141        | 5,379,897         |
| <b>Total assets</b>        | <b>10,893,309</b> | <b>-</b>       | <b>1,053,141</b> | <b>11,946,450</b> |

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 fair values are measured based on Guideline Public Company Method, a market approach which values the underlying investee based on trading multiples derived from publicly traded companies that are similar to the investee. The steps taken in applying the Guideline Public Company Method include identifying comparable public companies, adjusting the guideline public company multiples for differences in the size and risk of these companies compared to the investee, and then applying the adjusted pricing multiples from the representative companies.

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     |             |
|-----------------------------------------|-------------|-------------|-------------|-------------|
|                                         | 2023<br>S\$ | 2022<br>S\$ | 2023<br>S\$ | 2022<br>S\$ |
| Financial assets, at FVPL               | 3,500,665   | 24,355,600  | 2,493,367   | 6,566,553   |
| Financial assets, at FVOCI              | 687,690     | 1,308,682   | 628,728     | 5,379,897   |
| Financial assets at amortised cost      | 22,002,814  | 29,549,594  | 8,034,028   | 1,017,897   |
| Financial liabilities at amortised cost | 6,128,632   | 15,648,013  | 8,801,847   | 5,196,654   |

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2023

## 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.

### (a) Transactions with related parties

|                                                          | <u>Group</u>   |      |
|----------------------------------------------------------|----------------|------|
|                                                          | 2023           | 2022 |
|                                                          | S\$            | S\$  |
| Purchases of goods and services from other related party | <b>232,000</b> | -    |

Other related party comprise of a company which a Group's key management's close family member has significant influence.

### (b) Directors and key management personnel compensation

Directors and key management personnel compensation is as follows:

|                                                                                         | <u>Group</u>     |           |
|-----------------------------------------------------------------------------------------|------------------|-----------|
|                                                                                         | 2023             | 2022      |
|                                                                                         | S\$              | S\$       |
| Wages, salaries and fees                                                                | <b>1,233,944</b> | 1,807,088 |
| Employer's contribution to defined contribution plans, including Central Provident Fund | <b>61,200</b>    | 100,735   |
| Employee share plan                                                                     | <b>1,136,495</b> | 1,756,015 |
|                                                                                         | <b>2,431,639</b> | 3,663,838 |

## 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.

During the financial year, the Group wound down the fund management business and perform compulsory redemption of all participating shares held by unit holders of Hidden Champions Fund and 8IH VCC ("Funds") at the price per participating share equal to the prevailing Funds' net asset value per share in accordance with the funds' constitutions and private placement memorandums. The entire results for the fund management business was previously under the "Financial Investment" reportable segment of Group. However, the entire results from this segment presented separately on the condensed consolidated statement of comprehensive income as "Discontinued operations" for the financial year ended 31 March 2023. The discontinued exercise was completed by 31 March 2023.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2023

