



**8I HOLDINGS LIMITED  
AND ITS SUBSIDIARIES**

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

**&  
PRELIMINARY FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR  
ENDED 31 MARCH 2023**

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**About 8I Holdings Limited**

**8I** Holdings Limited (“**8IH**” or “the Group”) is an Australian-listed investment holding company engaged in the businesses of Financial Education Technology (“FinEduTech”) and Financial Asset Management.

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

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



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

For the financial year from 1 April 2022 to 31 March 2023

Preliminary final report for the financial year ended 31 March 2023 as required by ASX listing rule 4.3A

## RESULTS FOR ANNOUNCEMENT TO THE MARKET

(All comparisons to financial year ended 31 March 2022)

	2023 S\$	2022 S\$	% Movement
Revenue and investment gain/loss from ordinary activities	13,776,118	28,449,785	(51.6%)
Loss after tax from continuing operations attributable to members	(11,089,283)	(1,265,326)	776.4%
Loss after tax from discontinued operations attributable to members	(2,499,691)	(3,213,535)	(22.2%)
Net loss attributable to members	(13,588,974)	(4,478,861)	203.4%

## EXPLANATION FOR REVENUE AND INVESTMENT GAIN/LOSS FROM ORDINARY ACTIVITIES

The Group experienced a 51.6% drop in revenue and investment gain/loss, decreasing from S\$28,449,785 in the prior financial year to S\$13,766,118 in the current financial year. This decrease can primarily be attributed to the underperformance of the FinEduTech segments, which were adversely affected by the market downturn. A significant number of our products are closely tied to investment courses, and the challenging market conditions led to a decline in demand for our offerings.

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

The net loss attributable to members is mainly attributable to the decline in FinEduTech's revenue as mentioned above, as well as the Group's mark-to-market investment loss of S\$5.2 million in the current financial year. This decline in the value of quoted equity securities investments was primarily caused by a market correction in the global equity market. In addition, the Group has written down its deferred tax assets by S\$0.8 million due to the uncertainty surrounding the Group's ability to utilise these deferred tax assets effectively.

	Amount per share (Singapore cent)	Franked amount per share (Singapore cent)	Tax rate for franking credit
<b>Dividend information</b>			
Final FY2023 dividend per share	Nil	Nil	Nil
		<b>31.3.2023</b>	<b>31.3.2022</b>
<b>Net tangible assets per security</b>		<b>S\$0.045</b>	<b>S\$0.084</b>

This report is based on the Condensed Consolidated Financial Statements which are in the process of being audited by KLP LLP according to Financial Reporting Standards in Singapore.

# OPERATIONS AND FINANCIALS REVIEW

For the financial year ended 31 March 2023



Dear Valued Shareholders,

We hereby present the full-year report for 8I Holdings (“8IH” or the “Group”) for the financial year ended 31 March 2023 (“FY2023”). It has been a year marked by significant macro-economic challenges and shifting market conditions, resulting in depressed performance for the Group.

## **Global Inflation and Economic Uncertainty**

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

## **Financial Performance**

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

The net loss attributable to members is mainly attributable to the decline in FinEduTech’s revenue as mentioned above, as well as the Group’s market-to-market investment loss of S\$5.2 million in the current financial year. This decline in the value of quoted equity securities investments was primarily caused by a market correction in the global equity market. In addition, the Group has written down its deferred tax assets by S\$0.8 million due to the uncertainty surrounding the Group’s ability to utilise these deferred tax assets effectively.

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

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

## **Business Segments**

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



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

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

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



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

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

# OPERATIONS AND FINANCIALS REVIEW

For the financial year ended 31 March 2023



## Financial Education VI College

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

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



## Financial Advisory Vastus Wealth & VI FIN

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

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

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



## Financial Asset Management VI Fund Management Pte Ltd

### Funds Closure and Consolidation of Asset Management Activities

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

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

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

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

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

# OPERATIONS AND FINANCIALS REVIEW

For the financial year ended 31 March 2023



## VI Quant US

### I. Introduction

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

### II. Performance Analysis

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

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

### III. Risk Analysis

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



## VI Fund (Asia)

### I. Introduction

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

### II. Performance Analysis

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

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

### III. Risk Analysis

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

## Conclusion

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

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

Thank you for your continued trust and support.

# CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the financial year ended 31 March 2023

	Note	2023 S\$	2022 S\$ Restated
<b>Continuing operations</b>			
<b>Revenue</b>		<b>16,299,675</b>	31,353,141
Investment losses		(2,533,557)	(2,903,356)
Cost of sales and services		(8,574,814)	(7,375,444)
<b>Gross profit</b>		<b>5,191,304</b>	21,074,341
Other gains		35,459	8,694
Other income		561,626	1,698,515
Expenses			
- Administrative expenses		(9,916,952)	(11,165,729)
- Marketing and other operating expenses		(8,108,944)	(12,469,197)
- Finance costs		(145,211)	(112,560)
Loss before income tax		(12,382,718)	(965,936)
Income tax (expense)/credit		(773,783)	311,098
<b>Loss from continuing operations</b>		<b>(13,156,501)</b>	(654,838)
<b>Discontinued operations</b>			
Loss from discontinued operations (net of tax)	1	(2,499,691)	(3,213,535)
<b>Loss for the year</b>		<b>(15,656,192)</b>	(3,868,373)
Other comprehensive (loss)/income:			
Items that may be reclassified subsequently to profit or loss:			
- Currency translation differences arising from consolidation		(121,324)	89,658
Items that will not be reclassified subsequently to profit or loss:			
- Fair value losses - financial assets, at FVOCI		(769,387)	(402)
Other comprehensive (loss)/income, net of tax		(890,711)	89,256
<b>Total comprehensive loss for the year</b>		<b>(16,546,903)</b>	(3,779,117)
Loss attributable to:			
- Owners of the Company			
- from continuing operations		(11,089,283)	(1,265,326)
- from discontinued operations		(2,499,691)	(3,213,535)
- Non-controlling interests		(2,067,218)	610,488
		(15,656,192)	(3,868,373)
Total comprehensive loss attributable to:			
- Owners of the Company			
- from continuing operations		(11,871,544)	(1,243,189)
- from discontinued operations		(2,600,648)	(3,141,727)
- Non-controlling interests		(2,074,711)	605,799
		(16,546,903)	(3,779,117)
Loss per share for profit from continuing and discontinued operations attributable to owners of the Company (\$ per share)			
Basic earnings			
- From continuing operations		(0.0310)	(0.0035)
- From discontinued operations		(0.0070)	(0.0090)
Diluted earnings			
- From continuing operations		(0.0310)	(0.0033)
- From discontinued operations		(0.0070)	(0.0084)

