



Informatics Education Ltd

annual report 2008

A large, blue, glossy globe is the central focus, showing the continents of Africa and Europe. The text 'Learning Re-defined' is written across the globe in a white, sans-serif font. The globe is surrounded by several light blue, curved, ribbon-like shapes that create a sense of motion and depth.

Learning  
Re-defined



YOUR GLOBAL LEARNING PARTNER  
ANYTIME. ANYWHERE. ANY DEVICE

## vision

To be a global leader in providing quality education and training services.

## mission

To educate and train global citizens to make them effective and competent contributors to society.

## core values

### Student centric

We focus in understanding our students and putting them first in everything we do.

### People

We empower our people to be professionals demonstrating the highest standards of ethics and integrity.

### Innovative culture

We manifest creativity and innovation in our development, delivery of programmes and services.

### Social Responsibility

We strive to be responsible corporate citizens in every society that we operate.

### Results

We endeavour to provide sustainable returns to our stakeholders.



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## About Us

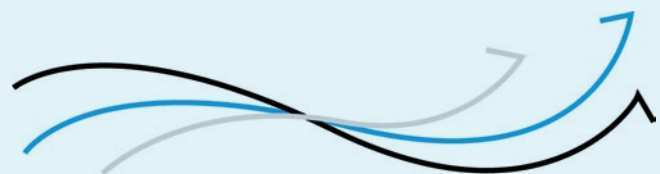
Informatics Education Ltd was first established in 1983 in response to Asia's economic growth which fostered tremendous demand for skilled Information Technology (IT) manpower and knowledge-based workers to build and sustain the rapid economic development in the region.

Informatics is one of the largest education and training institutes in Asia and a multinational corporation listed on the Mainboard of the Stock Exchange of Singapore since May 1993. With a global network of more than 80 centres in 20 countries in Asia, Middle East, Africa, and other regions, Informatics offers a wide spectrum of programmes, ranging from foundation programmes to diploma, undergraduate and postgraduate degrees. Over the years, Informatics has built a strong track record in quality info-

comm technology, business, finance, management and language programmes.

Our core competencies are in training and education and the extension of these training and education services on a global scale through our franchise operations. Our franchise brands are Informatics Computer School, Thames Business School, Informatics Professional Development Centre and Informatics Global Campus.

Today, Informatics Education Ltd, together with our subsidiaries, Informatics International, Informatics Academy, Informatics Global Campus, and regional country offices are established global leaders in providing quality education and training services for individuals and corporations.



**learning** redefined

Quality accredited education. Anytime. Everywhere.



## Our Competitive Strengths

### A Technology-Driven Institution

Anytime, anywhere, any device. Informatics has redefined the way students learn, in Singapore and around the world. Our students enjoy the flexibility of four learning modes – classroom learning, distance learning, e-learning and mobile learning. Not only are they able to choose a mode of study that best suits their needs and lifestyles, they are also supported by a strong suite of IT support services that help them make the most of the learning experience. Always the market leader in providing leading edge programmes, Informatics equips our learners with the skills they need to compete successfully in today's global workforce.

### Truly Global

With over 80 centres in more than 20 countries, our global network of learning centres and an integrated IT support system, students who prefer classroom learning can choose to study at a location convenient to them. All our learning centres are governed by a strict quality assurance system that focuses on maintaining high academic standards.

### Skill-based Curriculum

We offer a skill-based curriculum which empowers our graduates to apply the knowledge they have gained immediately at work.

### Highly Employable

Our students are sought after by employers who value the well-rounded education they receive at Informatics. The knowledge and soft-skills they hone at Informatics equip them with the right skill sets to compete successfully in today's global economy.

### Student Centric

At Informatics, our students come first. We strive to provide a holistic learning experience, by taking time and effort to provide students with a delightful and memorable learning journey.



Y. Bhg. Tan Sri Datuk Seri Panglima  
Dr Abu Hassan Bin Othman

## chairman's **statement**

### Dear Shareholders,

During the last financial year, Informatics exhibited a positive highlight after 17 quarters of losses. We managed a turnaround and were back in the black in Q3. In Q4, we further improved upon our profits. With this, the Group managed to trim its full year net loss by 38% to S\$3.6 million, compared to S\$5.8 million in FY07. These encouraging results were made possible by the Group's diligent and disciplined approach towards cost management and operating efficiency.

The past year has been an eventful year for Informatics. Before I begin to review the year's significant events, the Board and I would first like to extend a warm welcome to our new CEO and Executive Director of Informatics Education Ltd, Mr Patrick Ho. Mr Ho is no stranger to the education industry and has extensive experience in the areas of strategic and general management, global marketing, distribution and business development. The board has accepted the retirement of Mr Valentine Philip Ortega with much regret and together with me, would like to extend its best wishes and appreciation to Mr Ortega for his invaluable contributions.

### Mobile Learner Programme

In July last year, we launched our Mobile Learner Programme. It was a significant

milestone for Informatics, as we pioneered and redefined the way knowledge is being delivered to the learner. The Mobile Learner has effectively broken down the barriers of time, place, space and infrastructural constraints, making learning possible anytime, anywhere and on any device. With the Mobile Learner Programme, busy executives who wish to upgrade their qualifications and knowledge are no longer constrained when they travel to countries with no internet connectivity.

### Informatics Global Campus

In order to take the Mobile Learner Programme to greater heights, Informatics Global Campus (IGC) was formed on 1 November 2007 to take over the operations, enrolment and programmes offered by PurpleTrain.com.

Informatics Global Campus, as an institution of learning within the Informatics family, operates and markets mobile learning, e-learning and distance learning programmes. It complements our school operations that deliver traditional classroom learning.

We are proud that this new development has made Informatics the first private education institution in Singapore to offer true and total flexibility in learning, giving our students the convenience of 4 modes of learning – classroom learning, distance learning,

e-learning and mobile learning; and the freedom to toggle between these modes according to their needs.

### Informatics International

Globally, we continued to extend our reach by developing a new franchise partnership with JB International LLC in Mongolia and four new licensing partnerships in Singapore, Ghana and Bangladesh, giving us a worldwide network of 88 centres in 23 countries.

### SQC for PEO

In line with our vision to provide quality education and training services, the Singapore School operation has secured the status of the Singapore Quality Class for Private Education Organisations (SQC for PEOs). The SQC-PEO is a scheme that recognises PEOs that have attained a commendable level of performance in their journey to business excellence and is based on the Singapore Quality Award Business Excellence Framework. Administered by SPRING Singapore, the SQC-PEO scheme serves as the industry standard for organisational excellence in the private education sector.

As the requirements and criteria are stringent, Informatics is pleased to have secured this status for another 3 years.

### CaseTrust

Informatics has again secured the CaseTrust for Education status for the third consecutive year. The CaseTrust for Education scheme aims to enhance the confidence of international students and their parents in the quality of education in Singapore. The regulatory framework focuses on building trustworthiness, professionalism, as well as business and academic excellence.

### SMS results release

As part of the corporate strategy to be a technology driven institution, Informatics implemented an SMS results release service to all its students last year. This new service is provided free to all students and is one of the many new initiatives designed to entrench Informatics as a front runner in leveraging IT to enhance service delivery.

### New Satellite Recruitment Centre at Bras Basah Complex

In October last year, we opened a new satellite recruitment centre at the heart of Singapore in Bras Basah Complex to be closer to customers working in the central region. This centre provides for greater convenience and service to our students, complementing our campus located at Jurong East Central.

### Moving Forward

As you can see from some of the highlighted initiatives implemented in 2007, Informatics is forging ahead with its promise to be student centric, quality focused and globally oriented. Having streamlined its operations and achieved a higher level of efficiency over the past few years, the company is poised for growth ahead. In markets where Informatics has established a presence, learners could look forward to a comprehensive range programmes that will not only be academically rigorous and in demand, but also innovative and leading edge. Our learning network of 88 centres will be better leveraged to serve our students and the corporate community globally. Our shareholders can also look forward to seeing the Informatics' brand strengthened with a wider portfolio of quality programmes and broader base of reputable partners.

### A Word of Thanks

At this juncture, on behalf of the Board, I again express my appreciation to Mr Valentine Philip Ortega for his long service at Informatics. Under his leadership, he has built a strong quality oriented culture that would enable the group to grow and excel in the years ahead.

To our loyal shareholders who have persevered with us and given us their trust and support, Informatics will continue to work hard to regain its stature as a leading player in the education industry.

To my fellow directors who have taken up the challenging task of guiding the organisation back onto the growth path, let us move on with greater determination and perseverance to bring our vision to fruition.

To our university and business partners who have soldiered on with us, we are grateful for their unfailing support and look forward to growing our partnerships with them in the coming years.

To all Informatics staff in Singapore and the region, let us continue to work hard together to make Informatics a strong and excellent global education brand.

### Chairman

Informatics Education Ltd

## operations review 2008

1 April 2007 to 31 March 2008

The last financial year was a watershed year for Informatics. For the first time after 17 quarters of losses, Q308 achieved a breakeven, turning in a pre-tax profit of S\$0.03 million. This was repeated in Q408, with a larger pre-tax profit of S\$0.75 million. For the full financial year ended 31 March 2008, Informatics reduced its pre-tax loss by 38% to S\$3.6 million, from S\$5.8 million in FY07. With further improvements in operating efficiency, the Group also managed to cut its pre-tax losses by half to S\$2.9 million, from S\$5.8 million last year.

\$'000	Q1	Q2	Q3	Q4	Full Year
FY2007 Revenue	11,726	13,663	12,023	13,059	50,471
Operating Loss before Tax	(2,722)	(1,216)	(604)	(1,209)	(5,751)
FY2008 Revenue		12.3	11.5	12,308	47,917
Operating (Loss)/ Profit before Tax	(2,500)	(1,200)	31	748	(2,896)





“ I am confident that our clear strategies for product development, branding and marketing, programme delivery and channel management, coupled with our strict adherence to good corporate governance will make FY2009 and beyond an exciting new phase for Informatics. ”

Y. Bhg. Tan Sri Datuk Seri Panglima  
Dr Abu Hassan Bin Othman  
Chairman, Informatics

The Group's full year operating revenue dropped by 5%, or S\$2.6 million, to S\$47.9 million from S\$50.4 million in the previous year. This was due mainly to weaker performance of the Professional Skills Development segment and the ongoing consolidation in the Malaysia operations.

Despite the challenging market conditions, Higher Education business revenue managed to grow 2% to S\$42.0 million in FY2008, largely because of stronger performance from the European operations, which grew 14% to S\$15.7 million. Overall, the Group's Higher Education segment showed a turnaround of S\$1.4 million pre-tax profit for the full year, compared to a pre-tax loss of S\$4.5 million last year.

Informatics' operations in Singapore was the major contributor to the Group's revenue, growing 3% in the year. Growth of the Higher Education business in the Asia Pacific region, however, was held back by the ongoing restructuring in the Malaysia operations and by a weaker performance in Hong Kong.

#### **Reduction in Costs and Operational Losses**

During the year, staff cost was reduced by S\$3.5 million, or 14% compared to the previous year. The total reduction in operating cost was S\$5.0 million or 9% compared to the previous year.

#### **Growth Strategy**

New developments within the last financial year continue to pose challenges to the education industry and the Group. The Group is committed to growing a strong Informatics brand over the long term. In addition to undertaking marketing activities, it will also do so by enhancing the academic quality and rigor of its programmes, and by raising the standard of programme delivery.

In the coming years, Informatics aims to leverage upon its vast distribution network and put together a systematic engagement plan with its franchise network for knowledge transfers in the areas of product, branding, marketing, programme delivery and operating systems.

Informatics will also be developing an expanded range of academically rigorous, innovative and leading edge programmes for the emerging industries and technologies.



Y. Bhg. Tan Sri Datuk Seri Panglima  
Dr Abu Hassan Bin Othman  
*Non-Executive, Chairman*

## board of **directors**

Y. Bhg. Tan Sri Datuk Seri Panglima  
Dr Abu Hassan Bin Othman  
*Non-Executive,  
Chairman*

Y. Bhg. Tan Sri Datuk Seri Panglima Dr Abu Hassan Bin Othman is currently the Vice Chancellor of Berjaya Higher Education Sdn. Bhd., (a subsidiary company of Berjaya Corporation Bhd.), which will soon be incorporated as Berjaya University College of Hospitality. He was nominated and appointed as Chairman of the Board of Directors of Informatics Education Ltd on 1 June 2007.

Tan Sri Abu Hassan, a Fulbright Scholar, had a distinguished career as an educationist in Malaysian public universities. He began his career as the Head of Department of Sociology & Anthropology at the University Kebangsaan Malaysia and moved up the ranks to become Dean, Deputy Vice Chancellor and Professor before he was handpicked to start University Malaysia Sabah ("UMS") and be its Vice Chancellor in 1994. He retired from that position in 2005. At the time of his retirement, UMS had a population of more than 12,000 students.

While in service, Tan Sri Abu Hassan also held distinguished appointments such as Chairman, the Australian-Malaysian Vice

Chancellors Committee; Member of the Board of ACU (Association of Commonwealth Universities); Member of the Board of ASAIHL (Association of Southeast Asian Institutions of Higher Learning); Chairman of UMAP (University Mobility Asia Pacific) and Board Member, Botswana University of Science and Technology, Africa.

Currently, Tan Sri Abu Hassan serves as the Chairman of the Leadership Committee and a Committee Member at the Apex University, Strategic Action Plans at the Ministry Of Higher Education, Malaysia and a member of the Main Committee Panel of Anugerah Akademik Negara 2007.

He holds an Honorary Degree Doctor of Management from Open University Malaysia; Honorary Degree in Agricultural Science from Kinki University, Japan and PhD (Sociology) from Michigan State University, United States of America. He also holds directorships at the Malaysian American Educational Exchange (MACEE), Meteor Doc Sdn. Bhd., and Universiti Darul Iman Malaysia.



**Datuk Zainun Aishah Binti Ahmad**  
*Non-Executive,  
 Non-Independent Director*



**Mr Freddie Pang Hock Cheng**  
*Non-Executive,  
 Non-Independent Director*



**Mr Ung Gin Sei**  
*Independent Director*

**Datuk Zainun Aishah Binti Ahmad**  
*Non-Executive,  
 Non-Independent Director*

Datuk Zainun began her career in 1969 as an Economist with the Malaysian Industrial Development Authority (MIDA) – the Malaysian government’s principal agency for the promotion and coordination of industrial development in the country. She was the Deputy Director General for 11 years (1986-1995) and the Director-General from 1995 until her retirement in September 2004.

Besides taking on the responsibilities required of the Chief Executive of the organisation, she also participated in major investment missions abroad. In order to ensure that Malaysia remained a competitive and attractive investment location, she regularly formulated policies and incentives schemes that were necessary to meet with the changing economic environment in Malaysia and around the world.

At the corporate sector, she is the Chairman of Scomi Engineering Bhd and Pernec Corporation Bhd. She also holds directorships in various corporations, such as the Malayan Banking Bhd, Microlink Solutions Bhd, Aldwich Enviro Management Sdn Bhd and Eco Oils Sdn Bhd.

**Mr Freddie Pang Hock Cheng**  
*Non-Executive,  
 Non-Independent Director*

Mr Freddie Pang Hock Cheng began his career with a predecessor firm of Messrs Ernst & Young where he worked for seven years until 1982, during which he qualified for entry as a member of the Malaysian Institute of Certified Public Accountants. He is also a member of the Malaysian Institute of Accountants. In the same year, he joined the Corporate Advisory Department of the Malaysian International Merchant Bankers Berhad, where he was actively involved in a wide variety of corporate exercises in an advisory capacity until his departure in 1990 to join Berjaya Group Berhad.

He is currently the Chairman of Intan Utilities Berhad and an Executive Director of Berjaya Corporation Berhad and Berjaya Sports Toto Berhad. He is also a director of Berjaya Media Berhad, Berjaya Group Berhad, Berjaya Vacation Club Berhad and several other private limited companies.

**Mr Ung Gim Sei**  
*Independent Director*

Mr Ung Gim Sei is a partner of Singapore law firm, Messrs. KhattarWong and a part-time law lecturer at the Nanyang Technological University, Singapore.

Prior to taking up law, Mr Ung started his career in the media and publishing industry and assumed key positions at Nanyang Siang Pau, Singapore Press Holdings and Hong Kong Sing Tao Newspaper Group. He is the legal adviser and a member of the Tan Kah Kee Foundation and China Trade Association, as well as a Committee Member of the Singapore-China Friendship Association and China Aw Boon Haw Foundation. Mr Ung is a Director of Li Ming University in Quanzhou, Fujian, Peoples’ Republic of China, and an independent Director of EMS Energy Ltd.

He holds a Bachelor of Arts degree in Economics from the National University of Singapore and a Master of Law, from the City University of Hong Kong. He has also obtained a Common Professional Examinations in Law from the UK.



Mr Anderson Tang Siu Ki  
*Independent Director*



Professor Chew Soon Beng  
*Independent Director*



Mr Patrick Ho Kwok Sum  
*Executive Director,  
Chief Executive Officer*

## board of **directors**

Mr Anderson Tang Siu Ki  
*Independent Director*

Mr Anderson Tang Siu Ki is an Executive Consultant with the business consultancy firm, CK Siow & Associates. Prior to this, he was the Chief Financial Officer of the Singapore Exchange. He has over 20 years of finance and operations experience with various leading multinational banks and financial institutions, including inter alia as Regional Financial Controller of American Express Bank for Asia and the Subcontinent, Head of Finance & Operations of Lehman Brothers Singapore, Chief Operating Officer of BZW Pacific Union Pte Limited and Director of Operations of BZW Asia Limited. Mr Tang is a Chartered Accountant, and graduated from the McGill University in Canada. He also holds a Bachelor of Commerce degree (Honours) in Accountancy with distinction from Concordia University in Canada.

Professor Chew Soon Beng  
*Independent Director*

Professor Chew Soon Beng is with the Nanyang Technological University (NTU). He is the Founding Director of the Asia Commerce and Economics Studies (ACES) Center in Nanyang Business School in 1993, which was set up to train top officials from China. He is also the Founding Director of the Master of Science programme in Managerial Economics known as the Mayor programme, since its inception in 1998 at NTU for top Chinese officials. He is now in charge of executive programmes in NTU's School of Humanities and Social Sciences.

Between 2004 and 2005, Prof Chew was a consultant to the Omani Ministry of Higher Education, looking into the reform of Oman's higher education. He is currently a member of the Singapore Institute of Arbitrators. Prof Chew received his Ph. D. in Economics from the University of Western Ontario, Canada, after obtaining a Master of Social Science in Economics from the former University of Singapore and a Bachelor of Commerce, First Class Honours, from the former Nanyang University.

Mr Patrick Ho Kwok Sum  
*Executive Director,  
Chief Executive Officer*

Mr Patrick Ho was appointed the CEO on 1 April 2008. Patrick has extensive experience in the areas of strategic and general management, global marketing, distribution and business development. He has worked in industries ranging from consumer goods to fashion wear, optical products and education, and has held senior management positions from General Manager to Marketing Director and CEO.

Prior to joining Informatics, he was the CEO of Kaplan Singapore where he was responsible for the divisions of Higher Academic Education, Professional Financial Training (ACCA, CFA and CFP), Languages, and Corporate Training. Patrick started as the CEO of Asia Pacific Management Institute (APMI) in 2005. In 2006, he merged APMI with the Financial Training Company (FTC) to form Kaplan Singapore and became its first CEO. In 2007, he moved Kaplan Singapore into the city centre, forming Kaplan's first Integrated City Campus with a student population of over 9,000.



**Ms Cecilia Tong Chiu Fai**  
*Executive Director,  
Chief Financial Officer*



**Mr Wong Wee Woon**  
*Executive Director*

**Ms Cecilia Tong Chiu Fai**  
*Executive Director,  
Chief Financial Officer*

At the Singapore Manufacturer's Federation (SMa), from 2003 to 2005, Patrick last held the position of CEO and Senior Director of Operations. During his tenure in SMa, he held positions such as CEO and Principal of SMa School of Management, Senior Director of SMa Centre for Corporate Learning and Director of Business Development. The SMa Centre for Corporate Learning was responsible for organising over 300 seminars, workshops and conferences to over 6,000 participants annually.

Prior to SMa, Patrick worked in the optical industry where he was the Marketing Director of a multinational optical manufacturer. He oversaw a number of subsidiaries and was responsible for a distribution network spanning 50 over countries from America, Europe to Asia.

Patrick holds a Bachelor's Degree in Business Administration from the National University of Singapore and a Master's Degree in Business Administration from Cranfield University, UK.

Ms Cecilia Tong joined the Group in July 2001 and was appointed Chief Financial Officer in April 2006. Ms Tong has 16 years of auditing and finance experience in various industries, such as banking, manufacturing, education, construction, import and export trade, hotel and other services. She also has regional experience in Singapore, Hong Kong and China.

She graduated with a Bachelor of Business (Accounting) degree from Monash University in Melbourne, Australia and is a member of CPA Australia. She gained auditing experience at Kwan Wong Tan & Fong BDO (now known as Deloitte Touche Tohmatsu) in Hong Kong from 1993 to 1995, before moving on to another auditing firm Coopers & Lybrand (now known as PricewaterhouseCoopers) in Singapore from 1996 to 1998. From 1998 to 2001, she assumed the position of Controller of the Singapore subsidiary of Illinois Tool Works (a US Fortune 200 company).

**Mr Wong Wee Woon**  
*Executive Director*

Mr Wong Wee Woon joined Informatics in October 2004. He has a rich background in educational publishing, having been with educational publisher Longman Malaysia for 25 years from 1971 to 1996, where he rose from Regional Sales Executive to Managing Director. In 1997, he became Managing Director of Longman Singapore/Malaysia and the following year, he was Managing Director of Addison Wesley Longman Asia, after successfully integrating the companies in Asia belonging to the Longman and Addison Wesley stables.

In 1999, Mr Wong was named President of Pearson Education Asia when publishing giant Pearson acquired Prentice Hall and folded it into Addison Wesley Longman. From 2000 to 2002, he held the post of President, Pearson Education South Asia. Thereafter, he moved on to become a consultant with India's Bhagat Publications in 2003 and with a UK publishing house in 2004, before joining Informatics that year.

## key management



Mr Patrick Ho Kwok Sum  
*Chief Executive Officer*



Ms Cecilia Tong Chiu Fai  
*Chief Financial Officer*



Mr Wong Wee Woon  
*Managing Director,  
Informatics International*



Mr Valentine Philip Ortega  
*Senior Director, Academic Affairs,  
Informatics Academy*



Mr Felix Raoul Stravens  
*Managing Director,  
NCC Education*



Mr Breyvan Tan Kiah Tong  
*Managing Director,  
Informatics Global Campus*

key management



Mr Alan Phua Poh Kuay  
*Managing Director,  
Singapore School Operation*



Mr David Allan D'Souza  
*Executive Director,  
Academic and Operations  
Singapore School Operation*



Ms Wong Mei Mei  
*Director  
Malaysia School Operation*



Ms Mabel Cheung Oi Lin  
*Managing Director,  
Hong Kong School Operation*



Ms Jennifer Jiang Li Ting  
*Managing Director,  
Shanghai School Operation*



Mr Mahen Jayalath  
*Director,  
Sri Lanka School Operation*

key **management****Mr Patrick Ho Kwok Sum**  
*Chief Executive Officer*

Mr Patrick Ho was appointed the CEO on 1 April 2008. Patrick has extensive experience in the areas of strategic and general management, global marketing, distribution and business development. He has worked in industries ranging from consumer goods to fashion wear, optical products and education; and has held senior management positions from General Manager to Marketing Director and CEO.

Patrick holds a Bachelor's Degree in Business Administration from the National University of Singapore and a Master's Degree in Business Administration from Cranfield University, UK.

**Ms Cecilia Tong Chiu Fai**  
*Chief Financial Officer*

Appointed the Chief Financial Officer in April 2006, Ms Cecilia Tong joined the Group as Financial Controller of Informatics Holdings in July 2001 and was promoted to the executive level in August 2004. In September 2005, she was appointed the Executive Officer for the Group's finance and corporate functions and board member in a number of subsidiary companies of the Group. As the Executive Officer for the Group's finance and corporate functions, she has been driving changes and enhancements to the Group's finance and corporate functions and corporate governance. She was appointed a board member of the Company on 31 March 2006 and now directly looks after the Group's Finance, Corporate Secretary, Legal and IT function and Investor Relations.

**Mr Wong Wee Woon**  
*Managing Director,  
Informatics International*

Mr Wong Wee Woon was appointed Managing Director of Informatics International on 10 October 2007. He has

been with Informatics Group Malaysia since October 2004, bringing with him more than 20 years of rich corporate experience in educational publishing. He was with educational publisher Longman Malaysia for 25 years from 1971 to 1996, where he rose from Regional Sales Executive to Managing Director. From 1997 to 2004, he held a series of positions, ranging from Managing Director of Longman Singapore/Malaysia and President of Pearson Education Asia to consultant to a UK multinational publishing house. Mr Wong obtained a Master in Management from the Asian Institute of Management in the Philippines.

**Mr Valentine Philip Ortega**  
*Senior Director,  
Academic Affairs, Informatics Academy*

Mr Valentine Philip Ortega was the immediate past CEO and Executive Director of Informatics Education Ltd between August 2006 and March 2008. Mr Ortega has been with the Informatics Group for over 17 years in different capacities. He first started as an adjunct lecturer in 1989 and later came on board full time in 1995 as the General Manager of Thames Business School. Mr Ortega has extensive experience in the private education industry, having been in it for more than 25 years. He holds a Master of Science in International Marketing from the University of Strathclyde, Glasgow and Master of Education from RMIT University, Melbourne. He is currently pursuing his PhD in Education.

**Mr Felix Raoul Stravens**  
*Managing Director,  
NCC Education (U.K.)*

Mr Felix Raoul Stravens was appointed the Managing Director for NCC Education (UK) in August 2006. He brings with him many years of experience in the training and education services industry.

Prior to joining Informatics, he was an Associate Professor and Programme Director

at the University of Canberra, Australia, and Executive Director of the Institute of Advertising in Singapore. As the only known Professor of Advertising and Marketing Communications, he has taught academic courses in various institutions, designed and conducted in-house training in various established organisations and given seminars at many platforms.

Besides other qualifications, he graduated from the University of East London, UK with a Master of Business Administration (Strategic Management). In addition, he also holds a Graduate Diploma in Financial Management and a Graduate Diploma in Marketing Management from the Singapore Institute of Management, and a Diploma in International Advertising from the International Advertising Association, USA. In 2008, he was admitted as a member and included in the Princeton Premier Honors Edition of Professional Business Leaders.

**Mr Breyvan Tan Kiah Tong**  
*Managing Director  
Informatics Global Campus*

Mr Breyvan Tan was appointed Executive Director, Informatics Global Campus on 31 March 2008. He is responsible for strategising and spearheading this Strategic Business Unit (SBU) to greater heights.

Mr Tan has been with the Informatics Group for 14 years, and has held various positions. He began his career in Informatics Computer School in 1994 as an IT lecturer and subsequently assumed various senior management and business roles.

Over the years, he moved up the ranks to head Informatics Education Singapore, where his last held appointment was Managing Director, Singapore School Operations. His responsibilities included steering the business in a highly competitive market and overseeing the Singapore operations.



## key management

Prior to this, he was the Executive Director, International Student Recruitment at Informatics Education Singapore and Business Development Director at Informatics Global Development Unit where he developed new business alliances with key market players to create business opportunities for the Group.

**Mr Alan Phua Poh Kuay**  
*Managing Director,  
Singapore School Operation*

Prior to assuming the position of Managing Director of the Singapore School Operation, Mr Phua was the Executive Director of Academic Affairs in the International Division of Informatics. He has a strong track record in academic quality assurance, curriculum development and assessment as well as strengthening university collaborative relations. He has devoted the last 14 years to the education industry and held different capacities in Informatics. Mr Phua has taught in Informatics' various diploma and undergraduate IT programmes. He holds a Bachelor of Science from the National University of Singapore and a Master of Science in Software Engineering from the Andrews University (US).

**Mr David Allan D'Souza**  
*Executive Director,  
Academic and Operations  
Singapore School Operation*

Mr David Allan D'Souza has been with Informatics for the past 14 years. He started out as a lecturer at the flagship centre in Singapore, and was subsequently promoted to work in the International Division. From here, he moved on to various academic management, administrative management and business development positions, ranging from Product Development & Management, to Franchise Training School management and Examination Division management. His experience and involvement in numerous facets of the organisation have made it possible for him to be effectively deployed in various sub-units of the company.

Mr D'Souza graduated with a degree in Computer Science, from the National University of Singapore and also holds an MBA from the University of Leicester. He is currently the Executive Director of Academic and Operations at the Singapore campus, overseeing all aspects relating to the service and academic areas of the school.

**Ms Wong Mei Mei**  
*Director,  
Malaysia School Operation*

Ms Wong Mei Mei has more than 25 years' experience in the education industry and multinational corporations. She has a wealth of experience in the areas of improving the teaching and learning processes through training, content development and knowledge transfer to benchmark and raise academic standards. Ms Wong has a Bachelor's degree from the National University of Malaysia (Universiti Kebangsaan Malaysia, UKM) and a Master's degree in Business Administration from the University of Dubuque, Iowa, US. She is a member of the Qualitative Educational Research Association Malaysia and is currently pursuing her research in Content Development for e-learning as well as Content and Language Integrated Learning (CLIL).

**Ms Mabel Cheung Oi Lin**  
*Managing Director,  
Hong Kong School Operation*

Ms Mabel Cheung joined Informatics in February 1998 as an Accountant. Over the years, she has worked in various positions within Informatics and was subsequently promoted to head the Hong Kong team. Ms Cheung holds an Executive MBA from the University of Birmingham, U.K., a Bachelor of Business from the University of Technology (Sydney), and is a member of the CPA (Australia). Prior to joining Informatics, Ms Cheung had about five years' experience in the commercial sector.

**Ms Jennifer Jiang Li Ting**  
*Managing Director,  
Shanghai School Operation*

Ms Jennifer Jiang joined the Group as Finance Manager of Informatics Holdings in September 2001. She was promoted to Business Director for the Group's Shanghai School Operation and was appointed a board member in a number of the Group's subsidiary companies in China. In April 2006, she was appointed the Managing Director for China operation. Ms Jiang graduated with a Master's degree in Commerce from the University of New South Wales (Australia), and is a member of the CPA (Australia).

