

INTERIM REPORT FY2019



**8VIC**

BRINGING VALUE INVESTING TO THE WORLD



# 8VIC Holdings Limited

ARBN 605 944 198



## About 8VIC Holdings Limited

8VIC Holdings Ltd (“8VIC”) is one of Singapore’s foremost financial education and training providers. Under the brand name of Value Investing College, 8VIC is the leading financial education provider in the discipline of value investing in Singapore and Malaysia.

With offices in Singapore, Malaysia, Taiwan and Thailand, as well as increasing presence in Hong Kong and Australia, 8VIC currently supports a community of over 14,000 value investors from 29 cities globally.

# CHAIRMAN'S STATEMENT



*Dear Shareholders,*

This 1H FY2019 had been a transformative period for 8VIC Holdings Limited. The sale of the Digital & Marketing businesses was tabled in the September 2018 AGM and received overwhelming approval from the shareholders. With the sale completed in October 2018, 8VIC will focus solely on the Financial Education business and its continued growth in the region moving forward. To reflect this renewed focus of the 8VIC Group, our trading code on the ASX have since been updated to "8VI" on 3 October 2018.

Our revenue for 1H FY2019 (S\$8.1 million) grew by about 32% as compared to 1H FY2018 (S\$6.1 million). For the same period, the profit attributable to shareholders registered a loss of S\$2.9 million (as compared to a profit of S\$1.1 million for 1H FY2018) as we recognised a one-time loss of S\$540 thousand from discontinued operations resulting from a share swap following the exit of the Digital and Marketing businesses, increased general and administrative/marketing expenses of S\$303 thousand as well as a one-off goodwill impairment of S\$1.6 million arising mainly from the acquisition of 8VIC Singapore Pte. Ltd. (previously known as Financial Joy Institute Pte. Ltd.) as a result of headwinds in 1H FY2019.

As we forge ahead to strengthen our business presence and prospects with various partners in the region, we will continue to monitor and scrutinise our spending, and employ steps to better manage our operational costs, which reflects the strategy expressed earlier in our FY2018 report.

From 1 January 2019, Ken Chee will be taking on the role of Chief Executive Officer for 8VIC Holdings Limited to drive the Group forward. This is not an unfamiliar role for Ken; with his wealth of experience in operating and developing financial education and training businesses, I expect his contribution to lay a foundation for the Group which will play a vital role in bolstering our future growth. I believe his participation is crucial at this juncture. As we work to better manage our operational expenses, a thorough review of our Sales & Marketing processes will also be conducted to improve our operational efficiency and business process performance. We are fully cognisant of the delicate balance between running a nimble, robust as well as profitable operation.

Going forward, I have also tasked the management team to focus on financial education as our core and to amalgamate this business within the greater ecosystem of the 8I Group. This, however, will take time and requires attention to the company's various processes and people who are focused on bringing the Group on track to fulfilling our mission of bringing value investing to the world.

The 8VIC team will be working to enhance the range of offerings to be made available with the intention to increase both our reach and engagement with our existing customer base and supporters. These could be in the form of additional programmes and an assortment of activities, both online and offline. 8VIC has also been working on a joint venture with parent company 8IH on the WealthPark initiative; a smart investing technology platform which integrates information, analysis tools and social learning for the present day investor. We believe WealthPark has the potential to not only support our participants and graduates in their investing and wealth-building journey, but its role will be crucial for the digital development for our financial education business across the Asia Pacific region.

I would like to register my most sincere thanks and appreciation to all shareholders for your patience and support. Your encouragement and trust continue to give us the strength and motivation most certainly required to drive the Group into its next stage of growth.



A handwritten signature in blue ink that reads "Clive Tan".

**Clive Tan**  
Non-Executive Chairman

# Directors' Statement

In the opinion of the directors,

- (a) to the best of our knowledge, nothing has come to the attention of the Board of Directors of 8VIC Holdings Limited which may render the accompanying interim financial information for the six months ended 30 September 2018 to be false or misleading; and
- (b) at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

**On Behalf of the Board of Directors,**



**Mr Clive Tan Che Koon**

Director



**Ms Pauline Teo**

Director

Singapore, 30 November 2018

13A MacKenzie Road  
Singapore 228676  
T: (65) 6227 4180  
F: (65) 6324 0213  
konglim@klp.com.sg  
www.konglim.com.sg



## Report on Review of Interim Financial Information to the members of 8VIC Holdings Limited (formerly known as Digimatic Group Ltd.)

### **Introduction**

We have reviewed the accompanying statement of financial position of 8VIC Holdings Limited (formerly known as Digimatic Group Ltd.) as of 30 September 2018 and the related statements of comprehensive income, changes in equity and cash flows for the six-month period then ended, and a summary of significant accounting policies and other explanatory notes. Management is responsible for the preparation and fair presentation of this interim financial information in accordance with Singapore Financial Reporting Standards, Interim Financial Reporting (“SFRS(I) 34”). Our responsibility is to express a conclusion on this interim financial information based on our review.

