



**techforall** | **AR/SR**  
**2019** ANNUAL & SUSTAINABILITY REPORT



## VISION

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TO BE A GLOBAL LEADER IN PROVIDING  
QUALITY EDUCATION.

## MISSION

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TO EDUCATE GLOBAL CITIZENS TO  
CONTRIBUTE TO SOCIETY.

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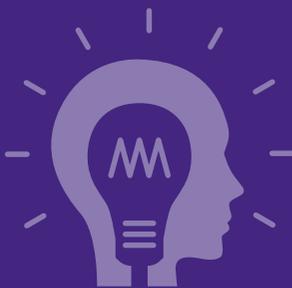
# OUR VALUES




**STUDENT-CENTRIC**  
We put our students first.




**PEOPLE**  
We empower our people.

**INNOVATION**  
We encourage creativity and drive innovation.




**SOCIAL RESPONSIBILITY**  
We strive to be socially responsible citizens.



# CORPORATE PROFILE

INFORMATICS EDUCATION WAS FOUNDED IN 1983 IN RESPONSE TO THE DEMANDS FOR SKILLED INFORMATION TECHNOLOGY (IT) MANPOWER AND KNOWLEDGE-BASED WORKERS ARISING FROM ASIA'S RAPID ECONOMIC GROWTH. IN MAY 1993, IT BECAME THE FIRST PRIVATE LIFELONG LEARNING COMPANY TO OBTAIN A LISTING ON SGX MAINBOARD.

Over the last 36 years, it has evolved with the global education landscape and built a strong track record as a quality global education provider laying the foundation and boosting the careers of over 1,000,000 students worldwide. It currently operates a diverse range of education programmes:

- Informatics Academy which operates its teaching and student services from the iconic campus location in the National Library Building Singapore,
- Informatics Education Hong Kong, its training solutions provider, and
- NCC Education UK, its globally recognised awarding institution, that licences its British qualifications to over 180 accredited partner centres in 50 countries worldwide.

IT courses are offered at foundation, diploma, undergraduate and postgraduate levels to students from as young as pre-school age to mature learners. Focusing its core competency of Computing related disciplines, courses are offered at higher education levels with pathways to university degree and masters qualification. To accommodate the varied lifestyles and needs of individuals, institutions and corporations, courses are offered via diverse learning modes from traditional classroom with capabilities to offer to e-learning.



# CORPORATE STRUCTURE



## CHAIRMAN'S MESSAGE



### Dear Shareholders,

In the financial year ended 31 March 2019 (“FY2019”) the Group continued to build on the improvements in its business activities and further extend the growth in operational efficiencies, after several years of declining operating profit performance. Whilst substantially cutting the operating losses and improving the cash flow burn rate, the Group is now better placed to move to the next phase of recovery and growth. The Group has undertaken a strategic programme to increase business capabilities to ensure this positioning for growth and enabling an emphasis on new revenue generating and business development opportunities. These include the introduction of new programmes (such as a Cyber Security Diploma and vocational, skills based courses) and also new markets and delivery platforms (such as improved online learning and assessment).

For FY2019, the Group recorded total revenue of \$7.6 million, representing an 12% decline from \$8.6 million in the financial year ended 31 March 2018 (“FY2018”), mainly due to a change in timing for revenue recognition arising from the adoption of *SFRS(I) 15 Revenue from Contracts with Customers (“SFRS(I) 15”)* which was effective on 1 April 2018. The Group reported a loss before tax of \$3.6 million which represents a 42% reduction compared to the loss of \$6.1 million in FY2018. Whilst still in a loss position, this is a substantial turnaround and a result of various cost reduction initiatives which had been implemented by the Group since the last financial year. The Hong Kong executive education business maintained healthy profitable margins, while both Informatics and NCC Education are consciously trying to turnaround with the introduction of new course programmes.

Enrolments for Informatics Academy had gained traction in the last quarter of the financial year, with it recording its highest number of student registration in the last four years.

The Group continued to make progress in transforming its processes and leveraging on technology to realise greater cost efficiencies. The Group continued to improve the business as a whole whilst continuing the reductions to headcount which had been implemented since FY2018, creating a leaner management structure. In FY2019, staff costs reduced by 23% and other operating expenses decreased by 26%. This had contributed significantly to a reduction in total expenses of \$3.7 million in FY2019. Most notably, the consolidation of office leases in Singapore and Cape Town has contributed considerably to this improvement. The Group is encouraged that these cost reduction initiatives are sustainable and positively impacting operating earnings in long term.

