

**FULL YEAR FINANCIAL RESULTS AND DIVIDEND ANNOUNCEMENT**

**INFORMATICS EDUCATION LTD**

(Company Registration number: 198303419G)

The Board of Directors of Informatics Education Ltd is pleased to announce the  
unaudited consolidated results for the financial year ended 31 March 2018 :-

- 1 (a) An income statement and statement of comprehensive income, or a statement of comprehensive income, for the group, together with a comparative statement for the corresponding period of the immediately preceding financial year.

|   | Group<br>S\$'000      |                       | %      |
|---|-----------------------|-----------------------|--------|
|   | FY2018                | FY2017                | Change |
| <b>Revenue</b>                                | 8,832                 | 10,800                | -18%   |
| Other operating income                        | 132                   | 212                   | -38%   |
| Staff costs                                   | (6,879)               | (7,862)               | -13%   |
| Depreciation of property, plant and equipment | (236)                 | (200)                 | 18%    |
| Other operating expenses                      | (7,677)               | (8,559)               | -10%   |
| Interest income                               | 7                     | 110                   | -94%   |
| <b>Loss before taxation</b>                   | <u>(5,821)</u>        | <u>(5,499)</u>        | 6%     |
| Taxation                                      | (5)                   | (7)                   | -29%   |
| <b>Loss for the year</b>                      | <u><u>(5,826)</u></u> | <u><u>(5,506)</u></u> | 6%     |
| <b>Loss attributable to :</b>                 |                       |                       |        |
| Equity holders of the Company                 | <u><u>(5,826)</u></u> | <u><u>(5,506)</u></u> | 6%     |

**Consolidated Statement of Comprehensive income**

|  | Group<br>S\$'000      |                       | %      |
|--|-----------------------|-----------------------|--------|
|  | FY2018                | FY2017                | Change |
| <b>Loss for the year</b>   | (5,826)               | (5,506)               | 6%     |
| <b>Other comprehensive income :</b>                                  |                       |                       |        |
| <b>Items that may be reclassified subsequently to profit or loss</b> |                       |                       |        |
| Foreign currency translation   | <u>300</u>            | <u>56</u>             | N/M    |
| Other comprehensive income for the financial year, net of tax        | <u>300</u>            | <u>56</u>             | N/M    |
| <b>Total comprehensive income for the financial year</b>             | <u><u>(5,526)</u></u> | <u><u>(5,450)</u></u> | 1%     |
| <b>Total comprehensive income attributable to :</b>                  |                       |                       |        |
| Equity holders of the Company  | <u><u>(5,526)</u></u> | <u><u>(5,450)</u></u> | 1%     |

| Group<br>S\$'000 |        | %      |
|------------------|--------|--------|
| FY2018           | FY2017 | Change |

1 (a)(i) **Notes to income statement**

**Loss is stated after charging / (crediting) :**

|  |       |       |       |
|--|-------|-------|-------|
| Allowance / (write-back) for doubtful debts                    | 207   | (38)  | N/M   |
| (Write-back) / written-off for bad debts                       | (19)  | 2     | N/M   |
| Impairment loss of property, plant and equipment               | 101   | 119   | -15%  |
| Impairment loss of intangible assets                           | 230   | -     | N/M   |
| Net loss / (gain) on disposal of property, plant and equipment | 1     | (4)   | N/M   |
| Loss on liquidation of a subsidiaries                          | -     | 12    | -100% |
| Foreign exchange loss, net                                     | 363   | 38    | N/M   |
| Operating lease expenses                                       | 1,794 | 2,184 | -18%  |