### **Scope of Review**

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

### **Conclusion**

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial information does not give a true and fair view of the financial position of the Group as at 30 September 2018, and of its financial performance and its cash flows for the six-month period then ended in accordance with SFRS(I) 34.

A handwritten signature in blue ink, appearing to be 'KLP', written over a light blue horizontal line.

**KONG, LIM & PARTNERS LLP**  
Public Accountants and  
Chartered Accountants

Singapore, 30 November 2018



**8VIC Holdings Limited (formerly known as Digimatic Group Ltd.) and its subsidiaries**  
**Condensed Interim Consolidated Statement of Comprehensive Income**  
**For the six months ended 30 September 2018**

	Note	Half-year- ended 30.9.2018 S\$	Half-year- ended 30.9.2017 S\$
<b>Continuing operations</b>			
Revenue	4	8,088,401	6,120,861
Other income	5	133,302	306,195
<b>Expenses</b>			
Cost of services		(2,033,622)	(1,484,233)
Administrative expenses		(3,704,543)	(2,464,182)
Finance costs		(1,332)	(2,057)
Other expenses		(2,881,837)	(1,401,789)
Impairment of goodwill	6	(1,585,013)	-
Share of profit of associated company	11	2,531	-
<b>(Loss)/Profit before tax</b>		<u>(1,982,113)</u>	<u>1,074,795</u>
Income tax expense	7	(180,778)	(11,616)
<b>(Loss)/Profit for the period from continuing operations</b>		<u>(2,162,891)</u>	<u>1,063,179</u>
<b>Discontinued operations</b>			
Loss from discontinued operations, net of tax	8	(539,695)	-
<b>(Loss)/Profit for the period</b>		<u>(2,702,586)</u>	<u>1,063,179</u>
<b>Other comprehensive (loss)/income:</b>			
Items that may be reclassified subsequently to profit or loss			
Foreign currency translation		(14,037)	2,788
Other comprehensive (loss)/income for the period, net of tax		(14,037)	2,788
<b>Total comprehensive (loss)/income for the period</b>		<u>(2,716,623)</u>	<u>1,065,967</u>
<b>(Loss)/Profit attributable to:</b>			
Owners of the Company		(2,917,525)	1,077,861
Non-controlling interests		214,939	(14,682)
		<u>(2,702,586)</u>	<u>1,063,179</u>
<b>(Loss)/Profit attributable to equity holders of the Company relates to:</b>			
(Loss)/Profit from continuing operations		(2,319,522)	1,077,861
Loss from discontinued operations		(598,003)	-
		<u>(2,917,525)</u>	<u>1,077,861</u>
<b>Total comprehensive (loss)/income attributable to:</b>			
Owners of the Company		(2,931,561)	1,080,213
Non-controlling interests		214,938	(14,246)
		<u>(2,716,623)</u>	<u>1,065,967</u>

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

**8VIC Holdings Limited (formerly known as Digimatic Group Ltd.) and its subsidiaries**  
**Condensed Interim Consolidated Statement of Comprehensive Income**  
**For the six months ended 30 September 2018**

	<u>Note</u>	<u>Half-year- ended 30.9.2018</u>	<u>Half-year- ended 30.9.2017</u>
		S\$	S\$
<b>(Loss)/Earnings per share (cents per share)</b>			
From continuing and discontinued operations	9		
Basic		(6.70)	3.53
Diluted		<u>(6.70)</u>	<u>3.53</u>
From continuing operations			
Basic		(5.32)	3.53
Diluted		<u>(5.32)</u>	<u>3.53</u>

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



**8VIC Holdings Limited (formerly known as Digimatic Group Ltd.) and its subsidiaries**  
**Condensed Consolidated Interim Statement of Financial Position**  
**As at 30 September 2018**

