



ASX ANNOUNCEMENT / MEDIA RELEASE

For Immediate Release

8I Holdings Ltd (ASX: 8IH)

Term Sheet for option to sell 8VIC Global Pte Limited and acquisition of substantial interest in Digimatic Group Ltd

9 October 2017, Singapore

8I Holdings Limited (ASX: 8IH) ("**8IH**" or the "Company") is pleased to advise that the Company has entered into a conditional binding term sheet ("Term Sheet") to sell its 95% owned subsidiary 8VIC Global Pte. Limited ("8VIC Global") to Digimatic Group Limited ("DMC") (ASX:DMC), pursuant to which the Company has agreed to enter into an option agreement which will provide the right for the Company to dispose of all of the Company's shares in 8VIC Global ("Proposed Transaction").

The Proposed Transaction, if successfully completed, will constitute a disposal of 8VIC Global for consideration of 1,448,955,200 DMC shares at a deemed issue price of A\$0.042 per share, representing 66.5% of the enlarged share capital of DMC post issuance. Combined with 8IH's existing interest in DMC, post-transaction the Company will hold approximately 69.7% of DMC. 8VIC Global's minority holder (5%) is also a party to the Term Sheet, and will receive 76,260,800 if the Proposed Transaction completes.

Shareholders should note that the Proposed Transaction, should it proceed, is subject to due diligence by DMC, regulatory approval and shareholder approval by both DMC and 8IH shareholders. As such investors are cautioned that there is no guarantee the Proposed Transaction will complete.



About DMC

DMC is a Singapore-incorporated public company that provides a range of digital marketing, e-commerce, events management and seminar/conference-related services, including the marketing and holding of seminars and conferences.

It was admitted into the official list of the ASX on 10 December 2015. It maintains its primary (and only) listing of its equity securities, fully paid ordinary shares, which trade on ASX in the form of CDIs.

8IH, through its direct holding of DMC Shares and the holding of DMC shares by its wholly owned subsidiary 8 Business Pte Ltd, is presently a substantial shareholder of DMC, holding 10.8% of DMC's issued ordinary share capital.

DMC's core business sectors include:

- events, education seminars and digital marketing;
- affiliate advertising;
- creative consulting; and
- ecommerce marketing.

Since its inception, DMC has generated revenue adapting and harnessing the latest in ad tech innovation, becoming one of the leading Digital Performance Marketers in the region.

For the three (3) financial years ended 31 March 2015¹, 2016 and 2017, the revenue of DMC and its subsidiaries amounted to approximately S\$5.9 million, S\$9.1 million and S\$15.2 million, respectively. The net profit for the same periods, amounted to approximately S\$0.7 million, S\$0.9 million and S\$1.1 million, respectively. In the unaudited balance sheet as at 30 September 2017, cash at bank totalled S\$10.9 million. The company's liabilities include unearned revenue of approximately S\$0.8 million.

Further information about DMC can be obtained on the company's website <https://www.digimaticgroup.com> or by viewing DMC's announcements released to the ASX at <http://www.asx.com.au/asx/statistics/announcements.do> under the ASX code 'DMC'.

¹ 31 March 2015 performances are extracted from notional figures from DMC's Prospectus, which may not be directly comparable.



About 8VIC Global

8VIC Global, a subsidiary of **8I** Holdings Limited (“8IH”), is a leading financial education and training provider in Singapore and Malaysia. Its flagship courses, “Millionaire Investor Program” and “Value Investing Bootcamp”, focus on educating the layman on principles and techniques of value investing.

8VIC Global’s key programmes include:

- Millionaire Investor Program
- Value Investing Bootcamp
- Real Estate Investment Trusts (REITs) Program
- Option Mastery Program
- Value Investing Summit

Under the main brand of Value Investing College (“VIC”), the network supports more than 8,000 programme graduates across Singapore, Malaysia, Taiwan, Thailand, Myanmar, Vietnam, India and Dubai.