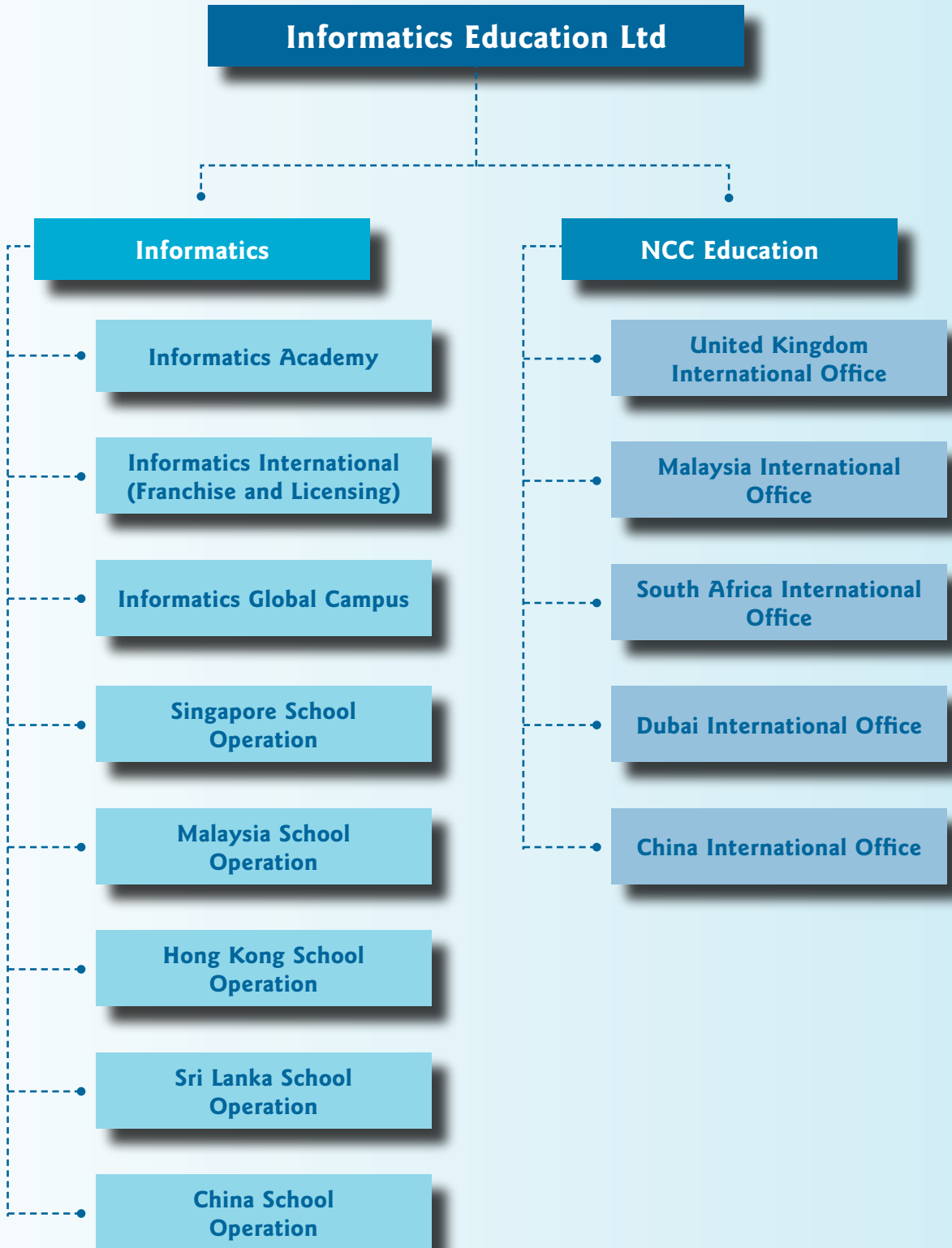
**Mr Mahen Jayalath**  
*Director,  
Sri Lanka School Operation*

Mr Mahen Jayalath obtained his BSc.(B.E) from the University of Moratuwa in 1997, and MSc. (Computer Science) from Colombo University in 2004. He joined Informatics in 2002 as a Lecturer and was subsequently promoted to Academic Head and Dean. In October 2007, he was appointed the Director of the Sri Lanka School Operations.

Before joining Informatics, he held various positions in the software and education industries for more than eight years. He also served as a Lecturer for two years in one of the largest technical institutes in Sri Lanka, before being promoted to Center Manager and subsequently, Co-ordinator for five centres at the institute.

He is currently an executive committee member of ACTOS (Association of Computer Training Organizations) in Sri Lanka, which is the premier association representing Private Computer Training Organisations in Sri Lanka.

## group structure



## corporate functions



With the clear business objectives of focusing on increasing student headcount, coupled with a balanced product mix, we have realigned our corporate functions to focus on the organic growth of all Informatics centres and campuses worldwide.

### Content Management and Programme Development

Our research and content development team constantly upgrades existing and develops new programmes to meet the markets' changing knowledge demands.

### Marketing Communications and Public Relations

A core set of standards and best practices for public relations and marketing has been put in place to establish Informatics as a strong international brand in providing quality training and education services. Marketing and communications materials are periodically reviewed to ensure accurate and updated information. Through a focused and integrated brand strategy, coupled with effective and timely communication efforts, the Group seeks to enhance our brand value and market share so as to strengthen our leadership position in the market.

### Human Resource Management

Our Human Resource management objective is to leverage the best practices in human resource management and development to develop staff to their fullest potential. These practices translate into higher staff morale, greater teamwork among staff and higher staff productivity, which in turn lead to greater returns to shareholders.

On a global scale, we have established a five-pillar people excellence framework:

- Talent identification and management
- Leadership cultivation
- Compensation and benefit
- Consistency in core HR policies and philosophy
- Benchmarking of best HR practices

One of the key thrusts of Global HR is effective and timely communication with staff members. Some initiatives implemented for improvement in this area include management presentations at staff forums, regular face-to-face communication sessions, and web-based tele-conferencing sessions with our overseas offices. We recognise that regular communication will enable management to communicate the company's business directions and performance effectively to staff at all levels, thus aligning their functions to the Group's objectives.

### IT Infrastructure

Information Technology is a key enabler of Informatics' business, as well as a conduit for our strategic e-learning business. It provides infrastructure for capturing data and producing management information on a real-time basis. We have moved towards a centralised infrastructure in order to achieve better standardisation and control, so that we can effectively utilise our resources, knowledge and expertise.

Our Data Centre is equipped with environmental protection, biometric access control and clustered servers to support all country offices within the Group.

Our self-developed student management system, the Informatics Management Information System (IMIS), was further enhanced with online attendance recording and tracking tied to an online report card for students or parents to download. It is also integrated with our new Online Instant Response Admission System, which evaluates students' qualifications and presents to them further education options with Informatics. Regardless of country, our students can also subscribe to our SMS service to receive their examination results and updates from Informatics.

Informatics will continue to explore innovative ways of delivering IT services and capabilities by embracing technology in whatever we do.

### Finance

The finance function of all country offices within the Group is led and spearheaded by the Group's Chief Financial Officer. This structure provides an environment of independence and financial information on the business is in compliance with the Group's accounting and financial policies, and corporate governance practices. This ensures that the Group maintains a high standard of financial integrity and corporate governance.

Key development strategies include a centralised system in tax planning, treasury and fund management. The Finance group also oversees and effectively manages the Group's allocation of financial resources with the objective of maximising business growth and return on long-term basis. It has also established a framework of

## corporate functions

proper internal controls and optimises financial and operating system with proper documentation of processes, procedures and policies.

The Finance leadership will make continual improvements to strengthen its internal control systems and processes, integrate the operational, financial and management information systems in order to provide relevant and timely reports to support the management.

### Service Quality

An integrated service excellence framework has been incorporated as part of the strategic pillars of organisational success in Informatics. This framework encompasses all business systems including the design of academic curriculum, classroom delivery standards, service contact points and support services. It aims to develop a student-centric mindset amongst all staff.

Key service initiatives developed include the Global Employment Service which aims to maximise employment opportunities for our students and graduates. Our Global Alumni network enables our students to stay connected to each other and with Informatics even after they have graduated. Harnessing technology, we have implemented several online service systems to further enhance our service efficiency and greater convenience to students.

### Investor Relations

The role of the Group's investor relations aims to inform and facilitate strategic partnerships as investors in Informatics. The Group is committed to a high level of corporate transparency, with the objective of facilitating timely and accurate communication to the investment community. The Group disseminates information effectively on a wide scale and without bias, so as to ensure that shareholders and investors have easy access to significant information pertaining

to the Company. Such information includes announcements to the Singapore Exchange by the corporate secretary on the Company's quarterly results, changes in executives, updates on the Company's Employee Share Option Scheme (ESOS), changes in shareholdings and material events that are of interest to shareholders. The Group will continue to foster strong investor confidence in the company and practise fair and transparent disclosure of our performance and results and ultimately enhance shareholders' value.

### Audit and Risk Management Committee

The Audit and Risk Management Committee ensures an independent review of the Company's key risks, operational efficiency and performance. It provides the Board of Directors with an independent report, as well as provides the management with advice on best practices.

### Internal Audit

The internal audit function of the Group is undertaken by the Group Internal Audit, which is based at the Corporate Headquarters in Singapore. It conducts regular or ad hoc audits to review the internal controls and compliances in each subsidiary's operations within the Group. The Head of Group Internal Audit reports directly to the Audit and Risk Management Committee and sits in every Committee meeting.

The internal audit work plan for the year is reviewed and approved by the Committee. In addition, the Committee oversees and appraises the quality of the audit effort of the Group's internal audit function. During the year, the internal audit plans its work in consultation with, but independent of management. The Audit Plan is developed using a risk-based approach, in which the inherent business and control risks in each operating unit are taken into consideration.

The overall objective of the Group Internal Audit is to ensure compliance with policies and procedures established by the management. Key to this initiative is the participation of each employee in acting as a 'watchdog' for the Group and in upholding good ethical and governance standards in their respective areas of work. The Internal Audit team also conducts training sessions for staff on governance and standards. It provides independent recommendations on how to ensure compliance and forms opinions on the reliability of the numbers reported.

### In-House Legal Counsel

The Group's legal affairs are coordinated or managed by our in-house legal department based in our Corporate Headquarters in Singapore. It assists the business units within the Group, in identifying, monitoring and providing the support necessary to manage legal risks of the Group, which may arise from:

- Insufficient or inadequate documentation
- Legal or regulatory incapacity or insufficient authority of a counterparty
- Inadequate protection of the Group's property especially of our intellectual properties
- Insufficient act or failure of performance giving rise to possible claims against the Group
- Violation of statutory or regulatory laws leading to fines or penalties

The department also provides guidance and advice on legal matters to the management, predominantly on contractual issues, legal disputes and proper documentation. This function is further equipped with a panel of external legal professionals in respective area of focus, such as intellectual property, litigation, corporate finance and so on. In addition, the department is a point of reference on the appointment and monitoring of external law firms for the Group.

# global operations **review**

## Informatics Academy



### Informatics Academy

Informatics Academy is an integral part of Informatics. Formed in 2002, Informatics Academy acts as an independent, international awarding body that ensures that all its awards bear the quality assurance marks which are internationally recognised and accepted by employers and universities for employment and credit transfers respectively. We work closely with NCC Education to offer diploma programmes validated by NCC.

Informatics Academy has also gone through a number of academic audits by the various auditing bodies such as the Quality Assurance Agency (QAA) from UK, North Central Association of Colleges and Schools (NCA) from the US and Australia Universities Quality Agency (AUQA) from Australia independently. Informatics Academy awards a wide range of qualifications. Its programmes have high academic standards that are recognised and accepted worldwide. Our strategic partnership and alliances with

23 international universities in the UK, USA, Australia and New Zealand offer students a wide range of choices for further studies that lead to international recognition.

Functions within Informatics Academy include content development and programme management; universities articulation; assessment setting and administration; online student services; evaluation and admission; curriculum design and the awarding of all certifications.

### Quality Assurance Framework

Informatics Academy is committed to providing quality programmes and services to all our students.

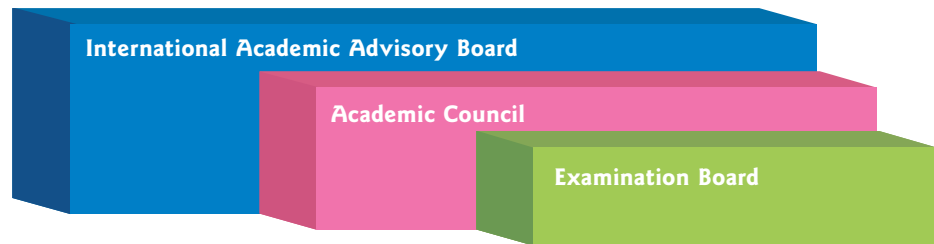
We have an academic framework of standards and procedures that manages and controls our programmes and service activities. The Informatics Academic Governance is the backbone on which the quality of our awards is judged. Collectively, the various institutes in Informatics Higher Education interact

with the Academic Council and empower the Examination Council and the various Examination Boards with the authority to grant Informatics Academy awards.

The International Academic Advisory Board ensures that high academic standards are maintained at centres within the Informatics global network. Represented by a group of respected and experienced academic leaders from universities in the U.K. and Australia, each member brings an extensive range of educational leadership and management experience.

The board advises on strategic academic matters including academic quality and standards, policies, systems and procedures, curriculum design and development, teaching, assessment practices and standards, security and integrity. It also monitors the strategic development of Informatics' institutions to ensure academic excellence.

## Informatics Academy Governing Framework



### External Examiners

Informatics Academy has also incorporated, in its quality assurance system, a panel of External Examiners. These External Examiners are faculty members from renowned tertiary institutions.

The External Examiners play a significant role in our continuous quest to achieve academic quality of the highest standards. They audit the evidences which indicate the basis on which grades have been awarded. This process usually involves taking samples of examination scripts and candidates' written work which include samples of work at all levels of performance.

### Assessment

Informatics Academy is chartered to evaluate the various forms of assessments for its students. The assessment of students comes largely in two forms: Formative Assessment and Summative Assessment. A formative assessment ensures that students are continuously being assessed and regular feedback is given to students to ensure that they are able to review their strengths and weaknesses. This form of assessment allows students the opportunity to understand

their abilities and gain knowledge that is appropriate for their level of studies. Formative assessment comes largely in the form of coursework, projects, periodic class tests and class participation.

Summative assessments are usually in the form of semester-end examinations. This form of assessment allows the cumulative skills and knowledge of the students to be applied at the end of the semester and assesses the students holistically.

### Moderation







With our vast network, the assurance of standards across all countries is crucial. The key role of Informatics Academy is to ensure that all assessments are equivalent in standards and all students are suitably graded. There are up to three levels of controls before the results of the students are being released.

Firstly all assessments are examined by qualified academics approved by Informatics Academy. The Examiner's role in the assessment is to ensure that all students are assessed fairly and suitably at their level of studies.








Another team of senior academics from the Informatics Academy, who play the role of Chief Examiner, will then moderate the graded scripts. The task of the Chief Examiner is to ensure that all assessments are graded with consistency and accuracy. They also moderate the assessment to ensure equivalent standards are applied to students around the world.

For undergraduate and postgraduate degree programmes awarded by the universities, a final moderation will be conducted by the academics from the university partners and other validation bodies.

### International Academic Advisory Board

	<p><b>Professor William Lovegrove</b> Vice Chancellor University of Southern Queensland, (Australia)</p>		<p><b>Professor Peter Ford</b> Chairman, Academic Board NCC Education, UK</p>	
		<p><b>Dr Ann Gibson</b> Dean - Business School Andrews University, USA</p>		<p><b>Mr Huw Hughes</b> Head of Validation Services University of Wales, UK</p>
	<p><b>Mrs Annette Clare Wilson</b> Associate Dean Students, Faculty of Technology University of Portsmouth, UK</p>		<p><b>Mrs Sue Greenwood</b> Director of International Collaborative Provision and Principal Lecturer, School of Technology, Oxford Brookes University, UK</p>	

### Academic Council

		<p><b>Mr Valentine Philip Ortega</b> <i>Senior Director Academic Affairs</i></p>		<p><b>Mr Wong Wee Woon</b> <i>Managing Director Informatics International</i></p>	
	<p><b>Mr David D'Souza</b> <i>Executive Director Singapore School Operations</i></p>		<p><b>Mr Alan Phua</b> <i>Managing Director Singapore School Operations</i></p>		<p><b>Mr David Wang</b> <i>Director Informatics Academy</i></p>
		<p><b>Ms Bibiana Teh</b> <i>Assistant Director Informatics Academy</i></p>		<p><b>Ms Thamilarasy Periasamy</b> <i>Academic Quality Manager Informatics Academy</i></p>	

# global operations **review**

## Informatics Franchise Network



Informatics' Franchising and Licensing programmes are the driving forces of Informatics International. Within Informatics International, the Business Development Department is responsible for growing our franchising and licensing businesses as well as being proactive in establishing and maintaining strong relationships with our current partners.

### New Licensees in FY2008

- Process Education [SINGAPORE]
- Oriton [SINGAPORE]
- Ghana Foreign College [GHANA]
- Institute of Resource Management [BANGLADESH]

### New Franchisee in FY2008

- Mongolia – Thames Business School [Sep. 2007]
- Nepal – Thames Business School [Oct. 2007]

### Key Highlights in 2007

Mongolia – Informatics established our first Mongolian partnership on 20 September 2007. The agreement was signed with the CEO of JB International LLC, Mr. Jugder Byambatsogt. The agreement marked our foray into the East Central Asia region.

Mr Jugder said, "Informatics is a valued partner with a wealth of experience in the education industry. JB International LLC is happy to

be part of the Informatics Group. With the positive economic outlook in Mongolia, I believe our partnership with Informatics will be a valuable asset in enriching the lives of the people in Mongolia."

The first Thames Business School in Mongolia, slated to open in August 2008, adds to our global network of more than 80 centres in over 20 countries. Business and hospitality programmes will be offered at the centre.



*Franchise Agreement Signing Ceremony by Mr Valentine Philip Ortega, immediate past CEO of Informatics Education Ltd and Mr Jugder Byambatsogt, CEO of JB International LLC. on 20 Sept. 2007.*



global operations **review**  
Informatics Franchise Network



*Participants of Franchise Conference 2007 with staff and management of Informatics Education Ltd.*

**Ghana** – Foreign College Ghana Ltd has come onboard as our new Licensee. Foreign College Ghana is a newly set up college headed by Dr Ndubisi Pius and is located in Accra, Ghana.

The college began offering our International Diploma in Computing and Business programmes on December 2007.

**Nepal** – Our franchisee in Nepal strengthened their partnership with Informatics through the purchase of an additional Thames Business School brand. Our partner in Nepal has been running Informatics Computer School (ICS) for more than ten years and is one of our top performing centres. The agreement to operate Thames Business School was finalised in October 2007, after the renewal of the ICS franchise agreement.

**Inaugural Franchise Conference** – Informatics Education Ltd hosted its first ever Franchise Conference on 12 and 13 November 2007. The event was held at Informatics campus and was attended by 14 of our partners from Brunei, Libya, Myanmar, Indonesia, Laos, Sri Lanka, Nepal, Vietnam, Malaysia and Singapore.

The participants benefited from a series of presentations, hands-on service showcases and a campus tour. The event also gave them the opportunity to meet and interact with the teams in Singapore.

The best performing Informatics Computer School and Thames Business School were recognised for their outstanding achievements. Awards were given out for Best Centre – Growth Performance, and Best Centre – Academic Performance.

# global operations **review**

## Informatics Global Campus



Informatics Global Campus (IGC), a wholly owned subsidiary of Informatics Education Ltd, was officially launched in 1999 as Asia's first global online learning institution. With effect from 1 November 2007, Purpletrain.com is IGC. To date, IGC has trained about 72,000 learners from more than 68 countries worldwide spanning Asia, Africa, Europe and North America, making it the premier global online learning provider outside of the U.S.

As our name suggests, the world is our campus. IGC was established on the belief that learning can truly be independent of time and place and made available in learning modes that offer the greatest convenience to learners at different life stages. IGC provides lifelong learning services to students all over the world, catering primarily to the needs of adult learners. Our array of academic and professional development programmes in Business and InfoComm Technology ranges from post-graduate and bachelors degree programmes to diplomas and certificates, spanning technical to management levels. New programmes will be rolled out to cater to the learning needs of the markets we serve.

IGC has an extensive global recruitment network that comprises Informatics Institutes, Informatics Computer Schools, Thames Business Schools, Authorised Student Recruiters, Franchise and Licensing Networks and our wholly owned Satellite Recruitment Centers situated around the world.

### **The IGC Modes- A Blended Approach for True Flexibility**

Technological innovation has enabled the education industry to become increasingly globalised. IGC will continue to play an integral role in providing a high degree of flexibility and convenience to its learners worldwide. Its range of accredited programmes are delivered through Online, Mobile and Distance Learning modes to provide true flexibility in learning.

**Online Learning** is a world-wide phenomenon. It puts every student in touch with others around the world. There is no restriction. All a student needs is an internet connection.

**Mobile Learning** is device-friendly to any mobile gadget with a memory card system. Learning is no longer constrained by circumstances or location. It is a preferred mode of study for those who are constantly on the move. Internet connection is not necessary.

**Distance Learning** is paper-based. It is most suitable for those who prefer to learn on their own and do not travel extensively. Internet connection is not necessary.

### **Our Qualified Facilitators**

The success of IGC can be attributed to its pool of qualified and experienced facilitators. Our facilitators also support our mobile and distance learners on an ad hoc or demand basis.

IGC identifies and recruits its academics from top notch universities and corporations from around the world. Its global network of online facilitators moderate, support and facilitate students' learning process.

our **facilitators**

**Dr Teo Kim Heng**  
*Head, Info-Comm  
Technology Faculty*



**Dr Sein Min**  
*Head, Business  
Faculty*



**Dr Cecilia I Anido**  
*Phd Educational  
Management*

Facilitators who have joined the IGC fold are:

**Dr Teo Kim Heng**  
*Head, Info-Comm Technology Faculty*

Dr Teo obtained his PhD in Computer Science from the University of Oklahoma (USA) and has been with IGC since 2001.

Prior to joining the school, Dr Teo was a teaching fellow at the National University of Singapore and an Associate Professor at the National Taipei University.

He has published more than ten papers in the international journals and conference proceedings to date.

**Dr Sein Min**  
*Head, Business Faculty*

Dr Sein obtained a Master of Commerce degree from the Institute of Economics, Yangon, Myanmar. He specialised in Marketing for his doctorate at the University of Passau, Germany and attained Dr. rer. pol. in 1991.

From 1997 to 2001, he worked as the Associate Professor of the Economics Department in the University of Distance Education, Yangon, Myanmar.

**Dr Cecilia I Anido**  
*Phd Educational Management*

Dr Anido's extensive experience in ICT prompted her active involvement in several professional organisations such as Genesys Inc., an IBM users club, and the IT Foundation of the Philippines, the umbrella organisation for all IT organisations in the country. She is also the founding Chairman of the Philippine Society of IT Educators (PSITE).

Dr Anido was appointed a member of the Technical Panel for Information Technology Education (TPITE) by the Commission on Higher Education (CHED) from 1995 to 2004 to develop and recommend key policies and standards for the advancement of IT education in the Philippines.

Dr Anido has been the Assistant Vice President of Academic Affairs in the Far Eastern University since 2001.

our **facilitators**



Ms Jessie Zhang Juan  
*MA (NUS),  
PhD candidate*



Ferdinand O Sia  
*Master of Social Science  
(NUS)*



Gmelina O Guiang  
*Master of Social Science  
(NUS)*

**Ms Jessie Zhang Juan**  
*MA (NUS), PhD candidate*

Ms Zhang is a PhD candidate with the Department of Anthropology at Macquarie University in Sydney, Australia. Her doctoral research focuses on cross-border businesses in Southwest China and northern Vietnam. Ms Zhang is a recipient of the NUS Postgraduate Scholarship, Macquarie University iMUS Scholarship and Macquarie Postgraduate Research Funds.

Her published works can be found in the journal of Field Methods, and in Impressions of the Goh Chok Tong (former Prime Minister of Singapore) Years in Singapore (2007).

**Mr Ferdinand O. Sia**  
*Master of Social Science (NUS)*

Mr Sia was a consultant at the Asian Development Bank and at a U.S. Agency for International Development project in the Philippines, doing regional macroeconomic assessments and country reports on Asia as well as financial sector studies in the Philippines.

Mr Sia taught economics and statistics at the Ateneo De Manila University's Economics department and the School of Government.

He is a co-author of the textbook, Economics: A Modern Approach, which is being adopted by secondary schools in the Philippines.

**Ms Gmelina O. Guiang**  
*Master of Social Science (NUS)*

Ms Guiang has over seven years of work experience in various economic research and development projects under the World Bank, Asian Development Bank, and the U.S. Agency for International Development.

She was recently the infrastructure development sector manager and policy development specialist with the Economic Policy and Reform Advocacy Project of USAID Philippines.

Ms Guiang also taught economics and statistics to both undergraduate and graduate students at the Ateneo de Manila University in the Philippines from 2003 to 2007.

**Extending Our Reach**

Moving forward, IGC will continue to meet the needs of its evergrowing community of adult learners through relevant and quality education and training programmes. New features will soon be introduced to our Learning Management System to provide enhanced quality learning experiences for all its students. These new features are:

**Blog** – provides an online diary for learners to record what they have learnt on a daily basis.

**e-Quiz** – allows access to sample quizzes to assess students' understanding of the topic, including instant marking and provision of correct answers.

**Instant messaging** – provides an online communication channel between the facilitator and learner.

In the coming years, IGC will focus its efforts on new product development, new market penetration and forming strategic partnerships. These initiatives are aimed at allowing us to be more responsive to the market and enhancing the efficiency of our operational and management systems for academic excellence.

## singapore school **operation**



Informatics Education Singapore Pte Ltd is a wholly-owned subsidiary of Informatics Education Ltd. Conveniently located near an MRT station and bus terminal at the thriving suburb of Jurong East, it is in close proximity to the Business and Technology belt of Singapore. Its 600,000sq ft campus can accommodate up to 15,000 students, and is one of the largest campuses amongst Private Education Organisations (PEOs) in Singapore.

Well equipped with full fledged academic facilities, the Informatics campus houses more than 80 classrooms and computer labs, a custom-built gaming and animation lab, advanced engineering labs and spacious lecture theatres. It has a host of sporting facilities for basketball, soccer, street soccer, tennis, cricket, badminton, table tennis and ample scope for introducing new sporting activities, such as volleyball, netball and rugby. Students can also enjoy wireless internet access in most areas of the campus.

Our student population comes from 25 different nations, enabling a rich intercultural experience for students who enrol with the school and allowing them to study and mingle with students from various nationalities.

### **Our Improvements in 2007 New Programmes**

#### **Mobile Applications Technology**

One of the most powerful and rapidly expanding technologies today is that of wireless communication devices. The use of computing technology in mobile devices such as hand phones, PDAs, pagers, and domestic appliances has exploded in the last decade. Moreover technological advances in cellular communications, wireless Local Area Network (LAN) and satellite services have all led to the emergence of mobile and wireless computing environments. Informatics, in its quest to stay current with technological advances, has developed a Mobile Applications Technology Diploma, which is designed to produce IT professionals with the knowledge of mobile and wireless technologies to support the demands of the Infocomm industries. The diploma was launched in May 2007.

#### **Dual Diploma**

To meet the needs of students who are looking for hybrid qualifications, Informatics has developed a combination of qualifications to enable students to graduate with dual diploma qualifications. The dual qualifications are available in different flavours such as Computing & Marketing and Computing & Psychology.

#### **Executive Diploma**

To address the needs of part-time students, we introduced the concept of a skill-based diploma, drawn from qualifications that prepare students for the industry in areas such as gaming and animation, and in strategic business management. The intention was to allow candidates who require only a certain skill set to earn a qualification that could be used to secure articulations into programmes of higher learning subsequently.

singapore school **operation**



*East Coast Beach Clean-up organised by the Informatics Environment Club.*



*Chinese New Year Celebration at Informatics Campus.*



*School Excursion to the Chinese & Japanese Gardens.*

**New Delivery Models**

The Informatics Mobile Learner (IML) programme has put Informatics at the forefront of the flexible learning market space. Already buoyant with variations in flexible learning through combinations of face-to-face and e-learning, we initiated a world's first with the introduction of the IML programme. The model has its underpinnings on the premise that jet setting executives would have little time for a conventional mode of study and would instead prefer to learn on the go, via mobile application devices that support interactive learning, like a palmtop. Informatics has pioneered a system of learning that involves providing learning support materials on an SD card, with auxiliary operator support provided if required. As this is a recent launch, the demand for mobile learner kits is slowly on the rise, and anticipated to grow exponentially in subsequent years.

Part of our initiative as a leading PEO is also to be on the forefront of technology. These new services were introduced to increase service efficiency:

**New services**

**Automated Self-Service Kiosk**

As part of the move to harness technology for better productivity, the school introduced self-service kiosks to reduce the dependency on operator contact for requests that are routine. Among the requests handled by the kiosks are:

- 1) Accommodation arrangement requests
- 2) Concierge enquiry for student pass matters & concierge services
- 3) Student feedback
- 4) Staff directory for students to locate lecturers and other members of our staff
- 5) General enquiries

The kiosks will have new features included to widen the range of services that is currently available.

**Consolidation of operations services**

In line with the optimisation of resources and the drive towards an efficient operation, there was a consolidation of the various services and operational functions aimed at reducing the duplication of functions. The model also optimised cross-service support, in terms of marrying the sub-functions of student service, library and the Prometric Testing Centre. Realised through job enlargement and task reengineering, our Operations Department has become a well-oiled machine.

**Continuous improvement**

Our well equipped academic and curriculum development team constantly strives to ensure that our various courses remain relevant. The team also keeps track of new developments. The team studies industry trends and carries out feasibility studies on the adoption of new technologies.

