

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 31 December 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 | | |
|-----------------------------------------------|-----------|-----------------------|--------|-----------|-----------|--------|
| | Q3 FY2019 | Q3 FY2018 | Change | 9M FY2019 | 9M FY2018 | Change |
| | S\$'000 | Restated # S\$'000 | | % | S\$'000 | |
| Revenue | 1,850 | 2,130 | -13% | 6,060 | 6,332 | -4% |
| Other operating income | - | 36 | -100% | 83 | 52 | 60% |
| Staff costs | (1,269) | (1,631) | -22% | (4,054) | (5,490) | -26% |
| Depreciation of property, plant and equipment | (24) | (53) | -55% | (79) | (166) | -52% |
| Other operating expenses | (1,351) | (1,827) | -26% | (4,457) | (5,716) | -22% |
| Interest income | 1 | 1 | - | 1 | 6 | -83% |
| Loss before taxation | (793) | (1,344) | -41% | (2,446) | (4,982) | -51% |
| Taxation | (5) | - | N/M | (6) | (3) | 100% |
| Loss for the period | (798) | (1,344) | -41% | (2,452) | (4,985) | -51% |
| Loss attributable to : | | | | | | |
| Equity holders of the Company | (798) | (1,344) | -41% | (2,452) | (4,985) | -51% |

Consolidated Statement of Comprehensive Income

| | Group | | | Group | | |
|----------------------------------------------------------------------|-----------|-----------------------|--------|-----------|-----------|--------|
| | Q3 FY2019 | Q3 FY2018 | Change | 9M FY2019 | 9M FY2018 | Change |
| | S\$'000 | Restated # S\$'000 | | % | S\$'000 | |
| Loss for the period | (798) | (1,344) | -41% | (2,452) | (4,985) | -51% |
| Other comprehensive income : | | | | | | |
| Items that may be reclassified subsequently to profit or loss | | | | | | |
| Foreign currency translation | 93 | 106 | -12% | (47) | 208 | N/M |
| Other comprehensive income for the financial period, net of tax | 93 | 106 | -12% | (47) | 208 | N/M |
| Total comprehensive income for the financial period | (705) | (1,238) | -43% | (2,499) | (4,777) | -48% |
| Total comprehensive income attributable to : | | | | | | |
| Equity holders of the Company | (705) | (1,238) | -43% | (2,499) | (4,777) | -48% |

Please refer to explanation in note 5 of this announcement.

| Group | | | Group | | |
|-----------|-----------------------|--------|-----------|-----------------------|--------|
| Q3 FY2019 | Q3 FY2018 | Change | 9M FY2019 | 9M 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) :

| | | | | | | |
|--------------------------------------------------------------|------|-----|------|-------|-------|------|
| Allowance for doubtful debts | 78 | 120 | -35% | 49 | 241 | -80% |
| (Write-back)/written-off of bad debts | (73) | - | N/M | 49 | (19) | N/M |
| Net (gain)/loss on disposal of property, plant and equipment | (1) | 1 | N/M | (2) | 1 | N/M |
| Property, plant and equipment written-off | - | - | - | 16 | 1 | N/M |
| Foreign exchange loss/(gain), net | 59 | 113 | -48% | (108) | 251 | N/M |
| Operating lease expenses | 299 | 432 | -31% | 1,024 | 1,370 | -25% |

(a)(ii) Other operating income, consisting of mainly government grants, decreased by \$36,000 to \$NIL as compared with prior period. The government grants were received by Singapore operations in the third quarter of the current financial year, compared to their receipt in the second quarter of prior financial year. The increase in government grants is due to additional qualifying scheme for the Singapore operations.

(a)(iii) Staff costs decreased by \$362,000 (22%) to \$1,269,000 as compared with prior period, mainly due to headcount reduction for Singapore operations.

(a)(iv) Depreciation of property, plant and equipment decreased by \$29,000 (55%) to \$24,000, as compared with prior period. This is mainly due to disposal and provision for impairment of property, plant and equipment in the second half of the prior financial year 2018.

(a)(v) Other operating expenses decreased by \$476,000 (26%) to \$1,351,000 as compared with prior period. The decrease was mainly due to lower cost of sales in line with lower revenue, lower allowance for doubtful debts (explained in 1(a)(vi)), lower operating lease expenses (explained in 1(a)(viii)) and marketing expenses.

(a)(vi) Allowance for doubtful debts was \$78,000 for the current period, \$42,000 (35%) lower as compared with prior period. Write-back of bad debts was \$73,000 for the current period as compared with prior period. The decrease in allowance and the write back were due to recovery of debts for the United Kingdom's operation.

