

QUARTERLY 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 period ended 30 September 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.

**Consolidated Statement of Profit and Loss**

	Group			Group		
	Q2 FY2019 S\$'000	Q2 FY2018 Restated # S\$'000	Change %	1H FY2019 S\$'000	1H FY2018 Restated # S\$'000	Change %
<b>Revenue</b>	2,297	2,296	0%	4,210	4,202	0%
Other operating income	72	2	N/M	83	16	N/M
Staff costs	(1,380)	(1,824)	-24%	(2,785)	(3,859)	-28%
Depreciation of property, plant and equipment	(27)	(56)	-52%	(55)	(113)	-51%
Other operating expenses	(1,646)	(2,004)	-18%	(3,106)	(3,889)	-20%
Interest income	-	1	-100%	-	5	-100%
<b>Loss before taxation</b>	(684)	(1,585)	-57%	(1,653)	(3,638)	-55%
Taxation	(1)	(3)	-67%	(1)	(3)	-67%
<b>Loss for the period</b>	(685)	(1,588)	-57%	(1,654)	(3,641)	-55%
<b>Loss attributable to :</b>						
Equity holders of the Company	(685)	(1,588)	-57%	(1,654)	(3,641)	-55%

**Consolidated Statement of Comprehensive Income**

	Group			Group		
	Q2 FY2019 S\$'000	Q2 FY2018 Restated # S\$'000	Change %	1H FY2019 S\$'000	1H FY2018 Restated # S\$'000	Change %
<b>Loss for the period</b>	(685)	(1,588)	-57%	(1,654)	(3,641)	-55%
<b>Other comprehensive income :</b>						
<b>Items that may be reclassified subsequently to profit or loss</b>						
Foreign currency translation	(18)	68	N/M	(140)	102	N/M
Other comprehensive income for the financial period, net of tax	(18)	68	N/M	(140)	102	N/M
<b>Total comprehensive income for the financial period</b>	(703)	(1,520)	-54%	(1,794)	(3,539)	-49%
<b>Total comprehensive income attributable to :</b>						
Equity holders of the Company	(703)	(1,520)	-54%	(1,794)	(3,539)	-49%

# Please refer to explanation in note 5 of this announcement.

Group			Group		
Q2 FY2019	Q2 FY2018	Change	1H FY2019	1H FY2018	Change
S\$'000	Restated # S\$'000	%	S\$'000	Restated # S\$'000	%

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

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

(Write-back) / allowance for doubtful debts	(192)	133	N/M	(29)	121	N/M
Written-off / (write-back) for bad debts	116	-	N/M	122	(19)	N/M
Net gain on disposal of property, plant and equipment	(1)	-	N/M	(1)	-	N/M
Property, plant and equipment written-off	-	1	-100%	16	1	N/M
Foreign exchange (gain) / loss, net	(4)	94	N/M	(167)	138	N/M
Operating lease expenses	331	431	-23%	725	938	-23%

(a)(ii) Other operating income increased by \$70,000 mainly due to government grants received by Singapore operations during the current period.

(a)(iii) Staff costs decreased by \$444,000 (24%) to \$1,380,000 mainly due to headcount reduction for Singapore operations, as compared to prior period.

(a)(iv) Depreciation of property, plant and equipment decreased by \$29,000 (52%) to \$27,000 mainly due to disposal and provision for impairment of property, plant and equipment in second half of prior year FY2018.

(a)(v) Other operating expenses decreased by \$358,000 (18%) to \$1,646,000 as compared with prior period. The decrease was mainly due to lower operating lease expenses (explained in 1(a)(viii)), marketing expenses, and provision for doubtful debts (explained in 1(a)(vi)).

(a)(vi) There was a write-back of allowance for doubtful debts of \$192,000 in the current period, as compared to the provision for doubtful debts of \$133,000 in prior period. The write-back in the provision was mainly attributed to the recognition of bad debts \$116,000 and recovery of debts from aged trade receivables, both for the United Kingdom operation, during the same current period.

(a)(vii) Foreign exchange gain of \$4,000 was due to favorable foreign exchange rate movement for overseas subsidiaries' operation (mainly from Hong Kong operation), as compared to a loss in the prior period.