- (a)(ii) Other operating income decreased by \$80,000 or 38% mainly due to a decrease of Productivity and Innovation Credits (PIC) and other government grants received by the Singapore subsidiaries in the current year.
- (a)(iii) Staff costs decreased by \$1.0 million or 13% to \$6.9 million, mainly due to headcount reduction for Singapore, as compared to prior year.
- (a)(iv) Depreciation of property, plant and equipment increased by \$36,000 or 9% to \$236,000, mainly due to premises improvement to consolidate the corporate office in Singapore in the first quarter of the current financial year in order to reduce operating lease expenses.
- (a)(v) Other operating expenses decreased by \$882,000 or 10% to \$7.7 million as compared with prior year. The decrease was attributed by lower cost of sales (assessment cost and university fees) and rental.
- (a)(vi) Interest income decreased by \$103,000 or 94% due to a lower cash held as fixed deposit balance, as compared to prior year.
- (a)(vii) Allowance for doubtful debts increased by \$245,000 as compared to prior year. The increase was mainly attributed to higher aged receivables for the United Kingdom operations.
- (a)(viii) Impairment loss of property, plant and equipment decrease by \$18,000 or 15% to \$101,000 as compared to prior year. This was due to the recoverable amount of assets being lesser than the carrying amount.
- (a)(ix) Impairment loss of intangible assets was \$230,000, mainly due to the recoverable amount of an application software being lesser than the carrying amount.
- (a)(x) Foreign exchange loss of \$363,000 was due to unfavorable foreign exchange rate movement for overseas subsidiaries' operation, as compared to prior year.
- (a)(xi) Operating lease expenses decreased by \$390,000 or 18% to \$1.8 million as compared to prior year. This was mainly due to the consolidation of the corporate office in Singapore during the financial year.
- (a)(xii) The group recorded \$300,000 in currency translation gain arising from consolidation of foreign operations.

(b)(i) **A statement of financial position (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year.**

|   | Group<br>S\$'000<br>31.03.2018 | Group<br>S\$'000<br>31.03.2017 | Change<br>% | Company<br>S\$'000<br>31.03.2018 | Company<br>S\$'000<br>31.03.2017 | Change<br>% |
|---|--------------------------------|--------------------------------|-------------|----------------------------------|----------------------------------|-------------|
| <b>NON-CURRENT ASSETS</b>                                   |                                |                                |             |                                  |                                  |             |
| Property, plant and equipment                               | 184                            | 364                            | -49%        | 25                               | 135                              | -81%        |
| Intangible assets   | 38                             | 181                            | -79%        | -                                | -                                | -           |
| Investment in subsidiaries                                  | -                              | -                              | -           | -                                | 4,820                            | -100%       |
| Other Investments   | -                              | -                              | -           | -                                | -                                | -           |
|   | 222                            | 545                            | -59%        | 25                               | 4,955                            | -99%        |
| <b>CURRENT ASSETS</b>                                       |                                |                                |             |                                  |                                  |             |
| Prepayments   | 344                            | 585                            | -41%        | 126                              | 137                              | -8%         |
| Trade and other receivables                                 | 1,400                          | 2,358                          | -41%        | 238                              | 2,371                            | -90%        |
| Restricted cash at bank                                     | 138                            | 138                            | -           | -                                | -                                | -           |
| Cash and cash equivalents                                   | 3,137                          | 8,403                          | -63%        | 334                              | 258                              | 29%         |
|   | 5,019                          | 11,484                         | -56%        | 698                              | 2,766                            | -75%        |
| <b>CURRENT LIABILITIES</b>                                  |                                |                                |             |                                  |                                  |             |
| Deferred income and fees                                    | 400                            | 565                            | -29%        | 24                               | 42                               | -43%        |
| Trade and other payables                                    | 2,581                          | 3,618                          | -29%        | 5,873                            | 6,664                            | -12%        |
| Provision for reinstatement cost                            | 171                            | 230                            | -26%        | 89                               | 148                              | -40%        |
| Income tax payable  | -                              | 1                              | -100%       | -                                | -                                | -           |
|   | 3,152                          | 4,414                          | -29%        | 5,986                            | 6,854                            | -13%        |
| <b>NET CURRENT ASSETS / (LIABILITIES)</b>                   | 1,867                          | 7,070                          | -74%        | (5,288)                          | (4,088)                          | 29%         |
| <b>TOTAL NET ASSETS / (LIABILITIES)</b>                     | 2,089                          | 7,615                          | -73%        | (5,263)                          | 867                              | N/M         |
| <b>EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY</b> |                                |                                |             |                                  |                                  |             |
| Share capital   | 29,908                         | 29,908                         | -           | 29,908                           | 29,908                           | -           |
| Reserves  | (27,819)                       | (22,293)                       | 25%         | (35,171)                         | (29,041)                         | 21%         |
| <b>TOTAL EQUITY</b>   | 2,089                          | 7,615                          | -73%        | (5,263)                          | 867                              | N/M         |