## 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>            |                           |                    |                     |
|----------------------------------------------------------------------|----------------------------|-----------------------------|----------------------------|---------------------------|--------------------|---------------------|
|                                                                      | <u>Financial Education</u> | <u>Financial Investment</u> | <u>Financial Education</u> | <u>All other segments</u> | <u>Corporate</u>   | <u>TOTAL</u>        |
|                                                                      | S\$                        | S\$                         | S\$                        | S\$                       | S\$                | S\$                 |
| <b>2023</b>                                                          |                            |                             |                            |                           |                    |                     |
| <b>Revenue and investment gains</b>                                  |                            |                             |                            |                           |                    |                     |
| Total segment revenue and investment gains                           | 5,335,876                  | (2,533,557)                 | 3,948,652                  | 7,701,016                 | 2,717,126          | 17,169,113          |
| Inter-segment revenue and investment gains                           | (134,804)                  | -                           | (230,935)                  | (320,130)                 | (2,717,126)        | (3,402,995)         |
| <b>Revenue and investment gains to external parties</b>              | <b>5,201,072</b>           | <b>(2,533,557)</b>          | <b>3,717,717</b>           | <b>7,380,886</b>          | <b>-</b>           | <b>13,766,118</b>   |
| <b>Loss after tax from continuing operations</b>                     | <b>(4,710,887)</b>         | <b>(2,465,425)</b>          | <b>(2,340,251)</b>         | <b>(3,480,095)</b>        | <b>(1,787,358)</b> | <b>(14,784,016)</b> |
| Depreciation - continuing operations                                 | (722,222)                  | -                           | (161,766)                  | (406,844)                 | (285,443)          | (1,576,275)         |
| Amortisation                                                         | -                          | -                           | -                          | (1,116,553)               | -                  | (1,116,553)         |
| Impairment of development of software                                | -                          | -                           | -                          | (1,684,011)               | -                  | (1,684,011)         |
| <b>Segment assets</b>                                                | <b>12,959,645</b>          | <b>1,245,327</b>            | <b>2,351,136</b>           | <b>3,119,813</b>          | <b>14,532,685</b>  | <b>34,208,606</b>   |
| Segment assets includes additions to:                                |                            |                             |                            |                           |                    |                     |
| - property, plant and equipment                                      | 288,487                    | -                           | 141,861                    | 247,031                   | -                  | 677,379             |
| - Development of software                                            | -                          | -                           | -                          | 1,375,212                 | -                  | 1,375,212           |
| <b>Segment liabilities</b>                                           | <b>(8,255,178)</b>         | <b>(205,991)</b>            | <b>(3,261,273)</b>         | <b>(3,187,981)</b>        | <b>(1,837,143)</b> | <b>(16,747,565)</b> |
| <b>2022</b>                                                          |                            |                             |                            |                           |                    |                     |
| <b>Revenue and investment gains</b>                                  |                            |                             |                            |                           |                    |                     |
| Total segment revenue and investment gains                           | 12,397,231                 | (2,903,356)                 | 9,697,146                  | 11,660,918                | 2,627,337          | 33,479,276          |
| Inter-segment revenue and investment gains                           | (1,488,952)                | -                           | (201,341)                  | (711,861)                 | (2,627,337)        | (5,029,491)         |
| <b>Revenue and investment gains to external parties</b>              | <b>10,908,279</b>          | <b>(2,903,356)</b>          | <b>9,495,805</b>           | <b>10,949,057</b>         | <b>-</b>           | <b>28,449,785</b>   |
| <b>Profit/(loss) after tax from continuing operations (Restated)</b> | <b>710,388</b>             | <b>(1,209,850)</b>          | <b>(220,610)</b>           | <b>3,346,671</b>          | <b>(3,281,437)</b> | <b>(654,838)</b>    |
| Depreciation - continuing operations                                 | (1,296,070)                | -                           | (229,000)                  | (233,464)                 | (102,886)          | (1,861,420)         |
| Amortisation                                                         | -                          | -                           | -                          | (623,336)                 | -                  | (623,336)           |
| <b>Segment assets</b>                                                | <b>22,563,630</b>          | <b>13,161,781</b>           | <b>4,651,882</b>           | <b>9,269,708</b>          | <b>15,824,217</b>  | <b>65,471,218</b>   |
| Segment assets includes additions to:                                |                            |                             |                            |                           |                    |                     |
| - property, plant and equipment                                      | 3,027,066                  | 93,888                      | 156,202                    | 1,798,462                 | 2,260,444          | 7,336,062           |
| - Development of software                                            | -                          | -                           | -                          | 1,258,287                 | -                  | 1,258,287           |
| <b>Segment liabilities (Restated)</b>                                | <b>(13,309,758)</b>        | <b>(3,671,762)</b>          | <b>(4,878,690)</b>         | <b>(4,640,540)</b>        | <b>(4,177,956)</b> | <b>(30,678,706)</b> |

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2023

## 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:

|                                     | 2023<br>S\$       | 2022<br>S\$       |
|-------------------------------------|-------------------|-------------------|
| <b>Revenue and investment gains</b> |                   |                   |
| Financial Education                 | 12,199,076        | 24,179,937        |
| Financial Investment                | (2,533,557)       | (2,903,356)       |
| Others                              | 4,100,599         | 7,173,204         |
|                                     | <b>13,766,118</b> | <b>28,449,785</b> |

