

INFORMATICS EDUCATION LTD AND ITS SUBSIDIARIES
COMPANY REGISTRATION NUMBER: 198303419G

UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR NINE MONTHS PERIOD ENDED 31 MARCH 2022

Pursuant to Rule 705(2C) of the SGX-ST Listing Rules (Mainboard), the Singapore Exchange Regulation requires the Company to continue to announce its quarterly financial statements with effect from 7 February 2020.

Informatics Education Ltd and its subsidiaries
Condensed consolidated income statement for nine months period ended 31 March 2022

(In Singapore Dollars)

	Note	Q3 ended 31.03.2022	Q3 ended 31.03.2021 (Re-presented) ⁽¹⁾	Change	9M ended 31.03.2022	9M ended 31.03.2021 (Re-presented) ⁽¹⁾	Change
		\$'000	\$'000	%	\$'000	\$'000	%
<u>Continuing operations</u>							
Revenue	6.2	1,685	1,841	-8%	5,012	4,850	3%
Other operating income	7	6	13	-54%	18	22	-18%
Staff costs		(829)	(753)	10%	(2,509)	(2,312)	9%
Depreciation of property, plant and equipment	12	(39)	(83)	-53%	(118)	(250)	-53%
Write-back of/(allowance for) expected credit loss on receivables		127	(135)	N/M	107	(95)	N/M
Other operating expenses		(847)	(636)	33%	(2,447)	(2,294)	7%
Profit/(loss) before taxation	7	103	247	-58%	63	(79)	N/M
Taxation	8	(3)	(1)	N/M	(4)	(8)	-50%
Profit/(loss) for the financial period from continuing operations		100	246	-59%	59	(87)	N/M
<u>Discontinued operation</u>							
Profit/(loss) for the financial period from discontinued operation		29	(162)	N/M	(13)	(530)	-98%
Profit/(loss) for the financial period		129	84	54%	46	(617)	N/M
Profit/(loss) attributable to:							
Equity holders of the Company							
Profit/(loss) from continuing operations		100	246	-59%	59	(87)	N/M
Profit/(loss) from discontinued operation		29	(162)	N/M	(13)	(530)	-98%
		129	84	54%	46	(617)	N/M
Earning/(loss) per share attributable to equity holders of the Company (cents)							
Basic earning/(loss) per share							
- From continuing operations		0.06	0.14	-57%	0.04	(0.05)	N/M
- From discontinued operation		0.01	(0.09)	N/M	(0.01)	(0.30)	-97%
		0.07	0.05	40%	0.03	(0.35)	N/M
Diluted earning/(loss) per share							
- From continuing operations		0.06	0.14	-57%	0.04	(0.05)	N/M
- From discontinued operation		0.01	(0.09)	N/M	(0.01)	(0.30)	-97%
		0.07	0.05	40%	0.03	(0.35)	N/M

⁽¹⁾ Comparative numbers have been re-presented to report separately profit and loss items for continuing and discontinued operations, as explained in Note 5.

N/M: Not meaningful

Informatics Education Ltd and its subsidiaries

Condensed consolidated statement of comprehensive income for nine months period ended 31 March 2022

(In Singapore Dollars)

	Q3 ended 31.03.2022	Q3 ended 31.03.2021	Change	9M ended 31.03.2022	9M ended 31.03.2021	Change
	\$'000	\$'000	%	\$'000	\$'000	%
Profit/(loss) for the financial period	129	84	54%	46	(617)	N/M
Other comprehensive income:						
Items that may be reclassified subsequently to profit or loss						
Foreign currency translation	87	(162)	N/M	162	(134)	N/M
Other comprehensive income for the financial period	87	(162)	N/M	162	(134)	N/M
Total comprehensive income for the financial period	<u>216</u>	<u>(78)</u>	N/M	<u>208</u>	<u>(751)</u>	N/M
Total comprehensive income attributable to:						
Equity holders of the Company	216	(78)	N/M	208	(751)	N/M
	<u>216</u>	<u>(78)</u>	N/M	<u>208</u>	<u>(751)</u>	N/M

N/M: Not meaningful

Informatics Education Ltd and its subsidiaries
Condensed statements of financial position as at 31 March 2022
(In Singapore Dollars)