(b)(ii) **In relation to the aggregate amount of the group's borrowings and debt securities, specify the following as at the end of the current financial period reported on with comparative figures as at the end of the immediately preceding financial year.**

Not Applicable.

1 (c) A statement of cash flows (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.

|   | Group             |                   |
|---|-------------------|-------------------|
|   | S\$'000<br>FY2018 | S\$'000<br>FY2017 |
| <b>Cash flow from operating activities</b>  |                   |                   |
| Loss before taxation  | (5,821)           | (5,499)           |
| Adjustments for :   |                   |                   |
| Depreciation of property, plant and equipment                                     | 236               | 200               |
| Amortisation of intangible assets   | 70                | 19                |
| Net loss / (gain) on disposal of property, plant and equipment                    | 1                 | (4)               |
| Impairment loss of property, plant and equipment                                  | 101               | 119               |
| Impairment loss of intangible assets  | 230               | -                 |
| Allowance / (write-back) for doubtful debts                                       | 207               | (38)              |
| (Write-back) / written-off for bad debts  | (19)              | 2                 |
| Loss on liquidation of a subsidiaries   | -                 | 12                |
| Interest income   | (7)               | (110)             |
| Unrealised exchange loss  | 234               | 123               |
| <b>Operating loss before working capital changes</b>                              | (4,768)           | (5,176)           |
| Decrease / (increase) in prepayments, trade and other receivables                 | 991               | (410)             |
| Decrease in deferred income and fees  | (165)             | (888)             |
| (Decrease) / increase in trade and other payables and provision for reinstatement | (1,096)           | 23                |
| <b>Cash used in operations</b>  | (5,038)           | (6,451)           |
| Interest received   | 27                | 230               |
| Tax paid  | (6)               | (7)               |
| <b>Net cash flows used in operating activities</b>                                | (5,017)           | (6,228)           |
| <b>Cash flow from investing activities</b>  |                   |                   |
| Purchase of property, plant and equipment   | (149)             | (401)             |
| Expenditure on intangible assets  | (155)             | (193)             |
| Proceeds from disposal of property, plant and equipment                           | 5                 | 5                 |
| Withdrawal of fixed deposits  | -                 | 10,000            |
| <b>Net cash flows (used in) / generated from investing activities</b>             | (299)             | 9,411             |
| Net (decrease) / increase in cash and cash equivalents                            | (5,316)           | 3,183             |
| Cash and cash equivalents at the beginning of the financial year                  | 8,403             | 5,286             |
| Effects of exchange rate changes on opening cash and cash equivalents             | 50                | (66)              |
| <b>Cash and cash equivalents at end of the financial year</b>                     | 3,137             | 8,403             |

1 (d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

**Statement of Changes in Equity**

|   | Attributable to equity holders of the Company |                                  |                                   |                              |                            |
|---|---|----------------------------------|-----------------------------------|------------------------------|----------------------------|
|   | Share<br>Capital<br>S\$'000                   | Accumulated<br>Losses<br>S\$'000 | Translation<br>Reserve<br>S\$'000 | Total<br>Reserves<br>S\$'000 | Total<br>Equity<br>S\$'000 |
| <b>Group</b>                                      |   |                                  |                                   |                              |                            |
| <b>At 1 April 2017</b>                            | 29,908  | (20,873)                         | (1,420)                           | (22,293)                     | 7,615                      |
| Loss for the financial year                       | -   | (5,826)                          | -                                 | (5,826)                      | (5,826)                    |
| Other comprehensive income for the financial year | -   | -                                | 300                               | 300                          | 300                        |
| Total comprehensive income for the financial year | -   | (5,826)                          | 300                               | (5,526)                      | (5,526)                    |
| <b>At 31 March 2018</b>                           | 29,908  | (26,699)                         | (1,120)                           | (27,819)                     | 2,089                      |
| <b>At 1 April 2016</b>                            | 29,908  | (15,367)                         | (1,476)                           | (16,843)                     | 13,065                     |
| Loss for the financial year                       | -   | (5,506)                          | -                                 | (5,506)                      | (5,506)                    |
| Other comprehensive income for the financial year | -   | -                                | 56                                | 56                           | 56                         |
| Total comprehensive income for the financial year | -   | (5,506)                          | 56                                | (5,450)                      | (5,450)                    |
| <b>At 31 March 2017</b>                           | 29,908  | (20,873)                         | (1,420)                           | (22,293)                     | 7,615                      |

