Digimatic Group

ANNUAL REPORT 2018

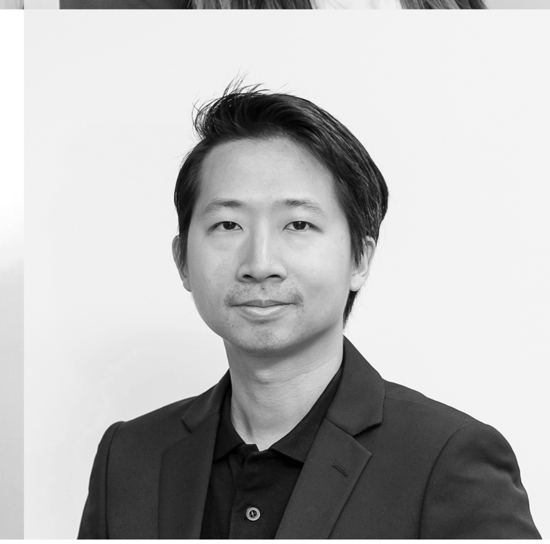
FOCUSING ON BUSINESS GROWTH




"To walk fast, walk alone. But to walk far, walk together. The group is poised for growth. All business units ought to stand united, in terms of working culture, beliefs and goals, driving towards a singular common vision which we ought to consistently remind ourselves."







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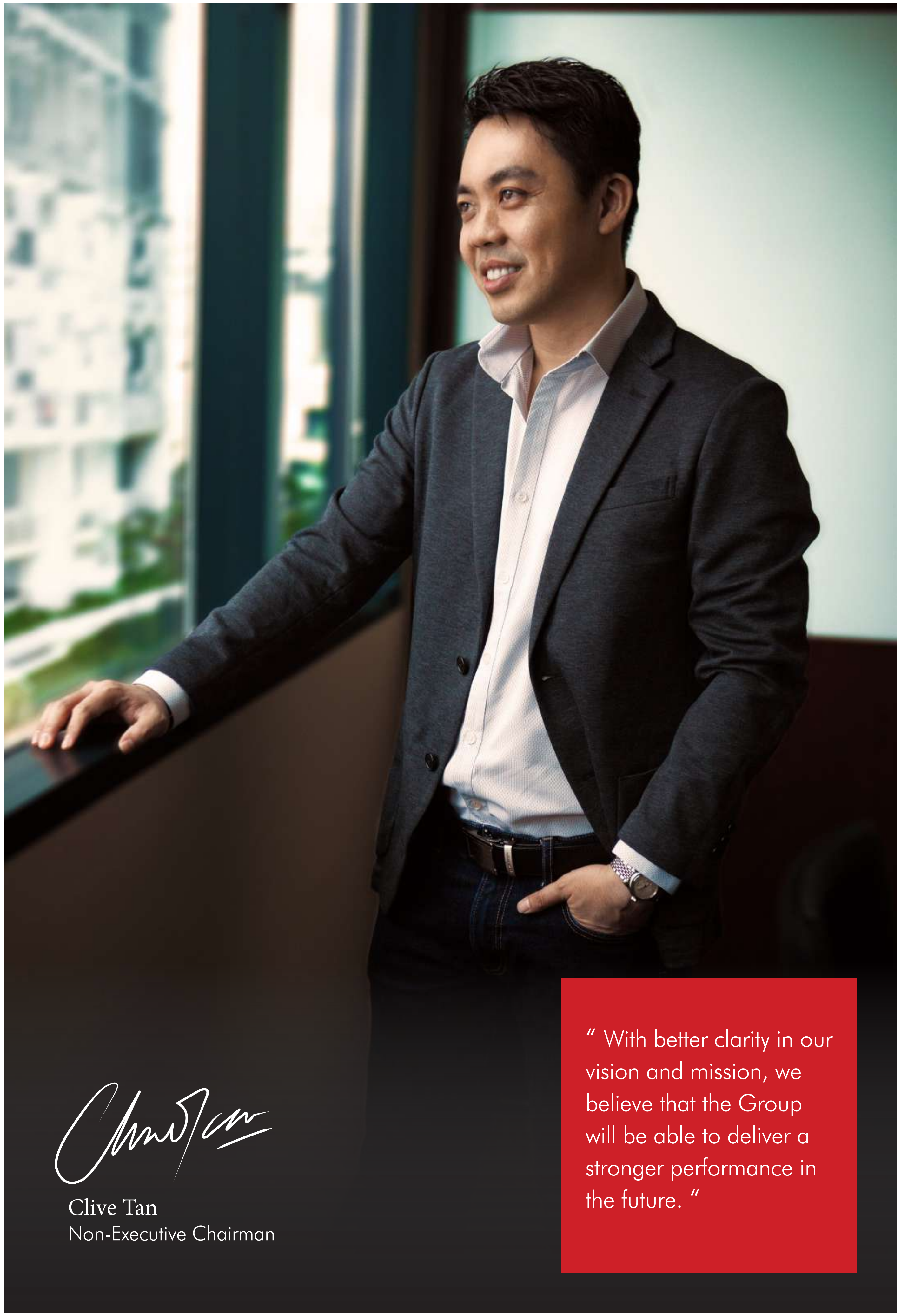


Clive Tan
Non-Executive Chairman

" With better clarity in our vision and mission, we believe that the Group will be able to deliver a stronger performance in the future. "

CHAIRMAN'S STATEMENT :

The future of the Group will be constructed around the strengths of our culture

Dear Shareholders,

Digimatic Group Ltd. (ASX:DMC) has bought 8VIC Global Pte. Limited ("8VIC") from 8I Holdings Limited (ASX:8IH) via a share swap in view of the challenges facing the digital marketing and transformation segment of the business, and more importantly, the potential that 8VIC has in terms of its market reach and growth.

The Board is carrying out a strategic review of the Group. Pending the outcome of the strategic review and options available, we will inform the shareholders of our plan and seek the approval of the shareholders if necessary to carry out the changes needed.

An initial assessment has pointed towards the direction that the Group will likely be better off without having multiple focuses which spreads the attention of the board and management. Pending further research, assessment and discussion, we will decide on the next course of action when we have better clarity as to the options that are open to us.

With better clarity in our vision and mission, we believe that the Group will be able to deliver a stronger performance in the future. The vision, alignment and congruency of the Group will be supported and enabled by our talent pool and in-house capabilities. As we are a knowledge and talent based company, you would expect that there will be more investment in these areas as we seek to expand our reach and depth.

We are channelling our focus, together with our parent company (ASX:8IH), to cater towards the needs of our customers and potential customers in the regional markets. To better serve their needs, 8VIC is collaborating with 8IH to create an app known as WealthPark, a smart investment app that incorporates 8IH & 8VIC's proprietary screening and investing tools to serve as the software and technology platform supporting the needs of our customers.

Going forward, we are also working closely with our parent company (ASX:8IH) to refine and expand our program offerings. Already in the pipeline are other investing-related programs that 8VIC is piloting, dry-running and executing.

The future of the Group will be constructed around the strengths of our culture. We must continue to have a healthy balance sheet and to be prudent in our acquisitions. We will also work towards improving the effectiveness of our sales and marketing and increase the efficiency of our business operations to achieve excellence in customer satisfaction. I would like to thank all our shareholders sincerely for your understanding and support to the Group as we work towards a brighter future.

Pauline Teo
Executive Director

" We are bound to face with strong headwind but standing united will ensure our firm foothold and a promise that we will always be moving forward. "

DIRECTOR'S STATEMENT :

Dear Valued Partners,

Focusing on Business Transformation

FY2018 has been a focused and strategic year to synergize the operations across the different entities within the Group. In November 2017, Digimatic Group Ltd. (ASX : DMC) has completed the acquisition of 100% equity interest in 8VIC Global Pte. Limited. With 8VIC on board, the company became the biggest revenue generator of the combined entity. Following which in January 2018, I have been appointed as the Executive Director of the Group and undertook the strategic review of the business integration as a whole DMC Group.

The past 6 months has been a series of intensive strategic review to examine how the individual subsidiaries can synergize to increase performance, drive strategic growth and achieve a common goal. The board reviewed into areas of market positioning, resource allocation, management and cultural alignment across all divisions within the Group's businesses, with a proposed recommendation that 8VIC should stand clear on its own as a Value Investing College, focusing on its core business growth in Financial Education programmes.

Group Direction and Positioning

Since the inception of DMC in 2015, the direction and positioning of the Group has changed focus from Digital transformation in FY2016 to Advertising and Creative Technology in FY2017, all within two financial years. Moving forward, we aspire for a more unified goal and agenda. One that is evergreen, long lasting, and with team members stepping up to fulfil the brand vision.

The vision of 8VIC is to be the "Number One Value Investing Education Provider in the World" and team has been focused, growing the entity to be the largest Value Investing training provider with more than 50% of the market share in Singapore and Malaysia (according to Euromonitor's research study) with its signature Value Investing programmes and initiatives. The focused strategy of 8VIC has worked well since its inception in 2008 and we strive to bring the same drive and results into DMC.

Financial and Operations Overview

DMC registered a revenue of $17.3 million, a gross profit of $7.47 million and a net profit of $775,350 in the financial year ending 31st March 2018.

Amidst our challenges, the Group enjoyed multiple wins. Digimatic Creatives 360VR production arm, 360VR Asia has been appointed as the 360-production partner for NDP2017 as they executed a national level, multi-cam and multi-steam live 360 broadcast.

Digimatic Media's flagship brand, Ace Profit Academy has expanded their programme offerings from 12 to 14, and even launched Mandarin programmes for some of their wellness and personal development courses. Meanwhile, Wewe Media has been consistent to optimise their exclusive machine learning and algorithm platform, Intellink®. They have ventured into three potential and fast-growing segments, namely the Mobile Application Advertisers, Lead Generation Advertisers and E-commerce advertising. Similarly, Webbynomics is focused to drive for more online sales conversion for the 'Home and kitchen' as well as 'Toys and Games' product category via digital marketing.

For 8VIC, it has been a busy year particularly with the merger of 8I Education and Financial Joy Institute to form 8VIC in April 2018. With the successful merger, the team continue its journey to spread Value Investing in different markets. 8VIC Taiwan office, 8VIC Thailand office and 8VIC Australia entity were also officially opened in May 2017, January 2018 and February 2018 respectively. Beyond the regional offices, 8VIC also worked with different partners to market and organise its signature Value Investing programmes in cities such as New Delhi, Guangzhou, Dubai, Sydney, London, Munich and Tokyo.

To promote Value Investing College (VIC), 8VIC has been working closely with its advisor, Ms Mary Buffett, through the Investopia series in Singapore, Kuala Lumpur, Bangkok, Taipei and Sydney. The Investopia event creates brand awareness and strong branding positioning in the existing and new markets. To strengthen the brand positioning and awareness, the team merged part of the Millionaire Investor Program (MIP) content into the Value Investing Bootcamp (VIB), bringing it to a new level.

Business United, Business forward

I've heard, to walk fast, walk alone. But to walk far, walk together. The Group is poised for growth. All business units ought to stand united, in terms of working culture, believes and goals, driving towards a singular common vision which we ought to consistently remind ourselves. For business success, I belief a unified integration of all subsidiaries is necessary. Individual business models should not exist as a standalone entity, but to complement each other and foster co-existence. How we work together will determine how we win together.

The journey ahead will not be smooth sailing, neither will it be impossible. We are bound to face with strong headwind but standing united will ensure our firm foothold and a promise that we will always be moving forward. I sincerely thank all shareholders for your continued support and understanding. We look forward to growing with you, emerging stronger and better.

FOCUSING ON BUSINESS GROWTH

The Group is poised for growth. All business units ought to stand united, in terms of working culture, believes and goals, driving towards a singular common vision which we ought to consistently remind ourselves.

BOARD OF DIRECTORS :

Mr Tan advises on corporate governance, strategic planning and direction for the company. As co-founder and executive director of 8I Holdings Limited, he is responsible for the strategic planning, development and risk management of its businesses including education and investments in listed securities and private equity.

Clive Tan Che Koon
Non-Executive Chairman

Mr Lewis has over 20 years' experience and leadership of small cap ASX Listed companies and is the founder of boutique corporate advisory group Smallcap Corporate. He holds corporate advisor and non executive director roles with several ASX company's including Lion Energy Limited, Kingsland Global Limited, Titan Minerals Limited and Flamingo AI Limited. Mr Lewis holds a Bachelor of Economics and is a Fellow of the Governance Institute of Australia.

Zane Robert Lewis
Non-Executive Director and
Compliance Manager

Pauline Teo has more than 10 years of experience working as a public servant in the field of learning and development. Under her leadership as a director of 8VIC Global Pte. Limited. 8VIC is currently the leading Financial Education provider in Singapore and Malaysia, and has expanded into Thailand, Taiwan and Australia.

Pauline Teo
Executive Director

BUSINESS FORWARD

" VIC is growing from strength to strength, and we are poised to achieve our vision to be the Number 1 Global Value Investing Education Provider. "

SUBSIDIARIES DIRECTORS :

8VIC Global Pte. Ltd.

Sean Seah is the CEO of 8VIC Global Pte. Limited, and the founder of Financial Joy Institute Pte. Ltd. He received First Class Honours in Bachelor of Business with a Major in Applied Economics from NTU in 2005. Prior to this role, Sean served in the SAF as a Military Guards Officer, performing the role of Company Officer Commander, where he led and trained a company of 150 in the Guards Unit. His last position was a Staff Officer (Major) in the SAF Centre of Leadership.

Sean Seah
Chief Executive Officer

Graduated from the NUS with a Bachelors in Medicine and Surgery in 2008. Dr. Daniel joined Financial Joy Institute Pte. Ltd. in 2009 as an Executive Director and trainer. As the Chief Marketing Officer of 8VIC Global Pte. Limited, Daniel is responsible for the strategic planning and global operations of the Education segment as well as management and consolidation of the programmes and schedule across the globe including Singapore, Malaysia, Taiwan, Thailand, Myanmar, Vietnam, India and Dubai.

Dr. Daniel Kao
Chief Marketing Officer

Digimatic Media Pte. Ltd. / Digimatic Creatives Pte. Ltd.

Through his many years as a seasoned Digital Entrepreneur, Mr Ong has amassed a deep pool of experience and knowledge in the digital advertising space that has helped many companies across the world achieved astonishing ROI on their business.

Ivan Ong
Executive Director, Digimatic Media Private Limited

Ms Jane Neo's tremendous sales and online marketing results has helped to shape up Digimatic Media's systems and processes, which enables the business to scale effectively and regionally in a very short period of time.

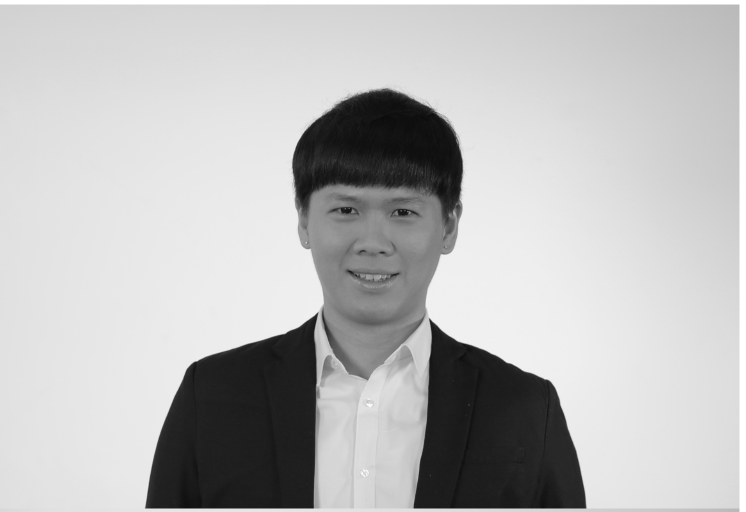
Jane Neo
Managing Director, Digimatic Media Private Limited

Nick GC Tan is the founder of Digimatic Creatives, a firm that specializes in business marketing, creative content and marketing consultancy. We help clients meet their business objectives and build a sustainable business. Nick is also the founder of 360VRasia and Anonymous Production, where his team is the first few to enter the realm of 360VR, AR and video content online integration for clients around the region.