	Note	Group		Change	Company		Change
		31.03.2022	30.06.2021		31.03.2022	30.06.2021	
		\$'000	\$'000	%	\$'000	\$'000	%
Non-current assets							
Property, plant and equipment	12	397	70	N/M	-	-	N/M
Intangible assets	13	196	285	-31%	-	-	N/M
Investment in subsidiaries		-	-	N/M	557	557	N/M
Trade and other receivables		-	-	N/M	802	859	-7%
		<u>593</u>	<u>355</u>		<u>1,359</u>	<u>1,416</u>	
Current assets							
Prepayments		221	250	-12%	25	6	N/M
Trade and other receivables		971	1,003	-3%	397	138	N/M
Cash and bank balances		2,190	2,039	7%	1,163	1,055	10%
Assets of disposal group		13	-	N/M	-	-	N/M
		<u>3,395</u>	<u>3,292</u>		<u>1,585</u>	<u>1,199</u>	
Total assets		<u>3,988</u>	<u>3,647</u>		<u>2,944</u>	<u>2,615</u>	
Current liabilities							
Deferred income and fees		1,427	1,808	-21%	225	120	88%
Trade and other payables		2,345	2,161	9%	4,547	3,693	23%
Interest-bearing borrowings	14	1,018	1,019	0%	1,000	1,000	N/M
Lease liabilities		170	210	-19%	-	-	N/M
Provision for reinstatement cost		-	26	-100%	-	-	N/M
Liabilities of disposal group		159	-	N/M	-	-	N/M
		<u>5,119</u>	<u>5,224</u>		<u>5,772</u>	<u>4,813</u>	
Net current liabilities		<u>(1,724)</u>	<u>(1,932)</u>		<u>(4,187)</u>	<u>(3,614)</u>	
Non-current liabilities							
Trade and other payables		-	-	N/M	451	749	-40%
Interest-bearing borrowings	14	58	74	-22%	-	-	N/M
Lease liabilities		227	-	N/M	-	-	N/M
Provision for reinstatement cost		27	-	N/M	-	-	N/M
		<u>312</u>	<u>74</u>		<u>451</u>	<u>749</u>	
Total net liabilities		<u>(1,443)</u>	<u>(1,651)</u>		<u>(3,279)</u>	<u>(2,947)</u>	
Equity attributable to equity holders of the Company							
Share capital	15	34,667	34,667	N/M	34,667	34,667	N/M
Reserves		(36,110)	(36,318)	-1%	(37,946)	(37,614)	1%
Total equity		<u>(1,443)</u>	<u>(1,651)</u>		<u>(3,279)</u>	<u>(2,947)</u>	

N/M: Not meaningful

Informatics Education Ltd and its subsidiaries

Condensed consolidated cash flow statement for nine months period ended 31 March 2022

(In Singapore Dollars)

	Note	9M ended 31.03.2022 \$'000	9M ended 31.03.2021 \$'000
Cash flow from operating activities			
Profit/(loss) before taxation			
- Continuing operations		63	(79)
- Discontinued operation		(13)	(530)
		<u>50</u>	<u>(609)</u>
Adjustments for:			
Depreciation of property, plant and equipment	12	118	253
Amortisation of intangible assets		79	13
Net gain on disposal of property, plant and equipment		(4)	(4)
Property, plant and equipment expensed-off		-	3
(Write-back of)/allowance for expected credit loss on receivables		(102)	87
Write-off of bad debts		11	7
Interest expense on lease liabilities		4	10
Finance costs		10	9
Interest income		(25)	(7)
Government grants and subsidies		-	(53)
Unrealised exchange loss/(gain)		169	(172)
Operating profit/(loss) before working capital changes		<u>310</u>	<u>(463)</u>
Decrease/(increase) in prepayments, trade and other receivables		144	(58)
Decrease in deferred income and fees		(381)	(219)
(Decrease)/increase in trade and other payables		(253)	116
Cash used in operations		<u>(180)</u>	<u>(624)</u>
Interest received		27	11
Interest paid		(10)	(10)
Tax paid		(5)	(8)
Net cash flows used in operating activities		<u>(168)</u>	<u>(631)</u>
Cash flows from investing activities			
Purchase of property, plant and equipment	12	(50)	(10)
Expenditure on intangible assets		-	(155)
Proceeds from disposal of property, plant and equipment		4	4
Net cash flows used in investing activities		<u>(46)</u>	<u>(161)</u>
Cash flows from financing activities			
Repayment of lease liabilities (net of government grants and subsidies)		(211)	(542)
Repayment of interest-bearing borrowings		(14)	-
Advances from immediate holding company		598	-
Fixed deposit pledged as security for borrowings		(5)	-
Net cash flows generated from/(used in) financing activities		<u>368</u>	<u>(542)</u>

Informatics Education Ltd and its subsidiaries**Condensed consolidated cash flow statement for nine months period ended 31 March 2022 (cont'd)**

(In Singapore Dollars)

	9M ended 31.03.2022	9M ended 31.03.2021
	\$'000	\$'000
Net increase/(decrease) in cash and cash equivalents	154	(1,334)
Cash and cash equivalents at beginning of the financial period	1,031	2,692
Effects of exchange rate changes on opening cash and cash equivalents	(1)	31
Cash and cash equivalents at end of the financial period	1,184	1,389

Note:

Cash and bank balances as at end of financial period are as follow:

Cash and bank balances		
- Cash at bank and on hand	1,177	1,381
- Short term deposits	1,013	1,008
	<u>2,190</u>	<u>2,389</u>
Assets of disposal group	7	-
Total cash and bank balances	<u>2,197</u>	<u>2,389</u>

For the purpose of the condensed consolidated cash flow statement, cash and cash equivalents comprised:

Total cash and bank balances	2,197	2,389
(-) Fixed deposit pledged as security for borrowings	(1,013)	(1,000)
	<u>1,184</u>	<u>1,389</u>

Informatics Education Ltd and its subsidiaries

Condensed statements of changes in equity for nine months period ended 31 March 2022

(In Singapore Dollars)

Group	Attributable to equity holders of the Company				Total equity \$'000
	Share capital \$'000	Translation reserve \$'000	Accumulated losses \$'000	Total reserves \$'000	
At 1 July 2021	34,667	(3)	(36,315)	(36,318)	(1,651)
Profit for the financial period	-	-	46	46	46
Other comprehensive income for the financial period	-	162	-	162	162
Total comprehensive income for the financial period	-	162	46	208	208
At 31 March 2022	<u>34,667</u>	<u>159</u>	<u>(36,269)</u>	<u>(36,110)</u>	<u>(1,443)</u>
At 1 July 2020	34,667	153	(34,776)	(34,623)	44
Loss for the financial period	-	-	(617)	(617)	(617)
Other comprehensive income for the financial period	-	(134)	-	(134)	(134)
Total comprehensive income for the financial period	-	(134)	(617)	(751)	(751)
At 31 March 2021	<u>34,667</u>	<u>19</u>	<u>(35,393)</u>	<u>(35,374)</u>	<u>(707)</u>