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

# CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 March 2023

	31 March 2023 S\$	31 March 2022 S\$ Restated	1 April 2021 S\$ Restated
<b>ASSETS</b>			
<b>Current assets</b>			
Cash and cash equivalents	20,406,271	26,348,010	26,819,650
Financial assets, at FVPL	3,500,664	24,355,600	24,868,213
Trade and other receivables	3,585,534	3,881,715	2,153,261
Current income tax asset	535,868	350,828	-
	<b>28,028,337</b>	<b>54,936,153</b>	<b>53,841,124</b>
<b>Non-current assets</b>			
Other receivables	-	-	351,900
Property, plant and equipment	5,902,486	6,907,327	1,450,709
Development of software	1,684,011	1,425,352	790,401
Financial assets, at FVOCI	895,692	1,308,682	1,275,182
Deferred income tax assets	-	893,704	296,355
	<b>8,482,189</b>	<b>10,535,065</b>	<b>4,164,547</b>
<b>Total assets</b>	<b>36,510,526</b>	<b>65,471,218</b>	<b>58,005,671</b>
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Trade and other payables	2,300,366	3,494,663	4,115,165
Lease liabilities	764,607	712,505	798,089
Bank borrowing	342,513	337,463	-
Current income tax liabilities	184,100	588,142	1,053,178
Unearned revenue	8,731,221	13,301,650	9,521,393
Redeemable participating shares	-	7,383,512	5,359,489
	<b>12,322,807</b>	<b>25,817,935</b>	<b>20,847,314</b>
<b>Non-current liabilities</b>			
Lease liabilities	3,489,124	4,087,895	73,625
Bank borrowing	57,086	393,707	-
Unearned revenue	1,296,564	249,867	233,789
Deferred income tax liabilities	56,496	129,302	4,000
	<b>4,899,270</b>	<b>4,860,771</b>	<b>311,414</b>
<b>Total liabilities</b>	<b>17,222,077</b>	<b>30,678,706</b>	<b>21,158,728</b>
<b>NET ASSETS</b>	<b>19,288,449</b>	<b>34,792,512</b>	<b>36,846,943</b>
<b>EQUITY</b>			
<b>Capital and reserves attributable to owners of the Company</b>			
Share capital	33,731,412	33,731,412	33,972,254
Treasury shares	(209,883)	(209,883)	-
Other reserves	(14,858,601)	(12,446,325)	(14,122,248)
(Accumulated losses)/retained profits	(786,302)	10,406,223	14,885,084
	<b>17,876,626</b>	<b>31,481,427</b>	<b>34,735,090</b>
<b>Non-controlling interests</b>	<b>1,411,823</b>	<b>3,311,085</b>	<b>2,111,853</b>
<b>Total equity</b>	<b>19,288,449</b>	<b>34,792,512</b>	<b>36,846,943</b>

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

# CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the financial year ended 31 March 2023

## Attributable to owners of the Company

	Share capital	Treasury shares	Fair value reserve	Currency translation reserve	Capital reserve	Employee share plan reserve	Retained Profits/ (accumulated losses)	Total	Non-controlling interests	Total equity
	S\$	S\$	S\$	S\$	S\$	S\$	S\$	S\$	S\$	S\$
<b>2023</b>										
<b>At 1 April 2022, as previously stated</b>	33,731,412	(209,883)	(11,395,395)	(572,635)	(2,229,579)	1,751,284	11,399,080	32,474,284	3,565,380	36,039,664
Impact of prior period adjustment	-	-	-	-	-	-	(992,857)	(992,857)	(254,295)	(1,247,152)
<b>At 1 April 2022, as restated</b>	33,731,412	(209,883)	(11,395,395)	(572,635)	(2,229,579)	1,751,284	10,406,223	31,481,427	3,311,085	34,792,512
Loss for the year	-	-	-	-	-	-	(13,588,974)	(13,588,974)	(2,067,218)	(15,656,192)
Other comprehensive loss for the year	-	-	(769,387)	(113,831)	-	-	-	(883,218)	(7,493)	(890,711)
<b>Total comprehensive loss for the year</b>	-	-	(769,387)	(113,831)	-	-	(13,588,974)	(14,472,192)	(2,074,711)	(16,546,903)
Value of employee services	-	-	-	-	-	1,138,548	-	1,138,548	10,797	1,149,345
Waiver of performance rights & options	-	-	-	-	-	(2,326,512)	2,390,871	64,359	(64,359)	-
Dilution of subsidiaries without change in control	-	-	-	-	(335,516)	-	-	(335,516)	202,780	(132,736)
Disposal of subsidiaries	-	-	-	48,567	(54,145)	-	5,578	-	26,231	26,231
<b>Total transactions with owners of the Company, recognised directly in equity</b>	-	-	-	48,567	(389,661)	(1,187,964)	2,396,449	867,391	175,449	1,042,840
<b>End of financial year</b>	33,731,412	(209,883)	(12,164,782)	(637,899)	(2,619,240)	563,320	(786,302)	17,876,626	1,411,823	19,288,449