Nick Tan
Managing Director, Digimatic Creatives Pte. Ltd.

SUBSIDIARIES DIRECTORS :

Wewe Media Pte. Ltd.



Mr Aaron Tan is a performance advertising professional well-versed in lead generation and client acquisition services via mobile and desktop advertising. As a co-founder of Wewe Media, a Mobile Advertising agency focused on running performance-based marketing campaigns for clients worldwide.

Aaron Tan
Managing Partner, Wewe Media Pte. Ltd.

Mr Ronny Lua has been a performance advertising pioneer since 2008, working on strategic advertising campaigns for clients from varied backgrounds. He co-manages Wewe Media and currently handles its business development, identifying new opportunities managing strategic partnerships.

Ronny Lua
Managing Partner, Wewe Media Pte. Ltd.

A Wewe Media co-founder, Mr Danny Lua currently manages the media buying team, app development and monetisation teams and helps in strategising international growth/ development plans for the company.

Danny Lua
Managing Partner, Wewe Media Pte. Ltd.

Webbynomics Pte. Ltd.

Leslie Chong co-founded Webbynomics with Digimatic to tap on the growing e-commerce trends in USA, focusing on the toy niche. He led the company to achieve in excess of half a million revenue in the first 6 months, and continues to scale the company's growth by expanding company's products and service offerings. His aim is to expand the company's business operations into Europe in 2018.

Leslie Chong
Managing Partner, Webbynomics Pte. Ltd.

Graduated from NUS, Bachelor of Computing (Computer Science) Honours, Daniel Lai co-founded Webbynomics where they led the team with his expertise, knowledge and experience to sell overseas using digital marketing. Focusing in the segment of 'Home and Kitchen' as well as "Toys and Games", Daniel leads the team to drive more online sales using digital marketing, social media marketing and media buy.

Daniel Lai
Managing Partner, Webbynomics Pte. Ltd.

FINANCIAL HIGHLIGHTS

Revenue from Ordinary Activities

S$17.3 Million

/

Profit after Tax attributable to members

S$696,441

/

Total Comprehensive Income

S$814,007

/

Total Assets

S$18.3 Million

/

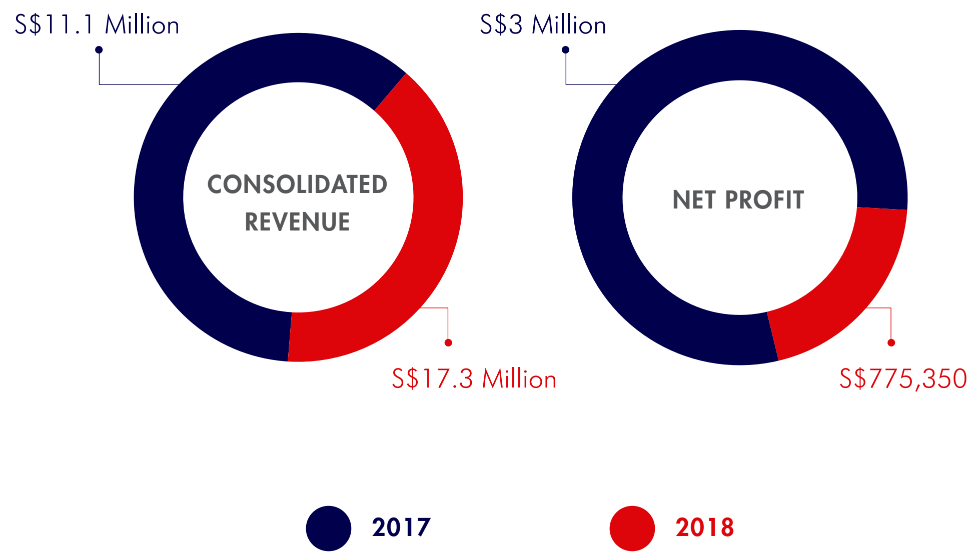
Net Tangible Assets

S$9 Million

ACQUISITION OF 8VIC

" During the period, DMC completed the acquisition of 100% equity interest in 8VIC Global Pte. Limited. "

REVIEW OF GROUP PERFORMANCE :



Overview

Digimatic Group Ltd. (ASX: DMC) was created in response to the growing power of digital media in shaping consumer perception, engagement and knowledge. With the recent acquisition of 8VIC Global Pte. Limited. DMC has evolved into a digital and educational conglomerate. Since its inception, it has grown by adapting and harnessing the latest in Ad and Edu tech innovation.

The total consolidated revenue and net profit attributable to members for the financial year ended 31 March 2018 was S$17.3 million and S$696,441 respectively.

During the period, DMC completed the acquisition of 100% equity interest in 8VIC Global Pte. Limited. The company has issued 30,504,320 CHESS Depositary interests (CDIs) as consideration (on post-consolidation basis) to acquire 8VIC from 8I Holdings Limited and Glorymont Ltd.

The Earnings Before Interest, Tax, Depreciation and Amortisation ("EBITDA") and Net Profit Before Tax ("NPBT") for DMC Group is stipulated at S$1.2 million and S$759,197 respectively.

Net tangible assets for the Group was S$9,040,622.

Cash and cash equivalents at the end of the financial year was just over S$8.6 million.

PROJECT AND OPERATIONS REVIEW :

Business Segment Report

Financial Education

8VIC Global Pte. Limited. ("8VIC ") is the financial education arm of DMC, conducting seminars and events on value investing. As a leading financial education and training provider in Singapore and Malaysia, its flagship programs, 'Millionaire Investor Program ("MIP")' and 'Value Investing Bootcamp ("VIB")', focus on educating the layman on principles and techniques of value investing. Under the brand name of Value Investing College ("VIC"), their network supports more than 10,000 graduates across Singapore, Malaysia, Taiwan, Thailand, Myanmar, Vietnam, India and Dubai. In Singapore and Malaysia specifically, VIC is the leading Financial Education provider in the discipline of value investing. With new offices set up in Taiwan, Thailand and Australia, 8VIC is well advanced in its plans to position itself at the forefront of the rapidly growing Financial Education Industry.

In the first quarter of FY18, 8I Education ("8IE") and VIC merged, rebranding the corporate identity as 8VIC Global Pte. Limited., whilst promoting VIC or Value Investing College as the main brand. The merger brings together two previously different working systems to form a new culture, striving towards a common mission and goal. In this quarter, the team focuses in Change Management to build a common culture, centralizing working systems such as Human Capital, Operations, Finance, and IT, as well as achieving alignment from team members.

Growing from 8,000 to 10,000 graduates from FY17 to FY18, the 2 bestselling programs, MIP and VIB has contributed 6,156 and 3,847 graduates as of 31st March, with a total revenue of S$3.09million and S$3.75million generated respectively. These programs have been conducted in Singapore, Malaysia, Taiwan, Thailand, Myanmar, India, Vietnam and Sydney. VIC is currently forming more partnership collaborations in other cities around the world.

With efforts to build an international presence and brand, VIC has kicked off a series of Value Investing conference in Singapore, Malaysia, Thailand, Taiwan and Australia. Branded as "Investopia", the one-day conference features Mary Buffett, together with other reputable value investors. The Investopia World Tour has reached over 4,450 audiences in just 8 months (April to November 2017). This has helped the team to break into markets regionally, particularly Malaysia, Thailand, Japan, Taiwan and Australia.

Additionally, the team has explored and expanded aggressively to regional countries, specifically towards Taiwan, Thailand, Australia and India. Their efforts bore fruits with successful incorporation in Taiwan, Thailand and Australia in FY18. With this, 8VIC is currently the holding company of 5 wholly owned subsidiaries, incorporated in Singapore, Malaysia, Taiwan, Thailand and Australia. They are 8VIC Singapore Pte. Limited., 8VIC Malaysia Sdn Bhd, 8VIC Taiwan Co., Ltd., 8VIC (Thailand) Co., Ltd and 8VIC Australia Pty. Ltd. respectively.

In the financial year, 8VIC's revenue grew from S$11million in FY17 to S$12million in FY18. Operating expense has increased from S$8million in FY17 to S$12million in FY18, primarily due to the cost of sales for marketing, as well as the overseas expansion and the launch of their e-learning platform.

VIC is growing from strength to strength and is working hard to achieve their vision to be the Number 1 Global Value Investing Education Provider.

Creatives

Digimatic Creatives Pte. Ltd. (DMR) is the branding and marketing activation arm of Digimatic Group Ltd. (DMC), specializing in creative content creation as well as the end-to-end branding and marketing solutions for clients. Leveraging on their core strengths of video and interactive production, DMR has furthered their value add to include strategic media, branding and marketing consultation, as well as turnkey solutions provision.

To support SMEs in their capability development efforts, DMR has advanced to certify their management consultants with the Enterprise Singapore recognized certification programs, aligned to the TR 43:2015. The certification allows the team to support SME clients seeking to leverage on government grant schemes to scale their business capabilities for sustainable growth. In FY2018, DMR has accumulated an extensive portfolio in the public sector, securing projects with well-known statutory entities such as PSA Singapore, MPA Singapore, ST Aerospace, CAAS and more. DMR's virtual reality and 360 production arm: 360VR Asia has achieved a significant breakthrough for the successful delivery of a nationwide project – NDP2017 360 Livestream. Appointed as the 360VR production partner, the team executed a national level, multi-cam and multi-stream live 360 broadcasts.

Combining the present capabilities and constantly evolving, DMR continues to innovate to be ahead of the digital transformation landscape, creating value for stakeholders and shareholders alike.

Media

DMC Media segment comprises of Digimatic Media Private Limited (DMM) and Wewe Media Pte. Ltd. (WWM). DMM is the media and marketing arm of DMC, specialized in the provision of sustainable business solutions via cost per lead or cost per acquisition digital marketing in consultation with its clients. DMM is also the brand owner of Ace Profits Academy, a leading seminar and events provider known for running successful and quality wealth creation and personal development workshops.

DMM focuses on performance based digital marketing, generating positive ROI for their customer. As Singapore's leading events and seminar organizer, they empower individuals with the right skills and knowledge, helping students achieve greater heights in terms of wealth, health and personal development as well as investments. This year, Ace Profits Academy has expanded their program offerings from 12 to 14, expanding their range of offerings to their customers.

In addition, DMM has also commenced program offerings in Mandarin for some wellness and personal development programs, which is particularly receptive in Malaysia. With the success of this initial market test, the team is looking forward to work with new partners to conduct other training programs and seminars in mandarin.

Combining DMM's expertise in digital advertising and regional expansion, DMM anticipates additional growth in the next financial year.

WWM is the mobile marketing arm of DMC, specializing in performance-based marketing and leads generation for mobile applications and websites. As a global leading performance network, WWM connects advertisers with publishers to deliver quality user acquisition on a Cost-Per-Action pricing model. The team serves clients in more than 22 countries, with a reach of more than 4 billion impressions per month. Their huge network spans over 20 partners, serving up to millions of app download and quality conversions globally.

In FY18, WWM has placed emphasis in growing their business verticals as well as venturing into new industries. The team focusses on 3 main segments, namely the Mobile Application Advertisers, Lead Generation Advertisers and ecommerce advertising.

Showcasing and promoting WWM's exclusive machine learning and algorithm platform Intellink®, the team has actively participated and exhibited in mega affiliate marketing and deep tech events such as the Mobile World Congress, Switch Singapore and Affiliate world Asia. Beyond new client acquisition, joining these events also serve to enroll more affiliates and partners onboard.

Ecommerce

Webbynomics Pte. Ltd. ("WBY") is the ecommerce arm of Digimatic Group. It was incorporated on 26 May 2017, generating business growth in the vibrant global online marketplace with variety of products, marketed and transacted through various ecommerce platform. Utilizing data analytics and customers' feedback WBY can therefore sell their products effectively with ROI focused results.

Propelling the business is a lean team of ecommerce marketers, with a wealth of knowledge and experience about the online marketplace. Identifying a growing demand for 'Home and Kitchen' appliances, as well as 'Toys and Games' in the United States (US) market, the team has focused their efforts to drive for more sales conversion via digital marketing, social media marketing and media buy. In addition, WBY's logistics knowhow allows them to optimize their supply chain by sourcing products efficiently and be cost effective at the same time.

Since incorporation, WBY has developed 2 new products in toys and game niche, under their brand, Whizbuilders. The sales of these products are approximately 90 units per day and is expected see an increase in the upcoming festive season. With proven results and consistency, the team intends to replicate and adapt their business model, scaling to other product categories and other potential markets beyond US.

Strategic Review

As stated in the Announcement dated 16 Feb 2018, the Board is conducting a strategic review of Digimatic Group's Business segments. While all the various business segments have potential, in order for DMC to go to the next level of growth and success, the Board is of the opinion that DMC as a company is currently too diversified and will need to be clearer in its vision in order to focus the creativity and energy of the team. The board, together with the management, will decide on the business segment to focus on moving forward and will do the necessary restructuring needed to achieve the best outcome for the Group and shareholders.

REMUNERATION REPORT

Remuneration Report

This remuneration report sets out information about the remuneration of Digimatic Group Ltd.'s key management personnel for the financial year ended 31 March 2018. The term 'key management personnel' refers 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 Digimatic Group Ltd. has been designed to align directors' and executives' objectives with shareholders' 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:

• Clive Tan Che Koon	Non Executive Chairman
• Pauline Teo Puay Lin	Executive Director
• Zane Robert Lewis	Non Executive Director and Company Secretary (Australia)
• Ong Shao Kuang, Ivan	Executive Director *(resigned as Director on 1 March 2018)*
• Chung Pit Lee	Chief Financial Officer, *(resigned 28 Feb 2018)*
• Sean Seah Weiming	CEO, 8VIC Global Pte. Limited
• Dr Danial Kao Junyang	CMO, 8VIC Global Pte. Limited
• Adrian Lim Boon Yeow	Financial Controller, 8VIC Global Pte. Limited
• Neo Bi Chun	Managing Director of Digimatic Media Private Limited
• Tan, Guan Cheong	Managing Director of Digimatic Creatives Pte. Ltd.
• Lua Swee Seng, Danny	Managing Director of Wewe Media Pte. Ltd.
• Lua Swee Wei	Managing Director of Wewe Media Pte. Ltd.
• Tan Wei Wen	Managing Director of Wewe Media Pte. Ltd.

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 are set out below.

NAME	BASE SALARY[1]	FEES	TERMS OF AGREEMENT	NOTICE PERIOD
Clive Tan Che Koon	S$nil	S$43,200 p.a.[2]	No fixed term	N/A
Ong Shao Kuang, Ivan *(resigned from the Board of Directors on 16 Feb 18)*	S$212,000 p.a.	S$nil	No fixed term	N/A
Zane Robert Lewis	S$nil	S$42,000 p.a. [2] A$60,000 p.a. [3]	No fixed term	N/A
Pauline Teo Puay Lin	S$152,000 p.a.	S$nil	No fixed term	N/A

(1) Excluding employer's Central Provident Fund (CPF) contribution *(2) Non-executive director fee* *(3) Company secretary fee*

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 2018 is set out below:

NAME OF DIRECTORS	SALARY %	BONUS %	DIRECTORS' FEE %	TOTAL %
S$250,000 to below S$500,000				
Ong Shao Kuang, Ivan	92%	8%		100%
Neo Bi Chun	75%	2%	22%	100%
S$100,000 to below S$250,000				
Pauline Teo Puay Lin	82%	18%		100%
Tan, Guan Cheong	100%			100%
Tan, Wei Wen	93%	7%		100%
Lua, Swee Wei	93%	7%		100%
Lua, Swee Seng, Danny	93%	7%		100%
Sean Seah Weiming	83%	17%		100%
Dr Danial Kao Junyang	89%	11%		100%
Adrian Lim Boon Yeow	94%	6%		100%
Below S$100,000				
Clive Tan Che Koon			100%	
Zane Robert Lewis			100%	

Details of Remuneration (continued)

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$498,392 for the financial year ended 31 March 2018.

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 2018.