	<b>Note</b>	<b>30.9.2018</b>	<b>31.3.2018</b>
		<b>S\$</b>	<b>S\$</b>
<b>Assets</b>			
<b>Non-current assets</b>			
Plant and equipment		555,111	1,128,730
Intangible assets	10	-	2,196,281
Investment in associated company	11	402,531	-
Financial assets, at FVOCI		4,834	107,225
Deferred tax assets		212,186	217,005
		<u>1,174,662</u>	<u>3,649,241</u>
<b>Current assets</b>			
Inventories		-	454,723
Trade and other receivables	12	1,227,782	3,317,805
Prepayment		369,304	827,350
Fixed deposits		340,200	1,311,280
Financial assets, at FVPL		177,172	177,865
Cash and cash equivalents		7,540,106	8,569,179
		<u>9,654,564</u>	<u>14,658,202</u>
Asset of disposal group classified as held-for-sale	8	6,568,061	-
		<u>16,222,625</u>	<u>14,658,202</u>
<b>Total assets</b>		<u>17,397,287</u>	<u>18,307,443</u>
<b>Equity and liabilities</b>			
<b>Equity</b>			
Share capital		14,872,793	14,872,793
(Accumulated losses)/Retained earnings		(2,560,833)	356,692
Foreign currency translation reserve		(42,889)	(28,853)
Other reserves		(4,546,552)	(4,533,629)
		<u>7,722,519</u>	<u>10,667,003</u>
Non-controlling interest		836,735	569,900
<b>Total equity</b>		<u>8,559,254</u>	<u>11,236,903</u>
<b>Current liabilities</b>			
Trade and other payables	13	1,781,189	3,126,470
Contractual liabilities	14	2,808,065	3,528,001
Hire purchase payables		17,970	17,883
Provision for income tax		90,084	202,569
		<u>4,697,308</u>	<u>6,874,923</u>
Liabilities directly associated with disposal group classified as held-for-sale	8	4,109,627	-
		<u>8,806,935</u>	<u>6,874,923</u>
<b>Non-current liabilities</b>			
Hire purchase payables		27,098	37,027
Provision for reinstatement cost		-	65,000
Deferred tax liabilities		4,000	93,590
		<u>31,098</u>	<u>195,617</u>
<b>Total liabilities</b>		<u>8,838,033</u>	<u>7,070,540</u>
<b>Total equity and liabilities</b>		<u>17,397,287</u>	<u>18,307,443</u>

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

8VIC Holdings Limited (formerly known as Digimatic Group Ltd.) and its subsidiaries  
Condensed Interim Consolidated Statement of Changes in Equity  
For the six months ended 30 September 2018

	Attributable to owners of the Company				Total equity to owners of the Company	Non-controlling interests	Total equity
	Share capital	Retained earnings/ (Accumulated losses)	Foreign currency translation reserve	Other reserves			
	S\$	S\$	S\$	S\$	S\$	S\$	
<b>Group</b>							
<b>Balance as at 1 April 2017</b>	4,741,000	4,060,251	(74,114)	(4,533,629)	4,193,508	79,386	4,272,894
Profit for the year	-	1,077,861	-	-	1,077,861	(14,682)	1,063,179
<u>Other comprehensive income</u>							
Foreign currency translation	-	-	2,352	-	2,352	436	2,788
Total comprehensive income for the year	-	1,077,861	2,352	-	1,080,213	(14,246)	1,065,967
<u>Contributions by and distributions to owners</u>							
Disposal of a subsidiary	-	-	-	-	-	(65,140)	(65,140)
Dividends on ordinary shares (Note 18)	-	(4,400,000)	-	-	(4,400,000)	-	(4,400,000)
Total transactions with owners in their capacity as owners	-	(4,400,000)	-	-	(4,400,000)	(65,140)	(4,465,140)
<b>Balance as at 30 September 2017</b>	<u>4,741,000</u>	<u>738,112</u>	<u>(71,762)</u>	<u>(4,533,629)</u>	<u>873,721</u>	<u>-</u>	<u>873,721</u>

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

8VIC Holdings Limited (formerly known as Digimatic Group Ltd.) and its subsidiaries  
Condensed Interim Consolidated Statement of Changes in Equity  
For the six months ended 30 September 2018

	Attributable to owners of the Company				Total equity to owners of the Company	Non-controlling interests	Total equity
	Share capital	Retained earnings/ (Accumulated losses)	Foreign currency translation reserve	Other reserves			
	S\$	S\$	S\$	S\$	S\$	S\$	S\$
<b>Group</b>							
<b>Balance as at 1 April 2018</b>	14,872,793	356,692	(28,853)	(4,533,629)	10,667,003	569,900	11,236,903
Loss for the year	-	(2,917,525)	-	-	(2,917,525)	214,939	(2,702,586)
<u>Other comprehensive income</u>							
Foreign currency translation	-	-	(14,036)	-	(14,036)	(1)	(14,037)
Total comprehensive income for the year	-	(2,917,525)	(14,036)	-	(2,931,561)	214,938	(2,716,623)
<u>Contributions by and distributions to owners</u>							
Partial disposal of a subsidiary without change in control	-	-	-	(12,923)	(12,923)	51,897	38,974
Total transactions with owners in their capacity as owners	-	-	-	(12,923)	(12,923)	51,897	38,974
<b>Balance as at 30 September 2018</b>	<u>14,872,793</u>	<u>(2,560,833)</u>	<u>(42,889)</u>	<u>(4,546,552)</u>	<u>7,722,519</u>	<u>836,735</u>	<u>8,559,254</u>

