EMBRACING LIF3LONG LEARNING

30 YEARS IN GLOBAL EDUCATION

INFORMATICS EDUCATION LTD.
ANNUAL REPORT 2014

informatics

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.

VALUES

Student Centric
We focus on 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.

CORPORATE PROFILE

Informatics Education Ltd., founded in 1983, has over 30 years of experience in global education and is the first private lifelong learning company to obtain a listing on SGX-Mainboard in May 1993. Informatics was founded in response to the demands for skilled Information Technology (IT) manpower and knowledge-based workers arising from Asia's rapid economic growth. Over the years, Informatics together with its subsidiaries, Informatics Academy, Informatics Global Campus, NCC Education UK and its regional country offices in Hong Kong and Sri Lanka have built a strong track record for quality programmes and training services for individuals, institutions and corporations.

Informatics has a history of offering information technology and business management courses for foundation, diploma, undergraduate and postgraduate levels. Informatics has also expanded to a provide a wide spectrum of courses ranging from Software Engineering, Database Engineering, Gaming & Animation Technology, Hospitality & Tourism Management to Logistics & Supply Chain Management. As Informatics embraces lifelong learning it offers diverse learning modes from traditional classroom learning to e-learning with blended and flexi-learning to accommodate varied lifestyles and needs.

Informatics will continue to evolve with the global education landscape and be a global leader in providing quality education.

GROUP STRUCTURE

informatics

- Informatics Academy International
- Franchise & Licensing
- Informatics Global Campus
- Singapore School Operations
- HongKong School Operations
- Sri Lanka School Operations

NCC education

- United Kingdom Head Office
- South Africa Regional Office
- South East Asia Regional Office
- East Asia Regional Office

CHAIRMAN'S MESSAGE

In the year ahead, we will continue to undertake strategic initiatives geared towards maintaining sustainability and improving efficiency.

Dato' Robin Tan Yeong Ching
Chairman, Non-Executive,
Non-Independent Director

DEAR SHAREHOLDERS

During the financial year under review, the Informatics Group continued to be challenged by an industry-wide decline in new student enrolment numbers especially in Singapore. Much of Management attention and resources were taken up by efforts to stabilise the high turnover of key positions of previous years. The compliance requirements to maintain regulatory certification remain stringent and significant management focus was also diverted towards addressing those requirements.

In my message in last year's Annual Report, I alluded to four key challenges that impacted the business which included decline in revenue, erosion of margins, high turnover of staff and challenges in expanding our university networks. We have seen some progress in these areas but have some ways to go in order to address them.

NCC has added 28 new accredited centres to their network and launched its Digi suite of products for school-level digital literacy studies. In Hong Kong, PBT improved by S$140K and recovered the losses of the previous year. In IAPL, high staff turnover has been stabilised and IAI has initiated collaboration with universities such as Oxford Brookes University ("OBU"), University of South Wales ("USW"), partnership with the Singapore Workforce Development Agency ("WDA") and Singapore Institute of Materials Management ("SIMM"). We are hopeful that these initiatives will help Informatics to increase student numbers in FY2015.

A documentary on Informatics entitled 'Blueprint for Success' was screened on CNA Channels in February 2014 and has increased awareness of the Informatics brand in the region.

GROUP FINANCIAL PERFORMANCE

Informatics Group's revenue declined by 17% from S$28.7 million in the year before to S$23.8 million. This was primarily due to lower numbers of student enrolment in Singapore and

United Kingdom operations. The profit before tax of S$0.2 million represents a decrease of S$2.8 million from S$3.0 million in FY2013. The decrease is mainly due to lower revenue, negated by unfilled employee positions and other operating expenses. The Group recorded a net profit after tax of $0.164 million for FY2014. Cash and cash equivalents declined by 8% and 53% respectively to S$29.7 million and S$1.5 million as at 31 March 2014; mainly due to the purchase of fixed assets and payments to suppliers and university partners during the year.

BUSINESS REVIEW

During the year under review, the Board and Management took actions intended at maintaining sustainability in its business:-

Programme Enhancement

The Management team conducted a major strategic initiative to review all programmes to make our courses more industry-relevant. An outcome of the review was a collaboration with Singapore Institute of Materials Management on the Diploma and Advanced Diploma in Logistics and Supply Chain Management which will be launched in December 2014.

Following the review, work is underway to enhance our programmes and it is hoped that the enhancement of our programmes together with the availability of industrial internships will provide students with increased academic pathways and career related options. It will also make it possible for Informatics to tap into the foreign student base from new markets such as Korea, Mongolia and Thailand. A new focus will be to recruit local students from polytechnics and junior colleges in line with our long term strategic move to increase local student recruitment.

Collaborative Partnerships

Collaboration with foreign universities will continue to be a strategic objective as it will allow Informatics to leverage partnerships to access new market segments as well as move into emerging study disciplines other than IT and business courses with lower entry costs.

In FY2014, Informatics collaborated with Oxford Brookes University to conduct their Bachelor Degree courses in business programmes and is seeking partnership with University of South Wales to offer Bachelor and MBA degrees in Business Administration, Logistics and Supply Chain Management.

Informatics was awarded a 3-year programme partnership with the Singapore Workforce Development Agency to conduct skill-based diploma courses in IT. This is Informatics' first foray into government-funded training and we expect to launch it during FY2015.

Enterprise Risk Management

An Enterprise Risk Management (ERM) Framework was implemented in FY2014 to provide a structured and systematic approach for identifying, assessing, managing and monitoring key risks that affect the Group's businesses. The objective is to allow the Group to strike a balance between its growth objectives and related risks in order to maximise value for its stakeholders.

The deployment of the ERM Framework involved the active participation of the Board of Directors, Chief Executive Officer as well as Senior and Line Management in awareness and brainstorming sessions that were facilitated by the Group Internal Audit department. To further emphasize ownership for risk management within the Group, all employees are expected to adhere to a Group Risk Management Policy which outlines the roles and responsibilities of each individual for risk management activities within his/her scope of duties. These responsibilities have further been cascaded into personal Key Performance Indicators which will have a direct impact on remuneration. The ERM exercise is expected to be completed and rolled out in August 2014.

MOVING FORWARD

In the year ahead, the focus will be to continue to build upon the small wins in order to achieve sustainability in our efforts to turn around the company.

In the first quarter of FY2015, we re-structured the organization such that NCC will now report directly to the Informatics Education Ltd Board for greater focus and agility. There has also been a greater focus on building a more robust performance management culture that integrates individual performance with enterprise objectives.

We will continue to undertake strategic initiatives which are geared towards building a culture of accountability and team work. In Q1 of FY2015, Management is improving its Performance Management platform in order to enhance accountability for business outcomes and performance throughout the organization.

We are glad that Informatics Global Campus Pte. Ltd. (IGC)'s registration under the Enhanced Registration Framework (ERF) of the Council for Private Education (CPE) has been renewed and that Informatics Academy Pte. Ltd. (IAPL) has had its ERF registration renewed for four years. IAPL is also gearing up to renew its EduTrust Certification Scheme status by the end of 2014.

We are grateful to the directors, staff, partners, students and shareholders for their continued support. I hope that we will continue to have their support as we rebuild the business to deliver sustainable growth in the years ahead.

DATO' ROBIN TAN YEONG CHING
Chairman

3VOLVING WITH THE EDUCATION LANDSCAPE

INFORMATICS ACADEMY PTE LTD.

In FY2014, the Board and the Management team carried out a strategic review of our business model focusing on new university partners, exploring new markets and strengthening internal work processes.

OVERVIEW

FY2014 was a challenging year for Informatics Academy Pte. Ltd. ("IAPL") with a very competitive private education landscape in Singapore.

The private education industry continued to be tightly managed by the Council of Private Education (CPE) in Singapore with strict compliance under the EduTrust Scheme. Added to this, the Government has been tying up with foreign universities / institutions to provide ITE / Polytechnic students with new academic pathways. This has diluted the student market available to Private Education Institute significantly. The Government is also providing course funding to Singapore Citizen / Permanent Resident students. This has affected our student enrolment numbers.

In FY2014, the Board and the Management team carried out a strategic review of our business model focusing on new university partners, exploring new markets and strengthening internal work processes. This is with the aim to ensure sustainability and cost reduction.

YEAR IN HIGHLIGHT

New Initiatives

FY2014 was a year of consolidation. IAPL introduced new model of continuous improvement with emphasis on Key Performance Indicators (KPI), strengthen staff 'Job-Fit', introduced new partnerships and most importantly, explored new untapped markets.

IAPL commenced negotiations with university partners such as University of Portsmouth and Oxford Brookes University to extend our range of courses. We also started negotiation with new partners such as the University of South Wales (USW). This is in line with our strategic aim of collaboration with more quality university partners to provide our students with a wider spectrum of course pathway.

In September 2014, IAPL participated in the RFP of the Singapore Workforce Development Agency ("WDA") NICF Framework for the first time. This was to support our aim to diversify our markets by tapping into Government funded skill-based training. IAPL has since been awarded the status of Programme Partner by WDA for 3 years commencing 1 May 2014.

As part of IAPL's strategy to have more industry relevant courses and internship, IAPL embarked on a strategic partnership with the Singapore Institute of Material Management (SIMM) to explore conducting Supply Chain and Logistics management courses. IAPL will commence the course in FY 2015.

To comply with CPE regulations, the Management team focused heavily on preparation for the CPE Enhanced Registration Framework renewal. IAPL was awarded a 4-year ERF renewal.

Enhance Training Methodology

IAPL will continue to implement innovative learning platforms to ensure that it provides the best delivery methodology. IAPL has also introduced the use of simulation software in business and technical lessons. This way, students have the opportunity to appreciate the immense potential of information technology (IT) in providing new perspectives in business

management and technical problem-solving. Moreover, IAPL publishes learning materials as multimedia publications and webcasts which students can access anytime. Learning is flexible and aimed at satisfying the high tech, high touch and high mobility world of our students.

Improving Student Welfare and Learning Experiences

To ensure that student welfare is taken care of, additional pastoral care was introduced. IAPL introduced the Course Leader Concept and also formed a Student Welfare Committee to better support the students and understand their needs.

Enterprise Risk Management

The Group introduced an Enterprise Risk Management framework in February 2014 as a move towards improving accountability for risk management and enhancing corporate governance. The framework provides a structured process for identifying strategic, operational, compliance, financial and IT risks as well as the corresponding action plans and ownership for managing key risks.

The framework involves a 6-phase implementation process covering the key local business units for a start and culminating in the development of a risk management policy, risk register and related KPIs for employees. Through Internal Audit's independent validation of action plans, any risks that are not effectively managed will be promptly highlighted to Management for immediate rectification and to the Board for attention.

The implementation process is expected to be completed by August 2014 and will be complemented with scheduled internal controls reviews by the Internal Auditors to strengthen the control environment.

MOVING FORWARD

The Management will continue to re-align the organizational structure to maximize business efficiency. We will be adopting a Scorecard approach to Performance Management so that staff can better manage performance to meeting targets.

INFORMATICS ACADEMY INTERNATIONAL

Informatics Academy International acts an independent, international awarding body to ensure that all its awards bear the quality assurance marks which are internationally recognised and accepted by employers and universities for employment and credit transfers.

OVERVIEW

Informatics Academy International (IAI) acts an independent, international awarding body to ensure that all its awards bear the quality assurance marks which are internationally recognised and accepted by employers and universities for employment and credit transfers. Functions within IAI include content development and management of its programmes; universities articulation; assessment setting and administration; evaluation and admission; curriculum design; and awarding of all certifications.

ASSESSMENT

IAI is chartered to evaluate the various forms of assessments for its students. For FY2014, IAI continues to perform Formative Assessment and Summative Assessment. Formative Assessment ensures that students are continuously being assessed and regular feedbacks are given to students to ensure that they are able to review their strengths and weaknesses. Formative Assessment comes largely in the format of coursework, projects, periodic class test and participation in class. Summative Assessments are usually in the form of semester-end examination. 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

The key role of IAI is to ensure that all assessments are equivalent in standards and all students are suitably graded. For FY2014, IAI continues to conduct three levels of control before the results of the students are being released. Firstly, all assessments are examined by qualified examiner approved by the Academic Board. The Examiner's role in the assessment is to ensure that all students are assessed fairly and suitably at their level of studies. A group of moderator approved by the Academic Board will ensure that all assessments are graded with consistency and accuracy. They moderate the assessment to ensure equivalent standards are applied to students around the world. For undergraduate and postgraduate degree programmes awarded by universities, a final moderation will be conducted by the academics from the university partners and other validation bodies.

EXAMINATION TREND

In year 2013, IAI administered a total of 25,500 examination entries and a total of 3,000 headcounts internationally. Countries which contribute to the count are our subsidiaries, Informatics Academy Pte. Ltd., Sri Lanka and Informatics Global Campus and our Franchise & Licensing centre, mainly Nigeria, Saudi Arabia, Nepal, Libya, Brunei, Indonesia and Philippines.

INFORMATICS GLOBAL CAMPUS

The success of IGC can be attributed to its pool of qualified and experienced lecturers who understand and support its online and distance learners.

OVERVIEW

Informatics Global Campus (IGC) is a wholly-owned subsidiary of Informatics Education Ltd. Armed with a portfolio of business and information technology programmes, IGC has trained countless working professionals and upgraders from more than 68 countries to date. Its student population comprises of mainly working professionals and upgraders.

ONLINE LEARNING

Online Learning is a world-wide phenomenon. It puts every student in touch with others around the world via live chat sessions and discussion forums. Forums are used to support individual participation and web tools are provided to facilitate collaborative projects for group assignments though a learning portal, Learning Management System that keeps track of the student's progression. With IGC's Learning Management System, students benefit from a virtual campus as IGC brings a totally new learning experience. Students can navigate through a series of virtual rooms to attend lessons, interact with classmates and lecturers and conduct research via e-library. Complementing the new virtual campus is a newly-introduced lesson delivery platform. Through this platform, lessons conducted by lecturers will be streamed online and students can attend lessons via their computers and mobile devices. Recorded sessions of these lessons will also be made available to students who are unable to attend their classes due to work or other commitments. A series of tools built into the e-learning platform also allows students and lecturers to interact with one another.

OUR UNIVERSITY PARTNERS

IGC has been in partnership with two renowned UK Universities, University of Portsmouth and University of Wales. All IGC's final year IT programmes are awarded by University of Portsmouth, (ranked 48th out of 119 UK Universities based on The Guardian University Guide League Table 2014, top 30 English Universities for student satisfaction

based on The National Student Survey 2013). Business degrees, undergraduate to postgraduate level programmes will be validated and awarded by the University of Wales, UK.

IGC will continue to expand and enhance its programmes by working with more UK Universities and NCC Education Ltd.

MOVING FORWARD

The success of IGC can be attributed to its pool of qualified and experienced lecturers who understand and support its online and distance learners. IGC will continue to identify and recruit experienced academicians to boost its global network of online lecturers who moderate, support and facilitate students' learning process.

With global partners, IGC will continue to enhance its flexibility in offering students with learning solution of their choice. IGC will continue to expand its network of affiliated centers and alumni contacts in its territories. This will enhance the IGC's brand while developing a deeper bond with its current students and graduates around the world.

NCC EDUCATION

The dynamic global marketplace in which NCC Education operates continues to present challenges and to be subject to continuous change.

OVERVIEW

The dynamic global marketplace in which NCC Education operates continues to present challenges and to be subject to continuous change. As a British awarding body we are regulated by the English regulator: Ofqual (Office of Qualifications and Examinations Regulation). Ongoing compliance remains a priority for NCC Education as does the retention of our regulated qualifications in Ofqual's Register of Qualifications. Such recognition is an asset when operating in a competitive international environment. Restrictions introduced two years ago by the UK Borders Agency in the issuing of student visas have continued to impact the educational landscape within Higher Education, Further Education and the English language schools market sector. These changes bring both opportunities and threats to NCC Education.

In FY2014, NCC Education's new Senior Management team carried out a strategic review of our business model, distribution network, product range and markets. As a result, we began to re-position on the basis of our awarding body status to seize emerging opportunities to grow both in the UK and globally. As a small niche awarding body in information technology (IT) and Business, we monitor competition in our competitive marketplace on an on-going basis. Given the absence of new product development in FY2013, a new product development strategy was introduced. An immediate opportunity arose to develop NCC Education's own-branded IT products for the schools sector, Digi Qualifications, due to the ending of a partnership agreement for "Computer Pioneers". This suite of Digi-certificates represents a significant new market opportunity especially as the launch coincides with the introduction of a new computing curriculum in primary schools in England which will be offered also in international and British schools around the world.

In the year under review, a new additional business model was introduced to complement the traditional model of Accredited Partner Centres using NCC Education training materials. This new model allows Approved Centres to prepare candidates for exam entry without buying these materials. This new model effectively opens up a new global market.

NCC Education has introduced a model of continuous improvement through the use and management of Key Performance Indicators, risk management and action planning. A major review was initiated to engineer down costs through process improvements whilst improving productivity and delivering the necessary level of quality and standards. This was predicated on a number of key activities including:-

- The introduction of a new annual risk-based centre monitoring process designed to re-focus the internal academic support resource on centre performance analysis and other technical support
- The review of examiner capacity to deliver increased volume in examinations and assessment using more effective selection, training and standardization processes

YEAR IN HIGHLIGHT

There were 64,917 single subject entries from 13,707 candidates in the year ending 31 March 2014. During the year, we accredited 28 new centres, including our first centres in Azerbaijan, Lithuania and Serbia. The total number of countries globally in which centres are based stands at 45.

NCC Education welcomed a number of new universities into our current extensive network of articulations and recognitions including University of York and London Metropolitan University in the UK, Southern Cross University in Australia, Thompson Rivers University in Canada, Heidelberg University and University of North Alabama in the USA. In July in the UK a partnership for an on-line MBA through Northampton University was announced. These university partners open up a range of global options for holders of NCC Education qualifications.

In December, NCC Education gained its first regulatory approval in Malaysia from the Malaysian Qualifications Authority for the Level 4 Diploma in Computing. This represents an important first step in the plans to gain key local regulatory approvals in major markets to complement Ofqual's UK regulatory recognition.