The Company did not provide any equity compensation to Directors or executives during the financial year ended 31 March 2018.

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

Directors Meetings

Since the beginning of the financial year, 5 meetings of directors were held. Attendances by each director during the financial year were as follows:

DIRECTORS	ELIGIBLE	ATTENDED
Clive Tan Che Koon	5	5
Zane Robert Lewis	5	5
Pauline Teo Puay Lin	4	4
Ong Shao Kuang, Ivan	3	3

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.

Digimatic Group

Digimatic Group Ltd. and its subsidiaries
(Company Registration Number: 201505599H)
ABRN 605 944 198

Directors' Statement and Financial Statements
Financial Year Ended 31 March 2018

KONG, LIM & PARTNERS LLP
CHARTERED ACCOUNTANTS
Associated worldwide with JHI
13A MacKenzie Road Singapore 228676
Tel: 6227 4180 Fax: 6324 0213

Contents

Directors	Mr Clive Tan Che Koon (Non-Executive Chairman) Mr Zane Robert Lewis (Non-Executive Director and Compliance Manager) Ms Pauline Teo Puay Lin (Executive Director)
Company Secretary (Singapore)	Ms Amanda Thum Sook Fun
Company Secretary (Australia) Compliance Manager (Australia)	SmallCap Corporate Pty Ltd Suite 6, 295 Rokeby Road Subiaco WA 6008
Registered Office (Singapore)	82 Ubi Avenue 4, #06-04 Edward Boustead Centre Singapore 408832
Registered Office (Australia)	SmallCap Corporate Pty Ltd Suite 6, 295 Rokeby Road Subiaco WA 6008
Principal place of business	82 Ubi Avenue 4, #06-04 Edward Boustead Centre Singapore 408832
Share registrar	Link Market Services Limited Level 4, Central Park 152-158 St Georges Terrace Perth WA 6000
Auditor	Kong, Lim & Partners LLP Public Accountants and Chartered Accountants 13A MacKenzie Road Singapore 228676 Partner in charge: Lim Yeong Seng
Stock exchange listing	Digimatic Group Ltd.'s shares are listed on the Australian Securities Exchange (ASX code: DMC)
Website	www.digimaticgroup.com

The directors are pleased to present their statement to the members together with the audited consolidated financial statements of Digimatic Group Ltd. (the "Company") and its subsidiaries (the "Group") and the statement of financial position and statement of changes in equity of the Company for the financial year ended 31 March 2018.

1. Opinion of the directors

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 2018 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.

2. Directors

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

Clive Tan Che Koon
Zane Robert Lewis
Pauline Teo Puay Lin (Appointed on 3 January 2018)

3. Arrangements to enable directors to acquire shares or debentures

Neither at the end of nor at any time during the financial year was the Company a party to any arrangement whose objects are, or one of whose objects is, 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.

4. Directors' interests in shares or debentures

According to the register of directors' shareholdings kept by the Company under section 164 of the Singapore Companies Act, Chapter 50 (the "Act"), the directors of the Company who held office at the end of the financial year had no interests in the shares or debentures of the Company and its related corporations except as stated below:

	Direct interest		Deemed interest	
Name of Directors	At the beginning of financial year	At the end of financial year	At the beginning of financial year	At the end of financial year
Ordinary shares of the Company				
Clive Tan Che Koon	-	-	-	-
Zane Robert Lewis	10,000	200	-	-
Pauline Teo Puay Lin	-	-	-	-

4. **Directors' interests in shares or debentures (continued)**

Name of Directors	Direct interest At the beginning of financial year	At the end of financial year
Ordinary shares of the Holding Company (8I Holdings Limited)		
Clive Tan Che Koon	65,091,500	65,140,000
Zane Robert Lewis	20,000	20,000
Pauline Teo Puay Lin	7,855,000	8,859,103

5. **Share options**

There were no share options granted during the financial year to subscribe for unissued shares of the Company.

There were no shares issued during the financial year by virtue of the exercise of options to take up unissued shares of the Company.

There were no unissued shares of the Company under option at the end of the financial year.

6. **Auditor**

Kong, Lim & Partners LLP has expressed its willingness to accept re-appointment as auditor.

On behalf of the Board of Directors,

Clive Tan Che Koon
Director

Pauline Teo Puay Lin
Director

Singapore, 28 June 2018

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Chartered Accountants of Singapore

Independent Auditor's Report to the members of Digimatic Group Ltd.

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Digimatic Group Ltd. (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 2018, 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 of the Company are properly drawn up in accordance with the provisions of the Companies Act, Chapter 50 (the "Act") and Financial Reporting Standards in Singapore (FRSs) so as to give a true and fair view of the consolidated financial position of the Group and the financial position of the Company as at 31 March 2018 and of the consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group and 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 judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

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

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Key audit matters (continued)

Key audit matter in the audit of the Group	How our audit addressed the key audit matter
Accounting for the reverse takeover As disclosed in Note 6 to the financial statements, the Company completed its acquisition of 8VIC Group in November 2017. The transaction is a reverse takeover (RTO) and was accounted for using the acquisition method. The Group engaged external valuation expert to perform the purchase price allocation (PPA) exercise for the RTO. Significant judgement were made in the PPA exercise for the identification and valuation of the acquired net identifiable assets of the accounting acquiree (i.e. the Company) as at acquisition date. Given the quantitative materiality of this transaction and the significant management judgement involved in the PPA exercise, we determined the accounting for the RTO to be a key audit matter.	As part of our audit procedures on the accounting for the RTO, we reviewed the sale and purchase agreement to obtain an understanding of the transaction and the key terms. We have evaluated the competence, capabilities and objectivity of the management's expert, obtained an understanding of the work of the expert, and evaluated the appropriateness of the expert's work as audit evidence for the relevant assertions. Based on our procedures, we noted that the PPA exercises have been performed in accordance with FRS 103 *Business Combinations.* We also noted the management's key assumptions applied in the PPA exercises in arriving at the fair values of the net identifiable assets acquired assessed to be within a reasonable range of our expectations. With respect to our work on the subsequent impairment testing of the resultant goodwill, we refer to key audit matter "Impairment assessment of goodwill". We have also assessed and corroborated the adequacy and appropriateness of the disclosures made in relation to the accounting for the RTO in Note 6 to the financial statements.

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Independent Auditor's Report to the members of Digimatic Group Ltd. (continued)

Key audit matters (continued)

Key audit matter in the audit of the Group	How our audit addressed the key audit matter
Impairment assessment of goodwill As disclosed in Note 5 to the financial statements, the carrying amount of goodwill of the Group were S$2,148,994 as at 31 March 2018. During the financial year ended 31 March 2018, the management performed impairment assessment on the goodwill attributable to the following cash-generating unit: • Education of S$1,585,013 • Media of S$544,793 Based on the impairment test, the management assessed that the goodwill were not impaired as at 31 March 2018. We identified the impairment of goodwill as a key audit matter due to significant judgements and assumptions required by the management in assessing the impairment of goodwill, which are determined with reference to the value in use of the cash-generating units to which goodwill belong to, including growth rates and expected gross margin in order to calculate the present value.	Our procedures in relation to the management's impairment assessment of goodwill includes: • We tested the methodology applied in the goodwill impairment analysis as compared to the requirements of FRS 36 *Impairment of Assets*; • We evaluated the process by which the future cash flow forecasts were drawn up; • We tested the key underlying assumptions for the cash flow forecasts, including sales and profitability forecasts, discount rate used and the implied growth rates beyond the forecasted period; • We compared the current year actual results included in the prior year impairment model to consider whether forecasts included assumptions that, with hindsight, had been optimistic; and • We considered whether the sensitivity analysis performed by the management around key assumptions of the cash flow forecast was appropriate by considering the likelihood of the movements of these key assumptions. Based on the work performed above, we considered the methodology and assumptions used by the management to be appropriate. We have also assessed and corroborated the adequacy and appropriateness of the disclosures made in Note 5 to the financial statements.

Independent Auditor's Report to the members of Digimatic Group Ltd. (continued)

Key audit matters (continued)

Key audit matter in the audit of the Company	How our audit addressed the key audit matter
Valuation of investment cost in 8VIC Global Pte. Limited	
As disclosed in Note 6 to the financial statements, the Company completed its acquisition of 8VIC Global Pte. Limited (8VIC) in November 2017.	We have assessed the deemed issue price of A\$0.042 per share by comparing the quoted price of the share in the Australian Securities Exchange (ASX) as at the date of the acquisition.
In the financial statements of the Company, investment cost in 8VIC was initially recorded at S\$65,596,490 based on the consideration of issuance of 1,525,216,000 ordinary shares (before the effect of share consolidation) at a deemed issue price of A\$0.042 (equivalent to S\$0.043008) per share.	We have further assessed the valuation of 8VIC conducted by the management's expert and adopted by management in deriving the fair value of the investment cost in 8VIC. We evaluated the competence, capabilities and objectivity of the management's expert, obtained an understanding of the work of the expert, and evaluated the appropriateness of the expert's work as audit evidence for the relevant assertions.
Management subsequently adjusted the investment cost in 8VIC to S\$23,640,848 based on the independent expert's valuation. The difference between fair value and the initial book value of the investment cost was recognised in the statement of comprehensive income of the Company. The adjustment does not have any impact to the consolidated financial statements of the Group.	Based on our procedures, we found that the adjustment of investment cost based on the valuation of 8VIC appears to be appropriate.
We have identified the fair value measured at the date of recognition for investment cost in 8VIC as a key audit matter given the quantitative materiality of this transaction.	

Independent Auditor's Report to the members of Digimatic Group Ltd. (continued)

Other Information

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

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available 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.

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

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.

Independent Auditor's Report to the members of Digimatic Group Ltd. (continued)

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

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 Company'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.

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.

Independent Auditor's Report to the members of Digimatic Group Ltd. (continued)

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 Lim Yeong Seng.

KONG, LIM & PARTNERS LLP
Public Accountants and
Chartered Accountants

Singapore, 28 June 2018

Digimatic Group Ltd. and its subsidiaries
Statements of Financial Position
As at 31 March 2018

	Note	Group 2018 S$	Group 2017 S$	Company 2018 S$	Company 2017 S$
Assets					
Non-current assets					
Property, plant and equipment	4	1,128,730	584,271	7,633	13,126
Intangible assets	5	2,196,281	1,554,542	38,007	38,007
Investment in subsidiaries	6	-	-	31,883,429	3,348,937
Other investments	7	107,225	2,507	-	-
Loan receivable	8	-	-	-	2,600,285
Deferred tax assets	26	217,005	200,403	-	-
		3,649,241	2,341,723	31,929,069	6,000,355
Current assets					
Inventories	9	454,723	-	-	-
Trade and other receivables	10	3,317,805	1,113,036	500,233	632,665
Prepayment	11	827,350	702,366	29,296	13,636
Fixed deposits	12	1,311,280	-	-	6,500,000
Other investments	7	177,865	160,581	-	-
Cash and cash equivalents	13	8,569,179	4,630,446	766,810	1,518,180
		14,658,202	6,606,429	1,296,339	8,664,481
Total assets		18,307,443	8,948,152	33,225,408	14,664,836
Equity and liabilities					
Equity attributable to owners of the Company					
Share capital	14	14,872,793	4,741,000	79,400,864	13,804,374
Accumulated profits/(losses)		356,692	4,060,251	(46,304,895)	536,476
Foreign currency translation reserve	15	(28,853)	(74,114)	-	-
Other reserves	16	(4,533,629)	(4,533,629)	-	-
		10,667,003	4,193,508	33,095,969	14,340,850
Non-controlling interests		569,900	79,386	-	-
Total equity		11,236,903	4,272,894	33,095,969	14,340,850
Current liabilities					
Trade and other payables	17	3,126,470	993,235	129,439	319,245
Unearned revenue	18	3,528,001	3,572,912	-	-
Hire purchase payables	19	17,883	15,797	-	-
Provision for income tax		202,569	37,965	-	4,301
		6,874,923	4,619,909	129,439	323,546
Non-current liabilities					
Hire purchase payables	19	37,027	51,349	-	-
Provision for reinstatement cost	20	65,000	-	-	-
Deferred tax liabilities	26	93,590	4,000	-	440
		195,617	55,349	-	440
Total liabilities		7,070,540	4,675,258	129,439	323,986
Total equity and liabilities		18,307,443	8,948,152	33,225,408	14,664,836

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

Digimatic Group Ltd. and its subsidiaries
Consolidated Statement of Comprehensive Income
For the financial year ended 31 March 2018

	Note	2018 S$	2017 S$
Revenue	21	17,365,029	10,973,869
Cost of sales and services		(9,894,279)	(4,417,858)
Gross profit		7,470,750	6,556,011
Other income	22	502,086	172,929
Other items of expense			
Administrative expenses		(7,047,297)	(3,686,028)
Finance costs	23	(3,515)	(4,475)
Other expenses		(162,827)	(234,631)
Profit before tax	24	759,197	2,803,806
Income tax benefit	26	16,153	224,091
Profit after tax		775,350	3,027,897
Other comprehensive income:			
Items that may be reclassified subsequently to profit or loss			
Foreign currency translation		12,901	(71,164)
Cumulative translation differences in respect of net assets of the subsidiary reclassified from equity to profit or loss upon disposal of a subsidiary		25,826	-
Total comprehensive income for the year		814,077	2,956,733
Total profit after tax attributable to:			
Owners of the Company		696,441	2,796,371
Non-controlling interests		78,909	231,526
		775,350	3,027,897
Total comprehensive income attributable to:			
Owners of the Company		735,709	2,739,550
Non-controlling interests		78,368	217,183
		814,077	2,956,733
Earnings per share (cents per share)	27		
Basic		1.99	9.17
Diluted		1.99	9.17

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

Digimatic Group Ltd. and its subsidiaries
Statements of Changes in Equity
For the financial year ended 31 March 2018

	Note	Share capital S$	Accumulated profits/ (losses) S$	Foreign currency translation reserve S$	Other reserves S$	Total equity to owners the Company S$	Non-controlling interests S$	Total equity S$
		Attributable to owners of the Company						
Group								
Balance as at 1 April 2016		1,000	2,963,880	(17,293)	-	2,947,587	220,198	3,167,785
Profit for the year		-	2,796,371	-	-	2,796,371	231,526	3,027,897
Other comprehensive income								
Foreign currency translation	15	-	-	(56,821)	-	(56,821)	(14,343)	(71,164)
Total comprehensive income for the year		-	2,796,371	(56,821)	-	2,739,550	217,183	2,956,733
Contributions by and distributions to owners								
Shares issued for acquisition of a subsidiary		2,040,000	-	-	-	2,040,000	(13,972)	2,026,028
Shares issued for acquisition of remaining non-controlling interests in a subsidiary		2,700,000	-	-	(4,533,629)	(1,833,629)	(99,023)	(1,932,652)
Dividends on ordinary shares	35	-	(1,700,000)	-	-	(1,700,000)	(245,000)	(1,945,000)
Total transactions with owners in their capacity as owners		4,740,000	(1,700,000)	-	(4,533,629)	(1,493,629)	(357,995)	(1,851,624)
Balance as at 31 March 2017		4,741,000	4,060,251	(74,114)	(4,533,629)	4,193,508	79,386	4,272,894

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

Digimatic Group Ltd. and its subsidiaries
Statements of Changes in Equity
For the financial year ended 31 March 2018

	Note	Share capital S$	Accumulated profits/ (losses) S$	Foreign currency translation reserve S$	Other reserves S$	Total equity to owners the Company S$	Non-controlling interests S$	Total equity S$
		Attributable to owners of the Company						
Group								
Balance as at 1 April 2017		4,741,000	4,060,251	(74,114)	(4,533,629)	4,193,508	79,386	4,272,894
Profit for the year		-	696,441	-	-	696,441	78,909	775,350
Other comprehensive income								
Foreign currency translation	15	-	-	13,442	-	13,442	(541)	12,901
Cumulative translation differences in respect of net assets of the subsidiary reclassified from equity to profit or loss upon disposal of a subsidiary		-	-	25,826	-	25,826	-	25,826
Total comprehensive income for the year		-	696,441	39,268	-	735,709	78,368	814,077
Contributions by and distributions to owners								
Shares issued for Reverse Takeover	14	10,131,793	-	5,993	-	10,137,786	355,734	10,493,520
Incorporation of subsidiaries		-	-	-	-	-	121,552	121,552
Disposal of a subsidiary		-	-	-	-	-	(65,140)	(65,140)
Dividends on ordinary shares	35	-	(4,400,000)	-	-	(4,400,000)	-	(4,400,000)
Total transactions with owners in their capacity as owners		10,131,793	(4,400,000)	5,993	-	5,737,786	412,146	6,149,932
Balance as at 31 March 2018		14,872,793	356,692	(28,853)	(4,533,629)	10,667,003	569,900	11,236,903