### FOCUS ON BUSINESS GROWTH

With the long term operational and cost efficiencies accomplished, the Group is now pushing forward with a clear objective of revenue growth globally. The Group expects this growth to come from all its key markets including Singapore and Hong Kong, but will leverage its global presence more through NCC Education where the opportunities to scale are greatest, through its accredited teaching centres in over 50 countries. The Group remains committed to its core markets that have been a mainstay for many years, however it is now better positioned to explore new programmes both academically and vocationally, whilst selectively entering new geographic markets. Our ongoing success in the profitable adult education

business in Hong Kong through Informatics, validates that the short course and skills based training programmes can be a pillar for future revenue growth.

NCC Education is close to launching a new Diploma and Degree pathway in Cyber Security, in addition to exploring new collaborations and partnerships. With an eye to the future, NCC Education is developing a more modern technological platform for delivery of its qualification and educational services, as well as diversifying similar activities with third party providers. Digi computer science curriculum is now being delivered to children aged 5 to 16 in many countries and in particular in the Philippines where we signed an agreement to ultimately deliver the programme to over 100,000 students within 3 years. We are also encouraged by the continuing growth of our university articulations, with the most recent being with Manchester Metropolitan University, located close to NCC Education's iconic head office, The Towers.

The sustainability of Informatics Academy has been validated, with its CPE registration having been re-awarded to May 2022 and the EduTrust license through to December 2020, something that was a significant burden when not always in place at times during the 2014-2018 period. The Committee for Private Education (CPE) undertook a review of the Informatics Academy during the year and the license maintained unchanged. This renewed confidence has seen student recruitment numbers restored to those prior to the consequential decline, and as mentioned, the last quarter being the highest in over three years.

Informatics Academy has commenced a licensing and qualification partnership with Rajamangala University of Technology Thailand, to deliver all the Informatics computing programs initially at the Thanyaburi campus, with scope to

expand through all of their nine Thailand universities. During the year the eSports & Game Design diploma had its first cohort commence this new programme, and although demand at present is low, interest has been received from regional partners in Thailand and Philippines.

In the UK, the Office of Qualifications and Examinations Regulation (Ofqual), similarly continued to maintain its high regulatory standards and against that

**WITH THE LONG TERM OPERATIONAL AND COST EFFICIENCIES ACCOMPLISHED, THE GROUP IS NOW PUSHING FORWARD WITH A CLEAR OBJECTIVE OF REVENUE GROWTH GLOBALLY. THE GROUP EXPECTS THIS GROWTH TO COME FROM ALL ITS KEY MARKETS INCLUDING SINGAPORE AND HONG KONG, BUT WILL LEVERAGE ITS GLOBAL PRESENCE MORE THROUGH NCC EDUCATION WHERE THE OPPORTUNITIES TO SCALE ARE GREATEST, THROUGH IT ACCREDITED TEACHING CENTRES IN OVER 50 COUNTRIES.**

backdrop, NCC Education has maintained its annual Ofqual certification. NCC Education is also having its global qualifications recognised in other local education jurisdictions, such as the Malaysian Qualifications Agency (MQA).

#### RIGHTS ISSUE

To fund the ongoing growth of the Group and ensure financial capability, the Group proposed on 14<sup>th</sup> March 2019 a Renounceable non-underwritten Rights cum Warrant Issue to raise up to \$10.8m in funding. The funds will be used to implement the new revenue growth plans including new academic programmes, such as the Cyber Security and short vocational based courses, as

well as updating and refreshing existing computing Diploma and Degree top-up programmes. The Group will maintain a debt free Balance Sheet and is confident in executing and enhancing its business plans through this cash injection.

Subsequently, on 14<sup>th</sup> May 2019, a significant shareholder Berjaya Leisure Capital (Cayman) Limited (27.09% of total shares), demonstrated its commitment to this Rights Issue by confirming its commitment to procure all its share rights plus additional excess share rights up to a total of \$5.0m.

#### INDEPENDENT DIRECTORS

In July 2018, the Board appointed two new independent Directors, to inject new thinking and introduce more industry-focused direction.

Mr Philip Yeap comes to the Board from the technology industry with extensive experience in sales and marketing. Professor Lai Kim Fatt brings a broad range of expertise from many sectors including government, defence and university-level education.

These industry-based insights bring a new level of business knowledge and capabilities to the Group.

Mae Ho Seok Khen will step down from the Board after nearly 9 years of service and I wish to thank her for the support to the Board and to the wider Group.

Once again, on behalf of the Group, I would like to record my appreciation to the directors, staff, partners, students and shareholders for their continued support. I am confident that we will continue to steer the progress of the Group to better performance in the new financial year and beyond.

**Dato' Sri Robin Tan Yeong Ching**  
Non-Executive Chairman

## BOARD OF DIRECTORS



**DATO' SRI ROBIN TAN YEONG CHING**  
*Non-Executive Chairman*

Dato' Sri 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. He joined the Board as Chairman in June 2011.