Drawing on four decades of specialist expertise, in January NCC Education launched our new suite of digital literacy qualifications suitable for children aged 5-14 years as well as for adults: Digi-Explorers, Digi-Navigators and Digi-Trailblazers. Our new Digi-qualifications herald a shift in focus from traditional IT teaching to a computing curriculum which encompasses programming, code, digital citizenship, digital design and computational thinking: the skills of the future.

With the launch of the Digi qualifications, NCC Education has entered the mainstream school sector and thus has re-positioned outside the traditional niche. This new suite of qualifications can be linked to the new primary school computing curriculum in the classroom as well as to extra-curricular classes for children. With Digi Key Stage 4 under development for 14-16 year olds for launch later in 2014, NCC Education is extending our reach in the secondary school sector.

During the past year, focus has been applied to evaluating current and future IT needs. Investing in innovation and the use of new technology in relation to operational interfaces is critical in the delivery of assessment and examinations. It provides greater access to information, increased quality and customer service, capacity to reduce the costs of process delivery as well as better management information. It has specific potential in relation to setting, assessing and marking examinations. Accordingly we will be investigating during FY2015 a new IT solution to provide the functionality needed for administration, virtual learning and assessment and marking.

Finally, investing in our people to ensure that we have the right people and the correct staffing structure and physical environment to support process re-engineering and continuous improvement during a period of growth will be a continued priority.

FRANCHISE & LICENSING

The plan for FY2015 includes further refinement to the F&L model and systems to meet changing market demands.

OVERVIEW

The Franchise and Licensing (F&L) unit is responsible for the distribution of Informatics programmes to franchisees and licensees around the world. The F&L team enables us to keep pace with developments internationally, especially in Asia.

NEW CENTRES

In FY2014, the F&L team added 2 licensees in Brunei and Saudi Arabia. The licensee in Saudi Arabia has commenced enrolment for their new programmes in Business Information Technology and Business Administration, while the licensee in Brunei has obtained approval from the local Ministry of Education to run the Gaming and Animation Technology programmes. These centres are significant as they allow us to penetrate into these fast developing markets and the deals demonstrated acceptance for our innovative programmes.

In FY2014, the F&L team also began a review of its business model with the aim of keeping it relevant to existing centres and capturing emerging market opportunities. FY2014 saw a tighter coupling of F&L centres with Informatics Global Campus and the exploitation of synergy with Informatics Academy as efforts were made to enhance the international mobility and progression pathways for Informatics students at F&L centres. The market continues to respond positively to the Informatics brand and there is untapped demand for our education services and products which Informatics Academy International will match with its pipeline of new courses and continual upgrading of programmes.

MOVING FORWARD

The plan for FY2015 includes further refinement to the F&L model and systems to meet changing market demands. The F&L unit will be challenged to expand its portfolio of services through more diverse modes of operation rather than mere traditional Franchising and Programme Licensing. The strategy for FY2015 also includes expansion of the F&L team with new leadership so as to bring in more quality partners and to continue offering unparalleled support services to the centres.

INFORMATICS EDUCATION (HK) LTD

OVERVIEW

Informatics Education (HK) Ltd (IEHK), a wholly owned subsidiary of Informatics Education Ltd., offers a wide range of Information Technology, Business and Management programmes for individuals and corporations in Hong Kong. Established in 1992, IEHK continues to be a leading education and training centre in Hong Kong and has positioned itself as a preferred training solutions partner to numerous multinational corporations and government departments. IEHK analyses client's training needs and tailors programmes to meet each client's unique goals with industrial expertise.

NEW IDEAS IN FY2014

IEHK moved to a new office situated at a highly accessible location within 2 minutes' walk of Tsim Sha Tsui East MTR which is in the Central Business District of Kowloon, Hong Kong. The strategic location and larger class size capacity of the office will serve to support IEHK's student recruitment and future programme expansion plans. IEHK's revenue for corporate training programmes has increased by 40% compared to the previous year. In FY2015, we anticipate that corporate training will continue to grow at a steady pace.

IEHK was the pioneer in providing Project Management Professional (PMP) ® training in Hong Kong and is recognized by Project Management Institute (PMI) ® as a Global Registered Education Provider (G.R.E.P.). IEHK has trained over 4,500 PMP® students over the last 10 years. Annually, IEHK conducts over 100 intakes to certify local Project Management Professionals and supplies the majority of PMP® qualified professionals in the Hong Kong market. We have reinforced our market leader role with high training quality and maintained the PMP® exam pass rate at over 90%.

MOVING FORWARD

Apart from growing its training programmes through conventional channels, IEHK has collaborated with NGOs to expand its recruitment network. Through this collaboration with NGOs, IEHK is able to recruit students directly from these NGOs client base and to explore more tailor-made corporate training. In addition, IEHK has established business partnerships to develop new worldwide recognized certification programmes and to jointly recruit student through marketing seminars. To stay ahead and play a leading role in learning and teaching in Hong Kong, IEHK will reorganize its current operation and will strategically initiate higher education programmes again with potential new university partners. IEHK plans to implement new university programmes by end of 2014. IEHK is also exploring training partnerships with NCC, another subsidiary of Informatics.

SINGAPORE INFORMATICS COMPUTER INSTITUTE

With its presence in Sri Lanka for the past 20 years, and with its track record for the Employability of our Graduates, SICI has a definite advantage in attracting students.

OVERVIEW

Singapore Informatics Computer Institute (SICI) was established in 1994 as an approved project of the Board of Investment (BOI) Sri Lanka. Since then, SICI has positioned itself as a premier brand name for quality higher education and corporate training in Sri Lanka.

With its presence in Sri Lanka for the past 20 years and a recognized track record for the high employability of our graduates, SICI has a distinct advantage in attracting students over other local competitors. After relocating the campus in 2012 to the heart of the capital city at a strategic location, SICI has become an accessible campus for all types of commuters.

YEAR IN HIGHLIGHT

Established as a specialized Computer School, SICI has diversified its course portfolio to offer programmes in Business, Engineering and Hospitality to students in the region seeking opportunities for higher learning. In FY2014, the Management has restructured SICI so that there is continuous improvement to the operations of the school. As part of those restructuring efforts, a new General Manager, Mr Abdullah Ashwaq Ahmed was appointed in October 2013 to spearhead the operations of the school. With the support of the Singapore office, an overall re-engineering of the business model to better meet the needs of the new generation was successfully carried out during the year.

MOVING FORWARD

With a view to extend its network and portfolio SICI will pursue partnerships with UK and Australian Universities to provide better opportunities and pathway for its students. In order to enhance its brand presence and position SICI as a true "Global Education Provider", a concentrated, well-planned public relations campaign will be carried out in the coming months to re-engage with the local market and identify opportunities for growth and future development.

BOARD OF DIRECTORS

The Board of Directors of Informatics Education Ltd. 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.






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Board of Directors:
1. Dato' Robin Tan Yeong Ching
2. Mr Loi Hai Poh
3. Ms Yau Su Peng
4. Ms Mae Ho Seok Khen
5. Mr Ung Gim Sei
6. Professor Chew Soon Beng @ Teo Soon Beng

BOARD OF DIRECTORS

DATO' ROBIN TAN YEONG CHING
Chairman, Non-Executive, Non-Independent Director

Dato' Robin Tan graduated with a Bachelor of Social Science degree in Accounting/Law from the University of Southampton in the United Kingdom in 1995. He joined Berjaya Group Berhad in 1995 as an Executive and subsequently became the General Manager, Corporate Affairs in 1997.

Currently, he is the Chairman/Chief Executive Officer of Berjaya Corporation Berhad, Chief Executive Officer of Berjaya Sports Toto Berhad, Executive Chairman of Berjaya Food Berhad, Chairman of Berjaya Media Berhad, Chairman of Sun Media Corporation Sdn Bhd and Director of Atlan Holdings Bhd.

Dato' Robin Tan also holds directorships in Berjaya Sompo Insurance Berhad and several other private limited companies in the Berjaya Corporation group of companies. He has also been appointed as a Commission Member of the Companies Commission of Malaysia with effect from 16 January 2014.

LOI HAI POH
Chief Executive Officer, Executive Director

Mr Loi Hai Poh was appointed Group Chief Executive Officer on 10 July 2013. He graduated from the National University of Singapore (NUS) and the University of Surrey (UK) with a MSc in Tourism.

Mr Loi came from the education industry with extensive experience in the private education sector in Singapore. He has worked closely with the Singapore Workforce Development Agency (WDA) in Singapore and is familiar with CPE EduTrust Accreditation and Continuous Education (CET). He was the Chief Executive Officer of the Tourism Management Institute of Singapore (TMIS) for 12 years.

Mr Loi also has more than 20 years of management experiences in Singapore Airlines, Singapore Tourism Board and the CDL Hotel Group. He has spent 10 years working overseas in both Hongkong and New York. Mr Loi sits on many committees such as the PATA Chapter, STB Tourism Committee and the WDA Steering Committee.

MS YAU SU PENG
Non-Executive, Non-Independent Director

Yau Su Peng currently holds the positions of Director, Retail Marketing at Berjaya Corporation Berhad and oversees the Borders, RadioShack, Krispy Kreme, BCard and B Channel businesses. Ms Yau has a wealth of experience in retail, financial payments, law, marketing and communications from both the government and private sectors.

Ms Yau was appointed to the Board in November 2012 and served as Alternate Director to Dato's Robin Tan Yeong Ching from 25 April 2012 to 23 November 2012.

She joined the Berjaya group from MasterCard Worldwide, where she was Vice President of Marketing and Sales. She was responsible for developing the marketing and corporate communications strategy and building the MasterCard brand in Malaysia. In her 6 years with MasterCard, Ms Yau led on a number of key corporate accounts and strengthened MasterCard's market share and brand presence in Malaysia especially within the premium customer segment in the area of retail and cross-border payments with partnerships with tourism and retail industry authorities.

She qualified as a lawyer from the University of Melbourne, and originally practiced law in both Melbourne and Kuala Lumpur. In the 1990s, while completing her Masters of Laws degree, she worked with the Government of Victoria on attracting international trade and investment into the state. In 1997, she returned to Malaysia and held several roles within the banking industry in change management, corporate affairs and branding. Subsequently, she became the Senior General Manager of Strategic Communications for Alliance Bank, building the brand from a merger of 7 Malaysian banks in 2000.

MS MAE HO SEOK KHEN
Non-Executive, Non-Independent Director

Ms Mae Ho Seok Khen is currently the Chief Operating Officer of BERJAYA University College of Hospitality, a subsidiary of the Berjaya Corporation Group, and is also a Director of the Academy of Nursing (M) Sdn Bhd and Berjaya Higher Education Sdn Bhd.

Ms Ho has been in the hospitality industry for the last 25 years. She was trained in England in Hospitality Management which led her to specialise in cuisine, patisserie, restaurant service and oenology. She graduated with an MA in Education Management (Bath), UK. She was also awarded the professional membership in the prestigious Institute of Hospitality, UK (formerly known as HCIMA).

She made her first step towards the hospitality industry as a lecturer and as the Dean of the School of Hotel & Catering Management at Kolej Damansara Utama, Petaling Jaya. Subsequently, Ms Ho was appointed Director of the School of Hospitality & Tourism Management at Sunway University College of Hospitality from 1997 until 2007. During her tenure at Sunway, Ms Ho was appointed Project Director for the China operations to set up the Xian-Sunway International Business Management to conduct corporate training programmes and summer schools.

Ms Ho sits on the panel of judges for the Hospitality Asia Platinum Award (HAPA) and her judging stretches across the ASEAN Continent for Service Excellence Awards, Signature Establishment Awards, Revolutionary Personality Awards and Fine Culinary Awards, just to name a few. She is also an active member and sits on the panel of judges for the Malaysia Retailers' Association (MRA), and is a Council member of the National Council of the Confrerie de la Chaine des Rotisseurs, Bailliage de Malaisie. Ms Ho was recently appointed the New Conseiller Gastromique – Chaine Des Rotisseurs.

MR UNG GIM SEI
Independent Director

Mr Ung Gim Sei is a partner of Duane Morris and Selvam LLP in Singapore and a part-time lecturer in law. Prior to embarking on his law career, Mr Ung was in the media and publishing industry assuming key positions in leading newspaper companies in Singapore, Hong Kong and Shenzhen, China.

Mr Ung is currently the vice president of the Singapore China Friendship Association, and he is active in organising and promoting cultural and educational exchanges between Singapore and China. He is also a committee member of the China Aw Boon Haw Foundation, a member and legal advisor of Tan Kah Kee Foundation and the Singapore China Business Association as well as an independent director of EMS Energy Ltd.

Mr Ung holds a Bachelor of Arts degree in Economics from the National University of Singapore, a Common Professional Examination Qualification in Law from UK and a Master of Law qualification from the City University of Hong Kong.

PROFESSOR CHEW SOON BENG
Independent Director

Professor Chew Soon Beng is Professor of Economics and Industrial Relations in the Division of Economics at the Nanyang Technological University (NTU). He was the Founding Director of the Asia Commerce and Economics Studies (ACES) Center in the Nanyang Business School in 1993, and was also the Founding Director of the Master of Science programme in Managerial Economics (popularly known as the Mayor programme since its inception in 1998) at NTU. He is currently Programme Director of the Master of Science in Applied Economics at NTU.

Between 2004 and 2005, Professor Chew was a consultant to the Omani Ministry of Higher Education. He is currently also a member of the Singapore Institute of Arbitrators.

Professor 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.

CORPORATE INFORMATION

BOARD OF DIRECTORS
Dato' Robin Tan Yeong Ching
(Non-Independent Director, Non-Executive Chairman)
Ms Yau Su Peng
(Non-Executive Director, Non-Independent Director)
Ms Mae Ho Seok Khen
(Non-Executive Director, Non-Independent Director)
Mr Ung Gim Sei
(Independent Director)
Prof Chew Soon Beng @ Teo Soon Beng
(Independent Director)
Loi Hai Poh
(Executive Director, Chief Executive Office)
(appointed on 10 July 2013)

AUDIT AND RISK MANAGEMENT COMMITTEE
Mr Ung Gim Sei *(Chairman)*
Prof Chew Soon Beng @ Teo Soon Beng
Ms Yau Su Peng

REMUNERATION AND STRATEGIC HUMAN RESOURCE COMMITTEE
Prof Chew Soon Beng @ Teo Soon Beng *(Chairman)*
Mr Ung Gim Sei
Ms Yau Su Peng

NOMINATING COMMITTEE
Mr Ung Gim Sei *(Chairman)*
Prof Chew Soon Beng @ Teo Soon Beng
Ms Yau Su Peng

BANKING COMMITTEE
Prof Chew Soon Beng @ Teo Soon Beng
Ms Yau Su Peng
Mr Loi Hai Poh

COMPANY SECRETARIES
Ms Lo Swee Oi
Ms Leow Poh Leng

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SHARE REGISTRAR AND SHARE TRANSFER OFFICE
M & C Services Private Limited
112 Robinson Road #05-01
Singapore 068902
Tel: (65) 62276660
Fax: (65) 62251452

AUDITORS
Ernst & Young LLP
Public Accountants
and Certified Public Accountants

Partner in charge:
Ms Lee Lai Hiang *(from financial year 2014)*
One Raffles Quay #18-01
North Tower Level 18
Singapore 048583

BANKER
DBS Bank Ltd
12 Marina Boulevard
Marina Bay Financial Centre Tower 3
Singapore 018982

The Board of Directors of Informatics Education Ltd. (the "Company") is committed to maintaining a good standard of corporate governance and business practices and has adopted processes and systems to enhance and safeguard the interests of its shareholders.

This report describes the measures and the corporate governance policies and practices of the Company that are currently in place and used throughout the financial year ended 31 March 2014 (the "Year"), which incorporate policies and practices in line with the principles of the Code of Corporate Governance 2012 (the "Code") for listed companies in Singapore issued by the Monetary Authority of Singapore on 2 May 2012.

Where there is any material deviation from any Principle of the Code, an explanation has been provided within this report.

BOARD OF DIRECTORS

Principle 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. The Board reviews the Group's financial performance and authorises announcement issued by 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 reviews the process for evaluating risks policies, including the adequacy and effectiveness of internal controls and establishment of risk management. Matters reserved for full Board's decision involving corporate or financial restructuring, 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.

To assist the Board in the discharge of its responsibilities, the Board has delegated certain duties to five committees and these are:

(1) the Nominating Committee (the "NC");
(2) the Remuneration and Strategic Human Resource Committee (the "RC");
(3) the Audit and Risk Management Committee (the "AC"); and
(4) the Banking Committee (the "BC"); and
(5) the Executive Committee (the "Exco") established on 7 February 2013 and renamed on 23 May 2013 to "Management Committee", a non-Board Committee.

The Executive Committee (the "Exco") which was initially formed to assume the responsibilities of the CEO, has been renamed Management Committee (the "MC") and does not have the decision-making power of the Board. The primary goal of the MC would be for Senior Management to use as a platform for sharing and communication on the day-to-day operational and administrative matters of the Company and the Group and facilitate the smooth business operation as well as closely monitor their progress. If a decision of the MC pertains to a matter that requires Board approval, the same shall be obtained accordingly.

The Committees have their respective terms of reference that set out their respective scope of duties, the Board Committees are set out hereafter. The Board acknowledges that while these various Board Committees have the authority to examine particular issues and report back to the Board with their decisions and recommendations, the ultimate responsibility on all matters lies with the Board.

Board and Board Committee meetings are held quarterly. Ad-hoc meetings are convened as the circumstances require. The Company's Articles of Association allows the holding of Board meetings by way of telephone conferencing or video-conferencing. Should the Board have informal discussions on matters requiring urgent attention, such discussions and decisions would then be formally confirmed and approved by resolutions circularised in accordance with the Articles. Minutes of the Board Committee meetings are available to all Board members. The Board and Board Committees may also make decisions through circulating resolutions.