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

Digimatic Group Ltd. and its subsidiaries
Statements of Changes in Equity
For the financial year ended 31 March 2018

	Note	Share capital	Accumulated profits/(losses)	Total equity
		S$	S$	S$
Company				
Balance as at 1 April 2016		17,332,503	(762,561)	16,569,942
Total comprehensive income for the year		-	1,299,037	1,299,037
Contribution by and distribution to owners				
Cancellation of shares	14	(3,528,129)	-	(3,528,129)
Total transactions with owners in their capacity as owners		(3,528,129)	1,299,037	(2,229,092)
Balance as at 31 March 2017		13,804,374	536,476	14,340,850
Total comprehensive income for the year		-	(46,841,371)	(46,841,371)
Contribution by and distribution to owners				
Shares issued for Reverse Takeover	14	65,596,490	-	65,596,490
Total transactions with owners in their capacity as owners		65,596,490	(46,841,371)	18,755,119
Balance as at 31 March 2018		79,400,864	(46,304,895)	33,095,969

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

Digimatic Group Ltd. and its subsidiaries
Consolidated Statement of Cash Flows
For the financial year ended 31 March 2018

	2018	2017
	S$	S$
Cash flows from operating activities		
Profit before income tax	759,197	2,803,806
Adjustments for:		
Amortisation of prepayment	100,000	75,000
Bad debts written off	-	35,880
Depreciation of property, plant and equipment	442,981	243,237
Interest expense	3,515	4,475
Impairment of financial assets	100,665	-
Fair value gain on investments	(22,002)	-
Loss on disposal of fixed assets	-	576
Gain on disposal of a subsidiary	(243,200)	-
Interest income	(51,642)	(11,725)
Unrealised exchange loss/(gain)	169,809	(41,003)
Operating cash flow before changes in working capital	1,259,323	3,110,246
Working capital changes in:		
Inventories	82,671	-
Trade and other receivables	(1,214,952)	(2,720,236)
Prepayment	(224,984)	-
Trade and other payables	447,776	563,093
Unearned revenue	(880,111)	(699,903)
Cash used in operating activities	(530,277)	253,200
Interest income	51,642	11,725
Income tax paid	102,101	(313,657)
Net cash used in operating activities	(376,534)	(48,732)
Cash flows from investing activities		
Purchase of property, plant and equipment	(575,593)	(329,003)
Acquisition of subsidiary, net of cash acquired	10,459,440	414,733
Disposal of a subsidiary, net of cash inflow	36,899	-
Incorporation of new subsidiaries	121,552	-
Addition of other investments	-	(160,468)
Placement of fixed deposits	(1,311,280)	-
Net cash generated from/(used in) investing activities	8,731,018	(74,738)
Cash flows from financing activities		
Dividends paid to equity holders of the Company	(4,400,000)	(1,700,000)
Dividends paid to non-controlling interests	-	(245,000)
Repayment of hire purchase payables	(15,751)	(26,799)
Net cash used in financing activities	(4,415,751)	(1,971,799)
Net increase/(decrease) in cash and cash equivalents	3,938,733	(2,095,269)
Cash and cash equivalents at the beginning of financial year	4,630,446	6,725,715
Cash and cash equivalents at the end of financial year (Note 13)	8,569,179	4,630,446

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

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

1. Corporate information

1.1 General

Digimatic Group Ltd. (the "Company") is a limited liability company incorporated and domiciled in Singapore and is listed on the Australian Securities Exchange (ASX). The registered office and principal place of business of the Company is located at 82 Ubi Avenue 4, #06-04, Edward Boustead Centre, Singapore 408832.

The principal activities of the Company are investment holding and development of other software and programming activities.

The immediate and ultimate holding company is 8I Holdings Limited, which is incorporated and domiciled in Singapore and is listed on the Australian Securities Exchange (ASX).

The principal activities of the subsidiaries are disclosed in Note 6 to the financial statements.

1.2 The Reverse Takeover

On 6 November 2017, the Company has entered into an option agreement with 8I Holdings Limited (8IH) and Glorymont Ltd to acquire 100% equity interest in 8IH's subsidiary, 8VIC Global Pte. Limited (8VIC) by issuing 1,525,216,000 ordinary shares (before the effect of share consolidation) at a deemed issue price of AS$0.042 (equivalent to S$0.043008) per share. The Company completed the acquisition on 28 November 2017.

Upon completion of the acquisition, the Company became the legal parent of 8VIC. Due to the relative values of 8VIC and the Company, the former owners of 8VIC became the majority shareholders in the Company, and controlling about 69.74% of the issued and paid up share capital of the Company at the date of acquisition. Furthermore, the former owners dominate the management of the combined entity. Accordingly, the substance of the business combination is that 8VIC acquired the Company in a reverse acquisition.

Pursuant to the completion of reverse acquisition, the Group comprises:

i. 8VIC Global Pte. Limited and its subsidiaries (8VIC Group); and
ii. Digimatic Group Ltd. and its subsidiaries (DMC Group)

The acquisition of 8VIC Group is accounted for in the consolidated financial statements using the reverse acquisition method of accounting in accordance with FRS 103 *Business Combinations*. Accordingly, 8VIC Group (being the legal subsidiary) is regarded as the accounting acquirer, and the Company (being the legal parent) is regarded as the accounting acquiree.

Accordingly, the consolidated statement of financial position, consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows of the Group for the year ended 31 March 2018 represent continuation of the 8VIC Group's financial position, performance, changes in equity and cash flows. The consolidated financial statements are prepared on the following basis:

- the assets and liabilities of the 8VIC Group are recognised and measured in the statement of financial position of the Group at their pre-combination carrying amounts;

- the assets and liabilities of the DMC Group are recognised and measured in accordance with FRS 103 *Business Combinations* at their acquisition-date fair values;

1. Corporate information (continued)

1.2 The Reverse Takeover (continued)

- the retained earnings and other equity balances recognised in the consolidated financial statements are the retained earnings and other equity balances of 8VIC Group immediately before the reverse acquisition;

- the consideration transferred for the Reverse Takeover is determined using the fair value of shares deemed to be issued by 8VIC in the reverse acquisition, being approximately S$10,131,793 worth of shares deemed to be issued for the purpose of deriving the consideration effectively transferred in the acquisition. The fair value of shares in 8VIC is assessed and determined by Moore Stephens Perth Corporate Services Pty Ltd, an independent expert based in Australia.

- the amount recognised as issued equity interests in the consolidated financial statements is determined by adding to the issued equity of 8VIC Group immediately before the reverse acquisition to the consideration transferred for the reverse acquisition. However, the equity structure appearing in the consolidated financial statements (i.e. the number and type of equity instruments issued) reflect the equity structure of the legal parent (i.e. the Company), including the equity instruments issued by the Company to effect the reverse acquisition;

- the consolidated statement of comprehensive income for the financial year ended 31 March 2018 reflects the full year results of 8VIC Group together with the post-acquisition results of the DMC Group; and

- the consolidated financial statements of the Group for the year ended 31 March 2017 were that of the consolidated financial statements of 8VIC Group.

Reverse acquisition accounting applies only at the consolidated financial statements at the Group level. In the Company's separate financial statements, the investment in subsidiaries is accounted for at cost less any accumulated impairment losses.

2. Summary of significant accounting policies

2.1 Basis of preparation

The consolidated financial statements of the Group and the statement of financial position and statement of changes in equity of the Company have been prepared in accordance with Singapore Financial Reporting Standards (FRS).

The financial statements have been prepared on the historical cost basis except as disclosed in the accounting policies below.

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

2.2 Adoption of new and revised standards

The accounting policies adopted are consistent with those of the previous financial year except in the current financial year, the Group has adopted all the new and revised standards which are relevant to the Group and are effective for annual financial periods beginning on or after 1 April 2017. The adoption of these standards did not have any material effect on the financial statements.

2. Summary of significant accounting policies (continued)

2.3 Standards issued but not yet effective

The Group has not adopted the following standards applicable to the Group that have been issued but not yet effective:

Description	*Effective for annual periods beginning on or after*
FRS 109 Financial Instruments	1 Jan 2018
FRS 115 Revenue from Contracts with Customers	1 Jan 2018
FRS 116 Leases	1 Jan 2019

Except for FRS 115 and FRS 116, the directors expect that the adoption of the other standards above will have no material impact on the financial statements in the period of initial application. The nature of the impending changes in accounting policy on adoption of FRS 115 and FRS 116 is described below.

FRS 115 *Revenue from Contracts with Customers*

FRS 115 establishes a five-step model that will apply to revenue arising from contracts with customers. Under FRS 115, revenue is recognised at an amount that reflects the consideration which an entity expects to be entitled in exchange for transferring goods or services to a customer.

Key issues for the Group include identifying performance obligations, accounting for contract modifications, applying the constraint to variable consideration, evaluating significant financing components, measuring progress toward satisfaction of a performance obligation, recognising contract cost assets and addressing disclosure requirements.

The new standard will supersede all current revenue recognition requirements under FRS. Either a full or modified retrospective application is required for annual periods beginning on or after 1 January 2018 with early adoption permitted.

(a) Variable consideration

Currently, the Group recognises revenue from the sale of goods measured at the fair value of the consideration received or receivable, net of returns and allowance, trade discounts and volume rebates. If revenue cannot be reliably measured, the Group defers revenue recognition until the uncertainty is resolved. Such provisions give rise to variable consideration under FRS 115, and will be required to be estimated at contract inception. FRS 115 requires the estimated variable consideration to be constrained to prevent over-recognition of revenue. The Group continues to assess individual contracts to determine the estimated variable consideration and related constraint. The Group expects that application of the constraint may result in more revenue being deferred than is under current FRS.

(b) Sales commissions

The Group pays sales commissions to sales or marketing agents on the rendering of services and currently recognised such sales commissions as expense when incurred. FRS 115 requires an entity to capitalise incremental costs to obtain a contract with a customer if these costs are recoverable and amortised to profit or loss as the entity expects to recognise the related revenue. Upon adoption of FRS 115, the Group expects to capitalise such sales commissions.

2. Summary of significant accounting policies (continued)

2.3 Standards issued but not yet effective (continued)

FRS 115 *Revenue from Contracts with Customers (continued)*

Transition

The following practical expedients are available when applying FRS 115 retrospectively.

- For completed contracts, an entity need not restate contracts that begin and end with the same annual reporting period or are completed contracts at the beginning of the earliest period presented.
- For completed contracts that have variable consideration, an entity may use the transaction price at the date the contract was completed rather than estimating the variable consideration amounts in the comparative reporting periods; and
- For contracts that were modified before the beginning of the earliest period presented, an entity need not retrospectively restate the contract for those contract modifications. Instead, an entity shall reflect the aggregate effect of all of the modifications that occur before the beginning of the earliest period presented when:
    - identifying the satisfied and unsatisfied performance obligations;
    - determining the transaction price; and
    - allocating the transaction price to the satisfied and unsatisfied performance obligations.
- For all reporting periods presented before the date of initial application, an entity need not disclose the amount of the transaction price allocated to the remaining performance obligations and an explanation of when the entity expects to recognise that amount as revenue.

The Group plans to adopt the new standard on the required effective date using the full retrospective method and apply all the practical expedients available for full retrospective approach under FRS 115 as listed above.

FRS 116 *Leases*

FRS 116 requires lessees to recognise most leases on the statement of financial position to reflect the rights to use the leased assets and the associated obligations for lease payments as well as the corresponding interest expense and depreciation charges. The standard includes two recognition exemption for lessees - leases of 'low value' assets and short-term leases which do not contain any purchase options. The new standard is effective for annual periods beginning on or after 1 January 2019.

The Group is currently assessing the impact of the new standard and plans to adopt the new standard on the required effective date. The Group expects the adoption of the new standard to result in an increase in total assets and total liabilities, earnings before interest, taxes, depreciation and amortisation (EBITDA) and gearing ratio.

2. Summary of significant accounting policies (continued)

2.4 Basis of consolidation and business combinations

a) Reverse acquisition

The acquisition of the entire issued and paid-up share capital in the 8VIC Group has been accounted for as a reverse acquisition as described in Note 1.2.

b) Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at the end of the reporting period. The financial statements of the subsidiaries used in the preparation of the consolidated financial statements are prepared for the same reporting date as the Company. Consistent accounting policies are applied to like transactions and events in similar circumstances.

All intra-group balances, income and expenses and unrealised gains and losses resulting from intra-group transactions and dividends are eliminated in full.

Subsidiaries are consolidated from the date of acquisition, being the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases.

Losses within a subsidiary are attributed to the non-controlling interest even if that results in a deficit balance.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:

- de-recognises the assets (including goodwill) and liabilities of the subsidiary at their carrying amounts at the date when control is lost;
- de-recognises the carrying amount of any non-controlling interest;
- de-recognises the cumulative translation differences recorded in equity;
- recognises the fair value of the consideration received;
- recognises the fair value of any investment retained;
- recognises any surplus or deficit in profit or loss;
- re-classifies the Group's share of components previously recognised in other comprehensive income to profit or loss or retained earnings, as appropriate.

2. Summary of significant accounting policies (continued)

2.4 Basis of consolidation and business combinations (continued)

c) Business combinations and goodwill

Business combinations are accounted for by applying the acquisition method. Identifiable assets acquired and liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. Acquisition-related costs are recognised as expenses in the periods in which the costs are incurred and the services are received.

Any contingent consideration to be transferred by the acquirer will be recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration which is deemed to be an asset or liability, will be recognised in profit or loss.

The Group elects for each individual business combination, whether non-controlling interest in the acquiree (if any), that are present ownership interests and entitle their holders to a proportionate share of net assets in the event of liquidation, is recognised on the acquisition date at fair value, or at the non-controlling interest's proportionate share of the acquiree's identifiable net assets. Other components of non-controlling interests are measured at their acquisition date fair value, unless another measurement basis is required by another FRS.

Any excess of the sum of the fair value of the consideration transferred in the business combination, the amount of non-controlling interest in the acquiree (if any), and the fair value of the Group's previously held equity interest in the acquiree (if any), over the net fair value of the acquiree's identifiable assets and liabilities is recorded as goodwill. In instances where the latter amount exceeds the former, the excess is recognised as gain on bargain purchase in profit or loss on the acquisition date.

Goodwill is initially measured at cost. Following initial recognition, goodwill is measured at cost less any accumulated impairment losses.

For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to the Group's cash generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the acquire are assigned to those units.

The cash-generating units to which goodwill have been allocated is tested for impairment annually and whenever there is an indication that the cash generating unit may be impaired. Impairment is determined for goodwill by assessing the recoverable amount of each cash-generating unit (or group of cash-generating units) to which the goodwill relates.

2.5 Transactions with non-controlling interests

Non-controlling interest represents the equity in subsidiaries not attributable, directly or indirectly, to owners of the Company.

Changes in the Company's ownership interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions. In such circumstances, the carrying amounts of the controlling and non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiary. Any difference between the amount by which the non-controlling interest is adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Company.

2. Summary of significant accounting policies (continued)

2.6 Foreign currency

The financial statements are presented in Singapore Dollars, which is also the Company's functional currency. Each entity in the Group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency.

a) Transaction and balances

Transactions in foreign currencies are measured in the respective functional currencies of the Company and its subsidiaries and are recorded on initial recognition in the functional currencies at exchange rates approximating those ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the end of the reporting date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was measured.