**Enhancement of facilities**

Our engineering laboratories were spruced up in anticipation of an increase in demand for such training and education programmes. The Pentium 4 machines in our laboratories were equipped with MODELSIM, ORCAD, MATLAB, MPLAB, and other software that cater to the practical curriculum of the various engineering programmes offered by Informatics. We also renovated the labs with new PCs in 2007 with the introduction of more resources such as Microprocessors, Digital Oscilloscopes and Spectrum Analyzers.

**Campus Buzz**

A variety of activities such as cultural, celebrations and sports events were organised throughout the year to allow students to interact and understand the cultures and values from different countries. Officials from the various embassies representing the main nationalities in our campus graced the celebrations.

Informatics will continue to leverage our excellent sporting facilities by organising a wide range of sporting activities, and involving sports ambassadors, selected from sports talents among the students to create a vibrant campus environment for our students. We have a number of regional sportsmen who are enrolled with us, and they excel in the areas of soccer, badminton and cricket.

singapore school **operation****Achievements**

In our drive to ensure service and academic excellence, Informatics Education achieved these milestones in 2007:

**SQC PEO**

Informatics was again awarded the SQC for PEO status in June 2007. The securing of this status attests to the high quality of teaching and learning in Informatics.

**CaseTrust reaccreditation**

The various Informatics brands were successfully reaccredited during two separate audits in the last financial year. The status is important for the positioning of the school as a reliable, student-focused education service provider.

**ISO9001 reaccreditation**

Yearly surveillance audits and triennial revalidation audits ensured that all our operational procedures are strictly adhered to. The school breezed through the last surveillance audit, with a marginal mention of a few areas for improvement.

**Growth Strategy**

In order to remain competitive in the dynamic private education scene, we will continue to harness technology to provide students with high quality education and training services and a holistic learning experience. One area of focus will be on expanding the coverage of online assessment for more of our programmes, and the adoption of flexible learning models to grow our student population.

Our growth emphasis will be on both the College Going Students and the Life Long Learner segments as we see there is growth potential in these segments. We intend to realise this objective, through the gradual introduction of new, niche product

areas, and on a specific focus on the sub-segments that make up the main segments. For the College Going Student segment, for instance, we intend to expand our network of recruitment channels as well as markets that we tap to introduce new students into our pipeline. In the Life Long Learner segment, we see enormous potential in the Professional Skills & Development market, and the higher education market.

**Primary areas of focus to support this strategy**

1. Teaching and Learning will be a primary area of emphasis as we strive to ensure that all students receive the best possible education we can give. A teaching and learning steering committee will spearhead initiatives to improve the delivery of each of our programme, with a focus on the quality of the teaching and how this can be addressed, if found in need of improvement. The role of the committee will also be to address learning difficulties that students face, particularly for the weaker students. In addition, measures will be taken to attract premium teaching talent, bringing a wealth of industrial experience with their teaching, particularly for our part-time students.
2. The engine for growth will be the introduction of new programmes to breathe new life into the existing range of programmes we already have. The selection of these new programmes will be based on industry trends and the viability for the introduction of the programmes into the local education scene.



*School excursion to the 'New Water Treatment Plant.'*



*A cricket tournament held at the Informatics Cricket field.*

singapore school **operation****What our partners say****University of Portsmouth**

Dr Ray French, Principal Lecturer, from the University of Portsmouth (UOP) noted that the university's ten year successful partnership with Informatics has produced a large number of graduates whose academic performances are on par with the University's students in the UK. He was also impressed by the commitment shown by students of Informatics, who despite their family and work commitments, were still able to earn their qualifications.

Moving ahead, the University is looking into offering new degrees through Informatics, in order to be consistent with the programmes it offers at its home campus. Dr French expressed that he is confident that the university will continue a strong and fruitful partnership with Informatics.

**University of Southern Queensland**

Mr Lorne Gibson, the Director of International Education Management from the University of Southern Queensland's International Office visited Informatics' faculty and management team.

He felt that Informatics has made an impactful and good move by integrating all our centres into one campus, giving our school the advantage of a larger facility and better study environment. Given the fact that the Singapore market is ever changing, in terms of government policies and entry requirements, he was pleased to note that Informatics had been vigilant in keeping abreast with the changes, and made sure that the qualifications that our students hold are in demand, accepted and recognised in the marketplace. Mr Gibson added that Informatics has been a strong partner, and he was confident that Informatics would be a big part of University of Southern Queensland's growth in the future.

**Oxford Brookes University**

Two senior officials from Oxford Brookes University (OBU) came to Informatics in Singapore for a meet and greet session with the students and faculty members. Mr David Lightfoot, Principal Lecturer in Computing was pleased to observe that students were genuinely happy with the courses they took and the way they were being taught.

Mr Lightfoot was also happy with the quality of lecturers and faculty members that Informatics had recruited, which is in accordance to the University's standards.

OBU launched a new BSc. in Information Technology for Business in 2007. This programme is unique as it combined both the IT and business aspects of a study programme.

Professor William Clocksin who became the Head of Department in 2007 was designing a new curriculum for the University. Introductory modules in computer and electronics would be more interesting with the use of 3D graphics. This new curriculum is expected to be beneficial to Informatics and promises an exciting curriculum for our first year students in the IT and computing course.

During the visit, Mr Lightfoot said that OBU University had been enjoying a long-standing and successful relationship with Informatics. The University also made a commitment to constantly update its courses to keep abreast with the industry's expectations and demands. A closer collaboration would be forged between the faculty members in England and the ones in Singapore, to create a platform for exchange of ideas.

**What our Customers Say**

**Yang Seung Hyun**, a native of South Korean, and a BSc(Hons) in Business Administration (Marketing) of the University of Wales has this to say about Informatics:

*"Before coming to Informatics, I worked in a golf resort in Thailand. One day, I started to think about my future and decided to further my studies in order to get ahead in life. I have been in Informatics since 2006 and I have adjusted well to the life and culture in Singapore. From time to time I volunteer and teach the students here a bit of golf since that is my passion. I feel that I have gained so much self-confidence from interacting with large groups of students from different countries. I like being a part of this school because being involved in its student activities has enriched my study experience here. I would advise my friends who are looking for good schools to give Informatics a try. Besides its strong credentials, the lecturers are experts in their respective fields and always make the extra step to share their industry experiences with students. More importantly, they are also very caring and patient. I am also proud to study in an institution with one of the largest and most complete facilities in Singapore."*



## malaysia school operation



Incorporated in 1984, Informatics Education Malaysia is the pioneer Information and Technology education and training provider in the country. For the past 24 years, Informatics Education Malaysia has trained and nurtured promising young professionals in the fields of IT, Business and Engineering who meet the growing corporate and human resource needs in Malaysia as well as in Singapore, Thailand, Brunei and Indonesia. Its students and learners are able to tap into the increasing demand for cross border employability and mobility especially in multinational corporations due to globalisation of their operations.

Informatics programmes have an international recognition and appeal. The necessary pathways have been built to take its learners through from the foundation or diploma levels to degree and masters programmes from universities in the U.K. and Australia.

At the home front, Informatics Education Malaysia has completed its internal business consolidation and rationalisation process, which will enable it to re-chart the next level of growth for the organisation.

### Achievements

Tapping into the growing global worldwide trend and need for lifelong learning, Informatics Education Malaysia is one of the first education providers in the country to deploy the Executive Virtual Campus or eVC platform. This offers lifelong learners an interactive and flexible approach to learning and networking via both face-to-face delivery mode and online virtual classroom mode. Incorporating synchronous, asynchronous and face-to-face learning as well as interactions with its content delivery models, it has taken into account the lifestyle needs of young professionals and adult learners who wish to pursue their careers while upgrading their academic qualifications.

Its modular programmes are affordable and approved under the Human Resources Development Fund (HRDF). These programmes are centred on its core competencies in Information Technology, Computer Networking, Cyber-security and Business. In its programmes, it has also provided MARA (Majlis Amanah Rakyat) loan support for qualified learners and for part-time programmes approved by the

Ministry of Higher Education. Its learners have access to loans from National Higher Education Fund Corporation (PTPTN) and Employee Provident Fund (EPF).

Informatics Education Malaysia has taken the flexible learning approach to an even higher level by offering e-learning via the Informatics Global Campus or IGC platform which is powered by PurpleTrain. Through IGC, it has brought the campus to the learners who can learn anytime, everywhere to obtain quality and accredited education.

With the multiple options and blended delivery modes, it has provided learners, not only with opportunities to get internationally recognised education, but a platform to network and collaborate with peers around the globe – anytime, everywhere! This is one of the reasons for the popularity of its postgraduate programmes such as the Master of Science in Strategic Business Information Technology and Postgraduate Diploma in Strategic Business Information Technology. Flexible learning is offered and learners can choose the e-learning mode or face-to-face mode on weekends or weekdays.

## malaysia school operation



In addition to higher education, Informatics Education Malaysia is also a pioneer in professional and vocational training in Malaysia for the past 24 years. Its highly successful professional training programmes include Microsoft Vista, AutoCad 2008, Project Management, CCNA/CCNP, Macromedia and Adobe. It has also successfully conducted training sessions for government ministries, public-listed corporations and Government-linked Corporations (GLCs).

Tapping into the rise in the popularity of the mobile applications technology, it was the first in Malaysia to introduce mobile-learning programmes for higher education and professional skills development. This is an exciting learning mode as mobile-learning programmes do not need broadband availability to access the information and resources for completing a programme. Though the market is still in the early stage of development, the experience it has gained will give it a head-start to offer more innovative and contemporary internet-based as well as non-broadband dependent delivery alternatives to young professionals and lifelong learners nationwide.

### Growth Strategy

As a developing country, Malaysia's focus on human capital development will be intensified. In order to help enhance the country's global competitiveness, Informatics Education Malaysia will harness its experience and activate its global network to transform the national higher education to create a knowledge-based economy by 2020.

Every worthwhile journey starts with the first step and Informatics Education Malaysia has already taken the first step by consolidating and reconfiguring its position. It will embark on a two-pronged approach. Informatics Education Malaysia will grow both our Higher Education market segment, especially lifelong learning and continuous knowledge proliferation through high impact corporate training. These two business segments will be powered by its core competency in multiple and flexible delivery modes and value-added with the Group's inherent capability to internationalise programmes.

### Testimonials from our students

**Cornelius Chai from Kuching, Sarawak, East Malaysia 2008**  
Postgraduate Diploma in Strategic Business Information Technology

*"Everyone has their own dreams and mine is to be a good leader in future. I find that I can fulfill my dreams in Informatics. I am working and studying at the same time but I have finally completed my postgraduate diploma in SBIT and soon I shall follow through the pathway to finish my Master of Science in Strategic Business Information Technology. I can only do this due to my decision to take up this programme with Informatics which is equipped with skillful and knowledgeable lecturers and also kind and humble administrative staff. I would recommend anyone to come and be part of this successful study life which I have experienced. Thank you, Informatics!"*

**Ravesh Benjamin Kurian from Penang, Malaysia 2008**

*"I was skeptical in the beginning with online learning, but once I started on the programme, I found this learning mode easy to embrace as I got acquainted with it. It has been a great learning experience for me thus far and has allowed me to mature academically. The programme which I took at Informatics has had a positive impact on my career progression over the past two years."*

## hong kong school operation



Informatics Education (HK) Ltd. has had another successful year. Informatics Education (HK) Ltd was established in 1992 and is a wholly owned subsidiary of Informatics Education Ltd. It is one of the leading education and training centres in Hong Kong that offers a wide range of Information Technology, Business and Management programmes from certificate level to master's level and provides over 20 worldwide recognised certification trainings for individuals and corporations in Hong Kong.

Informatics Education (HK) Ltd. operates two major training and education centres which are located at the most convenient districts: Tsimshatsui (Informatics Open Institute & Territory Corporate Office), and Central (Informatics Professional Development Centre). Its programmes are highly recommended by students in terms of their comprehensiveness, practicality and the use of experienced tutors to deliver the programmes.

Deeply passionate about what it is doing, it desires to serve and support students' and

clients' goals to enhance their knowledge and qualifications. Moving forward, it will continue to provide more leading-edge, industry-relevant educational and training programmes to help working professionals in Hong Kong to acquire the knowledge and skills sets to compete successfully in a global economy.

Informatics Education (HK) was awarded the Caring Company Logo for the fifth consecutive year since 2003, from the Hong Kong Council of Social Services (HKCSS). Serving the community is one of Informatics' core values. It is committed to contribute to the community through caring for the environment, donations, and awarding bursaries to those with disabilities or chronic illnesses.

### **Informatics Higher Education Colleges**

Over the past few years, its strong strategic alliances with world-renowned universities and institutions to offer a variety of quality, up-to-date educational programmes have helped Informatics to become a trusted educational institution in Hong Kong.

Informatics Open Institute (IOI), together with its University partners and overseas affiliations focus on providing high quality education at both undergraduate and post-graduate levels, through the management and delivery of flexible and e-learning programmes, seminars, corporate training programmes and faculty visits.

Working with university partners from Australia and the U.K., IOI has, in the past years, managed more than nine degree programmes with an average enrolment of over 1,000 students annually.

It strives towards the goal of having all its students succeed in their studies. The higher passing rates over the past few years are the evidence of a steady improvement in the students' performance. In its continuous effort to help students perform better each year, a Student Support Enhancement Programme was launched in April 2008 to provide academic support for those who wish to seek assistance in specific areas of study.

hong kong school **operation**



**Informatics Professional Development Centre (IPDC)**

As one of the leaders in the education and training industry, IPDC is committed to providing world-class certification training programmes to professionals and corporations. The programmes range from technical skills training to courses in areas such as management, IT, business, finance, soft skills and language to cater to various needs of its clients. IPDC is often appointed as a training solutions partner by multinational corporations and government departments. By analysing clients' training needs, IPDC tailors programmes to meet each client's unique goals. IPDC leverages a strong pool of experienced industry experts and well-known thought leaders to conduct its training programmes.

In Hong Kong, IPDC is one of the pioneers in providing Project Management Professional (PMP) training. Project management is said to offer the best career opportunities in the 21st Century. As the Global Registered Education Provider (G.R.E.P.) of the Project Management Institute (PMI), IPDC has trained over 1,300 PMP® students over the past five years. It has conducted more than 50 PMP classes to certify local Project Management Professionals and supplied the majority of PMPs in the market. Maintaining a passing rate of 90% consistently, IPDC has been able to deliver high quality PMP courses to reinforce its market leader role.

**Testimonials by Students**

Certified Information Systems Auditor (CISA), Certified Information Systems Security Professional (CISSP), Certified Information Security Manager (CISM) and Project Management Professional (PMP) student

*"I want to express my sincere thanks to Informatics. The CISA, CISSP, CISM and PMP courses are informative and comprehensive. The teaching materials are well structured and focused. Also, the trainers are energetic and they inspired me to think out-of-the-box."*

**Daeman Chan**, CISA, CISSP, CISM, PMP, MBA, MBus(IT) (PMP, CISA, CISSP student) System Analyst Hopewell Holdings Limited Customer Relationship Management (CRM) student

*"The course provided lots of information on CRM applications related to the practical case studies. I have learnt a lot of new knowledge from the practical examples. I have benefited greatly after applying the knowledge in the corporation that I am working at."*

**Mandy Im (CRM Student)**

CRM Manager  
Sun Hung Kai Financial  
Financial Risk Manager (FRM) student

*"I found that the FRM course was useful for me in preparing the FRM examination. Not only did the trainer deliver the important key points of FRM examination, but he also shared real life practical experience in the area of risk management. The training was beneficial to my career advancement. I have already recommended friends of mine to enrol in the programme."*

**Jay Tse (FRM student)**

Account Executive  
Wocom Security Ltd



## china school operation



### Informatics China

上海英华美英文专修学院  
重庆电力职工大学英华美学院

Established since 1993, Informatics China is a dynamic and integral part of the Group. Informatics China was one of the earliest Chinese-Foreign Cooperatively-Run Schools approved by China's Ministry of Education. In the year 2000, the college received the ISO9001 Quality Management Award. To date, Informatics has trained more than 20,000 graduates in China.

### Shanghai Campus

The sprawling 500,000 square feet, the Jufeng campus in Shanghai has comprehensive features and a boarding facility. The self-contained campus is well equipped with lecture theatre, state-of-the-art tutorial rooms, custom-built computer labs, a well-stocked library, cafeteria, mini-mart and sporting facilities including track and field, badminton hall and table tennis room. The hostel can house up to 800 students.

Informatics China imports the best practices in curriculum design from Singapore and combines the education needs of students in China to produce graduates that will compete effectively in the international market. The school has a team of dedicated and passionate academics comprising both local and foreign lecturers. The school places strong emphasis on academic quality of its programmes and employability of graduates in order to ensure that they can have a successful career upon graduation.

### ChongQing Campus

Informatics collaborated with Chong Qing Electrical Training University and established Informatics Chong Qing (重庆电力职工大学英华美学院) in 1999. Housed within Chong Qing Electrical Training University, it was one of the earliest Chinese-Foreign Cooperatively-Run Schools approved by Chong Qing Ministry of Education.

It is also one of the first tertiary education institutions to employ a dual language

approach in delivering academic programmes. Best practices in curriculum materials are designed and imported from Singapore and lectures are delivered using both English and Mandarin languages. It offers Diploma and Advanced Diploma programmes in Information Technology and Business.

The school focuses on academic quality and has a team of dedicated and passionate academics comprising both local and foreign faculties. An impressive 98% of its students has achieved a 3rd grade in the local English examinations (CET). Many of its Advanced Diploma graduates have gained entry into some of the top local universities in China to pursue a degree.

### Growth Strategy

Informatics China will continue to serve the college going students segment by providing them with up-to-date and relevant academic training and education. With Informatics' international network, students will be able to obtain a truly global education. They can

china school operation



get the flexibility of undergoing their diploma education in China and move on to complete a degree in Singapore, Australia, the U.K. or the U.S. Its structured curriculum, taught in both English and Mandarin, will enable students to compete internationally. With student interest at heart, it has integrated course delivery, tutoring, pastoral care and student services to provide a holistic learning journey.

In order to enhance students' employability, it will continue to collaborate with multinational corporations as well as local companies to conduct career fairs on campus for its graduating students. Large corporations like Siemens, Prudential and AMD have conducted interviews with its graduating students and they have found the students to be highly employable. With the concerted effort in enhancing employability, its graduates will be among the most employable in China.

## sri lanka school **operation**



Singapore Informatics Computer Institute (SICI) was established in Sri Lanka in 1995. SICI is a wholly-owned subsidiary of Informatics Education Ltd. Located in the heart of the city, SICI is one of the few private education institutions that provides a complete range of educational services and facilities to students within the city.

As a country with a high economic growth rate that is fast changing into a service and knowledge based economy, Sri Lanka is in need of more knowledge workers. The SICI has so far been contributing actively to this need by nurturing hundreds of highly skilled degree holders and thousands of students at various levels.

SICI is currently only the institute with the widest variety of internationally recognised educational programmes in Sri Lanka. It offers programmes beginning at the certificate

and foundation levels to the master's level. In addition, SICI remains the only private education institute to offer qualifications that lead to degrees in three different streams, namely Information Technology, Business Administration and Engineering.

In 2002, SICI became the first institute in Sri Lanka to offer a recognised bachelor's degree programme through e-learning. Until today, it continues to be the only private educational institute to do so. By providing students with the flexibility of learning on a full-time or part-time basis, as well as multiple modes of delivery such as E-Learning, Mobile Learning and Distance Learning, SICI has successfully established itself in Sri Lanka as an institution that offers true flexibility in learning for students to upgrade themselves with recognised higher education qualifications.

### **Improvements in 2007**

Although affected by several external negative factors such as economic instability and inadequate ICT infrastructure in the country, SICI has remained a strong player in the local higher education arena. In 2007, it regained its pioneering status by becoming the first private educational institute to offer a qualification leading to a Bachelors' degree in Networking and Cyber Security.

In the same year, it aligned its policies, processes and procedures with the corporate headquarters. All systems, including financial, student recruitment and operations were aligned, resulting in a higher degree of operating efficiency.

More efficient classroom planning and scheduling have been implemented. It has also increased the number of student orientation sessions conducted to better

sri lanka school **operation**

serve its new students. This initiative was well received and it drew a good number of compliments from its students. Its infrastructural upgrading has also resulted in a higher level of student and staff satisfaction. A new 'Student Concierge' service has been introduced in order to enable students from countries such as the Maldives and Pakistan to assimilate better in the country and feel at home.

It has strengthened its HR policies and procedures by adopting a model that allows it to achieve maximum efficiency with limited resources. Although the staff headcount has been reduced by almost 25% compared to the previous year, staff turnover has dropped, and job satisfaction has increased.

Its aggressive marketing programme has yielded results, especially during the last quarter of the financial year. Constant change, adaptation and innovation to market competition has contributed to its success. Active participation in forums and exhibitions has also increased its visibility in the market.

In 2007, the Professional and Skills Development Centre of SICI has achieved a major milestone by becoming the only REP (Registered Education Provider) from the Project Management Institute of the USA (PMI USA) in Sri Lanka. Since then its 'Project Management Professional' (PMP) course has become the flagship course of PSD and has helped to strengthen its reputation as an institute that caters to the educational needs

of professionals. It has conducted six project management workshops and trained over 150 students, who are currently working at various levels in the Project Management Profession.

To deliver its promise of a holistic education, SICI has organised many student activities such as cricket tournaments, basketball tournaments, football tournaments, and charity work. SICI students have also continued to participate in the world inter-university chess championships held in Malaysia. The formation of an active student association has resulted in more students taking up leadership roles. Workshops and seminars led by external trainers were organised to equip students with soft skills for today's job market.



sri lanka school **operation****Our Future Directions and Growth Strategy**

The year 2008 is envisaged to be a year of growth, where SICI will in regain its market leadership in IT education in Sri Lanka.

SICI will take proactive steps to strengthen its position as an IT driven and leading edge education and training institution. It will strengthen and upgrade its core ICT programmes, and aggressively market and promote the Networking and Cyber Security and Mobile Application Technology courses to strengthen its image as an institution that offers leading edge programmes.

Moving ahead, its strategies for 2008 will be directed towards achieving leadership status in the private education industry in Sri Lanka. SICI is already a strong contender for number one position in the Professional and Skills Development sector with high end programmes such as Project Management Professional and Security 360°.

Academic quality will continue to be under close scrutiny. More stringent monitoring on the quality of delivery and quality of support services will be implemented to achieve the goal of providing students with a top quality learning experience.

SICI will unify its two core strengths of having a strong corporate clientele for PSD, and being the most flexible service provider in Higher Education programmes to target adult learners and working professionals. Meanwhile, PSD will be strengthened further by venturing into untapped areas of government and government sponsored training.

In keeping with its promise of providing a holistic educational experience, further emphasis will be placed on providing soft skills training, more value added educational services and enrichment activities to the students.



sri lanka school **operation**

**What our student say**



**Dilrukshan Hettiarachchi**

2nd Year – IADIC Student  
 President – SICI Students Society 2007/2008  
 Achievements : National Colors in Athletics (100m)  
 Under 20, 100m Record Holder in India/Sri Lanka schools meet.  
 Current Occupation : Brand Executive – Mobitel Lanka (Pvt.) Ltd.

*"I joined Informatics as an IDIC student in 2006 soon after completing my G.C.E. Advanced Level examination.*

*Although there were many institutions in Sri Lanka offering degree programmes, I selected Informatics because of the flexible learning structure which I thought will be very helpful once I start working and the many opportunities available here for leadership development.*

*I know I have made the right choice because soon after completing my first year in Informatics, I secured a job in the largest mobile telecommunication organisation in Sri Lanka as a Brand Executive. I was still able to continue with my studies because of the flexible learning schedule. The flexibility of Informatics' programme has also provided me with the ability to keep up with my athletics training while studying.*

*In early 2007 I joined the Students' Society of SICI and was soon elected as its President. This gave me many opportunities to display and develop my leadership skills. Under*

*the patronage of SICI management, the Students' Society organised many sports and charity events.*

*My decision to study with Informatics has proven that I have made the right and the best educational choice. It has provided me with all the necessary support to aid my studies as well as leadership development opportunities. The exposure I have gained while studying in Informatics has given me the confidence to move forward in my career and in my life."*

**What our Alumni Say**



Name : **Madumantha Rathnatunga**

Current Occupation : Engineer – Software Quality Assurance, Virtusa Corporation  
 Leading a 15 member test automation team  
 Academic Achievements: Completed BSc. (Hons) Computing offered by University of Portsmouth.

Other Achievements : Played Cricket and Basketball for SICI teams  
 Played Basketball for Sri Lanka National Pool and became a contracted player of Sri Lanka Basketball Federation  
 Currently the Captain of Maroons Basketball Club, Colombo.  
 Playing for Virtusa Cricket Team  
 Playing Guitar for the BT Acoustic Band

*"I joined SICI in 2002 as an ADCS student after completing my examinations in IT offered by Australian Computer Society. I completed my ADCS examinations in 2004 and gained direct entry into the University*

*of Portsmouth final year degree programme. I was able to complete my degree in 2005, with a second class (lower division) honours. I consider the selection of Informatics as my higher education Institute as a major turning point in my life. Not only did I get a head start in the job market by obtaining a recognised degree, I also had a memorable student life.*

*We were able to accomplish our learning objectives with ease because SICI provided us with the best academic experience possible with their qualified and friendly academic and services staff. SICI is more than just an educational institution. It was a place for us to learn a way of life.*

*SICI provided us with ample opportunities to develop and enhance our abilities through a wide range of extra curricular activities and enrichment classes. The skills I gained by participating in these activities were invaluable. Soon after completing my degree, I secured a job as an Associate Engineer – Software Quality Assurance with the largest software company in Sri Lanka. With the experience gained at Informatics, I was able to progress up the corporate ladder quickly to become a Lead Software Engineer."*

# ncc education



NCC Education is a global provider of education solutions which was established by the British Government in 1966 as an IT initiative. Originally part of the National Computing Centre, NCC Education started offering IT qualifications in 1976 and from 1997, developed its Higher Education portfolio to include Foundation and Business programmes.

NCC Education's qualifications range from Information Communication Technology (ICT) for schools to the International Degree Journey in Business or IT. NCC Education's programmes are recognised by universities, professional bodies and employers alike. Students can upgrade their skills on professional development modular programmes, or complete their university degrees and masters either in their home country or in the UK.

With Accredited Partner Centres in over 45 countries, five international offices and Academic Managers worldwide, NCC Education employs the latest technologies for learning, assessment and support.

NCC Education's charter focuses upon Higher Education with programmes ranging from foundation to masters level qualifications.

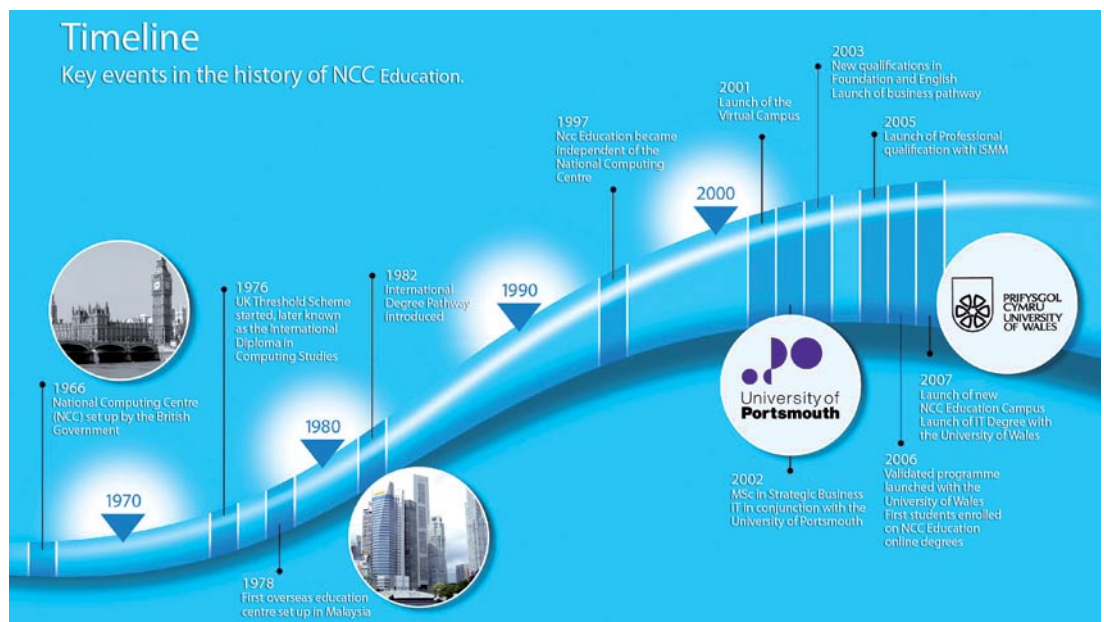
### Key Markets

With over 300 Accredited Partner Centres in over 45 countries, NCC Education has established itself as one of the leading providers of quality educational programmes. NCC Education currently has five international offices situated within the UK, China, Malaysia, Dubai and South Africa, offering support to its network of Accredited Partner Centres and students worldwide.

To find your nearest NCC Education Accredited Partner Centre please visit [www.nccedu.com/findacentre](http://www.nccedu.com/findacentre).

### Market Entry

NCC Education has developed strategic partnerships with numerous Higher Education providers worldwide, all of whom are committed to delivering high quality education and training. These strategic partnerships have enabled the delivery of NCC Education programmes in over 45 countries, spanning such key regions as UK and Europe, East Asia, South East Asia, Africa and Middle East and South Asia.



ncc education



NCC Education and its Accredited Partner Centres work closely to ensure the seamless delivery of NCC Education programmes, as well as to raise the profile of NCC Education programmes to students and prospective Accredited Partner Centres.

**Quality Assurance**

NCC Education has a long tradition of setting and maintaining the highest quality and standards in ICT education and assessment. Its proven track record is renowned and respected by universities and the commercial business sector alike. In 2003, NCC Education added Business and Foundation programmes to its portfolio. There are very few organisations in the world who are more experienced than NCC Education in the provision of quality assurance on such a global scale which is furthered through its collaborations with UK Higher Education institutions.