Company	Share capital \$'000	Accumulated losses \$'000	Total equity \$'000
At 1 July 2021	34,667	(37,614)	(2,947)
Loss for the financial period, representing total comprehensive income for the financial period	-	(332)	(332)
At 31 March 2022	<u>34,667</u>	<u>(37,946)</u>	<u>(3,279)</u>
At 1 July 2020	34,667	(37,502)	(2,835)
Loss for the financial period, representing total comprehensive income for the financial period	-	(106)	(106)
At 31 March 2021	<u>34,667</u>	<u>(37,608)</u>	<u>(2,941)</u>

Informatics Education Ltd and its subsidiaries
Notes to condensed consolidated financial statements

1. Corporate information

Informatics Education Ltd (the "Company") is a limited liability company domiciled and incorporated in Singapore and is listed on the Singapore Exchange Securities Trading Limited ("SGX-ST"). The registered office of the Company is located at 7 Temasek Boulevard, #12-07 Suntec Tower One, Singapore 038987.

The Company's immediate holding company is Berjaya Leisure Capital (Cayman) Limited, incorporated in the Cayman Islands. The penultimate holding company and ultimate holding company are Berjaya Land Berhad and Berjaya Corporation Berhad respectively, which are incorporated in Malaysia and listed on the Main Market of Bursa Malaysia Securities Berhad. Subsidiaries of Berjaya Corporation Berhad are related corporations of the Company and its subsidiaries.

The principal activities of the Company are those of investment holding, franchisor and licensor for computer and commercial training centres and examination facilitators.

2. Going concern assessment

For nine months period ended 31 March 2022, the Group recorded a net profit after tax of \$46,000 (nine months period ended 31 March 2021: net loss after tax of \$617,000) and recorded cash outflow of \$168,000 (nine months period ended 31 March 2021: \$631,000) from its operating activities.

As at 31 March 2022, the Group has net current liabilities and net liabilities of \$1,724,000 (30 June 2021: \$1,932,000) and \$1,443,000 (30 June 2021: \$1,651,000) respectively, while the Company has net current liabilities and net liabilities of \$4,187,000 (30 June 2021: \$3,614,000) and \$3,279,000 (30 June 2021: \$2,947,000) respectively. These factors indicate the existence of a material uncertainty which may cast significant doubt on the Group's and the Company's ability to continue as going concern.

Notwithstanding the above, the Board of Directors are of the view that it is appropriate the financial statements of the Group and the Company are prepared on a going concern basis as the Group received letter of financial support from its penultimate holding company, Berjaya Land Berhad, to provide continuing financial support to the Group to enable it to continue its operations and meet its liabilities as and when they fall due.

If the Group and Company is unable to continue in operational existence for the foreseeable future, the Group and the Company may be unable to discharge its liabilities in the normal course of business and adjustments may have to be made to reflect the situation that assets may need to be realised other than in the normal course of business and at amounts which could differ significantly from the amounts at which they are currently recorded in the statements of financial position. In addition, the Group and Company may have to reclassify non-current assets and liabilities as current assets and liabilities. No such adjustments have been made to these financial statements.

3. Basis of preparation

The condensed consolidated financial statements for the nine months period ended 31 March 2022 have been prepared in accordance with SFRS(I) 1-34 Interim Financial Reporting issued by the Accounting Standards Council Singapore. The condensed interim financial statements do not include all the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group's financial position and performance of the Group since the last annual financial statements for the financial year ended 30 June 2021.

The accounting policies adopted are consistent with those of the previous financial year which were prepared in accordance with SFRS(I)s, except for the adoption of new and amended standards as set out in Note 3.1.

The condensed consolidated financial statements are presented in Singapore dollar which is the Company's functional currency.

Informatics Education Ltd and its subsidiaries
Notes to condensed consolidated financial statements

3. Basis of preparation (cont'd)

3.1 New and amended standards adopted by the Group

A number of amendments to Standards have become applicable for the current reporting period. The Group did not have to change its accounting policies or make retrospective adjustments as a result of adopting those standards.

3.2 Use of judgements and estimates

In preparing the condensed consolidated financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

The significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that were applied to the consolidated financial statements as at and for the financial year 30 June 2021.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

4. Seasonal operations

The Group's businesses are not affected significantly by seasonal or cyclical factors during the financial period.

5. Discontinued operation

As announced on 15 December 2021, the Company has entered into a share sale agreement with Professional Education Management Pte. Ltd. ("PEM") pursuant to which the Company agreed to sell to PEM, and PEM agreed to acquire, all of the issued and paid-up shares in the capital of Informatics Academy Pte Ltd ("IAPL"), for a consideration of \$320,000. All liabilities in connection with IAPL's business arising as at 30 November 2021 are excluded from the sale and purchase under the share sale agreement and all receivables in connection with IAPL's business arising as at 30 November 2021 shall be for the account of the Company.