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

**8VIC Holdings Limited (formerly known as Digimatic Group Ltd.) and its subsidiaries**  
**Condensed Interim Consolidated Statement of Cash Flows**  
**For the six months ended 30 September 2018**

	<b>Half-year- ended 30.9.2018</b>	<b>Half-year- ended 30.9.2017</b>
	<b>S\$</b>	<b>S\$</b>
<b>Cash flows from operating activities</b>		
(Loss)/profit from continuing operation	(2,162,891)	1,063,179
Loss from discontinuing operation	(539,695)	-
<i>Adjustments for:</i>		
Amortisation of prepayment	325,000	50,000
Depreciation of plant and equipment	386,340	166,529
Finance costs	1,332	2,057
Gain on disposal of a subsidiary	-	(243,200)
Impairment of assets held-for-sale	883,168	-
Impairment of intangible assets	1,585,013	-
Income tax expenses	180,778	11,616
Plant and equipment written off	71,349	-
Provision for doubtful debts	-	59,557
Dividend income	(3,374)	-
Interest income	(42,337)	(10,546)
Share of results of associated company	(2,531)	-
Unrealised exchange gain	(9,412)	(9,002)
<b>Operating cash flow before changes in working capital</b>	<b>672,740</b>	<b>1,090,190</b>
Working capital changes in:		
Inventories	(507,834)	-
Trade and other receivables	(171,134)	(356,299)
Prepayment	(60,709)	(12,703)
Trade and other payables	926,754	1,095,429
Unearned revenue	880,340	(505,081)
<b>Cash generated from operating activities</b>	<b>1,740,157</b>	<b>1,311,536</b>
Dividend received	3,374	-
Interest received	42,337	10,546
Interest paid	(1,332)	(2,057)
Income tax paid	(205,720)	(98,072)
<b>Net cash generated from operating activities</b>	<b>1,578,816</b>	<b>1,221,953</b>
<b>Cash flows from investing activities</b>		
Addition to plant and equipment	(99,860)	(27,436)
Disposal of subsidiary, net of cash disposed of	-	36,899
Investment in associate	(400,000)	-
Increase in non-controlling interests	38,974	-
Withdrawal/(placement) of fixed deposit	971,082	(321,300)
<b>Net cash generated from/(used in) investing activities</b>	<b>510,196</b>	<b>(311,837)</b>
<b>Cash flows from financing activities</b>		
Dividends paid to equity holders of the Company	-	(4,400,000)
Repayment of hire purchase payables	(9,842)	(6,749)
<b>Net cash used in investing activities</b>	<b>(9,842)</b>	<b>(4,406,749)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>2,079,170</b>	<b>(3,496,633)</b>
Cash and cash equivalents at the beginning of financial period	8,569,179	4,630,446
<b>Cash and cash equivalents at the end of financial period</b>	<b>10,648,349</b>	<b>1,133,813</b>

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

**8VIC Holdings Limited (formerly known as Digimatic Group Ltd.) and its subsidiaries**  
**Condensed Interim Consolidated Statement of Cash Flows**  
**For the six months ended 30 September 2018**

---

For the purpose of presenting the condensed interim consolidated statement of cash flows, cash and cash equivalents comprise the following:

	<b>Half-year- ended 30.9.2018</b>	<b>Half-year- ended 30.9.2017</b>
	<u>S\$</u>	<u>S\$</u>
Cash and cash equivalents		
- Continued operations	7,540,106	1,133,813
- Discontinued operations (Note 8)	3,108,243	-
Cash and cash equivalents per consolidated statement of cash flow	<u>10,648,349</u>	<u>1,133,813</u>

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

**8VIC Holdings Limited (formerly known as Digimatic Group Ltd.) and its subsidiaries**  
**Notes to the Condensed Interim Financial Statements**  
**For the six months ended 30 September 2018**

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

**1. General**

8VIC Holdings Limited (formerly known as 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 47 Scotts Road, #03-03/04 Goldbell Towers, Singapore 228233.

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

The principal activities of the subsidiaries are as follows:

Name	Principal place of business	Principal activities	Proportion (%) of ownership interest	
			30.09.2018	31.03.2018
			%	%
<i><u>Held by the Company</u></i>				
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.	Singapore	E-commerce	51	51
8VIC Global Pte. Limited	Singapore	Seminar and programs organizer	100	100
<i><u>Held through Digimatic Media Private Limited</u></i>				
Digimatic Media Sdn Bhd	Malaysia	Conducting business courses	100	100
Keaworld Pte. Ltd.	Singapore	E-commerce	100	100
<i><u>Held through Digimatic Creatives Pte. Ltd.</u></i>				
Anonymous Production Sdn Bhd	Malaysia	Motion picture/video production	100	100

**8VIC Holdings Limited (formerly known as Digimatic Group Ltd.) and its subsidiaries**  
**Notes to the Condensed Interim Financial Statements**  
**For the six months ended 30 September 2018**