NCC Education has implemented uniform processes globally for accrediting and monitoring its Accredited Partner Centres. This consistency extends to the

administration of the students who can expect to receive an equally high level of service irrespective of their location. In addition, all students are assured that examination papers are the same standard worldwide and are marked to the same standard. Thus, all students are assessed and certificated on equal terms. All examination papers, marking, moderation and issuing of certificates are controlled from the UK by the NCC Education Academic Board.

NCC Education’s high standards of quality and service are due in part to the segregation of responsibilities and accountability of the respective specialist departments which deal with student services on the one hand and quality assurance functions on the other. In accordance with this, all those involved in

quality assurance matters are accountable to the Academic Board. The system of quality assurance crucially depends on the involvement of all participants, including members of the Academic Board and the qualification specific boards, as well as academic managers and academic and administrative staff in Accredited Partner Centres who are responsible for programme delivery and students. Operating on so many levels and over such distances, it is vital that an efficient communication and feedback process is in place. This is achieved through both formal and informal feedback throughout the hierarchical system to ensure that any digression from the required standards is detected and an environment conducive to continual improvement is in place.



ncc education

NCC Education is an Associate Member of the British Council Education UK Partnership and is recognised by the UK Qualifications and Curriculum Authority (QCA) and the Department for Education and Skills (DfES) as an awarding body. NCC Education's IT awards are supported by the UK e-Skills sector skills council and its Business awards by the UK Council for Administration (CfA) sector skills council.

NCC Education is monitored and audited directly by the Qualifications and Curriculum Authority (QCA). NCC Education is also inspected by the UK Quality Assurance Agency for Higher Education (QAA) as part of its review of university collaborative provision.

**The NCC Education Academic Board**

All NCC Education quality assurance functions are accountable to the Academic Board. This is an independently constituted body, chaired by Professor Peter Ford, former Pro-Vice Chancellor of the University of Nottingham and it lies outside the management structure of NCC Education. All our quality assurance procedures follow the QAA codes of practice and the Academic Board is responsible for establishing and upholding these academic standards in all areas of NCC Education's operations.

**The NCC Education Campus**

*Campus* is NCC Education's web-based learning, resource, feedback and networking platform designed specifically for NCC Education students and Accredited Partner Centre teaching staff. *Campus* provides a global learning community for additional resources, networking opportunities and sharing of ideas. In addition to offering NCC Education students a personalised environment, *Campus* offers access to programme materials and a wide variety of support in the form of past exam papers, schedules and the opportunities to participate in online forums. In addition the *Campus 'Ezine'* provides students with competitions,

articles of interest, an 'Ask Ed' feature and a message board through which students can interact with each other. Students are also able to study for their qualifications through *Campus* via scheduled online classes which are supported by NCC Education teaching staff and module leaders.

**Growth Strategy**

In addition to ensuring that its existing programmes remain up to date, reflect changes in the modern Business and IT environments and meet with current industry standards, NCC Education continually strives to expand its portfolio of programmes and partnerships with other well respected Higher Education institutions. These include such prestigious universities as the University of

Wales, the University of Greenwich and the University of Portsmouth. Such partnerships offer students a route to an internationally recognised degree level qualification.

Partnerships with respected universities allow NCC Education to develop its product portfolio and increase the appeal of NCC Education programmes to a global market, as a route to obtaining quality British qualifications.

NCC Education's International Degree Journey offers a selection of programmes which lead to UK degrees and masters. The unique journey allows students to study for their degree either locally or within the UK.



# Corporate Governance Report

The Board of Directors of Informatics Education Ltd. (the “Company”) is committed to maintaining good standard of corporate governance and business practices and hence has continuously adopted processes and systems to enhance and safeguard the interest of its shareholders.

The following report describes the current measures, corporate governance policies and practices of the Company throughout the financial year 2008 (the “Year”) with reference to the Code of Corporate Governance 2005 (the “Code”).

## 1. Board’s Conduct of Affairs

The Board sets the overall business direction and objectives of the Company. The Board reviews and decides on major transactions, business plans, annual budgets and operating results of the Company. Besides providing entrepreneurial leadership, it also ensures that the necessary financial and human resources are in place for the Company to meet its objective. The Board’s approval is required for any major acquisition or disposal, corporate or financial restructuring, issuance of shares and other equity or debt instruments, payment of dividends and other distribution to shareholders.

All directors must objectively take decisions in the interest of the Company. Appropriate training and orientation (including his or her duties as a director and how to discharge those duties) are given when he or she is first appointed to the Board to ensure that the incoming directors are familiar with the Company’s business and governance practices. Existing directors will also receive further relevant update such as relevant new laws, regulations and changing business risks, business practices and cultures, from time to time. Upon appointment of a new director, the Company would issue a formal letter of appointment setting out the statutory and other duties and obligations as director. The newly appointed director will also be briefed by the Chief Executive Officer and other business heads on the Group’s business activities, operations, its strategic direction and policies. In addition to participation in the introduction process for new directors, directors are also invited to participate in the Company’s regional conference with the senior management to strategise and plan the Group’s long-term direction.

The Board as a whole is updated regularly on risks management, corporate governance and the key changes in the relevant regulatory requirements and financial reporting standards.

## 2. Board Composition and Guidance

Presently, the Board has nine members, comprising three Executive Directors and six Non-Executive Directors, three of whom are Independent Directors.

- (1) Y.Bhg. Tan Sri Datuk Seri Panglima Dr Abu Hassan Bin Othman - Non-Executive Chairman
- (2) Mr Ho Kwok Sum - Executive Director and Chief Executive Officer (appointed on 01.04.2008)
- (3) Ms Tong Chiu Fai – Executive Director and Chief Financial Officer
- (4) Mr Wong Wee Woon – Executive Director
- (5) Datuk Zainun Aishah Binti Ahmad - Non-Executive Director (appointed on 13.08.2007)
- (6) Mr Freddie Pang Hock Cheng - Non-Executive Director
- (7) Mr Ung Gim Sei - Independent Director
- (8) Mr Anderson Tang Siu Ki - Independent Director
- (9) Professor Chew Soon Beng @ Teo Soon Beng - Independent Director

Mr Valentine Philip Ortega who resigned as Executive Director and Chief Executive Officer of the Company on 1 April 2008 had assumed the role as Advisor to the Board and Chief Executive Officer and subsequently appointed as Senior Director of Academic Affairs.

The Chief Executive Officer was tasked to oversee the day-to-day management of all line and staff operations for the Company and the Group and the overall financial performance and to direct implementation of the policies for all aspects of the Company and the Group’s operations as set out by the Board.

The Board has adopted the definition of the Code of what constitutes an Independent Director in its review of the independence of each director.

## Corporate Governance Report [cont'd]

### 2. Board Composition and Guidance (cont'd)

The current Board comprises members with diverse corporate and business experience who, as a group, provide the requisite skills, knowledge and experience relevant to the business of the Company. Detailed information on the directors' experience and qualifications can be found on pages 8 to 11 of the Annual Report. The Board is of the opinion that its current composition is appropriate and allows for effective decision making, taking into account the scope and nature of the operations of the Company and the Group.

The Board conducts quarterly board meetings. In addition, ad-hoc meetings would be convened as circumstances require. The Company's Articles of Association allows the holding of board meetings to include conducting any of them by way of telephone conference or video-conference. Should the Board has informal discussion matters requiring urgent attention, it would then be formally confirmed and approved by circulating resolutions in writing.

To assist the Board in the discharge of its responsibilities, the Board has established various committees which include the following:

- (1) Audit & Risk Management Committee;
- (2) Remuneration and Strategic Human Resource Committee;
- (3) Nominating Committee; and
- (4) Banking Committee.

The attendance of the directors at the meeting of the board and board committees meetings during the financial year under review are disclosed as follows:-

#### Directors' Attendance in Financial Year 2008:

Name of Directors	Number of Meetings Attended in Financial Year 2008				
	Board of Directors	Audit and Risk Management Committee	Nominating Committee*	Remuneration & Strategic HR Committee	Banking Committee*
<b>Total Number of Meetings Held</b>	<b>9</b>	<b>5</b>	<b>4</b>	<b>2</b>	<b>-</b>
Tan Sri Dato' Seri Vincent Tan Chee YOUNG (resigned on 01.06.2007)	-	-	-	-	-
Dato' Mohd Annuar Bin Zaini (retired on 30.07.2007)	-	-	-	-	-
Y.Bhg. Tan Sri Datuk Seri Panglima Dr Abu Hassan Bin Othman (appointed on 01.06.2007)	4	-	-	-	-
Datuk Zainun Aishah Binti Ahmad (appointed on 13.08.2007)	3	-	-	-	-
Mr Freddie Pang Hock Cheng	7	5	4	2	-
Mr Ung Gim Sei	9	5	4	2	-
Mr Anderson Tang Siu Ki	7	4	3	-	-
Professor Chew Soon Beng @ Teo Soon Beng	7	4	3	2	-
Mr Valentine Philip Ortega (resigned on 01.04.2008)	9	-	-	2	-
Ms Tong Chiu Fai	9	-	-	-	-
Mr Wong Wee Woon	9	-	-	-	-

\* During the Year, two matters were deliberated and approved via resolutions in writing by the Banking Committee.

Should the Committees have informal discussions on matters requiring urgent attention, they would then be formally confirmed and approved by circular resolutions in writing.

# Corporate Governance Report [cont'd]

## 2. Board Composition and Guidance (cont'd)

During the Board and Board Committees' meetings, all Directors, including Non-Executive Directors and Independent Directors, took opportunities to review the management performance in meeting agreed goals, and constructively challenged and helped develop proposals on strategy and provided guidance and opinions on issues.

## 3. Chairman & Chief Executive Officer

The current Non-Executive Chairman and Chief Executive Officer of the Company are Y.Bhg. Tan Sri Datuk Seri Panglima Dr Abu Hassan Bin Othman and Mr Ho Kwok Sum respectively.

The position of Chairman is strictly a non-executive one. The Chairman assumes responsibility for the smooth functioning of the Board and ensures timely flow of information between management and the Board and presides over board meetings.

There is a clear division of responsibilities for the Chairman and Chief Executive Officer to ensure an appropriate balance of power. The Chairman will lead the Board to ensure its effectiveness on all aspects of its role and promote good standards of corporate governance. Chief Executive Officer is responsible for the day-to-day management of all line and staff operations of the Company, the overall financial performance and for the direct implementation of the policies for all aspects of the Company's operations as set out by the Board.

The Chief Executive Officer and the Chairman are not related to each other.

## 4. Board Membership

The Board has established a Nominating Committee which shall make recommendation to the Board on all board appointments including the appointments of:

- Board members for new appointment and re-appointment; and
- Chief Executive Officer including any other officer by whatever name called who has responsibilities and functions similar to any of the above officers; are nominated by the Nominating Committee and approved by the Board.

For re-appointment, the Nominating Committee is charged with the responsibility of re-nomination of directors having regard to their past contribution and performance. Article 71 of the Company's Articles of Association (the "Articles") requires all directors to retire once in every 3 years and subject themselves for re-election by shareholders at an Annual General Meeting of the Company, with the directors who have been longest since their re-election or appointment standing for re-election. Accordingly, Mr Ung Gim Sei and Professor Chew Soon Beng @ Teo Soon Beng shall retire by rotation at the Company's forthcoming Annual General Meeting and be eligible for re-election.

When the need for a new appointment arises, the Nominating Committee reviews the range of expertise, skills and attributes of the Board, identifies the need and shortlists candidates with the appropriate profile. Where necessary, the Nominating Committee may seek advice from external search consultant.

New directors are appointed by way of a Board's resolution upon the Nominating Committee's approval of their appointment. Article 75 of the Company's Articles of Association states that new directors shall hold office until the next Annual General Meeting and shall be eligible for re-election. Accordingly, Datuk Zainun Aishah Binti Ahmad and Mr Ho Kwok Sum shall retire by rotation at the Company's forthcoming Annual General Meeting and be eligible for re-election.

All Executive Directors, being employees of the Company, are employed on terms which allow termination by notice.



# Corporate Governance Report [cont'd]

## 4. Board Membership (cont'd)

The initial appointment date and the date of last re-election of the directors are set out below:-

<b>Name of Director</b>	<b>Date of initial Appointment</b>	<b>Date of last re-election</b>
Y.Bhg. Tan Sri Datuk Seri Panglima Dr Abu Hassan Bin Othman	1 June 2007	30 July 2007
Mr Ho Kwok Sum	1 April 2008	-
Ms Tong Chiu Fai	31 March 2006	31 July 2006
Mr Wong Wee Woon	3 March 2006	31 July 2006
Datuk Zainun Aishah Binti Ahmad	13 August 2008	-
Mr Freddie Pang Hock Cheng	5 August 2004	30 July 2007
Mr Ung Gim Sei	13 July 2004	31 July 2006
Mr Anderson Tang Siu Ki	13 July 2004	31 July 2006
Professor Chew Soon Beng @ Teo Soon Beng	3 March 2006	31 July 2006

## 5. Board Performance

The Board has implemented a process to be carried out by the Nominating Committee for assessing the performance and effectiveness of the Board as a whole and of each individual director.

The directors are required to complete the appraisal forms as part of the process adopted to assess the overall effectiveness of the Board as a whole. The results of the appraisal exercise are reviewed by the Nominating Committee. The factors for consideration in the appraisal exercise include: the size and composition of the Board, directors' conduct, achievement in discharging the principle function, number of attendance at meeting, contributions to board meetings etc. During the appraisal session, each director shall discuss with the chairman of the Nominating Committee on his role and identify areas for improvement with regard to the duty of the Board.

The Nominating Committee will evaluate the Board's performance by periodical assessment.

## 6. Nominating Committee

The Board has established a Nominating Committee ("NC"), members of which as at the date of this Report are as follows:-

Chairman	: Mr Ung Gim Sei	(Independent Director)
Members	: Mr Anderson Tang Siu Ki	(Independent Director)
	Professor Chew Soon Beng @ Teo Soon Beng	(Independent Director)
	Mr Freddie Pang Hock Cheng	(Non-Executive Director)

The NC evaluates the Board's performance, and adopts both quantitative and qualitative criteria in its periodical assessment. It also considers the composition of the Board and assesses its degree of independence. All independent directors are required to declare that they were independent of management and not having any conflict of interest.

The NC is also required to review whether there was a right mix of expertise, experience and skills in the Board. More importantly, the NC would pay particular attention to the efficient and effective operation of the Board in guiding the management. Issues such as whether the Board has spent appropriate amount of time deliberating the long term strategy and performance of the management, and has assisted the management in setting clear and well understood policies and action plans were to be reviewed. Brainstorming sessions would have also been organized for the Board members and senior management on the overall business directions and planning to focus on a common objective.

## Corporate Governance Report [cont'd]

### 6. Nominating Committee (cont'd)

The duties and responsibilities of the NC include the following:

- Review the composition of the Board to ensure there is a required mix of expertise, skills, attributes and capabilities from its members;
- Identify, consider and recommend suitable candidate required for appointment to the Board, taking into account the Company's objectives and the Board's requirements;
- Review the independence of each independent director and ensure that at least one-third of the Board members are independent;
- Assist the Board in setting up the procedure and criteria in assessing the effective performance of the Board as a whole and the contribution of each director;
- Review and recommend the re-appointment of Board members;
- Review the nomination for appointment of executive director and other officer who has responsibilities and functions similar to any of the executive director; and
- Arrange orientation and education programme for members of the Board with respect to the Company's business and its management.

### 7. Access to Information

Guidance will be given to new directors on the requirements under the Listing Manual of the Singapore Exchange Securities Trading Limited and other Singapore Law on disclosure of interest, restrictions on dealing in securities, duties and responsibilities of directors. Directors are continually updated on changes in the requirements including relevant accounting standards.

The Company Secretary, to whom the directors have independent access, keeps the Board apprised of relevant laws, regulations and changes thereto. The Company Secretary attends all Board's meetings and the Board's committee meetings.

The directors have the authority to seek independent professional advice, at the Company's expense. In addition, all directors are given access to monthly finance and governance report. The Board is also given separate access and independent access to the Company's senior management and Company Secretary. Prior to each board meeting, Board members shall be provided with complete, adequate and timely information in order to fulfill their responsibilities.

### 8. Remuneration and Strategic Human Resource Committee

The Board has established a Remuneration and Strategic Human Resource Committee ("RSHRC") to deal with remuneration matters. Members of the RSHRC are as follows:

Chairman	: Professor Chew Soon Beng @ Teo Soon Beng	(Independent Director)
Members	: Mr Ung Gim Sei	(Independent Director)
	Mr Freddie Pang Hock Cheng	(Non-Executive Director)
	Mr Ho Kwok Sum	(Chief Executive Officer)

RSHRC comprises four members, majority are Non-Executive Directors including the Chairman who is also an Independent Director. The Group recognises that the Chief Executive Officer plays a critical role in the strategic human resource function. As such, the Group's Chief Executive Officer is also a member of RSHRC. RSHRC makes recommendations and assists in attracting, retaining and rewarding well-qualified people to serve the Company, by pegging remuneration and benefits at competitive market rates. Accordingly, the duties and responsibilities of the Committee include:-

- review and advise the Board of Directors on the terms of appointment and remuneration of its members and other officers who has responsibilities and functions similar to any of the Executive Directors;
- review and advise remuneration structures adopted by the Group;
- review the working environment and succession planning for management;
- review with management the terms of the employment arrangements so as to develop consistent group-wide employment practices subject to regional differences;
- recommend the total allocation of the share options to the directors and employees of the Group; and
- Determine the number of share options to be offered to the employees of the Group.

# Corporate Governance Report [cont'd]

## 8. Remuneration and Strategic Human Resource Committee (cont'd)

The Company has entered into Service Agreements with all Executive Directors of the Company. The Service Agreements cover the terms of employment and provide for termination by either the Executive Directors or the Company upon giving written notice of not less than 3 months.

In line with the Code, RSHRC will submit its recommendation on the remuneration packages (including directors' fee, salaries, allowance, bonuses, options and benefits in kind) for each director for the endorsement by the entire Board. No director should be involved in deciding his own remuneration. The RSHRC will also be involved in the review of the remuneration scheme of the senior management.

Directors' fees are recommended by the Board for approval at the Company's Annual General Meeting.

The RSHRC has access to expert professional advice on human resource matters whenever there is a need to consult externally.

## 9. Level & Mix of Remuneration

The level of remuneration should be appropriate to attract, retain and motivate Executive Directors needed to run the Group successfully. The remuneration of Executive Directors are structured so as to link rewards to corporate and individual performance while the remuneration of Non-Executive Directors are appropriated to the level of contribution, taking into account factors such as effort and time spent, responsibilities of the directors. Non-Executive Directors are not over-compensated to the extent that their independence may be compromised. From time to time, remuneration packages of employees are reviewed to ensure that they are at sufficiently competitive levels. A compensation system is in place to reward employees based on merit and performance through annual merit service increments and bonuses. The Company's share option scheme for directors, senior management and executives, which serves as a long-term incentive plan for more senior-level is also based on merit and individual performance.

## 10. Disclosure of Remuneration

The remuneration of the directors of the Company and its top key executives (who are not directors of the Company) for the financial year 2008 is as follows:

Name	Remuneration		Performance	
	Band (S\$)	Salary & Fees (%)	Based Bonuses (%)	Other Benefits (%)
<b>Non-Executive Directors</b>	<b>9</b>	<b>5</b>	<b>4</b>	
Y.Bhg. Tan Sri Datuk Seri Panglima Dr. Abu Hassan Bin Othman (appointed on 01.06.2007)	< 250,000	100		
Datuk Zainun Aishah Binti Ahmad (appointed on 13.08.2007)	< 250,000	100		
Mr Freddie Pang Hock Cheng	< 250,000	100		
Mr Ung Gim Sei	< 250,000	100		
Mr Anderson Tang Siu Ki	< 250,000	100		
Professor Chew Soon Beng @ Teo Soon Beng	< 250,000	100		
Dato' Mohd Annuar Bin Zaini (retired on 30.07.2007)	< 250,000	100		

## Corporate Governance Report [cont'd]

### 10. Disclosure of Remuneration (cont'd)

Name	Remuneration Band (S\$)	Salary & Fees (%)	Performance Based Bonuses (%)	Other Benefits (%)
<b>Executive Directors</b>				
Mr Valentine Philip Ortega (resigned on 01.04.2008)	250,000 to 499,999	84	7	9
Ms Cecilia Tong Chiu Fai	250,000 to 499,999	80	6	14
Mr Wong Wee Woon	< 250,000	74	6	20

The Board is of the opinion that details of remuneration of the top 5 key executives (who are not director) are confidential in view of the keen competition in the education industry. Disclosure of such information would not be in the interest of the Company.

Our Non-Executive Directors do not have service contracts. They are paid a basic fee and additional fee for serving on any Board Committees. The Board may, if necessary, consult experts on the remuneration of Non-Executive Directors.

The basis of allocation of the number of share options for directors takes into account the Directors' contribution and additional responsibilities at Board's committees.

Details of the Informatics Group Share Option Scheme and options granted to directors are disclosed in paragraph (5) of the Directors' Report.

There are no employees in the Company and the Group who are immediate family members of a director or the Chief Executive Officer.

### 11. Accountability

The Board is accountable to the Company's shareholders while the management is accountable to the Board.

The management submits monthly operational and financial reports to the Board. In addition to these reports, quarterly and full year accounts are presented by management for review with the Audit and Risk Management Committee. The Committee then presents its findings on these accounts for review and approval by the Board. The Board approves the results and authorizes the management to release the results for public information via SGXNET on quarterly basis.

### 12. Audit and Risk Management Committee

The Audit and Risk Management Committee ("ARMC") carries out the functions set out in the Code and the Companies Act, Cap. 50. Members of the ARMC as at date of this Report are as follows:

Chairman	: Mr Ung Gim Sei	(Independent Director)
Members	: Mr Anderson Tang Siu Ki	(Independent Director)
	Professor Chew Soon Beng @ Teo Soon Beng	(Independent Director)
	Mr Freddie Pang Hock Cheng	(Non-Executive Officer)

The principal responsibility of the ARMC is to assist the Board in maintaining good standard of corporate governance, particularly by providing an independent review of the effectiveness of the financial reporting process and internal control systems of the Company, the review of the significant financial reporting issues and the integrity of the financial statement of the Company for any formal announcements. The ARMC has the power to conduct or authorize investigations into any matters within the committee's scope of responsibility.

In addition, the ARMC seeks to establish corporate policies on minimum operating standards pertaining to specific areas of the business. These policies are aimed at providing the necessary operational controls to guide the day-to-day management and business operation of the Company under the purview and authority of the Chief Executive Officer. The ARMC aims to improve the system of operational controls and efficiency through reviews of operational performance matrices for every business sector against established benchmarks. It also oversees special projects such as corporate reengineering review and the implementation of the recommendations arising from such reviews.

# Corporate Governance Report [cont'd]

## 12. Audit and Risk Management Committee (cont'd)

The ARMC was empowered to make recommendation to the Board on the appointment, re-appointment and removal of the external auditors, and approving the remuneration and terms of engagement of the external auditors. The ARMC having reviewed the scope and value of the non-audit services provided by external auditors during the year, is satisfied that the nature and extent of such services did not prejudice the independence and objectivity of the external auditors. The ARMC has recommended to the Board the nomination of Messrs Ernst & Young LLP, Certified Public Accountants for re-appointment as external auditors of the Company at the forthcoming Annual General Meeting.

Members of the ARMC have independent access to external auditors and internal auditors.

The ARMC has held meetings during the Year with both the external auditors and the internal auditors without the presence of the management.

The ARMC has evaluated the findings of the Internal Auditors' review on the internal controls of the Group, and believes that the system of internal controls maintained by the Company is adequate to safeguard the Company's assets.

To achieve a good standard of corporate governance for the operations of the Group, employees must maintain a high level of integrity and professionalism in their conduct and ensure compliance with all laws and regulations in their dealings with all stakeholders. Accordingly, the Board has instituted the Employees Code of Ethics and Policy for Reporting Improper Action and Protecting Employees Against Retaliation ("Whistle Blower") in year 2004. The Whistle Blower policy is liberally construed in favour of protecting the Group's interest in full disclosure of conflict of interest and promoting ethical standards of conduct for all employees. The Whistle Blower policy is administered by Internal Audit and is included in the staff orientation program for awareness and adherence.

## 13. Internal Controls

The ARMC ensures that the management has maintained a sound system of internal controls to safeguard the shareholders' investment and the Company's assets and has reviewed the effectiveness of the internal controls including financial, operational and compliance controls and risk management.

All business units have primary responsibility for managing their specific risk exposures based on the Group's guidelines. Each executive committee reviews its business unit's risk portfolio on periodic basis. The Group's internal audit coordinates and reports risk exposures to ARMC for review. Upon risk assessment review, ARMC will advise the Board on adequacy of risk management infrastructure and make recommendation for areas of improvement.

The ARMC will continue to review the external and internal auditors' reports, and the recommendations by the ARMC to ensure that there are adequate controls in the Company.

## 14. Internal Audit

The Company's internal auditors report to the ARMC and assist the Board in monitoring and managing business risks and internal controls. The ARMC has a duty to review and approve Company's internal audit plan. The results of the audit findings by Internal Audit will also be submitted to the ARMC for review.

The scope of the Internal Audit covers the audits of all units and operations, including overseas offices, subsidiaries, associates and franchisees.

To further enhance the internal controls of the Group, the ARMC may consider to engage external auditing firm to perform internal audit function.

## Corporate Governance Report [cont'd]

### 15. Banking Committee

The Board has established a Banking Committee, members of which are as follows:-

Chairman	: Mr Anderson Tang Siu Ki	(Independent Director)
Members	: Mr Ho Kwok Sum	(Executive Director)
	Ms Tong Chiu Fai	(Executive Director)
	Mr Wong Wee Woon	(Executive Director)

The committee's primary function is to review and approve the change in bank authorized signatories for all banking accounts maintained with the various banking institutions by the company. The Banking Committee performs the following main functions:

- To review and approve any change in authorized signatories for operating the banking accounts according to the operation needs and the limits set by the Board of Directors; and
- To ensure proper approval procedures are in place for the bank accounts operations.

### 16. Communication with Shareholders

The Company recognises the need to communicate with all shareholders on all material business matters affecting the Company. Timely and detailed disclosures are made to the shareholders in compliance with SGX-ST guidelines and the Singapore Companies Act, Cap. 50.

All shareholders of the Company receive the Annual Report and Notice of Annual General Meeting. The Notice is advertised in a national newspaper. At Annual General Meetings, shareholders are encouraged to ask questions on the Company's operating and financial performance and resolutions being proposed. A separate resolution on each distinct issue is proposed at general meetings.

The external auditors and legal advisers are usually invited to be present to assist the directors in addressing any queries raised by shareholders. The Company does not practise selective disclosure of information. Investors and shareholders can visit the Company's investor relations website at [www.informaticseducation.com](http://www.informaticseducation.com)

### 17. Dealings in Securities

Policy on share dealings has been issued to all directors and employees of the Company, setting out the implications of insider trading and the recommendations of the SGX-ST Best Practices Guide. All directors and employees are reminded to prohibit from trading in the Company's shares and securities one month before the release of the quarterly and full year results and ending on the date of announcement of the relevant results. In addition, all directors and employees are reminded to prohibit at all times from trading if they are in possession of material non-public information.

### 18. Interested Person Transactions

There was no interested person transaction entered into during the financial year which fall under Rule 907 of the Listing Manual of the SGX-ST.

### 19. Material Contracts

Except those disclosed above, there were no material contracts of the Company and its subsidiaries involving the interests of the Chief Executive Officer, each director or controlling shareholder subsisted at the end of the financial year or have been entered into since the end of the previous financial year.

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# Directors' Report

[In Singapore dollars]

The directors are pleased to present their report to the members together with the audited consolidated financial statements of Informatics Education Ltd (the «Company») and its subsidiaries (collectively, the «Group») and the balance sheet of the Company for the financial year ended 31 March 2008.

## 1. Directors

The directors of the Company in office at the date of this report are:

Tan Sri Datuk Seri Panglima Dr Abu Hassan Bin Othman – Non-Executive Chairman  
 Ho Kwok Sum – Chief Executive Officer  
 Freddie Pang Hock Cheng  
 Datuk Zainun Aishah Binti Ahmad  
 Anderson Tang Siu Ki  
 Ung Gim Sei  
 Prof. Chew Soon Beng @ Teo Soon Beng  
 Wong Wee Woon  
 Tong Chiu Fai

## 2. Arrangements to enable directors to acquire shares or debentures

Except as described in paragraph 5 below, neither at the end of nor at any time during the financial year was the Company a party to any arrangement whose objects are, or one of whose object is, to enable the directors of the Company to acquire benefits by means of the acquisition of shares or debentures of the Company or any other body corporate.

## 3. Directors' interests in shares or debentures

The following directors, who held office at the end of the financial year had, according to the register of directors' shareholdings required to be kept under Section 164 of the Singapore Companies Act, Cap. 50, an interest in shares and share options of the Company and related corporations (other than wholly-owned subsidiaries) as stated below:

Names of Directors	Direct interest			Deemed interest		
	At 1.4.2007	At 31.3.2008	At 21.4.2008	At 1.4.2007	At 31.3.2008	At 21.4.2008
<b>The Company</b>						
<b>Informatics Education Ltd</b>						
<b>Ordinary shares</b>						
Prof. Chew Soon Beng @ Teo Soon Beng	300,000	450,000	450,000	–	–	–
Ung Gim Sei	–	300,000	300,000	–	–	–
Tong Chiu Fai	–	300,000	300,000	300,000	450,000	450,000

Ms Tong Chiu Fai is deemed to be interested in the shares of the Company held by her spouse.