The attendance of the Directors, who held office during the Year, at the Board and Board Committees meetings is as follows:-

Attendance of Directors in office during the Year at Board and Board Committee meetings held during the Year:

	Board of Directors	Nominating Committee	Remuneration & Strategic Human Resource Committee	Audit & Risk Management Committee
	No. of Meetings held : 5	No. of Meetings held : 4	No. of Meetings held : 4	No. of Meetings held : 4
Name of Directors	**No. of Meetings Attended :**	**No. of Meetings Attended :**	**No. of Meetings Attended :**	**No. of Meetings Attended :**
Dato' Robin Tan Yeong Ching	4	N.A.	N.A.	*1
Ms Mae Ho Seok Khen	5	*3	*3	*4
Mr Ung Gim Sei	5	4	4	4
Professor Chew Soon Beng @ Teo Soon Beng	5	4	4	4
Ms Yau Su Peng	5	4	4	4
Mr Loi Hai Poh (appointed w.e.f. 10 July 2013)	3	*3	*3	*3

Notes:
1. ** By way of invitation*
2. *N.A. = Not Applicable*
3. *During the Year, the Banking Committee approved three matters by circularised resolutions. There was no meeting of the Banking Committee.*

During the Board and Board Committee meetings, all Directors took the opportunities to review Management's performance in meeting agreed goals, constructively challenged and helped develop strategies and provided guidance and rendered opinions.

All Directors must objectively make decisions in the interests of the Company. Appropriate training and orientation (including his or her duties as a Director and how to discharge those duties) are given upon appointment to ensure that the incoming Directors are familiar with the Company's business and governance practices. Upon the appointment of a new Director, the Company would issue a letter of appointment setting out the duties and obligations of a director. The newly appointed Director will also be briefed by the Management on the Group's business activities, operations, strategic direction and policies. Orientation programmes and familiarisation visits are organized, if necessary, to facilitate a better understanding of the Group's operations.

The Company worked closely with its company secretary and professionals to provide its Directors with regular updates on relevant legal, regulatory and technical developments. Changes to regulations and accounting standards are monitored closely by Management. The Directors are provided with updates released by regulatory authorities on directors' duties and responsibilities, corporate governance, changes in financial reporting standards in Singapore, changes in Companies Act(Chapter 50) and Singapore Exchange Securities Trading Limited ("SGX-ST") Listing Rules, so as to update and refresh them on matters that may affect or enhance their performance as Board or Board committee members. Appropriate external trainings will be arranged where necessary for Directors to receive further training relating to relevant new laws and regulations as well as changing business risks, practices and cultures.

Principles 2 and 3: Board Composition and Guidance, Chairman and Chief Executive Officer

Dato' Robin Tan Yeong Ching is the Chairman of the Company. The Board comprises six Directors of whom three are Non-Executive Directors, one Executive Director and two Independent Directors. Their profiles are in the section on Board of Directors of this Annual Report. The Directors are:

(1) Dato' Robin Tan Yeong Ching - Non-Executive Chairman
(2) Mr Loi Hai Poh – Executive Director, Chief Executive Officer*
(3) Ms Mae Ho Seok Khen - Non-Executive, Non-Independent Director
(4) Ms Yau Su Peng – Non-Executive, Non-Independent Director
(5) Mr Ung Gim Sei - Independent Director
(6) Professor Chew Soon Beng @ Teo Soon Beng - Independent Director

* Mr Loi Hai Poh is an Executive Director and Chief Executive Officer of the Company. He is the Chairman of the Management Committee.

The Board adopted the definition of the Code of what constitutes "independent" in its review of the independence or otherwise of each Director ("Independent Director").

The independence of each Director is assessed and reviewed annually by the NC. In its deliberation as to the independence of a director, the NC took into account examples of relationships as set out in the Code, considered whether a Director had business relationships with the Group, and if so, whether such relationships could interfere, or be reasonably perceived to interfere, with the exercise of the Director's independent judgements. Each Independent Director is required to complete a Director's Independence Form annually to confirm his/her independence based on the guidelines as set out in the Code. The Directors must also confirm whether they consider themselves independent despite not having any relationship identified in the Code.

With the two of the six Directors deemed to be independent, including independence from the substantial shareholders of the Company, the Board is able to exercise independent and objective judgment on corporate affairs. It also ensures that key issues and strategies are critically reviewed, constructively challenged, fully discussed and thoroughly examined, taking into consideration the long-term interests of the Group and its shareholders. No individual or small group of individuals dominates the Board's decision making.

The Board has no dissenting view on the Chairman's Statement to the shareholders for the financial year under review.

Currently, Mr Ung Gim Sei has served on the Board for more than nine years from the date of his first appointment. The Board has subjected his independence to a particularly rigorous review.

The NC takes the view that a Director's independence cannot be determined solely and arbitrarily on the basis on the length of time. A Director's contribution in terms of experience, expertise, professionalism, integrity, objectivity and independent judgment in engaging and challenging Management in the best interests of the Group as he performs his duties in good faith, are more critical measures in ascertaining his independence than the number of years served on the Board. Hence, the Board does not impose a limit on the length of service of the Independent Directors. However, the Board and NC will exercise due and careful review, taking into consideration other factors, in assessing the independence of a Director. These factors include, inter alia, if the Directors has any interest, business, relationship and/or any other material contractual relationships with the Group which could reasonably be perceived to compromise his independence and interfere with the exercise of his independent business judgment with a view to the best interest of the Group.

After due and careful rigorous review, the Board (with Mr Ung abstaining from discussion and deliberation) is of the view that Mr Ung is independent in character and judgment and that there are no relationships or circumstances which affect or are likely to affect his independent judgment and ability to discharge his responsibilities as Independent Director. The Board has therefore considered and deemed Mr Ung to be independent notwithstanding that he has served more than nine years as an Independent Director.

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. The Board is of the opinion that its current composition and size are appropriate, taking into account the scope and nature of the operations of the Company and the Group, and allow for effective decision-making.

BOARD COMMITTEES

To facilitate effective management, certain functions have been delegated to various Board committees, each with its own terms of reference.

Nominating Committee

The Board has established a Nominating Committee (the"NC") comprising three non-executive Directors, of whom two are Independent Directors as follows:

NC Chairman :	Mr Ung Gim Sei (Independent Director)
Members:	Professor Chew Soon Beng @ Teo Soon Beng (Independent Director) Ms Yau Su Peng (Non-Executive, Non-Independent Director)

The NC's main task is to make recommendations to the Board on all Board appointments, the appointment of the Board Committee members and the appointment of the Chief Executive Officer and any other officer(s) by whatever name called who has responsibilities and functions similar to an Executive Director.

The duties and responsibilities of the NC include the following:

- reviewing the size and composition of the Board annually to ensure that it has an appropriate balance of expertise, skills, attributes and abilities;
- identifying and recommending suitable candidates for appointment to the Board, taking into account the Company's objectives and the requirements of the Board;
- reviewing and nominating/re-nominating, re-election/re-appointment of Board members;
- reviewing the independence of each Independent Director and ensuring that at least one-third of the Board members are Independent Directors;
- assisting the Board in setting out procedures and criteria for assessing the effective performance of the Board and Board Committees as a whole and the contribution of each Director;
- reviewing the nomination and appointment of Executive Director(s) and any other officer(s) by whatever name called who has responsibilities and functions similar to that of an Executive Director;
- reviewing the orientation, training and education programmes for members of the Board with respect to the Company's business and its management, as is necessary; and
- reviewing the multiple board representations of each Director individually (if any) to ensure that sufficient time and attention is given to the affairs of the Company.
- reviewing the succession plans for Directors.

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

The NC evaluates the Board, Board Committees and each Director using criteria such as each Director's attendance record, skills, preparedness, participation, candour and contribution to the effectiveness of the Board and Board Committees. It also considers whether the Board Committees have fulfilled their roles and discharged tasks delegated by the Board. The NC noted that based on the attendance of the Board and Board committee meetings during the Year, all the Directors were able to participate in the meetings to carry out their duties.

The NC is satisfied that Directors who had multiple board representations and/or other principal commitments were able to discharge and had discharged their responsibilities.

Individual Director's feedbacks on the Board and Board Committees are also considered.

Principle 4: Board Membership
Principle 5: Board Performance

When the need to appoint a new Director arises, the NC reviews the range of expertise, skills and attributes of the Board members, and identifies the Board's need and shortlists candidates with the appropriate profile. Where necessary, the NC may seek advice from external consultants. New Directors are appointed by way of a Board resolution after the NC has reviewed and recommended the appointment of these new Directors. Article 75 of the Company's Articles of Association requires that new Directors appointed by the Board shall hold office until the next Annual General Meeting (the "AGM") and shall be eligible for re-election at that AGM. The NC has nominated Mr Loi Hai Poh, retiring under Article 75 of the Articles, and who has given his consent, for re-election at the forthcoming AGM.

For re-appointment/re-election, the NC is charged with the responsibility of recommending to the Board the re-appointment/re-election of Director(s) having regard to their past contribution and performance.

The NC reviews annually the Directors due for retirement under the Articles of Association of the Company and the Companies Act (Chapter 50) of Singapore (the "Companies Act") for any Director over the age of 70 years who is subject to annual re-appointment at the AGM. Other Directors are subject to retirement by rotation once at least every three years and they are eligible for re-election at the AGM.

Article 71 of the Company's Articles of Association (the "Articles") requires all Directors to retire once at least every 3 years. The Directors who have been longest in office since their last re-election shall retire first. A retiring Director shall be eligible for re-election at the AGM. The NC has nominated Dato' Robin Tan Yeong Ching and Ms Mae Ho Seok Khen, retiring under Article 71 of the Articles, and who has given their consent, for re-election at the forthcoming AGM.

The NC further nominated Mr Ung Gim Sei, vacating his office at the AGM under section 153(2) of the Companies Act, and who has given his consent, for re-appointment at the forthcoming AGM pursuant to section 153(6) of the Companies Act (Chapter 50).

The profiles of the Directors are set out on pages 17 to 19 of this Annual Report. The shareholdings of the individual Directors of the Company are set out on pages 33, 34 and 35 of this Annual Report. None of the Directors hold shares in the subsidiaries of the Company.

The initial appointment date and the date of last re-appointment/re-election of the Directors in office at the date of this report are as follows:-

Name of Director	Date of Initial Appointment /Re-election	Date of Last Re-appointment
Dato' Robin Tan Yeong Ching	22 June 2011	28 July 2011
Ms Mae Ho Seok Khen	27 October 2010	28 July 2011
Mr Ung Gim Sei	13 July 2004	26 July 2013
Professor Chew Soon Beng @ Teo Soon Beng	1 March 2006	26 July 2013
Ms Yau Su Peng	23 November 2012	26 July 2013
Mr Loi Hai Poh	10 July 2013	N.A.

The Board is of the view that setting a maximum number of listed company board representations would not be meaningful as the contributions of the Directors would depend on many other factors such as whether they were in full time employment and their other responsibilities.

Principle 6: Access to Information

Directors are provided with complete, adequate and timely information prior to board meetings and on on-going basis so as to enable them to make informed decisions to discharge their duties and responsibilities. As a general rule, detailed Board and Board Committees papers prepared for each meeting are normally circulated in advance of each meeting.

The Company Secretary, to whom the Directors have independent access, keeps the Board apprised of relevant laws, regulations and changes thereto. The appointment and removal of the Company Secretary is a matter for the Board as a whole.

The Directors, either individually or as a group, have the authority to seek independent professional advice, if necessary, at the Company's expense.

Directors are given access to quarterly financial reports. The Board is also given separate and independent access to the senior Management. Prior to each Board and Board Committee meeting, the Board and Board Committee members are provided with the complete, adequate and timely information required for them to fulfill their responsibilities.

Remuneration and Strategic Human Resource Committee

The Board has established a Remuneration and Strategic Human Resource Committee (the "RC") to deal with remuneration matters. The RC comprises three Non-Executive Directors, of whom two are independent Directors as follows:

RC Chairman :	Professor Chew Soon Beng @ Teo Soon Beng (Independent Director)
Members :	Mr Ung Gim Sei (Independent Director)
	Ms Yau Su Peng (Non-Executive, Non-Independent Director)

Professor Chew Soon Beng, the RC Chairman, is an Independent Director as contemplated by the Code, and is not, and has not, in the current or immediate past financial year been, associated with a 10% shareholder of the Company. The majority of the RC members are independent.

The RC reviews and makes recommendations and assists in attracting, retaining and rewarding well-qualified people to serve the Company as key management personnel by pegging remuneration and benefits at competitive market rates. The duties and responsibilities of the RC include the following:-

- reviewing and advising the Board on the terms of appointment and remuneration of its members and key management personnel;
- reviewing with Management the terms of the employment so as to develop consistent group-wide employment practices subject to regional differences;
- reviewing the working environment and succession planning for Management;
- disclosing performance measures and targets for key management personnel's performance bonuses; and
- administering the Company's Executive Share Option Scheme.

It is the Company's policy to ensure that the level of remuneration should be appropriate to attract, retain and motivate the personnel needed to run the Company and the Group successfully. The remuneration of key management personnel is structured so as to link rewards to corporate and individual performance while the remuneration of Non-Executive Directors is tagged to their level of contribution to the Board and the Company, taking into account factors such as effort and time spent and responsibilities of the Board. The Company attempts to ensure that 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 sufficiently competitive. A compensation system is in place to reward employees based on merit and performance through annual merit service increments and bonuses.

Directors' fees are recommended by the Board for approval by the shareholders at the AGM of the Company.

In line with the Code, the RC will submit its recommendation on the remuneration packages (including Directors' fee, salaries, allowance, bonuses, options and/or benefits in kind) for each Director for endorsement by the Board. No Directors are involved in deciding his or her own remuneration. The RC is also involved in the review of the remuneration scheme for the senior Management. The RC has access to expert advice on human resource matters whenever there is a need to consult externally.

Principle 7: Procedures for Developing Remuneration Policies
Principle 8: Level and Mix of Remuneration
Principle 9: Disclosure on Remuneration

Disclosure of Remuneration

Details of remuneration of Directors of the Company and its top five key management personnel (who are not Directors of the Company and in office during the year) for the financial year ended 31 March 2014 are set out below:-

Name	Remuneration (S$)	Fees** (%)	Salary (%)	Performance Bonuses (%)	Other Benefits (%)	Total (%)
Non-Executive Directors						
Dato' Robin Tan Yeong Ching	25,000	100	0	0	0	100
Ms. Yau Su Peng	20,000	100	0	0	0	100
Ms. Mae Ho Seok Khen	20,000	100	0	0	0	100
Mr. Ung Gim Sei	50,000	100	0	0	0	100
Professor Chew Soon Beng @ Teo Soon Beng	45,000	100	0	0	0	100
Executive Director						
Mr. Loi Hai Poh* (Appointed on 10.07.2013)	<250,000	-	89	0	11	100
Top 5 Key Management Personnel (Non-Directors of the Company)						
Ms. Esther Tan Lay Lee	<250,000	-	89	11	0	100
Mr. Loh Siew Meng (Resigned on 30.05.2014)	<250,000	-	81	0	19	100
Mr. Andy Koh Swee Leong (Joined on 23.09.2013)	<250,000	-	100	0	0	100
Ms. Dawn Postans	<250,000	-	87	0	13	100
Ms. Phyllis Wong Wai Lan	<250,000	-	94	0	6	100

* *Mr Loi Hai Poh is an Executive Director, Chief Executive Officer. He is the Chairman of the Management Committee.*

** *These fees are subject to shareholders' approval as a lump sum at the Annual General Meeting for FY2014*

The Non-Executive Directors do not have service contracts. They are paid a basic fee as Directors and additional fees for serving on Board Committees. The Board may, if necessary, seek expert advice on the remuneration of all Directors.

The basis of allocation of the number of share options for Directors takes into account the Directors' contribution and additional responsibilities at Board Committees. Details of the Company's Executive Share Option Scheme and options granted to Directors are disclosed in the Directors' Report.

The aggregate amount of the total remuneration paid to the top five key managament personnel is S$630,848.

The remuneration of the Executive Director is however not fully disclosed but in bands of S$250,000 as the Company believes that disclosure may be prejudicial to its business interest given the highly competitive environment it is operating in.

There is no employee who is related to a Director or the CEO whose remuneration exceeds S$50,000 in the Group's employment for the financial year ended 31 March 2014.

Principle 10: Accountability and Audit

The Board is accountable to the Company's shareholders while Management is accountable to the Board. Quarterly and full year financial statements are presented by Management to the AC for its review. The AC then presents its findings on these financial statements and submits the same for approval by the Board. Upon the Board's approval, Management will release the financial results on a quarterly basis via SGXNET to the public for their information.

Principle 12: Audit and Risk Management Committee

The Audit and Risk Management Committee (the"AC") carries out the functions set out in the Code and the Companies Act. The AC comprises Non-Executive Directors and they are:

AC Chairman:	Mr Ung Gim Sei (Independent Director)
Members :	Professor Chew Soon Beng @ Teo Soon Beng (Independent Director) Ms Yau Su Peng (Non-Executive, Non-Independent Director)

The duties and responsibilities of the AC include the review of the following:

- financial statements, internal and external audit plans and reports;
- adequacy and effectiveness of the Company's internal controls;
- consistency of and significant changes to accounting policies and practices;
- adequacy of internal audit resources;
- appointment/removal of Head of Internal Audit;
- nomination of external auditors for appointment at the AGM;
- risk management structure and oversight of risk management process;
- independence and objectivity of external auditors; and
- interested person transactions.

The principal responsibility of the AC is to assist the Board in maintaining a 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 statements of the Company for any formal announcements. The AC governs and approves key financial policies and has the power to conduct or authorize investigations into any matters within its scope of responsibility.

In addition, the AC 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 which is under the purview and authority of the Chief Executive Officer ("CEO"). The AC aims at improving the system of operational controls and efficiency through reviews of operational performance matrix for every business sector against established benchmarks. It also oversees special projects such as corporate re-engineering review and the implementation of the recommendations arising from such reviews.

The AC is empowered to make recommendations to the Board on the appointment, re-appointment and removal of the external auditors, and to approve the remuneration and terms of engagement of the external auditors. For the Year, the AC, having reviewed the services provided by external auditors during the Year, is satisfied that there are no non-audit services provided to the Group and that the independence and objectivity of the external auditors are not affected. The fee payable to auditors is set out on page 64 of this annual report. The AC has recommended to the Board the nomination of Messrs Ernst & Young LLP for re-appointment by shareholders as external auditors of the Company at the forthcoming Annual General Meeting.