(a)(viii) Operating lease expenses decreased by \$100,000 (23%) to \$331,000 as compared to prior period. This was mainly due to the further consolidation of the corporate office with the campus in Singapore in the current period.

(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.**

**Statement of Financial Position**

	Group			Company		
	30.09.2018	31.03.2018	Change	30.09.2018	31.03.2018	Change
	S\$'000	Restated # S\$'000	%	S\$'000	S\$'000	%
<b>NON-CURRENT ASSETS</b>						
Property, plant and equipment	121	184	-34%	9	25	-64%
Intangible assets	25	38	-34%	-	-	-
Investment in subsidiaries	-	-	-	-	-	-
Other investments	-	-	-	-	-	-
	146	222	-34%	9	25	-64%
<b>CURRENT ASSETS</b>						
Prepayments	396	344	15%	90	126	-29%
Trade and other receivables	2,165	2,110	3%	213	238	-11%
Restricted cash at bank	138	138	-	-	-	-
Cash and cash equivalents	1,813	3,137	-42%	428	334	28%
	4,512	5,729	-21%	731	698	5%
<b>CURRENT LIABILITIES</b>						
Deferred income and fees	2,348	2,182	8%	-	24	-100%
Trade and other payables	2,485	2,061	21%	6,592	5,873	12%
Provision for reinstatement cost	82	171	-52%	-	89	-100%
	4,915	4,414	11%	6,592	5,986	10%
<b>NET CURRENT (LIABILITIES) / ASSETS</b>	(403)	1,315	N/M	(5,861)	(5,288)	11%
<b>TOTAL NET (LIABILITIES) / ASSETS</b>	(257)	1,537	N/M	(5,852)	(5,263)	11%
<b>EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY</b>						
Share capital	29,908	29,908	-	29,908	29,908	-
Reserves	(30,165)	(28,371)	6%	(35,760)	(35,171)	2%
<b>TOTAL EQUITY</b>	(257)	1,537	N/M	(5,852)	(5,263)	11%

# Please refer to explanation in note 5 of this announcement.

(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.

**Consolidated Statement of Cash Flows**

	Group		Group	
	Q2 FY2019	Q2 FY2018	1H FY2019	1H FY2018
	S\$'000	Restated # S\$'000	S\$'000	Restated # S\$'000
<b>Cash flow from operating activities</b>				
Loss before taxation	(684)	(1,585)	(1,653)	(3,638)
Adjustments for :				
Depreciation of property, plant and equipment	27	56	55	113
Amortisation of intangible assets	7	21	13	38
Net gain on disposal of property, plant and equipment	(1)	-	(1)	-
Property, plant and equipment written-off	-	1	16	1
(Write-back) / allowance for doubtful debts	(192)	133	(29)	121
Written-off / (write-back) for bad debts	116	-	122	(19)
Interest income	-	(1)	-	(5)
Unrealised exchange (gain) / loss	(7)	48	(128)	46
<b>Operating loss before working capital changes</b>	(734)	(1,327)	(1,605)	(3,343)
(Increase) / decrease in prepayments, trade and other receivables	(745)	(557)	(200)	883
Decrease in deferred income and fees	555	482	166	110
Decrease / (increase) in trade and other payables and provision for reinstatement cost	583	(63)	335	(1,023)
<b>Cash used in operations</b>	(341)	(1,465)	(1,304)	(3,373)
Interest received	-	1	-	25
Tax paid	(1)	(3)	(1)	(4)
<b>Net cash flows used in operating activities</b>	(342)	(1,467)	(1,305)	(3,352)
<b>Cash flow from investing activities</b>				
Purchase of property, plant and equipment	(4)	(10)	(9)	(92)
Expenditure on intangible assets	-	-	(2)	-
Proceeds from disposal of property, plant and equipment	4	-	4	-
<b>Net cash flows used in investing activities</b>	-	(10)	(7)	(92)
Net decrease in cash and cash equivalents	(342)	(1,477)	(1,312)	(3,444)
Cash and cash equivalents at the beginning of the financial period	2,164	6,464	3,137	8,403
Effects of exchange rate changes on opening cash and cash equivalents	(9)	12	(12)	40
<b>Cash and cash equivalents at end of the financial period</b>	<b>1,813</b>	<b>4,999</b>	<b>1,813</b>	<b>4,999</b>