Value Investing College (VIC), owned by 8VIC Global Pte. Limited, is the leading Financial Education Provider (in the discipline of value investing) in Singapore and Malaysia.²

² Sourced from Euromonitor Report based on estimated course revenue receipts of value investing courses in calendar year 2016, research conducted in June - August 2017 in Singapore and in Malaysia.



The rationale for the Transaction

The Board (other than Mr. Clive Tan who is also the Non-Executive Chairman of DMC) is of the view that it is in the best interest of 8IH to undertake the Proposed Transaction for the following reasons:

- (a) The Company believes that the Proposed Transaction would present an opportunity for 8VIC Global to synergize with the businesses of DMC. Currently, 8VIC Global is engaged in the running of finance-related seminars and conferences and provides significant revenue and profits for the Company. At the same time, the greater part of DMC's business revenue is derived from one of its wholly-owned subsidiaries which offers the marketing and provision of similar and synergistic seminars and conferences. The effecting of the Proposed Transaction will capitalize on and strengthen the business fundamentals of 8VIC Global and will add significant value and growth potential to both 8VIC Global and DMC; and
- (b) The Proposed Transaction will allow the Company to acquire a significant interest in a business with healthy revenue and high cash balance.

As a result of the Proposed Transaction, for accounting purposes the accounts and activities of DMC and its subsidiaries will be consolidated into 8IH's accounts.

If the Proposed Transaction proceeds, 8IH, via DMC and its subsidiaries, will

- (i) increase its cash on hand by approximately S\$10.9 million;
- (ii) increase its net assets by approximately S\$10.1 million; and
- (iii) strengthen the business fundamentals in the education segment due to:
 - synergistic collaboration of finance related seminars and conferences;
 - lead generation of participants for 8VIC Global by the events and digital marketing segment of DMC;
 - cross leverage of leads of participants into programmes

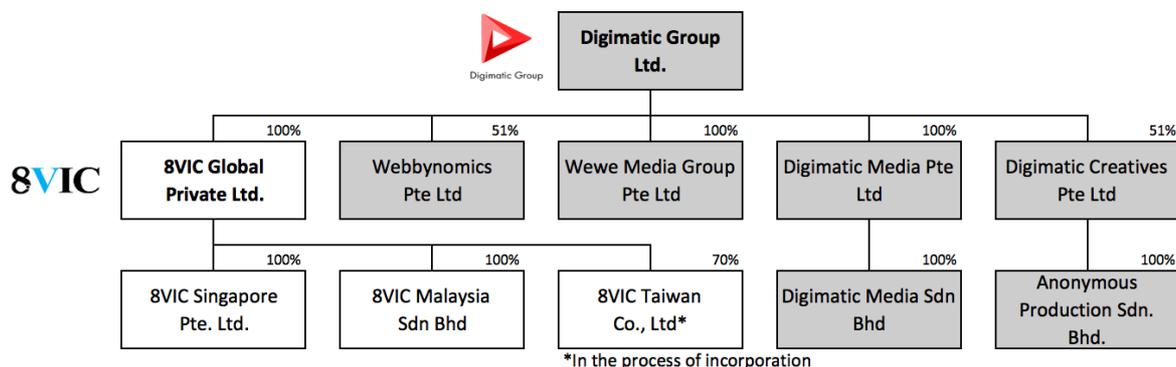


Should the Proposed Transaction proceed on the terms set out in the Term Sheet, 8IH's interest in DMC (held by 8IH and its subsidiary, 8 Business Pte Ltd) will increase from 10.8% to 69.7% and for accounting purposes 8IH will become the holding company of DMC, with DMC's accounts being consolidated into 8IH's.