### (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;

|                                     | 2023<br>S\$       | 2022<br>S\$       |
|-------------------------------------|-------------------|-------------------|
| <b>Revenue and investment gains</b> |                   |                   |
| Singapore                           | 7,340,126         | 15,418,231        |
| Malaysia                            | 3,594,996         | 9,511,184         |
| Others                              | 2,830,996         | 3,520,370         |
|                                     | <b>13,766,118</b> | <b>28,449,785</b> |
| <b>Non-current assets</b>           |                   |                   |
| Singapore                           | 6,355,481         | 14,798,233        |
| Malaysia                            | 74,960            | 994,971           |
| Others                              | 159,736           | (5,258,139)       |
|                                     | <b>6,590,177</b>  | <b>10,535,065</b> |

## 28. Discontinued operations

During the financial year, the Group wound down the fund management business and perform compulsory redemption of all participating shares held by unit holders of Hidden Champions Fund and 8IH VCC ("Funds") at the price per participating share equal to the prevailing Funds' net asset value per share in accordance with the funds' constitutions and private placement memorandums. The entire results for the fund management business was presented separately on the consolidated statement of comprehensive income as "Discontinued operations" for the financial year ended 31 March 2023. The discontinued exercise was completed by 31 March 2023.

The results of the discontinued operations are as follows:

|                                                                                   | 2023<br>S\$ | Group<br>2022<br>S\$ |
|-----------------------------------------------------------------------------------|-------------|----------------------|
| Investment losses                                                                 | (3,128,574) | (4,422,873)          |
| Expenses                                                                          | (955,283)   | (1,458,322)          |
| Share of loss attributable to the unit holders of redeemable participating shares | 1,592,197   | 2,670,405            |
| Loss before tax from discontinued operations                                      | (2,491,660) | (3,210,790)          |
| Income tax credit/(expense)                                                       | 78          | (2,745)              |
| Loss after tax from discontinued operations                                       | (2,491,582) | (3,213,535)          |

The net cash flows incurred by the fund management business are, as follows:

|                           | 2023<br>S\$ | Group<br>2022<br>S\$ |
|---------------------------|-------------|----------------------|
| From operating activities | (2,569,918) | (2,042,305)          |
| From Investing activities | 296,790     | (362,671)            |
| From Financing activities | (5,386,701) | 4,668,573            |
| Net cash (outflow)/inflow | (7,659,829) | 2,263,597            |



# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2023

## 29. Correction of prior period adjustments due to under provision of sale and service tax and income tax

During the preparation of the Group's consolidated financial statements for the current year, a review of the prior year's financial statements was conducted, where it was noted that there was an understatement of sale and service tax and income tax liabilities of certain subsidiaries. As a result, a restatement of the prior year's financial statements was necessary to rectify these misstatements.

The understatement of sale and service tax and income tax liabilities primarily resulted from the fact that the provision for sale and service tax liabilities in the prior year's financial statements was based on estimates that did not adequately consider changes in the overseas tax regulations where the subsidiary is located. In addition, there was a lack of complete and accurate data available during the prior year's financial reporting process.

The following restatements have been made to the prior year's financial statements for the financial years ended 31 March 2022 and 31 March 2021:

### Group

|                                                                 | Previously<br>reported<br>2022<br>S\$             | Effect of<br>restatement<br>S\$ | As restated<br>2022<br>(Included<br>discontinued<br>operations)<br>S\$ |
|-----------------------------------------------------------------|---------------------------------------------------|---------------------------------|------------------------------------------------------------------------|
| <b>Consolidated statement of comprehensive income (extract)</b> |                                                   |                                 |                                                                        |
| Marketing and other operating expenses                          | 12,286,030                                        | 396,541                         | 12,682,571                                                             |
|                                                                 |                                                   |                                 |                                                                        |
|                                                                 | Previously<br>reported<br>31 March<br>2022<br>S\$ | Effect of<br>restatement<br>S\$ | As restated<br>31 March<br>2022<br>S\$                                 |
| <b>Consolidated statement of financial position (extract)</b>   |                                                   |                                 |                                                                        |
| Trade and other payables                                        | 2,385,653                                         | 659,010                         | 3,494,663                                                              |
| Current income tax liabilities                                  | -                                                 | 588,142                         | 588,142                                                                |
| Retained profits                                                | 11,399,080                                        | (992,857)                       | 10,406,223                                                             |
| Non-controlling interests                                       | 3,565,380                                         | (254,295)                       | 3,311,085                                                              |
|                                                                 |                                                   |                                 |                                                                        |
|                                                                 | Previously<br>reported<br>1 April 2021<br>S\$     | Effect of<br>restatement<br>S\$ | As restated<br>1 April 2021<br>S\$                                     |
| <b>Consolidated statement of financial position (extract)</b>   |                                                   |                                 |                                                                        |
| Trade and other payables                                        | 3,852,696                                         | 262,469                         | 4,115,165                                                              |
| Current income tax liabilities                                  | 465,036                                           | 588,142                         | 1,053,178                                                              |
| Retained profits                                                | 15,562,255                                        | (677,171)                       | 14,885,084                                                             |
| Non-controlling interests                                       | 2,285,293                                         | (173,440)                       | 2,111,853                                                              |
|                                                                 |                                                   |                                 |                                                                        |
|                                                                 | Previously<br>reported<br>2022<br>S\$             | Effect of<br>restatement<br>S\$ | As restated<br>2022<br>S\$                                             |
| <b>Consolidated statement of cash flows (extract)</b>           |                                                   |                                 |                                                                        |
| Loss before income tax                                          | (3,780,185)                                       | (396,541)                       | (4,176,726)                                                            |
| Change in trade and other payables                              | (1,017,042)                                       | 396,541                         | (620,501)                                                              |

There is no restatement to the financial statements of the Company.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2023

## 30. 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 2023 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 12 *Income Taxes*:** Deferred Tax related to Assets and Liabilities arising from a Single Transaction (effective for annual periods beginning on or after 1 January 2023)

The amendments to FRS 12 *Income Taxes* require companies to recognise deferred tax on transactions that, on initial recognition, give rise to equal amounts of taxable and deductible temporary differences. They will typically apply to transactions such as leases of lessees and decommissioning obligations, and will require the recognition of additional deferred tax assets and liabilities.

The amendment should be applied to transactions that occur on or after the beginning of the earliest comparative period presented. In addition, entities should recognise deferred tax assets (to the extent that it is probable that they can be utilised) and deferred tax liabilities at the beginning of the earliest comparative period for all deductible and taxable temporary differences associated with:

- right-of-use assets and lease liabilities, and
- decommissioning, restoration and similar liabilities, and the corresponding amounts recognised as part of the cost of the related assets.

The cumulative effect of recognising these adjustments is recognised in retained earnings, or another component of equity, as appropriate.

FRS 12 did not previously address how to account for the tax effects of on-balance sheet leases and similar transactions and various approaches were considered acceptable. Some entities may have already accounted for such transactions consistent with the new requirements. These entities will not be affected by the amendments.

The Group does not expect any significant impact arising from applying these amendments.

## 31. 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 30 June 2023.

## ADDITION INFORMATION

### Shareholders Information as at 28 June 2023

#### 8I Holdings Limited – Ordinary Shares

The Company has ordinary shares on issue. These are listed on the Australian Securities Exchange under ASX code: 8IH. Details of trading activity are published daily by electronic information vendors. All ordinary shares carry one vote per share without restriction.

#### Analysis of Shareholders and CDI Holders\*

| Category (size of holding) | Number of holders | Number of shares   | % of issued capital |
|----------------------------|-------------------|--------------------|---------------------|
| 1 – 1,000                  | 27                | 9,205              | 0.00%               |
| 1,001 – 5,000              | 81                | 303,188            | 0.08%               |
| 5,001 – 10,000             | 60                | 546,020            | 0.15%               |
| 10,001 – 100,000           | 424               | 19,289,082         | 5.40%               |
| 100,001 – and over         | 230               | 337,208,499        | 94.37%              |
|                            | <b>822</b>        | <b>357,355,994</b> | <b>100.00%</b>      |

The number of investors holding less than a marketable parcel of 16,667 8IH shares (based on a share price of A\$0.03) was 192. They hold 1,185,505 8IH shares in total.