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

Dato' Sri Robin Tan is also a Director of Atlan Holdings Bhd, KDE Recreation Berhad, Berjaya Golf Resort Berhad as well as several other private limited companies in the Berjaya Corporation group of companies.



**MS YAU SU PENG**  
*Executive Director*

Ms Yau Su Peng currently holds the position of Director, Retail and Innovation at Berjaya Corporation Berhad and oversees businesses in the sectors of education, digital transformation and innovation.

Ms Yau has a wealth of experience in retail, financial payments, law, marketing and communications from both the government and private sectors. She served as Alternate Director to Dato' Sri Robin Tan Yeong Ching from 25 April 2012 to 23 November 2012 and was appointed to the Board in November 2012 as a Non-Executive Director. She was re-designated as Executive Director in October 2014 and is also a member of the Banking Committee.

She joined the Berjaya group from MasterCard Worldwide, where she was Vice President of Marketing and Sales.

She qualified as a lawyer from the University of Melbourne, and originally practiced law in both Melbourne and Kuala Lumpur. In the last few years Ms Yau has been building Berjaya group capability to digitally transform including in the areas of next-generation retail experience design, mobile payments and the use of advanced analytics to power data-led enterprises.



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

Ms Mae Ho is the Executive Director/ Chief Executive Officer of Berjaya Higher Education Sdn Bhd, Director of Berjaya College Sdn Bhd and Berjaya Global Professional Development Sdn Bhd. She joined the Board in October 2010 as a Non-Executive Director and currently is a member of the Audit and Risk Management, Nominating and Remuneration and Strategic Human Resource Committees.

She graduated with an MA in Education Management (Bath), UK. She was also awarded the Fellow of the Institute of Hospitality, UK. Mae has been in the hospitality and tourism education and professional sectors for more than three decades.

She started her career in the hospitality industry as a lecturer and then as Dean, School of Hotel & Catering Management at Kolej Damansara Utama, Petaling Jaya. Subsequently, she was appointed Director of School at Sunway University College. Her other credentials include Honorary Professor and Honorary President of Taishan Polytechnic (Shandong, China).

Mae brings with her a wealth of experience in setting up hospitality education. She sits on the panel of judges for the Hospitality Asia Platinum Award (HAPA) and is also a Conseiller Gastronomique and Archiviste of the National Council of the Confrerie de la Chaine des Rotisseurs Bailliage de Malaisie, an international gastronomic association. She was invited to join Malaysia Tatler on the judging panel for Best Restaurants in 2016.

Since 2016, she has been appointed as a member on the Board of Advisors Asia Pacific Centre for Events Management (APCEM).



**MR PHILIP YEAP**  
*Independent Director*

Mr Philip Yeap is the Vice-President of Marketing at APJ Pure Storage. He joined the Board as an Independent Director in July 2018.

Graduating from the National University of Singapore with a Bachelors of Arts in Political Science, Mr Philip Yeap rose to become Director of Industry and Services Marketing/Industry Operations (Asia Pacific) at IBM. He then moved to Cisco Systems Asia Pacific as Head of Marketing, where he helped transform the marketing team by developing innovative leading-edge marketing processes and marketing systems to drive an aggressive pipeline for Cisco. From 2004 to 2015, Mr Philip Yeap was Vice-President of Marketing (Asia-Pacific/Japan) at Symantec. He was Vice-President of Worldwide Field Marketing and Global Channel Marketing with Veritas Technologies LLC.

In addition to his Bachelors Degree, Mr Philip Yeap holds a Graduate Diploma in Marketing Management from the Singapore Institute of Management. His more recent education qualifications includes a stint with the Stanford University Graduate Business School (SEP) in 2010.



**PROFESSOR  
 LAI KIM FATT**  
*Independent Director*

Professor Lai Kim Fatt is currently the Regional Senior Advisor to both Sensetime International Pte Ltd, China's leading artificial intelligence company, as well as DXC Technology, a world-leading end-to-end IT services provider. He joined the Informatics Board in July 2018 as an Independent Director.

Professor Lai brings with him a deep understanding of and extensive experience in leadership roles in the Information Technology and IT Services sector. He was the Consulting Government Programs Leader at IBM Singapore and was Vice-President of Business Integration at Singtel. He also served as Chief of Business Solutions at NCS and as Chief Information Officer at Defence Science & Technology Agency.

Apart from graduating from the United States Air Force Institute of Technology with a Masters of Science (Systems Management), Professor Lai holds an honours degree in Civil Engineering from the Japan Defence Academy and attended the Program for Management Development at Harvard Business School in 1997. In 2004, he was awarded "IT Person of the Year" by the Singapore Computer Society. Professor Lai is actively serving on numerous boards and advisory committees, including the management committees of SoC-NUS, Institute of Systems Science and the Singapore Discovery Centre.