In appointing the audit firms for the Group, the AC is satisfied that the Company has complied with Rules 712 and 715 of the SGX-ST Listing Manual. In accordance with the requirements of Rule 716 thereof, the AC and the Board are satisfied that the appointment of auditors for some of its foreign subsidiaries would not compromise the standard and effectiveness of the audit of the Company.

Members of the AC have independent access to both the external auditors and the internal auditors. During the Year, the AC had meetings with the external and internal auditors without the presence of the Management. The AC has full discretion to invite any Director or executive officer of the Company to attend its meetings.

The AC is tasked to evaluate the findings of the Internal Auditors on the internal controls of the Group. It believes that the system of internal controls maintained by the Company could be further strengthened to safeguard the Company's assets.

To keep abreast of the changes in financial reporting standards and related issues which have a direct impact on financial statements, discussions are held with the external auditors where applicable when they attend the AC meetings quarterly.

Principle 11: Risk Management and Internal Controls
Principle 13: Internal Audit

The Board ensures that the Management maintains a sound system of internal controls and risk management to safeguard the shareholders' interests and the Company's assets.

All business units have a primary responsibility for managing their specific risk exposures based on the Group's guidelines. The Company has established an Enterprise Risk Management Framework ("ERM framework") for the purpose of addressing the operational, compliance, financial and information technology risks of the holding Company and its Singapore subsidiaries and is in the midst of executing it.

The AC is tasked to oversee the implementation of an effective system of internal controls as well as putting in place an ERM framework to continually identify, evaluate and manage significant business risks of the Group. Having considered the Group's business operations as well as its existing internal control and risk management systems, the Board is of the view that a separate risk committee is not required for the time being.

The Board will continue to review and ensure that there are adequate controls in the Group. Based on the internal controls established and maintained by the Group, work performed by the internal and external auditors, and reviews performed by Management, the Board with the concurrence of the AC, are of the opinion that the Group's internal controls, addressing financial, operational, compliance and information technology risks, could be further strengthened. The Internal Auditors will continue to monitor the enforcement of controls in these areas.

The Board has received assurance from the Chief Executive Officer and the Group Financial Controller that the financial records have been properly maintained and the financial statements give a true and fair view of the Company's operations and finances.

The Board notes that the system of internal controls provides reasonable, but not absolute, assurance that the Group will not be affected by any event that could be reasonably foreseen as it strives to achieve its business objectives. In this regard, the Board also notes that no system can provide absolute assurance against the occurrence of material errors, poor judgement in decision-making, human error, fraud or other irregularities.

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 put in place the Employee 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 through full disclosure of any conflict of interest and promoting ethical standards of conduct for all employees. The Whistle Blower policy is administered by the Internal Auditors and is included in the staff orientation programme.

Any person may file with the Head of Internal Audit who reports to the AC Chairman, a complaint alleging violation of the policy, together with all available supporting documents or other evidence to demonstrate a reason for believing that a violation had occurred. The relevant Head or his designate shall conduct a preliminary investigation. Thereafter, the Head shall refer the complaint to the AC Chairman for appropriate follow-up action to be taken. For FY2014, there have been no incidents pertaining to whistle-blowing reported.

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

The scope of work of the Internal Auditors covers the audit of all units and operations including the Company's overseas offices, subsidiaries, associates and franchisees. To further enhance the internal controls of the Group, the AC may engage an external audit firm to perform internal audit tasks from time to time.

Banking Committee

The Board has established a Banking Committee (the"BC"), the members of which are:-

BC Chairman:	Professor Chew Soon Beng (Independent Director)
Member:	Ms Yau Su Peng (Non-Executive, Non-Independent Director)
Member:	Mr Loi Hai Poh (Executive Director, Chief Executive Officer)

The duties and responsibilities of the BC are as follows:

- Reviewing and approving any change in authorised signatories and signing conditions for operating the banking accounts; and

- Ensuring that proper approval procedures are in place for the operation of the Company's bank accounts.

Principle 14: Communication with Shareholders
Principle 15: Greater Shareholder Participation
Principle 16: Conduct of Shareholder Meetings

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 Listing Manual of the SGX-ST and the Companies Act (Chapter 50).

All shareholders of the Company receive the Annual Report and Notice of the AGM. The Notice is advertised in a daily newspaper. At the AGM, shareholders are encouraged to ask questions on the Company's operating and financial performance and the resolutions that are being proposed.

In addition, shareholders are given the opportunity to communicate their views and encouraged to raise pertinent questions to the Board members and to vote at shareholders' meetings. The respective Chairmen of the AC, NC and RC are also present at shareholders' meetings to address relevant questions raised by the shareholders. 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's Articles of Association allows a member of the Company to appoint one or two proxies to attend and vote on behalf of the member. To better reflect shareholders' shareholding interest and ensure greater transparency, since 2013, all resolutions tabled at the AGM are voted by poll. The Company's articles allow any shareholder to appoint proxies during his absence, to attend and vote on his behalf at the general meetings. The Company does not permit voting in absentia by mail, facsimile or email due to the difficulty in verifying and ensuring authenticity of the vote.

Shareholders and potential investors are encouraged to visit the Company's website at www.informaticseducation.com for information on the Company.

The Company does not have a fixed dividend policy. The frequency and amount of dividends will depend on the Company's earnings, general financial condition, results of operations, capital requirements, cash flow and general business condition, development plans and other factors as the directors may deem appropriate.

Interested Person Transactions

There was no interested person transaction during the Year which falls under Rule 907 of the SGX-ST Listing Manual.

Material Contracts

There were no material contracts of the Company and its subsidiaries involving the interests of the Directors, Chief Executive Officer or the controlling shareholders and his/her associates that have subsisted at the end of the Year or have been entered into since the end of the Year.

Note:
"Associate" in relation to a Director, Chief Executive Officer or controlling shareholder means:

- his/her immediate family;
- the trustees of any trust of which he/her or his/her immediate family member is a beneficiary or, in the case of a discretionary trust, is a discretionary object; and
- any company in which he/her and his/her immediate family together (directly or indirectly) have an interest of 30% or more.

Dealings in Securities

In compliance with Listing Rule 1207(19) of the SGX-ST Listing Manual, the Group issues quarterly reminders to its Directors, officers and employees on the restrictions in dealings in listed securities of the Company during the period commencing (i) two weeks prior to the announcement of financial results of each of the first three quarters of the financial year, and (ii) one month before the announcement of full year results, and ending on the date of such announcements. Directors, officers and employees are also reminded not to trade in listed securities of the Company at any time while in possession of unpublished price sensitive information and to refrain from dealing in the Company's securities on short-term considerations.

In addition, the Directors and officers of the Company and Group are expected to observe insider trading laws at all times even when dealing in securities within the permitted trading period.

Financial Contents

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 and statement of changes in equity of the Company for the financial year ended 31 March 2014.

1. Directors

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

Dato' Robin Tan Yeong Ching
Mr Loi Hai Poh (appointed on 10.7.2013)
Professor Chew Soon Beng @ Teo Soon Beng
Ms Mae Ho Seok Khen
Mr Ung Gim Sei
Ms Yau Su Peng

2. Arrangements to enable directors to acquire shares or debentures

Except as described in section 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 and 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, Chapter 50, an interest in shares and share options of the Company and related corporations (other than wholly-owned subsidiaries) as stated below:

	Direct interest			Deemed interest		
Names of Director	**At the beginning of the financial year**	**At the end of the financial year**	**As at 21.4.2014**	**At the beginning of the financial year**	**At the end of the financial year**	**As at 21.4.2014**
The Company						
Ordinary shares						
Mr Ung Gim Sei	3,129,411	3,129,411	3,129,411	1,000,000	1,000,000	1,000,000
Professor Chew Soon Beng @ Teo Soon Beng	3,050,000	3,050,000	3,050,000	1,000,000	1,000,000	1,000,000

Mr Ung Gim Sei and Professor Chew Soon Beng @ Teo Soon Beng are deemed to be interested in the shares of the Company held by their spouses, respectively.

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

	Held by Directors				
	At the beginning of the financial year	At the end of the financial year	At 21.4.2014	Exercise price $	Exercise period
Options to subscribe for ordinary shares					
Mr Ung Gim Sei	200,000	200,000	200,000	0.125	16.02.2012 to 15.02.2016
Professor Chew Soon Beng @ Teo Soon Beng	200,000	200,000	200,000	0.125	16.02.2012 to 15.02.2016
Ms Mae Ho Seok Khen	34,000	34,000	34,000	0.125	16.02.2012 to 15.02.2016

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 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.

5. Share options

The Informatics Executives' 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 ("RC") comprising the following members:

RC Chairman	:	Professor Chew Soon Beng @ Teo Soon Beng (Independent Director)
Members	:	Mr Ung Gim Sei (Independent Director) Ms Yau Su Peng (Non-Executive Director)

No share options were granted by the Company during the current and previous financial year.

5. Share options (cont'd)

Details of all the outstanding options to subscribe for ordinary shares of the Company pursuant to the Scheme as at 31 March 2014 are as follows:

Offer date	Period during which options are exercisable	Exercise price $	Number of outstanding options to subscribe for ordinary shares
04.03.2010	05.03.2011 to 04.03.2015	0.045	227,000
15.02.2011	16.02.2012 to 15.02.2016	0.125	763,000
			990,000

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

	Options granted during the financial year	Aggregate options granted since commencement of Scheme to end of financial year	Aggregate options exercised since commencement of Scheme to end of financial year	Aggregate options lapsed since commencement of Scheme to end of financial year	Aggregate options outstanding at end of financial year
Options to subscribe for ordinary shares					
Mr Ung Gim Sei	–	3,437,067	(3,029,411)	(207,656)	200,000
Professor Chew Soon Beng @ Teo Soon Beng	–	2,800,000	(2,600,000)	–	200,000
Ms Mae Ho Seok Khen	–	34,000	–	–	34,000
	–	6,271,067	(5,629,411)	(207,656)	434,000

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. Audit and Risk Management Committee

The Audit and Risk Management Committee ("AC") comprises three members, all non-executive directors and majority of whom are independent directors. The members of the Committee are:

AC Chairman :	Mr Ung Gim Sei (Independent Director)
Members :	Professor. Chew Soon Beng @ Teo Soon Beng (Independent Director)
	Ms Yau Su Peng (Non-Executive Director)

The Audit and Risk Management Committee performed the functions specified in the Act. The functions performed are detailed in the Report on Corporate Governance.

7. Auditor

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

On behalf of the Board of Directors:

Dato' Robin Tan Yeong Ching
Director

Mr Loi Hai Poh
Director

Singapore
26 June 2014

STATEMENT BY DIRECTORS PURSUANT TO SECTION 201(15)

We, Dato' Robin Tan Yeong Ching and Mr Loi Hai Poh, being two of the directors of Informatics Education Ltd, do hereby state that, in the opinion of the directors,

(i) the accompanying balance sheets, consolidated income statement, consolidated statement of comprehensive income, statements of changes in equity, and consolidated cash flow statement together with notes thereto are drawn up 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 2014 and the results of the business, changes in equity and cash flows of the Group, and the changes in equity of the Company for the financial 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:

Dato' Robin Tan Yeong Ching
Director

Mr Loi Hai Poh
Director

Singapore
26 June 2014

Independent Auditor's Report to the Members of Informatics Education Ltd

Report on the financial statements

We have audited the accompanying financial statements of Informatics Education Ltd (the "Company") and its subsidiaries (collectively, the "Group") set out on pages 40 to 88, which comprise the balance sheets of the Group and the Company as at 31 March 2014, and the statements of changes in equity of the Group and the Company, the consolidated income statement, consolidated statement of comprehensive income and consolidated cash flow statement of the Group for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's responsibility for the financial statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Singapore Companies Act, Chapter 50 (the "Act") and Singapore Financial Reporting Standards, and for 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 accounts and balance sheets and to maintain accountability of assets.

Auditor's responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. 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 about 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 judgment, 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 of financial statements that give a true and fair view 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.

Opinion

In our opinion, the consolidated financial statements of the Group and the balance sheet and statement of changes in equity 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 2014 and the results, changes in equity and cash flows of the Group and the changes in equity of the Company for the year ended on that date.

Report on other legal and regulatory requirements

In our opinion, 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.

Ernst & Young LLP
Public Accountants and
Chartered Accountants
Singapore
26 June 2014

CONSOLIDATED INCOME STATEMENT

For the financial year ended 31 March 2014
(In Singapore Dollars)

	Note	2014 $'000	2013 $'000
Revenue	4	23,811	28,730
Other operating income		745	411
Employee benefits expense	5	(9,752)	(10,788)
Depreciation of property, plant and equipment	10	(1,053)	(1,064)
Other operating expenses	6	(13,758)	(14,517)
Interest income	7	235	212
Profit before taxation		228	2,984
Taxation	8	(64)	(101)
Profit for the year		164	2,883
Profit attributable to:			
Equity holders of the Company		164	2,883
Earnings per share attributable to equity holders of the Company (cents)	9		
Basic		0.01	0.20
Diluted		0.01	0.20

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

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the financial year ended 31 March 2014
(In Singapore Dollars)

	2014 $'000	2013 $'000
Profit for the year	164	2,883
Other comprehensive income:		
Foreign currency translation	71	(60)
Other comprehensive income for the year, net of tax	71	(60)
Total comprehensive income for the year	235	2,823
Total comprehensive income attributable to:		
Equity holders of the Company	235	2,823
	235	2,823

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

BALANCE SHEETS

As at 31 March 2014
(In Singapore Dollars)

	Note	Group 2014 $'000	Group 2013 $'000	Company 2014 $'000	Company 2013 $'000
Non-current assets					
Property, plant and equipment	10	1,015	1,822	381	691
Intangible assets	11	39	45	–	–
Investment in subsidiaries	12	–	–	20,074	22,359
Other investments	13	–	–	–	–
		1,054	1,867	20,455	23,050
Current assets					
Prepayments		640	791	124	163
Trade and other receivables	15	3,219	3,407	1,632	2,236
Restricted cash at bank	16	138	160	–	–
Cash and cash equivalents	16	29,707	32,119	1,521	3,240
		33,704	36,477	3,277	5,639
Current liabilities					
Deferred income and fees		4,872	6,968	336	370
Trade and other payables	17	6,172	7,882	1,361	4,509
Provision	18	270	270	148	148
Accruals for withholding tax		268	243	266	241
Income tax payable		26	16	–	–
		11,608	15,379	2,111	5,268
Net current assets		22,096	21,098	1,166	371
Total net assets		23,150	22,965	21,621	23,421
Equity attributable to equity holders of the Company					
Share capital	19	29,906	29,902	29,906	29,902
Reserves	20	(6,756)	(6,937)	(8,285)	(6,481)
Total equity		23,150	22,965	21,621	23,421

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

STATEMENTS OF CHANGES IN EQUITY

As at 31 March 2014
(In Singapore Dollars)

	Note	Attributable to equity holders of the Company					
		Share capital $'000	Employee share option reserve $'000	Translation reserve $'000	Accumulated losses $'000	Total reserves $'000	Total equity $'000
Group							
At 1 April 2013		29,902	124	(1,484)	(5,577)	(6,937)	22,965
Profit for the financial year		–	–	–	164	164	164
Other comprehensive income for the financial year		–	–	71	–	71	71
Total comprehensive income for the financial year		–	–	71	164	235	235
Shares issued due to exercise of employee share options	19	4	(2)	–	–	(2)	2
Write-back of equity-settled share options	20	–	(52)	–	–	(52)	(52)
Expiry of employee share options	20	–	(3)	–	3	–	–
At 31 March 2014		29,906	67	(1,413)	(5,410)	(6,756)	23,150
At 1 April 2012		29,566	394	(1,424)	(8,517)	(9,547)	20,019
Profit for the financial year		–	–	–	2,883	2,883	2,883
Other comprehensive income for the financial year		–	–	(60)	–	(60)	(60)
Total comprehensive income for the financial year		–	–	(60)	2,883	2,823	2,823
Shares issued due to exercise of employee share options	19	336	(131)	–	–	(131)	205
Write-back of equity-settled share options	20	–	(82)	–	–	(82)	(82)
Expiry of employee share options	20	–	(57)	–	57	–	–
At 31 March 2013		29,902	124	(1,484)	(5,577)	(6,937)	22,965

STATEMENTS OF CHANGES IN EQUITY

As at 31 March 2014
(In Singapore Dollars)

	Note	Share capital $'000	Employee share option reserve $'000	Accumulated losses $'000	Total reserves $'000	Total equity $'000
Company						
At 1 April 2013		29,902	124	(6,605)	(6,481)	23,421
Loss for the financial year		–	–	(1,750)	(1,750)	(1,750)
Other comprehensive income for the financial year		–	–	–	–	–
Total comprehensive income for the financial year		–	–	(1,750)	(1,750)	(1,750)
Shares issued due to exercise of employee share options	19	4	(2)	–	(2)	2
Write-back of equity-settled share options	20	–	(52)	–	(52)	(52)
Expiry of employee share options	20	–	(3)	3	–	–
At 31 March 2014		29,906	67	(8,352)	(8,285)	21,621
At 1 April 2012		29,566	394	(4,857)	(4,463)	25,103
Loss for the financial year		–	–	(1,805)	(1,805)	(1,805)
Other comprehensive income for the financial year		–	–	–	–	–
Total comprehensive income for the financial year		–	–	(1,805)	(1,805)	(1,805)
Shares issued due to exercise of employee share options	19	336	(131)	–	(131)	205
Write-back of equity-settled share options	20	–	(82)	–	(82)	(82)
Expiry of employee share options	20	–	(57)	57	–	–
At 31 March 2013		29,902	124	(6,605)	(6,481)	23,421

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

CONSOLIDATED CASH FLOW STATEMENT

For the financial year ended 31 March 2014
(In Singapore Dollars)

	Note	2014 $'000	2013 $'000
Cash flow from operating activities			
Profit before taxation		228	2,984
Adjustments for:			
Depreciation of property, plant and equipment	10	1,053	1,064
Amortisation of intangible assets	11	37	42
Net loss on disposal of property, plant and equipment	6	1	17
Allowance for doubtful receivables	6	495	206
Bad debts written-off	6	81	184
Gain on liquidation of a subsidiary (Note A)	6	–	(144)
Employee share option write-back	5	(52)	(82)
Interest income	7	(235)	(212)
Unrealised exchange (gain)/loss		(157)	186
Operating profit before working capital changes		1,451	4,245
Increase in prepayments, trade and other receivables		(228)	(273)
Decrease in cash held in escrow account		22	51
Decrease in deferred income and fees		(2,096)	(1,891)
Decrease in trade and other payables and accruals for withholding tax		(1,710)	(651)
Cash (used in)/generated from operations		(2,561)	1,481
Interest received		226	313
Tax paid		(29)	(9)
Net cash flows (used in)/generated from operating activities		(2,364)	1,785
Cash flow from investing activities			
Purchase of property, plant and equipment	10	(231)	(1,131)
Expenditure on intangible assets	11	(25)	(28)
Proceeds from disposal of property, plant and equipment		3	74
Net cash used in investing activities		(253)	(1,085)
Cash flow from financing activity			
Proceeds from exercise of employee share options	19	2	205
Net cash generated from financing activity		2	205
Net (decrease)/increase in cash and cash equivalents		(2,615)	905
Cash and cash equivalents at beginning of the financial year		32,119	31,309
Effects of exchange rate changes on opening cash and cash equivalents		203	(95)
Cash and cash equivalents at end of the financial year	16	29,707	32,119

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

Note A. Liquidation of subsidiary

During the previous financial year, the Group's wholly-owned subsidiary, Informatics Consultancy (Shanghai) Co., Ltd was placed under members' voluntary liquidation.