# Directors' Report [cont'd]

[In Singapore dollars]

## 3. Directors' interests in shares or debentures (cont'd)

	Held by director				
	At the beginning of the financial year	At the end of the financial year	At 21.4.2008	Exercise price \$	Exercise period
<b>Options to subscribe for ordinary shares</b>					
Valentine Philip Ortega (resigned on 1 April 2008)	90,517	–	–	1.155	01.06.2003 to 30.05.2007
	120,689	138,437	–	0.231	29.12.2005 to 28.12.2009
	400,000	458,823	–	0.048	01.04.2007 to 31.03.2011
	–	1,000,000	–	0.058	20.05.2008 to 19.05.2012
	–	1,100,000	–	0.065	05.12.2008 to 04.12.2012
Tong Chiu Fai	30,172	–	–	1.055	22.08.2003 to 21.08.2007
	90,517	103,828	103,828	0.231	29.12.2005 to 28.12.2009
	400,000	229,411	229,411	0.048	01.04.2007 to 31.03.2011
	–	900,000	900,000	0.058	20.05.2008 to 19.05.2012
	–	1,000,000	1,000,000	0.065	05.12.2008 to 04.12.2012
Wong Wee Woon	144,827	166,125	166,125	0.231	29.12.2005 to 28.12.2009
	400,000	458,823	458,823	0.048	01.04.2007 to 31.03.2011
	–	500,000	500,000	0.058	20.05.2008 to 19.05.2012
	–	700,000	700,000	0.065	05.12.2008 to 04.12.2012
Freddie Pang Hock Cheng	181,034	207,656	207,656	0.231	29.12.2005 to 28.12.2009
	400,000	458,823	458,823	0.048	01.04.2007 to 31.03.2011
	–	400,000	400,000	0.058	20.05.2008 to 19.05.2012
	–	400,000	400,000	0.065	05.12.2008 to 04.12.2012

## Directors' Report [cont'd]

[In Singapore dollars]

### 3. Directors' interests in shares or debentures (cont'd)

	Held by director				
	At the beginning of the financial year	At the end of the financial year	At 21.4.2008	Exercise price \$	Exercise period
<b>Options to subscribe for ordinary shares</b>					
Anderson Tang Siu Ki	181,034	207,656	207,656	0.231	29.12.2005 to 28.12.2009
	400,000	458,823	458,823	0.048	01.04.2007 to 31.03.2011
	–	400,000	400,000	0.058	20.05.2008 to 19.05.2012
	–	400,000	400,000	0.065	05.12.2008 to 04.12.2012
Ung Gim Sei	181,034	207,656	207,656	0.231	29.12.2005 to 28.12.2009
	400,000	229,411	229,411	0.048	01.04.2007 to 31.03.2011
	–	400,000	400,000	0.058	20.05.2008 to 19.05.2012
	–	400,000	400,000	0.065	05.12.2008 to 04.12.2012
Prof. Chew Soon Beng @ Teo Soon Beng	–	400,000	400,000	0.058	20.05.2008 to 19.05.2012
	–	400,000	400,000	0.065	05.12.2008 to 04.12.2012
Datuk Zainun Aishah Binti Ahmad (appointed on 13.8.07)	–	100,000	100,000	0.065	05.12.2008 to 04.12.2012

Except as disclosed in this report, no director who held office at the end of the financial year had interests in shares, share options, warrants or debentures of the Company, or of related corporations, either at the beginning of the financial year, or date of appointment if later, or at the end of the financial year.

### 4. Directors' contractual benefits

Except as disclosed in the financial statements, since the end of the previous financial year, no director of the Company has received or become entitled to receive a benefit by reason of a contract made by the Company or a related corporation with the director, or with a firm of which the director is a member, or with a company in which the director has a substantial financial interest.

## Directors' Report [cont'd]

[In Singapore dollars]

### 5. Share options

The Informatics Group Share Option Scheme (the "Scheme") was approved by the members of the Company at an Extraordinary General Meeting held on 7 September 1994 and last amended at the Extraordinary General Meeting held on 31 July 2006. At the Extraordinary General Meeting held on 8 August 2003, the members of the Company approved the extension of the Scheme for a further period of ten years from the expiry of the ten-year period of the Scheme on 7 September 2004.

The Scheme is administered by the Remuneration and Strategic Human Resource Committee (the "Committee") comprising the following members:

Prof. Chew Soon Beng @ Teo Soon Beng – Independent Director and Chairman  
 Mr Freddie Pang Hock Cheng – Non-Executive Director  
 Mr Ung Gim Sei – Independent Director  
 Mr Ho Kwok Sum – Chief Executive Officer

The members of the Company also approved at the Annual General Meeting held on 30 July 2007 to grant new options. During the financial year, the following share options were granted by the Company to directors and employees of the Group pursuant to the Scheme :

Offer date	Period during which options are exercisable	Exercise price \$	Number of options to subscribe for ordinary shares
19.05.2007	20.05.2008 to 19.05.2012	0.058	9,315,000
04.12.2007	05.12.2008 to 04.12.2012	0.065	9,149,000

Details of all the outstanding options to subscribe for ordinary shares of the Company pursuant to the Scheme as at 31 March 2008 are as follows :

Offer date	Period during which options are exercisable	Exercise price \$	Number of outstanding options to subscribe for ordinary shares
28.12.2004*	29.12.2005 to 28.12.2009	0.231	1,847,334
31.03.2006*	01.04.2007 to 31.03.2011	0.048	5,142,992
19.05.2007	20.05.2008 to 19.05.2012	0.058	8,085,000
04.12.2007	05.12.2008 to 04.12.2012	0.065	8,915,000
			23,990,326

\* Both number of options and exercise prices of these options were adjusted in accordance with the terms of the Scheme in connection with the rights issue undertaken by the Company in May 2007.

## Directors' Report [cont'd]

[In Singapore dollars]

### 5. Share options (cont'd)

Details of options to subscribe for ordinary shares of the Company granted to Directors of the Company pursuant to the Scheme are as follows:

	Exercise price \$	Exercise period	Options granted during the financial year	Aggregate options granted since commencement of Scheme to end of financial year	Aggregate options exercised/lapsed since commencement of Scheme to end of financial year	Aggregate options outstanding at end of financial year
<b>Options to subscribe for ordinary shares</b>						
Valentine Philip Ortega (resigned on 1 April 2008)	1.155	01.06.2003 to 30.05.2007	–	103,828	103,828	–
	0.231	29.12.2005 to 28.12.2009	–	138,437	–	138,437
	0.048	01.04.2007 to 31.03.2011	–	458,823	–	458,823
	0.058	20.05.2008 to 19.05.2012	1,000,000	1,000,000	–	1,000,000
	0.065	05.12.2008 to 04.12.2012	1,100,000	1,100,000	–	1,100,000
Tong Chiu Fai	1.055	22.08.2003 to 21.08.2007	–	34,608	34,608	–
	0.231	29.12.2005 to 28.12.2009	–	103,828	–	103,828
	0.048	01.04.2007 to 31.03.2011	–	429,411	200,000	229,411
	0.058	20.05.2008 to 19.05.2012	900,000	900,000	–	900,000
	0.065	05.12.2008 to 04.12.2012	1,000,000	1,000,000	–	1,000,000
Wong Wee Woon	0.231	29.12.2005 to 28.12.2009	–	166,125	–	166,125
	0.048	01.04.2007 to 31.03.2011	–	458,823	–	458,823
	0.058	20.05.2008 to 19.05.2012	500,000	500,000	–	500,000
	0.065	05.12.2008 to 04.12.2012	700,000	700,000	–	700,000

# Directors' Report [cont'd]

[In Singapore dollars]

## 5. Share options (cont'd)

	Exercise price \$	Exercise period	Options granted during the financial year	Aggregate options granted since commencement of Scheme to end of financial year	Aggregate options exercised/lapsed since commencement of Scheme to end of financial year	Aggregate options outstanding at end of financial year
<b>Options to subscribe for ordinary shares</b>						
Dato' Mohd Annuar Bin Zaini (retired on 30.7.07)	0.231	29.12.2005 to 28.12.2009	–	207,656	207,656	–
	0.048	01.04.2007 to 31.03.2012	–	458,823	458,823	–
	0.058	20.05.2008 to 19.05.2012	400,000	400,000	400,000	–
Freddie Pang Hock Cheng	0.231	29.12.2005 to 28.12.2009	–	207,656	–	207,656
	0.048	01.04.2007 to 31.03.2011	–	458,823	–	458,823
	0.058	20.05.2008 to 19.05.2012	400,000	400,000	–	400,000
	0.065	05.12.2008 to 04.12.2012	400,000	400,000	–	400,000
Anderson Tang Siu Ki	0.231	29.12.2005 to 28.12.2009	–	207,656	–	207,656
	0.048	01.04.2007 to 31.03.2011	–	458,823	–	458,823
	0.058	20.05.2008 to 19.05.2012	400,000	400,000	–	400,000
	0.065	05.12.2008 to 04.12.2012	400,000	400,000	–	400,000
Ung Gim Sei	0.231	29.12.2005 to 28.12.2009	–	207,656	–	207,656
	0.048	01.04.2007 to 31.03.2011	–	429,411	200,000	229,411
	0.058	20.05.2008 to 19.05.2012	400,000	400,000	–	400,000
	0.065	05.12.2008 to 04.12.2012	400,000	400,000	–	400,000

## Directors' Report [cont'd]

[In Singapore dollars]

### 5. Share options (cont'd)

	Exercise price \$	Exercise period	Options granted during the financial year	Aggregate options granted since commencement of Scheme to end of financial year	Aggregate options exercised/lapsed since commencement of Scheme to end of financial year	Aggregate options outstanding at end of financial year
<b>Options to subscribe for ordinary shares</b>						
Prof. Chew Soon Beng @ Teo Soon Beng	0.058	20.05.2008 to 19.05.2012	400,000	400,000	–	400,000
	0.065	05.12.2008 to 04.12.2012	400,000	400,000	–	400,000
Datuk Zainun Aishah Binti Ahmad (appointed on 13.8.07)	0.065	05.12.2008 to 04.12.2012	100,000	100,000	–	100,000

Since the commencement of the Scheme till the end of the financial year :

- No options have been granted to the controlling shareholders of the Company and their associates;
- No participant has received 5% or more of the total options available under the plans;
- No options that entitle the holder to participate, by virtue of the options, in any share issue of any other corporation have been granted; and
- No options have been granted at a discount.

### 6. Warrants

The Group issued:

- 78,400,000 Warrants 2009 on 1 October 2004 at an exercise price of \$0.25 per warrant and;
- 195,999,994 Warrants 2011 on 6 January 2006 at an exercise price of \$0.05 per warrant.

The warrants are valid for exercise within a period of 5 years commencing from the first date of issue of the warrants.

As a result of the rights issued in May 2007, 13,442,502 additional Warrants 2009 and 21,150,198 additional Warrants 2011 were issued at an adjusted exercise price of \$0.20 and \$0.05 respectively due to the revision in the exercise price and number of warrants as provided for in the respective deed poll. During the current financial year, the following warrants were issued to:

	Warrants 2009	Warrants 2011
Berjaya Leisure Capital (Cayman) Ltd	3,578,205	–
Berjaya Sampo Insurance Berhad	329,266	705,974
	<u>3,907,471</u>	<u>705,974</u>

As at 31 March 2008, there were 104,856,854 outstanding Warrants 2009 and 164,964,106 outstanding Warrants 2011.

# Directors' Report [cont'd]

[In Singapore dollars]

## 7. Whitewash waiver

In connection with the Rights Issue that was undertaken by the Company and completed on 31 December 2005 (the "Rights Issue 2005") and 7 May 2007 ("Right Issue 2007"), two separate Whitewash Waivers were granted by the Securities Industry Council of Singapore on 14 February 2005 ("Waiver 2005") and 15 February 2007 ("Waiver 2007") respectively to Tan Sri Dato' Seri Vincent Tan Chee Yioun ("Tan Sri") and his concert parties. They are waived from the requirement to make a mandatory general offer for the Company under Rule 14 of the Singapore Code on Take-overs and Mergers (the "Code") arising from the acquisition by Tan Sri and his concert parties of rights shares and/or new shares upon the exercise of warrants issued pursuant to the Rights Issue. Waiver 2005 and Waiver 2007 were approved by the EGM on 25 November 2005 and on 29 March 2007 respectively.

Further details of Waiver 2005, Waiver 2007, Rights Issue 2005 and Rights Issue 2007 are set out in the Circular to Shareholders dated 10 November 2005 and 7 March 2007 respectively, and in the Offer Information Statement of the Company dated 14 December 2005 and 18 April 2007 respectively, and the Disclosure Notice pursuant to Note 2 on Section 2 of Appendix 1 of the Code, all of which copies can be obtained from the registered office of the Company.

As at the date of this report, the percentage shareholdings by Tan Sri and his concert parties is 33.47% (2007: 33.47%).

## 8. Audit and Risk Management Committee

The Audit and Risk Management Committee comprises four members, all non-executive directors and majority of whom are independent directors. The members of the Committee are:

Mr Ung Gim Sei	– Chairman and Independent Director
Mr Anderson Tang Siu Ki	– Independent Director
Mr Freddie Pang Hock Cheng	– Non-Executive Director
Prof. Chew Soon Beng @ Teo Soon Beng	– Independent Director

The audit committee performed the functions specified in the Act. The functions performed are detailed in the Report on Corporate Governance.

## 9. Auditors

Ernst & Young LLP have expressed their willingness to accept reappointment as auditors.

On behalf of the Board of Directors:

Tan Sri Datuk Seri Panglima Dr Abu Hassan Bin Othman  
Director

Ho Kwok Sum  
Director

Singapore  
4 July 2008

## Statement by Directors

Pursuant to Section 201(15)

We, Tan Sri Datuk Seri Panglima Dr Abu Hassan Bin Othman and Ho Kwok Sum, being two of the directors of Informatics Education Ltd, do hereby state that, in the opinion of the directors :

- (i) subject to the ongoing investigations by the Commercial Affairs Department, which might uncover other information and might require adjustments to be made to the financial statements, the accompanying balance sheets, consolidated statement of profit and loss, consolidated statement of changes in equity and consolidated statement of cash flows together with notes thereto are drawn up so as to give a true and fair view of the state of affairs of the Company and of the Group as at 31 March 2008 and the results of the business, changes in equity and cash flows of the Group for the year ended on that date; and
- (ii) at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

On behalf of the Board of Directors:

Tan Sri Datuk Seri Panglima Dr Abu Hassan Bin Othman  
Director

Ho Kwok Sum  
Director

Singapore  
4 July 2008



# Independent Auditors' Report

To the Members of Informatics Education Ltd

We have audited the accompanying financial statements of Informatics Education Ltd (the "Company") and its subsidiaries (collectively, the "Group") set out on pages 65 to 110, which comprise the balance sheets of the Group and the Company as at 31 March 2008, the statement of changes in equity, the statement of profit and loss and the statement of cash flows of the Group for the year then ended, and a summary of significant accounting policies and other explanatory notes.

## Management's responsibility for the financial statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the provisions of the Singapore Companies Act, Cap. 50 (the "Act") and Singapore Financial Reporting Standards. This responsibility includes devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair profit and loss account and balance sheet and to maintain accountability of assets; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

## Auditors' responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. Except as discussed in the paragraph below, we conducted our audit in accordance with Singapore Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

As stated in Note 10 to the financial statements, the accrued operating expenses of the Group and Company as at 31 March 2008 include an amount of \$4,188,000 in respect of a contract for the purchase of training materials which is now in dispute. Based on the information available to us, we are unable to ascertain the appropriateness of the amount.

# Independent Auditors' Report [cont'd]

To the Members of Informatics Education Ltd

## Opinion

In our opinion, except for the effects of such adjustments, if any, that may arise from the matter described in the preceding paragraph,

- (a) the consolidated financial statements of the Group and the balance sheet of the Company are properly drawn up in accordance with the provisions of the Act and Singapore Financial Reporting Standards so as to give a true and fair view of the state of affairs of the Group and of the Company as at 31 March 2008 and the results, changes in equity and cash flows of the Group for the financial year ended on that date; and
- (b) the accounting and other records required by the Act to be kept by the Company and by those subsidiaries incorporated in Singapore of which we are the auditors have been properly kept in accordance with the provisions of the Act.

Without further qualifying our opinion, we draw attention to the following matters:-

- (a) Ongoing investigations

During the financial year ended 31 March 2004, the Company restated profits in respect of its unaudited quarterly results for the nine months ended 31 December 2003. The restatements led to an investigation by the Commercial Affairs Department. The outcome of the investigation might uncover other information, which might require adjustments to be made to the financial statements.

- (b) Going concern assumption

We draw attention to Note 2.1 to the financial statements. The Group incurred a net loss of \$3,604,000 (2007: \$5,815,000) for the financial year ended 31 March 2008 and as at that date, the Group's total current liabilities and total liabilities exceeded its total current assets and total assets by \$7,488,000 (2007: \$21,827,000) and \$4,798,000 (2007: \$17,664,000) respectively. These factors indicate the existence of a material uncertainty which may cast significant doubt about the Group's and Company's ability to continue as a going concern. The ability of the Group and Company to meet its financial obligations and to continue as going concerns depend on the Group and Company generating profits and/or sufficient positive cash flows from its operations.

If the Group and the Company are unable to continue its operational existence for the foreseeable future, the Group and the Company may be unable to discharge their 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 balance sheets. In addition, the Group and the Company may have to reclassify non-current assets and liabilities as current assets and liabilities. No such adjustments have been made to the financial statements.

Ernst & Young LLP  
Public Accountants and Certified Public Accountants

Singapore  
4 July 2008

# Balance Sheets

as at 31 March 2008 [In Singapore dollars]

	Note	Group		Company	
		2008 \$'000	2007 \$'000	2008 \$'000	2007 \$'000
<b>Non-current assets</b>					
Property, plant and equipment	4	2,597	3,961	212	273
Investments in subsidiaries	5	–	–	3,001	2,962
Investments in associates	6	–	–	–	–
Deferred tax assets	7	96	204	–	–
		<u>2,693</u>	<u>4,165</u>	<u>3,213</u>	<u>3,235</u>
<b>Current assets</b>					
Inventories		19	–	–	–
Trade and other receivables	8	8,627	7,657	4,988	6,751
Cash and deposits	9	29,057	19,418	19,274	9,441
		<u>37,703</u>	<u>27,075</u>	<u>24,262</u>	<u>16,192</u>
<b>Current liabilities</b>					
Bank overdraft	9	253	–	–	–
Fees received in advance		17,717	18,081	–	–
Trade and other payables	10	26,367	30,335	16,590	12,391
Lease creditors	11	–	2	–	–
Income tax payable		854	484	–	–
		<u>45,191</u>	<u>48,902</u>	<u>16,590</u>	<u>12,391</u>
<b>Net current (liabilities)/assets</b>		<u>(7,488)</u>	<u>(21,827)</u>	<u>7,672</u>	<u>3,801</u>
<b>Non-current liabilities</b>					
Other payables	10	–	–	–	5,477
Lease creditors	11	–	2	–	–
Deferred tax liabilities	7	3	–	–	–
		<u>(3)</u>	<u>(2)</u>	<u>–</u>	<u>(5,477)</u>
<b>Total net (liabilities)/assets</b>		<u><u>(4,798)</u></u>	<u><u>(17,664)</u></u>	<u><u>10,885</u></u>	<u><u>1,559</u></u>
<b>Equity attributable to equity holders of the Company</b>					
Share capital	12	19,870	64,065	19,870	64,065
Reserves		(24,668)	(81,729)	(8,985)	(62,506)
<b>Total (deficit of equity)/equity</b>		<u><u>(4,798)</u></u>	<u><u>(17,664)</u></u>	<u><u>10,885</u></u>	<u><u>1,559</u></u>

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

# Consolidated Statement of Profit and Loss

for the year ended 31 March 2008 [In Singapore dollars]

	Note	2008 \$'000	2007 \$'000
Operating revenue	14	47,917	50,471
Employee benefits expense	15	(20,549)	(24,015)
Depreciation of property, plant and equipment	4	(2,152)	(2,666)
Other operating expenses	16	(28,717)	(29,736)
Interest expense	17	(50)	(290)
Interest income	17	655	490
Share of results of associates		–	(5)
<b>Loss before taxation</b>		<u>(2,896)</u>	<u>(5,751)</u>
Tax expense	18	(708)	(64)
<b>Loss for the year</b>		<u>(3,604)</u>	<u>(5,815)</u>
<b>Attributable to :</b>			
Equity holders of the Company		<u>(3,604)</u>	<u>(5,815)</u>
<b>Loss per share (cents)</b>	19		
Basic		(0.30)	(0.63)
Diluted		<u>(0.30)</u>	<u>(0.63)</u>

*The accompanying accounting policies and explanatory notes form an integral part of the financial statements.*

# Consolidated Statement of Changes in Equity

for the year ended 31 March 2008 [In Singapore dollars]

Attributable to equity holders of the Company							
Note	Share capital \$'000	Share premium \$'000	Employee share option reserve \$'000	Translation reserve \$'000	Accumulated losses \$'000	Total reserves \$'000	Total equity \$'000
At 31 March 2007	64,065	–	546	(2,562)	(79,713)	(81,729)	(17,664)
Exchange differences arising on consolidation	–	–	–	(1)	–	(1)	(1)
Net gain recognised directly in equity	–	–	–	(1)	–	(1)	(1)
Loss for the year	–	–	–	–	(3,604)	(3,604)	(3,604)
Total recognised loss for the year	–	–	–	(1)	(3,604)	(3,605)	(3,605)
Issuance of ordinary shares	12 16,767	–	–	–	–	–	16,767
Share issue expenses	12 (493)	–	–	–	–	–	(493)
Share capital reduction	12 (60,469)	–	–	–	60,469	60,469	–
Grant of equity-settled share options	15 –	–	197	–	–	197	197
At 31 March 2008	19,870	–	743	(2,563)	(22,848)	(24,668)	(4,798)
At 31 March 2006	61,469	–	354	(2,697)	(73,898)	(76,241)	(14,772)
Exchange differences arising on consolidation	–	–	–	135	–	135	135
Net gain recognised directly in equity	–	–	–	135	–	135	135
Loss for the year	–	–	–	–	(5,815)	(5,815)	(5,815)
Total recognised gain/(loss) for the year	–	–	–	135	(5,815)	(5,680)	(5,680)
Issuance of ordinary shares	12 2,608	–	–	–	–	–	2,608
Share issue expenses	12 (12)	–	–	–	–	–	(12)
Grant of equity-settled share options	15 –	–	192	–	–	192	192
At 31 March 2007	64,065	–	546	(2,562)	(79,713)	(81,729)	(17,664)

The movements in the reserves of the Company is shown in Note 13.

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

# Consolidated Statement of Cash Flows

for the year ended 31 March 2008 [In Singapore dollars]

	Note	2008 \$'000	2007 \$'000
<b>Cash flow from operating activities</b>			
Loss before tax		(2,896)	(5,751)
Adjustments for:			
Amortisation of intangible assets		–	38
Depreciation of property, plant and equipment	4	2,152	2,666
Allowance for doubtful receivables		540	992
Gain on disposal of property, plant and equipment	16	(170)	(360)
Gain on disposal of an associate company		(200)	–
(Reversal of impairment loss)/impairment loss on investments in associates	6	(21)	129
Share of results of associates		–	5
Employee share option expense	15	197	192
Interest expense	17	50	290
Interest income	17	(655)	(490)
Unrealised exchange loss		867	133
		<hr/>	<hr/>
<b>Operating loss before working capital changes</b>		(136)	(2,156)
Increase in inventories		(19)	–
(Increase)/decrease in trade and other receivables		(1,499)	2,606
(Increase)/decrease in cash held in escrow account		(823)	456
Decrease in fees received in advance		(364)	(143)
Decrease in trade and other payables		(3,706)	(1,321)
		<hr/>	<hr/>
<b>Cash used in operations</b>		(6,547)	(558)
Interest paid		(332)	(8)
Interest received		655	490
Tax paid		(234)	(86)
		<hr/>	<hr/>
<b>Net cash used in operating activities</b>		(6,458)	(162)
<b>Cash flow from investing activities</b>			
Purchase of equipment	4	(864)	(2,151)
Proceeds from disposal of property, plant and equipment		188	2,387
Proceeds on disposal of investment in associate		200	–
		<hr/>	<hr/>
<b>Net cash (used in)/generated from investing activities</b>		(476)	236
<b>Cash flow from financing activities</b>			
Proceeds from issuance of ordinary shares	12	16,767	2,608
Expenses on issuance of ordinary shares	12	(493)	(12)
Repayment of finance lease obligations		(4)	(60)
Repayment of loans and borrowings		–	(790)
		<hr/>	<hr/>
<b>Net cash generated from financing activities</b>		16,270	1,746
Net increase in cash and cash equivalents		9,336	1,820
Cash and cash equivalents at beginning of year		17,464	15,608
Effects of exchange rate changes on opening cash and cash equivalents		(773)	36
		<hr/>	<hr/>
<b>Cash and cash equivalents at end of year</b>	9	<u>26,027</u>	<u>17,464</u>

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

# Notes to the Financial Statements

31 March 2008 [In Singapore dollars]

## 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 address of the Company’s registered office and principal place of business is Informatics Campus, 12 Science Centre Road, Singapore 609080.

The principal activities of the Company are those of investment holding, franchisor for computer and commercial training centres and examination facilitators. The Company also operates under the names, “Informatics Academy”, “Informatics Consulting”, “Thames Academy”, “Thames International”, “Informatics Higher Education”, “Informatics Corporate Learning” and “Informatics Uni” being sole-proprietorships registered under the name of the Company. The principal activities of the subsidiaries are shown in Note 5 to the financial statements.

## 2. Summary of significant accounting policies

### 2.1 Basis of preparation

The consolidated financial statements of the Group and the balance sheet of the Company have been prepared in accordance with Singapore Financial Reporting Standards (“FRS”).

The financial statements have been prepared under the historical cost basis.

The financial statements are presented in Singapore Dollars (\$) and all values are rounded to the nearest thousand (\$’000) except when otherwise indicated.

The accounting policies have been consistently applied by the Group and the Company and are consistent with those used in the previous financial year.

#### *Fundamental accounting assumptions*

The financial statements have been prepared on a going concern basis. The Group incurred a net loss of \$3,604,000 (2007: \$5,815,000) for the financial year ended 31 March 2008 and as at that date, the Group’s total current liabilities and total liabilities exceeded its total current assets and total assets by \$7,488,000 (2007: \$21,827,000) and \$4,798,000 (2007: \$17,664,000) respectively. These factors indicate the existence of a material uncertainty which may cast significant doubt about the Group’s and Company’s ability to continue as a going concern. The ability of the Group and Company to meet its financial obligations and to continue as going concerns depend on the Group and Company generating profits and/or sufficient positive cash flows from its operations.

If the Group and the Company are unable to continue its operational existence for the foreseeable future, the Group and the Company may be unable to discharge their 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 balance sheets. In addition, the Group and the Company may have to reclassify non-current assets and liabilities as current assets and liabilities. No such adjustments have been made to the financial statements.

During the financial year ended 31 March 2004, the Company restated profits in respect of its unaudited quarterly results for the nine months ended 31 December 2003. The restatements led to an investigation by the Commercial Affairs Department. The outcome of the investigation might uncover other information, which might require adjustments to be made to the financial statements.

# Notes to the Financial Statements [cont'd]

31 March 2008 [In Singapore dollars]

## 2. Summary of significant accounting policies (cont'd)

### 2.2 Future changes in accounting policies

The Group and the Company have not adopted the following FRS and INT FRS that have been issued but not yet effective:

Reference	Description	Effective for annual periods beginning on or after
FRS 1	Presentation of Financial Statements – Revised presentation	1 January 2009
FRS 23	Amendment to FRS 23, Borrowing Costs	1 January 2009
FRS 108	Operating Segments	1 January 2009
INT FRS 112	Service Concession Arrangements	1 January 2008
INT FRS 113	Customer Loyalty Programmes	1 July 2008
INT FRS 114	FRS 19 - The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction	1 January 2008

The directors expect that the adoption of the above pronouncements will have no material impact to the financial statements in the period of initial application, except for FRS 108 as indicated below.

FRS 108 requires entities to disclose segment information based on the information reviewed by the entity's chief operating decision maker. The impact of this standard on the other segment disclosures is still to be determined. As this is a disclosure standard, it will have no impact on the financial position or financial performance of the Group when implemented in 2009.

### 2.3 Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at the balance sheet date. The financial statements of the subsidiaries are prepared for the same reporting date as the parent company. Consistent accounting policies are applied for like transactions and events in similar circumstances.

All intra-group balances, transactions, income and expenses and profits and losses resulting from intra-group transactions that are recognised in assets, are eliminated in full.

Acquisitions of subsidiaries are accounted for using the purchase method. The cost of an acquisition is measured as the fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the acquisition. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date, irrespective of the extent of any minority interest.

Any excess of the cost of the business combination over the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities is recorded as goodwill on the balance sheet.

Any excess of the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities over the cost of business combination is recognised in the statement of profit and loss on the date of acquisition.

Subsidiaries are consolidated from the date of acquisition, being the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases.



# Notes to the Financial Statements [cont'd]

31 March 2008 [In Singapore dollars]

## 2. Summary of significant accounting policies (cont'd)

### 2.4 Transactions with minority interests

Minority interests represent the portion of profit or loss and net assets in subsidiaries not held by the Group and are presented separately in the consolidated statement of profit and loss and within equity in the consolidated balance sheet, separately from parent shareholders' equity. Transactions with minority interests are accounted for using the entity concept method, whereby, transactions with minority interests are accounted for as transactions with equity holders. On acquisition of minority interests, the difference between the consideration and book value of the share of the net assets acquired is reflected as being a transaction between owners and recognised directly in equity. Gain or loss on disposal to minority interests is recognised directly in equity.

### 2.5 Functional and foreign currencies

#### (a) Functional currency

The management has determined the currency of the primary economic environment in which the Company operates i.e. functional currency, to be Singapore dollars. Revenue and major costs of providing goods and services, including major operating expenses, are primarily influenced by fluctuations in Singapore dollars.

#### (b) Foreign currency transactions

Transactions in foreign currencies are measured in the respective functional currencies of the Company and its subsidiaries and are recorded on initial recognition in the functional currencies at exchange rates approximating those ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated at the closing rate of exchange ruling at the balance sheet date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

Exchange differences arising on the settlement of monetary items or on translating monetary items at the balance sheet date are recognised in the statement of profit and loss except for exchange differences arising on monetary items that form part of the Group's net investment in foreign subsidiaries, which are recognised initially in equity as foreign currency translation reserve in the consolidated balance sheet and recognised in the consolidated statement of profit and loss on disposal of the subsidiary.