**1. General (continued)**

Name	Principal place of business	Principal activities	Proportion (%) of ownership interest	
			30.09.2018	31.03.2018
			%	%
<i>Held through 8VIC Global Pte. Limited.</i>				
8VIC Singapore Pte. Ltd.	Singapore	Seminar and programs organizer	60	100
8VIC Malaysia Sdn. Bhd.	Malaysia	Seminar and programs organizer	100	100
8VIC Taiwan Co. Ltd.	Taiwan	Seminar and programs organizer	70	70
8VIC (Thailand) Co., Ltd.	Thailand	Seminar and programs organizer	70	70
8VIC (Australia) Pty Ltd	Australia	Seminar and programs organizer	90	90
<i>Held through 8VIC Malaysia Sdn. Bhd.</i>				
8VIC JooY Media Sdn. Bhd.	Malaysia	Agency and media	70	70

There was no significant restriction on the acquisition of the subsidiary.

**2 Basis of preparation and changes in accounting policies**

The interim financial statements of the Group have been prepared in accordance with Singapore Financial Reporting Standards 34 (FRS 34), Interim Financial Reporting.

The interim financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's annual financial statement as at 31 March 2018.

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 Dollar (S\$).

**2. Basis of preparation and changes in accounting policies (continued)**

*Interpretations and amendments to published standards effective 2018*

On 1 April 2018, the Group adopted the new or amended FRS and Interpretations of FRS ("INT FRS") that are mandatory for application for the financial year. Changes to the Group's accounting policies have been made as required, in accordance with the transitional provisions in the respective FRS and INT FRS.

The adoption of these new or amended FRS and INT FRS did not result in substantial changes to the accounting policies of the Group and the Company and had no material effect on the amounts reported for the interim financial period and prior financial periods.

Below are the mandatory standards, amendments and interpretations to existing standards that have been published, and are relevant for the Group's accounting periods beginning on or after 1 April 2018:

a. FRS 115 Revenue from contracts with customers.

The core principle of FRS 115 is that an entity recognises revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. An entity recognises revenue in accordance with that core principle by applying the following steps:

Step 1: Identify the contract(s) with a customer

Step 2: Identify the performance obligations in the contract

Step 3: Determine the transaction price

Step 4: Allocate the transaction price to the performance obligations in the contract

Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation

FRS 115 also includes a cohesive set of disclosure requirements that will result in an entity providing users of financial statements with comprehensive information about the nature, amount, timing and uncertainty of revenue and cash flows arising from the entity's contracts with customers.

The Group has performed an assessment of the impact of this standard on the Group's revenue streams and determined this new standard does not have a material effect on the Group's financial report. This assessment is summarised below:

a) Rendering of services

This comprises of marketing services provided. Revenue is recognised when the final products have been delivered. There is no change to timing of revenue recognition from FRS 115.

b) Programme fees

This comprises of providing financial education and training services. Revenue is recognised when the training have been conducted. The Company will record contractual liabilities for advance payment made for the training. There is no change to timing of revenue recognition from FRS 115.

Application of FRS 115 has resulted in reclassification of unearned revenue to contractual liabilities.



## **2. Basis of preparation and changes in accounting policies (continued)**

*Interpretations and amendments to published standards effective 2018 (continued)*

### b. FRS 109 Financial instruments

The Group adopted FRS 109 Financial instruments. Accordingly, the requirements of FRS 39 *Financial Instruments: Recognition and Measurement* are applied to financial instruments up to the financial year ended 31 March 2018.

#### (i) *Classification and measurement*

For financial assets held by the Group on 1 April 2018, management has assessed the business models that are applicable on that date to these assets so as to classify them into the appropriate categories under FRS 109 Financial instruments. Material reclassifications/adjustments resulting from management's assessment are disclosed below.

- *Equity investments reclassified from available-for-sale to Fair value through other comprehensive income ("FVOCI")*

The Group has recognised changes in the fair value of all its equity investments not held for trading and previously classified as available-for-sale in other comprehensive income. As a result, assets with a fair value of S\$107,225 were reclassified from "financial assets, available-for-sale" to "financial assets, at FVOCI" on 1 April 2018.

#### (ii) *Impairment of financial assets*

The following financial assets are subject to the expected credit loss model under FRS 109:

- trade receivables;
- loans to non-related parties and other receivables at amortised cost.

## **3. Significant accounting judgments and estimates**

The preparation of the interim financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities at the reporting date. 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.