(a)(vii) Foreign exchange loss decreased by \$54,000 (48%) to \$59,000 was due to favorable foreign exchange rate movement for overseas subsidiaries' operation (mainly United Kingdom operation), as compared to a higher loss in the prior period.

(a)(viii) Operating lease expenses decreased by \$133,000 (31%) to \$299,000 as compared with prior period. This was mainly due to the further consolidation of the corporate office with the campus in Singapore in August 2018.

(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 | | |
|-------------------------------------------------------------|------------|-----------------------|--------|------------|------------|--------|
| | 31.12.2018 | 31.03.2018 | Change | 31.12.2018 | 31.03.2018 | Change |
| | S\$'000 | Restated # S\$'000 | % | S\$'000 | S\$'000 | % |
| NON-CURRENT ASSETS | | | | | | |
| Property, plant and equipment | 113 | 184 | -39% | 5 | 25 | -80% |
| Intangible assets | 25 | 38 | -34% | - | - | - |
| Investment in subsidiaries | - | - | - | - | - | - |
| Other investments | - | - | - | - | - | - |
| | 138 | 222 | -38% | 5 | 25 | -80% |
| CURRENT ASSETS | | | | | | |
| Prepayments | 317 | 344 | -8% | 62 | 126 | -51% |
| Trade and other receivables | 1,566 | 2,110 | -26% | 196 | 238 | -18% |
| Restricted cash at bank | - | 138 | -100% | - | - | - |
| Cash and cash equivalents | 1,366 | 3,137 | -56% | 243 | 334 | -27% |
| | 3,249 | 5,729 | -43% | 501 | 698 | -28% |
| CURRENT LIABILITIES | | | | | | |
| Deferred income and fees | 2,175 | 2,182 | 0% | - | 24 | -100% |
| Trade and other payables | 2,092 | 2,061 | 2% | 6,810 | 5,873 | 16% |
| Provision for reinstatement cost | 82 | 171 | -52% | - | 89 | -100% |
| | 4,349 | 4,414 | -1% | 6,810 | 5,986 | 14% |
| NET CURRENT (LIABILITIES) / ASSETS | (1,100) | 1,315 | N/M | (6,309) | (5,288) | 19% |
| TOTAL NET (LIABILITIES) / ASSETS | (962) | 1,537 | N/M | (6,304) | (5,263) | 20% |
| EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY | | | | | | |
| Share capital | 29,908 | 29,908 | - | 29,908 | 29,908 | - |
| Reserves | (30,870) | (28,371) | 9% | (36,212) | (35,171) | 3% |
| TOTAL EQUITY | (962) | 1,537 | N/M | (6,304) | (5,263) | 20% |

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 | |
|---------------------------------------------------------------------------|--------------|-----------------------|--------------|-----------------------|
| | Q3 FY2019 | Q3 FY2018 | 9M FY2019 | 9M FY2018 |
| | S\$'000 | Restated # S\$'000 | S\$'000 | Restated # S\$'000 |
| Cash flow from operating activities | | | | |
| Loss before taxation | (793) | (1,344) | (2,446) | (4,982) |
| Adjustments for : | | | | |
| Depreciation of property, plant and equipment | 24 | 53 | 79 | 166 |
| Amortisation of intangible assets | 6 | 16 | 19 | 54 |
| Net (gain)/loss on disposal of property, plant and equipment | (1) | 1 | (2) | 1 |
| Property, plant and equipment written-off | - | - | 16 | 1 |
| Allowance for doubtful debts | 78 | 120 | 49 | 241 |
| (Write-back)/written-off of bad debts | (73) | - | 49 | (19) |
| Interest income | (1) | (1) | (1) | (6) |
| Unrealised exchange loss/(gain) | 96 | 134 | (32) | 180 |
| Operating loss before working capital changes | (664) | (1,021) | (2,269) | (4,364) |
| Decrease in restricted cash at bank | 138 | - | 138 | - |
| Decrease in prepayments, trade and other receivables | 673 | 491 | 473 | 1,374 |
| Decrease in deferred income and fees | (173) | (172) | (7) | (62) |
| Decrease in trade and other payables and provision for reinstatement cost | (393) | (328) | (58) | (1,351) |
| Cash used in operations | (419) | (1,030) | (1,723) | (4,403) |
| Interest received | 1 | 1 | 1 | 26 |
| Tax paid | (5) | - | (6) | (4) |
| Net cash flows used in operating activities | (423) | (1,029) | (1,728) | (4,381) |
| Cash flow from investing activities | | | | |
| Purchase of property, plant and equipment | (21) | (60) | (30) | (152) |
| Expenditure on intangible assets | - | - | (2) | - |
| Proceeds from disposal of property, plant and equipment | 9 | - | 13 | - |
| Net cash flows used in investing activities | (12) | (60) | (19) | (152) |
| Net decrease in cash and cash equivalents | (435) | (1,089) | (1,747) | (4,533) |
| Cash and cash equivalents at the beginning of the financial period | 1,813 | 4,999 | 3,137 | 8,403 |
| Effects of exchange rate changes on opening cash and cash equivalents | (12) | (10) | (24) | 30 |
| Cash and cash equivalents at end of the financial period | 1,366 | 3,900 | 1,366 | 3,900 |