The effects of the liquidation of the subsidiary on the consolidated statement of cash flows were:

	2014 $'000	2013 $'000
Net identifiable liabilities upon liquidation of subsidiary	–	(144)
Gain on liquidation of subsidiary	–	144
Total considerations from liquidation of subsidiary	–	–
Cash and cash equivalents disposed upon liquidation of subsidiary	–	–
Cash outflow upon liquidation of subsidiary	–	–

Gain on liquidation of subsidiary was recognised in income statement under the line item "other operating expenses".

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

1. Corporate information

Informatics Education Ltd (the "Company") is a limited liability company domiciled and incorporated in Singapore and is listed on the Singapore Exchange Securities Trading Limited ("SGX-ST"). The registered office and principal place of business of the Company is located at 133 Middle Road, #05-01 BOC Plaza, Singapore 188974.

The principal activities of the Company are those of investment holding, franchisor and licensor for computer and commercial training centres and examination facilitators. The Company also operates under the names, "Informatics Academy International", "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 disclosed in Note 12 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 and statement of changes in equity of the Company have been prepared in accordance with Singapore Financial Reporting Standards ("FRS").

The financial statements have been prepared on the historical cost basis, except as disclosed in the accounting policies below.

The financial statements are presented in Singapore Dollars (SGD or $) and all values in the tables are rounded to the nearest thousand ($'000) as indicated.

2.2 *Changes in accounting policies*

The accounting policies adopted are consistent with those of the previous financial year except in the current financial year, the Group has adopted all the new and revised standards which are effective for annual financial periods beginning on or after 1 April 2013 and early adopted the Amendments to FRS 36 *Recoverable Amount Disclosures for Non-financial Assets* which are effective for annual periods beginning on or after 1 January 2014. The adoption of these standards did not have any effect on the financial performance or position of the Group and the Company.

2.3 *Standards issued but not yet effective*

The Group has not adopted the following relevant standards that have been issued but not yet effective:

Description	Effective for annual periods beginning on or after
Revised FRS 27 Separate Financial Statements	1 January 2014
Revised FRS 28 Investments in Associates and Joint Ventures	1 January 2014
FRS 110 Consolidated Financial Statements	1 January 2014
FRS 112 Disclosure of Interests in Other Entities	1 January 2014
Amendments to FRS 32 Offsetting of Financial Assets and Financial Liabilities	1 January 2014
Amendments to the transition guidance of FRS 110 Consolidated Financial Statements, FRS 111 Joint arrangements and FRS 112 Disclosure of Interests in Other Entities	1 January 2014
Amendments to FRS 19 Defined Benefit Plans: Employee Contributions	1 July 2014
Improvements to FRSs 2014	
- Amendment to FRS 102 Share-based Payment	1 July 2014
- Amendment to FRS 103 Business Combinations	1 July 2014
- Amendment to FRS 108 Operating Segments	1 July 2014
- Amendment to FRS 16 Property, Plant and Equipment	1 July 2014
- Amendment to FRS 24 Related Party Disclosures	1 July 2014
- Amendment to FRS 38 Intangible Assets	1 July 2014
- Amendment to FRS 113 Fair Value Measurement	1 July 2014

The directors expect that the adoption of the standards above will have no material impact on the financial statements in the period of initial application.

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

2.4 Basis of consolidation and business combinations

(a) *Basis of consolidation*

Basis of consolidation from 1 January 2010

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at the end of the reporting period. The financial statements of the subsidiaries used in the preparation of the consolidated financial statements are prepared for the same reporting date as the Company. Consistent accounting policies are applied to like transactions and events in similar circumstances.

All intra-group balances, income and expenses and unrealised gains and losses resulting from intra-group transactions and dividends are eliminated in full.

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.

Losses within a subsidiary are attributed to the non-controlling interest even if that results in a deficit balance.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:

- De-recognises the assets (including goodwill) and liabilities of the subsidiary at their carrying amounts at the date when control is lost;
- De-recognises the carrying amount of any non-controlling interest;
- De-recognises the cumulative translation differences recorded in equity;
- Recognises the fair value of the consideration received;
- Recognises the fair value of any investment retained;
- Recognises any surplus or deficit in income statement;
- Re-classifies the Group's share of components previously recognised in other comprehensive income to income statement or retained earnings, as appropriate.

Basis of consolidation prior to 1 January 2010

Certain of the above-mentioned requirements were applied on a prospective basis. The following differences, however, are carried forward in certain instances from the previous basis of consolidation:

- Acquisition of non-controlling interests, prior to 1 January 2010, were accounted for using the parent entity extension method, whereby, the difference between the consideration and the book value of the share of the net assets acquired were recognised in goodwill.
- Losses incurred by the Group were attributed to the non-controlling interest until the balance was reduced to nil. Any further losses were attributed to the Group, unless the non-controlling interest had a binding obligation to cover these. Losses prior to 1 January 2010 were not reallocated between non-controlling interest and the owners of the Company.
- Upon loss of control, the Group accounted for the investment retained at its proportionate share of net asset value at the date control was lost. The carrying value of such investments as at 1 January 2010 have not been restated.

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

2.4 ***Basis of consolidation and business combinations (cont'd)***

(b) *Business combinations*

Business combinations from 1 January 2010

Business combinations are accounted by applying the acquisition method. Identifiable assets acquired and liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. Acquisition-related costs are recognised as expenses in the periods in which the costs are incurred and the services are received.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

Any contingent consideration to be transferred by the acquirer will be recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration which is deemed to be an asset or liability, will be recognised in accordance with FRS 39 either in income statement or as a change to other comprehensive income. If the contingent consideration is classified as equity, it is not remeasured until it is finally settled within equity.

In business combinations achieved in stages, previously held equity interests in the acquiree are remeasured to fair value at the acquisition date and any corresponding gain or loss is recognised in income statement.

The Group elects for each individual business combination, whether non-controlling interest in the acquiree (if any), that are present ownership interests and entitle their holders to a proportionate share of net assets in the event of liquidation, is recognised on the acquisition date at fair value, or at the non-controlling interest's proportionate share of the acquiree's identifiable net assets. Other components of non-controlling interests are measured at their acquisition date fair value, unless another measurement basis is required by another FRS.

Any excess of the sum of the fair value of the consideration transferred in the business combination, the amount of non-controlling interest in the acquiree (if any), and the fair value of the Group's previously held equity interest in the acquiree (if any), over the net fair value of the acquiree's identifiable assets and liabilities is recorded as goodwill. In instances where the latter amount exceeds the former, the excess is recognised as gain on bargain purchase in income statement on the acquisition date.

In comparison to the above mentioned requirements, the following differences applied:

Business combinations are accounted for by applying the purchase method. Transaction costs directly attributable to the acquisition formed part of the acquisition costs. The non-controlling interest (formerly known as minority interest) was measured at the proportionate share of the acquiree's identifiable net assets.

Business combinations achieved in stages were accounted for as separate steps. Adjustments to those fair values relating to previously held interests are treated as a revaluation and recognised in equity. Any additional acquired share of interest did not affect previously recognised goodwill.

When the Group acquired a business, embedded derivatives separated from the host contract by the acquiree were not reassessed on acquisition unless the business combination resulted in a change in the terms of the contract that significantly modified the cash flows that otherwise would have been required under the contract.

Contingent consideration was recognised if, and only if, the Group had a present obligation, the economic outflow was more likely than not and a reliable estimate was determinable. Subsequent adjustments to the contingent consideration were recognised as part of goodwill.

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

2.5 ***Transactions with non-controlling interests***

Non-controlling interest represents the equity in subsidiaries not attributable, directly or indirectly, to owners of the Company, and are presented separately in the consolidated statement of comprehensive income and within equity in the consolidated balance sheet, separately from equity attributable to owners of the Company.

Changes in the Company's ownership interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions. In such circumstances, the carrying amounts of the controlling and non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiary. Any difference between the amount by which the non-controlling interest is adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributable to owners of the Company.

2.6 ***Foreign currency***

The financial statements are presented in Singapore Dollars, which is also the Company's functional currency. Each entity in the Group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency.

(a) *Transactions and balances*

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 rate of exchange ruling at the end of the reporting period. 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 measured.

Exchange differences arising on the settlement of monetary items or on translating monetary items at the end of the reporting period are recognised in income statement except for exchange differences arising on monetary items that form part of the Group's net investment in foreign operations, which are recognised initially in other comprehensive income and accumulated under translation reserve in equity. The translation reserve is reclassified from equity to income statement of the Group on disposal of the foreign operation.

(b) *Consolidated financial statements*

For consolidation purpose, the assets and liabilities of foreign operations are translated into SGD at the rate of exchange ruling at the end of the reporting period and their income statement are translated at the exchange rates prevailing at the date of the transactions. The exchange differences arising on the translation are recognised in other comprehensive income. On disposal of a foreign operation, the component of other comprehensive income relating to that particular foreign operation is recognised in income statement.

In the case of a partial disposal without loss of control of a subsidiary that includes a foreign operation, the proportionate share of the cumulative amount of the exchange differences are re-attributed to non-controlling interest and are not recognised in income statement. For partial disposals of associates or jointly controlled entities that are foreign operations, the proportionate share of the accumulated exchange differences is reclassified to income statement.

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

2.7 *Property, plant and equipment*

All items of property, plant and equipment are initially recorded at cost. The cost includes the cost of replacing part of the property, plant and equipment and borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying property, plant and equipment. 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 other than freehold land and building are measured at cost less accumulated depreciation and any accumulated impairment losses.

When significant parts of property, plant and equipment are required to be replaced in intervals, the Group recognises such parts as individual assets with specific useful lives and depreciation, respectively. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in income statement as incurred.

Freehold land has an unlimited useful life and therefore is not depreciated. Depreciation is computed on a straight-line basis over the estimated useful lives of the assets as follows:

Buildings	-	Shorter of 50 years or lease period
Furniture and fittings, office and computer equipment	-	3 to 5 years
Improvement to premises	-	3 to 4 years
Training aids	-	3 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 value, useful life and depreciation method are reviewed at each financial year-end, and adjusted prospectively, if appropriate.

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 income statement in the year the asset is derecognised.

2.8 *Intangible assets*

Intangible assets acquired separately are measured initially at cost. The cost of intangible assets acquired in a business combination is their fair value as at the date of acquisition. Following initial acquisition, intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses.

The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite useful lives are amortised over the estimated useful lives and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method are reviewed at least at each financial year-end. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset is accounted for by changing the amortisation period or method, as appropriate, and are treated as changes in accounting estimates.

Intangible assets with indefinite useful lives or not yet available for use are tested for impairment annually, or more frequently if the events and circumstances indicate that the carrying value may be impaired either individually or at the cash-generating unit level. Such intangible assets are not amortised. The useful life of an intangible asset with an indefinite useful life is reviewed annually to determine whether the useful life assessment continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in income statement when the asset is derecognised.

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

2.8 ***Intangible assets (cont'd)***

Development costs

Deferred development costs arising from development expenditures on an individual project are recognised as an intangible asset when the Group can demonstrate the technical feasibility of completing the intangible asset so that it will be available for use or sale, its intention to complete and its ability to use or sell the asset, how the asset will generate future economic benefits, the availability of resources to complete and the ability to measure reliably the expenditures during the development.

Following initial recognition of the deferred development costs as an intangible asset, it is carried at cost less accumulated amortisation and any accumulated impairment losses. Amortisation of the intangible asset begins when development is complete and the asset is available for use. Deferred development costs have a finite useful life and are amortised over 3 years on a straight line basis.

2.9 ***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.

2.10 ***Other investments***

The Group's other investments are classified as available-for-sale financial assets.

The accounting policy for such financial assets is stated in Note 2.12.

2.11 ***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 an annual impairment assessment 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 of disposal 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 group of assets. In assessing value in use, the estimated future cash flows expected to be generated by the asset are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples or other available fair value indicators. Where the carrying amount of an asset or cash-generating unit exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

The Group bases its impairment calculation on detailed budgets and forecast calculations which are prepared separately for each of the Group's cash-generating units to which the individual assets are allocated. These budgets and forecast calculations are generally covering a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year.

Impairment losses are recognised in income statement. 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. If such indication exists, the Group estimates the asset's or cash-generating unit's recoverable amount. 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 increase cannot exceed the carrying amount, that would have been determined, net of depreciation, had no impairment loss been recognised previously. Such reversal is recognised in income statement.

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

2.12 *Financial instruments*

(a) *Financial assets*

Initial recognition and measurement

Financial assets are recognised when, and only when, the Group becomes a party to the contractual provisions of the financial instrument. The Group determines the classification of its financial assets at initial recognition.

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.

Subsequent measurement

The subsequent measurement of financial assets depends on their classification as follows:

(i) 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. Subsequent to initial recognition, loans and receivables are measured at amortised cost using the effective interest method, less impairment. Gains and losses are recognised in income statement when the loans and receivables are derecognised or impaired, and through the amortisation process.

(ii) Available-for-sale financial assets

Available-for-sale financial assets include equity and debt securities. Equity investments classified as available-for-sale are those, which are neither classified as held for trading nor designated at fair value through profit or loss. Debt securities in this category are those which are intended to be held for an indefinite period of time and which may be sold in response to needs for liquidity or in response to changes in market conditions.

After initial recognition, available-for-sale financial assets are subsequently measured at fair value. Any gains or losses from changes in fair value of the financial assets are recognised in other comprehensive income, except that impairment losses, foreign exchange gains and losses on monetary instruments and interest calculated using the effective interest method are recognised in income statement. The cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to income statement as a reclassification adjustment when the financial asset is derecognised.

Investments in equity instruments whose fair value cannot be reliably measured are measured at cost less impairment loss.

Derecognition

A financial asset is derecognised where the contractual right to receive cash flows from the asset has expired. On derecognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received and any cumulative gain or loss that had been recognised in other comprehensive income is recognised in income statement.

Regular way purchase or sale of a financial asset

All regular way purchases and sales of financial assets are recognised or derecognised on the trade date i.e., the date that the Group commits to purchase or sell the asset. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the period generally established by regulation or convention in the marketplace concerned.

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

2.12 ***Financial instruments (cont'd)***

(b) *Financial liabilities*

Initial recognition and measurement

Financial liabilities are recognised when, and only when, the Group becomes a party to the contractual provisions of the financial instrument. The Group determines the classification of its financial liabilities at initial recognition.

All financial liabilities are recognised initially at fair value plus in the case of financial liabilities not at fair value through profit or loss, directly attributable transaction costs.

Subsequent measurement

Financial liabilities at amortised cost

After initial recognition, financial liabilities are subsequently measured at amortised cost using the effective interest method. Gains and losses are recognised in income statement when the liabilities are derecognised, and through the amortisation process.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in income statement.

(c) *Offsetting of financial instruments*

Financial assets and financial liabilities are offset and the net amount is presented in the balance sheets, when and only when, there is a currently enforceable legal right to set off the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

2.13 ***Impairment of financial assets***

The Group assesses at each reporting date whether there is any objective evidence that a financial asset is impaired.

(a) *Financial assets carried at amortised cost*

For financial assets carried at amortised cost, the Group first assesses whether objective evidence of impairment exists individually for financial assets that are individually significant, or collectively for financial assets that are not individually significant. If the Group determines that no objective evidence of impairment exists for an individually assessed financial asset, whether significant or not, it includes the asset in a group of financial assets with similar credit risk characteristics and collectively assesses them for impairment. Assets that are individually assessed for impairment and for which an impairment loss is, or continues to be recognised are not included in a collective assessment of impairment.

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. If a loan has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate. The carrying amount of the asset is reduced through the use of an allowance account. The impairment loss is recognised in income statement.

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

2.13 *Impairment of financial assets (cont'd)*

(a) *Financial assets carried at amortised cost (cont'd)*

When the asset becomes uncollectible, the carrying amount of impaired financial asset 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 amount of the asset does not exceed its amortised cost at the reversal date. The amount of reversal is recognised in income statement.

(b) *Available-for-sale financial assets*

In the case of equity instruments classified as available-for sale, objective evidence of impairment include (i) significant financial difficulty of the issuer or obligor, (ii) information about significant changes with an adverse effect that have taken place in the technological, market, economic or legal environment in which the issuer operates, and indicates that the cost of the investment in equity instrument may not be recovered; and (iii) a significant or prolonged decline in the fair value of the investment below its costs. 'Significant' is to be evaluated against the original cost of the investment and 'prolonged' against the period in which the fair value has been below its original cost.

If an available-for-sale financial asset is impaired, an amount comprising the difference between its acquisition cost (net of any principal repayment and amortisation) and its current fair value, less any impairment loss previously recognised in income statement, is transferred from other comprehensive income and recognised in income statement.

Reversals of impairment losses in respect of equity instruments are not recognised in income statement; increase in their fair value after impairment are recognised directly in other comprehensive income.