# OPERATIONS REVIEW

## INFORMATICS ACADEMY

Informatics Academy Pte Ltd (IAPL) is a wholly-owned subsidiary of Informatics Education Ltd. It is registered with the Committee for Private Education (CPE) under the Enhanced Registration Framework (ERF) valid until May 2022.

Since 1989, IAPL has offered a wide range of diploma and degree courses that provided higher education opportunities for over 98,000 local and international students. Its success in offering quality and affordable education has kindled keen interest from investors around the world, eventually leading to Informatics venturing into the education franchise and licensing business. Over the years, Informatics Academy has continued to evolve and adapt to the changing business landscape. This includes implementing effective strategies to capitalise on new opportunities while mitigating risk and partnering with prestigious UK institutions to offer degree pathways that cater to the emerging needs of learners. Currently, Informatics Academy enjoys a valuable partnership with Oxford Brookes University dating back to 1998.

One of the advantage is that Informatics Academy always strives to provide for its students is a safe and nurturing environment that is conducive for learning. This is reflected in Informatics Academy's quality and prestigious campus located on Level 13 of the National Library Building, Victoria Street, Singapore. Easily accessible by public transport, this modern building is fully equipped with equally modern facilities for maximum learning outcomes.

The high level of regulation and scrutiny by the Committee of Private Education (CPE) sets a very challenging educational



environment in Singapore for private education institutions (PEI). However, this also engenders a high level of integrity and student confidence in Singapore and more importantly Informatics Academy and its programmes. Informatics Academy through comprehensive compliance and academic rigour, secured and maintained EduTrust status (valid to December 2020). Informatics Academy is confident that the EduTrust certification will be further renewed due to our ongoing compliance and controls. The EduTrust certification gives Informatics Academy a solid foundation in which to market to students in Singapore and overseas looking for good diploma and degree qualifications and the comfort in committing to 3-year degree pathways that lead to the Oxford Brookes University top-up degree programmes. More importantly, student recruitment in the fourth quarter of the year was the highest for any quarter over the preceding four years, contributing to a 30% increase in year-on-year total enrolments.

Informatics Academy's commitment to Corporate Social Responsibility remains unchanged and it has expanded its initiatives around sustainability. This was evidenced by Informatics Education receiving the prestigious Champions of Good awarded through the National Volunteer & Philanthropy Centre for the

second consecutive year in 2018. In FY2019, Informatics Academy has also taken big steps towards work-life excellence with work away from office arrangements via the greater use of collaborative technology and flexible work arrangement for its employees to stagger work hours to balance operation hours and personal needs. These efforts were recognised by the Tripartite Alliance for Fair and Progressive Employment Practices (TAFEP) with the conferment of the 2018 Tripartite Alliance Awards for Work-Life Excellence to Informatics Education.

In FY2019, the new eSports and Game Design Diploma commenced, in conjunction with Singapore Cybersport & Online Gaming Association (SCOGA). The alliance with SCOGA has enabled the development of an eSports Diploma programme, which is approved by CPE and is one of the first in Singapore and Southeast Asia. This started with a small cohort and being the first of its kind in Singapore, a true test of the market. Being new and somewhat not yet fully understood or embraced in some sectors, this is a long term programme that needs to gain some traction, before being considered more mainstream in terms of education. The development of a Degree pathway specifically in Game Design

and Animation through Oxford Brookes University will support this.

Also introduced during FY2019 for our Networking and Computing Diploma students, is the opportunity to include an internship with local industry into their respective programmes, in lieu of a project-based assessment. This again is another new initiative into the computing space and Singapore and is proving to be popular with students.

We have also partnered with Junior Achievement (JA) Singapore on a career jumpstart programme to equip our students with the tools and skills required to earn and keep a job in high-growth career industries.

Additionally, Informatics Academy has seen the growing demand for short or vocational based programmes, to meet the skills development need of students of all ages, and it's expected that this will be a rapidly growing market and source of revenues for the company.

Late in the year, Informatics Academy signed a new partnership with Rajamangala University of Technology Thailand (RMUTT), to deliver its programmes to its Thanyaburi based campus, with the opportunity to expand to multiple campuses throughout the country.



### INFORMATICS GLOBAL CAMPUS

Informatics Global Campus Pte Ltd (IGC) is a wholly-owned subsidiary of Informatics Education Ltd and offers diploma and

degree courses through online platforms. During FY2018, due to declining enrolments and as such adverse profitability and growth, IGC decided to cease further enrolments and teach out all existing programmes to completion. These are now complete.

The group remains committed to online delivery, for both Informatics Academy and NCC Education programmes, where student demand and operational efficiency exists.