# Please refer to explanation in note 5 of this announcement.

- 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**

Group	Attributable to equity holders of the Company				
	Share Capital	Translation Reserve	Accumulated Losses	Total Reserves	Total Equity
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
<b>At 1 April 2018 (SFRS(I)) #</b>	29,908	284	(28,655)	(28,371)	1,537
Loss for the financial period	-	-	(969)	(969)	(969)
Other comprehensive income for the financial period	-	(122)	-	(122)	(122)
Total comprehensive income for the financial period	-	(122)	(969)	(1,091)	(1,091)
<b>At 30 June 2018</b>	29,908	162	(29,624)	(29,462)	446
Loss for the financial period	-	-	(685)	(685)	(685)
Other comprehensive income for the financial period	-	(18)	-	(18)	(18)
Total comprehensive income for the financial period	-	(18)	(685)	(703)	(703)
<b>At 30 September 2018</b>	29,908	144	(30,309)	(30,165)	(257)
<b>At 1 April 2017 (SFRS(I)) #</b>	29,908	-	(22,399)	(22,399)	7,509
Re-stated loss for the financial period	-	-	(2,053)	(2,053)	(2,053)
Other comprehensive income for the financial period (re-stated)	-	34	-	34	34
Total comprehensive income for the financial period (re-stated)	-	34	(2,053)	(2,019)	(2,019)
<b>At 30 June 2017</b>	29,908	34	(24,452)	(24,418)	5,490
Re-stated loss for the financial period	-	-	(1,588)	(1,588)	(1,588)
Other comprehensive income for the financial period (re-stated)	-	68	-	68	68
Total comprehensive income for the financial period (re-stated)	-	68	(1,588)	(1,520)	(1,520)
<b>At 30 September 2017</b>	29,908	102	(26,040)	(25,938)	3,970

# Please refer to explanation in note 5 of this announcement.

- 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. (Continued)

**Statement of Changes in Equity (Continued)**

**Company**

**At 1 April 2018**

Loss for the financial period, representing total comprehensive income for the financial period

**At 30 June 2018**

Loss for the financial period, representing total comprehensive income for the financial period

**At 30 September 2018**

**At 1 April 2017**

Loss for the financial period, representing total comprehensive income for the financial period

**At 30 June 2017**

Loss for the financial period, representing total comprehensive income for the financial period

**At 30 September 2017**

Share Capital S\$'000	Accumulated Losses S\$'000	Total Equity S\$'000
29,908	(35,171)	(5,263)
-	(460)	(460)
29,908	(35,631)	(5,723)
-	(129)	(129)
29,908	(35,760)	(5,852)
29,908	(29,041)	867
-	(1,541)	(1,541)
29,908	(30,582)	(674)
-	(441)	(441)
29,908	(31,023)	(1,115)

- 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 2018.

The Company did not have any subsidiary holdings or outstanding share options as at the end of the current financial period 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 period ended 30 September 2018	As at end of financial year ended 31 March 2018
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 period 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 applied.

The Group has applied the same accounting policies and methods of computation in the financial statements for the current reporting period as compared with the audited financial statements as at 31 March 2018, except for the adoption of the new and revised Singapore Financial Reporting Standard (International) (SFRS(I)) which are effective for the financial period beginning 1 April 2018.

**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 applied the same accounting policies and methods of computation in the presentation of the financial information for the current period as compared with the audited financial statements as at 31 March 2018 except for the adoption of Singapore Financial Reporting Standards (International) (SFRS(I)s).

As required by the listing requirements of the Singapore Exchange, the Group has adopted SFRS(I) framework and the new/revised SFRS(I) applicable for the financial period beginning 1 April 2018 as follows:

- SFRS(I) 1 First-time Adoption of Singapore Financial Reporting Standards (International)
- SFRS(I) 9 Financial Instruments
- SFRS(I) 15 Revenue from Contracts with Customers

a) SFRS(I) 1 First-time Adoption of Singapore Financial Reporting Standards (International)

The Group has elected for the optional exemption to set the cumulative translation differences for all foreign operations to be zero at the date of transition at 1 April 2017.