Accordingly, the results from IAPL's business have been presented as discontinued operation while its assets and liabilities were reclassified to assets and liabilities of disposal group in the current period. The segment was not previously presented as a discontinued operation or classified as disposal group as at 30 June 2021. Thus, the comparative condensed consolidated income statement has been re-presented to show the discontinued operation separately from continuing operations.

6. Segment and revenue information

For management purposes, the Group is organised into business units based on their business segments, and has two reportable operating segments: Higher Education segment and Corporate Training segment.

The operating segments are organised and managed separately according to the nature of the products and services provided, with each segment representing a strategic business unit that offers different products and serves different markets.

Management monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on operating profit or loss which in certain respects, and is measured differently from operating profit or loss in the condensed consolidated financial statements.

Informatics Education Ltd and its subsidiaries
Notes to condensed consolidated financial statements

6. Segment and revenue information (cont'd)

6.1 Reportable segments

	Continuing Operations						Discontinued Operation		Total	
	Higher Education		Corporate Training		Sub-total		9M ended 31.03.2022	9M ended 31.03.2021	9M ended 31.03.2022	9M ended 31.03.2021
	9M ended 31.03.2022	9M ended 31.03.2021	9M ended 31.03.2022	9M ended 31.03.2021	9M ended 31.03.2022	9M ended 31.03.2021				
		(Re-presented) ⁽¹⁾		(Re-presented) ⁽¹⁾		(Re-presented) ⁽¹⁾				
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Revenue:										
Sales to external customers	3,727	3,591	1,285	1,259	5,012	4,850	201	743	5,213	5,593
Results:										
Sundry income and government grants and subsidies (excluding non-cash item)	14	6	-	10	14	16	-	12	14	28
Interest income	4	6	-	-	4	6	21	1	25	7
Staff costs	(2,254)	(2,101)	(255)	(211)	(2,509)	(2,312)	(159)	(998)	(2,668)	(3,310)
Depreciation and amortisation										
- Depreciation	(4)	(132)	(114)	(118)	(118)	(250)	-	(3)	(118)	(253)
- Amortisation	(79)	(13)	-	-	(79)	(13)	-	-	(79)	(13)
Write-back of/(allowance for) expected credit loss on receivables and bad debts	96	(95)	-	-	96	(95)	(5)	1	91	(94)
Interest expenses on lease liabilities	(2)	(3)	(2)	(3)	(4)	(6)	-	(4)	(4)	(10)
Finance costs	(10)	(9)	-	-	(10)	(9)	-	-	(10)	(9)
Net gain on disposal of property, plant and equipment	-	-	-	-	-	-	4	4	4	4
Lease expenses	(64)	(43)	(5)	(5)	(69)	(48)	-	-	(69)	(48)
Other non-cash (expenses)/income ^(a)	(110)	184	(12)	(184)	(122)	-	5	(9)	(117)	(9)
Segment (loss)/profit before tax	(237)	(309)	300	230	63	(79)	(13)	(530)	50	(609)

⁽¹⁾ Comparative numbers have been re-presented to report separately profit and loss items for continuing and discontinued operations, as explained in Note 5.

Informatics Education Ltd and its subsidiaries
Notes to condensed consolidated financial statements

6. Segment and revenue information (cont'd)

6.1 Reportable segments (cont'd)

	Continuing Operations						Discontinued Operation		Total	
	Higher Education		Corporate Training		Sub-total		9M ended 31.03.2022	9M ended 31.03.2021	9M ended 31.03.2022	9M ended 31.03.2021
	9M ended 31.03.2022	9M ended 31.03.2021	9M ended 31.03.2022	9M ended 31.03.2021	9M ended 31.03.2022	9M ended 31.03.2021				
\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	
Assets:										
Capital expenditure ^(b)	9	163	439	2	448	165	-	-	448	165
Segment assets	3,249	3,984	726	537	3,975	4,521	13	-	3,988	4,521
Total assets	3,249	3,984	726	537	3,975	4,521	13	-	3,988	4,521
Liabilities:										
Segment liabilities	4,722	4,946	550	282	5,272	5,228	159	-	5,431	5,228
Total liabilities	4,722	4,946	550	282	5,272	5,228	159	-	5,431	5,228

Notes: Nature of adjustments to arrive at amounts reported in the condensed consolidated financial statements:

^(a) Other non-cash expenses and income consist mainly of unrealised foreign exchange gain/loss and non-cash government grants and subsidies.

^(b) Additions to non-current assets consist of additions to property, plant and equipment, right-of-use assets and intangible assets.

Informatics Education Ltd and its subsidiaries
Notes to condensed consolidated financial statements

6. Segment and revenue information (cont'd)

6.2 Disaggregation of revenue

a) Segments

	Course fees		Examination fees		Franchise and license fee income		Total revenue	
	9M ended 31.03.2022	9M ended 31.03.2021 (Re-presented) ⁽¹⁾	9M ended 31.03.2022	9M ended 31.03.2021 (Re-presented) ⁽¹⁾	9M ended 31.03.2022	9M ended 31.03.2021 (Re-presented) ⁽¹⁾	9M ended 31.03.2022	9M ended 31.03.2021 (Re-presented) ⁽¹⁾
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Continuing operations:								
<i>Primary geographical markets</i>								
Asia	1,285	1,258	1,593	1,772	210	267	3,088	3,297
Europe	-	-	304	271	58	57	362	328
Africa	-	-	1,424	1,084	138	141	1,562	1,225
	1,285	1,258	3,321	3,127	406	465	5,012	4,850
<i>Timing of transfer of goods or services</i>								
At a point in time	-	-	3,321	3,127	324	391	3,645	3,518
Over time	1,285	1,258	-	-	82	74	1,367	1,332
	1,285	1,258	3,321	3,127	406	465	5,012	4,850

⁽¹⁾ Comparative numbers have been re-presented to report separately profit and loss items for continuing and discontinued operations, as explained in Note 5.

b) Information about major customers

There are no major customers that contribute more than 10% (9M ended 31 March 2021: 10%) of the Group's revenue for the current financial period.