### INFORMATICS EDUCATION (HK) LTD

A wholly-owned subsidiary of Informatics Education Ltd, Informatics Education (HK) Ltd (IEHK) is one of the leading education and training centres in Hong Kong, having built a strong track record for quality programmes and training services for individuals, multinational corporations and government departments since 1992.

IEHK focuses on professional training for executives at all stages of their career. Over the last 12 months, IEHK continued to be the leader in providing Project Management Professional (PMP)<sup>®</sup> training. Being the Global Registered Education Provider (GREP) of the Project Management Institute (PMI)<sup>®</sup>, IEHK has since trained more than 6000 PMP<sup>®</sup> students which constitute the majority of the Project Management Professionals in the Hong Kong market, and consistently maintained a commendable track record with over 95% examination pass rate. To strengthen IEHK's leader role in Hong Kong market, IEHK newly launched series

of Project Management programmes, including Project Management Institute Agile Certified Practitioner<sup>®</sup> (PMI-ACP), IEHK has trained more than 130 PMI-ACP<sup>®</sup> students, which steadily expanded and continued to boost positive growth.

In the coming year, IEHK strives to further design executive programmes in SME and Corporation Business Strategies Development, Big Data Analytics, Digital Marketing Analytics, Design Thinking for business innovation, Talent Management and Cyber Security, these training programmes combined the best conceptual theories and industry expertise to meet various corporation's business needs. Additionally, IEHK will look to undertake more of the NCC Education programmes and qualifications.



### INFORMATICS INTERNATIONAL

Informatics International has been dormant for all of FY2019. In order to create greater organisation efficiency, all existing and new franchise and licensing business activity is operated through Informatics Academy Pte Ltd.

## OPERATIONS REVIEW



### NCC EDUCATION

A subsidiary of Informatics Education Ltd, NCC Education, is an awarding body that works in partnership with over 180 Accredited Partner Centres and universities in more than 50 countries to offer flexible and cost-effective ways for individuals to join and exit study programmes with an appropriate British qualification as an outcome, from Foundation Level 3 to Masters Level 7. Additionally, NCC Education is now a significant player in the primary and secondary schools market with its Digi computer science programme, in compliance with the UK national curriculum, for 5–16 year olds, inclusive or Level 2.

This leadership is achieved by sustaining differentiation in the marketplace through the provision of Computing and Business access pathways to British Higher Education for those who choose to study in their home country, or have a desire to complete university programmes on campus, particularly in the UK.

In line with its mission of enhancing the student experience and widening opportunities for career progression, NCC Education continues to recognise the full potential of students and to open up pathways for rewarding employment or further study according to their aspirations by extending the range of university articulations and progression routes in the UK and overseas.

In addition to in-country and on-campus options for students, NCC Education continues its partnerships for online completion of the final year of degree

studies. NCC Education offers the pathway to the Business Computing and Information Systems Degree, awarded by the University of Central Lancashire (UCLAN) and the final year offered online. Additionally, NCC Education is seeking new and more favourable options for students looking for an online Business Degree final year top up. NCC Education has commenced expanding the student recruitment base by marketing these programmes beyond the traditional centre partner network, and has been showing encouraging signs of growth as a result. Specialisms and new pathways are continuing to be developed to give students greater options, particularly in computing relating disciplines, a traditional strong point of the company. The BSc (Hons) Business Information Technology awarded by the University of Greenwich programme offers a face-to-face final year degree option, and NCC Education is excited about the ongoing future of this partnership, with new programme tracks and importantly, where accredited, new countries and partner centres.

As an option for students looking for an alternative academic pathway to that of the full degree, during the past year a Level 6 Diploma was developed to meet this market need, even though the more desirable Degree remains the leading option for students globally.

The core business of providing students with pathways to universities, through progression from the Level 3, Level 4 and Level 5 Diplomas, continues strong. New articulation partners are being signed on regularly, and most recently signed an articulation agreement with the prestigious and highly ranked (57<sup>th</sup> latest institutional rankings) Manchester Metropolitan University for the Level 3 International Foundation Diploma.

Looking to the future, NCC Education is developing further its digital and online delivery capabilities and also partnerships with 3<sup>rd</sup> party delivery partners with a global reach. Also under development for launch this year is a Cyber Security

programme inclusive of a degree pathway.

NCC Education now has even more reference teaching sites for the Digi Qualifications programme series, creating a greater level of creditability for the concept. Digi, which provides a comprehensive primary and secondary level computing curriculum, developed in accordance with revised English National Curriculum for Computing, is now being delivered in private schools in Africa, Asia and the UK. The Digi programmes serve to meet the skill needs of the younger student segment, and can be run either standalone or inserted into any existing school curriculum, and with a Level 2 regulated key stage for upper secondary students, providing a seamless lead into the Computing Diploma and Degree pathways offered by both NCC Education and Informatics Academy.