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 |
| At 1 April 2018 (SFRS(I)) # | 29,908 | 284 | (28,655) | (28,371) | 1,537 |
| Loss for the financial period | - | - | (1,654) | (1,654) | (1,654) |
| Other comprehensive income for the financial period | - | (140) | - | (140) | (140) |
| Total comprehensive income for the financial period | - | (140) | (1,654) | (1,794) | (1,794) |
| At 30 September 2018 | 29,908 | 144 | (30,309) | (30,165) | (257) |
| Loss for the financial period | - | - | (798) | (798) | (798) |
| Other comprehensive income for the financial period | - | 93 | - | 93 | 93 |
| Total comprehensive income for the financial period | - | 93 | (798) | (705) | (705) |
| At 31 December 2018 | 29,908 | 237 | (31,107) | (30,870) | (962) |
| At 1 April 2017 (SFRS(I)) # | 29,908 | - | (22,399) | (22,399) | 7,509 |
| Re-stated loss for the financial period | - | - | (3,641) | (3,641) | (3,641) |
| Other comprehensive income for the financial period (re-stated) | - | 102 | - | 102 | 102 |
| Total comprehensive income for the financial period (re-stated) | - | 102 | (3,641) | (3,539) | (3,539) |
| At 30 September 2017 | 29,908 | 102 | (26,040) | (25,938) | 3,970 |
| Re-stated loss for the financial period | - | - | (1,344) | (1,344) | (1,344) |
| Other comprehensive income for the financial period (re-stated) | - | 106 | - | 106 | 106 |
| Total comprehensive income for the financial period (re-stated) | - | 106 | (1,344) | (1,238) | (1,238) |
| At 31 December 2017 | 29,908 | 208 | (27,384) | (27,176) | 2,732 |

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 September 2018

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

At 31 December 2018

At 1 April 2017

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

At 30 September 2017

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

At 31 December 2017

| Share Capital S\$'000 | Accumulated Losses S\$'000 | Total Equity S\$'000 |
|--------------------------|-------------------------------|-------------------------|
| 29,908 | (35,171) | (5,263) |
| - | (589) | (589) |
| 29,908 | (35,760) | (5,852) |
| - | (452) | (452) |
| 29,908 | (36,212) | (6,304) |
| 29,908 | (29,041) | 867 |
| - | (1,982) | (1,982) |
| 29,908 | (31,023) | (1,115) |
| - | (53) | (53) |
| 29,908 | (31,076) | (1,168) |

- 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 31 December 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 Standards (International) (SFRS(I)s) which are effective for the financial period beginning 1 April 2018.

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 | | |
|-----------------------------------------------|-----------|------------|-----------|-----------|------------|-----------|
| | Q3 FY2018 | Effect of | Q3 FY2018 | 9M FY2018 | Effect of | 9M FY2018 |
| | S\$'000 | SFRS(I) 15 | Restated | S\$'000 | SFRS(I) 15 | Restated |
| | | S\$'000 | S\$'000 | | S\$'000 | S\$'000 |
| Revenue | 2,274 | (144) | 2,130 | 6,322 | 10 | 6,332 |
| Other operating income | 36 | | 36 | 52 | | 52 |
| Staff costs | (1,631) | | (1,631) | (5,490) | | (5,490) |
| Depreciation of property, plant and equipment | (53) | | (53) | (166) | | (166) |
| Other operating expenses | (1,469) | (358) | (1,827) | (5,291) | (425) | (5,716) |
| Interest income | 1 | | 1 | 6 | | 6 |
| Loss before taxation | (842) | | (1,344) | (4,567) | | (4,982) |
| Taxation | - | | - | (3) | | (3) |
| Loss after tax | (842) | | (1,344) | (4,570) | | (4,985) |
| Loss attributable to : | | | | | | |
| Equity holders of the Company | (842) | | (1,344) | (4,570) | | (4,985) |