### **3.1 Judgments made in applying accounting policies**

The management is of the opinion that there are no significant judgments made in applying accounting estimates and policies that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

**8VIC Holdings Limited (formerly known as Digimatic Group Ltd.) and its subsidiaries**  
**Notes to the Condensed Interim Financial Statements**  
**For the six months ended 30 September 2018**

**4. Revenue**

	<b>Half-year- ended 30.09.2018</b>	<b>Half-year- ended 30.09.2017</b>
	<b>S\$</b>	<b>S\$</b>
Rendering of services	405,738	-
Programme fees	7,682,663	6,120,861
	<u>8,088,401</u>	<u>6,120,861</u>

**5. Other income**

	<b>Half-year- ended 30.09.2018</b>	<b>Half-year- ended 30.09.2017</b>
	<b>S\$</b>	<b>S\$</b>
Dividend income	3,374	-
Gain on disposal of subsidiary	-	243,200
Interest income	42,337	10,546
PIC and other government grants	46,243	4,923
Venue rental	34,474	21,996
Others	6,874	25,530
	<u>133,302</u>	<u>306,195</u>

**6. Impairment of goodwill**

The impairment of goodwill pertains to one-off write down of goodwill arises from acquisition of a subsidiary in FY2017.

**7. Income tax expense**

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

**8VIC Holdings Limited (formerly known as Digimatic Group Ltd.) and its subsidiaries**  
**Notes to the Condensed Interim Financial Statements**  
**For the six months ended 30 September 2018**

**8. Discontinued operations and disposal group classified as held-for-sale**

On 1 October 2018, the Company completed the sale of four of its subsidiaries Digimatic Media Private Limited, Digimatic Creatives Pte. Ltd., WEWE Media Group Pte. Ltd. and Webbynomics Pte. Ltd. (together, "Digital and Marketing Businesses" or "Disposal Group") for a consideration of 3,031,974 Company's shares at A\$0.66 per share (the "Consideration Share").

(a) The result of the discontinued operations and the re-measurement of the Disposal Group are as follows:

	<b>Half-year- ended 30.09.2018</b>
	<b>S\$</b>
Revenue	9,527,680
Expenses	(9,184,207)
Profit from discontinued operations, net of tax	343,473
Loss on remeasurement of assets held for sale	(883,168)
Loss from discontinued operations, net of tax	<u>(539,695)</u>

(b) The impact of the discontinued operations on the cash flows of the Group is as follows:

	<b>Half-year-ended 30.09.2018</b>
	<b>S\$</b>
Operating cash outflows	(208,287)
Investing cash outflows	(763,821)
Financing cash outflows	207,322
Net cash outflows	<u>(764,786)</u>

(c) Details of the assets in Disposal Group classified as held for sale are as follows:

	<b>30.09.2018</b>
	<b>S\$</b>
Cash and cash equivalents	3,108,243
Trade and other receivables	2,139,986
Inventories	962,557
Plant and equipment	257,275
Financial assets, at FVOCI	100,000
	<u>6,568,061</u>

(d) Detail of the liabilities directly associated with Disposal Group classified as held for sale are as follows:

	<b>30.09.2018</b>
	<b>S\$</b>
Trade and other payables	2,337,036
Current income tax liabilities	82,724
Contractual liabilities	1,600,276
Deferred income tax liabilities	89,591
	<u>4,109,627</u>

**8VIC Holdings Limited (formerly known as Digimatic Group Ltd.) and its subsidiaries**  
**Notes to the Condensed Interim Financial Statements**  
**For the six months ended 30 September 2018**

**8. Discontinued operations and disposal group classified as held-for-sale (continued)**

Immediately after the classification of Digimatic Media Private Limited, Digimatic Creatives Pte. Ltd., Wewe Media Group Pte. Ltd. and Webbynomics Pte. Ltd. as a discontinued operation, an impairment loss of S\$883,168 (2017: Nil) was recognised to reduce the carrying amount of the assets in the disposal group to the fair value less costs to sell. This amount was included as part of the “Loss from discontinued operations, net of tax”.

**9. 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 period.

The following table reflect the profit and share data used in the computation of basic and diluted earnings per share for the periods ended 30 September 2018 and 2017:

	<u>30.09.2018</u>	<u>30.09.2017</u>
	S\$	S\$
(Loss)/profit net of tax used in the computation of earnings per share	<u>(2,917,525)</u>	<u>1,077,861</u>
	<u>30.09.2018</u>	<u>30.09.2017</u>
	No. of shares	No. of shares
Weighted average number of ordinary shares	<u>43,577,600</u>	<u>30,504,320</u>

**10. Intangible assets**

	<u>Goodwill</u>	<u>Trademark</u>	<u>Total</u>
	S\$	S\$	S\$
<b>Group</b>			
<b>Cost</b>			
At 1 April 2017	1,554,542	-	1,554,542
Additions	-	9,616	9,616
Completion of Reverse Takeover	544,793	38,007	582,800
Acquisition of subsidiaries	49,659	-	49,659
Currency realignment	-	(336)	(336)
At 31 March 2018	<u>2,148,994</u>	<u>47,287</u>	<u>2,196,281</u>
Additions	-	1,849	1,849
Written off on discontinued operation	(563,981)	(49,136)	(613,117)
Impairment	(1,585,013)	-	(1,585,013)
At 30 September 2018	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net carrying amount</b>			
At 31 March 2018	<u>2,148,994</u>	<u>47,287</u>	<u>2,196,281</u>
At 30 September 2018	<u>-</u>	<u>-</u>	<u>-</u>