Exchange differences arising on the settlement of monetary items or on translating monetary items at the end of the reporting period are recognised in profit or loss except for exchange differences arising on monetary items that form part of the Group's net investment in foreign operations are recognised initially in other comprehensive income and accumulated under foreign currency translation reserve in equity. The foreign currency translation reserve is reclassified from equity to profit or loss of the Group on disposal of the foreign operation.

b) Consolidated financial statements

For consolidation purpose, the assets and liabilities of foreign operations are translated into SGD at the rate of exchange ruling at the end of the reporting period and their profit or loss are translated at the exchange rates prevailing at the date of the transactions. The exchange differences arising on the translation are recognised in other comprehensive income. On disposal of a foreign operation, the component of other comprehensive income relating to that particular foreign operation is recognised in profit or loss.

2.7 Property, plant and equipment

All items of property, plant and equipment are initially recorded at cost. Subsequent to recognition, property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses. The cost of property, plant and equipment includes its purchase price and any costs 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. Dismantlement, removal or restoration costs are included as part of the cost of property, plant and equipment if the obligation for dismantlement, removal or restoration is incurred as a consequence of acquiring or using the property, plant and equipment.

Depreciation is calculated using the straight-line method to allocate depreciable amounts over their estimated useful lives. The estimated useful lives are as follows:

	Years
Furniture and fittings	3-5
Office equipment	3-5
Motor vehicles	3

2. Summary of significant accounting policies (continued)

2.7 Property, plant and equipment (continued)

The carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

The useful lives, residual values and depreciation method are reviewed at the end of each reporting period, and adjusted prospectively, if appropriate.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on de- recognition of the asset is included in profit or loss in the year the asset is derecognised.

2.8 Intangible assets

Intangible assets acquired separately are measured initially at cost. Following initial acquisition, intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses. Internally generated intangible assets, excluding capitalised development costs, are not capitalised and expenditure is reflected in profit or loss in the year in which the expenditure is incurred.

The useful lives of intangible assets are assessed as indefinite.

Intangible assets with indefinite useful lives or not yet available for use are tested for impairment annually, or more frequently if the events and circumstances indicate that the carrying value may be impaired either individually or at the cash-generating unit level. Such intangible assets are not amortised. The useful life of an intangible asset with an indefinite useful life is reviewed annually to determine whether the useful life assessment continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in profit or loss when the asset is derecognised.

Trademark

The useful lives of the trademark are estimated to be indefinite, management believes there is no foreseeable limit to the period over which the trademark are expected to generate net cash inflows for the Group.

2.9 Subsidiaries

A subsidiary is an investee that is controlled by the Group. The Group controls an investee when it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

In the Company's separate financial statements, investments in subsidiaries are accounted for at cost less impairment losses.

2. Summary of significant accounting policies (continued)

2.10 Impairment of non-financial assets

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when an annual impairment testing for an asset is required, the Group makes an estimate of the asset's recoverable amount.

An asset's recoverable amount is the higher of an asset's or cash-generating unit's fair value less costs of disposal and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. Where the carrying amount of an asset or cash-generating unit exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

Impairment losses are recognised in profit or loss.

A previously recognised impairment loss 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. If that is the case, the carrying amount of the asset is increased to its recoverable amount. That increase cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised previously. Such reversal is recognised in profit or loss.

2.11 Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is calculated using the first-in-first-out cost method and includes all costs of purchase and other costs incurred in bringing the inventories to their present location and condition. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs necessary to make the sale.

Where necessary, allowance is provided for damaged, obsolete and slow moving items to adjust the carrying value of inventories to the lower of cost and net realisable value.

2.12 Financial instruments

(a) Financial assets

Initial recognition and measurement

Financial assets are recognised when, and only when, the Group becomes a party to the contractual provisions of the financial instrument. The Group determines the classification of its financial assets at initial recognition.

When financial assets are recognised initially, they are measured at fair value, plus in the case of financial assets not at fair value through profit or loss, directly attributable transaction costs.

Subsequent measurement

(i) Loans and receivables

Non-derivative financial assets with fixed or determinable payments that are not quoted in an active market are classified as loans and receivables. Subsequent to initial recognition, loans and receivables are measured at amortised cost using the effective interest method, less impairment. Gains and losses are recognised in profit and loss when the loans and receivables are derecognised or impaired, and through the amortisation process.

2. Summary of significant accounting policies (continued)

2.12 Financial instruments (continued)

(a) Financial assets (continued)

Subsequent measurement (continued)

(i) Loans and receivables (continued)

Loans and receivables comprise trade and other receivables, fixed deposits and cash and cash equivalents.

Cash and cash equivalents comprise cash at banks and on hand and fixed deposits with less than 3 months of maturity cycle.

(ii) Financial asset at fair value through profit or loss

Financial assets at fair value through profit or loss include financial assets held for trading. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. This category includes derivative financial instruments entered into by the Group. Derivatives, including separated embedded derivatives are also classified as held for trading.

Subsequent to initial recognition, financial assets at fair value through profit or loss are measured at fair value. Any gains or losses arising from changes in fair value of the financial assets are recognised in profit or loss. Net gains or net losses on financial assets at fair value through profit or loss include exchange differences, interest and dividend income.

Derivatives embedded in host contracts are accounted for as separate derivatives and recorded at fair value if their economic characteristics and risks are not closely related to those of the host contracts and the host contracts are not measured at fair value with changes in fair value recognised in profit or loss. These embedded derivatives are measured at fair value with changes in fair value recognised in profit or loss. Reassessment only occurs if there is a change in the terms of the contract that significantly modifies the cash flows that would otherwise be required.

De-recognition

A financial asset is de-recognised when the contractual right to receive cash flows from the asset has expired. On de-recognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received and any cumulative gain or loss that has been recognised in other comprehensive income is recognised in profit or loss.

(b) Financial liabilities

Initial recognition and measurement

Financial liabilities are recognised when, and only when, the Company becomes a party to the contractual provisions of the financial instrument. The Company determines the classification of its financial liabilities at initial recognition.

All financial liabilities are recognised initially at fair value plus directly attributable transaction costs.

2. Summary of significant accounting policies (continued)

2.12 Financial instruments (continued)

(b) Financial liabilities (continued)

Subsequent measurement

After initial recognition, financial liabilities that are not carried at fair value through profit or loss are subsequently measured at amortised cost using the effective interest method. Gains and losses are recognised in profit or loss when the liabilities are derecognised, and through the amortisation process.

Such financial liabilities comprise trade and other payables and hire purchase payables.

De-recognition

A financial liability is de-recognised when the obligation under the liability is discharged, cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a de-recognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in profit or loss.

2.13 Impairment of financial assets

The Group assesses at each reporting date whether there is any objective evidence that a financial asset is impaired.

a) Financial assets carried at amortised cost

For financial assets carried at amortised cost, the Group first assesses whether objective evidence of impairment exists individually for financial assets that are individually significant, or collectively for financial assets that are not individually significant. If the Group determines that no objective evidence of impairment exists for individually assessed financial asset, whether significant or not, it includes the asset in a group of financial assets with similar credit risk characteristics and collectively assesses them for impairment. Assets that are individually assessed for impairment and for which an impairment loss is, or continues to be recognised are not included in a collective assessment of impairment.

If there is objective evidence that an impairment loss on financial assets carried at amortised cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate. If a loan has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate. The carrying amount of the asset is reduced through the use of an allowance account. The impairment loss is recognised in profit or loss.

When the asset becomes uncollectible, the carrying amount of impaired financial asset is reduced directly or if an amount was charged to the allowance account, the amounts charged to the allowance account are written off against the carrying amount of the financial asset.

To determine whether there is objective evidence that an impairment loss on financial assets has been incurred, the Group considers factors such as the probability of insolvency or significant financial difficulties of the debtor and default or significant delay in payments.

2. Summary of significant accounting policies (continued)

2.13 Impairment of financial assets (continued)

a) Financial assets carried at amortised cost (continued)

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed to the extent that the carrying amount of the asset does not exceed its amortised cost at the reversal date. The amount of reversal is recognised in profit or loss.

b) Financial assets carried at cost

If there is objective evidence (such as significant adverse changes in the business environment where the issuer operates, probability of insolvency or significant financial difficulties of the issuer) that an impairment loss on financial assets carried at cost had been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the current market rate of return for a similar financial asset. Such impairment losses are not reversed in subsequent periods.

2.14 Cash and cash equivalents

Cash and cash equivalents comprise cash at banks and on hand and fixed deposits with less than 3 months of maturity cycle and are subject to an insignificant risk of changes in value.

2.15 Provisions

General

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and the amount of the obligation can be estimated reliably.

Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of economic resources will be required to settle the obligation, the provision is reversed. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

2. Summary of significant accounting policies (continued)

2.16 Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured, regardless of when the payment is made. Revenue is measured at the fair value of consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duty.

a) Rendering of services

Revenue from rendering of services is recognised when the final products have been delivered.

b) Sale of goods

Revenue from sales of goods is recognised upon the transfer of significant risk and rewards of ownership of the goods to the buyer usually on delivery of goods. Revenue is not recognised to the extent where there are significant uncertainties regarding recovery of the consideration due, associated costs or the possible return of goods.

c) Commission income

Commission income is recognised when the corresponding service is provided.

d) Programme fees

Programme fees are recognised over the period of programme. Amount of fees relating to future periods are included in unearned revenue.

2.17 Government grants

Government grant shall be recognised in profit or loss on a systematic basis over the periods in which the entity recognises as expenses the related costs for which the grants are intended to compensate. Grants related to income may be presented as a credit in profit or loss, either separately or under a general heading such as "Other income". Alternatively, they are deducted in reporting that related expenses.

2.18 Employee benefits

(a) Defined contribution plans

The Group participates in the national pension schemes as defined by the laws of the countries in which it has operations. In particular, the Singapore companies in the Group make contributions to the Central Provident Fund scheme in Singapore, a defined contribution pension scheme. Contributions to defined contribution pension schemes are recognised as an expense in the period in which the related service is performed.

(b) Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. Liability is recognised for the amount expected to be paid if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the obligation can be estimated reliably.

2. Summary of significant accounting policies (continued)

2.19 Operating lease

As lessee

Finance leases which transfer to the Company substantially all the risks and rewards incidental to ownership of the leased item, are capitalised at the inception of the lease at the fair value of the leased asset or, if lower, at the present value of the minimum lease payments. Any initial direct costs are also added to the amount capitalised. Lease payments are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged to profit or loss. Contingent rents, if any, are charged as expenses in the periods in which they are incurred.

Operating lease payments are recognised as an expense in profit or loss on a straight-line basis over the lease term. The aggregate benefit of incentives provided by the lessor is recognised as a reduction of rental expense over the lease term on a straight-line basis.

2.20 Taxes

(a) Current income tax

Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authority. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date.

Current income taxes are recognised in profit or loss except to the extent that the tax relates to items recognised outside profit or loss, either in other comprehensive income or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

(b) Deferred tax

Deferred tax is provided using the liability method on temporary differences at the end of the reporting period between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.

Deferred tax asset is not recognised for temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and, at the time of the transaction that affects neither accounting nor taxable profit or loss.

2. Summary of significant accounting policies (continued)

2.20 Taxes (continued)

(b) Deferred tax (continued)

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at the end of each reporting period and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rate that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the end of each reporting period.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current income tax assets against current income tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

(c) Sales tax

Revenue, expenses and assets are recognised net of the amount of sales tax except:

- Where the sales tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case the sales tax is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
- Receivables and payables that are stated with the amount of sales tax included.

The net amount of sales tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position.

2.21 Share capital

Proceeds from issuance of ordinary shares are recognised as share capital in equity. Incremental costs directly attributable to the issuance of ordinary shares are deducted against share capital.

3. Significant accounting judgments and estimates

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

3. Significant accounting judgments and estimates (continued)

3.1 Judgments made in applying accounting policies

In the process of applying the Group's accounting policies, management has made the following judgements, apart from those involving estimations, which have the most significant effect on the amounts recognised in the financial statements.

Determination of functional currency

The Group measures foreign currency transactions in the respective functional currencies of the Company and its subsidiaries. In determining the functional currencies of the entities in the Group, judgement is required to determine the currency that mainly influences sales prices for goods and services and of the country whose competitive forces and regulations mainly determines the sales prices of its goods and services. The functional currencies of the entities in the Group are determined based on management's assessment of the economic environment in which the entities operate and the entities' process of determining sales prices. Management has assessed that prices are mainly denominated and settled in the respective local currency of the entities of the Group. Therefore, management concluded that the functional currency of the entities of the Group is their respective local currency.

3.2 Key sources of estimation of uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting period are discussed below. The Group based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

(a) Useful lives of property, plant and equipment

The useful life of an item of property, plant and equipment is estimated at the time the asset is acquired and is based on historical experience with similar assets and takes into account anticipated technological or other changes. If changes occur more rapidly than anticipated or the asset experiences unexpected level of wear and tear, the useful life will be adjusted accordingly. The carrying amounts of the Group's and the Company's property, plant and equipment as at 31 March 2018 was S$1,128,730 and S$7,633 (2017: S$584,271 and S$13,126) respectively.

3. Significant accounting judgments and estimates (continued)

3.2 Key sources of estimation of uncertainty (continued)

(b) Impairment of intangible assets

As disclosed in Note 5 to the financial statements, the recoverable amounts of the cash generating units which goodwill have been allocated to are determined based on value in use calculations. The value in use calculations are based on a discounted cash flow models. The recoverable amount is most sensitive to the discount rate used for the discounted cash flow model as well as the expected future cash inflows and the growth rate used for extrapolation purposes. The key assumptions applied in the determination of the value in use including a sensitivity analysis, are disclosed and further explained in Note 5 to the financial statements.

The carrying amounts of the intangible assets as at 31 March 2018 for the Group and the Company is S$2,196,281 and S$38,007 (2017: S$1,554,542 and S$38,007) respectively.

(c) Impairment of loans and receivables

The Group assesses at the end of each reporting period whether there is any objective evidence that a financial asset is impaired. Factors such as the probability of insolvency or significant financial difficulties of the debtor and default or significant delay in payments are objective evidence of impairment. In determining whether there is objective evidence of impairment, the Group considers whether there is observable data indicating that there have been significant changes in the debtor's payment ability or whether there have been significant changes with adverse effect in the technological, market, economic or legal environment in which the debtor operates in.

Where there is objective evidence of impairment, the amount and timing of future cash flows are estimated based on historical loss experience for assets with similar credit risk characteristics. The carrying amount of the Group's loan receivable and trade and other receivables at the end of the reporting period is disclosed in Note 8 and 10 respectively, to the financial statements.

(d) Accounting for the Reverse Takeover

During the current financial year, the Company acquired 8VIC Group in November 2017 and recognised a provisional goodwill of S$544,793 (2017: Nil) (Note 6). Significant judgement is applied on the assumptions made in determining the value of the acquired identifiable assets.

4. Property, plant and equipment

Group	Furniture and fittings S$	Office equipment S$	Motor vehicles S$	Total S$
Cost				
At 1 April 2016	357,554	153,425	107,984	618,963
Additions	245,189	83,814	-	329,003
Acquisition of subsidiaries	58,251	39,967	-	98,218
Disposals	-	(3,146)	-	(3,146)
Currency realignment	(21,111)	(3,970)	(8,997)	(34,078)
At 31 March 2017	639,883	270,090	98,987	1,008,960
Additions	494,175	81,418	-	575,593
Completion of Reverse Takeover (Note 6)	225,841	183,367	-	409,208
Arising from disposal of subsidiaries	(6,673)	(5,381)	-	(12,054)
Currency realignment	17,655	2,888	6,864	27,407
At 31 March 2018	1,370,881	532,382	105,851	2,009,114
Accumulated depreciation				
At 1 April 2016	83,745	108,664	5,399	197,808
Depreciation	160,233	62,429	20,575	243,237
Disposals	-	(3,146)	-	(3,146)
Currency realignment	(8,934)	(3,049)	(1,227)	(13,210)
At 31 March 2017	235,044	164,898	24,747	424,689
Depreciation	293,570	128,955	20,456	442,981
Arising from disposal of subsidiaries	(1,673)	(1,684)	-	(3,357)
Currency realignment	11,967	1,674	2,430	16,071
At 31 March 2018	538,908	293,843	47,633	880,384
Net carrying amount				
At 31 March 2017	404,839	105,192	74,240	584,271
At 31 March 2018	831,973	238,539	58,218	1,128,730

Assets under hire purchase arrangement

The carrying amounts of motor vehicles held under finance leases are S$58,218 (2017: S$74,240) at the end of reporting period.