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 | | |
|-------------------------------------------------------------------------------|----------------------|------------------------------------|----------------------------------|----------------------|------------------------------------|----------------------------------|
| | Q3 FY2018 S\$'000 | Effect of SFRS(I) 15 S\$'000 | Q3 FY2018 Restated S\$'000 | 9M FY2018 S\$'000 | Effect of SFRS(I) 15 S\$'000 | 9M FY2018 Restated S\$'000 |
| Loss after tax | (842) | (502) | (1,344) | (4,570) | (415) | (4,985) |
| Other comprehensive income : | | | | | | |
| Foreign currency translation | 112 | (6) | 106 | 213 | (5) | 208 |
| Other comprehensive income for the financial period, net of tax | 112 | | 106 | 213 | | 208 |
| Total comprehensive income for the financial period | (730) | | (1,238) | (4,357) | | (4,777) |
| Total comprehensive income attributable to : Equity holders of the Company | (730) | | (1,238) | (4,357) | | (4,777) |

Re-stated FY2018 Statement of Financial Position

| | Group | | |
|-------------------------------------------------------------|-----------------------|------------------------------------|-----------------------------------|
| | 31.03.2018 S\$'000 | Effect of SFRS(I) 15 S\$'000 | 31.03.2018 Restated S\$'000 |
| NON-CURRENT ASSETS | | | |
| Property, plant and equipment | 184 | | 184 |
| Intangible assets | 38 | | 38 |
| Investment in subsidiaries | - | | - |
| Other investments | - | | - |
| | 222 | | 222 |
| CURRENT ASSETS | | | |
| 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 |
| CURRENT LIABILITIES | | | |
| 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 |
| NET CURRENT ASSETS | 1,867 | | 1,315 |
| TOTAL NET ASSETS | 2,089 | | 1,537 |
| EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY | | | |
| Share capital | 29,908 | | 29,908 |
| Reserves | (27,819) | (552) | (28,371) |
| TOTAL EQUITY | 2,089 | | 1,537 |

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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 | | |
|---------------------------------------------------------------------------|--------------|----------------------|--------------------|--------------|----------------------|--------------------|
| | Q3 FY2018 | Effect of SFRS(I) 15 | Q3 FY2018 Restated | 9M FY2018 | Effect of SFRS(I) 15 | 9M FY2018 Restated |
| | S\$'000 | S\$'000 | S\$'000 | S\$'000 | S\$'000 | S\$'000 |
| Cash flows from operating activities | | | | | | |
| Loss before taxation | (842) | (502) | (1,344) | (4,567) | (415) | (4,982) |
| Adjustments for : | | | | | | |
| Depreciation of property, plant and equipment | 53 | | 53 | 166 | | 166 |
| Amortisation of intangible assets | 16 | | 16 | 54 | | 54 |
| Net loss on disposal of property, plant and equipment | 1 | | 1 | 1 | | 1 |
| Property, plant and equipment written-off | - | | - | 1 | | 1 |
| Allowance for doubtful debts | 120 | | 120 | 241 | | 241 |
| Write-back for bad debts | - | | - | (19) | | (19) |
| Interest income | (1) | | (1) | (6) | | (6) |
| Unrealised exchange loss | 138 | (4) | 134 | 182 | (2) | 180 |
| Operating loss before working capital changes | (515) | (506) | (1,021) | (3,947) | (417) | (4,364) |
| Decrease in prepayments, trade and other receivables | 184 | 307 | 491 | 1,067 | 307 | 1,374 |
| Decrease in deferred income and fees | (318) | 146 | (172) | (51) | (11) | (62) |
| Decrease in trade and other payables and provision for reinstatement cost | (381) | 53 | (328) | (1,472) | 121 | (1,351) |
| Cash used in operations | (1,030) | - | (1,030) | (4,403) | - | (4,403) |
| Interest received | 1 | | 1 | 26 | | 26 |
| Tax paid | - | | - | (4) | | (4) |
| Net cash flows used in operating activities | (1,029) | - | (1,029) | (4,381) | - | (4,381) |
| Cash flows from investing activity | | | | | | |
| Purchase of property, plant and equipment | (60) | | (60) | (152) | | (152) |
| Net cash flows used in investing activity | (60) | - | (60) | (152) | - | (152) |
| Net decrease in cash and cash equivalents | (1,089) | - | (1,089) | (4,533) | - | (4,533) |
| Cash and cash equivalents at the beginning of the financial period | 4,999 | | 4,999 | 8,403 | | 8,403 |
| Effects of exchange rate changes on opening cash and cash equivalents | (10) | | (10) | 30 | | 30 |
| Cash and cash equivalents at end of the financial period | 3,900 | - | 3,900 | 3,900 | - | 3,900 |