Please refer to the Statement of Changes in Equity for the Group on pages 6 for further details on the quantum of the respective adjustments made in relation to SFRS(I) 1.

b) SFRS(I) 9 Financial Instruments

SFRS(I) 9 required the Group to record expected credit losses on all of its debt securities, loans, trade receivables and financial guarantees, either on a 12-month or lifetime basis.

The Group has elected to apply the simplified approach and record lifetime expected losses on all trade receivables and is assessed to have no material impact to the results and financial position of the Group and of the Company for the year ended 31 March 2018.

c) SFRS(I) 15 Revenue from Contracts with Customers

SFRS(I) 15 establishes a five-step model to account for revenue arising from contracts with customers, and introduces new contract cost guidance. Under SFRS(I) 15, revenue is recognised at an amount that reflects the consideration which an entity expects to be entitled in exchange for transferring goods or services to a customer.

The Group has elected to apply the changes in accounting policies retrospectively to each reporting year presented, using the full retrospective approach.

Impact on the comparatives for the financial statements of this reporting quarter on adoption of SFRS(I) framework and new/revised accounting standards

**Re-stated FY2018 Consolidated Statement of Profit or Loss**

	Group			Group		
	Q2 FY2018	Effect of	Q2 FY2018	1H FY2018	Effect of	1H FY2018
	S\$'000	SFRS(I) 15	Restated	S\$'000	SFRS(I) 15	Restated
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Revenue	2,577	(281)	2,296	4,048	154	4,202
Other operating income	2		2	16		16
Staff costs	(1,824)		(1,824)	(3,859)		(3,859)
Depreciation of property, plant and equipment	(56)		(56)	(113)		(113)
Other operating expenses	(2,293)	289	(2,004)	(3,822)	(67)	(3,889)
Interest income	1		1	5		5
Loss before taxation	<u>(1,593)</u>		<u>(1,585)</u>	<u>(3,725)</u>		<u>(3,638)</u>
Taxation	(3)		(3)	(3)		(3)
Loss after tax	<u>(1,596)</u>		<u>(1,588)</u>	<u>(3,728)</u>		<u>(3,641)</u>
Loss attributable to :						
Equity holders of the Company	<u>(1,596)</u>		<u>(1,588)</u>	<u>(3,728)</u>		<u>(3,641)</u>

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. (Continued)

Impact on the comparatives for the financial statements of this reporting quarter on adoption of SFRS(I) framework and new/revised accounting standards (Continued)

**Re-stated FY2018 Consolidated Statement of Comprehensive Income**

	Group			Group		
	Q2 FY2018	Effect of	Q2 FY2018	1H FY2018	Effect of	1H FY2018
	S\$'000	SFRS(I) 15	Restated	S\$'000	SFRS(I) 15	Restated
Loss after tax	(1,596)		(1,588)	(3,728)	79	(3,641)
Other comprehensive income :						
Foreign currency translation	68		68	101	1	102
Other comprehensive income for the financial period, net of tax	68		68	101		102
Total comprehensive income for the financial period	(1,528)		(1,520)	(3,627)		(3,539)
Total comprehensive income attributable to : Equity holders of the Company	(1,528)		(1,520)	(3,627)		(3,539)

**Re-stated FY2018 Statement of Financial Position**

	Group		
	31.03.2018	Effect of	31.03.2018
	S\$'000	SFRS(I) 15	Restated
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	184		184
Intangible assets	38		38
Investment in subsidiaries	-		-
Other investments	-		-
	222		222
<b>CURRENT ASSETS</b>			
Prepayments	344		344
Trade and other receivables	1,400	710	2,110
Restricted cash at bank	138		138
Cash and cash equivalents	3,137		3,137
	5,019		5,729
<b>CURRENT LIABILITIES</b>			
Deferred income and fees	400	1,782	2,182
Trade and other payables	2,581	(520)	2,061
Provision for reinstatement cost	171		171
	3,152		4,414
<b>NET CURRENT ASSETS</b>	1,867		1,315
<b>TOTAL NET ASSETS</b>	2,089		1,537
<b>EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY</b>			
Share capital	29,908		29,908
Reserves	(27,819)	(552)	(28,371)
<b>TOTAL EQUITY</b>	2,089		1,537