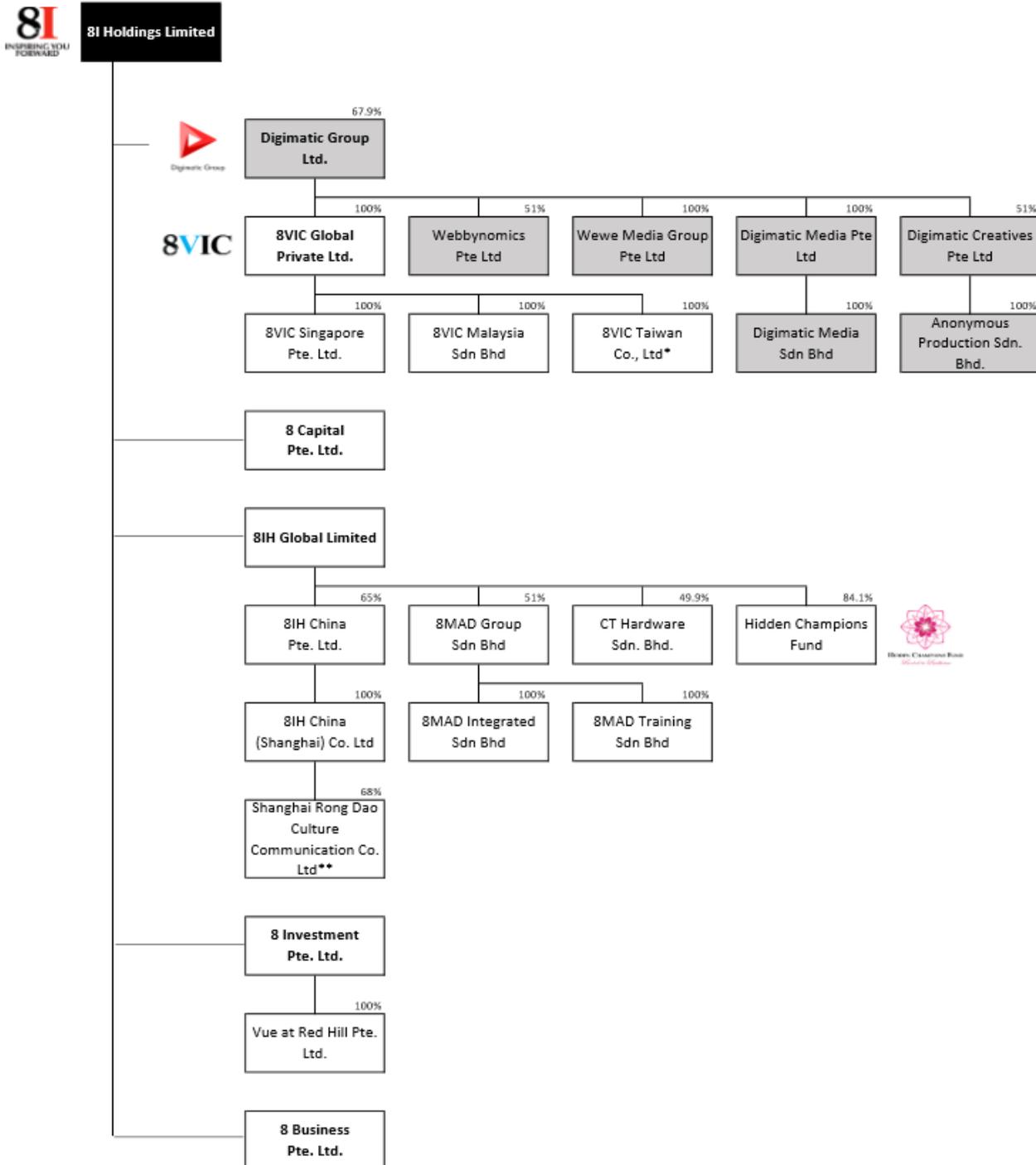
Ms. Pauline Teo Puay Lin, the director and Chief Executive Officer of 8VIC Global, will be appointed as an executive director of DMC.

8VIC Global will not proceed with the proposed listing on SGX-ST Catalist as mentioned in the announcement dated 15 May 2017. 8VIC Global together with its subsidiaries will become the wholly owned subsidiaries of DMC.