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



# CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (continued)

For the financial year ended 31 March 2023

## Attributable to owners of the Company

	Share capital	Treasury shares	Fair value reserve	Currency translation reserve	Capital reserve	Employee share plan reserve	Retained profits	Total	Non-controlling interests	Total equity
	S\$	S\$	S\$	S\$	S\$	S\$	S\$	S\$	S\$	S\$
<b>2022</b>										
<b>At 1 April 2021, as previously stated</b>	33,972,254	-	(11,394,993)	(666,982)	(2,339,023)	278,750	15,562,255	35,412,261	2,285,293	37,697,554
Impact of prior period adjustment							(677,171)	(677,171)	(173,440)	(850,611)
<b>At 1 April 2021, as restated</b>	33,972,254	-	(11,394,993)	(666,982)	(2,339,023)	278,750	14,885,084	34,735,090	2,111,853	36,846,943
Loss for the year (restated)	-	-	-	-	-	-	(4,478,861)	(4,478,861)	610,488	(3,868,373)
Other comprehensive (loss)/income for the year	-	-	(402)	94,347	-	-	-	93,945	(4,689)	89,256
<b>Total comprehensive (loss)/income for the year</b>	-	-	(402)	94,347	-	-	(4,478,861)	(4,384,916)	605,799	(3,779,117)
Shares buy-back	(240,842)	(209,883)	-	-	-	-	-	(450,725)	-	(450,725)
Value of employee services	-	-	-	-	59,511	1,734,791	-	1,794,302	218,332	2,012,634
Performance rights of a subsidiary exercised	-	-	-	-	(11,886)	(188,224)	-	(200,110)	200,110	-
Dilution of subsidiaries without change in control	-	-	-	-	(29,686)	-	-	(29,686)	102,463	72,777
Options of a subsidiary issued	-	-	-	-	91,505	(74,033)	-	17,472	72,528	90,000
<b>Total transactions with owners of the Company, recognised directly in equity</b>	(240,842)	(209,883)	-	-	109,444	1,472,534	-	1,131,253	593,433	1,724,686
<b>End of financial year (restated)</b>	33,731,412	(209,883)	(11,395,395)	(572,635)	(2,229,579)	1,751,284	10,406,223	31,481,427	3,311,085	34,792,512

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

# CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the financial year ended 31 March 2023

	2023 S\$	2022 S\$ Restated
<b>Cash flows from operating activities</b>		
Loss before income tax from continuing operations	(12,382,719)	(965,936)
Loss before income tax from discontinued operations	(2,501,539)	(3,210,790)
Loss before income tax	<u>(14,884,258)</u>	<u>(4,176,726)</u>
Adjustments for:		
- Gain on disposal of subsidiaries	(35,459)	-
- Net fair value loss of investment securities held at fair value through profit or loss	2,812,907	3,841,958
- Net loss on disposal of investment securities held at fair value through profit or loss	2,551,800	3,656,499
- Dividend income	(152,224)	(172,228)
- Interest income	(444,643)	(114,601)
- Depreciation of property, plant and equipment	1,628,086	1,861,420
- Amortisation of development of software	1,116,553	623,336
- Property, plant and equipment written off	20,771	20,756
- Bad debt written off	89,727	45,798
- Credit loss allowance	(17,451)	(13,168)
- Finance costs	152,543	116,115
- Employee share plan expense	1,149,345	2,012,634
- Share of loss attributable to the unit holders of redeemable participating shares	(1,577,789)	(2,670,404)
- Non-cash shares compensation to non-controlling interest	250,000	-
- Claim receivable expense off	534,501	-
- Exchange differences	11,710	181,732
	<u>(6,793,881)</u>	<u>5,213,121</u>
Change in working capital, net of effects from disposal of subsidiaries:		
- Trade and other receivables	230,267	(1,409,184)
- Financial assets, at FVPL	15,490,229	(6,985,844)
- Trade and other payables	(1,752,406)	(620,501)
- Unearned revenue	(3,523,732)	3,796,335
Cash generated from/(used in) operations	<u>3,650,477</u>	<u>(6,073)</u>
Interest received	444,643	114,601
Dividend received	152,224	172,228
Income tax paid	(604,251)	(981,166)
<b>Net cash provided by/(used in) operating activities</b>	<u>3,643,093</u>	<u>(700,410)</u>
<b>Cash flows from investing activities</b>		
(Acquisition)/disposal of non-controlling interest without a change in control	(392,446)	5,092
Net proceeds from disposal of subsidiaries	(44,684)	-
Additions to property, plant and equipment	(220,744)	(2,444,916)
Additions to development of software	(1,375,211)	(1,258,287)
Additions of financial assets through other comprehensive income	(356,397)	(34,190)
<b>Net cash used in investing activities</b>	<u>(2,389,482)</u>	<u>(3,732,301)</u>