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. (Continued)

Impact on the comparatives for the financial statements of this reporting quarter on adoption of SFRS(I) framework and new/revised accounting standards (Continued)

**Re-stated FY2018 Consolidated Statement of Cash Flows**

	Group			Group		
	Q2 FY2018 S\$'000	Effect of SFRS(I) 15 S\$'000	Q2 FY2018 Restated S\$'000	1H FY2018 S\$'000	Effect of SFRS(I) 15 S\$'000	1H FY2018 Restated S\$'000
<b>Cash flows from operating activities</b>						
Loss before taxation	(1,593)	8	(1,585)	(3,725)	87	(3,638)
Adjustments for :						
Depreciation of property, plant and equipment	56		56	113		113
Amortisation of intangible assets	21		21	38		38
Net loss on disposal of property, plant and equipment						-
Property, plant and equipment written-off	1		1	1		1
Impairment loss of intangible assets						
Allowance for doubtful debts	133		133	121		121
Write-back for bad debts	-		-	(19)		(19)
Interest income	(1)		(1)	(5)		(5)
Unrealised exchange loss	47	1	48	44	2	46
<b>Operating loss before working capital changes</b>	<b>(1,336)</b>	<b>9</b>	<b>(1,327)</b>	<b>(3,432)</b>	<b>89</b>	<b>(3,343)</b>
Decrease in prepayments, trade and other receivables	(255)	(302)	(557)	883		883
Increase / (Decrease) in deferred income and fees	201	281	482	267	(157)	110
Decrease in trade and other payables and provision for reinstatement cost	(75)	12	(63)	(1,091)	68	(1,023)
<b>Cash used in operations</b>	<b>(1,465)</b>	<b>-</b>	<b>(1,465)</b>	<b>(3,373)</b>	<b>-</b>	<b>(3,373)</b>
Interest received	1		1	25		25
Tax paid	(3)		(3)	(4)		(4)
<b>Net cash flows used in operating activities</b>	<b>(1,467)</b>	<b>-</b>	<b>(1,467)</b>	<b>(3,352)</b>	<b>-</b>	<b>(3,352)</b>
<b>Cash flows from investing activity</b>						
Purchase of property, plant and equipment	(10)		(10)	(92)		(92)
<b>Net cash flows used in investing activity</b>	<b>(10)</b>	<b>-</b>	<b>(10)</b>	<b>(92)</b>	<b>-</b>	<b>(92)</b>
Net decrease in cash and cash equivalents	(1,477)	-	(1,477)	(3,444)	-	(3,444)
Cash and cash equivalents at the beginning of the financial period	6,464		6,464	8,403		8,403
Effects of exchange rate changes on opening cash and cash equivalents	12		12	40		40
<b>Cash and cash equivalents at end of the financial period</b>	<b>4,999</b>	<b>-</b>	<b>4,999</b>	<b>4,999</b>	<b>-</b>	<b>4,999</b>

**Re-stated FY2018 Statement of Changes in Equity**

Group	Attributable to equity holders of the Company				
	Share Capital S\$'000	Translation Reserve S\$'000	Accumulated Losses S\$'000	Total Reserves S\$'000	Total Equity S\$'000
<b>At 31 March 2018 (per audited accounts)</b>	29,908	(1,120)	(26,699)	(27,819)	2,089
Effect of transition to SFRS(I) 1	-	1,416	(1,416)	-	-
Effect of SFRS(I) 15	-	(12)	(540)	(552)	(552)
<b>At 31 March 2018 (SFRS(I))</b>	<b>29,908</b>	<b>284</b>	<b>(28,655)</b>	<b>(28,371)</b>	<b>1,537</b>
<b>At 1 April 2017 (per audited accounts)</b>	29,908	(1,420)	(20,873)	(22,293)	7,615
Effect of transition to SFRS(I) 1	-	1,416	(1,416)	-	-
Effect of SFRS(I) 15	-	4	(110)	(106)	(106)
<b>At 1 April 2017 (SFRS(I))</b>	<b>29,908</b>	<b>-</b>	<b>(22,399)</b>	<b>(22,399)</b>	<b>7,509</b>

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 %
	1H FY2019	1H FY2018	
Earnings per ordinary share			
(a) Based on weighted average number of ordinary shares on issue (cents)	(2.29)	(5.04)	-55%
(b) On a fully diluted basis (cents)	(2.29)	(5.04)	-55%

Earnings per share for the financial period ended 30 September 2018 was calculated based on weighted average number of 72,215,467 (30 September 2017: 72,215,467) ordinary shares.