Informatics Education Ltd and its subsidiaries
Notes to condensed consolidated financial statements

7. Profit/(loss) before taxation

	9M ended 31.03.2022	9M ended 31.03.2021
	\$'000	(Re-presented) ⁽¹⁾ \$'000
Continuing operations:		
Other operating income		
Government grants and subsidies	14	15
Interest income	4	6
Sundry income	-	1
	<u>18</u>	<u>22</u>

The following items have been charged/(credited) in arriving at other operating expenses:

Amortisation of intangible assets	79	13
Interest expense on lease liabilities	4	6
Finance costs	10	9
Write-off of bad debts	11	-
Foreign exchange loss/(gain), net	115	(17)
Lease expenses	<u>69</u>	<u>48</u>

⁽¹⁾ Comparative numbers have been re-presented to report separately profit and loss items for continuing and discontinued operations, as explained in Note 5.

8. Taxation

The Group calculates the income tax expense using the tax rate that would be applicable to the expected total annual earnings. The major components of income tax expense in the condensed consolidated income statement are as follows:

	9M ended 31.03.2022	9M ended 31.03.2021
	\$'000	\$'000
Current income tax:		
- current period	4	8
Income tax expense recognised in profit or loss	<u>4</u>	<u>8</u>

Informatics Education Ltd and its subsidiaries
Notes to condensed consolidated financial statements

9. Related party transactions

In addition to the related party information disclosed elsewhere in the condensed consolidated financial statements, the following significant transactions between the Group and related parties took place at terms agreed between the parties during the financial period:

	9M ended 31.03.2022 \$'000	9M ended 31.03.2021 \$'000
Expenses charged by related company - rental of premises	25	-

10. Financial assets and financial liabilities

Set out below is an overview of the financial assets and financial liabilities of the Group and the Company as at 31 March 2022 and 30 June 2021:

	Group		Company	
	31.03.2022	30.06.2021	31.03.2022	30.06.2021
	\$'000	\$'000	\$'000	\$'000
<i>Financial assets measured at amortised cost</i>				
Trade and other receivables	971	1,003	1,199	997
Cash and bank balances	2,190	2,039	1,163	1,055
	<u>3,161</u>	<u>3,042</u>	<u>2,362</u>	<u>2,052</u>
<i>Less: Goods and services/value added</i>	(13)	(24)	(5)	(9)
	<u>3,148</u>	<u>3,018</u>	<u>2,357</u>	<u>2,043</u>
<i>Financial liabilities measured at amortised cost</i>				
Trade and other payables	2,345	2,161	4,998	4,442
Interest-bearing borrowings	1,076	1,093	1,000	1,000
Lease liabilities	397	210	-	-
	<u>3,818</u>	<u>3,464</u>	<u>5,998</u>	<u>5,442</u>

11. Net asset value

	Group		Company	
	31.03.2022	30.06.2021	31.03.2022	30.06.2021
	cents	cents	cents	cents
Net asset value per ordinary share	<u>(0.81)</u>	<u>(0.93)</u>	<u>(1.85)</u>	<u>(1.66)</u>

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Notes to condensed consolidated financial statements

12. Property, plant and equipment

	Furniture and fittings, office and computer equipment	Improvement to premises	Right-of-use assets - School and office premises	Total
	\$'000	\$'000	\$'000	\$'000
Group				
Cost:				
At 1 July 2020	2,501	605	2,036	5,142
Additions	9	-	34	43
Disposals/write-off	(688)	(393)	(1,231)	(2,312)
Exchange differences	55	2	18	75
At 30 June 2021 and 1 July 2021	<u>1,877</u>	<u>214</u>	<u>857</u>	<u>2,948</u>
Additions	50	-	398	448
Disposals/write-off	(84)	(3)	(34)	(121)
Exchange differences	(35)	(4)	(16)	(55)
At 31 March 2022	<u><u>1,808</u></u>	<u><u>207</u></u>	<u><u>1,205</u></u>	<u><u>3,220</u></u>
Accumulated depreciation and impairment:				
At 1 July 2020	2,468	591	1,583	4,642
Charge for the financial year	24	10	290	324
Impairment loss	8	-	147	155
Disposals/write-off	(688)	(393)	(1,231)	(2,312)
Exchange differences	55	2	12	69
At 30 June 2021 and 1 July 2021	<u>1,867</u>	<u>210</u>	<u>801</u>	<u>2,878</u>
Charge for the financial period	14	4	100	118
Disposals/write-off	(83)	(3)	(34)	(120)
Exchange differences	(35)	(4)	(14)	(53)
At 31 March 2022	<u><u>1,763</u></u>	<u><u>207</u></u>	<u><u>853</u></u>	<u><u>2,823</u></u>
Net carrying amount:				
At 31 March 2022	<u><u>45</u></u>	<u><u>-</u></u>	<u><u>352</u></u>	<u><u>397</u></u>
At 30 June 2021	<u><u>10</u></u>	<u><u>4</u></u>	<u><u>56</u></u>	<u><u>70</u></u>

During the financial period, the increase in right-of-use assets is attributable to renewal of an office lease in Hong Kong.