New market opportunities exist for development and marketing of vocational or skills-based programmes, to enable students to be job-ready and meet the competitive demands of employers. NCC Education is well placed to exploit this globally growing education trend with its existing proven programmes and examination processes.

NCC Education has maintained all its respective educational certifications and regulatory during the year, in particular The Office of Qualifications and Examination Regulation (Ofqual). NCC Education continues to seek local recognition in the respective markets it operates in, most recently in Malaysia (MQA) and key markets in Africa, including the strategically important Kenyan market. NCC Education has grown its presence in its home market, the United Kingdom, considered the spiritual home of company and its education business. NCC Education remains in a strong position to further grow its revenue base and channels to market and remains committed to the strategies and the need to return the business to sustainable growth and profitability.

# CORPORATE INFORMATION

## BOARD OF DIRECTORS

Dato' Sri Robin Tan Yeong Ching  
*Non-Executive Chairman*

Ms Yau Su Peng  
*Executive Director*

Ms Mae Ho Seok Khen  
*Non-Executive,  
Non-Independent Director*

Mr Yeap Beng Swee Philip  
*Independent Director*

Professor Lai Kim Fatt  
*Independent Director*

## AUDIT AND RISK MANAGEMENT COMMITTEE

Mr Yeap Beng Swee Philip  
*Chairman*

Professor Lai Kim Fatt

Ms Mae Ho Seok Khen

## REMUNERATION AND STRATEGIC HUMAN RESOURCE COMMITTEE

Professor Lai Kim Fatt  
*Chairman*

Mr Yeap Beng Swee Philip

Ms Mae Ho Seok Khen

## NOMINATING COMMITTEE

Professor Lai Kim Fatt  
*Chairman*

Mr Yeap Beng Swee Philip

Ms Mae Ho Seok Khen

## COMPANY SECRETARY

Ms Lo Swee Oi

## REGISTERED OFFICE

100 Victoria Street #13-01/02  
National Library Building  
Singapore 188064

T: (65) 6580 4555

F: (65) 6565 1371

[www.informaticseducation.com](http://www.informaticseducation.com)

## SHARE REGISTRAR AND SHARE TRANSFER OFFICE

M & C Services Private Limited  
112 Robinson Road #05-01  
Singapore 068902

T: (65) 6227 6660

F: (65) 6225 1452

## AUDITORS

Ernst & Young LLP  
Public Accountants and  
Certified Public Accountants

One Raffles Quay  
North Tower Level 18  
Singapore 048583

## Partner in charge:

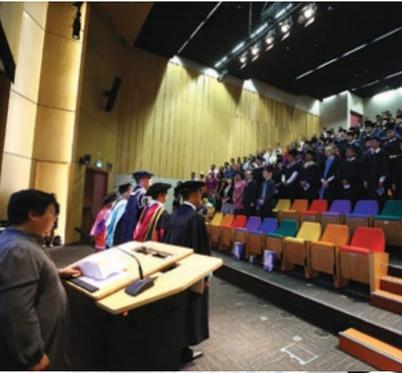
Mr Andrew Tan Chwee Peng  
(Appointed since financial year  
ended 31 March 2015)

## BANKER

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

## INVESTOR RELATIONS

For enquiry, please email to:  
[enquiry@informatics.edu.sg](mailto:enquiry@informatics.edu.sg)



## VISION

TO BE A GLOBAL LEADER IN PROVIDING QUALITY EDUCATION.

## MISSION

TO EDUCATE GLOBAL CITIZENS TO CONTRIBUTE TO SOCIETY.

## CORE VALUES

**STUDENT-CENTRIC**  
We put our students first.

**PEOPLE**  
We empower our people.

**INNOVATION**  
We encourage creativity and drive innovation.

**SOCIAL RESPONSIBILITY**  
We strive to be socially responsible citizens.

# techforall | SUSTAINABILITY REPORT

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# SUSTAINABILITY REPORT

## 1.0 BOARD STATEMENT

The Board of Directors (“the Board”) is pleased to present Informatics Education Limited (“Informatics”) second Sustainability Report 2019 (“Report”) which has been prepared with reference to the Global Reporting Initiative (“GRI”) Standards and the SGX Sustainability Reporting Guidelines.

The Board has reviewed and approved the material topics identified in the Report and together with the Management, is committed to managing relevant environmental, social and governance (“ESG”) risks and opportunities across our different businesses, while creating a sustainable business model and achieving long term value for our stakeholders.

Through the various programmes that we provide together with our partners globally, we also seek to create a positive impact on the local communities and the wider societies in which we operate.

Moving forward, we will be increasing the reporting of material sustainability information regarding strategy, performance and commitments for Informatics.