Earnings per share for the financial period ended 30 September 2018 computed on a fully dilutive basis is calculated based on the weighted average number of 72,215,467 (30 September 2017: 72,215,467) ordinary shares.

**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.**

Net asset value (NAV)	Group		Change %	Company		Change %
	30.09.2018	31.03.2018		30.09.2018	31.03.2018	
NAV per ordinary share (cents)	(0.36)	2.13	N/M	(8.10)	(7.29)	11%

**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 \$2,297,000 for the current period, comparable with \$2,296,000 in prior period.
- (a)(ii) The Group recorded a loss before tax of \$684,000 for the current period, an decrease of \$901,000 (57%) compared with \$1,585,000 loss in prior period. This was mainly due to lower staff costs and operating expenses (explained in 1(a)(iii) and 1(a)(v)).
- (b)(i) The Group's and Company's property, plant and equipment decreased by \$63,000 (34%) and \$16,000 (64%) respectively as at 30 September 2018. The reduction was mainly due to depreciation charges for the current period.
- (b)(ii) The Group's intangible assets, relating to development costs for software for the United Kingdom's operation, decreased by \$13,000 (34%) as at 30 September 2018. This was mainly due to amortisation charges for the current period.
- (b)(iii) The Group's prepayment increased by \$52,000 (15%) to \$396,000 as at 30 September 2018. This was mainly due to prepayment for operating expenses for the United Kingdom and Hong Kong operations. The Company's prepayment decreased by \$36,000 to \$90,000 as at 30 September 2018, mainly due to utilisation of prepaid operating expenses during the current period.
- (b)(iv) The Group's trade and other receivables increased by \$55,000 (3%) to \$2,165,000 as at 30 September 2018, mainly due to increased in net trade receivables and offset with decreased in other receivables in the current period. The Company's trade and other receivables decreased by \$25,000 (11%) to \$213,000 as at 30 September 2018 mainly due to collection from customers.
- (b)(v) A subsidiary is required under Case Trust for Education Scheme to maintain \$138,000 (31 March 2018: \$138,000) in an escrow bank account where course 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)(vi) The Group's cash and cash equivalents decreased by \$1,324,000 (42%) to \$1,813,000 as at 30 September 2018 due to cash utilisation for operations. The Company's cash and cash equivalents increased by \$94,000 (28%) to \$293,000 as at 30 September 2018, due to licensing revenue collected during the current period.
- (b)(vii) The Group's deferred income and fees increased by \$166,000 (8%) to \$2,348,000 as at 30 September 2018. This was mainly due to advanced billing in current period in the United Kingdom operation.
- (b)(viii) The Group's trade and other payables increased by \$424,000 (21%) to \$2,485,000 as at 30 September 2018, mainly due to university fees for the United Kingdom operation. The Company's trade and other payables increased by \$719,000 (12%) to \$6,592,000 as at 30 September 2018, mainly due to increased in intercompany transactions and accrued operating expenses.
- (b)(ix) Provision for reinstatement cost for both the Group and the Company decreased by \$89,000 (52% and 100% respectively) as at 30 September 2018. The Company has further consolidated its Singapore corporate office premises during the current period and utilised the provision.
- (b)(x) As at 30 September 2018, the Group's net current liabilities and total net liabilities positions stood at \$403,000 and \$257,000 respectively. The Company's net current liabilities and total net liabilities positions stood at \$5,861,000 and \$5,852,000 respectively. This was mainly due to slowdown in the business and increase trade and other payables for the Group and the Company.

**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 1 November 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 period.
- 14 **Negative Confirmation pursuant to Rule 705 (5)**  
The Board hereby confirmed that, to the best of their knowledge, nothing has come to the attention of the Board which may render the interim financial results to be false or misleading.
- 15 **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 period.

**BY ORDER OF THE BOARD**

Yau Su Peng  
Executive Director  
1 November 2018