#### (c) Foreign currency translation

The assets and liabilities of foreign operations are translated into Singapore Dollars at the rate of exchange ruling at the balance sheet date and their statement of profit and loss are translated at the weighted average exchange rates for the year. The exchange differences arising on the translation are taken directly to a separate component of equity as foreign currency translation reserve. On disposal of a foreign operation, the deferred cumulative amount recognised in equity relating to that particular foreign operation is recognised in the statement of profit and loss.

### 2.6 Property, plant and equipment

All items of property, plant and equipment are initially recorded at cost. The cost of an item of property, plant and equipment is recognised as an asset if, and only if, it is probable that future economic benefits associated with the item will flow to the group and the cost of the item can be measured reliably. Subsequent to recognition, property, plant and equipment are stated at cost less accumulated depreciation and any accumulated impairment losses.

# Notes to the Financial Statements [cont'd]

31 March 2008 [In Singapore dollars]

## 2. Summary of significant accounting policies (cont'd)

### 2.6 Property, plant and equipment (cont'd)

Freehold land has an unlimited useful life and therefore is not depreciated. Depreciation of other assets begin when it is available for use and is computed on a straight-line basis over the estimated useful life of the asset as follows:

Freehold buildings and leasehold land and buildings	- 50 years or over the remaining period of lease up to 38 years
Furniture and fittings, office and computer equipment	- 3 to 10 years
Improvement to premises	- 3 to 5 years
Training aids	- 5 years
Motor vehicles	- 6 years

The carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

The residual values, useful life and depreciation method are reviewed at each financial year-end to ensure that the amount, method and period of depreciation are consistent with previous estimates and the expected pattern of consumption of the future economic benefits embodied in the items of property, plant and equipment.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset is included in the statement of profit and loss in the year the asset is derecognised.

### 2.7 Impairment of non-financial assets

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any such indication exists, or when annual impairment testing for an asset is required, the Group makes an estimate of the asset's recoverable amount.

An asset's recoverable amount is the higher of an asset's or cash-generating unit's fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. In assessing value in use, the estimated future cash flows are discounted to their present value. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. Impairment losses are recognised in the statement of profit and loss as 'impairment losses'.

An assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case the carrying amount of the asset is increased to its recoverable amount. That increased amount cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised previously. Such reversal of an impairment loss is recognised in the statement of profit and loss.

### 2.8 Subsidiaries

A subsidiary is an entity over which the Group has the power to govern the financial and operating policies so as to obtain benefits from its activities.

In the Company's separate financial statements, investments in subsidiaries are accounted for at cost less any impairment losses.

# Notes to the Financial Statements [cont'd]

31 March 2008 [In Singapore dollars]

## 2. Summary of significant accounting policies (cont'd)

### 2.9 Associates

An associate is an entity, not being a subsidiary or a joint venture, in which the Group has significant influence.

The Group's investments in associates are accounted for using the equity method. Under the equity method, the investment in associate is carried in the balance sheet at cost plus post-acquisition changes in the Group's share of net assets of the associate. The associate is equity accounted for from the date the Group obtains significant influence until the date the Group ceases to have significant influence over the associate.

Goodwill relating to an associate is included in the carrying amount of the investment. Any excess of the Group's share of the net fair value of the associate's identifiable assets, liabilities and contingent liabilities over the cost of the investment is deducted from the carrying amount of the investment and is recognised as income as part of the Group's share of the associate's profit or loss in the period in which the investment is acquired.

When the Group's share of losses in an associate equals or exceeds its interest in the associate, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associate.

The financial statements of the associates are prepared as of the same reporting date as the Group unless it is impracticable to do so. Where the financial statements of an associate used is of a reporting date that is different from that of the Group, adjustments are made for the effects of significant transactions or events that occur between that date and the reporting date of the Group. Where necessary, adjustments are made to realign the accounting policies with those of the Group.

### 2.10 Financial assets

Financial assets are recognised on the balance sheet when, and only when, the Group becomes a party to the contractual provisions of the financial instrument.

When financial assets are recognised initially, they are measured at fair value, plus, in the case of financial assets not at fair value through profit or loss, directly attributable transaction costs. The Group determines the classification of its financial assets after initial recognition and, where allowed and appropriate, re-evaluates this designation at each financial year-end.

A financial asset is derecognised where the contractual rights to receive cash flows from the asset have expired. On derecognition of a financial asset, the difference between the carrying amount and the sum of the consideration received and any cumulative gain or loss that has been recognised directly in equity is recognised in the statement of profit and loss.

#### *Loans and receivables*

Non-derivative financial assets with fixed or determinable payments that are not quoted in an active market are classified as loans and receivables. Such assets are carried at amortised cost using the effective interest method. Gains and losses are recognised in statement of profit and loss when the loans and receivables are derecognised or impaired, as well as through the amortisation process.

The Group classifies the following financial assets as loans and receivables:

- cash and short-term deposits;
- trade and other receivables, including amounts due from related parties.

# Notes to the Financial Statements [cont'd]

31 March 2008 [In Singapore dollars]

## 2. Summary of significant accounting policies (cont'd)

### 2.11 Impairment of financial assets

The Group assesses at each balance sheet date whether there is any objective evidence that a financial asset or group of financial assets is impaired.

#### (a) *Assets carried at amortised cost*

If there is objective evidence that an impairment loss on financial assets carried at amortised cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced through the use of an allowance account. The amount of the loss is recognised in the statement of profit and loss.

When the asset becomes uncollectible, the carrying amount of impaired financial assets is reduced directly or if an amount was charged to the allowance account, the amounts charged to the allowance account are written off against the carrying value of the financial asset.

To determine whether there is objective evidence that an impairment loss on financial assets has been incurred, the Group considers factors such as the probability of insolvency or significant financial difficulties of the debtor and default or significant delay in payments.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed to the extent that the carrying value of the asset does not exceed its amortised cost at the reversal date. The amount of reversal is recognised in the statement of profit and loss.

#### (b) *Assets carried at cost*

If there is objective evidence (such as significant adverse changes in the business environment where the issuer operates, probability of insolvency or significant financial difficulties of the issuer) that an impairment loss on financial assets carried at cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the current market rate of return for a similar financial asset. Such impairment losses are not reversed in subsequent periods.

### 2.12 Cash and cash equivalents

Cash and cash equivalents consist of cash on hand and short-term, highly liquid investments that are readily convertible to known amounts of cash and that are subject to an insignificant risk of changes in value. These also include bank overdrafts that form an integral part of the Group's cash management. Cash and cash equivalent includes cash and deposits which are restricted in use.

### 2.13 Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) where, as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of economic resources will be required to settle the obligation, the provision is reversed.

# Notes to the Financial Statements [cont'd]

31 March 2008 [In Singapore dollars]

## 2. Summary of significant accounting policies (cont'd)

### 2.14 Financial liabilities

Financial liabilities include trade payables, which are normally settled on 30-90 day terms, other amounts payable, payables to related parties and interest-bearing loans and borrowings. Financial liabilities are recognised on the balance sheet when, and only when, the Group becomes a party to the contractual provisions of the financial instrument. Financial liabilities are initially recognised at fair value plus directly attributable transaction costs and subsequently measured at amortised cost using the effective interest method.

Gains and losses are recognised in the statement of profit and loss when the liabilities are derecognised as well as through the amortisation process. Financial liabilities are derecognised when the obligation under the liability is extinguished.

### 2.15 Borrowing costs

Borrowing costs are generally expensed as incurred.

### 2.16 Inventories

Inventories are stated at the lower of cost or net realisable value. Costs incurred in bringing the inventories to their present location and condition are accounted for on a weighted average cost basis.

### 2.17 Employee benefits

#### (a) Defined contribution plans

The Group participates in the national pension schemes as defined by the laws of the countries in which it has operations. In particular, the Singapore companies in the Group make contributions to the Central Provident Fund scheme in Singapore, a defined contribution pension scheme. Contributions to national pension schemes are recognised as an expense in the period in which the related service is performed.

#### (b) Employee leave entitlement

Employee entitlements to annual leave are recognised as a liability when they accrue to employees. The estimated liability for leave is recognised for services rendered by employees up to balance sheet date.

#### (c) Employee share option plans

Eligible employees of the Group receive remuneration in the form of share options as consideration for services rendered ("equity-settled transactions").

The cost of equity-settled transactions with employees is measured by reference to the fair value of the options at the date on which the share options are granted. In valuing the share options, no account is taken of any performance conditions, other than conditions linked to the price of the shares of the Company ("indirect conditions"), if applicable.

The cost of equity-settled transactions is recognised, together with a corresponding increase in the employee share option reserve, over the vesting period. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of equity instruments that will ultimately vest. The charge or credit to the statement of profit and loss for a period represents the movement in cumulative expense recognised as at the beginning and end of that period.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of earnings or loss per share.

# Notes to the Financial Statements [cont'd]

31 March 2008 [In Singapore dollars]

## 2. Summary of significant accounting policies (cont'd)

### 2.18 Leases

Finance leases, which transfer to the Group substantially all the risks and rewards incidental to ownership of the leased item, are capitalised at the inception of the lease term at fair value of the leased asset or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged directly to the statement of profit and loss. Contingent rents, if any, are charged as expenses in the periods in which they are incurred.

Capitalised leased assets are depreciated over the shorter of the estimated useful life of the asset or the lease term, if there is no reasonable certainty that the Group will obtain ownership by the end of the lease term.

Operating lease payments are recognised as an expense in the statement of profit and loss on a straight-line basis over the lease term. The aggregate benefit of incentives provided by the lessor is recognised as a reduction of rental expense over the lease term on a straight-line basis.

### 2.19 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. Revenue is measured at the fair value of consideration received or receivable.

#### (a) Course fees

Course fees are generally recognised as revenue over the duration of the course. For courses hosted on the e-learning portal, course fees are recognised as revenue over the period access is granted, which typically coincides with the duration of the course.

#### (b) Examination fees

Examination fee is recognised as revenue when examination services are substantially rendered to the students. When examination dates fall in the next financial year, judgement is used to establish the proportion of revenue that may be recognised in the current period based upon services performed within the period as a proportion of the total services to be performed.

#### (c) Franchise fees

Initial franchise fee is recognised as revenue when the contractual requirements under the franchise agreement are completed and when collectibility is certain. Recurring franchise fee is recognised as revenue on a monthly basis, determined as a percentage of revenue generated by the franchisees, and when collectibility is certain.

#### (d) Licence fees

Licence fee is recognised as revenue on a straight-line basis over the duration of the agreement. Accreditation fee from potential licensee is recognised upon completion and issue of accreditation report, and when collectibility is certain.

#### (e) Interest income

Interest income is recorded using the effective interest rate method, unless collectibility is in doubt.

# Notes to the Financial Statements [cont'd]

31 March 2008 [In Singapore dollars]

## 2. Summary of significant accounting policies (cont'd)

### 2.19 Revenue (cont'd)

#### (f) Rental income

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease.

#### (g) Dividend income

Dividend income is recognised when the Group's right to receive payment is established.

### 2.20 Income taxes

#### (a) Current tax

Current tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the balance sheet date.

Current taxes are recognised in the statement of profit and loss except that tax relating to items recognised directly in equity is recognised directly in equity.

#### (b) Deferred tax

Deferred income tax is provided using the liability method on temporary differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax assets and liabilities are recognised for all temporary differences, except:

- Where the deferred tax arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction affects neither the accounting profit nor taxable profit or loss;
- In respect of temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, where the timing of the reversal of the temporary differences can be controlled by the Group and it is probable that the temporary differences will not reverse in the foreseeable future; and
- In respect of deductible temporary differences and carry-forward of unused tax credits and unused tax losses, if it is not probable that taxable profit will be available against which the deductible temporary differences and carry-forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of deferred tax asset is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at each balance sheet date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be utilised.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted at the balance sheet date.

Deferred taxes are recognised in the statement of profit and loss except that deferred tax relating to items recognised directly in equity is recognised directly in equity and deferred tax arising from a business combination is adjusted against goodwill on acquisition.

# Notes to the Financial Statements [cont'd]

31 March 2008 [In Singapore dollars]

## 2. Summary of significant accounting policies (cont'd)

### 2.20 Income taxes (cont'd)

#### (c) Sales tax

Revenues, expenses and assets are recognised net of the amount of sales tax except:

- Where the sales tax incurred in a purchase of assets or services is not recoverable from the taxation authority, in which case the sales tax is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
- Receivables and payables that are stated with the amount of sales tax included.

The net amount of sales tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

### 2.21 Segment reporting

A business segment is a distinguishable component of the Group that is engaged in providing products or services that are subject to risks and returns that are different from those of other business segments. A geographical segment is a distinguishable component of the Group that is engaged in providing products or services within a particular economic environment and that is subject to risks and returns that are different from those of components operating in other economic environments.

### 2.22 Share capital and share issue expenses

Proceeds from issuance of ordinary shares are recognised as share capital in equity. Incremental costs directly attributable to the issuance of ordinary shares are recorded in equity.

### 2.23 Contingencies

A contingent liability or asset is a possible obligation or asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of uncertain future event(s) not wholly within the control of the Group.

Contingent liabilities and assets are not recognised on the balance sheet of the Group.

## 3. Significant accounting judgements and estimates

The preparation of the Group's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities at the reporting date. However, uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amount of the asset or liability affected in the future.



# Notes to the Financial Statements [cont'd]

31 March 2008 [In Singapore dollars]

## 3. Significant accounting judgements and estimates (cont'd)

### 3.1 Judgements made in applying accounting policies

In the process of applying the Group's accounting policies, management has made certain judgements, apart from those involving estimations, which has significant effect on the amounts recognised in the financial statements.

#### *Impairment of financial assets*

The determination of whether a financial asset is impaired requires significant judgement. The Group evaluates, among other factors, the duration and extent to which the fair value of financial asset is less than its cost, and the financial health of and near-term business outlook for the financial asset, including factors such as industry performance, changes in technology and operational and financing cash flow.

### 3.2 Key sources of estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the balance sheet date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

#### *Depreciation of plant and equipment*

Plant and equipment are depreciated on a straight-line basis over their estimated useful lives. Management estimates the useful lives of these plants and equipment to be within 3 to 20 years. The carrying amount of the Group's plant and equipment at 31 March 2008 was \$2,053,000 (2007: \$3,395,000). Changes in the expected level of usage and technological development could impact the economic useful lives and the residual values of these assets, therefore future depreciation charges could be revised.

#### *Income tax payable*

Significant judgement is involved in determining the Group-wide provision for income taxes. There are certain transactions and computations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group recognises liabilities for expected tax issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recognised, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made. The carrying amount of the Group's tax payables at 31 March 2008 was \$854,000 (2007: \$484,000). The carrying amount of the Group's deferred tax assets and deferred tax liabilities as at 31 March 2008 was \$96,000 (2007: \$204,000) and \$3,000 (2007: \$nil) respectively.

#### *Impairment of non-financial assets*

The Group assesses whether there are any indicators of impairment for all non-financial assets at each reporting date. Non-financial assets are tested for impairment when there are indicators that the carrying amounts may not be recoverable. When value in use calculations are undertaken, management must estimate the expected future cash flows from the asset and choose a suitable discount rate in order to calculate the present value of those cash flows.

#### *Recognition of examination fees revenue*

Examination fees are recognised as revenue when examination services are substantially rendered to the students. When examination dates fall in the next financial year, management is required to use its judgement to establish the proportion of fees to be recognised as revenue in the current period based on services performed during the period as a proportion of the total services to be performed.

## Notes to the Financial Statements [cont'd]

31 March 2008 [In Singapore dollars]

## 4. Property, plant and equipment

Group	Freehold Land \$'000	Freehold buildings \$'000	Leasehold units \$'000	Furniture and fittings, office and computer equipment \$'000	Improvement to premises \$'000	Training aids \$'000	Motor vehicles \$'000	Total \$'000
<b>Cost</b>								
At 1 April 2006	695	2,710	487	25,665	5,375	975	767	36,674
Additions	-	-	-	1,612	430	34	75	2,151
Disposals/write-off	(607)	(1,973)	(487)	(3,722)	(210)	-	(411)	(7,410)
Exchange differences on consolidation	-	(5)	-	(127)	(99)	(6)	(5)	(242)
At 31 March 2007 and 1 April 2007	88	732	-	23,428	5,496	1,003	426	31,173
Additions	-	-	-	742	98	24	-	864
Disposals/write-off	-	-	-	(297)	(85)	-	(44)	(426)
Exchange differences on consolidation	-	(12)	-	(396)	(154)	(2)	(2)	(566)
At 31 March 2008	88	720	-	23,477	5,355	1,025	380	31,045
<b>Accumulated depreciation and impairment</b>								
At 1 April 2006	220	1,262	175	23,636	3,589	893	353	30,128
Charge for the year	-	23	5	1,505	981	71	81	2,666
Disposals/write-off	(220)	(1,031)	(180)	(3,706)	(91)	-	(155)	(5,383)
Exchange differences on consolidation	-	-	-	(110)	(77)	(6)	(6)	(199)
At 31 March 2007 and 1 April 2007	-	254	-	21,325	4,402	958	273	27,212
Charge for the year	-	13	-	1,280	768	26	65	2,152
Disposals/write-off	-	-	-	(295)	(85)	-	(28)	(408)
Exchange differences on consolidation	-	(3)	-	(374)	(127)	(2)	(2)	(508)
At 31 March 2008	-	264	-	21,936	4,958	982	308	28,448
<b>Net book value</b>								
At 31 March 2008	88	456	-	1,541	397	43	72	2,597
At 31 March 2007	88	478	-	2,103	1,094	45	153	3,961

# Notes to the Financial Statements [cont'd]

31 March 2008 [In Singapore dollars]

## 4. Property, plant and equipment (cont'd)

	<b>Furniture and fittings, office and computer equipment \$'000</b>	<b>Improvement to premises \$'000</b>	<b>Training aids \$'000</b>	<b>Motor vehicles \$'000</b>	<b>Total \$'000</b>
<b>Company</b>					
<b>Cost</b>					
At 1 April 2006	1,685	14	1,537	510	3,746
Additions	24	–	9	–	33
Transfer from a subsidiary	–	–	–	113	113
Disposals	(2)	–	–	(337)	(339)
As at 31 March 2007 and 1 April 2007	1,707	14	1,546	286	3,553
Additions	160	–	17	–	177
Transfer to a subsidiary company	(61)	–	–	–	(61)
Disposals	(20)	(14)	–	(43)	(77)
At 31 March 2008	1,786	–	1,563	243	3,592
<b>Accumulated depreciation and impairment</b>					
At 1 April 2006	1,497	14	1,516	170	3,197
Charge for the year	101	–	15	63	179
Disposals	–	–	–	(96)	(96)
As at 31 March 2007 and 1 April 2007	1,598	14	1,531	137	3,280
Charge for the year	105	(14)	12	61	164
Transfer to a subsidiary company	(17)	–	–	–	(17)
Disposals	(20)	–	–	(27)	(47)
At 31 March 2008	1,666	–	1,543	171	3,380
<b>Net book value</b>					
At 31 March 2008	120	–	20	72	212
At 31 March 2007	109	–	15	149	273

### **Assets held under finance leases**

The net carrying amount of plant and equipment of the Group held under finance leases as at 31 March 2008 was \$nil (2007: \$4,173).

### **Assets pledged as security**

As at 31 March 2008, certain freehold land and buildings of the Group with a carrying amount of \$202,000 (2007: \$nil) was subjected to a legal charge to secure bank overdraft facility.

# Notes to the Financial Statements [cont'd]

31 March 2008 [In Singapore dollars]

## 5. Investments in subsidiaries

	Company	
	2008 \$'000	2007 \$'000
Unquoted equity shares, at cost	60,856	66,448
Impairment loss	(57,855)	(63,486)
Carrying amount	<u>3,001</u>	<u>2,962</u>
Movement in impairment loss is as follows :		
Balance at beginning of year	63,486	62,988
Charge for the year	111	498
Write-off during the year due to liquidation of subsidiary companies	(5,742)	–
Balance at end of year	<u>57,855</u>	<u>63,486</u>

Name of company (country of incorporation and place of business)	Principal activities	Effective equity held by the Group		Cost of investment by the Company	
		2008	2007	2008	2007
		%	%	\$'000	\$'000
<b>Held by the Company</b>					
① Informatics Education Singapore Pte Ltd (Singapore)	Computer and business education and training, business management consultancy and child development	100	100	724	724
① PurpleTrain.com Pte Ltd (Singapore)	Operation of e-learning portal providing e-learning for higher education, corporations and education services	100	100	50	50
⊖ Informatics YLG Pte Ltd (Singapore)	Dormant	100	100	586	586
① Informatics Education International Pte Ltd (Singapore)	Dormant	100	100	315	315
ICS Pte Ltd (Singapore)	Dormant	–	100	–	3,195
Informatics Regional Applied Computing Centre Pte Ltd (Singapore)	Dormant	–	100	–	557
SIU Recruitment Centre Pte Ltd (Singapore)	Dormant	–	100	–	464

# Notes to the Financial Statements [cont'd]

31 March 2008 [In Singapore dollars]

## 5. Investments in subsidiaries (cont'd)

Name of company (country of incorporation and place of business)	Principal activities	Effective equity held by the Group		Cost of investment by the Company	
		2008 %	2007 %	2008 \$'000	2007 \$'000
<b>Held by the Company</b>					
Thames Advancement Centre Pte Ltd (Singapore)	Dormant	–	100	–	510
Thames Centre Pte Ltd (Singapore)	Dormant	–	100	–	384
① Informatics International Pte Ltd (Singapore)	Franchise and licensing business and operation system support	100	–	100	–
① Informatics Global Campus Pte Ltd (Singapore)	Operation of e-learning portal providing e-learning for higher education, corporations and education services	100	–	50	–
②## Citinetics Sdn Bhd (Malaysia)	Computer education and training	100	100	–	–
② Futurekids Learning Centre Sdn Bhd (Malaysia)	Dormant	100	100	284	284
② Informatics Education Malaysia Sdn Bhd (Malaysia)	Computer education and training, educational and business management consultancy	100	100	14,054	14,054
② Informatics Resources Group (M) Sdn Bhd (Malaysia)	Dormant	100	100	2,327	2,327
② Informatics Computer Education Sdn Bhd (Malaysia)	Educational training and training facilities	100	100	1,182	1,182
† Stance Sdn Bhd (Malaysia)	Dormant	100	100	52	52
PT Informatics Rigtenders Indonesia (Indonesia)	Dormant	–	60	–	632
⑦ Singapore Informatics Computer Institute (Pvt) Ltd (Sri Lanka)	Computer education and training	100	100	788	788
③ Informatics Education (HK) Ltd (Hong Kong)	Computer education and training	100	100	776	776

# Notes to the Financial Statements [cont'd]

31 March 2008 [In Singapore dollars]

## 5. Investments in subsidiaries (cont'd)

Name of company (country of incorporation and place of business)	Principal activities	Effective equity held by the Group		Cost of investment by the Company	
		2008 %	2007 %	2008 \$'000	2007 \$'000
<b>Held by the Company</b>					
⊖ Informatics Education (PRC) Ltd (formerly known as Informatics (Shanghai) Ltd) (Hong Kong)	Active	100	100	909	909
† PurpleTrain (HK) Ltd (Hong Kong)	Dormant	100	100	@	@
⊖ Informatics (North China) Ltd (Hong Kong)	Dormant	100	100	215	215
⊙ Informatics Group (Europe) Limited (United Kingdom)	Investment holding	100	100	37,850	37,850
⊖ Informatics Education UK Ltd (United Kingdom)	Dormant	100	–	@	–
⊖ Informatics Consultancy (Shanghai) Co., Ltd (The People's Republic of China)	Investment consultancy, development of market for business management and computer training schools	100	100	594	594
				60,856	66,448

# Notes to the Financial Statements [cont'd]

31 March 2008 [In Singapore dollars]

## 5. Investments in subsidiaries (cont'd)

Name of company (country of incorporation and place of business)	Principal activities	Effective equity held by the Group	
		2008 %	2007 %
<b>Held by the Subsidiaries</b>			
② Informatics Smarter Education Sdn Bhd (Malaysia)	Dormant	70	70
† Informatics Training (Sarawak) Sdn Bhd (Malaysia)	Dormant	100	100
② Informatics Open Learning Services Sdn Bhd (Malaysia)	Investment holding	100	100
② IAHE Consultants Sdn Bhd (Malaysia)	Dormant	100	100
② PurpleTrain.com (M) Sdn Bhd (Malaysia)	Dormant	100	100
##② Institute Sarjana Sdn Bhd (Malaysia)	Dormant	100	100
##② Informatics Training Technology Sdn Bhd (Malaysia)	Computer education and training	100	100
##② Informatics Perkasa Sdn Bhd (Malaysia)	Computer education and training	100	100
④ NCC Education (M) Sdn Bhd (Malaysia)	Computer education and training	100	100
⊖ Informatics Professional Training Limited (Hong Kong)	Dormant	100	100
⑤ NCC Education Limited (United Kingdom)	Educational and business management consultancy	100	100
⑤ Informatics Investments Limited (United Kingdom)	Investment holding	60	60
⑥ NCC (Beijing) Education Consulting Co., Ltd (The People's Republic of China)	Computer education and training	100	100

## Notes to the Financial Statements [cont'd]

31 March 2008 [In Singapore dollars]

### 5. Investments in subsidiaries (cont'd)

- @ Denotes less than \$1,000.
- ① Audited by Ernst & Young, Singapore.
- ② Audited by Ernst & Young, Malaysia.
- ③ Audited by KPMG, Hong Kong.
- ④ Audited by KPMG, Malaysia.
- ⑤ Audited by Tenon Audit Limited, United Kingdom.
- ⑥ Audited by Salustro Zhongrui, The People's Republic of China.
- ⑦ Audited by Ernst & Young, Sri Lanka.
- θ Not required to be audited by the laws of the country of incorporation.
- t Under members' voluntary liquidation.
- ## Treated as subsidiaries as the Company hold full management control and responsibility over the financial and operating activities of these companies.

### 6. Investments in associates

	Group		Company	
	2008 \$'000	2007 \$'000	2008 \$'000	2007 \$'000
Unquoted equity shares, at cost	4,029	4,302	3,888	4,140
Group's share of post-acquisition results and reserves	(1,773)	(1,861)	-	-
	2,256	2,441	3,888	4,140
Impairment loss	(2,256)	(2,441)	(3,888)	(4,140)
Carrying amount	-	-	-	-
Movement in impairment loss is as follows :				
Balance at beginning of year	2,441	2,312	4,140	4,229
(Reversal of)/impairment loss for the year (Note 16)	(21)	129	-	-
Write-off during the year due to disposal/ liquidation of associates	(164)	-	(252)	(89)
Balance as at end of the year	2,256	2,441	3,888	4,140



# Notes to the Financial Statements [cont'd]

31 March 2008 [In Singapore dollars]

## 6. Investments in associates (cont'd)

Name of company (country of incorporation and place of business)	Principal activities	Effective equity held by the Group		Cost of investment by the Company	
		2008	2007	2008	2007
		%	%	\$'000	\$'000
<b>Held by the Company</b>					
IAF Pte Ltd (Singapore)	Dormant	30	30	270	270
Info-Millennium Pte Ltd (Singapore)	Dormant	–	40	–	252
PT Triaksara Saraswati (Indonesia)	Dormant	20	20	172	172
Informatics Holdings Philippines Inc (Philippines)	Investment holding	40	40	1,487	1,487
De Chazal Du Mee Informatics Ltd (Mauritius)	Dormant	20	20	101	101
Edutech Informatics India Ltd (India)	Dormant	23	23	1,310	1,310
Singa Training Ltd (Myanmar)	Management of computer training schools	40	40	548	548
				3,888	4,140
				3,888	4,140

Name of company (country of incorporation and place of business)	Principal activities	Effective equity held by the Group	
		2008	2007
		%	%
<b>Held by subsidiary</b>			
Informatics (Macau) Limited (Macau)	Computer education and training	40	40
# Berjaya Higher Education Sdn Bhd (Malaysia)	Computer education and training	10	10
PT Lifelong Learning, Indonesia (Indonesia)	Computer education and training	–	36

# Treated as an associate as the Company is able to exercise significant influence over the financial and operating activities of this company.

## Notes to the Financial Statements [cont'd]

31 March 2008 [In Singapore dollars]

### 6. Investments in associates (cont'd)

The summarised financial information of the associates, not adjusted for the proportion of ownership interest held by the Group, is as follows:

	Group	
	2008 \$'000	2007 \$'000
<b>Assets and liabilities:</b>		
Current assets	262	51
Non-current assets	28	43
Total assets	<u>290</u>	<u>94</u>
Current liabilities	351	16
Non-current liabilities	–	–
Total liabilities	<u>351</u>	<u>16</u>
<b>Results:</b>		
Revenue	256	210
Profit/(Loss) for the year	<u>11</u>	<u>(12)</u>

### 7. Deferred income tax

Deferred tax assets relate to the following:

	Group			
	Consolidated balance sheet		Consolidated statement of profit and loss	
	2008 \$'000	2007 \$'000	2008 \$'000	2007 \$'000
Excess of depreciation over capital allowances	96	128	28	114
Other deductible temporary differences	–	76	73	(2)
	<u>96</u>	<u>204</u>	<u>101</u>	<u>112</u>
Deferred tax liabilities relate to the following :				
Accelerated depreciation for tax purposes	–	–	–	(138)
Other temporary differences	3	–	3	2
	<u>3</u>	<u>–</u>	<u>3</u>	<u>(136)</u>
Deferred income tax expense			<u>104</u>	<u>(24)</u>

The Group has deductible temporary differences and unutilised tax losses of approximately \$4,928,000 (2007: \$4,030,000) and \$95,550,000 (2007: \$92,352,000), respectively, for which no deferred tax asset is recognised due to uncertainty of its recoverability. The use of these balances is subject to the agreement of the relevant tax authorities and compliance with certain provisions of the tax legislation of the respective countries in which the companies in the Group operate.