2.14 *Cash and cash equivalents*

Cash and cash equivalents comprise cash at bank and on hand, demand deposits and short-term, highly liquid investments that are readily convertible to known amount of cash and which 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 equivalents exclude cash and deposits which are restricted in use.

2.15 *Provisions*

Provisions are recognised when the Group has a present obligation (legal or constructive) 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 the amount of the obligation can be estimated reliably.

Provisions are reviewed at the end of each reporting period 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. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

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

2.16 *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 defined contribution 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 the employees. The estimated liability for leave is recognised for services rendered by employees up to the end of the reporting period.

(c) *Employee share option plans*

Eligible employees of the Group receive remuneration in the form of share options as consideration for services rendered.

The cost of these equity-settled share based payment transactions with employees is measured by reference to the fair value of the options at the date on which the options are granted which takes into account market conditions and non-vesting conditions. This cost is recognised in income statement, with a corresponding increase in the employee share option reserve, over the vesting period. The cumulative expense recognised 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 options that will ultimately vest. The charge or credit to income statement for a period represents the movement in cumulative expense recognised as at the beginning and end of that period and is recognised in employee benefits expense.

No expense is recognised for options that do not ultimately vest, except for options where vesting is conditional upon a market or non-vesting condition, which are treated as vested irrespective of whether or not the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied. In the case where the option does not vest as the result of a failure to meet a non-vesting condition that is within the control of the Group or the employee, it is accounted for as a cancellation. In such case, the amount of the compensation cost that otherwise would be recognised over the remainder of the vesting period is recognised immediately in income statement upon cancellation. The employee share option reserve is transferred to retained earnings upon expiry of the share options. When the options are exercised, the employee share option reserve is transferred to share capital if new shares are issued.

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

2.17 *Government grants*

Government grants are recognised when there is reasonable assurance that the grant will be received and all attaching conditions will be complied with. Where the grant relates to an asset, the fair value is recognised as deferred capital grant on the balance sheet and is amortised to income statement over the expected useful life of the relevant asset by equal annual instalments.

Government grants related to income

Government grant shall be recognised in income statement on a systematic basis over the periods in which the entity recognises as expenses the related costs for which the grants are intended to compensate. Grants related to staff costs are presented as a credit to "Employee benefits expense" in the income statement.

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

2.18 ***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, regardless of when the payment is made. Revenue is measured at the fair value of consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duty. The Group assesses its revenue arrangements to determine if it is acting as principal or agent. The following specific recognition criteria must also be met before revenue is recognised:

(a) *Course fees*

Course fee is generally recognised as revenue over the duration of the course. For courses hosted on the e-learning portal, course fee is recognised as revenue over the period access is granted, which typically coincides with the duration of the course. Fees received prior to the commencement of the courses are recorded as fees received in advance in the balance sheet.

(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 stage of completion of 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 collectability is certain. Recurring franchise fee is recognised as revenue on a monthly basis, determined as a percentage of revenue generated by the franchisees.

(d) *Licence fees*

Licence fee is recognised as revenue evenly over the duration of the agreement. Accreditation fee from potential licensee is recognised upon completion and issuance of accreditation report.

(e) *Rental income*

Rental income is recognised on a straight-line basis over the term of the rental period.

(f) *Interest income*

Interest income is recorded using the effective interest method.

2.19 ***Leases***

The determination of whether an arrangement is, or contains a lease is based on the substance of the arrangement at inception date: whether fulfilment of the arrangement is dependent on the use of a specific asset or assets or the arrangement conveys a right to use the asset, even if that right is not explicitly specified in an arrangement.

As lessee

Operating lease payments are recognised as an expense in income statement 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. Summary of significant accounting policies (cont'd)

2.20 ***Taxes***

(a) *Current income tax*

Current income tax assets and liabilities for the current and prior years 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 at the end of the reporting period, in the countries where the Group operates and generates taxable income.

Current income taxes are recognised in income statement except to the extent that the tax relates to items recognised outside income statement, either in other comprehensive income or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

(b) *Deferred tax*

Deferred tax is provided, using the liability method, on all temporary differences at the end of the reporting period between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

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

(i) where the deferred tax liability arises from the initial recognition of goodwill or 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; and

(ii) in respect of taxable 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 and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised except:

(i) where the deferred tax asset relating to the deductible temporary difference 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; and

(ii) in respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period 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 the end of each reporting period and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in 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 end of each reporting period.

Deferred tax relating to items recognised outside income statement is recognised outside income statement. Deferred tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity and deferred tax arising from a business combination is adjusted against goodwill on acquisition.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current income tax assets against current income tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

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

2.20 *Taxes (cont'd)*

(b) *Deferred tax (cont'd)*

Tax benefits acquired as part of a business combination, but not satisfying the criteria for separate recognition at that date, would be recognised subsequently if new information about facts and circumstances changed. The adjustment would either be treated as a reduction to goodwill (as long as it does not exceed goodwill) if it incurred during the measurement period or in income statement.

(c) *Sales tax*

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

(i) 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

(ii) 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*

For management reporting purposes, the Group is organised into operating segments based on their products and services which are independently managed by the respective segment managers responsible for the performance of the respective segments under their charge. The segment managers report directly to the management of the Company who regularly review the segment results in order to allocate resources to the segments and to assess the segment performance. Additional disclosures on each of these segments are shown in Note 23, including the factors used to identify the reportable segments and the measurement basis of segment information.

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 deducted against share capital.

2.23 *Contingencies*

A contingent liability is:

(a) a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group; or

(b) a present obligation that arises from past events but is not recognised because:

(i) It is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or

(ii) The amount of the obligation cannot be measured with sufficient reliability.

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

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

2.23 *Contingencies (cont'd)*

Contingent liabilities and assets are not recognised on the balance sheet of the Group, except for contingent liabilities assumed in a business combination that are present obligations and which the fair values can be reliably determined.

2.24 *Related parties*

A related party is defined as follows:

(a) A person or a close member of that person's family is related to the Group and Company if that person:

- (i) Has control or joint control over the Company;
- (ii) Has significant influence over the Company; or
- (iii) Is a member of the key management personnel of the Group or Company or of a parent of the Company.

(b) An entity is related to the Group and the Company if any of the following conditions applies:

- (i) The entity and the Company are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).
- (ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).
- (iii) Both entities are joint ventures of the same third party.
- (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.
- (v) The entity is a post-employment benefit plan for the benefit of employees of either the Company or an entity related to the Company. If the Company is itself such a plan, the sponsoring employers are also related to the Company;
- (vi) The entity is controlled or jointly controlled by a person identified in (a);
- (vii) A person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).

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 end of each reporting period. However, uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in the future periods.

3.1 *Judgements made in applying accounting policies*

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

Development costs

Development costs are capitalised in accordance with the accounting policy in Note 2.8. Initial capitalisation of costs is based on management's judgement that economical feasibility is confirmed when the development project has reached a defined milestone according to an established project management model. In determining the amounts to be capitalised, management makes assumptions regarding the expected future cash generation of the project, discount rates to be applied and the expected period of benefits. The carrying amount of development costs capitalised at the end of the reporting period was $39,000 (2013: $45,000).

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

3.1 *Judgements made in applying accounting policies (cont'd)*

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 as at 31 March 2014 was $26,000 (2013: $16,000). The carrying amount of the Group's deferred tax assets as at 31 March 2014 was $nil (2013: $nil).

3.2 *Key sources of estimation uncertainty*

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting period are discussed below. The Group based its assumptions and estimates on parameters available when the financial statements was prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

Useful lives of plant and equipment

The cost of plant and equipment are depreciated on a straight-line basis over the plant and equipment's estimated economic useful lives. Management estimates the useful lives of these plant and equipment to be within 3 and 6 years. 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. The carrying amount of the Group's plant and equipment as at 31 March 2014 was $1,015,000 (2013: $1,822,000). A 5% difference in the expected useful lives of these assets from management's estimates would result in approximately 18% or $42,000 (2013:1% or $19,000) variance in the Group's profit before taxation.

Impairment of loans and receivables

The Group accesses at the end of each reporting period whether there is any objective evidence that a financial asset is impaired. To determine whether there is objective evidence of impairment, the Group considers factors such as the probability of insolvency or significant financial difficulties of the debtor and default or significant delay in payments.

Where there is objective evidence of impairment, the amount and timing of future cash flows are estimated based on historical loss experience for assets with similar credit risk characteristics. The carrying amount of the Group's loans and receivable at the end of the reporting period is disclosed in Note 24 to the financial statements.

Recognition of examination fees revenue

Examination fees are recognised as revenue when examination services are substantially rendered. 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. The proportion is derived based on the cost incurred for the respective services.

4. Revenue

	Group	
	2014	2013
	$'000	$'000
Course and examination fees[1]	23,669	28,388
Franchise and license fee income	136	339
Rental income	6	3
	23,811	28,730

[1] This includes reversal of fees received in advance amounting to approximately $461,000 (2013: $2,688,000) during the year. The amounts were written back to the income statement as the courses were not completed within certain time period or the students have dropped out from their courses.

5. Employee benefits expense

	Group	
	2014	2013
	$'000	$'000
Employee benefits expense (including key management personnel):		
- salaries and bonuses	8,892	9,959
- defined contribution plan contributions	912	911
- employee share option write-back	(52)	(82)
	9,752	10,788

Employee share option plan

The Company has an employee share option scheme, The Informatics Executives' 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 ("RC") comprising the following members:

RC Chairman	:	Professor Chew Soon Beng @ Teo Soon Beng (Independent Director)
Members	:	Mr Ung Gim Sei (Independent Director)
		Ms Yau Su Peng (Non-Executive Director)

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 the nominal value of a share.

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.

There are no cash settlement alternatives in the Scheme.

5. Employee benefits expense (cont'd)

Movement of share options during the financial year

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 2014	Weighted average exercise price in financial year 2014 $	No. of options in financial year 2013	Weighted average exercise price in financial year 2013 $
Outstanding at beginning of year	2,289,000	0.091	11,732,500	0.060
Exercised during the year [1]	(72,500)	0.032	(4,949,596)	0.041
Forfeited during the year	(1,031,000)	0.093	(3,159,750)	0.064
Expired during the year [2]	(195,500)	0.023	(1,334,154)	0.061
Outstanding at end of year	990,000	0.107	2,289,000	0.091
Exercisable at end of year	990,000	0.107	1,940,500	0.085

[1] The weighted average share price at the date of exercise of the options exercised during the year was $0.0896 (2013: $0.0862).

[2] The weighted average remaining contractual life for the share options outstanding at the end of the year is 1.66 years (2013: 2.37 years).

Details of outstanding share options as at 31 March 2014 are as follows:

Offer date	Period during which options are exercisable	Exercise price $	Number of outstanding options to subscribe for ordinary shares $
04.03.2010	05.03.2011 to 04.03.2015	0.045	227,000
15.02.2011	16.02.2012 to 15.02.2016	0.125	763,000
			990,000

Fair value of share options granted

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. There were no new share options granted during the current and previous financial year.

6. Other operating expenses

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

	Note	Group 2014 $'000	Group 2013 $'000
Audit fees to:			
- Auditors of the Company		125	125
- Other auditors		60	87
Non-audit fees to:			
- Other auditors		6	8
Amortisation of intangible assets	11	37	42
Net loss on disposal of property, plant and equipment		1	17
Gain on liquidation of subsidiaries		–	(144)
Allowance for doubtful receivables	15	495	206
Bad debts written-off		81	184
Foreign exchange (gain)/loss, net		(57)	189
Operating lease expenses	22	2,919	3,227
Franchising and licensing, accreditation, registration and assessment fees		5,026	5,104
Reversal of accrued operating expenses [1]		(658)	(724)
Training costs and materials		311	393
Selling and promotion costs		3,305	3,570
Utility charges		279	205

[1] Accrued operating expenses relates to accrual for university fee, examination costs and other miscellaneous costs. During the current financial year, the accruals were revised downwards based on expected billings using latest available information.

7. Interest income

	Group 2014 $'000	Group 2013 $'000
Bank balances and deposits	235	212

8. Taxation

The major components of income tax for the financial years ended 31 March are as follows:

	Note	Group 2014 $'000	Group 2013 $'000
Current income tax:			
- current year		39	9
Deferred income tax			
- origination and reversal of temporary differences	14	–	37
Foreign withholding tax expense		25	55
Income tax expense recognised in income statement		64	101

The reconciliation between tax expense and the product of profit before taxation multiplied by the applicable corporate tax rates for the financial years ended 31 March is as follows:

	2014 $'000	2013 $'000
Profit before taxation	228	2,984
Tax at the domestic rates applicable to profits in the countries where the Group operates	51	(34)
Adjustments:		
Income not subject to taxation	(65)	(137)
Non-deductible expenses	131	379
Deferred tax benefits not recognised	165	294
Foreign withholding tax expense	25	55
Benefits from previously unrecognised capital allowances and tax losses	(253)	(448)
Others	10	(8)
Income tax expense recognised in income statement	64	101

9. Earnings per share

Basic earnings per share are calculated by dividing the profit for the financial year, net of tax, attributable to equity holders of the Company by the weighted average number of ordinary shares outstanding during the financial year.

Diluted earnings per share are calculated by dividing the profit for the financial year, net of tax, attributable to equity holders of the Company by the weighted average number of ordinary shares outstanding during the financial year plus the weighted average number of ordinary shares that would be issued on the conversion of all the dilutive potential ordinary shares into ordinary shares.

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

	Group	
	2014	2013
	$'000	$'000
Profit for the financial year attributable to equity holders of the Company	164	2,883

	Number of shares	
	2014	2013
	'000	'000
Weighted average number of ordinary shares for basic earnings per share computation	1,444,252	1,440,703
Effects of dilution:		
- share options	117	613
Weighted average number of ordinary shares for diluted earnings per share computation	1,444,369	1,441,316

763,000 (2013: 1,394,000) share options granted to employees under the existing employee share option plans have not been included in the calculation of diluted earnings per share because they are anti-dilutive.

Since the end of the financial year, no senior executives have exercised the options to acquire shares. There have been no other transactions involving ordinary shares or potential ordinary shares since the reporting date and before the completion of these financial statements.

The basic and diluted earnings per share are calculated by dividing the profit for the year attributable to equity holders of the Company by the weighted average number of ordinary shares for basic earnings per share computation and weighted average number of ordinary shares for diluted earnings per share computation respectively.

10. Property, plant and equipment

	Furniture and fittings, office and computer equipment $'000	Improvement to premises $'000	Training aids $'000	Motor vehicles $'000	Total $'000
Group					
Cost:					
At 1 April 2012	4,838	1,823	354	113	7,128
Additions	956	174	1	–	1,131
Disposals	(1,043)	(633)	(77)	(113)	(1,866)
Exchange differences	(47)	(9)	–	–	(56)
At 31 March 2013 and 1 April 2013	4,704	1,355	278	–	6,337
Additions	217	14	–	–	231
Disposals	(464)	–	–	–	(464)
Exchange differences	74	14	–	–	88
At 31 March 2014	4,531	1,383	278	–	6,192
Accumulated depreciation and impairment:					
At 1 April 2012	3,986	919	307	67	5,279
Charge for the financial year	639	390	35	–	1,064
Disposals	(1,038)	(593)	(77)	(67)	(1,775)
Exchange differences	(44)	(9)	–	–	(53)
At 31 March 2013 and 1 April 2013	3,543	707	265	–	4,515
Charge for the financial year	630	410	13	–	1,053
Disposals	(460)	–	–	–	(460)
Exchange differences	64	5	–	–	69
At 31 March 2014	3,777	1,122	278	–	5,177
Net carrying amount:					
At 31 March 2014	754	261	–	–	1,015
At 31 March 2013	1,161	648	13	–	1,822

10. Property, plant and equipment (cont'd)

	Furniture and fittings, office and computer equipment $'000	Improvement to premises $'000	Training aids $'000	Motor vehicles $'000	Total $'000
Company					
Cost:					
At 1 April 2012	989	292	248	113	1,642
Additions	609	–	1	–	610
Disposals	(22)	(2)	–	(113)	(137)
At 31 March 2013 and 1 April 2013	1,576	290	249	–	2,115
Additions	124	–	–	–	124
At 31 March 2014	1,700	290	249	–	2,239
Accumulated depreciation:					
At 1 April 2012	714	72	202	67	1,055
Charge for the financial year	336	84	34	–	454
Disposals	(16)	(2)	–	(67)	(85)
At 31 March 2013 and 1 April 2013	1,034	154	236	–	1,424
Charge for the financial year	337	84	13	–	434
At 31 March 2014	1,371	238	249	–	1,858
Net carrying amount:					
At 31 March 2014	329	52	–	–	381
At 31 March 2013	542	136	13	–	691

11. Intangible assets

	Group $'000
Cost:	
At 1 April 2012	150
Additions	28
Exchange differences	(11)
At 31 March 2013 and 1 April 2013	167
Additions	25
Exchange differences	19
At 31 March 2014	211
Accumulated amortisation:	
At 1 April 2012	87
Amortisation	42
Exchange differences	(7)
At 31 March 2013 and 1 April 2013	122
Amortisation	37
Exchange differences	13
At 31 March 2014	172
Net carrying amount:	
At 31 March 2014	39
At 31 March 2013	45

Intangible assets relate to development costs capitalised by a subsidiary.