Except for the above, there are no significant acquisitions or disposals of property, plant and equipment for the Group and the Company during the financial period.

13. Intangible assets

During the financial period, the Group has no significant acquisition or disposal of intangible assets.

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14. Interest-bearing borrowings

	Group		Company	
	31.03.2022	30.06.2021	31.03.2022	30.06.2021
	\$'000	\$'000	\$'000	\$'000
Amount repayable within one year or on demand				
- Secured	1,000	1,000	1,000	1,000
- Unsecured	18	19	-	-
	<u>1,018</u>	<u>1,019</u>	<u>1,000</u>	<u>1,000</u>
Amount repayable after one year				
- Unsecured	58	74	-	-

The Group's borrowings are secured by the Company's fixed deposit placed with the bank amounting to \$1.013 million.

15. Share capital

	Group and Company			
	31.03.2022		30.06.2021	
	No. of shares		No. of shares	
	'000	\$'000	'000	\$'000
Issued and fully paid:				
At beginning and end of the financial period	<u>177,339</u>	<u>34,667</u>	<u>177,339</u>	<u>34,667</u>

The Company did not hold any treasury shares as at 31 March 2022 and 30 June 2021.

The Company's subsidiaries do not hold any shares in the Company as at 31 March 2022 and 30 June 2021.

On 22 August 2019, the Company completed a renounceable non-underwritten rights cum warrants issue and allotted and issued 105,124,182 shares at an issue price of \$0.05 per share and 35,041,371 warrants. Each warrant carries the right to subscribe for one new ordinary share in the capital of the Company at the exercise price of \$0.05 for each share. The warrants expire on 21 August 2024. Following that, the number of issued and paid up shares in the Company has increased from 72,215,467 to 177,339,649 shares. The number of ordinary shares that may be issued on conversion of all outstanding warrants are 35,041,371 shares as at 31 March 2022 and 30 June 2021.

16. Subsequent events

On 12 May 2022, the Company, following receiving a request for repudiation of the share sale agreement ("SSA") from Professional Education Management Pte. Ltd. ("PEM") (refer Note 5 for details of the SSA), issued an official notice to PEM to accept PEM's repudiation of the SSA and terminate the SSA with immediate effect. The repudiation of the SSA does not affect the presentation of IAPL as discontinued operation as IAPL has completely ceased operation as at 31 March 2022.

Except for the above, there are no known subsequent events which have led to adjustments to this set of interim financial statements.

Other Information Required by Listing Rule (Appendix 7.2)

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

The condensed consolidated statement of financial position of Informatics Education Ltd and its subsidiaries as at 31 March 2022 and the related condensed consolidated income statement and other comprehensive income, condensed statement of changes in equity and condensed consolidated statement of cash flows for the nine months ended 31 March 2022 and certain explanatory notes have not been audited or reviewed.

Where the figures have been audited or reviewed, the auditors' report (including any modifications or emphasis of matter)

Not applicable.

Where the latest financial statements are subject to an adverse opinion, qualified opinion or disclaimer of opinion, (a) updates on the efforts taken to resolve each outstanding audit issue, and (b) confirmation from the Board that the impact of all outstanding audit issues on the financial statements have been adequately disclosed. (This is not required for any audit issue that is a material uncertainty relating to going concern).

Not applicable since the qualification in the Company's latest financial statements, for the financial year ended 30 June 2021 is relating to material uncertainty relating to going concern.

2. Review of performance of the Group

Glossary:

Quarter ended 31 March 2022 (i.e. from 1 January 2022 to 31 March 2022): **Q3 FY2022**

Quarter ended 31 March 2021 (i.e. from 1 January 2021 to 31 March 2021): **Q3 FY2021**

Nine months ended 31 March 2022 (i.e. from 1 July 2021 to 31 March 2022): **9M FY2022**

Nine months ended 31 March 2021 (i.e. from 1 July 2020 to 31 March 2021): **9M FY2021**

- (a) The Group's revenue from continuing operations decreased from \$1.8 million for Q3 FY2021 to \$1.7 million for Q3 FY2022 due mainly to lower examination fees income recognised for the Group's operation in the United Kingdom in the current year as compared to prior year. Higher enrolment numbers in prior year was due to resumption of operations by partner centres in the prior year towards second half of 2020, while enrolment numbers were steadier and more consistent in the current year. For 9M FY2022, the Group's revenue increased from \$4.9 million for 9M FY2021 to \$5.0 million for 9M FY2022. The increase in revenue from continuing operations was mainly led by the Africa region as customers in this region which were affected by the COVID-19 pandemic in the prior year have resume normal delivery of their programmes in the current year. Meanwhile, revenue from Asia market has dropped due mainly to drop in enrolments from Myanmar, due to political uncertainties in the country, partially offset by increase in revenue from other countries in Asia.
- (b) Other operating income mainly relates to government grants and subsidies, interest income, and sundry income recorded in the respective periods.
- (c) The increases in staff costs of 10% and 9% for Q3 FY2022 and 9M FY2022 respectively were due mainly to lower receipt of grants and subsidies from the governments in the current financial periods as compared to previous financial periods.
- (d) The decreases in depreciation of property, plant and equipment of 53% for Q3 FY2022 and 9M FY2022 respectively were due to more assets becoming fully depreciated/impaired in the previous financial year.
- (e) The net write-back of allowance for expected credit loss in Q3 FY2022 and 9M FY2022 were mainly attributable to improvement in collections on receivables for the United Kingdom's operation, while allowances for expected credit loss were made for the United Kingdom's operation in Q3 FY2021 and 9M FY2021 respectively.