# Notes to the Financial Statements [cont'd]

31 March 2008 [In Singapore dollars]

## 8. Trade and other receivables

	Group		Company	
	2008 \$'000	2007 \$'000	2008 \$'000	2007 \$'000
<b>Non-financial assets</b>				
Prepayments	1,451	1,829	90	334
<b>Financial assets</b>				
Trade receivables	7,754	5,972	3,879	3,226
Less : Allowance for doubtful receivables	(4,265)	(4,019)	(2,895)	(2,336)
	3,489	1,953	984	890
Other receivables	4,655	8,035	2,230	2,266
Less : Allowance for doubtful receivables	(1,927)	(5,216)	(1,623)	(1,603)
	2,728	2,819	607	663
Deposits	955	1,055	88	88
Staff loans	4	1	3	1
Amounts due from subsidiaries	–	–	3,216	4,775
	7,176	5,828	4,898	6,417
Total trade and other receivables	8,627	7,657	4,988	6,751

### Trade and other receivables

Trade and other receivables are non-interest bearing. They are recognised at their original invoice amounts, which represents their fair values on initial recognition.

### Related party receivables

Amounts due from subsidiaries are unsecured, interest-free, are repayable on demand and are expected to be settled in cash.

### Receivables that are past due but not impaired

The Group has trade receivables amounting to \$2,023,000 (2007: \$2,215,000) that are past due at the balance sheet date but not impaired. These receivables are unsecured and the analysis of their aging at the balance sheet date is as follows:

	Group	
	2008 \$'000	2007 \$'000
Trade receivables past due :		
Less than 30 days	656	671
More than 30 days	1,367	1,544
	2,023	2,215

## Notes to the Financial Statements [cont'd]

31 March 2008 [In Singapore dollars]

### 8. Trade and other receivables (cont'd)

#### **Receivables that are impaired**

Trade and other receivables that are determined to be impaired at the balance sheet date relate to debtors that are in financial difficulties and have defaulted on payments. The movement of the allowance accounts used to record the impairment is as follows:

#### *Allowance for impairment loss on trade receivables*

	Group		Company	
	2008 \$'000	2007 \$'000	2008 \$'000	2007 \$'000
Trade receivables - nominal amounts	6,288	6,234	3,375	2,669
Less : Allowance for impairment loss	(4,265)	(4,019)	(2,895)	(2,336)
	<u>2,023</u>	<u>2,215</u>	<u>480</u>	<u>333</u>
Movement in allowance accounts :				
At 1 April	4,019	12,800	2,336	3,963
Charge for the year (Note 16)	419	732	595	156
Written-off against allowance	(173)	(9,513)	(36)	(1,783)
At 31 March	<u>4,265</u>	<u>4,019</u>	<u>2,895</u>	<u>2,336</u>

#### *Allowance for impairment loss on other receivables*

	Group		Company	
	2008 \$'000	2007 \$'000	2008 \$'000	2007 \$'000
Other receivables – nominal amounts	3,252	7,235	2,139	2,427
Less : Allowance for impairment loss	(1,927)	(5,216)	(1,623)	(1,603)
	<u>1,325</u>	<u>2,019</u>	<u>516</u>	<u>824</u>
Movement in allowance accounts :				
At 1 April	5,216	4,990	1,603	1,426
Charge for the year (Note 16)	121	260	68	177
Written-off against allowance	(3,410)	(34)	(48)	–
At 31 March	<u>1,927</u>	<u>5,216</u>	<u>1,623</u>	<u>1,603</u>

An impairment loss of \$540,000 (2007: \$992,000) was recognised in the statement of profit and loss subsequent to a debt recovery assessment performed on trade and other receivables as at 31 March 2008 (Note 16).

# Notes to the Financial Statements [cont'd]

31 March 2008 [In Singapore dollars]

## 8. Trade and other receivables (cont'd)

### *Financial assets that are neither past due nor impaired*

Trade and other receivables that are neither past due nor impaired are creditworthy debtors with good payment record with the Group.

Trade and other receivables were denominated in the following currencies at the balance sheet date:

	Group		Company	
	2008 \$'000	2007 \$'000	2008 \$'000	2007 \$'000
Singapore Dollars	3,145	3,107	1,456	4,790
United States Dollars	594	594	418	549
British Pounds	2,943	1,377	2,482	–
Malaysian Ringgit	1,062	1,437	8	11
Hong Kong Dollars	385	598	–	–
Chinese Renminbi	438	427	582	1,401
Others	60	117	42	–
	<u>8,627</u>	<u>7,657</u>	<u>4,988</u>	<u>6,751</u>

## 9. Cash and deposits

	Group		Company	
	2008 \$'000	2007 \$'000	2008 \$'000	2007 \$'000
Cash at bank and in hand *	11,639	13,341	1,975	3,713
Short-term deposits **	17,418	6,077	17,299	5,728
	<u>29,057</u>	<u>19,418</u>	<u>19,274</u>	<u>9,441</u>

\* A subsidiary company is required under Case Trust for Education Scheme in Singapore to open an escrow bank account where tuition fees paid by its international students are held in trust in this escrow account and disbursed by the bank to the subsidiary company according to a predetermined schedule. As at 31 March 2008, the Group has \$1,726,531 (2007: \$904,229) in the escrow bank account.

\*\* Short-term deposits of \$1,050,000 (2007: \$1,050,000) is restricted in use as it is held by a bank as collateral for the issue of a banker's guarantee on behalf of the Company.

Cash at banks earns interest at floating rates based on daily bank deposit rates ranging from 0.063% to 0.438% (2007: 0.063% to 1.063%) per annum. Short-term deposits are made for varying periods between one to three months depending on the immediate cash requirements of the Group, and earn interest at the respective fixed deposit rates. The weighted average effective interest rate for short-term deposit is 2.11% (2007: 2.91%) per annum.

## Notes to the Financial Statements [cont'd]

31 March 2008 [In Singapore dollars]

### 9. Cash and deposits (cont'd)

Cash and short-term deposits were denominated in the following currencies at the balance sheet date:

	Group		Company	
	2008 \$'000	2007 \$'000	2008 \$'000	2007 \$'000
Singapore Dollars	21,901	9,036	19,031	7,161
Australian Dollars	78	139	7	7
British Pounds	4,665	4,767	4	826
Malaysia Ringgit	168	681	–	–
Hong Kong Dollars	1,488	2,559	–	–
United States Dollars	539	1,997	232	1,447
Sri Lanka Rupee	215	236	–	–
Chinese Renminbi	3	3	–	–
	<u>29,057</u>	<u>19,418</u>	<u>19,274</u>	<u>9,441</u>

#### **Cash and cash equivalents**

Cash and cash equivalents included in the consolidated statement of cash flows include:

	Group	
	2008 \$'000	2007 \$'000
Cash at bank and in hand (exclude cash held in escrow accounts and restricted in use)	9,912	12,437
Short-term deposits (exclude deposits restricted in use)	16,368	5,027
Bank overdraft	(253)	–
	<u>26,027</u>	<u>17,464</u>

Bank overdraft is denominated in Malaysian Ringgit, bears interest at 8.75% (2007: nil%) per annum and is secured by a charge on certain freehold land and buildings of the Group.

# Notes to the Financial Statements [cont'd]

31 March 2008 [In Singapore dollars]

## 10. Trade and other payables

	Group		Company	
	2008 \$'000	2007 \$'000	2008 \$'000	2007 \$'000
<b>Trade and other payables (current)</b>				
<i>Financial liabilities</i>				
Trade payables	1,806	6,739	219	579
Deposits received	978	1,081	537	537
Other payables	1,729	2,213	818	824
Accrued operating expenses	17,874	16,792	6,425	5,915
Due to subsidiaries	–	–	7,966	3,978
Due to associates	8	18	–	–
	22,395	26,843	15,965	11,833
<i>Non-financial liabilities</i>				
Accruals for withholding tax	1,298	1,303	310	286
Deferred income and fees	2,674	2,189	315	272
	3,972	3,492	625	558
	26,367	30,335	16,590	12,391
<b>Trade and other payables (non-current)</b>				
<i>Financial liabilities</i>				
Due to subsidiaries	–	–	–	5,477
Total trade and other payables	26,367	30,335	16,590	17,868

### Trade and other payables

Trade payables are non-interest bearing and are normally settled on 30-90 days term.

### Accrued operating expenses

The accrued operating expenses of the Group and Company as at 31 March 2008 include an amount of \$4,188,000 (2007: \$2,919,000) in respect of a contract for the purchase of training materials, which is now in dispute. The Company has obtained legal advice on its position but it is unclear if the Company has any liability under the contract. As a matter of prudence, the Company has set aside the amount as a provision based on the directors' best estimate. The directors believe that the amount will be sufficient to cover any liability that may arise in respect of the contract. The Company is currently exploring possible avenues to address the matter.

### Related party payables

The amounts due to subsidiaries and associates are unsecured, interest-free and repayable on demand. The amounts are expected to be settled in cash.

## Notes to the Financial Statements [cont'd]

31 March 2008 [In Singapore dollars]

### 10. Trade and other payables (cont'd)

#### **Deposits received**

Deposits received are non-interest bearing and repayable on demand.

Trade and other payables were denominated in the following currencies at the balance sheet date:

	Group		Company	
	2008 \$'000	2007 \$'000	2008 \$'000	2007 \$'000
Singapore Dollars	12,999	20,384	10,110	14,442
United States Dollars	3,755	204	3,868	170
Australian Dollars	1,226	406	42	–
British Pounds	4,706	5,364	2,564	3,178
Hong Kong Dollars	1,367	822	–	2
Malaysian Ringgit	2,232	2,810	6	75
Indonesian Rupiah	–	249	–	–
Others	82	96	–	1
	<u>26,367</u>	<u>30,335</u>	<u>16,590</u>	<u>17,868</u>

### 11. Lease creditors

	Effective interest rates %	Maturity	Group		Company	
			2008 \$'000	2007 \$'000	2008 \$'000	2007 \$'000
<b>Current:</b>						
Obligations under finance lease (secured)	2.8	2008	<u>–</u>	<u>2</u>	<u>–</u>	<u>–</u>
<b>Non-current:</b>						
Obligations under finance lease (secured)	2.8	2008	<u>–</u>	<u>2</u>	<u>–</u>	<u>–</u>

#### **Obligations under finance lease**

Lease terms ranged from 1 to 5 years with options to purchase at the end of the lease term.



# Notes to the Financial Statements [cont'd]

31 March 2008 [In Singapore dollars]

## 12. Share capital

	Group and Company			
	2008		2007	
	No. of shares '000	\$'000	No. of shares '000	\$'000
Issued and fully paid :				
At 1 April	836,173	64,065	784,000	61,469
Issued during the year	418,951	16,767	52,173	2,608
Share issue expenses	–	(493)	–	(12)
Share capital reduction (note 13)	–	(60,469)	–	–
At 31 March	<u>1,255,124</u>	<u>19,870</u>	<u>836,173</u>	<u>64,065</u>

The holders of ordinary shares are entitled to receive dividends as and when declared by the Company. All ordinary shares carry one vote per share without restrictions.

During the year, the Company issued the following new shares:

- 418,369,021 (2007: nil) new ordinary shares at the issue price of \$0.040 per share upon the completion of the rights issue in May 2007.
- 564,000 (2007: nil) ordinary shares at the exercise price of \$0.055 per share and 5,735 shares at the exercise price of \$0.048 per share upon the exercise of share options.
- 12,543 (2007: 52,173,375) ordinary shares at the exercise price of \$0.050 (2007: \$0.050) per share upon the exercise of 12,543 warrants.

During the year, the Company granted 9,315,000 options and 9,149,000 options under the employee share option scheme at an exercise price of \$0.058 and \$0.065 per share respectively.

As at 31 March 2008, the outstanding warrants and options are:

- 164,964,106 (2007: 143,826,451) warrants at the exercise price of \$0.050 each expiring on 8 January 2011 (“Warrants 2011”);
- 104,856,854 (2007: 91,414,352) warrants at the exercise price of \$0.220 each expiring on 30 September 2009 (“Warrants 2009”); and
- 23,990,326 (2007: 9,956,244) share options at the exercise price ranging from \$0.048 to \$0.231 per share. Please see note 15 for further details.

On 29 March 2007, the shareholders approved the reduction of share capital by \$60,469,000 through the cancellation of the paid-up share capital of the Company. This has resulted in a reduction of the accumulated losses of the Company by the same amount. The capital reduction exercise was completed on 11 May 2007.

## Notes to the Financial Statements [cont'd]

31 March 2008 [In Singapore dollars]

### 13. Reserves

	Company	
	2008 \$'000	2007 \$'000
Employee share option reserve	860	546
Accumulated losses	(9,845)	(63,052)
	(8,985)	(62,506)
Analysis of movement in the reserves of the Company :		
<b>Employee share option reserve</b>		
At the beginning of year	546	354
Grant of equity-settled share options	314	192
At end of year	860	546
<b>Accumulated losses</b>		
At the beginning of year	(63,052)	(61,540)
Net loss for the year	(7,262)	(1,512)
Share capital reduction (Note 12)	60,469	-
At end of year	(9,845)	(63,052)
Total	(8,985)	(62,506)

#### **Foreign currency translation reserve**

The foreign currency translation reserve of the Group records exchange differences arising from the translation of the financial statement of foreign operations whose functional currencies are different from that of the Group's presentation currency.

#### **Employee share option reserve**

Employee share option reserve represents the value of equity-settled share options granted to employees (Note 15). The reserve represents the cumulative value of services received from employees recorded over the vesting period commencing from the grant date of equity-settled share options.

### 14. Operating revenue

	Group	
	2008 \$'000	2007 \$'000
Training and education course fees	46,477	49,329
Franchise and service income	1,404	1,021
Rental income	36	121
	47,917	50,471

# Notes to the Financial Statements [cont'd]

31 March 2008 [In Singapore dollars]

## 15. Employee benefits expense

	Group	
	2008 \$'000	2007 \$'000
Employee benefits expense (including key management personnel) :		
- salaries and bonuses	19,009	22,188
- defined contribution plan contributions	1,343	1,635
- employee share option expense	197	192
	20,549	24,015
	20,549	24,015

### ***Employee share option plan***

The Company has an employee share option scheme, Informatics Group Share Option Scheme (the "Scheme"), for granting of non-transferable options to eligible employees and Directors of the Group.

The Scheme is administered by the Remuneration and Strategic Human Resource Committee comprising the following members:

Prof. Chew Soon Beng @ Teo Soon Beng – Chairman – Independent Director  
 Mr Freddie Pang Hock Cheng – Non Executive Director  
 Mr Ung Gim Sei – Independent Director  
 Mr Ho Kwok Sum – Chief Executive Officer

The subscription price in respect of which an option is exercisable shall be payable on the exercise of the option and may be at the market price based on the average of the last dealt price of the ordinary shares of the Company, as determined by the Committee, by reference to the daily Financial News published by the Stock Exchange for the three consecutive trading days immediately preceding the Date of Grant or at a discount of not more than 20% to the market price, provided always that the subscription price shall be at least \$0.05.

Options granted to and accepted by Participants in respect of an option granted with a subscription price at the market price will be exercisable after the first anniversary of the offer date of that option and before the fifth anniversary of such offer date. Options granted to and accepted by Participants in respect of an option granted with a subscription price at a discount to the market price will only be exercisable after the second anniversary of the offer date of that option and before the fifth anniversary of such offer date.

## Notes to the Financial Statements [cont'd]

31 March 2008 [In Singapore dollars]

### 15. Employee benefits expense (cont'd)

There are no cash settlement alternatives in the Scheme.

The following table summarises the number and weighted average exercise price of, and movements in share options during the financial year:

	No. of options in financial year 2008	Weighted average exercise price in financial year 2008 \$	No. of options in financial year <sup>①</sup> 2007	Weighted average exercise price in financial year 2007 \$
Outstanding at beginning of year	9,956,244	0.198	4,786,733	0.552
Granted <sup>②</sup> /adjusted <sup>③</sup> during the year	19,711,624	0.069	8,160,000	0.055
Exercised during the year <sup>④</sup>	(569,735)	0.055	–	–
Forfeited during the year	(4,350,681)	0.105	(2,219,201)	0.178
Expired during the year <sup>⑤</sup>	(757,126)	1.150	(771,288)	0.935
Outstanding at end of year	<u>23,990,326</u>	0.072	<u>9,956,244</u>	0.198
Exercisable at end of year	<u>5,704,578</u>	0.107	<u>2,455,932</u>	0.588

① Included within these balances are share options that are not required to be accounted for in accordance with FRS 102 - Share-based Payment as these share options were granted on or before 22 November 2002.

② The weighted average fair value of share options granted during the year was \$0.044 (2007: \$0.034) per share.

③ The number and exercise price of outstanding share options were adjusted as a result of rights issue undertaken by the Company in May 2007.

④ The weighted average share price at the date of exercise of the options exercised during the year was \$0.065 (2007: nil).

⑤ The weighted average remaining contractual life for the share options outstanding at the end of the year is 3.61 years (2007: 3.48 years).

Details of outstanding share options as at 31 March 2008 are as follows:

Offer date	Period during which options are exercisable	Exercise price \$	Number of outstanding options to subscribe for ordinary shares
28.12.2004	29.12.2005 to 28.12.2009	0.231	1,847,334
31.03.2006	01.04.2007 to 31.03.2011	0.048	5,142,992
19.05.2007	20.05.2008 to 19.05.2012	0.058	8,085,000
04.12.2007	05.12.2008 to 04.12.2012	0.065	8,915,000
			<u>23,990,326</u>

# Notes to the Financial Statements [cont'd]

31 March 2008 [In Singapore dollars]

## 15. Employee benefits expense (cont'd)

The fair value of share options as at the date of grant is estimated using a binomial model, taking into account the terms and conditions upon which the options were granted. The inputs to the model used for the years ended 31 March 2008 and 2007 are shown below:

	<b>2008</b>	<b>2007</b>
Dividend yield (%)	–	–
Expected volatility (%)	95.00	84.00 - 92.00
Historical volatility (%)	95.00	84.00 - 92.00
Risk-free interest rate (%)	1.82 - 2.56	3.11 - 3.14
Expected life of options (years)	3.00 - 4.00	3.20 - 4.00
Weighted average share price (\$)	0.0675	0.055

The expected life of the options is based on historical data and is not necessarily indicative of exercise patterns that may occur. The expected volatility reflects the assumption that the historical volatility is indicative of future trends, which may also not necessarily be the actual outcome. No other features of the option grant were incorporated into measurement of fair value.

## 16. Other operating expenses

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

	<b>Group</b>	
	<b>2008</b>	<b>2007</b>
	<b>\$'000</b>	<b>\$'000</b>
Amortisation of intangible assets	–	38
Gain on disposal of property, plant and equipment	(170)	(360)
(Reversal)/impairment of investments in associates (Note 6)	(21)	129
Allowance for doubtful receivable (Note 8)	540	992
Operating lease expenses	5,320	5,156
Foreign exchange losses	474	778
Franchising and licensing, accreditation, registration and assessment fees	6,501	7,954
Training costs and materials	4,814	2,997
Selling and promotion costs	4,730	4,857

Included in training costs and materials is an amount of approximately \$1,269,000 (2007: \$nil) relating to potential cost that might arise in assisting some students to complete their studies. As the Group is currently in discussion with a university to address some matters relating to their programs and is exploring alternatives to assist the students to complete their studies, management has recorded the amount on grounds of prudence.

# Notes to the Financial Statements [cont'd]

31 March 2008 [In Singapore dollars]

## 17. Interest expense/income

	Group	
	2008	2007
	\$'000	\$'000
Interest expense		
- interest on overdue operating lease rental	(37)	(282)
- interest on bank overdraft	(13)	(8)
	<u>(50)</u>	<u>(290)</u>
Interest income		
- cash and deposits	655	490
	<u>655</u>	<u>490</u>

## 18. Income tax

The major components of income tax expense for the year ended 31 March 2008 and 2007 are:

	Group	
	2008	2007
	\$'000	\$'000
Current income tax :		
- current year	549	131
- under/(over) provision in respect of prior years	24	(207)
Deferred tax :		
- current year	104	(24)
Foreign withholding tax	31	164
	<u>708</u>	<u>64</u>
Income tax expense recognised in the statement of profit and loss		

A reconciliation between tax expense and the product of loss before taxation multiplied by the applicable corporate tax rates for the years ended 31 March 2008 and 2007 are as follows:

Loss before taxation	(2,896)	(5,751)
Tax at the applicable tax rate of 18% (2007: 18%)	(521)	(1,035)
Adjustments :		
Different tax rates in other countries	96	11
Income not subject to taxation	(349)	(417)
Non-deductible expenses	598	841
Deferred tax benefits not recognised	829	713
Over provision in respect of previous years	24	(207)
Foreign withholding tax	31	164
Others	-	(6)
	<u>708</u>	<u>64</u>
Income tax expense recognised in the statement of profit and loss		

# Notes to the Financial Statements [cont'd]

31 March 2008 [In Singapore dollars]

## 19. Loss per share

Basic loss per share amounts are calculated by dividing the loss for the year attributable to equity holders of the Company by the weighted average number of ordinary shares outstanding during the year.

Diluted loss per share amounts are calculated by dividing the loss for the year attributable to equity holders of the Company by the weighted average number of ordinary shares outstanding during the year plus the effects of all dilutive potential ordinary shares.

The following tables reflect the statement of profit and loss and share data used in the computation of basic and diluted loss per share for the years ended 31 March:

	<b>Group</b>	
	<b>2008 \$'000</b>	<b>2007 \$'000</b>
Loss for the year attributable to equity holders of the Company	<u>(3,604)</u>	<u>(5,815)</u>
	<b>Number of shares</b>	
	<b>2008 '000</b>	<b>2007 '000</b>
Weighted average number of ordinary share	<u>1,205,941</u>	<u>918,170</u>

The outstanding share options and warrants were excluded from the calculation of diluted earnings per share because they are anti-dilutive for the current and previous financial years.

# Notes to the Financial Statements [cont'd]

31 March 2008 [In Singapore dollars]

## 20. Related party disclosures

### (a) Sale and purchase of goods and services

In addition to the related party information disclosed elsewhere in the financial statements, the following significant transactions between the Group and related parties who are not members of the Group took place during the year at terms agreed between the parties:

	Group	
	2008 \$'000	2007 \$'000
Training and education income from associates	163	270
Franchise operations and service income from associates	441	405

### (b) Compensation of key management personnel

	Group	
	2008 \$'000	2007 \$'000
Short-term employee benefits	2,090	2,774
Share-based payment	110	115
Defined contribution plan contributions	55	77
Other benefits	21	-
Total compensation paid to key management personnel	2,276	2,966
Comprise amounts paid to :		
- Directors of the Company	956	987
- Other key management personnel	1,320	1,979
	2,276	2,966

	Group and Company	
	2008 No. of options	2007 No. of options
Aggregate number of share options granted to/adjusted for Directors and key management personnel during the year	12,662,465	3,670,000
Outstanding number of share options granted to Directors and key management personnel at year end	15,243,014	5,313,785



# Notes to the Financial Statements [cont'd]

31 March 2008 [In Singapore dollars]

## 21. Commitments and contingencies

### (a) Operating lease commitments

The Group and Company have entered into commercial leases for the use of equipment, offices and other facilities. Most leases contain renewable options. Some of the leases contain escalation clauses and provide for contingent rentals based on percentages of sales derived from assets held under operating leases. Lease terms do not contain restriction on the Group's activities concerning dividends, additional debt or further leasing.

Future minimum lease payments payable under non-cancellable operating leases as at 31 March are as follows:

	Group		Company	
	2008 \$'000	2007 \$'000	2008 \$'000	2007 \$'000
Not later than one year	2,464	3,051	–	11
Later than one year but not later than five years	1,244	4,266	–	1
Later than five years	165	178	–	–
	<u>3,873</u>	<u>7,495</u>	<u>–</u>	<u>12</u>

(b) Future minimum lease payments under finance leases together with the present value of the net minimum lease payments are as follows:

	Minimum lease payments 2008 \$'000	Present value of payments 2008 \$'000	Minimum lease payments 2007 \$'000	Present value of payments 2007 \$'000
	<b>Group</b>			
Not later than one year	–	–	2	2
Later than one year but not later than five years	–	–	3	2
Total minimum lease payments	–	–	5	4
Less: Amounts representing finance charges	–	–	(1)	–
Present value of minimum lease payments	<u>–</u>	<u>–</u>	<u>4</u>	<u>4</u>

# Notes to the Financial Statements [cont'd]

31 March 2008 [In Singapore dollars]

## 21. Commitments and contingencies (cont'd)

### (c) *Contingent liabilities*

	Group		Company	
	2008 \$'000	2007 \$'000	2008 \$'000	2007 \$'000
Corporate guarantees				
Corporate guarantees issued to financial institutions for credit facilities granted to subsidiaries	—	—	1,090	1,140

The Company has undertaken to provide continuing financial support to certain subsidiaries to enable them to operate as going concerns for at least 12 months from the date of their financial statements.

#### *Legal claims*

A subsidiary in the United Kingdom, Informatics Group (UK) Limited ("IGUK"), is currently under liquidation since October 2003. The Company received letters dated 7 March 2007 from lawyers acting on behalf of the joint liquidators of IGUK, alleging losses amounting to GBP1.8 million (equivalent to S\$5.2 million) against a Letter of Comfort which was issued by the Company in the year 2003 to Informatics Group (Europe) Limited, which is the intermediate holding company of IGUK. The company has sought external legal advice in regards to the allegation and subject to further investigation by its legal advisers, the Company is advised that at this stage the allegation is weak. Thus, the company is refuting the allegation of the joint liquidators. Further, it is pertinent to note that the company is also a key creditor of IGUK. If the liquidators are successful in their claim, this could have an adverse effect on the financial performance and position of the Company and Group.

## 22. Segment information

### *Reporting format*

The primary segment reporting format is determined to be business segments as the Group's risks and rates of return are affected predominantly by differences in the products and services produced. Secondary information is reported geographically. The operating businesses 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.

### *Business segments*

The Global Higher Education segment offers Diploma, Advanced Diploma, Degree, Masters and Doctorate qualifications in a range of business, engineering and technological subjects, to college going students and life long learners.

The Informatics Professional Skills Development segment provides training and skills upgrading and enhancement to the general workforce, in both technical and non-technical areas.

The e-Learning segment offers courses through online virtual campus platform for e-learners.

### *Geographical segments*

The Group's geographical segments are based on the location of the Group's assets. Sales to external customers disclosed in geographical segments are based on the geographical location of its customers.

# Notes to the Financial Statements [cont'd]

31 March 2008 [In Singapore dollars]

## 22. Segment information (cont'd)

### **Allocation basis**

Segment results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items comprise mainly corporate assets, income tax and deferred tax assets and liabilities, interest-bearing loans and related expenses.

### **(a) Business segments**

- (i) The following table presents revenue and results information regarding the Group's business segments for the years ended 31 March 2008 and 2007.

	Global Higher Education		Informatics Professional Skills Development		e-Learning		Others		Total	
	2008	2007	2008	2007	2008	2007	2008	2007	2008	2007
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Revenue:</b>										
Sales to external customers	41,988	41,242	3,097	6,363	2,832	2,859	-	7	47,917	50,471
<b>Results:</b>										
Segment results	1,416	(3,050)	(2,523)	(2,140)	(1,607)	(468)	(132)	337	(2,846)	(5,321)
Unallocated expenses									-	(135)
Finance costs									(50)	(290)
Share of results of associates	-	(5)	-	-	-	-	-	-	-	(5)
Loss before tax									(2,896)	(5,751)
Tax expense									(708)	(64)
Loss for the year									(3,604)	(5,815)

## Notes to the Financial Statements [cont'd]

31 March 2008 [In Singapore dollars]

### 22. Segment information (cont'd)

#### (a) Business segments (cont'd)

- (ii) The following table presents assets, liabilities and other segment information regarding the Group's business segments for the years ended 31 March 2008 and 2007.

	Global Higher Education		Informatics Professional Skills Development		e-Learning		Others		Total	
	2008 \$'000	2007 \$'000	2008 \$'000	2007 \$'000	2008 \$'000	2007 \$'000	2008 \$'000	2007 \$'000	2008 \$'000	2007 \$'000
<b>Assets and liabilities:</b>										
Segment assets	35,314	25,961	2,604	2,831	2,382	1,678	-	566	40,300	31,036
Unallocated assets									96	204
Total assets									<u>40,396</u>	<u>31,240</u>
Segment liabilities	38,852	41,251	2,865	4,499	2,620	2,666	-	-	44,337	48,416
Unallocated liabilities									857	488
Total liabilities									<u>45,194</u>	<u>48,904</u>
<b>Other segment information:</b>										
Capital expenditure	757	1,829	56	282	51	40	-	-	864	2,151
Depreciation of property, plant and equipment and amortisation	1,886	2,307	139	356	127	18	-	23	2,152	2,704
Allowance for doubtful receivables	473	845	35	92	32	55	-	-	540	992
Other non-cash income	60	(86)	4	(9)	4	(6)	-	-	68	(101)

# Notes to the Financial Statements [cont'd]

31 March 2008 [In Singapore dollars]

## 22. Segment information (cont'd)

### (b) Geographical segments

The following table presents revenue, capital expenditure and certain assets information regarding the Group's geographical segments for the years ended 31 March 2008 and 2007.

	Singapore		Malaysia		Hong Kong		United Kingdom		Others		Total	
	2008 \$'000	2007 \$'000	2008 \$'000	2007 \$'000	2008 \$'000	2007 \$'000	2008 \$'000	2007 \$'000	2008 \$'000	2007 \$'000	2008 \$'000	2007 \$'000
<b>Revenue:</b>												
Sales to external customers	18,822	18,345	2,570	5,451	7,748	10,644	15,742	13,777	3,035	2,254	47,917	50,471
<b>Other segment information:</b>												
Segment assets	25,969	15,259	1,907	2,925	2,425	4,135	7,876	5,752	2,219	3,169	40,396	31,240
Total assets											40,396	31,240
Capital expenditure	475	1,220	21	192	46	459	242	239	80	41	864	2,151

## 23. Financial risk management objectives and policies

The Group is exposed to financial risks arising from its operations and the use of financial instruments. The key financial risks include liquidity risk, foreign currency risk and credit risk. It is, and has been throughout the current and previous financial year the Group's policy that no derivatives transactions shall be undertaken.

The following sections provide details regarding the Group's and Company's exposure to the above-mentioned financial risks and the objectives, policies and processes for the management of these risks.

### (a) Liquidity risk

Liquidity risk is the risk that the Group or the Company will encounter difficulty in meeting financial obligations due to shortage of funds. The Group's and the Company's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities.

The Group's and the Company's liquidity risk management policy is to monitor and maintain adequate cash and cash equivalents and liquid financial assets to finance the Group's and Company's operations.