12. Investment in subsidiaries

	Company 2014 $'000	Company 2013 $'000
Unquoted equity shares, at cost	73,121	72,972
Increase during the financial year	–	149
Impairment losses	(53,047)	(50,762)
Carrying amount	20,074	22,359

Movement in impairment losses is as follows:

	Company 2014 $'000	Company 2013 $'000
Balance at beginning of financial year	50,762	50,850
Charge for the financial year	2,285	507
Disposal/liquidation of subsidiaries	–	(595)
Balance at end of financial year	53,047	50,762

Name of company (country of incorporation and place of business)	Principal activities	Proportion (%) of ownership interests 2014 %	Proportion (%) of ownership interests 2013 %	Cost of investment by the Company 2014 $'000	Cost of investment by the Company 2013 $'000
Held by the Company					
[1] Informatics Academy Pte Ltd (Singapore)	Computer and business education and training, business management consultancy and child development	100	100	52,424	52,424
[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
[1] Informatics International Pte Ltd (Singapore)	Franchise and licensing business and operation system support	100	100	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	100	50	50

12. Investment in subsidiaries (cont'd)

Name of company (country of incorporation and place of business)	Principal activities	Proportion (%) of ownership interests 2014 %	Proportion (%) of ownership interests 2013 %	Cost of investment by the Company 2014 $'000	Cost of investment by the Company 2013 $'000
Held by the Company (cont'd)					
[2] Informatics Education Malaysia Sdn Bhd (Malaysia)	Dormant	100	100	14,054	14,054
[2] Informatics Computer Education Sdn Bhd (Malaysia)	Dormant	100	100	1,182	1,182
[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
[5] Informatics Education UK Ltd (United Kingdom)	Investment holding	100	100	3,218	3,218
* Silicon Valley International University, Inc (USA)	E-learning portal for higher educations programand other education services	100	100	343	343
* Informatics Global Campus, Inc (USA)	Operation of e-learning portal providing e-learning for higher education, corporations and education services	100	100	136	136
				73,121	73,121

12. Investment in subsidiaries (cont'd)

Name of company (country of incorporation and place of business)	Principal activities	Proportion (%) of ownership interests 2014 %	2013 %
Held by the subsidiaries			
[2] Informatics Training Technology Sdn Bhd (Malaysia)	Dormant	100	100
[4] NCC Education (M) Sdn Bhd (Malaysia)	Computer education and training	100	100
[5] NCC Education Limited (United Kingdom)	Educational and business management consultancy	100	100
[6] NCC (Beijing) Education Consulting Co., Ltd (The People's Republic of China)	Computer education and training	100	100

[1] Audited by Ernst & Young LLP, Singapore.
[2] Audited by Siew Boon Yeong & Associates, Malaysia.
[3] Audited by Philip Poon and Partners CPA Limited, Hong Kong.
[4] Audited by Rabin & Associates, Malaysia.
[5] Audited by Baker Tilly UK Audit LLP, United Kingdom.
[6] Audited by Ruihua Certified Public Accountants LLP, The People's Republic of China.
[7] Audited by Ernst & Young, Sri Lanka.
* Not required to be audited by the laws of the country of incorporation.

(a) ***Impairment testing of investment in subsidiaries***

During the financial year, management performed an impairment assessment for subsidiaries which were incurring losses. An impairment loss of $2,285,000 (2013: $507,000) was recognised to reduce the investment in the subsidiaries to the recoverable amount.

(b) ***Additional investment***

During the previous financial year, the Company subscribed for 120,000 new ordinary shares issued by Silicon Valley International University, Inc, a wholly owned subsidiary, for a cash consideration of approximately S$149,000. The purpose of the issuance was to increase the working capital of the company.

13. Other investments

	Group		Company	
	2014	2013	2014	2013
	$'000	$'000	$'000	$'000
Unquoted equity shares, at cost	3,138	3,132	3,071	3,071
Impairment loss	(3,138)	(3,132)	(3,071)	(3,071)
Carrying amount	–	–	–	–
Movement in impairment loss account:				
At beginning of the financial year	3,132	3,133	3,071	3,071
Exchange differences	6	(1)	–	–
At end of the financial year	3,138	3,132	3,071	3,071

Other investments are investments in unquoted ordinary shares in franchisees in the education service provider sector. The unquoted shares are stated at cost, and have been fully impaired.

14. Deferred income tax

		Group			
		Consolidated balance sheet		Consolidated income statement	
	Note	2014	2013	2014	2013
		$'000	$'000	$'000	$'000
Deferred tax assets relate to the following:					
Excess of depreciation over capital allowances		–	–	–	37
Deferred income tax expense	8			–	37

As at 31 March 2014, the Group has tax losses of approximately $66,128,000 (2013: $69,130,000) and other temporary differences of approximately $303,000 (2013: $305,000) that are available for offset against future taxable profits, for which no deferred tax asset is recognised due to uncertainty of its recoverability. The utilisation 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.

15. Trade and other receivables

	Group 2014 $'000	Group 2013 $'000	Company 2014 $'000	Company 2013 $'000
Trade receivables	3,801	3,301	754	977
Less: Allowance for doubtful receivables	(1,641)	(1,078)	(275)	(160)
	2,160	2,223	479	817
Other receivables	569	651	124	131
Less: Allowance for doubtful receivables	(474)	(468)	(111)	(111)
	95	183	13	20
Deposits	961	975	263	263
Staff advances	3	26	2	10
Amounts due from subsidiaries	–	–	12,547	12,233
Less: Allowance for doubtful receivables	–	–	(11,672)	(11,107)
	–	–	875	1,126
Total trade and other receivables	3,219	3,407	1,632	2,236

Trade and other receivables

Trade and other receivables are non-interest bearing and are generally on 30 days' terms or repayable on demand. 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 and Company have trade and other receivables amounting to $1,950,000 (2013: $1,869,000) and $1,131,000 (2013: $496,000) respectively, that are past due at the end of the reporting period but not impaired. These receivables are unsecured and the analysis of their aging at the end of the reporting period is as follows:

	Group 2014 $'000	Group 2013 $'000	Company 2014 $'000	Company 2013 $'000
Trade and other receivables past due:				
Lesser than 30 days	1,052	968	855	73
30 - 90 days	307	460	52	12
More than 90 days	591	441	224	411
	1,950	1,869	1,131	496

Receivables that are impaired

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

15. Trade and other receivables (cont'd)

	Note	Group 2014 $'000	Group 2013 $'000	Company 2014 $'000	Company 2013 $'000
Allowance for impairment loss on trade receivables					
Trade receivables - nominal amounts		1,641	1,078	275	160
Less: Allowance for impairment loss		(1,641)	(1,078)	(275)	(160)
		–	–	–	–
Movement in allowance accounts:					
At beginning of the financial year		1,078	1,543	160	767
Charge for the financial year	6	495	206	115	12
Written-off against allowance		(15)	(627)	–	(619)
Exchange differences		83	(44)	–	–
At end of the financial year		1,641	1,078	275	160

Trade receivables that are individually determined to be impaired at the end of the reporting period relate to debtors that have defaulted on payments. These receivables are not secured by any collateral or credit enhancements.

Allowance for impairment loss on other receivables

	Note	Group 2014 $'000	Group 2013 $'000	Company 2014 $'000	Company 2013 $'000
Other receivables – nominal amounts		474	468	111	111
Less: Allowance for impairment loss		(474)	(468)	(111)	(111)
		–	–	–	–
Movement in allowance accounts:					
At beginning of the financial year		468	473	111	111
Exchange differences		6	(5)	–	–
At end of the financial year		474	468	111	111

Other receivables that are individually determined to be impaired at the end of the reporting period relate to other debtors that are in significant financial difficulties and have defaulted on payments. These receivables are not secured by any collateral or credit enhancements.

An impairment charge of $495,000 (2013: $206,000) and bad debts write-off of $81,000 (2013: $184,000) were recognised in the consolidated income statement, subsequent to a debt recovery assessment performed on trade and other receivables, net of collections on the balances that were previously written-down (Note 6).

15. Trade and other receivables (cont'd)

Allowance for impairment loss on amounts due from subsidiaries

	Company	
	2014	2013
	$'000	$'000
Amounts due from subsidiaries - nominal amounts	11,672	11,107
Less: Allowance for impairment loss	(11,672)	(11,107)
	–	–
Movement in allowance accounts:		
At beginning of the financial year	11,107	12,374
Charge for the financial year	565	1,780
Written-off against allowance	–	(3,047)
At end of the financial year	11,672	11,107

At the end of the reporting period, the Company has provided an allowance of $11,672,000 (2013: $11,107,000) for impairment of unsecured amounts due from subsidiaries with nominal amounts of $11,672,000 (2013: $11,107,000).

Financial assets that are neither past due nor impaired

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

At the end of the reporting period, trade and other receivables denominated in foreign currencies are as follows:

	Group		Company	
	2014	2013	2014	2013
	$'000	$'000	$'000	$'000
United States Dollars	23	25	22	25
Great Britain Pounds	1,620	1,362	–	–
Ringgit Malaysia	70	73	–	–
Hong Kong Dollars	32	42	–	–
Others	59	63	–	–

16. Cash and cash equivalents
Restricted cash at bank

	Group 2014 $'000	Group 2013 $'000	Company 2014 $'000	Company 2013 $'000
Cash and cash equivalents				
Cash at bank and on hand	9,500	12,949	1,521	3,240
Short-term deposits	20,207	19,170	–	–
Total cash and cash equivalents	29,707	32,119	1,521	3,240
Restricted cash at bank				
Cash held in escrow accounts *	138	160	–	–
Total restricted cash at bank	138	160	–	–
Total cash and bank balances	29,845	32,279	1,521	3,240

* A subsidiary is required under the student fee protection scheme in Singapore to maintain 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 according to a predetermined schedule.

Short-term deposits are made for varying periods between one and twelve 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 deposits as at 31 March 2014 for the Group was 1.29% (2013: 1.08%) per annum.

At the end of the reporting period, cash and short-term deposits denominated in foreign currencies are as follows:

	Group 2014 $'000	Group 2013 $'000	Company 2014 $'000	Company 2013 $'000
Great Britain Pounds	2,106	1,454	–	–
Hong Kong Dollars	79	215	–	–
Ringgit Malaysia	83	90	–	–
Renminbi	58	288	–	–
United States Dollars	723	2,224	467	1,962

17. Trade and other payables

	Group 2014 $'000	Group 2013 $'000	Company 2014 $'000	Company 2013 $'000
Trade payables	1,212	908	121	185
Other payables	371	832	166	700
Accrued operating expenses	4,589	6,142	595	1,265
Due to subsidiaries	–	–	479	2,359
Total trade and other payables	6,172	7,882	1,361	4,509

At the end of the reporting period, trade and other payables denominated in foreign currencies are as follows:

	Group 2014 $'000	Group 2013 $'000	Company 2014 $'000	Company 2013 $'000
United States Dollars	79	33	–	–
Australian Dollars	228	157	87	96
Great Britain Pounds	3,149	2,776	–	64
Ringgit Malaysia	147	154	–	1
Others	116	124	–	–

Trade and other payables

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

Related party payables

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

Purchases from related companies are made at terms agreed between the parties.

18. Provision

	Group 2014 $'000	Group 2013 $'000	Company 2014 $'000	Company 2013 $'000
Provision for reinstatement costs	270	270	148	148

19. Share capital

	Note	Group and Company 2014 No. of shares '000	2014 $'000	2013 No. of shares '000	2013 $'000
Issued and fully paid:					
At beginning of the financial year		1,444,220	29,902	1,439,270	29,566
Exercise of employee share options	5	73	4	4,950	336
At end of the financial year		1,444,293	29,906	1,444,220	29,902

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. The ordinary shares have no par value.

The Company has share option plans under which options to subscribe for the Company's ordinary shares have been granted to eligible employees of the Group.

During the financial year, the Company issued 72,500 (2013: 4,949,596) new shares for a total cash consideration of $2,328 (2013: $205,271) as follows:

(i) 42,500 new shares at $0.023 each amounting to $978 due to the exercise of 42,500 share options under the employee share option scheme of the Company;

(ii) 30,000 new shares at $0.045 each amounting to $1,350 due to the exercise of 30,000 share options under the employee share option scheme of the Company;

As a result of the share options exercised during the year, $2,000 (2013: $131,000) of employee share option reserve was transferred to share capital.

Details of outstanding share options as at 31 March 2014 are shown in Note 5.

20. Reserves

Movements in reserves are shown in the statement of changes in equity.

Foreign currency translation reserve

The foreign currency translation reserve represents exchange differences arising from the translation of the financial statements 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 5). The reserve is made up of the cumulative value of services received from employees recorded over the vesting period commencing from the grant date of equity-settled share options, and is reduced by the expiry or exercise of the share options.

21. Related party disclosures

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

There are no significant related party transactions between the Group and related parties who are not members of the Group during the financial year.

Related companies

These are subsidiaries of Informatics Education Ltd and its subsidiaries, excluding entities with the group.

(b) *Compensation of key management personnel*

	Group	
	2014	2013
	$'000	$'000
Short-term employee benefits	1,000	1,434
Employee share option write-back	(45)	(49)
Defined contribution plan contributions	43	47
Other benefits	8	105
Total compensation paid to key management personnel	1,006	1,537
Comprise amounts paid to:		
- Directors of the Company	315	530
- Other key management personnel	691	1,007
	1,006	1,537

(c) *Directors' interests in employee share option plan*

No share options were granted by the Company during the current and previous financial year.

No share options were exercised by the Company's directors during the current financial year.

During the previous financial year:

- The Company's executive director exercised options for 700,000 ordinary shares of the Company at a price of $0.065 each, with a total cash consideration of $45,500 paid to the Company.

- The Company's non-executive directors exercised options for 3,873,846 ordinary shares of the Company at a price of between $0.023 and $0.065 each, with a total cash consideration of $144,600 paid to the Company.

At the end of the reporting period, the total number of outstanding share options granted by the Company to the directors and key management personnel under the ESOS amount to 434,000 (2013: 434,000) and 70,000 (2013: 920,000) respectively.

	Group and Company	
	2014	2013
	No. of options	No. of options
Outstanding number of share options granted to directors and key management personnel at financial year end	504,000	1,354,000

22. Commitments and contingencies

(a) *Operating lease commitments – as lessee*

The Group and Company have entered into commercial leases for the use of equipment, offices and other facilities. Most leases contain renewable options. Lease terms do not contain restriction on the Group or Company's activities concerning dividends, additional debt or further leasing.

Minimum lease payment recognised as an expense in income statement for the financial year ended 31 March 2014 amounted to $2,919,000 (2013: $3,227,000).

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

	Group		Company	
	2014 $'000	2013 $'000	2014 $'000	2013 $'000
Not later than one year	2,794	2,797	1,018	1,018
Later than one year but not later than five years	569	3,101	170	1,188
	3,363	5,898	1,188	2,206

(b) *Contingent liabilities*

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.

23. Segment information

(a) *Business segments*

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

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

The 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 lifelong learners, as well as via an online virtual campus.

The Corporate Training segment provides training and skills upgrading and enhancement to the general workforce, in both technical and non-technical areas.

Except as indicated above, no operating segments have been aggregated to form the above reportable operating segments.

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

Group financing (including finance costs) and income taxes are managed on a group basis and are not allocated to operating segments.

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 income tax payable and deferred tax assets.

23. Segment information (cont'd)

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

Transfer pricing

Transfer prices between business segments are on an arm's length basis in a manner similar to transactions with third parties.

The following table presents information regarding the Group's business segments for the financial years ended 31 March.

	Higher Education		Corporate Training		Note	Total	
	2014 $'000	2013 $'000	2014 $'000	2013 $'000		2014 $'000	2013 $'000
Revenue:							
Sales to external customers	22,870	27,985	941	745		23,811	28,730
Results:							
Other operating income	743	409	2	2		745	411
Interest income	235	212	–	–		235	212
Employee benefits expense	(9,504)	(10,474)	(248)	(314)		(9,752)	(10,788)
Depreciation and amortisation	(1,061)	(1,099)	(29)	(7)		(1,090)	(1,106)
Gain / (loss) on disposal of property, plant and equipment	2	(17)	(3)	–		(1)	(17)
Allowance for doubtful receivables and bad debts written-off	(576)	(390)	–	–		(576)	(390)
Operating lease expenses	(2,807)	(3,050)	(112)	(177)		(2,919)	(3,227)
Other non-cash income / (expenses)	131	279	62	(53)	(i)	193	226
Segment profit before tax	92	2,951	136	33		228	2,984
Assets:							
Additions to non-current assets	245	1,097	11	62	(ii)	256	1,159
Segment assets	34,577	38,013	181	331		34,758	38,344
Total assets						34,758	38,344
Liabilities:							
Segment liabilities	11,475	15,235	107	128		11,582	15,363
Income tax payable						26	16
Total liabilities						11,608	15,379

23. Segment information (cont'd)

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

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

(i) Other non-cash expenses and income consist of foreign exchange gain/loss, impairment of property, plant and equipment and loss on disposal/liquidation of subsidiaries, as presented in the respective notes to the financial statements.

(ii) Additions to non-current assets consist of additions to property, plant and equipment and intangible assets.

(b) *Geographical information*

The following information are based on the geographical location of the Group's customers and assets:

	Singapore $'000	United Kingdom $'000	Asia Pacific and Others $'000	Total $'000
2014				
Revenue:				
Sales to external customers	13,075	8,576	2,160	23,811
Non-current assets	784	208	62	1,054
2013				
Revenue:				
Sales to external customers	16,089	8,872	3,769	28,730
Non-current assets	1,545	221	101	1,867

Non-current assets information presented above consist of property, plant and equipment, and intangible assets as presented in the consolidated balance sheet.

(c) *Information about major customers*

There are no major customers that contribute more than 10% (2013: 10%) of the Group's revenue for the financial year ended 31 March 2014.

24. Fair value of financial instruments

Fair value of financial assets and liabilities

Management has determined that the carrying amount of cash and cash equivalents, trade and other receivables, and trade and other payables are reasonable approximation of their fair values as they are mostly short term in nature.

Unquoted shares in other investments stated at cost have no reliable market prices and the fair value cannot be reliably measured.

There are no financial assets or financial liabilities that are carried at fair value.

24. Fair value of financial instruments (cont'd)

Classification of financial assets and liabilities

The carrying amounts of financial assets and financial liabilities in each of the following categories as defined under FRS 39 as at 31 March are as follows:

	Group		Company	
	2014 $'000	2013 $'000	2014 $'000	2013 $'000
Loans and receivables				
Trade and other receivables	3,219	3,407	1,632	2,236
Cash and cash equivalents	29,707	32,119	1,521	3,240
Restricted cash at bank	138	160	–	–
	33,064	35,686	3,153	5,476
Financial liabilities at amortised cost				
Trade and other payables	6,172	7,882	1,361	4,509

25. Financial risk management objectives and policies

The Group and the Company are 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. Interest rate risk arising from the fluctuation of interest rates has no significant impact on the Group's profit net of tax. 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.

There has been no change to the Group's exposure to these financial risks or the manner in which it manages and measures the 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.