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

# CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (continued)

For the financial year ended 31 March 2023

	2023 S\$	2022 S\$ Restated
<b>Cash flows from financing activities</b>		
Shares buy-back	-	(450,725)
Payment of principal portion of lease liabilities	(807,685)	(962,324)
Interest paid	(152,543)	(116,115)
Proceeds from exercise of share options	-	90,000
Proceeds from bank borrowing	-	1,000,000
Repayment of bank borrowing	(331,570)	(268,830)
Net proceeds from fund's non-controlling unit holders	(5,386,701)	4,668,573
<b>Net cash (used in)/provided by financing activities</b>	<b>(6,678,499)</b>	<b>3,960,579</b>
<b>Net decrease in cash and cash equivalents</b>	<b>(5,424,888)</b>	<b>(472,132)</b>
<b>Cash and cash equivalents</b>		
Beginning of financial year	26,348,010	26,819,650
Effects of currency translation on cash and cash equivalents	(516,851)	492
<b>End of financial year</b>	<b>20,406,271</b>	<b>26,348,010</b>

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

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2023

## 1. Discontinued operations

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

The results of the discontinued operations are as follows:

	Group	
	2023	2022
	S\$	S\$
Investment losses	<b>(2,678,926)</b>	(4,422,873)
Expenses	<b>(1,400,402)</b>	(1,458,322)
Share of loss attributable to the unit holders of redeemable participating shares	<b>1,577,789</b>	2,670,405
Loss before tax from discontinued operations	<b>(2,501,539)</b>	(3,210,790)
Income tax (expense)/credit	<b>1,848</b>	(2,745)
Loss after tax from discontinued operations	<b>(2,499,691)</b>	(3,213,535)

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

During the preparation of the Group's consolidated financial statements for the current year, a review of the prior year's financial statements was conducted, revealing an under provision of sale and service tax and income tax liabilities of its subsidiaries. As a result, a restatement of the prior year's financial statements was necessary to rectify these misstatements and to ensure accuracy of financial reporting.

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

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

### Group

	Previously reported 2022 S\$	Effect of restatement S\$	As restated 2022 (Included discontinued operations) S\$
<b>Condensed consolidated statement of comprehensive income (extract)</b>			
Marketing and other operating expenses	12,286,030	396,541	12,682,571

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2023

## 2. Correction of prior period adjustments due to under provision of sale and service tax and income tax (continued)

	Previously reported 31 March 2022 S\$	Effect of restatement S\$	As restated 31 March 2022 S\$
<b>Condensed consolidated statement of financial position (extract)</b>			
Trade and other payables	2,385,653	659,010	3,494,663
Current income tax liabilities	-	588,142	588,142
Retained profits	11,399,080	(992,857)	10,406,223
Non-controlling interests	3,565,380	(254,295)	3,311,086
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	Previously reported 1 April 2021 S\$	Effect of restatement S\$	As restated 1 April 2021 S\$
<b>Condensed consolidated statement of financial position (extract)</b>			
Trade and other payables	3,852,696	262,469	4,115,165
Current income tax liabilities	465,036	588,142	1,053,178
Retained profits	15,562,255	(677,171)	14,885,087
Non-controlling interests	2,285,293	(173,439)	2,111,854
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	Previously reported 2022 S\$	Effect of restatement S\$	As restated 2022 S\$
<b>Condensed consolidated statement of cash flows (extract)</b>			
Loss before income tax	(3,780,185)	(396,541)	(4,176,726)
Change in trade and other payables	(1,017,042)	396,541	(620,501)
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There is no restatement to the financial statements of the Company.