1 (d)(i)

|   | Share<br>Capital<br>S\$'000 | Accumulated<br>Losses<br>S\$'000 | Total<br>Reserves<br>S\$'000 | Total<br>Equity<br>S\$'000 |
|---|-----------------------------|----------------------------------|------------------------------|----------------------------|
|   | <b>Company</b>              |                                  |                              |                            |
| <b>At 1 April 2017</b>  | 29,908                      | (29,041)                         | (29,041)                     | 867                        |
| Loss for the financial year, representing total comprehensive income for the financial year | -                           | (6,130)                          | (6,130)                      | (6,130)                    |
| <b>At 31 March 2018</b>   | 29,908                      | (35,171)                         | (35,171)                     | (5,263)                    |
| <b>At 1 April 2016</b>  | 29,908                      | (16,150)                         | (16,150)                     | 13,758                     |
| Loss for the financial year, representing total comprehensive income for the financial year | -                           | (12,891)                         | (12,891)                     | (12,891)                   |
| <b>At 31 March 2017</b>   | 29,908                      | (29,041)                         | (29,041)                     | 867                        |

- 1 (d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State the number of shares that may be issued on conversion of all the outstanding convertibles, if any, against the total number of issued shares excluding treasury shares and subsidiary holdings of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year. State also the number of shares held as treasury shares and the number of subsidiary holdings, if any, and the percentage of the aggregate number of treasury shares and subsidiary holdings held against the total number of shares outstanding in a class that is listed as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.

There was no change to the number of ordinary shares since the preceding financial year ended 31 March 2017.

The Company did not have any subsidiary holdings or outstanding share options as at the end of the current financial year and as at the end of the immediate preceding year.

- 1 (d)(iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.

|  | As at end of current financial year ended 31 March 2018 | As at end of financial year ended 31 March 2017 |
|--|---|---|
| Total number of ordinary shares issued | 72,215,467  | 72,215,467                                      |

Note : The Company did not have any treasury shares as at the end of the current financial year and as at the end of the immediate preceding year.

- 1 (d)(iv) A statement showing all sales, transfers, disposal, cancellation and/or use of treasury shares as at the end of the current financial period reported on.

Not Applicable

- 1 (d)(v) A statement showing all sales, transfers, cancellation and/or use of subsidiary holdings as at the end of the current financial period reported on.

Not Applicable

- 2 Whether the figures have been audited or reviewed, and in accordance with which auditing standard or practice.

The figures have not been audited or reviewed by the auditors.

- 3 Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of matter).

Not Applicable

- 4 Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been

The Group has applied the same accounting policies and methods of computation in the financial statements for the current reporting year as compared with the audited financial statements as at 31 March 2017, except for the adoption of the new and revised FRS which are effective for the financial period beginning 1 April

- 5 If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.

The Group has adopted the new and revised FRS, which are effective for its financial year beginning 1 April 2017. The adoption of the new and revised FRS did not result in any material impact on the Group's financial statements.

- 6 Earnings per ordinary share of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends :-

|  | Group  |        | Change |
|--|--------|--------|--------|
|  | FY2018 | FY2017 | %      |
| Earnings per ordinary share  |        |        |        |
| (a) Based on weighted average number of ordinary shares on issue (cents) | (8.07) | (7.62) | 6%     |
| (b) On a fully diluted basis (cents)                                     | (8.07) | (7.62) | 6%     |

Earnings per share for the financial year ended 31 March 2018 was calculated based on weighted average number of 72,215,467 (31 March 2017: 72,215,467) ordinary shares.

