

INFORMATICS EDUCATION LTD.

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

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

1. Introduction

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

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

2. Financial Situation

The Group has on 23 May 2018 released its unaudited financial statement for the financial year ended 31 March 2018 (“FY2018”). Please refer to the announcement for further details.

For FY2018, the Group recorded a revenue of \$8.8 million, a decrease of \$2 million or 18% as compared with \$10.8 million for the financial year ended 31 March 2017 (“FY2017”).

The Group recorded a loss before tax of \$5.82 million, a 6% decrease as compared with FY2017. The lower revenue was more than offset by reduction in staff costs and other operating expenses.

3. Future Direction

The Board expects business conditions to remain challenging, especially for the Private Education segment in Singapore. However the business is demonstrating signs of improvement. The granting of the Enhanced Regulation Framework (ERF) License extension for Informatics Academy, a wholly owned subsidiary of the Company, for the period of May 2022 provides greater certainty to the business in a competitive student recruitment market. The Group will also continue to leverage on its 4-year Edutrust award, to increase student recruitment for its Singapore School.

The Group is pursuing new and profitable revenue streams to generate cash flow growth, with particular emphasis on expanding product capability such as NCC Education’s Digi suite of computing programs, which caters to primary and secondary school students, in the Licensing segment. Additionally, new programs such as the eSports Diploma, which is unique in Singapore, and a computing program with an internship attachment, will attract more potential students.

This group has achieved cost reduction in particular manpower and a leaner management structure.

4. Material Development

Informatics Academy Pte Ltd which operates the Singapore education and learning programs had its Enhanced Regulation Framework (ERF) License extended from 19 May 2018 to 19 May 2022. There are no other material developments that may have a significant impact on the Group’s financial position.

BY ORDER OF THE BOARD

Yau Su Peng
Executive Director
23 May 2018