25. Financial risk management objectives and policies (cont'd)

(a) *Liquidity risk (cont'd)*

Analysis of financial instruments by remaining contractual maturities

The following table details the Group's and the Company's financial assets and liabilities at the end of the reporting period, based on contractual undiscounted repayment obligations.

	Group		Company	
	2014 $'000	2013 $'000	2014 $'000	2013 $'000
Financial assets				
Trade and other receivables	3,219	3,407	1,632	2,236
Cash and cash equivalents	29,707	32,119	1,521	3,240
Total undiscounted financial assets	32,926	35,526	3,153	5,476
Financial liabilities				
Trade and other payables	6,172	7,882	1,361	4,509
Total undiscounted financial liabilities	6,172	7,882	1,361	4,509
Total net undiscounted assets	26,754	27,644	1,792	967

As the Group's and the Company's financial liabilities at the end of the reporting period mature in one year or less, the contractual undiscounted cash flows approximates the carrying amounts on the balance sheets.

(b) *Foreign currency risk*

The Group has transactional currency exposures arising from purchases that are denominated in a currency other than the respective functional currencies of Group entities, primarily Singapore Dollars (SGD), Great Britain Pounds (GBP), and Hong Kong Dollars (HKD).

The foreign currencies in which these transactions are denominated are mainly United States Dollars (USD) and Great Britain Pounds (GBP). Approximately 67% (2013: 77%) of the Group's costs are denominated in the respective functional currencies of the Group entities. The Group's trade and other payable balances at the end of the reporting period have similar exposures as disclosed in Note 17.

The Group and the Company also hold cash and cash equivalents denominated in foreign currencies for working capital purposes. The currency mix of the cash and cash equivalents at the end of the reporting period are disclosed in Note 16.

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.

In addition to transactional exposure, 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 in Ringgit, HKD and GBP are considered to be long-term in nature.

25. Financial risk management objectives and policies (cont'd)

(b) *Foreign currency risk (cont'd)*

Sensitivity analysis for foreign currency risk

The following table demonstrates the sensitivity of the Group's profit before tax to a reasonably possible change in the USD and GBP exchange rates (against SGD), with all other variables held constant.

		Group	
		2014	**2013**
		$'000	**$'000**
USD	- strengthened 5% (2013: 5%)	28	101
	- weakened 5% (2013: 5%)	(28)	(101)
GBP	- strengthened 5% (2013: 5%)	(34)	(29)
	- weakened 5% (2013: 5%)	34	29

(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. For cash and short-term deposits, the Group and Company minimise credit risk by dealing exclusively with high credit rating counterparties.

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.

Excessive risk concentration

Concentration arise when a number of counterparties are engaged in similar business activities, or activities in the same geographical region, or have economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations indicate the relative sensitivity of the group's performance to developments affecting a particular industry.

In order to avoid excessive concentrations of risk, the group's policies and procedures include specific guidelines to focus on maintaining a diversified portfolio. Identified concentrations of credit risks are controlled and managed accordingly.

Exposure to credit risk

At the end of the reporting period, 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.

25. Financial risk management objectives and policies (cont'd)

(c) ***Credit risk (cont'd)***

Credit risk concentration profile

The Group determines concentration of credit risk by monitoring the country and industry sector profile of its trade and other receivables on an ongoing basis. The credit risk concentration profile of the Group's trade and other receivables at the end of the reporting period is as follows:

	Group			
	2014		2013	
	$'000	% of total	$'000	% of total
By region:				
Asia-Pacific	1,599	49	2,045	60
Europe	1,620	51	1,362	40
	3,219	100	3,407	100
By industry sectors:				
Higher Education	3,187	99	3,357	99
Corporate Training	32	1	50	1
	3,219	100	3,407	100

The Group does not have significant concentration in trade receivable due from major customers.

At the end of the reporting period, approximately 54% (2013: 50%) of the Company's receivables were due from subsidiaries.

Financial assets that are neither past due nor impaired

Trade and other receivables that are neither past due nor impaired are with creditworthy debtors with good payment record with the Group. Cash and short-term deposits are placed with reputable financial institutions with high credit ratings and no history of default.

Financial assets that are either past due or impaired

Information regarding financial assets that are either past due or impaired is disclosed in Note 15 (Trade and other receivables).

26. 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, deferred income and fees, trade and other payables, and accruals for withholding tax less cash and cash equivalents (which exclude escrow and funds restricted in use). The Group's policy is to keep the gearing ratio below 50%. No changes were made in the objectives, policies or processes during the financial years ended 31 March 2014 and 31 March 2013. There is no external capital requirements imposed on the Group.

		Group	
	Note	2014	2013
		$'000	$'000
Deferred income and fees		4,872	6,968
Provision and trade and other payables		6,442	8,152
Accruals for withholding tax		268	243
Total liabilities		11,582	15,363
Cash and cash equivalents	16	(29,707)	(32,119)
Net cash		(18,125)	(16,756)
Total equity		23,150	22,965
Net gearing		Below 50%	Below 50%

27. Authorisation of financial statements for issue

The financial statements for the financial year ended 31 March 2014 were authorised for issue in accordance with a resolution of the directors on 26 June 2014.

ANALYSIS OF SHAREHOLDINGS

ANALYSIS OF SHAREHOLDINGS AS AT 12 JUNE 2014

RANGE OF SHAREHOLDINGS	NO. OF SHAREHOLDERS	%	NO. OF SHARES	%
1 – 999	100	1.95	43,209	0.00
1,000 – 10,000	1,587	30.95	8,557,774	0.59
10,001 – 1,000,000	3,373	65.79	359,646,165	24.90
1,000,001 AND ABOVE	67	1.31	1,076,045,510	74.51
Total	5,127	100.00	1,444,292,658	100.00

MAJOR SHAREHOLDERS LIST - TOP 20 AS AT 12 JUNE 2014

NO.	NAME	NO. OF SHARES	%
1	CIMB SECURITIES (SINGAPORE) PTE LTD	430,573,661	29.81
2	UOB KAY HIAN PTE LTD	303,463,617	21.01
3	OCBC SECURITIES PRIVATE LTD	37,324,675	2.58
4	UNITED OVERSEAS BANK NOMINEES PTE LTD	36,993,265	2.56
5	HSBC (SINGAPORE) NOMINEES PTE LTD	29,463,500	2.04
6	BANK OF EAST ASIA NOMINEES PTE LTD	21,091,000	1.46
7	DBS NOMINEES PTE LTD	18,771,575	1.30
8	HONG LEONG FINANCE NOMINEES PTE LTD	18,285,000	1.27
9	MAYBANK KIM ENG SECURITIES PTE LTD	15,611,705	1.08
10	PHILLIP SECURITIES PTE LTD	15,460,794	1.07
11	RAFFLES NOMINEES (PTE) LTD	9,075,136	0.63
12	CIGA ENTERPRISES PTE LTD	7,308,000	0.51
13	OCBC NOMINEES SINGAPORE PTE LTD	6,475,344	0.45
14	CHUA KIANG HIANG	5,948,294	0.41
15	THIA PENG HEOK GEORGE	5,500,000	0.38
16	BANK OF SINGAPORE NOMINEES PTE LTD	5,425,764	0.37
17	KOH HUI LING (XU HUILING)	5,273,529	0.36
18	ONG PANG LIANG	5,000,000	0.35
19	CHIAM TOON CHEW	4,219,941	0.29
20	YAP SWEE LUM @ SEW BEE LAM	4,150,000	0.29
TOTAL		985,414,800	68.22

SUBSTANTIAL SHAREHOLDERS
As at 12 June 2014
As shown in the Company's Register of Substantial Shareholders

Substantial Shareholders	Direct / Beneficial No of Shares	Interest %	Deemed interest No of Shares	Deemed interest %
Berjaya Leisure Capital (Cayman) Ltd	391,270,312	27.09		
Tan Sri Dato' Seri Vincent Tan Chee Yioun			434,580,661**	30.09
Berjaya Corporation Berhad			434,580,661**	30.09
Berjaya Group Berhad			434,580,661**	30.09
Berjaya Land Berhad			391,270,312*	27.09
Teras Mewah Sdn Bhd			391,270,312*	27.09
Kestrel Capital Pte. Ltd.	299,427,000	20.73		
Lim Eng Hock			299,427,000	20.73

Notes:

* Deemed to be interested in the shares held by Berjaya Leisure Capital (Cayman) Limited by virtue of the provisions under Section 7 of the Companies Act, Cap. 50.

** Deemed to be interested in the shares held by Berjaya Leisure Capital (Cayman) Limited, Berjaya Sompo Insurance Berhad and Rantau Embun Sdn Bhd by virtue of the provisions under Section 7 of the Companies Act, Cap. 50.

SHAREHOLDINGS IN THE HANDS OF THE PUBLIC AS AT 12 JUNE 2014

Based on the information provided, to the best knowledge of the Directors and the substantial shareholders of the Company, approximately 48.61% of the issued ordinary shares are held in the hands of the public as at 12 June 2014. Accordingly, Rule 723 of the Listing Manual of the Singapore Exchange Securities Trading Limited has been complied with.

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Thirty-First Annual General Meeting of INFORMATICS EDUCATION LTD. (the "Company") will be held at Carlton Hotel Singapore, Empress Ballroom 5, Level 2, 76 Bras Basah Road, Singapore 189558 on 25 July 2014 at 2.00 p.m. to transact the following business:

As Ordinary Business

1. To receive and adopt the Audited Financial Statements for the financial year ended 31 March 2014 together with the Reports of the Directors and Auditors thereon. **(Resolution 1)**

2. To approve the payment of Directors' Fees of S$160,000 for the financial year ended 31 March 2014 (2013: S$160,000). **(Resolution 2)**

3. To re-elect the following Directors retiring pursuant to the Company's Articles of Association.

   Mr Loi Hai Poh (Article 75) **(Resolution 3)**
   Dato' Robin Tan Yeong Ching (Article 71) **(Resolution 4)**
   Ms Mae Ho Seok Khen (Article 71) **(Resolution 5)**

4. To pass the following resolution:-
   "That, pursuant to Section 153(6) of the Companies Act, Cap. 50, Mr. Ung Gim Sei be re-appointed as a Director of the Company to hold office until the next Annual General Meeting."
   (See Explanatory Note (a)). **(Resolution 6)**

5. To re-appoint Ernst & Young LLP as Auditors of the Company for the financial year ending 31 March 2015 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 resolution as an Ordinary Resolution, with or without modifications:

7. **General Mandate to Directors to issue Shares**
   "That pursuant to Section 161 of the Companies Act, Chapter 50 and Rule 806 of the Listing Manual of the Singapore Exchange Securities Trading Limited ("SGX-ST"), authority be and is hereby given to the Directors of the Company to:

   (1) (a) issue shares in the capital of the Company ("Shares") whether by way of rights, bonus or otherwise, and / or

   (b) make or grant offers, agreements or options that might or would require Shares to be issued, including but not limited to the creation and issue of (as well as adjustments to) warrants, debentures or other instruments convertible into Shares (collectively, "Instruments"),

   at any time and upon such terms and conditions and for such purposes and to such persons as the Directors may, in their absolute discretion, deem fit; and

   (2) (notwithstanding that the authority conferred by this Resolution may have ceased to be in force) issue Shares in pursuance of any Instrument made or granted by the Directors while the authority was in force, provided that:

   (i) the aggregate number of Shares to be issued pursuant to this Resolution (including Shares to be issued in pursuance of Instruments made or granted pursuant to this Resolution) (the "Share Issues") does not exceed 50% of the total number of the issued Shares (excluding treasury Shares) (as calculated in accordance with sub-paragraph (ii) below), of which the aggregate number of Shares to be issued other than on a pro-rata basis to shareholders of the Company (including Shares to be issued in pursuance of Instruments made or granted pursuant to this Resolution and any adjustment effected under any relevant Instrument) shall not exceed 20% of the total number of issued Shares (excluding treasury Shares) (as calculated in accordance with paragraph (ii) below); and

(ii) (subject to such manner of calculation as may be prescribed by the SGX-ST) for the purpose of determining the aggregate number of Shares that may be issued under sub-paragraph (i) above, the percentage of issued Shares shall be based on the total number of issued Shares (excluding treasury Shares) at the time this Resolution is passed, after adjusting for:

(a) new Shares arising from the conversion or exercise of convertible securities or share options or vesting of share awards which are outstanding or subsisting as at the time this Resolution is passed; and

(b) any subsequent bonus issue or consolidation or subdivision of shares;

(iii) in exercising the authority conferred by this Resolution, the Company shall comply with the provisions of the Companies Act, the Listing Manual of the SGX-ST for the time being in force (unless such compliance has been waived by the SGX-ST) and the Articles of Association for the time being of the Company; and

(unless revoked or varied by the Company in general meeting) the authority conferred by this Resolution shall continue 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 (b)) **(Resolution 8)**

BY ORDER OF THE BOARD

Ms Leow Poh Leng / Ms Lo Swee Oi
Company Secretaries

Singapore, 9 July 2014

Explanatory Notes:

(a) Mr. Ung Gim Sei will, upon his re-appointment as a Director of the Company, remain as the Chairman of the Audit & Risk Management Committee and Nominating Committee and member of the Remuneration and Strategic Human Resource Committee. He is considered an Independent Director pursuant to Rule 704(8) of the Listing Manual of the SGX-ST. For more information on Mr Ung Gim Sei, please refer to the "Board of Directors" and "Corporate Governance" sections in the Annual Report.

(b) Resolution 8, if passed, will empower the Directors to issue Shares and/or to issue Shares and Instruments of the Company up to a number not exceeding 50% of the total number of issued Shares (excluding treasury Shares) of which up to 20% may be issued other than on a pro rata basis to shareholders. This authority will, unless previously revoked or varied at a general meeting, expire at the conclusion of the next Annual General Meeting of the Company.

The total number of issued Shares (excluding treasury Shares) is based on the Company's total number of issued Shares (excluding treasury Shares) at the time that Resolution is passed after adjusting for new shares arising from the conversion or exercise of convertible securities, or the exercise of share options or the vesting of share awards which are outstanding or subsisting at the time when that Resolution is passed and any subsequent bonus issue, consolidation or subdivision of Shares.

Notes:

1. The Chairman of this Annual General Meeting will be exercising his right under Article 56 of the Company's Articles of Association to demand a poll in respect of each of the resolutions to be put to the vote of members at the annual general meeting and at any adjournment thereof. Accordingly, each resolution at the annual general meeting will be voted on by way of a poll.

2. A member entitled to attend and vote at a meeting of the Company is entitled to appoint one or two proxies to attend and vote in his place. A proxy need not be a member of the Company.

3. If the appointor is a corporation, the instrument appointing a proxy must be executed under its seal or the hand of its duly authorised officer or attorney.

4. The instrument of proxy must be deposited at the registered office of the Company at **133 Middle Road #05-01, BOC Plaza, Singapore 188974 (Attention: Company Secretary)** at least 48 hours before the time of the meeting.

Personal data privacy:

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the Annual General Meeting and/or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the Annual General Meeting (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the Annual General Meeting (including any adjournment thereof), and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "**Purposes**"), (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.

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INFORMATICS EDUCATION LTD.
(Incorporated in the Republic of Singapore)
(Company Registration No. 198303419G)

ANNUAL GENERAL MEETING PROXY FORM

IMPORTANT:
1. For investors who have used their CPF monies to buy Informatics Education Ltd.'s shares ("CPF Investors"), this Annual Report is forwarded to them at the request of the CPF Agent Banks and is solely FOR INFORMATION ONLY.
2. This Proxy Form is not valid for use by CPF Investors and persons whose shares are not registered and shall be ineffective for all intents and purposes if used or purportedly used by them
3. CPF Investors who wish to attend the Annual General Meeting as observers must submit their requests through their respective CPF Approved Agent Banks so that their CPF Approved Agent Banks may register with Agent Bank: Please see Note 8 on required format. Any voting instructions must also be submitted to the CPF Approved Agent Banks within the time frame specified to enable them to vote on the CPF Investor's behalf.

I/We, (Name) ____________________ (NRIC/Passport No/Company Regn. No.) ____________

of ____ (Address)

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 at the Thirty-First Annual General Meeting of the Company to be held at Carlton Hotel Singapore, Empress Ballroom 5, Level 2, 76 Bras Basah Road, Singapore 189558 on **25 July 2014 at 2.00 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 for each of the following resolutions:

No.	Resolutions relating to:	For	Against
	ORDINARY BUSINESS		
1	Receive and adopt the Audited Financial Statements for the year ended 31 March 2014 together with the Reports of the Directors and Auditors		
2	Approval of Directors' Fees		
3	Re-election of Mr Loi Hai Poh as Director		
4	Re-election of Dato' Robin Tan Yeong Ching as Director		
5	Re-election of Ms Mae Ho Seok Khen as Director		
6	Re-appointment of Mr Ung Gim Sei pursuant to Section 153(6) of the Companies Act, Cap. 50		
7	Re-appointment of Ernst & Young LLP as Auditors and authorise Directors to fix their remuneration		
	SPECIAL BUSINESS		
8	General Mandate to Directors to issue Shares		

Dated this ____________ day of ____________ 2014

Shares in:	**No. of Shares**
(a) Depository Register	
(b) Register of Members	

____
Signature(s) of Member(s) or
Common Seal of Corporate Shareholder

[**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 133 Middle Road #05-01, BOC Plaza, Singapore 188974, 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 its duly authorised officer or attorney.

6. A corporation which is a member may, in accordance with Section 179 of the Companies Act, Cap. 50., Singapore, 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.

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 of the Annual General Meeting, as certified by The Central Depository (Pte) Limited to the Company.

8. CPF Approved Agent Banks acting on the request of CPF Investors who wish to attend the Meeting as observers are requested to submit in writing, a list of details of the Investors' names, NRIC/Passport numbers, addresses and numbers of Shares held. The list, signed by an authorised signatory of the CPF Approved Agent Bank, should reach the Company Secretary, at the registered office of the Company not later than 48 hours before the time of the Meeting.

Personal data privacy:

By submitting an instrument appointing a proxy(ies) and/or representative(s), the member accepts and agrees to the personal data privacy terms set out in the Notice of Annual General Meeting dated 9 July 2014.

INFORMATICS EDUCATION LTD.
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