4. Property, plant and equipment (continued)

	Furniture and fittings	Office equipment	Total
	S$	S$	S$
Company			
Cost			
At 1 April 2016	-	12,704	12,704
Additions	2,497	4,300	6,797
At 31 March 2017	2,497	17,004	19,501
Additions	-	1,450	1,450
At 31 March 2018	2,497	18,454	20,951
Accumulated depreciation			
At 1 April 2016	-	1,355	1,355
Depreciation	69	4,951	5,020
At 31 March 2017	69	6,306	6,375
Depreciation	833	6,110	6,943
At 31 March 2018	902	12,416	13,318
Net carrying amount			
At 31 March 2017	2,428	10,698	13,126
At 31 March 2018	1,595	6,038	7,633

5. Intangible assets

	Goodwill	Trademark	Total
	S$	S$	S$
Group			
Cost			
At 1 April 2016	-	-	-
Acquisition of subsidiaries	1,554,542	-	1,554,542
At 31 March 2017	1,554,542	-	1,554,542
Additions	-	9,616	9,616
Completion of Reverse Takeover (Note 6)	544,793	38,007	582,800
Acquisition of subsidiaries	49,659	-	49,659
Currency realignment	-	(336)	(336)
At 31 March 2018	2,148,994	47,287	2,196,281

5. Intangible assets (continued)

	Company	
	2018	2017
	S$	S$
At cost		
At beginning and end of financial years	38,007	38,007

Trademarks

Trademarks relate to the brands that the Group has registered in Singapore.

Impairment testing of goodwill

Goodwill acquired through business combinations have been allocated to three cash-generating units (CGU), which are also the reportable operating segments, for impairment testing as follows:

- Education
- Media
- Ecommerce

No impairment testing was carried out for goodwill relating to the Ecommerce segment as they are immaterial.

The carrying amounts of goodwill allocated to each CGU are as follows:

	Group	
	2018	2017
	S$	S$
Education	1,585,013	1,554,542
Media	544,793	-
Ecommerce	19,188	-
	2,148,994	1,554,542

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 five-year period. Cash flows beyond the five-year period were extrapolated using the estimated growth rates stated below.

Goodwill relating to the Education CGU

Key assumptions used for value-in-use calculations:	**Education**
Short term growth rate (for revenues and operating margin)	8-11%
Long term growth rate (for revenues and operating margin)[1]	0%
Discount rate[2]	5%

[1] Long term growth rate used to extrapolate cash flows beyond the budget period
[2] Pre-tax discount rate applied to the pre-tax cash flow projections

5. Intangible assets (continued)

Impairment testing of goodwill (continued)

Goodwill relating to the Education CGU (continued)

Budgeted gross margins – Gross margins are based on average values achieved in the five years preceding the start of the budget period. These are increased over the budget period for anticipated efficiency improvements. An increase of 8% - 11% per annum has been applied.

Growth rates – The forecasted growth rates for the Education segment is 8%-11% (2017: 1% - 3%) based on the fact that there will be changes in the business focus and their operations model. For instance, 8VIC Group is extending its market to Taiwan, Thailand and Australia as the company has incorporated new subsidiaries to penetrate the market in the region.

The discount rates used were pre-tax and reflected specific risks relating to the CGU.

Goodwill relating to the Media CGU

Key assumptions used for value-in-use calculations:	Media
Short term growth rate (for revenues and operating margin)	10-20%
Long term growth rate (for revenues and operating margin)[1]	0%
Discount rate[2]	5%

[1] Long term growth rate used to extrapolate cash flows beyond the budget period
[2] Pre-tax discount rate applied to the pre-tax cash flow projections

Budgeted gross margins – Gross margins are based on average values achieved in the five years preceding the start of the budget period. These are increased over the budget period for anticipated efficiency improvements. An increase from 10-20% per annum has been applied.

Growth rates – The forecasted growth rates for the Media segment is 10%-20% due to the management has planned to expand the market to Jakarta, Thailand and Australia together with the Education segment which had established new companies in the region.

The discount rates used were pre-tax and reflected specific risks relating to the CGU.

Sensitivity to changes in assumptions

Management believes that no reasonably possible changes in any of the above key assumptions would cause the carrying value of the unit to materiality exceed its recoverable amount.

6. Investment in subsidiaries

	Company 2018	Company 2017
	S$	S$
Shares, at cost	32,489,836	3,348,937
Less: Allowance for impairment losses	(606,407)	-
	31,883,429	3,348,937

a) Composition of the Group

The Group has the following investment in subsidiaries.

Name	Principal place of business	Principal activites	Proportion (%) of ownership interest 2018	2017
Held by the Company				
Digimatic Creatives Pte. Ltd.	Singapore	Motion picture/video production	51	51
Digimatic Media Private Limited	Singapore	Conducting business courses/advertising activities	100	100
Wewe Media Group Pte. Ltd.	Singapore	Advertising activities	100	100
Webbynomics Pte. Ltd. [(1)]	Singapore	E-commerce	51	-
8VIC Global Pte. Limited [(2)]	Singapore	Conducting business courses	100	-
Held through Digimatic Creatives Pte. Ltd.				
Anonymous Production Sdn Bhd	Malaysia	Motion picture/video production	100	100
Held through Digimatic Media Private Limited				
Digimatic Media Sdn Bhd	Malaysia	Conducting business courses	100	100
Keaworld Pte. Ltd. [(3)]	Singapore	E-commerce	100	-

6. **Investment in subsidiaries (continued)**

a) Composition of the Group (continued)

Name	Principal place of business	Principal activites	Proportion (%) of ownership interest 2018	Proportion (%) of ownership interest 2017
Held through 8VIC Global Pte. Limited				
8VIC Singapore Pte. Ltd. (2)	Singapore	Conducting business courses	100	-
8VIC Malaysia Sdn. Bhd. (2)	Malaysia	Conducting business courses	100	-
8IH China Pte. Ltd. (2)(4)	Singapore	Business and management consultancy services	-	65
8VIC Taiwan Co. Ltd. (5)	Taiwan	Conducting business courses	70	-
8VIC (Thailand) Co., Ltd. (6)	Thailand	Conducting business courses	70	-
8VIC (Australia) Pty Ltd (7)	Australia	Conducting business courses	90	-

(1) Incorporated on 26 May 2017
(2) Acquired on 28 November 2017
(3) Acquired on 25 January 2018
(4) Disposed on 30 June 2017
(5) Incorporated on 10 January 2018
(6) Incorporated on 11 August 2017
(7) Incorporated on 31 December 2017

b) Interest in subsidiaries with material non-controlling interest (NCI)

The Group has the following subsidiary that has NCI that are material to the Group.

Name	Principal place of business	Proportion of ownership interest held by non-controlling interest	Profit allocated to NCI during the reporting period	Accumulated NCI at the end of reporting period
			S$	S$
31 March 2018				
Digimatic Creatives Pte. Ltd.	Singapore	49%	68,747	421,560

6. **Investment in subsidiaries (continued)**

c) Summarised financial information about subsidiary with material NCI

Summarised financial information including goodwill on acquisition and consolidation adjustments but before intercompany eliminations of subsidiaries with material non-controlling interests are as follows:

Summarised statement of financial position

	Digimatic Creatives Pte. Ltd. and its subsidiary 2018	Digimatic Creatives Pte. Ltd. and its subsidiary 2017
	S$	S$
Current		
Assets	1,080,752	827,185
Liabilities	297,289	(180,741)
Net current assets	1,378,041	646,444
Non-current		
Assets	87,736	86,194
Liabilities	12,613	-
Net current assets	100,349	86,194
Net assets	1,478,390	732,638

Summarised statement of comprehensive income

	Digimatic Creatives Pte. Ltd. and its subsidiary 2018	Digimatic Creatives Pte. Ltd. and its subsidiary 2017
	S$	S$
Revenue	1,969,064	871,321
Profit/(loss) before tax	154,565	(7,090)
Income tax expenses	11,269	78,587
Total comprehensive income for the year	143,296	71,497

Other summarised information

	Digimatic Creatives Pte. Ltd. and its subsidiary 2018	Digimatic Creatives Pte. Ltd. and its subsidiary 2017
	S$	S$
Net cash flows from operating activities	51,504	508,041
Net cash flows from financing activities	(34,958)	10,000
Net cash flows from investing activities	4,738	(64,963)

6. Investment in subsidiaries (continued)

d) The Reverse Takeover

As disclosed in Note 1.2, the Reverse Takeover, the acquisition of 8VIC Group was completed on 28 November 2017. The consideration transferred for the Reverse Takeover is determined using the fair value of shares deemed to be issued by 8VIC in the acquisition, being approximately S$10,131,793 worth of shares deemed to be issued for the purpose of deriving the consideration effectively transferred in the acquisition. The fair value of shares in 8VIC is assessed and determined by Moore Stephens Perth Corporate Services Pty Ltd, an independent expert based in Australia.

8VIC Group is regarded as the accounting acquirer, and DMC Group is regarded as the accounting acquiree of the reverse acquisition.

The fair value of the identifiable assets and liabilities of DMC Group as at the date of Reverse Takeover were:

	Digimatic Group S$
Assets	
Property, plant and equipment	409,208
Other investment	100,000
Inventories	341,646
Trade and other receivables	1,377,065
Prepayment	130,751
Cash and cash equivalents	10,459,440
	12,818,110
Liabilities	
Trade and other payables	1,659,016
Unearned revenue	983,541
Provision for income tax	75,939
Provision for reinstatement cost	65,000
Deferred tax liabilities	91,880
	2,875,376
Total identifiable net liabilities at fair value	9,942,734
Non-controlling interests measured at the non-controlling interest's proportionate share of net identifiable assets	(355,734)
Provisional goodwill arising from acquisition	544,793
Consideration for the acquisition	10,131,793
Effect of the acquisition on cash flows	
Total consideration	10,131,793
Less: Non-cash consideration	(10,131,793)
Consideration settled in cash	-
Less: Cash and cash equivalents of Digimatic Group acquired	(10,459,440)
Net cash inflow on completion of Reverse Takeover	10,459,440

6. Investment in subsidiaries (continued)

e) Acquisition of a subsidiary

On 25 January 2018 (the "acquisition date"), the Group's subsidiary company, Digimatic Media Private Limited acquired 100% equity interest in Keaworld Pte. Ltd., a private limited company incorporated in Singapore. The principal activities of Keaworld Pte. Ltd. are those of retail sale via internet.

The fair value of the identifiable assets and liabilities of Keaworld Pte. Ltd. as at the acquisition date were:

	Keaworld Pte. Ltd. S$
Assets	
Inventories	195,748
Trade and other receivables	22,054
Prepayment	1,389
Cash and cash equivalents	15,625
	234,816
Liabilities	
Trade and other payables	253,904
Total identifiable net liabilities at fair value	(19,088)
Goodwill arising from acquisition	19,188
Consideration for the acquisition	100
Effect of the acquisition on cash flows	
Total consideration	100
Consideration settled in cash	100
Less: Cash and cash equivalents of subsidiary acquired	(15,625)
Net cash inflow on completion of acquisition	15,525

6. Investment in subsidiaries (continued)

f) Disposal of a subsidiary

The Company disposed 8IH China Pte. Ltd., a 65% owned subsidiary, on 30 June 2017 at its carrying value to 8IH Global Limited for a cash consideration of S$390,000.

The value of assets and liabilities of 8IH China Pte. Ltd. recorded in the consolidated financial statements as at 30 June 2017, and the cash flow effect of the disposal were:

	8IH China Pte. Ltd.
	S$
Assets	
Property, plant and equipment	8,697
Trade and other receivables	7,044
Cash and cash equivalents	353,101
	368,842
Liabilities	
Trade and other payables	306,975
Carrying value of net assets	61,867
Effect of the disposal on cash flows	
Cash consideration	390,000
Less: Cash and cash equivalents of the subsidiary	(353,101)
Net cash inflow on disposal of the subsidiary	36,899

7. Other investments

	Group		Company	
	2018	2017	2018	2017
	S$	S$	S$	S$
Current:				
Quoted shares	177,865	160,581	-	-
Non-current:				
Quoted shares	7,225	2,507	-	-
Unquoted shares	100,000	-	-	-
	107,225	2,507	-	-
	285,090	163,088	-	-

7. Other investments (continued)

Other investments are denominated in the following currencies:

	Group		Company	
	2018	2017	2018	2017
	US$	US$	US$	US$
Malaysian Ringgit	185,090	163,088	-	-
Singapore Dollar	100,000	-	-	-
	285,090	163,088	-	-

8. Loan receivable

	Group		Company	
	2018	2017	2018	2017
	S$	S$	S$	S$
Nominal amount	2,652,480	-	2,652,480	2,600,285
Less: Allowance for impairment	(2,652,480)	-	(2,652,480)	-
	-	-	-	2,600,285

Loan receivable from a third party is unsecured, interest bearing at 2% p.a. for the first 2 years, and 5% p.a. for the subsequent years and are to be fully repaid by 31 March 2022.

The loan can be repaid by any of the following means:

a) By payment in cash at any time; and

b) By issuance of shares by the borrower.

The loan has been fully impaired during the year.

Loan receivable is denominated in Singapore Dollars.

9. Inventories

	Group	
	2018	2017
	S$	S$
Statement of financial position:		
Trading goods	454,723	-
Statement of comprehensive income:		
Inventories recognised as an expense in cost of sales	443,624	-

10. Trade and other receivables

	Group		Company	
	2018	2017	2018	2017
	S$	S$	S$	S$
Trade receivables				
- related companies	310	-	-	-
- third parties	1,722,794	419,759	-	-
	1,723,104	419,759	-	-
Less: Allowance for impairment	(88,606)	-	-	-
Trade receivables (net)	1,634,498	419,759	-	-
Other receivables	203,723	111,271	-	21,884
Amount due from subsidiaries	-	-	499,949	610,376
Amount due from related companies	-	183,405	284	-
Deposits	708,437	398,601	-	405
Loan to staff	200,000	-	-	-
Unbilled revenue	571,147	-	-	-
	3,317,805	1,113,036	500,233	632,665

Trade receivables are unsecured, non-interest bearing and are generally on 0 to 180 days terms (2017: 0 to 180 days).

Included in current deposits is a banker's guarantee of S$190,000 (2017: S$190,000) as required by Global Payments Asia Pacific (Hong Kong Holding) Limited in order to provide services in accordance to the merchant agreement.

Related party balances

Amount due from related companies are non-trade, unsecured, interest-free and with no fixed terms of repayment.

Amount due from subsidiaries are non-trade, unsecured, interest-free and with no fixed terms of repayment except for an amount due from a subsidiary amounting to S$499,949 (2017: S$550,000) which is interest bearing at 5% (2017: 5%) and to be repaid within one year.

There is no other class of financial assets that is past due and/or impaired except for trade receivables and loan receivable (Note 8).