**8VIC Holdings Limited (formerly known as Digimatic Group Ltd.) and its subsidiaries**  
**Notes to the Condensed Interim Financial Statements**  
**For the six months ended 30 September 2018**

**10. Intangible assets (continued)**

Goodwill

Goodwill acquired through business combinations have been allocated to three cash-generating units (CGU):

	<u>30.09.2018</u>	<u>31.03.2018</u>
	S\$	S\$
Education	-	1,585,013
Media	-	544,793
Ecommerce	-	19,188
	<u>                    </u>	<u>                    </u>

Trademark

Trademark relates to the brands that the Group has registered in Singapore.

**11. Investment in associated company**

The Group's investment in associated company is as follow:

	<u>30.09.2018</u>	<u>31.03.2018</u>
	S\$	S\$
8Bit Global Pte. Ltd. (formerly known as 8I Media Pte. Ltd.)	<u>402,531</u>	<u>-</u>

Name of associated company	Country of incorporation	Principal activities	Proportion (%) of ownership interest	
			30.09.2018	31.03.2018

***Held through 8VIC Global Pte. Limited:***

8Bit Global Pte. Ltd. (formerly known as 8I Media Pte. Ltd.)	Singapore	Computer programming and data processing and hosting	44.4%	-
--	-----------	--	-------	---

The carrying amount of investment in an associated company has changed as follows in the financial period up to 30 September 2018:

	<u>30.09.2018</u>	<u>31.03.2018</u>
	S\$	S\$
Cost of investment	400,000	-
Share of profit of associated company	2,531	-
As at end of period	<u>402,531</u>	<u>-</u>

**8VIC Holdings Limited (formerly known as Digimatic Group Ltd.) and its subsidiaries**  
**Notes to the Condensed Interim Financial Statements**  
**For the six months ended 30 September 2018**

**12. Trade and other receivables**

	<u>30.09.2018</u>	<u>31.03.2018</u>
	S\$	S\$
Trade receivables		
- related company	-	310
- third parties	461,219	1,722,794
	<u>461,219</u>	<u>1,723,104</u>
Less: Credit loss allowance	(2,539)	(88,606)
Trade receivables (net)	<u>458,680</u>	<u>1,634,498</u>
Amount due from related companies	67,351	-
Other receivables	327,999	203,723
Deposits	373,752	708,437
Loan to staff	-	200,000
Unbilled revenue	-	571,147
	<u>1,227,782</u>	<u>3,317,805</u>

*Trade receivables*

Trade receivables are unsecured, non-interest bearing and are generally on 0-60 days (31.3.2018: 0-180 days) term.

**13. Trade and other payables**

	<u>30.09.2018</u>	<u>31.03.2018</u>
	S\$	S\$
Trade payables		
- related companies	-	2,305
- third parties	360,445	631,526
Other payables	255,410	510,154
Accruals	1,064,459	1,763,048
Amount due to directors	-	18,852
GST payable	100,875	200,585
	<u>1,781,189</u>	<u>3,126,470</u>

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

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

**14. Contractual liabilities**

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

**8VIC Holdings Limited (formerly known as Digimatic Group Ltd.) and its subsidiaries**  
**Notes to the Condensed Interim Financial Statements**  
**For the six months ended 30 September 2018**

---

**15. Contingent liabilities**

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

**16. 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\$
<b>As at 30 September 2018</b>			
<b>Financial assets:</b>			
Financial assets, at FVPL	177,172	-	-
Financial assets, at FVOCI	4,834	-	-
	<u>182,006</u>	<u>-</u>	<u>-</u>
<b>As at 31 March 2018</b>			
<b>Financial assets:</b>			
Financial assets, at FVPL	177,865	-	-
Financial assets, at FVOCI	7,225	-	100,000
	<u>185,090</u>	<u>-</u>	<u>100,000</u>

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.

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

**16. Fair values of assets and liabilities (continued)**

*Other receivables, cash and cash equivalents 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.

**17. Segment information**

For management purposes, the Group is organised into business units based on their products and services. The segment information for the reportable segments is as follows:

**Education:** involved in financial education and training providers in Asia, via its flagship courses “Value Investing Bootcamp”, which focus on educating its students on the principles and techniques of value investing.

**Discontinued operations and disposal group classified as held-for-sale:**

- i. **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.
- ii. **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.
- iii. **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.