# SUSTAINABILITY REPORT

## 2.0 CORPORATE PROFILE

Informatics Education was founded in 1983 in response to the demands for skilled Information Technology (IT) manpower and knowledge-based workers arising from Asia's rapid economic growth. In May 1993, it became the first private lifelong learning company to obtain a listing on SGX Mainboard.

Over the last 36 years, it has evolved with the global education landscape and built a strong track record as a quality global education provider laying the foundation and boosting the careers of over 1,000,000 students worldwide. It currently operates a diverse range of education programmes:

- Informatics Academy which operates its teaching and student services from the iconic campus location in the National Library Building Singapore,
- Informatics Education Hong Kong, its training solutions provider, and
- NCC Education UK, its globally recognised awarding institution, that licences its British qualifications to over 180 accredited partner centres in 50 countries worldwide.

IT courses are offered at foundation, diploma, undergraduate and postgraduate levels to students from as young as pre-school age to mature learners. Focusing its core competency of Computing related disciplines, courses are offered at higher education levels with pathways to university degree and masters qualification. To accommodate the varied lifestyles and needs of individuals, institutions and corporations, courses are offered via diverse learning modes from traditional classroom with capabilities to offer to e-learning.

# SUSTAINABILITY REPORT

## 3.0 ABOUT THE REPORT

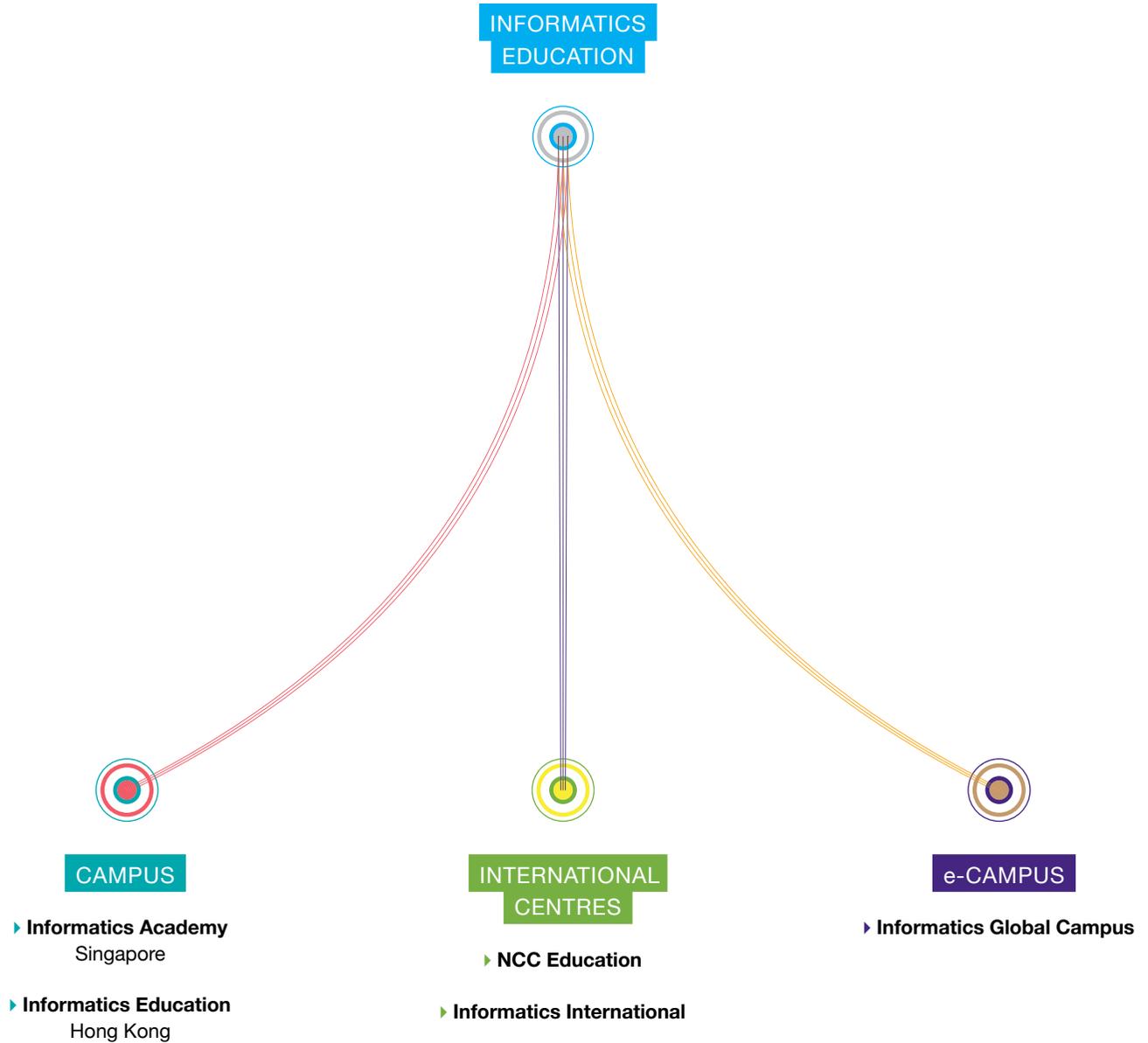
This is Informatics' second sustainability report and covers our performance and initiatives from 1 April 2018 to 31 March 2019. We have included in this Report, the performance and initiatives of all our key business operations.