10. Trade and other receivables (continued)

Trade and other receivables are denominated in the following currencies:

	Group		Company	
	2018	2017	2018	2017
	S$	S$	S$	S$
Australian Dollar	14,464	-	-	405
Malaysian Ringgit	204,400	251,679	-	-
Singapore Dollar	1,638,082	861,357	500,233	632,260
United States Dollar	730,183	-	-	-
Euro	5,878	-	-	-
Chinese Renminbi	20,389	-	-	-
New Taiwan Dollar	495,844	-	-	-
Phillipine Peso	1,177	-	-	-
Japanese Yen	181,995	-	-	-
Indonesian Rupiah	25,393	-	-	-
	3,317,805	1,113,036	500,233	632,665

Receivables that were past due but not impaired

The Group has trade receivables that were past due as at the end of the reporting period but not impaired. These trade receivables were unsecured and the analysis of their aging at the end of the reporting period was as follows:

	Group		Company	
	2018	2017	2018	2017
	S$	S$	S$	S$
Less than 30 days	413,331	187,357	-	-
31 to 60 days	175,176	82,978	-	-
61 to 90 days	-	-	-	-
More than 90 days	51,591	15,941	-	-
	640,098	286,276	-	-

Receivables that were impaired

The Group and Company's trade receivables that were impaired at the reporting date and the movement of the allowance accounts used to record the impairment were as follows:

	Group		Company	
	2018	2017	2018	2017
	S$	S$	S$	S$
Trade receivables				
- nominal amount	88,606	-	-	-
Less: Allowance for impairment	(88,606)	-	-	-
	-	-	-	-
The movement in allowances accounts:				
Balance at beginning of year	-	-	-	-
Charge for the year	100,665	-	-	-
Written off	(12,059)	-	-	-
Balance at end of year	88,606	-	-	-

11. Prepayment

Prepayment include an amount of S$325,000, arises from the acquisition of 8VIC Singapore Pte. Ltd. (8VIS), pertaining to deemed consideration paid to founders of 8VIS for their promised employment services till June 2021.

12. Fixed deposits

Fixed deposits had maturity of more than three months and had a weighted average effective interest rate of 0.62% (2017: Nil) per annum of the Group and Nil (2017: 1.05%) per annum of the Company.

Fixed deposits are denominated in the following currencies:

	Group		Company	
	2018	2017	2018	2017
	S$	S$	S$	S$
Malaysian Ringgit	271,280	-	-	-
Singapore Dollar	1,040,000	-	-	6,500,000
	1,311,280	-	-	6,500,000

13. Cash and cash equivalents

	Group		Company	
	2018	2017	2018	2017
	S$	S$	S$	S$
Cash on hand	24,050	20,224	452	620
Cash at banks	7,771,789	4,294,422	766,358	517,560
Fixed deposits	773,340	315,800	-	1,000,000
	8,569,179	4,630,446	766,810	1,518,180

Cash at banks earns interest at floating rates based on daily bank deposit rates. Fixed deposit had maturity of three months and had a weighted average effective interest rates of 1.77% (2017: 3.50%) per annum of the Group and Nil (2017: 0.87%) per annum of the Company.

Cash and cash equivalents amounting to S$4,260 (2017: S$34,827) are held in trust by the directors' under Wewe Media Group Pte. Ltd..

Cash and cash equivalents are denominated in the following currencies:

	Group		Company	
	2018	2017	2018	2017
	S$	S$	S$	S$
Australian Dollar	76,683	-	76,683	285,931
Malaysian Ringgit	1,456,941	601,233	-	-
Singapore Dollar	5,494,054	3,902,571	402,600	1,216,709
United States Dollar	1,001,546	-	287,527	15,540
Chinese Renminbi	-	126,642	-	-
Thai Baht	122,807	-	-	-
New Taiwan Dollar	417,148	-	-	-
	8,569,179	4,630,446	766,810	1,518,180

14. Share capital

	2018		2017	
	Number of shares	Amount	Number of shares	Amount
		S$		S$
Group				
Issued and fully paid ordinary shares				
At beginning of financial year	653,664,000	4,741,000[(2)]	683,664,000	4,741,000
Shares issued for Reverse Takeover (Note 1.2)	1,525,216,000	10,131,793[(2)(4)]	-	-
Share consolidation[(5)]	(2,135,302,404)	-	-	-
Cancellation of shares[(6)]	-	-	(30,000,000)	-
At end of financial year	43,577,596	14,872,793	653,664,000	4,741,000

	2018		2017	
	Number of shares [(1)]	Amount	Number of shares [(1)]	Amount
		S$		S$
Company				
Issued and fully paid ordinary shares				
At beginning of financial year	653,664,000	13,804,374	683,664,000	17,332,503
Shares issued for Reverse Takeover (Note 1.2)	1,525,216,000	65,596,490[(3)]	-	-
Share consolidation[(5)]	(2,135,302,404)	-	-	-
Cancellation of shares[(6)]	-	-	(30,000,000)	(3,528,129)
At end of financial year	43,577,596	79,400,864	653,664,000	13,804,374

The holders of ordinary shares are entitled to receive dividends as and when declared by the Company. All ordinary shares carry one vote per share without restrictions. The ordinary shares have no par value.

(1) The equity structure (i.e. the number and types of equity instruments issued) reflect the equity structure of the Company, being the legal parent, including the equity instruments issued by the Company to effect the reverse acquisition.

(2) The amount recognised as issued equity instruments in the consolidated financial statements includes the issued equity of the 8VIC Group immediately before the reverse acquisition to the costs of the reverse acquisition.

(3) This represents the purchase consideration for the Company's acquisition of the 8VIC Group which was satisfied by the allotment and issuance of 1,525,216,000 ordinary shares (before the effect of share consolidation) at AS$0.042 (equivalent to S$0.043008) per share in the capital of the Company on 28 November 2017.

14. Share capital (continued)

(4) This represents the fair value of the consideration transferred in relation to the Reverse Takeover. The consideration transferred for the Reverse Takeover is determined using the fair value of shares deemed to be issued by 8VIC in the reverse acquisition, being approximately S$10,131,793 worth of shares deemed to be issued for the purpose of deriving the consideration effectively transferred in the acquisition. The fair value of shares in 8VIC is assessed and determined by Moore Stephens Perth Corporate Services Pty Ltd, an independent expert based in Australia.

(5) On 28 November 2017, the shares in the Company were consolidated on the basis of one consolidated share for every fifty ordinary shares held by the shareholders ("Share Consolidation"). The number of consolidated shares to which shareholders are entitled arising from the Share Consolidation were rounded down to the nearest whole Consolidated Share, and any fractions of consolidation share arising from the Share Consolidation were disregarded.

(6) On 30 March 2017, the Company acquired 30,000,000 shares through disposal of subsidiary. The total fair value of the acquired shares was S$3,528,129 and this was presented as cancellation of shares within the shareholder's equity.

15. Foreign currency translation reserve

The foreign currency translation reserve represents exchange differences arising from the translation of the financial statements of foreign operations whose functional currencies are different from that of the Group's presentation currency.

16. Other reserves

Other reserves comprise of premium paid on acquisition of 49% non-controlling interest in 8VIC Singapore Pte. Ltd. during the financial year ended 31 March 2017.

17. Trade and other payables

	Group		Company	
	2018	2017	2018	2017
	S$	S$	S$	S$
Trade payables				
- related companies	2,305	-	-	-
- third parties	631,526	181,101	22,212	3,059
Other payables	510,154	226,468	5,285	77,594
Accruals	1,763,048	396,441	98,599	194,532
Amount due to directors	18,852	-	-	-
Amount due to subsidiaries	-	-	3,343	44,060
GST payable	200,585	189,225	-	-
	3,126,470	993,235	129,439	319,245

Trade payables are non-interest bearing and are generally payable based on agreed terms between the parties.

Amount due to directors and subsidiaries are non-trade, unsecured, interest-free and with no fixed terms of repayment.

17. Trade and other payables (continued)

Trade and other payables are denominated in the following currencies:

	Group		Company	
	2018	2017	2018	2017
	S$	S$	S$	S$
Australian Dollar	14,653	-	6,282	77,594
Malaysian Ringgit	350,611	34,321	3,343	-
Singapore Dollar	2,069,823	947,063	119,731	241,494
United States Dollar	458,289	-	83	157
Chinese Renminbi	-	11,851	-	-
New Taiwan Dollar	210,858	-	-	-
Thai Baht	22,236	-	-	-
	3,126,470	993,235	129,439	319,245

18. Unearned revenue

This represents revenue received from customers but not yet recognised to the profit or loss due to service not yet rendered as at reporting date.

19. Hire purchase payables

	Minimum payment	Finance charges	Present value
	S$	S$	S$
Group			
2018			
Minimum lease payments payable:			
Due within one year	20,319	2,436	17,883
More than one year but not later than five years	38,926	1,899	37,027
	59,245	4,335	54,910
2017			
Minimum lease payments payable:			
Due within one year	19,165	3,368	15,797
More than one year but not later than five years	57,859	6,510	51,349
	77,024	9,878	67,146

20. Provision for reinstatement cost

Provision pertain to the estimated costs of dismantlement, removal or restoration of property, plant and equipment arising from the acquisition or use of assets, which are capitalised and included in the cost of property, plant and equipment.

21. Revenue

	Group 2018	Group 2017
	S$	S$
Rendering of services	545,979	-
Sale of goods	923,578	-
Commission income	1,303,571	-
Programme fees	14,591,901	10,973,869
	17,365,029	10,973,869

22. Other income

	Group 2018	Group 2017
	S$	S$
Dividend income	-	3,298
Foreign exchange differences (net)	-	18,041
Gain from bargain purchase	-	24,203
Gain on disposal of subsidiary	243,200	-
Interest income	51,642	11,725
PIC and other government grants	113,571	-
Rental income	30,790	43,448
Other income	62,883	72,214
	502,086	172,929

23. Finance costs

	Group 2018	Group 2017
	S$	S$
Interest on loan	3,515	4,475

24. Profit before tax

The following items have been included in arriving at profit before tax:

	Group 2018	Group 2017
	S$	S$
Advertising fee	949,970	-
Amortisation of prepayment	100,000	75,000
Audit fee:		
- Auditors of the Company	69,500	63,126
- Other auditors	77,691	-
Bad debts written off	-	35,880
Cost of goods sold - Ecommerce	443,624	-
Credit card/NETS charges	106,389	-
Depreciation of property, plant and equipment	442,981	243,237
Foreign exchange differences (net)	46,245	-
Impairment of financial assets	100,665	-
Inventory written off	5,076	-
Loss on disposal of fixed assets	-	576
Online marketing expenses	514,426	-
Other COS	14,639	-
Professional fees	317,275	115,809
Rental	789,992	465,669
Speakers fees	786,453	-
Travelling expenses	261,379	127,807
Employee benefits expense (Note 25)	4,370,740	2,275,351

25. Employee benefits expense

	Group 2018	Group 2017
	S$	S$
Employee benefits expenses (including directors)		
Salaries, fees and bonus	3,248,765	1,689,560
CPF Contributions	409,777	269,940
Commisions and other benefits	712,198	315,851
	4,370,740	2,275,351

26. Income tax benefit

The major components of income tax benefit recognised in profit or loss for the years ended 31 March 2018 and 2017 were:

	Group	
	2018	2017
	S$	S$
Current income tax:		
Current year	118,385	377,405
Over provision in respect of prior years	(129,525)	(401,856)
	(11,140)	(24,451)
Deferred tax:		
Current year	(1,898)	(199,640)
Over provision in respect of prior years	(3,115)	-
	(5,013)	(199,640)
Income tax benefit recognised in profit or loss	(16,153)	(224,091)

Relationship between tax benefit and accounting profit

A reconciliation between tax benefit and the product of accounting profit multiplied by the applicable corporate tax rate for the financial years ended 31 March 2018 and 2017 were as follows:

	Group	
	2018	2017
	S$	S$
Profit before tax	759,197	2,803,806
Income tax rate using the statutory tax rate of 17% (2017: 17%)	129,063	476,647
Tax effects of:		
Non-deductible expenses	164,765	222,663
Income not subject to taxation	(39,374)	(107,169)
Tax exemptions	(124,767)	(98,547)
Deferred tax assets not recognised	82,091	-
Utilisation of previously unrecognised deferred tax assets	(82,371)	-
Utilisation of group relief	(23,335)	(322,121)
Effect of tax rates in foreign jurisdictions	10,415	6,292
Over provision in respect of prior years	(132,640)	(401,856)
Income tax benefit recognised in profit or loss	(16,153)	(224,091)

The above reconciliation is prepared by aggregating separate reconciliations for each national jurisdiction.

At the end of the reporting period, the Group has unutilised capital allowances and unused losses of approximately S$25,787 and S$1,679,167 (2017: Nil) respectively are available for offset against future taxable profits of the companies in which the losses arose, for which no deferred tax asset is recognised due to uncertainty of its recoverability. The use of these tax losses is subject to the agreement of the tax authorities and compliance with certain provisions of the tax legislation.

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26. Income tax benefit (continued)

The Singapore Government has announced that for Years of Assessment ("YA") 2017 and 2018, all companies will receive a 50% and 20% Corporate Income Tax ("CIT") Rebate that is subject to a cap of S$25,000 and S$10,000 respectively.

Deferred tax assets and liabilities as at 31 March relates to the following:

	Group		Company	
	2018	2017	2018	2017
	S$	S$	S$	S$
Deferred tax assets:				
Difference in depreciation of property, plant and equipment for tax purposes	217,005	200,403	-	-
Deferred tax liabilities:				
Difference in depreciation of property, plant and equipment for tax purposes	24,261	4,000	-	440
Fair value adjustments on acquisition of subsidiaries	69,329	-	-	-
	93,590	4,000	-	440

27. Earnings per share

The basic and diluted earnings per share are calculated by dividing profit net of tax by the weighted average number of ordinary shares during the financial year.

Due to the Reverse Takeover during the financial year, the comparative earnings per share has been restated and reflects the results of 8VIC Group during the financial year ended 31 March 2017. The number of ordinary shares issued by the Company for the Reverse Takeover is deemed to be the weighted average number of ordinary shares for the financial year ended 31 March 2017.

The weighted average number of ordinary shares for the financial year ended 31 March 2018 is calculated using the number of ordinary shares issued by the Company for the Reverse Takeover, which is the number of shares deemed to be outstanding from the beginning of the year to the reverse acquisition date, and the number of ordinary shares of the Company outstanding from the reverse acquisition date to the end of the year.

The following table reflect the profit and share data used in the computation of basic and diluted earnings per share for the year ended 31 March 2018 and 2017:

	Group	
	2018	2017
	S$	S$
Profit net of tax used in the computation of earnings per share	696,441	2,796,371
	No. of shares	No. of shares
Weighted average number of ordinary shares	34,909,836	30,504,320

28. Significant related party transactions

In addition to the related party information disclosed elsewhere in the financial statements, the following transactions with related parties took place at terms agreed between the parties during the financial year:

	Group	
	2018	2017
	S$	S$
Cost of lease sharing charged to related parties	457,895	-

Compensation of key management personnel

	Group	
	2018	2017
	S$	S$
Salaries, fees and bonus	855,684	367,595
CPF Contributions	66,303	74,211
Commisions and other benefits	153,969	4,308
	1,075,956	446,114
Comprise of amount paid to:		
Directors of the Company	59,463	-
Directors of the subsidiaries and key management personnel	1,016,493	446,114
	1,075,956	446,114

29. Operating lease commitments

Where the Company is a lessee

The Group have entered into commercial leases on rental of offices. The lease has average life of 3 years with renewal option included in the contracts. There are no restrictions places upon the Group by entering into these leases.

Future minimum rental payable under non-cancellable operating leases as at the end of reporting period are as follows:

	Group	
	2018	2017
	S$	S$
Not later than one year	1,485,688	1,009,598
Later than one year but not later than five years	2,302,102	1,994,219
	3,787,790	3,003,817

Minimum lease payments recognised as an expense in profit or loss for the financial year ended 31 March 2018 amounted to S$789,992 (2017: S$465,669).

30. Fair values of assets and liabilities

The following table shows an analysis of financial instruments carried at fair value by level of fair value hierarchy:

	Quoted prices in active markets for identical instruments (Level 1)	Significant other observable inputs (Level 2)	Significant unobservable inputs (Level 3)
	S$	S$	S$
As at 31 March 2018			
Financial assets:			
Other investments (quoted)	185,090	-	-
Other investments (unquoted)	-	-	100,000
As at 31 March 2017			
Financial assets:			
Other investments (quoted)	163,088	-	-

The fair value of a financial instrument is the amount at which the instrument could be exchanged or settled between knowledgeable and willing parties in an arm's length transaction.