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



8VIC Holdings Limited (formerly known as Digimatic Group Ltd.) and its subsidiaries  
Notes to the Condensed Interim Financial Statements  
For the six months ended 30 September 2018

17. Segment information (continued)

	Education	Discontinued operations and disposal group classified as held-for- sale	Corporate	Adjustments and eliminations	Per consolidated financial statements
	S\$	S\$	S\$	S\$	S\$
<b>30 September 2018</b>					
<b>Revenue</b>					
External customers	7,943,972	9,527,680	144,429	(9,527,680)	8,088,401
Inter-segment	-	282,541	-	(282,541)	-
	<u>7,943,972</u>	<u>9,810,221</u>	<u>144,429</u>	<u>(9,810,221)</u>	<u>8,088,401</u>
Impairment of goodwill	(1,585,013)	-	-	-	(1,585,013)
Segment profit/(loss)	<u>(1,820,513)</u>	<u>(539,695)</u>	<u>(336,559)</u>	<u>(5,819)</u>	<u>(2,702,586)</u>
<b>Assets:</b>					
Investment in associate	402,531	-	-	-	402,531
Additions to non-current assets	20,764	79,096	-	-	99,860
Segment asset	<u>9,017,211</u>	<u>6,568,061</u>	<u>7,629,557</u>	<u>(5,817,542)</u>	<u>17,397,287</u>
<b>Liabilities:</b>					
Segment liabilities	<u>4,662,547</u>	<u>4,109,627</u>	<u>65,859</u>	<u>-</u>	<u>8,838,033</u>

Segment performance for the financial period ended 30 September 2017 is not prepared as the consolidated financial statements for the financial period ended 30 September 2017 represents the whole Education segment.

**8VIC Holdings Limited (formerly known as Digimatic Group Ltd.) and its subsidiaries**  
**Notes to the Condensed Interim Financial Statements**  
**For the six months ended 30 September 2018**

**18. Dividends**

	<b>Group</b>	
	<u>30.09.2018</u>	<u>31.03.2018</u>
	S\$	S\$
<b>Dividends declared during the financial year:</b>		
<i>Dividends on ordinary shares:</i>		
Final exempt (one-tier) dividend in respect of prior financial years:		
Nil (2018: S\$1.8152866) per share	-	3,900,000
Interim exempt (one-tier) dividend:		
Nil (2017: S\$0.232729) per share	-	500,000
	<u>-</u>	<u>4,400,000</u>

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.

**19. Events occurring after the reporting period**

On 1 October 2018, the Company completed the disposal of four of its subsidiaries, Digimatic Media Private Limited, Digimatic Creatives Pte. Ltd., WEWE Media Group Pte. Ltd. and Webbynomics Pte. Ltd. (together, "Digital and Marketing Business"), which has been classified as discontinued operation (Note 8) as at 30 September 2018, for a consideration of 3,031,974 Company shares at AUS\$0.66 per share.

## Information

<b>Directors</b>	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)
<b>Company Secretary (Singapore)</b>	Ms Amanda Thum Sook Fun
<b>Company Secretary (Australia) Compliance Manager (Australia)</b>	SmallCap Corporate Pty Ltd Suite 6, 295 Rokeby Road Subiaco WA 6008
<b>Registered office (Singapore)</b>	47 Scotts Road #03-03/04 Goldbell Towers Singapore 228233
<b>Registered office (Australia)</b>	SmallCap Corporate Pty Ltd Suite 6, 295 Rokeby Road Subiaco WA 6008
<b>Principal place of business</b>	47 Scotts Road #03-03/04 Goldbell Towers Singapore 228233
<b>Share registrar</b>	Link Market Services Limited Level 4, Central Park 152-158 St Georges Terrace Perth WA 6000
<b>Auditors</b>	Kong, Lim & Partners LLP Public Accountants and Chartered Accountants 13A MacKenzie Road Singapore 228676 Partner in charge: Rochelle Santiago
<b>Stock exchange listing</b>	8VIC Holdings Limited (formerly known as Digimatic Group Ltd.)'s shares are listed on the Australian Securities Exchange (ASX code: 8VI)
<b>Website</b>	<a href="http://www.8vicglobal.com">www.8vicglobal.com</a>





**8VIC Holdings Limited**

(Incorporated in the Republic of Singapore)  
Company Registration Number: 201505599H  
ARBN 605 944 198

[www.8vicglobal.com](http://www.8vicglobal.com)

**Singapore**

Goldbell Towers, 47 Scotts Road, #03-03/04, Singapore 228233

T: +65 6225 8480 F: +65 6235 0332

**Australia**

C/- SmallCap Corporate Pty Ltd, Suite 6, 295 Rokeby Road, Subiaco WA, Australia, 6008

T: +61 8 6555 2950 F: +61 8 6166 0261