#### Twenty Largest Shareholders and CDI Holders\*

| Registered Holder                            | Number of Shares   | % of issued capital |
|----------------------------------------------|--------------------|---------------------|
| 1. Chee Kuan Tat, Ken                        | 86,885,009         | 24.31%              |
| 2. Clive Tan Che Koon                        | 65,140,000         | 18.23%              |
| 3. BNP Paribas Noms Pty Ltd                  | 46,969,230         | 13.14%              |
| 4. Citicorp Nominees Pty Limited             | 29,587,765         | 8.28%               |
| 5. HSBC Custody Nominees (Australia) Limited | 19,644,647         | 5.50%               |
| 6. Pauline Teo Puay Lin                      | 8,257,346          | 2.31%               |
| 7. Philip John Raff                          | 7,489,037          | 2.10%               |
| 8. Clarence Wee Kim Leng                     | 2,063,400          | 0.58%               |
| 9. Lim Wei Lin                               | 2,000,000          | 0.56%               |
| 10. Alex Chia Che Keng                       | 1,398,140          | 0.39%               |
| 11. Hor Chook Lam                            | 1,348,737          | 0.38%               |
| 12. Hue Kuan Yew                             | 1,203,914          | 0.34%               |
| 13. Fance Chua Meon Keng                     | 1,118,000          | 0.31%               |
| 14. Loo Tian Guan                            | 1,107,203          | 0.31%               |
| 15. Kang Tien Hock Edwin                     | 1,105,664          | 0.31%               |
| 16. Yap Pei Koon                             | 1,020,872          | 0.29%               |
| 17. Tan Chong Yan                            | 870,020            | 0.24%               |
| 18. Yeow Hin Lai                             | 826,672            | 0.23%               |
| 19. Rodney Tay                               | 794,858            | 0.22%               |
| 20. Lau Eng Seng                             | 776,243            | 0.22%               |
| ALL OTHER SHAREHOLDERS                       | 77,749,237         | 21.75%              |
| <b>Total</b>                                 | <b>357,355,994</b> | <b>100.00%</b>      |

#### Notes

\* CDI Holders are holder of CHESS Depository Interests issued by CHESS Depository Nominees Pty Limited, where each CDI represents a beneficial interest in one ordinary share.

## ADDITION INFORMATION

### Shareholders Information as at 28 June 2023 (continued)

#### Substantial Shareholders and CDI Holders\*\*

| Name               | Direct Interest Shares | % of voting power | Deemed Interest Shares | % of voting power |
|--------------------|------------------------|-------------------|------------------------|-------------------|
| Chee Kuan Tat, Ken | 86,885,009             | 24.31%            | -                      | -                 |
| Clive Tan Che Koon | 65,140,000             | 18.23%            | -                      | -                 |

#### Notes

\*\* This table is compiled on the basis that each holding of CDIs is a separate holding and accordingly, the holding of shares by CHES Depository Nominees Pty Limited is ignored.

#### ASX Listing Rule 4.10.18

##### Current On-Market Buy-Back

There is a current on-market buy-back arrangement for the Company as announced on 1 July 2022.

#### ASX Listing Rule 4.10.20

##### Investment

The Group had a total of 1,007 transactions in securities during the financial year ended 31 March 2023 and has paid or accrued brokerage and management fees totalling S\$201,443 and S\$Nil respectively. As at 31 March 2023, the Group held investment in Autowealth Private Limited, Emmbi Industries Ltd, Axon Enterprise Inc, Rambus Inc, Meituan-Class B, Genting Berhad Amplify Transformational Data Sharing ETF, Vanguard Total Stock Mkt ETF, Block Inc., Fortinet Inc. JD.com Inc, Jumbo Interactive Ltd, Meituan, Meta Platforms Inc., Qualys Inc., Singapore Airport Terminal Services Ltd, Tencent Holdings Ltd, Zoom Video Communications Inc., Datadog Inc., Fortinet Inc., GoodRx Holdings Inc., Lemonade Inc, Palantir Technologies Inc., Sea Ltd, Snowflake Inc, Teladoc Health Inc., XPeng Inc., CRISPR Therapeutics Ltd, HUYA Inc.

#### Corporate Information

Company registration number 201414213R

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Share registrar Boardroom Pty Limited Level 7, 207 Kent Street, Sydney, NSW, Australia 2000  
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Stock exchange listing 8I Holdings Limited shares are listed on the Australian Securities Exchange (ASX code: 8IH)

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**8I Holdings Limited**

(Incorporated in the Republic of Singapore)  
Company Registration Number: 201414213R  
ARBN 601 582 129

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