The corporate structure of DMC after the Proposed Transaction will be as follows:



The corporate structure of 8IH after the Proposed Transaction will be as follows:



* In the process of incorporation

**An entity, acquired on 30 June 2017, carrying on financial education business in the People's Republic of China under different management and with different programmes to that of 8VIC Global's



Summary of the Term Sheet

8IH and Glorymont Ltd (“**Glorymont**”) (collectively known as the “**Vendors**”) hold 100% of the entire legal and beneficial interest in all the issued shares (being 2,148,421 ordinary shares) in the share capital of 8VIC Global in the following proportions:

- (a) 8IH : 95% (being 2,041,000 ordinary shares)
- (b) Glorymont : 5% (being 107,421 ordinary shares)

DMC has entered into a term sheet with the Company and Glorymont, pursuant to which the Parties have agreed to enter into an option agreement which shall provide the right to acquire a 100% equity interest in 8VIC Global, in consideration for the issue of 1,525,216,000 DMC shares at A\$0.042 each (“**Consideration Shares**”), such Consideration Shares representing 70% of the post-acquisition capital structure of the Company for a deemed value of approximately A\$64 million.

The Parties agree to enter into the ‘Transaction Documents’ (including an option agreement and a definitive share sale agreement which will set out the terms of the acquisition if the option is exercised) within 45 days of the date of the Term Sheet (or such other period as may be agreed). The Term Sheet provides that the Transaction Documents shall include the following key items:

(a) Structure of the Transaction

- (i) The Vendors are to transfer 2,148,421 ordinary shares in 8VIC Global (being the entire issued share capital of 8VIC Global) (“**Transferred Shares**”) to DMC;
- (ii) Concurrently with the above transfer, DMC is to issue 1,525,216,000 of its CDIs at a deemed issue price of A\$0.042 each (such CDIs being the “**Consideration Shares**” which will represent 70% of the enlarged share capital of DMC post issuance and such issue price being the “**Consideration Share Price**”) pro-rata to the Vendors as consideration for the Transferred Shares and in the amounts set out below:



Vendor	Consideration Shares	Percentage of enlarged share capital
8IH	1,448,955,200	66.50%
Glorymont	76,260,800	3.50%
Total	1,525,216,000	70.00%

If a share consolidation of DMC's shares/CDIs takes place, the Parties agree to make the relevant amendments to the Transaction and/or the Transaction Documents such that the percentages of the enlarged share capital of DMC to be held by 8IH and Glorymont post-Transaction are the same or substantially the same as the percentages set out in the table above.

The Transaction Documents shall provide that completion of the Transaction shall be conditional on the satisfaction of the following key conditions precedent including:

- (a) the Vendors and/or parties acting in concert with them not being required to make any offer (under the Singapore Code on Take-overs and Mergers or otherwise) for shares in DMC held by the other shareholders of DMC upon the Vendors' acquisition of shares in DMC pursuant to the Transaction;
- (b) all relevant board and/or shareholders' resolutions of the Parties having been obtained (including, where applicable, (aa) resolutions by the shareholders of DMC approving the acquisition of 8VIC Global shares from the Vendors, the issuance of the Consideration Shares and waiving their right to receive a general offer for their shares in DMC from the Vendors and parties acting in concert with them (such waiver, the "Whitewash Resolution") and (bb) resolutions by the shareholders of 8IH and Glorymont approving the disposal of 8IH's shares and Glorymont's shares in 8VIC Global respectively;
- (c) the obtaining of various confirmations/approvals from the relevant authorities such as ASX and Singapore Securities Industry Council in relation to the Transaction; and
- (d) such other usual and customary conditions precedent for transactions of this nature.

In the event the option agreement is executed, 8IH will be convening an EGM in due course to seek 8IH shareholders' approval of the Proposed Transaction.

ENDS

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About 8I Holdings Limited

8I Holdings Limited (www.8iholdings.com) is a public listed investment company in Australia with interests in public and private markets investment, fund management and financial education.

8I Holdings invests in public listed companies and private businesses. Through 8 Capital Pte Ltd, the Group operates a licensed fund management business in Singapore. Through 8VIC Global Pte. Limited, the Group is the leading financial education and training providers in Singapore and Malaysia, supporting participants across Singapore, Malaysia, Taiwan, Thailand, Myanmar, India, Vietnam and Dubai to build a foundation of value investing knowledge and methodology.