Earnings per share for the financial year ended 31 March 2018 computed on a fully dilutive basis is calculated based on the weighted average number of 72,215,467 (31 March 2017: 72,215,467) ordinary shares adjusted for the dilutive effect of share options.

**7 Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the :-**

**(a) current period reported on and (b) immediately preceding financial year**

|   | Group      |            | Change | Company    |            | Change |
|---|------------|------------|--------|------------|------------|--------|
|   | 31.03.2018 | 31.03.2017 | %      | 31.03.2018 | 31.03.2017 | %      |
| Net asset value per ordinary share (cents) based on existing issued share capital as at the end of the financial year | 2.89       | 10.54      | -73%   | (7.29)     | 1.20       | N/M    |

**8 A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following (a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and (b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.**

- (a)(i) The Group recorded a revenue of \$8.8 million, a decrease of \$2 million or 18% as compared with \$10.8 million in prior year. The decrease was mainly due to lower number of students enrolled in Singapore and United Kingdom operations.
- (a)(ii) The Group recorded a loss before tax of \$5.8 million, an increase of \$322,000, or 6% compared with \$5.5 million loss in prior year. This was mainly due to lower revenue, other operating income and interest income. This was partially offset by lower staff costs and operating expenses (explained in 1(a)(iii) and 1(a)(v)).
- (b)(i) The Group's intangible assets decreased by \$143,000, or 79% to \$38,000 as at 31 March 2018. This was due to the amortisation and impairment of software in Singapore and United Kingdom operations.
- (b)(ii) The Company's investment in subsidiaries decreased by \$4.8 million to Nil as at 31 March 2018. This was due to an impairment loss recognised to reduce the investment in a subsidiary to its recoverable amount.
- (b)(iii) A subsidiary is required under Case Trust for Education Scheme to maintain \$138,000 (31 March 2017: \$138,000) in an escrow bank account where tuition fees paid by its international students are held in trust and disbursed by the escrow bank account to the subsidiary. Such balances are excluded from cash and cash equivalents for statement of cash flows presentation.
- (b)(iv) The Group's prepayments decreased by \$241,000 or 41% to \$344,000 as at 31 March 2018, mainly due to utilisation of prepaid university fees and other operating expenses.
- (b)(v) The Group's trade and other receivables decreased by \$1.0 million or 41% to \$1.4 million as at 31 March 2018, mainly due to increase in allowance for doubtful debts and collections made during the current financial year. The Company's trade and other receivables decreased by \$2.1 million or 90% to \$238,000 as at 31 March 2018 due to loan recovery from a subsidiary and the refund of deposit for the rental space from the consolidation of the corporate office in Singapore.
- (b)(vi) The Group's cash and cash equivalents declined by \$5.3 million or 63% to \$3.1 million as at 31 March 2018, mainly due to cash utilisation for operations. The Company's cash and cash equivalents increased by \$76,000 or 29% to \$334,000 as at 31 March 2018, mainly due to refund of rental deposit from the consolidation of the corporate office in Singapore.
- (b)(vii) The Group's deferred income and fees decreased by \$165,000 or 29% to \$400,000 as at 31 March 2018. This is mainly due to lower number of students enrolled in Singapore operations.
- (b)(viii) The Group's trade and other payables decreased by \$1.0 million or 29% to \$2.6 million as at 31 March 2018, mainly due to repayment of creditors, university fees and cost-reduction measures. The Company's trade and other payables decreased by \$791,000 or 12% to \$5.9 million as at 31 March 2018 and this was mainly due to intercompany transactions and efforts to reduce costs.
- (b)(ix) The Group's and Company's provision for reinstatement cost decreased by \$59,000 to \$171,000 and \$89,000 respectively, as at 31 March 2018, due to the consolidation of the corporate office in Singapore during the financial year.
- (b)(x) Both of the Company's net current liabilities and total net liabilities positions stood at \$5.3 million, as at 31 March 2018. During the financial year, declined income from customers due to slowdown in their businesses, unfavourable foreign exchange rate movements and impairment of subsidiaries resulted in the increased deficit.

