

INFORMATICS EDUCATION LTD.

(Company Registration Number: 198303419G)
(Incorporated in the Republic of Singapore)

QUARTERLY UPDATE PURSUANT TO RULE 1313(2) OF THE SGX LISTING MANUAL

1. Introduction

Informatics Education Ltd. (the “**Company**”, and together with its subsidiaries, the “**Group**”) was placed on the watch-list pursuant to Rule 1311 of the SGX Listing Manual on 5 June 2017 and 5 December 2017.

Pursuant to Rule 1313(2) of the SGX Listing Manual, the Board of Directors (the “**Board**”) of the Company wishes to provide the following update on the Group.

2. Q3 FY2020 Financial Results

On 13 February 2020, the Group has released its unaudited financial results for the quarter ended 31 December 2019 (“**Q3 FY2020**”), and nine-month period ended 31 December 2019 (“**9M FY2020**”). Please refer to the announcement for further details.

The Group recorded an increase in revenue of \$0.4 million (24%) from \$1.9 million for the quarter ended 31 December 2018 (“**Q3 FY2019**”) to \$2.3 million for Q3 FY2020, and an increase in revenue of \$0.8 million (13%) from \$6.1 million for the nine-month period ended 31 December 2018 (“**9M FY2019**”) to \$6.9 million for 9M FY2020 due to increase in examination fees and accreditation fees income recognised for the United Kingdom operations, and increase in course fees income recognised for the Group's corporate training segment in Hong Kong.

The Group recorded a loss before tax of \$0.5 million for Q3 FY2020, a decrease of \$0.3 million (43%) as compared to loss before tax of \$0.8 million for Q3 FY2019 as a result of higher revenue and lower operating costs recorded by the Group. For 9M FY2020, loss before tax decreased by \$1.3 million (54%) from \$2.4 million in 9M FY2019 to \$1.1 million in 9M FY2020 as the Group continues its efforts to grow its revenue base, while reducing its operating costs.

3. Future Direction

On 3 December 2019, the Board had announced the change of the Company's financial year end from 31 March to 30 June to align the Company's financial year with that of Berjaya Land Berhad (“**Berjaya Land**”), which became the Company's ultimate holding company in August 2019, following the subscription of renounceable non-underwritten rights cum warrants by Berjaya Leisure Capital (Cayman) Ltd, a wholly-owned subsidiary of Berjaya Land, and whose financial year closes on 30 June each year.

For the current financial year ending 30 June 2020, the Board is confident that the Group's business will maintain its cautious growth rate, whilst continuing the solid progress of addressing the profitability challenges. With the net proceeds raised from the Rights Issue amounting to \$4.8 million, this will strengthen the Group's financial position and allow the Group to seize opportunities through the expansion of its existing business in a timely manner as and when the opportunities arise. The Board believes that this will allow the Group to undertake a cautious but optimistic approach to growth, with a level of confidence that has been lacking in recent periods, due to cash flow constraints.

3. Future Direction (cont'd)

For 9M FY2020, revenue growth for the Group's subsidiaries in United Kingdom, with its global partners, and Hong Kong has been encouraging, despite the political challenges in some regions.

The Group intends to add to this revenue growth strategy, to include pursuing new revenue streams with strategic partners and international universities, further expanding its suite of short courses and vocational-based programs, forming more strategic partnerships, and enhancing its online delivery capabilities for its programs to further improve its financial results.

4. Material Development

There are no other material developments that may have a significant impact on the Group's financial position.

BY ORDER OF THE BOARD

Yau Su Peng
Executive Director
13 February 2020