## Notes to the Financial Statements [cont'd]

31 March 2008 [In Singapore dollars]

### 23. Financial risk management objectives and policies (cont'd)

#### (a) Liquidity risk (cont'd)

The table below summarises the maturity profile of the Group's and the Company's financial liabilities at the balance sheet date based on contractual undiscounted payments.

	2008			2007		
	1 year or less \$'000	1 to 5 years \$'000	Total \$'000	1 year or less \$'000	1 to 5 years \$'000	Total \$'000
<b>Group</b>						
Trade and other payables	22,395	–	22,395	26,843	–	26,843
<b>Company</b>						
Trade and other payables	15,965	–	15,965	11,833	5,477	17,310

#### (b) Foreign currency risk

The Group has transactional currency exposures arising from sales or purchases that are denominated in a currency other than the respective functional currencies of Group entities, primarily Singapore Dollars, Malaysian Ringgit (Ringgit), Great Britain Pounds (GBP) and Hong Kong Dollars (HKD). The foreign currencies in which these transactions are denominated are mainly United States Dollars (USD), Great Britain Pounds (GBP) and Australian Dollars (AUD).

The Group and the Company also hold cash and cash equivalents denominated in foreign currencies for working capital purposes.

The Group does not enter into derivative foreign exchange contracts to hedge its foreign currency risk. It is the Group's policy not to trade in derivatives contracts.

The Group is also exposed to currency translation risk arising from its net investments in foreign operations, including Malaysia, Hong Kong and United Kingdom. The Group's net investments are not hedged as currency positions are considered to be long-term in nature.

#### *Sensitivity analysis for foreign currency risk*

The following table demonstrates the sensitivity to a reasonably possible change in the USD, GBP, AUD and Ringgit exchange rates (against SGD), with all other variables held constant, of the Group's profit net of tax.

		Group	
		2008 \$'000	2007 \$'000
USD	- strengthened 5% (2007: 5%)	51	119
	- weakened 5% (2007: 5%)	(51)	(119)
GBP	- strengthened 5% (2007: 5%)	(46)	(34)
	- weakened 5% (2007: 5%)	46	34
AUD	- strengthened 5% (2007: 5%)	(57)	(13)
	- weakened 5% (2007: 5%)	57	13
Ringgit	- strengthened 5% (2007: 5%)	–	(19)
	- weakened 5% (2007: 5%)	–	19

## Notes to the Financial Statements [cont'd]

31 March 2008 [In Singapore dollars]

### 23. Financial risk management objectives and policies (cont'd)

#### (c) Credit risk

Credit risk is the risk of loss that may arise on outstanding financial instruments should a counterparty default on its obligations. The Group's and the Company's exposure to credit risk arises primarily from trade and other receivables.

The Group's objective is to seek continual revenue growth while minimising losses incurred due to increased credit risk exposure. The Group trades only with recognised and creditworthy third parties. It is the Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an ongoing basis with the result that the Group's exposure to bad debts is not significant.

#### *Exposure to credit risk*

At the balance sheet date, the Group's and the Company's maximum exposure to credit risk is represented by:

- the carrying amount of trade receivables, other receivables and cash and cash equivalents; and
- a nominal amount of \$1,090,000 (2007: \$1,140,000) relating to a corporate guarantee provided by the Company to financial institutions for credit facilities granted to subsidiaries.

#### *Credit risk concentration profile*

The Group determines concentrations of credit risk by monitoring the country and industry sector profile of its trade receivables on an on-going basis. The credit risk concentration profile of the Group's trade receivables at the balance sheet date is as follows:

	Group			
	2008		2007	
	\$'000	% of total	\$'000	% of total
<b>By region:</b>				
Singapore	891	26	712	36
Africa	1,200	34	584	30
Malaysia	311	9	142	7
Europe	705	20	168	9
Others	382	11	347	18
	3,489	100	1,953	100
<b>By industry sectors:</b>				
Global Higher Education	3,420	98	1,815	93
Professional Skills Development	65	2	138	7
E-Learning	4	-	-	-
	3,489	100	1,953	100

At the balance sheet date, approximately 64% (2007: 71%) of the Company's receivables were due from subsidiaries.

## Notes to the Financial Statements [cont'd]

31 March 2008 [In Singapore dollars]

### 24. Capital Management

The Group's objectives when managing capital are to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximise shareholder value.

The Group monitors capital using a gearing ratio, which is net debt divided by total share capital plus net debt. Net debt is calculated as fees received in advance plus trade and other payable and borrowings less cash and cash equivalents (which exclude escrow and funds restricted in use).

	Group	
	2008 \$'000	2007 \$'000
Bank overdraft	253	–
Fees received in advance	17,717	18,081
Trade and other payables	26,367	30,335
Interest bearing loans and borrowings	–	2
	44,337	48,418
Cash and cash equivalent	(26,027)	(17,464)
Net debt	18,310	30,954
Share capital	19,870	64,065
Capital and net debt	38,180	95,019
Gearing ratio	48%	33%

### 25. Comparative figures

The following comparative figures of the Group and Company have been reclassified to provide a meaningful comparison with the current year's presentation:

	Group 2007		Company 2007	
	As currently reported \$'000	As previously reported \$'000	As currently reported \$'000	As previously reported \$'000
Trade and other receivables	7,657	7,391	6,751	6,454
Income tax payable	484	218	–	–
Trade and other payables	–	–	12,391	12,094

### 26. Authorisation of financial statements for issue

The financial statements for the year ended 31 March 2008 were authorised for issue in accordance with a resolution of the directors on 4 July 2008.



# Additional Information

## 1. Portfolio of Properties

Address	Area	Purpose	Lease / Freehold
<b>Informatics Computer Education Sdn Bhd</b> 491 Plaza Melaka Jalan Hang Tuah 75300 Melaka, Malaysia	653 sq m	4 1/2 storey shop lot for rental and for computer training centre	Freehold
<b>Informatics Education Malaysia Sdn Bhd</b> 443 & 444 Jalan Tun Dr Ismail 70200 Seremban, Negeri Sembilan, Malaysia	923 sq m	2 units of 3-storey shophouses for office-cum-operator training school	Lease 19/4/1989 to 18/4/2088
131 Jalan Masjid 1, Taman Pekan Baru 08000 Sungai Petani Kedah, Malaysia	464 sq m	3 1/2 storey shophuse for office-cum-computer training school	Lease 1992 to 2091

## 2. Status on the Use of Rights Issue Proceeds

In May 2007, the Company completed a rights issue which raised a total gross proceeds of approximately \$16.7 million for working capital and other purposes.

As at 31 March 2008, a total of \$3.2 million has been utilised for the following purposes:-

- |   |               |
|---|---------------|
| 1) Expenses incurred in connection with the Rights Issue            | \$0.5 million |
| 2) Working Capital  | \$2.5 million |
| 3) Enhancement of the Group's information technology infrastructure | \$0.2 million |

# Analysis of Shareholdings

## STATISTICS OF SHAREHOLDINGS AS AT 18 JUNE 2008

Number of Shares	: 1,255,124,842
Issued and Fully Paid-Up Capital	: S\$20,374,902.77 **
Class of Shares	: Ordinary Shares
Voting Rights	: One Vote per Share
Treasury Shares	: Nil

\*\* This is based on records kept with the Accounting & Corporate Regulatory Authority ("ACRA") and differs from the accounting records of the Company which is S\$19,869,845.98 due to certain share issue expenses.

## ANALYSIS OF SHAREHOLDINGS AS AT 18 JUNE 2008

Range of Shareholdings	No. Of Shareholders	%	No. Of Shares	%
1 - 999	30	0.52	11,799	0.00
1,000 - 10,000	1,779	30.95	9,698,599	0.77
10,001 - 1,000,000	3,850	66.98	398,008,510	31.71
1,000,001 and above	89	1.55	847,405,934	67.52
	5,748	100.00	1,255,124,842	100.00

## MAJOR SHAREHOLDERS LIST - AS AT 18 JUNE 2008

No.	Name	No. Of Shares Held	%
1	CIMB-GK SECURITIES PTE. LTD.	425,498,062	33.90
2	WONG TAI	40,265,304	3.21
3	DBS NOMINEES PTE LTD	27,459,455	2.19
4	UNITED OVERSEAS BANK NOMINEES PTE LTD	25,343,375	2.02
5	OCBC SECURITIES PRIVATE LTD	24,181,250	1.93
6	CHEAH HON KUEN	19,825,616	1.58
7	RAFFLES NOMINEES PTE LTD	17,167,000	1.37
8	HSBC (SINGAPORE) NOMINEES PTE LTD	16,297,500	1.30
9	CHEONG SENG PEOW PETER	15,108,000	1.20
10	CHENG YIN MUI OR HO SING MING	13,387,500	1.07
11	CITIBANK NOMINEES SINGAPORE PTE LTD	13,074,000	1.04
12	ONG BOON KHENG	11,653,500	0.93
13	OCBC NOMINEES SINGAPORE PTE LTD	11,237,250	0.89
14	GERARDINE MAJELLA PINTO	9,388,000	0.75
15	KONG SHY CHIEN @ AUNG KYAW THEIN OR TAY SIEW FONG	8,000,000	0.64
16	PHILLIP SECURITIES PTE LTD	7,268,622	0.58
17	YIO HUAY ENG	6,986,000	0.56
18	DBS VICKERS SECURITIES (S) PTE LTD	6,467,000	0.51
19	MANNA INVESTMENTS PTE LTD	5,375,000	0.43
20	YAP FOO SEONG	5,000,000	0.40
21	YAP SWEE LUM @ SEW BEE LAM	5,000,000	0.40
		713,982,434	56.90

# Analysis of Warrantholdings

## ANALYSIS OF WARRANTHOLDINGS FOR WARRANTS 2009 AS AT 18 JUNE 2008

Range of Warrantholdings	No. Of Warrants Holders	%	No. Of Warrants	%
1 - 999	156	10.61	75,542	0.07
1,000 - 10,000	823	55.99	3,184,178	3.04
10,001 - 1,000,000	479	32.58	49,777,145	47.47
1,000,001 and above	12	0.82	51,819,989	49.42
	1,470	100.00	104,856,854	100.00

## MAJOR WARRANTHOLDERS LIST FOR WARRANTS 2009 - AS AT 18 JUNE 2008

No.	Name	No. Of Warrants Held	%
1	CIMB-GK SECURITIES PTE. LTD.	30,478,278	29.07
2	PHILLIP SECURITIES PTE LTD	4,592,459	4.38
3	TAN SOO EE	3,188,376	3.04
4	GUY AUGUSTUS VAZ	2,300,000	2.19
5	OCBC SECURITIES PRIVATE LTD	1,822,428	1.74
6	CHAN CHIN SUN	1,802,000	1.72
7	MANNA INVESTMENTS PTE LTD	1,671,838	1.59
8	WONG CHENG KIONG	1,558,058	1.49
9	CHEE FOONG MUN	1,254,237	1.20
10	TELEINFO TECHNOLOGY & SERVICES PTE LTD	1,091,375	1.04
11	ADJI ASWIN TAN	1,060,117	1.01
12	LIO KIM LAI	1,000,823	0.95
13	SOH HOCK POH	940,241	0.90
14	CHIA CHEE KONG	936,229	0.89
15	LIM GNEE KIANG	886,497	0.85
16	WESTECH LABEL INDUSTRIES PTE LTD	873,000	0.83
17	DANIEL YONG HOCK DIH	869,355	0.83
18	TAY KIM CHONG	800,000	0.76
19	ONG ZEE LONG	777,070	0.74
20	NG TOONG SENG	668,735	0.64
		58,571,116	55.86

## Analysis of Warrantholdings (cont'd)

### ANALYSIS OF WARRANTHOLDINGS FOR WARRANTS 2011 AS AT 18 JUNE 2008

Range of Warrantholdings	No. Of Warrants Holders	%	No. Of Warrants	%
1 - 999	154	13.05	55,788	0.03
1,000 - 10,000	376	31.86	1,833,171	1.11
10,001 - 1,000,000	621	52.63	54,946,145	33.31
1,000,001 and above	29	2.46	108,129,002	65.55
	1,180	100.00	164,964,106	100.00

### MAJOR WARRANTHOLDERS LIST FOR WARRANTS 2011 - AS AT 18 JUNE 2008

No.	Name	No. Of Warrants Held	%
1	PHILLIP SECURITIES PTE LTD	19,649,958	11.91
2	OCBC SECURITIES PRIVATE LTD	12,114,695	7.34
3	HSBC (SINGAPORE) NOMINEES PTE LTD	11,670,588	7.07
4	CIMB-GK SECURITIES PTE. LTD.	8,614,598	5.22
5	DBS VICKERS SECURITIES (S) PTE LTD	5,431,843	3.29
6	LIM SAY PEAN	5,169,352	3.13
7	GAN EE BOON	4,157,352	2.52
8	ANG LAY TEE	3,863,294	2.34
9	BNP PARIBAS NOMINEES SINGAPORE PTE LTD	3,441,176	2.09
10	NG SWEE OON	3,289,000	1.99
11	ONG BOON KHENG	3,246,777	1.97
12	TAN KOK TEE TONY	2,918,764	1.77
13	LIM KOK YONG	2,615,147	1.59
14	UNITED OVERSEAS BANK NOMINEES PTE LTD	2,012,304	1.22
15	KOH CHEOH LIANG VINCENT	1,717,647	1.04
16	MANNA INVESTMENTS PTE LTD	1,692,485	1.03
17	WONG TECK SENG MAURICE	1,642,117	1.00
18	SNG YEOW HONG	1,610,911	0.98
19	TAN JIT SENG	1,601,176	0.97
20	WONG CHENG KIONG	1,488,235	0.90
		97,947,419	59.37

## Substantial Shareholders

### SUBSTANTIAL SHAREHOLDERS AS AT 18 JUNE 2008

		Direct Interest		Deemed Interest	
		No. of Shares	%	No. of Shares	%
1.	Berjaya Leisure Capital (Caymen) Limited	391,270,312	31.17%	-	-
2.	Tan Sri Dato' Seri Vincent Tan Chee Yioun	-	-	420,074,062*	33.47%
3.	Berjaya Corporation Berhad	-	-	420,074,062*	33.47%
4.	Berjaya Group Berhad	-	-	420,074,062*	33.47%
5.	Hotel Resort Enterprise Sdn Bhd	-	-	420,074,062*	33.47%
6.	Berjya Land Berhad	-	-	391,270,312**	31.17%
7.	Teras Mewah Sdn Bhd	-	-	391,270,312**	31.17%

Notes:

\* Deemed to be interested in the shares held by Berjaya Leisure Capital (Caymen) Limited, Berjaya Sompo Insurance Berhad (formerly known as Berjaya General Insurance Berhad) and Rantau Embun Sdn Bhd by virtue of Section 7 of the Companies Act, Cap. 50.

\*\* Deemed to be interested in the shares held by Berjaya Leisure Capital (Caymen) Limited by virtue of Section 7 of the Companies Act, Cap. 50.

### SHAREHOLDINGS IN THE HANDS OF PUBLIC AS AT 18 JUNE 2008

Based on the information provided, to the best knowledge of the Directors and the substantial shareholders of the Company, approximately 66.47% of the issued share capital of the Company was held in the hands of the public as at 18 June 2008. Accordingly, Rule 723 of the Listing Manual of Singapore Exchange Securities Trading Limited has been complied with.

# Notice Of Annual General Meeting

## INFORMATICS EDUCATION LTD

(Incorporated in the Republic of Singapore)  
(Company Registration No: 198303419G)

NOTICE IS HEREBY GIVEN that the Twenty-Fifth Annual General Meeting of Informatics Education Ltd. (the "Company") will be held at Informatics Campus, 12 Science Centre Road, Singapore 609080 on Thursday, 31 July 2008 at 1.30 p.m. to transact the following business:

### As Ordinary Business

1. To receive and adopt the Audited Financial Statements for the year ended 31 March 2008 together with the Reports of the Directors and Auditors. **(Resolution 1)**
2. To approve the payment of Directors' Fees of S\$176,417/- for the year ended 31 March 2008 (2006: S\$165,000). **(Resolution 2)**
3. To re-elect the following Directors who are retiring pursuant to Article 71 of the Company's Articles of Association [see Explanatory Note (a)] :
  - (a) Mr Ung Gim Sei **(Resolution 3)**
  - (b) Professor Chew Soon Beng @ Teo Soon Beng **(Resolution 4)**
4. To re-elect the following Directors who are retiring pursuant to Article 75 of the Company's Articles of Association [see Explanatory Note (b)].
  - (a) Datuk Zainun Aishah Binti Ahmad **(Resolution 5)**
  - (b) Mr Ho Kwok Sum **(Resolution 6)**
5. To re-appoint Messrs Ernst & Young LLP (conversion of Ernst & Young) as Auditors of the Company and to authorise the Directors to fix their remuneration. **(Resolution 7)**
6. To transact any other business that may be transacted at an Annual General Meeting of which due notice shall have been given.

### As Special Business

To consider and, if thought fit, to pass the following resolutions as Ordinary Resolutions, with or without modifications:

7. **General Mandate to Directors to issue Shares** **(Resolution 8)**

That pursuant to Section 161 of the Companies Act, Cap. 50 and the listing rules of the Singapore Exchange Securities Trading Limited (the "Listing Rules"), authority be and is hereby given to the Directors of the Company to allot and issue :

  - (a) shares; or
  - (b) convertible securities; or
  - (c) additional convertible securities issued pursuant to Rule 829 of the Listing Rules; or
  - (d) shares arising from the conversion of securities in (b) and (c) above,

in the Company (whether by way of rights, bonus or otherwise) at any time to such persons and upon such terms and conditions and for such purposes as the Directors may in their absolute discretion deem fit, provided that:

- (i) the aggregate number of shares and convertible securities to be allocated and issued pursuant to this resolution must be not more than 50% of the issued share capital of the Company (calculated in accordance with (ii)), of which the aggregate number of shares and convertible securities issued other than on a pro rata basis to existing shareholders must be not more than 20% of the issued share capital of the Company (calculated in accordance with (ii)); and

## Notice Of Annual General Meeting (cont'd)

- (ii) for the purpose of determining the number of shares and convertible securities that may be issued pursuant to (i), the percentage of issued share capital shall be calculated based on the Company's issued share capital at the time of the passing of this resolution after adjusting for (a) new shares arising from the conversion or exercise of convertible securities; (b) new shares arising from exercising share options or vesting of share awards outstanding or subsisting at the time of the passing of this resolution and (c) any subsequent consolidation or subdivision of shares.

Unless revoked or varied by ordinary resolution of the shareholders of the Company in general meeting, this resolution shall remain in force until the conclusion of the next Annual General Meeting of the Company or the date by which the next Annual General Meeting of the Company is required by law to be held, whichever is the earlier [see Explanatory Note (c)].

### 8. Mandate to Directors to issue Scheme Shares

**(Resolution 9)**

That approval be and is hereby given to the Directors to: (a) offer and grant options in accordance with the provisions of The Informatics Group Share Option Scheme ("the Scheme"); and pursuant to Section 161 of the Companies Act, Cap. 50, to allot and issue from time to time such number of shares in the capital of the Company (the "Scheme Shares") as may be required to be issued pursuant to the exercise of the options that may be granted under the Scheme provided always that the number of the Scheme Shares available under the Scheme shall not exceed 15% of the issued share capital of the Company from time to time; the aggregate number of Scheme Shares available to Participants who are controlling shareholders of the Company and their associates shall not exceed 25% of the Scheme Shares available under the Scheme and the number of Scheme Shares available to each Participant who is controlling shareholder of the Company or his associates shall not exceed 10% of the Scheme Shares available under the Scheme [see Explanatory Note (d)].

BY ORDER OF THE BOARD

Tan Lay Lee  
Lim Swe Jian  
Secretaries

Singapore  
16 July 2008

## Notice Of Annual General Meeting (cont'd)

### Explanatory Notes:

- (a) Mr. Ung Gim Sei will, upon re-election as a Director of the Company, remain as Chairman of the Audit & Risk Management Committee and the Nominating Committee and a member of the Remuneration & Strategic Human Resource Committee and will be considered independent.

Professor Chew Soon Beng @ Teo Soon Beng will, upon re-election as a Director of the Company, remain as Chairman of the Remuneration & Strategic Human Resource Committee and a member of the Audit & Risk Management Committee and the Nominating Committee and will be considered independent.

- (b) Datuk Zainun Aishah Binti Ahmad will, upon re-election as a Director of the Company, remain as a Non-Executive Director of the Company.

Mr Ho Kwok Sum will, upon re-election as a Director of the Company, remain as Chief Executive Officer of the Company and a Member of the Remuneration & Strategic Human Resource Committee and the Banking Committee.

- (c) Resolution No. 8, if passed, will empower the Directors from the date of the above Meeting until the date of the next Annual General Meeting, to allot and issue shares and convertible securities in the Company. The number of shares and convertible securities that the Directors may allot and issue under this Resolution would not exceed fifty percent. (50%) of the issued capital of the Company at the time of the passing of this resolution. For issue of shares and convertible securities other than on a pro rata basis to all shareholders, the aggregate number of shares and convertible securities to be issued shall not exceed twenty percent. (20%) of the issued capital of the Company. The percentage of issued capital is based on the Company's issued capital after adjusting for (a) new shares arising from the conversion of convertible securities or employee share options on issue at the time this proposed Ordinary Resolution is passed, and (b) any subsequent consolidation or subdivision of shares.

- (d) Resolution No. 9, if passed, will empower the Directors to offer and grant options and to issue ordinary shares in the capital of the Company pursuant to The Informatics Group Share Option Scheme (the "Scheme"). The grant of options under the Scheme will be made in accordance with their respective provisions. The aggregate number of ordinary shares which may be issued pursuant to the Scheme is limited to fifteen percent. (15%) of the issued ordinary share capital of the Company for the time being pursuant to the exercise of the options under the Scheme.

### Notes:

1. A member entitled to attend and vote at a meeting of the Company is entitled to appoint not more than two proxies to attend and vote on his behalf. A proxy need not be a member of the Company.
2. If the appointor is a corporation, the instrument appointing a proxy must be executed under seal or the hand of its duly authorised officer or attorney.
3. An instrument of proxy must be deposited at the registered office of the Company at Informatics Campus, 12 Science Centre Road, Singapore 609080, not less than 48 hours before the time appointed for the holding of this Meeting or adjourned Meeting.



# INFORMATICS EDUCATION LTD

(Incorporated in the Republic of Singapore)  
(Company Registration No: 198303419G)

## PROXY FORM

### IMPORTANT:

1. For investors who have used their CPF monies to buy Informatics Education Ltd.'s shares, this Report is forwarded to them at the request of the CPF Approved Nominees and is sent solely FOR INFORMATION ONLY.
2. This Proxy Form is not valid for use by CPF investors and shall be ineffective for all intents and purposes if used or purported to be used by them.
3. CPF investors who wish to attend the Meeting as an observer must submit their requests through their CPF Approved Nominees within the time frame specified. If they also wish to vote, they must submit their voting instructions to the CPF Approved Nominees within the time frame specified to enable them to vote on their behalf.

I/We, \_\_\_\_\_

of \_\_\_\_\_

being a member/members of INFORMATICS EDUCATION LTD., (the "Company"), hereby appoint:

Name	NRIC/Passport No.	Proportion of Shareholdings	
		No. of Shares	%
Address			

and/or (delete as appropriate):

Name	NRIC/Passport No.	Proportion of Shareholdings	
		No. of Shares	%
Address			

or failing him/her, the Chairman of the Meeting as my/our proxy to vote for me/us on my/our behalf, if necessary to demand a poll, at the Annual General Meeting of the Company to be held on Thursday, 31 July 2008 at 1.30 p.m. and at any adjournment thereof. The proxy is to vote on the business before the Meeting as indicated below. If no specific direction as to voting is given, the proxy will vote or abstain from voting at his/her discretion, as he/she will on any other matter arising at the Meeting.

Please indicate your vote "For" or "Against" with an "X" within the box provided.

No.	Resolutions relating to:	For	Against
1	Receive and adopt the Audited Financial Statements for the year ended 31 March 2008 together with the Reports of the Directors and Auditors		
2	Approval of Directors' fees		
3	Re-election of Mr Ung Gim Sei as director		
4	Re-election of Professor Chew Soon Beng @ Teo Soon Beng as director		
5	Re-election of Datuk Zainun Aishah Binti Ahmad as director		
6	Re-election of Mr Ho Kwok Sum as director		
7	Re-appointment of Messrs Ernst & Young LLP (conversion of Ernst & Young) as Auditors and authorise Directors to fix their remuneration		
8	General Mandate to Directors to issue Shares		
9	Mandate to Directors to issue Scheme Shares		

Dated this \_\_\_\_\_ day of \_\_\_\_\_ 2008

\_\_\_\_\_  
Signature(s) of Member(s) or Common Seal of Corporate Shareholder

Shares in:	No. of Shares
(a) Depository Register	
(b) Register of Members	

**[IMPORTANT: Please read notes overleaf]**

Notes:

1. Please insert the total number of Shares held by you. If you have Shares entered against your name in the Depository Register (as defined in Section 130A of the Singapore Companies Act, Cap. 50), you should insert that number of Shares. If you have shares registered in your name in the Register of Members, you should insert that number of Shares. If you have Shares entered against your name in the Depository Register and Shares registered in your name in the Register of Members, you should insert the aggregate number of Shares entered against your name in the Depository Register and registered in your name in the Register of Members. If no number is inserted, the instrument appointing a proxy or proxies shall be deemed to relate to all the Shares held by you.
2. A member of the Company entitled to attend and vote at a meeting of the Company is entitled to appoint one or two proxies to attend and vote instead of him/her. A proxy need not be a member of the Company.
3. Where a member appoints two proxies, the appointments shall be invalid unless he/she specifies the proportion of his/her shareholding (expressed as a percentage of the whole) to be represented by each proxy.
4. The instrument appointing a proxy or proxies must be deposited at the registered office of the Company at Informatics Campus, 12 Science Centre Road, Singapore 609080, not less than forty-eight (48) hours before the time appointed for the Annual General Meeting.
5. The instrument appointing a proxy or proxies must be under the hand of the appointor or of his attorney duly authorised in writing. Where the instrument appointing a proxy or proxies is executed by a corporation, it must be executed either under its seal or under the hand of an officer or attorney duly authorised.
6. A corporation which is a member may authorise by resolution of its directors or other governing body such person as it thinks fit to act as its representative at the Annual General Meeting, in accordance with Section 179 of the Singapore Companies Act, Cap. 50.
7. The Company shall be entitled to reject the instrument appointing a proxy or proxies if it is incomplete, improperly completed or illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the instrument appointing a proxy or proxies. In addition, in the case of Shares entered in the Depository Register, the Company may reject any instrument appointing a proxy or proxies lodged if the members, being the appointor, is not shown to have shares entered against his name in the Depository Register as at forty-eight (48) hours before the time appointed for holding the Annual General Meeting, as certified by The Central Depository (Pte) Limited to the Company.

# Corporate Information

## BOARD OF DIRECTORS

Y. Bhg. Tan Sri Datuk Seri Panglima  
Dr Abu Hassan Bin Othman (Chairman)  
Datuk Zainun Aishah Binti Ahmad  
Mr Freddie Pang Hock Cheng  
Mr Ung Gim Sei  
Mr Anderson Tang Siu Ki  
Professor Chew Soon Beng @ Teo Soon Beng  
Mr Patrick Ho Kwok Sum  
Ms Cecilia Tong Chiu Fai  
Mr Wong Wee Woon

## KEY MANAGEMENT

Mr Patrick Ho Kwok Sum  
Ms Cecilia Tong Chiu Fai  
Mr Wong Wee Woon  
Mr Valentine Philip Ortega  
Mr Felix Raoul Stravens  
Mr Breyvan Tan Kiah Tong  
Mr Alan Phua Poh Quay  
Mr David Allan D'Souza  
Ms Wong Mei Mei  
Ms Mabel Cheung Oi Lin  
Ms Jennifer Jiang Li Ting  
Mr Mahen Jayalath

## AUDIT AND RISK MANAGEMENT COMMITTEE

Mr Ung Gim Sei (Chairman)  
Mr Anderson Tang Siu Ki  
Professor Chew Soon Beng @ Teo Soon Beng  
Mr Freddie Pang Hock Cheng

## REMUNERATION AND STRATEGIC HUMAN RESOURCE COMMITTEE

Professor Chew Soon Beng @ Teo Soon Beng  
(Chairman)  
Mr Patrick Ho Kwok Sum  
Mr Freddie Pang Hock Cheng  
Mr Ung Gim Sei

## NOMINATING COMMITTEE

Mr Ung Gim Sei (Chairman)  
Mr Anderson Tang Siu Ki  
Professor Chew Soon Beng @ Teo Soon Beng  
Mr Freddie Pang Hock Cheng

## BANKING COMMITTEE

Mr Anderson Tang Siu Ki (Chairman)  
Ms Cecilia Tong Chiu Fai  
Mr Patrick Ho Kwok Sum  
Mr Wong Wee Woon

## REGISTERED OFFICE

Informatics Campus  
12 Science Centre Road  
Singapore 609080  
Tel : (65) 6562 5625  
Fax : (65) 6565 1371  
Website : [www.informaticseducation.com](http://www.informaticseducation.com)

## SHARE REGISTRAR AND SHARE TRANSFER OFFICE

M & C Services Private Limited  
138 Robinson Road #17-00  
The Corporate Office  
Singapore 068906

## AUDITORS

Ernst & Young LLP  
Certified Public Accountant  
Partner-in-charge:  
Yen Heng Fook (since Financial Year 2007)  
  
One Raffles Quay  
North Tower Level 18  
Singapore 048583

## BANKERS

Development Bank of Singapore Ltd  
6 Shenton Way  
DBS Building  
Singapore 068809  
  
Maybank  
2 Battery Road  
Maybank Tower  
Singapore 049907

## COMPANY SECRETARIES

Ms Tan Lay Lee  
Ms Lim Swe Jian



Registration No. 198303419G

Informatics Campus

12 Science Centre Road, Singapore 609080

Tel: (65) 6562 5625 Fax: (65) 6565 1371

Website: [www.informaticseducation.com](http://www.informaticseducation.com)