Other Information Required by Listing Rule (Appendix 7.2) (cont'd)

2. Review of performance of the Group (cont'd)

(f) Other operating expenses increased by 33% from \$0.6 million for Q3 FY2021 to \$0.8 million for Q3 FY2022 primarily due to exchange loss suffered in Q3 FY2022, as opposed to exchange gain recorded for Q3 FY2021. For 9M FY2022, other operating expenses increased by 7% due to higher exchange losses suffered in 9M FY2022 and higher amortisation of intangible assets during current period as a result of completion of development of software in last quarter of FY2021.

(g) While the Group recorded lower profit before tax from continuing operations of \$0.1 million for Q3 FY2022 as compared to \$0.2 million for Q3 FY2021, this was mainly attributable to higher exchange loss suffered for Q3 FY2022, as compared to an exchange gain recorded for Q3 FY2021. On year to date basis, the Group recorded a small profit before tax from continuing operations for 9M FY2022 despite suffering an exchange loss of \$0.1 million during this period, as compared to a loss before tax of \$0.1 million for 9M FY2021.

The results of Informatics Academy Pte Ltd ("IAPL") has been disclosed as discontinued operation in the consolidated income statement (with previous comparatives re-presented) as the Company has entered into a share sale agreement on 15 December 2021 to dispose of its entire interests in IAPL. The profit from discontinued operation for Q3 FY2022 was mainly due to interest income recognised on a deposit placed with an insurer as collateral, which was refunded during Q3 FY2022 and reversal of excess accruals made. The decrease in loss from discontinued operation for 9M FY2022 as compared to 9M FY2021 was due to the restructuring exercise undertaken by IAPL in the previous financial year, while teach-out by IAPL was completed in the previous quarter of FY2022.

(h) As at 31 March 2022, the Group's property, plant and equipment increased by \$0.3 million as compared to 30 June 2021, due mainly to recognition of right-of-use assets for renewal of an office lease in Hong Kong, partially offset by depreciation charge for 9M FY2022.

(i) The Group's intangible assets decreased by 31% due mainly to amortisation of intangible assets for the Group's operation in the United Kingdom.

(j) The Group's prepayments decreased by 12% mainly due to amortisation of prepaid expenses to profit or loss during 9M FY2022.

(k) The Company's total trade and other receivables increased by \$0.2 million from \$1.0 million (non-current assets: \$0.9 million, current assets: \$0.1 million) as at 30 June 2021 to \$1.2 million (non-current assets: \$0.8 million, current assets: \$0.4 million) as at 31 March 2022 due mainly to slower repayment for receivables from a customer in Africa for 9M FY2022, partially offset by repayments received from the Company's subsidiary in Hong Kong.

(l) The Group's cash and bank balances increased by \$0.2 million from \$2.0 million as at 30 June 2021 to \$2.2 million as at 31 March 2022, with receipt of advances from the immediate holding company of \$0.6 million during 9M FY2022, which were mainly utilised for operations (\$0.2 million) and payments of lease liabilities (\$0.2 million). The Company's cash and bank balances has increased by \$0.1 million mainly due to receipt of advances from the immediate holding company during 9M FY2022, partially offset by payments made to third party creditors and funding provided to a subsidiary in United Kingdom.

(m) The decrease in the Group's deferred income and fees was mainly due to release of deferred income to profit or loss for continuing operations, while deferred income of IAPL has been reduced to nil following completion of its teach-out obligations to students. The increase in the Company's deferred income and fees was due to higher franchise fees and examination fees billed to a customer in Africa in 9M FY2022.

(n) The Group's trade and other payables increased from \$2.2 million as at 30 June 2021 to \$2.3 million as at 31 March 2022 due mainly to receipt of advances from immediate holding company, partially offset by payments made to third party creditors. The Company's trade and other payables increased from \$4.4 million (non-current liabilities: \$0.7 million, current liabilities: \$3.7 million) as at 30 June 2021 to \$5.0 million (non-current liabilities: \$0.5 million, current liabilities: \$4.5 million) as at 31 March 2022 mainly due to receipt of advances from immediate holding company of \$0.6 million during 9M FY2022.

Other Information Required by Listing Rule (Appendix 7.2) (cont'd)

2. Review of performance of the Group (cont'd)

- (o) The Group's lease liabilities totalled \$0.4 million (non-current liabilities: \$0.2 million, current liabilities: \$0.2 million) as at 31 March 2022, an increase from \$0.2 million as at 30 June 2021, due mainly to renewal of an office lease in Hong Kong, partially offset by lease repayments made during 9M FY2022.
- (p) The provision for reinstatement costs relating to the lease in Hong Kong has been reclassified from current liabilities to non-current liabilities following renewal of the lease in Q2 FY2022.
- (q) The decrease in the Group's total outstanding interest-bearing borrowings was due to repayments made during 9M FY2022.
- (r) The assets and liabilities of disposal group were relating to assets and liabilities of IAPL, where the Company has entered into a share sale agreement on 15 December 2021 to dispose of its entire interests in IAPL.
- (s) Use of proceeds from Rights Issue