**9 Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.**

Not Applicable.

**10 A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.**

Please refer to our separate announcement released on 23 May 2018, in relation to the quarterly update given pursuant to Rule 1313(2) of the SGX Listing Manual.

- 11 If a decision regarding dividend has been made :-
- (a) Whether an interim (final) ordinary dividend has been declared (recommended); and  
No
- (b) (i) Amount per share (cents) Not Applicable  
(ii) Previous corresponding period (cents) Not Applicable
- (c) Whether the dividend is before tax, net of tax or tax exempt. If before tax or net of tax, state the tax rate and the country where the dividend is derived. (If the dividend is not taxable in the hands of shareholders, this must be stated).  
Not Applicable
- (d) The date the dividend is payable.  
Not Applicable
- (e) The date on which Registrable Transfers received by the company (up to 5.00 pm) will be registered before entitlements to the dividend are determined.  
Not Applicable

- 12 If no dividend has been declared (recommended), a statement to that effect.

No dividend has been declared or recommended.

- 13 If the Group has obtained a general mandate from shareholders for Interested Person Transactions (IPTs), the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.

No IPT mandate has been obtained and there was no material IPTs during the financial year.

- 14 Confirmation that the issuer has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7.7) under Rule 720 (1).

The Board hereby confirmed that undertakings from all directors and executive officers have been procured for the financial year.

## Part II Additional Information Required for Full Year Announcement

- 15 Segmented revenue and results for business or geographical segments (of the group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediately preceding year.

### Segmental Results

- (a) Business segments

|   | Higher Education<br>\$'000 |                | Corporate Training<br>\$'000 |            | Total<br>\$'000 |                |
|---|----------------------------|----------------|------------------------------|------------|-----------------|----------------|
|   | FY2018                     | FY2017         | FY2018                       | FY2017     | FY2018          | FY2017         |
| <b>Revenue :</b>  |                            |                |                              |            |                 |                |
| Sales to external customers   | 7,486                      | 9,484          | 1,346                        | 1,316      | 8,832           | 10,800         |
| <b>Results :</b>  |                            |                |                              |            |                 |                |
| Other operating income  | 132                        | 212            | -                            | -          | 132             | 212            |
| Interest income   | 7                          | 110            | -                            | -          | 7               | 110            |
| Staff costs   | (6,546)                    | (7,504)        | (333)                        | (358)      | (6,879)         | (7,862)        |
| Depreciation and amortisation   | (296)                      | (215)          | (10)                         | (4)        | (306)           | (219)          |
| Impairment loss of property, plant and equipment                      | (101)                      | (119)          | -                            | -          | (101)           | (119)          |
| Impairment loss of intangible assets                                  | (230)                      | -              | -                            | -          | (230)           | -              |
| Net (loss) / gain on disposal of property, plant and equipment        | (1)                        | 4              | -                            | -          | (1)             | 4              |
| (Allowance) / Write-back for doubtful debts and bad debts written-off | (188)                      | 36             | -                            | -          | (188)           | 36             |
| Operating lease expenses  | (1,643)                    | (2,028)        | (151)                        | (156)      | (1,794)         | (2,184)        |
| Other non-cash (expenses) / income                                    | (16)                       | (230)          | (366)                        | 131        | (382)           | (99)           |
| <b>Segment (loss) / profit before tax</b>                             | <b>(5,365)</b>             | <b>(5,822)</b> | <b>(456)</b>                 | <b>323</b> | <b>(5,821)</b>  | <b>(5,499)</b> |
| <b>Assets :</b>   |                            |                |                              |            |                 |                |
| Additions to non-current assets                                       | 304                        | 592            | -                            | 2          | 304             | 594            |
| Segment assets  | 4,968                      | 11,792         | 273                          | 237        | 5,241           | 12,029         |
| <b>Total assets</b>   |                            |                |                              |            | <b>5,241</b>    | <b>12,029</b>  |
| <b>Liabilities :</b>  |                            |                |                              |            |                 |                |
| Segment liabilities   | 2,992                      | 4,259          | 160                          | 154        | 3,152           | 4,413          |
| Income tax payable  |                            |                |                              |            | -               | 1              |
| <b>Total liabilities</b>  |                            |                |                              |            | <b>3,152</b>    | <b>4,414</b>   |