Re-stated FY2018 Statement of Changes in Equity

| | 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 |
| Group | | | | | |
| At 31 March 2018 (per audited accounts) | 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) |
| At 31 March 2018 (SFRS(I)) | 29,908 | 284 | (28,655) | (28,371) | 1,537 |
| At 1 April 2017 (per audited accounts) | 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) |
| At 1 April 2017 (SFRS(I)) | 29,908 | - | (22,399) | (22,399) | 7,509 |

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 % |
|--------------------------------------------------------------------------|-----------|-----------|----------|
| | 9M FY2019 | 9M FY2018 | |
| Earnings per ordinary share | | | |
| (a) Based on weighted average number of ordinary shares on issue (cents) | (3.40) | (6.90) | -51% |
| (b) On a fully diluted basis (cents) | (3.40) | (6.90) | -51% |

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

Earnings per share for the financial period ended 31 December 2018 computed on a fully dilutive basis is calculated based on the weighted average number of 72,215,467 (31 December 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 % |
|--------------------------------|------------|------------|-------------|------------|------------|-------------|
| | 31.12.2018 | 31.03.2018 | | 31.12.2018 | 31.03.2018 | |
| NAV per ordinary share (cents) | (1.33) | 2.13 | N/M | (8.73) | (7.29) | 20% |

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 \$1,850,000 for the current period, a decrease of \$280,000 (13%) compared with \$2,130,000 in prior period. The lower revenue was mainly due to the lower student enrollments in the Singapore and United Kingdom's operations during the current period.
- (a)(ii) The Group recorded a loss before tax of \$798,000 for the current period, a decrease of \$546,000 (41%) compared with \$1,344,000 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 \$71,000 (39%) and \$20,000 (80%) respectively as at 31 December 2018. The reduction was mainly due to depreciation charges for the current year.
- (b)(ii) The Group's intangible assets, relating to coursework development cost for the United Kingdom's operation, decreased by \$13,000 (34%) as at 31 December 2018. This was mainly due to amortisation charges for the current year.
- (b)(iii) The Group's prepayment decreased by \$27,000 (8%) to \$317,000 while the Company's prepayment decreased by \$64,000 (51%) to \$62,000 as at 31 December 2018. These were mainly due to utilisation of prepaid operating expenses during the current year.
- (b)(iv) The Group's trade and other receivables decreased by \$544,000 (26%) to \$1,566,000 as at 31 December 2018 mainly due to collection from customers in the current period. The Company's trade and other receivables decreased by \$42,000 (18%) to \$196,000 as at 31 December 2018 mainly due to the refund of the corporate office lease deposit of \$126,000 and partially off-set with increase in trade receivables of \$33,000 and intercompany transactions \$46,000.
- (b)(v) A subsidiary is required under CaseTrust for Education Scheme to maintain 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. As at 31 March 2018, the amount was \$138,000; in the current period ended 31 December 2018, the fund has been released to the subsidiary.
- (b)(vi) The Group's cash and cash equivalents decreased by \$1,771,000 (56%) to \$1,366,000 as at 31 December 2018 due to cash utilisation for operations. The Company's cash and cash equivalents has also decreased by \$91,000 (27%) to \$243,000 as at 31 December 2018 for the same reason.
- (b)(vii) The Group's deferred income and fees of \$2,175,000 as at 31 December 2018 is comparable with \$2,182,000 as at 31 March 2018.
- (b)(viii) The Group's trade and other payables increased by \$31,000 (2%) to \$2,092,000 as at 31 December 2018. This was mainly due to increase in trade payables by \$135,000 and provision for university fees and examination cost by \$97,000 for the United Kingdom and Singapore operation respectively. The increase was off-set with decrease in expenditure in Singapore and United Kingdom operations. The Company's trade and other payables increased by \$937,000 (16%) to \$6,810,000 as at 31 December 2018, mainly intercompany transactions.
- (b)(ix) Provision for reinstatement cost for both the Group and the Company decreased by \$89,000 (52% and 100% respectively) as at 31 December 2018. The Company has consolidated its Singapore corporate office premise and utilised the provision to return the corporate office premise in the second quarter of the current financial year.
- (b)(x) As at 31 December 2018, the Group's net current liabilities and total net liabilities positions stood at \$1,100,000 and \$962,000 respectively. The Company's net current liabilities and total net liabilities positions stood at \$6,309,000 and \$6,304,000 respectively. This was mainly due to slowdown in the business 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 13 February 2019, 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**
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
13 February 2019