The Board of Directors refers to its announcements made by the Company on 14 March 2019, 14 May 2019, 24 June 2019, 18 July 2019, 23 August 2019, circular to shareholders dated 3 July 2019 and Offer Information Statement dated 18 July 2019, relating to the renounceable non-underwritten rights cum warrants issue of up to 216,646,401 Rights Shares in the capital of the Company at an issue price of \$0.05 for each Rights Share, with up to 72,215,467 free detachable and transferable Warrants, each Warrant carrying the right to subscribe for one (1) New Share in the capital of the Company at the exercise price of \$0.05 for each New Share, on the basis of three (3) Rights Shares with one (1) Warrant for every one (1) existing Share held by Entitled Shareholders as at the Books Closure Date, fractional entitlements to be disregarded.

On 11 September 2020 and 9 February 2021, the Group announced that it has reallocated a total of \$1.0 million of the net proceeds from the Rights Issue, originally allocated to support the Group's business expansion to general corporate and working capital requirements to weather through the COVID-19 pandemic. Further to the Group announcing the restructuring of operation for its subsidiary, Informatics Academy Pte Ltd ("IAPL") on 1 April 2021, the Group has on 27 August 2021, reallocated a further \$0.3 million of the net proceeds from the Rights Issue originally allocated to support the Group's business expansion to general corporate and working capital (the "Re-allocation") to fund the operating cash flows for IAPL up to the full cessation of operation.

Consequent to the Re-allocation, the use of the net proceeds raised from the Rights Issue is as follows:

Use of proceeds	Intended use of proceeds allocated as previously announced on 23 August 2019 \$ million	Intended use of proceeds allocated based on final results of Rights Issue \$ million	Amount reallocated following Re-allocation \$ million	Revised amount allocated \$ million
(i) Support the business expansion	2.35	2.35	(1.30)	1.05
(ii) Funding new projects to enhance capabilities	0.22	0.22	-	0.22
(iii) Capital improvements	0.35	0.35	-	0.35
(iv) General corporate and working capital requirements	1.94	1.84	1.30	3.14
Total	4.86	4.76 ^(a)	0.00	4.76

^(a) Net proceeds included gross proceeds from Rights Issue amounting to \$5.26 million, net of Rights Issue expenses incurred of \$0.50 million.

Other Information Required by Listing Rule (Appendix 7.2) (cont'd)

2. Review of performance of the Group (cont'd)

(s) Use of proceeds from Rights Issue (cont'd)

After the Re-allocation, the Board wishes to provide an update on the usage of the Rights Issue proceeds of approximately \$4.8 million for the Rights Issue completed on 23 August 2019 as follows:

Use of proceeds	Revised amount allocated	Amount utilised as at the date of this announcement	Balance proceeds
	\$ million	\$ million	\$ million
(i) Support the business expansion	1.05	0.09	0.96
(ii) Funding new projects to enhance capabilities [^]	0.22	0.18	0.04
(iii) Capital improvements [*]	0.35	0.35	0.00
(iv) General corporate and working capital requirements	3.14	3.14 ^(b)	0.00
Total	4.76	3.76	1.00

[^] Amounts designated to fund new projects to enhance capabilities included payment of professional fees to independent valuer and redundancy payments made to employees of \$0.07 million in Q3 FY2022.

^{*} Amounts designated for capital improvements have been utilised for restructuring of operation (including redundancy payments to employees, and costs incurred for reinstatement/vacation of premises) for the Group's Singapore operation, amounting to \$0.31 million.

^(b) Breakdown for the amounts utilised for general working capital is summarised as follows:

<u>Description</u>	<u>\$ million</u>
Payments to university partners, contractors and agents	0.72
Payments for staff costs	1.21
Payments for facility-related expenses	0.51
Payments for selling, general and administrative expenses	0.70
Total	3.14

Except as disclosed above, the utilisation of the net proceeds is in accordance with the intended uses as disclosed in the Offer Information Statement.

As announced previously, pending the deployment of the net proceeds, such proceeds may be deposited with banks and/or financial institutions, invested in short-term money markets and/or marketable securities and/or used for any other purpose on a short-term basis as the Directors may, in their absolute discretion, deem fit in the interests of the Company.

The pro-longed impact of the COVID-19 pandemic has significantly affected the Group's business expansion plans and the Group continues to experience pressures on its operating cash flows. In view of the foregoing and rising interest rates charged on the Company's bank loan, the Group intends to utilise the balance proceeds of \$1.0 million which is initially designated to support the business expansion, to repay the Company's current working capital loan with the bank in Q4 FY2022.

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

Not applicable

Other Information Required by Listing Rule (Appendix 7.2) (cont'd)

- 4. 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 May 2022, in relation to the quarterly update given pursuant to Rule 1313(2) of the SGX Listing Manual.

- 5. Dividend information**

5a. Current Financial Period Reported on

Any dividend recommended for the current financial period reported on? No

5b. Corresponding Period of the Immediate Preceding Financial Year

Any dividend declared for the corresponding period of the immediately preceding financial year? No

5c. If no dividend has been declared (recommended), a statement to that effect and the reason(s) for the decision.

No dividend has been declared or recommended as the Board of Directors deemed appropriate to conserve funds for the Group's business activities.

- 6. Interested person transaction**

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

- 7. 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.

- 8. 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 Chairman
13 May 2022