- (b) Geographical information

|                                  | Revenue          |                  |             | Non-current assets |                  |             |
|----------------------------------|------------------|------------------|-------------|--------------------|------------------|-------------|
|                                  | FY2018<br>\$'000 | FY2017<br>\$'000 | Change<br>% | FY2018<br>\$'000   | FY2017<br>\$'000 | Change<br>% |
| Singapore                        | 1,997            | 3,357            | -41%        | 85                 | 390              | -78%        |
| United Kingdom                   | 5,268            | 5,441            | -3%         | 110                | 152              | -28%        |
| Asia Pacific and others ("APAC") | 1,567            | 2,002            | -22%        | 27                 | 3                | N/M         |
|                                  | <b>8,832</b>     | <b>10,800</b>    | <b>-18%</b> | <b>222</b>         | <b>545</b>       | <b>-59%</b> |

Non-current assets information presented above consist of property, plant and equipment, and intangible assets as presented in the consolidated balance sheet.

- (c) Information about major customers

There are no major customers that contribute more than 10% of the Group's revenue for the financial year ended 31 March 2018 and the financial year ended 31 March 2017.

**16 In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the business or geographical segments.**

(a) Higher Education business revenue decreased by \$2.0 million to \$7.5 million, mainly due to lower students enrollment in the United Kingdom and Singapore.

Corporate Training business revenue increased by \$30,000 mainly due to higher students enrollment for Hong Kong and partially offsetted with lower students enrollment in Singapore.

(b) Revenue in all geographic segments decreased for the current year. APAC's revenue decreased by 22% mainly due to slowdown in customers businesses and unfavorable foreign currency exchange rate movements in the region. The United Kingdom and Singapore operations were both affected by lower students enrollment and declined by 3% and 41% respectively. The United Kingdom operation was further affected by unfavorable foreign currency exchange rate movement

Non-current assets for Singapore decreased by \$305,000 mainly due to the impairment of property, plant and equipment and intangible assets during the year. Non-current assets for United Kingdom decreased by 28% mainly due to the amortisation and impairment of intangible assets during the year. APAC's non-current assets increased by \$24,000, mainly due to the addition of property, plant and equipment.

**17 A breakdown of sales as follow :-**

|   | Group            |                  |             |
|---|------------------|------------------|-------------|
|   | FY2018<br>\$'000 | FY2017<br>\$'000 | Change<br>% |
| Sales reported for first half year                | 4,048            | 4,834            | -16%        |
| Loss after taxation reported for first half year  | (3,728)          | (3,647)          | 2%          |
| Sales reported for second half year               | 4,784            | 5,966            | -20%        |
| Loss after taxation reported for second half year | (2,098)          | (1,859)          | 13%         |

**18 A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year as follow :-**

Not Applicable.

**19 Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704(13) in the format below. If there are no such person, the issuer must make an appropriate negative statement.**

There are currently no persons occupying managerial positions in the Company or any of its principal subsidiaries who are relatives of a director or chief executive officer or substantial shareholder of the Company, except for the following:

| Name                            | Age | Family relationship with any current director and/or substantial shareholder | Current position and duties, and the year the position was held | Details of changes in duties and position held, if any, during the year |
|---------------------------------|-----|--|---|---|
| Dato' Sri Robin Tan Yeong Ching | 44  | Son of Tan Sri Dato' Seri Vincent Tan Chee YOUN, substantial shareholder     | Non-executive Chairman since 2011                               | Not Applicable.   |

**BY ORDER OF THE BOARD**

Yau Su Peng  
Executive Director

23 May 2018  
SINGAPORE