Fair value hierarchy

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

- Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities that the Group can access at the measurement date,
- Level 2 – Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly, and
- Level 3 – Unobservable inputs for the asset or liability.

30. Fair values of assets and liabilities (continued)

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

Fair value of financial instruments by classes that are not carried out at fair value and whose carrying amounts are reasonable approximation of fair value

Cash and cash equivalents, other receivables and other payables

The carrying amounts of these balances approximate their fair values due to the short-term nature of these balances.

Trade receivables and trade payables

The carrying amounts of these receivables and payables approximate their fair values as they are subject to normal trade credit terms.

Loan receivable, fixed deposits and hire purchase payables

The carrying amounts of fixed deposits and loan receivable approximate their fair values as they are subject to interest rates close to market rate of interests for similar arrangements with financial institutions.

31. Financial risk management

The Group and the Company's activities expose it to a variety of financial risks from its operation. The key financial risks include credit risk, liquidity risk and market risk (including interest rate risk and foreign currency risk).

The Board of Directors reviews and agrees policies and procedures for the management of these risks, which are executed by the management team. It is, and has been throughout the current and previous financial year, the Group and the Company's policy that no trading in derivatives for speculative purposes shall be undertaken.

The following sections provide details regarding the Group and the Company's exposure to the above- mentioned financial risks and the objectives, policies and processes for the management of these risks.

There has been no change to the Group and the Company's exposure to these financial risks or the manner in which it manages and measures the risks.

Credit risk

Credit risk arising from the inability of the counterparty to meet the terms of the Group's financial contracts is generally limited to the amounts, if any, by which the counterparty's obligations of the Group. It is the Group's policy to enter into financial instruments with a diversity of creditworthy counterparties. Therefore, the Group does not expect to incur any material losses on its risk management or other financial instruments.

The carrying amount of trade and other receivables, loan receivable, fixed deposits and cash and cash equivalent represent the Group's maximum exposure to credit risk. No other financial assets carry a significant exposure to credit risk. Surplus are placed with reputable banks.

31. Financial risk management (continued)

Credit risk (continued)

Excessive risk concentration

Concentrations arise when a number of counterparties are engaged in similar business activities, or activities in the same geographical region, or have economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations indicate the relative sensitivity of the Company's performance to developments affecting a particular industry.

Exposure to credit risk

The Group determines concentrations of credit risk by monitoring the industry sector profile of its trade receivables on an ongoing basis. The credit risk concentration profile of the Group's trade receivables at the end of the reporting period is as follows:

	Group			
	2018	**% of Total**	**2017**	**% of Total**
	S$		**S$**	
By industry sectors:				
Education	1,018,193	62	419,759	100
Creatives	178,540	11	-	-
Media	386,630	24	-	-
Ecommerce	51,135	3	-	-
	1,634,498	100	419,759	100

Financial assets that are neither past due nor impaired

Trade and other receivables that are neither past due nor impaired are with creditworthy debtors with good payment record with the Group and the Company. Cash and cash equivalents are placed with or entered into with reputable financial institutions or companies with high credit ratings and no history of default.

Financial assets that are either past due or impaired

Information regarding financial assets that are either past due or impaired is disclosed in Note 10.

Liquidity risk

Liquidity risk refers to the risk that the Group and Company will encounter difficulties in meeting its short-term obligations due to shortage of funds. The Group and the Company's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities. It is managed by matching the payment and receipt cycles. The Group and the Company's objective is to maintain a balance between continuity of funding and flexibility through the use of stand-by credit facilities. The Group and the Company's operations are financed mainly through equity. The directors are satisfied that funds are available to finance the operations of the Group and the Company.

31. Financial risk management (continued)

Liquidity risk (continued)

Analysis of financial instruments by remaining contractual maturities

The table below summarises the maturity profile of the Group and the Company's financial assets and liabilities at the reporting date based on contractual undiscounted repayment obligations.

	Carrying amount S$	Contractual cash flows S$	One year or less S$	Two to five years S$
Group				
2018				
Financial assets:				
Trade and other receivables	3,317,805	3,317,805	3,317,805	-
Fixed deposits	1,311,280	1,320,918	1,320,918	-
Cash and cash equivalents	8,569,179	8,582,733	8,582,733	-
Total undiscounted financial assets	13,198,264	13,221,456	13,221,456	-
Financial liabilities:				
Trade and other payables	3,126,470	3,126,470	3,126,470	-
Hire purchase payables	54,910	59,245	20,319	38,926
Total undiscounted financial liabilities	3,181,380	3,185,715	3,146,789	38,926
Net undiscounted financial assets/(liabilities)	10,016,884	10,035,741	10,074,667	(38,926)
2017				
Financial assets:				
Trade and other receivables	1,113,036	1,113,036	1,113,036	-
Cash and cash equivalents	4,630,446	4,641,499	4,641,499	-
Total undiscounted financial assets	5,743,482	5,754,535	5,754,535	-
Financial liabilities:				
Trade and other payables	993,235	993,235	993,235	-
Hire purchase payables	67,146	77,024	19,165	57,859
Total undiscounted financial liabilities	1,060,381	1,070,259	1,012,400	57,859
Net undiscounted financial assets/(liabilities)	4,683,101	4,684,276	4,742,135	(57,859)

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31. Financial risk management (continued)

Liquidity risk (continued)

Analysis of financial instruments by remaining contractual maturities (continued)

	Carrying amount S$	Contractual cash flows S$	One year or less S$	Two to five years S$	More than five years S$
Company					
2018					
Financial assets:					
Trade and other receivables	500,233	500,233	500,233	-	-
Cash and cash equivalents	766,810	766,810	766,810	-	-
Total undiscounted financial assets	1,267,043	1,267,043	1,267,043	-	-
Financial liabilities:					
Trade and other payables	129,439	129,439	129,439	-	-
Total undiscounted financial liabilities	129,439	129,439	129,439	-	-
Net undiscounted financial assets	1,137,604	1,137,604	1,137,604	-	-
2017					
Financial assets:					
Loan receivable	2,600,285	3,250,285	-	-	3,250,285
Trade and other receivables	632,665	632,665	632,665	-	-
Fixed deposits	6,500,000	6,564,295	6,564,295	-	-
Cash and cash equivalents	1,518,180	1,519,676	1,519,676	-	-
Total undiscounted financial assets	11,251,130	11,966,921	8,716,636	-	3,250,285
Financial liabilities:					
Trade and other payables	319,245	319,245	319,245	-	-
Total undiscounted financial liabilities	319,245	319,245	319,245	-	-
Net undiscounted financial assets	10,931,885	11,647,676	8,397,391	-	3,250,285

31. Financial risk management (continued)

Market risk

Market risk is the risk that changes in market prices, such as interest rates and foreign exchange rates will affect the Group and the Company's income. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return on risk.

Foreign currency risk

The Group and the Company has transactional currency exposures arising from transactions that are denominated in a currency other than the respective functional currencies of Group entities, primarily Singapore Dollars (SGD) and United States Dollars (USD). Exposure to foreign currency risk is monitored on an ongoing basis to ensure that the net exposure is at an acceptable level. There is no sensitivity analysis prepared as the risk is not material.

32. Financial instruments by category

At the reporting date, the aggregate carrying amounts of loans and receivables and financial liabilities at amortised cost were as follows:

	Group		Company	
	2018	2017	2018	2017
	S$	S$	S$	S$
Loans and receivables				
Loan receivable (Note 8)	-	-	-	2,600,285
Trade and other receivables (Note 10)	3,317,805	1,113,036	500,233	632,665
Fixed deposits (Note 12)	1,311,280	-	-	6,500,000
Cash and cash equivalents (Note 13)	8,569,179	4,630,446	766,810	1,518,180
	13,198,264	5,743,482	1,267,043	11,251,130
Financial liabilities at amortised cost				
Trade and other payables (Note 17)	3,126,470	993,235	129,439	319,245
Hire purchase payables (Note 19)	54,910	67,146	-	-
	3,181,380	1,060,381	129,439	319,245

33. Capital management

The primary objective of the Group and the Company's capital management is to ensure that it maintains a strong credit rating and net current asset position in order to support its business and maximise shareholder value. The capital structure of the Group and the Company comprises issued share capital and retained earnings.

The Group and the Company manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Group and the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Group and the Company is not subject to any externally imposed capital requirements. No changes were made in the objectives, policies or processes during the financial year ended 31 March 2018 and 31 March 2017.

The Group and the Company's overall strategy remains unchanged from 2017.

34. Segment information

For management purposes, the Group is organised into business units based on their products and services, and has four reportable segments as follows:

i. **Education:** involved in financial education and training providers in Asia, via its flagship courses "Millionaire Investor Program" and "Value Investing College", which focus on educating its students on the principles and techniques of value investing.

ii. **Creatives:** involved in branding and marketing arm of Digimatic and specialises in content creation as well as full end-to-end branding and marketing solutions for clients.

iii. **Media:** involved in specialists and training academy that assists brands and individuals with the opportunity to achieve business and financial success. Media segment specialises in online performance based marketing, and provides online marketing campaign planning and execution services. Media segment also manages a training academy that provides businesses and individuals with the opportunity to achieve financial stability and success via performance based marketing.

iv. **Ecommerce:** involved in marketing and selling products globally via ecommerce platform, utilising data analytics and customers' feedback to sell products effectively with ROI focused.

Except as indicated above, no operating segments have been aggregated to form the above reportable operating segments.

Management monitors the operating results of its business units separately for the purpose of 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.

34. Segment information (continued)

Transfer prices between operating segments are on an arm's length basis in a manner similar to transactions with third parties.

	Education	Creatives	Media	Ecommerce	Corporate	Adjustments and eliminations	Note	Per consolidated financial statements
	S$	S$	S$	S$	S$	S$		S$
31 March 2018								
Revenue								
External customers	12,038,781	527,030	3,875,640	923,578	-	-		17,365,029
Inter-segment	494,647	67,684	65,365	-	96,571	(724,267)	A	-
	12,533,428	594,714	3,941,005	923,578	96,571	(724,267)		17,365,029
Results:								
Depreciation and amortisation	(345,314)	(18,146)	(77,193)	-	(2,328)	(100,000)		(542,981)
Gain on disposal of a subsidiary	-	-	-	-	-	243,200		243,200
Impairment of financial assets	(2,533)	(8,951)	(89,181)	-	-	-		(100,665)
Investment cost written down	-	-	-	-	(41,955,642)	41,955,642		-
Segment profit/(loss)	545,862	78,623	317,534	(40,554)	(1,752,150)	1,609,882	A	759,197
Assets:								
Additions to intangible assets	-	-	-	9,616	-	-		9,616
Additions to plant and equipment	548,283	5,879	21,431	-	-	-		575,593
Segment asset	14,861,076	1,168,488	6,300,519	1,198,421	33,225,408	(38,446,469)	A, B	18,307,443
Liabilities:								
Segment liabilities	3,564,485	304,797	4,520,585	1,311,054	129,439	(2,759,820)	A, C	7,070,540

Segment performance for the financial year ended 31 March 2017 is not prepared as the consolidated financial statements for the financial year ended 31 March 2017 represents the whole Education segment.

34. Segment information (continued)

Notes: Nature of adjustments and eliminations to arrive at amounts reported in the consolidated financial statements

A Inter-segment revenues and expenses are eliminated on consolidation.

B The following items are added to segment assets to arrive at total assets reported in the consolidated statement of financial position:

	2018	2017
	S$	S$
Prepayment	325,000	-

C The following items are added to segment liabilities to arrive at total liabilities reported in the consolidated statement of financial position:

	2018	2017
	S$	S$
Deferred tax liabilities	69,329	-

35. Dividends

	Group	
	2018	2017
	S$	S$
Dividends declared during the financial year:		
Dividends on ordinary shares:		
Final exempt (one-tier) dividend in respect of prior financial years:		
S$1.8152866 (2017: S$1,700) per share	3,900,000	1,700,000
Interim exempt (one-tier) dividend:		
S$0.232729 (2017: Nil) per share	500,000	-
	4,400,000	1,700,000

The dividends declared in the financial year ended 31 March 2018 were declared on 8VIC Global Pte. Limited's issued and fully paid ordinary shares of 2,148,421 before the Reverse Takeover.

36. Authorisation of financial statements for issue

The financial statements for the financial year ended 31 March 2018 were authorised for issue by the Board of Directors on the date of the Directors' Statement.

ADDITIONAL INFORMATION

Shareholders Information as at 22 June 2018
Digimatic Group Ltd. – Ordinary Shares Voting Rights

The Company has ordinary shares on issue. The Company's ordinary shares traded on the Australian Securities Exchange are traded as Chess Depositary Interests ('CDIs') under the code DMC.
Each CDI is a beneficial interest in a share. 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	739	334,144	0.77%
1,001 - 5,000	364	775,468	1.78%
5,001 - 10,000	29	224,430	0.52%
10,001 - 100,000	30	971,182	2.23%
100,001 - and over	16	41,272,376	94.71%
	1,178	**43,577,600**	**100.00%**

The number of investors holding less than a marketable parcel of 1,000 DMC shares (based on a share price of A$0.050) was 678. They hold 46,861 DMC shares in total.

Twenty one Largest Shareholders and CDI Holders*

REGISTERED HOLDER	NUMBER OF SHARES	PERCENT OF ISSUED CAPITAL
1. 8I Holdings Limited and Its Subsidiaries	31,391,817	72.04%
2. Cheshire United Ltd.	2,767,777	6.35%
3. Ivan Ong Shao Kuang	1,709,721	3.92%
4. Glorymont Ltd.	1,525,216	3.50%
5. HSBC Custody Nominees (Australia) Limited	783,836	1.80%
6. Summerhill Group Pte. Ltd.	726,924	1.67%
7. Seah Weiming	590,099	1.35%
8. BNP Paribas Noms Pty. Ltd.	484,330	1.11%
9. Dr Kao Jungang	482,808	1.11%
10. Citicorp Nominees Pty. Limited	291,906	0.67%
11. Wong Wai Chuan	289,887	0.67%
12. Goh Siew Bee	128,800	0.30%
13. Tan Teck Yeong	125,000	0.29%
14. BNP Paribas Noms Pty. Ltd.	88,405	0.20%
15. Tan Guan Cheong	80,000	0.18%
16. Latha Pillay	80,000	0.18%
17. Lim & Tan Securities Pte. Ltd.	79,079	0.18%
18. Ho Tuck Chee	57,500	0.13%
19. Lua Swee Wei	56,000	0.13%
20. Danny Lua Swee Seng	56,000	0.13%
21. Lalita Chelliah	40,000	0.09%
Others	1,742,495	4.00%
TOTAL	**43,577,600**	**100%**

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.*

Substantial Shareholders and CDI Holder**

REGISTERED HOLDER	NUMBER OF SHARES	PERCENT OF ISSUED CAPITAL
1. 8I Holidngs Limited and its subsidiaries	31,391,817	72.04%
2. Cheshire United Ltd.	2,767,777	6.35%

Notes

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

CURRENT ON-MARKET BUY-BACK (ASX LISTING RULE 4.10.18)

There are no current on-market buy-back arrangement for the Company.

CORPORATE GOVERNANCE STATEMENT

The directors of Digimatic Group Ltd. support and adhere to the principles of corporate governance, recognising the need for the highest standard of corporate behaviour and accountability. Please refer to the Corporate Governance Statement and the Appendix 4G released to ASX and posted on the Company website at www.digimaticgroup.com.

The directors are focused on fulfilling their responsibilities individually, and as a Board, for the benefit of all the Company's stakeholders. That involves recognition of, and a need to adopt, principles of good corporate governance. The Board supports the guidelines on the "Principles of Good Corporate Governance and Recommendations – 3rd Edition" established by the ASX Corporate Governance Council.

Given the size and structure of the Company, the nature of its business activities, the stage of its development and the cost of strict and detailed compliance with all of the recommendations, it has adopted a range of modified systems, procedures and practices which enables it to meet the principles of good corporate governance.

The Company's practices are mainly consistent with those of guidelines and where do not correlate with the recommendations in the guidelines the Company considers that its adopted practices are appropriate to it.

Digimatic Group

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