Our Sustainability Report will be published on an annual basis and has been prepared with reference to GRI Standards and the SGX Sustainability Reporting Guidelines.

We welcome feedback and comments for our report at [allannorton@informatics.edu.sg](mailto:allannorton@informatics.edu.sg)

# SUSTAINABILITY REPORT

## 4.0 CORPORATE STRUCTURE



# SUSTAINABILITY REPORT

## 5.0 MANAGING SUSTAINABILITY

At Informatics, sustainability is managed at all levels. Everyone, at every level in the organisation, plays a part in creating a responsible business.

### OUR DAY TO DAY MANAGEMENT OF SUSTAINABILITY



#### THE BOARD OF DIRECTORS

The Board is responsible for our sustainability vision, strategy and performance. The Chair of the Sustainability Steering Committee also attends meetings of the Board of Directors.



#### THE SUSTAINABILITY STEERING COMMITTEE

The Sustainability Steering Committee is chaired by the General Manager of the Group as well as representatives from key business functions. They work together to identify and implement our sustainability action plans and to monitor and assess our performance. The Sustainability Steering Committee reports to the Board of Directors.



#### SITE MANAGERS AND CORPORATE DEPARTMENTS

Site managers and corporate departments are responsible for implementing relevant sustainability policies and action plans within their areas of business.

# SUSTAINABILITY REPORT

## 6.0 OUR STAKEHOLDERS

We have established various communication channels and maintained regular and close communication with six groups of stakeholders, namely customers, employees, shareholders and investors, governments and regulators, partners and community. We plan to engage more of our stakeholders this coming year to better understand their material concerns and will report on this as we have more information.

Key Stakeholders	Type of Engagement
<b>Regulators</b> e.g. Committee for Private Education (CPE), U.K., Office of Qualifications and Examinations Regulation (Ofqual)	<ul style="list-style-type: none"> <li>• Meetings</li> <li>• Annual Compliance Audits</li> </ul>
<b>Partners</b> e.g. University Partners	<ul style="list-style-type: none"> <li>• Meetings</li> </ul>
<b>Shareholders</b>	<ul style="list-style-type: none"> <li>• Annual General Meetings</li> <li>• Corporate Website</li> </ul>
<b>Customers</b> e.g. Centres, Students	<ul style="list-style-type: none"> <li>• Customer (Students) Satisfaction Surveys</li> </ul>
<b>Employees</b>	<ul style="list-style-type: none"> <li>• Meetings and Events</li> <li>• Employee Surveys</li> <li>• Online Employee Portals</li> <li>• Orientation/Induction and Training</li> </ul>
<b>Local Community</b>	<ul style="list-style-type: none"> <li>• Outreach Programmes</li> <li>• Volunteering Activities</li> </ul>

# SUSTAINABILITY REPORT

## 7.0 MATERIALITY ANALYSIS

In 2018, we carried out our first materiality analysis to identify sustainability-related topics that are important to Informatics and our stakeholders. These were subsequently reviewed in 2019. Based on various sustainable development issues, we evaluated the environmental, social and governance impacts of various issues on our stakeholders and on our operations, and identified the important material issues which we have highlighted in this Report. This is the second year preparing this Report, and as such we are still in the process of understanding our baseline where the collection of quantitative data is required for reporting in line with the GRI Standards, but will continue reporting on our performance and targets in the subsequent sustainability reports.

Our approach to sustainability is based on the following material topics. Key material issues identified from our materiality assessment are shown below next to each material topic. Where applicable, relevant GRI Standards that we reference for measuring and monitoring our performance are also indicated below.

Material Topics	How We Are Reporting Them
<b>People</b>	<ul style="list-style-type: none"> <li>• Employee Profile (GRI 102-8)</li> <li>• Training and Education (GRI 404-1, GRI 404-2)</li> <li>• Diversity (GRI 405-1)</li> </ul>
<b>Student Centric</b>	<ul style="list-style-type: none"> <li>• Customer Satisfaction Surveys</li> </ul>
<b>Social Responsibility</b>	<ul style="list-style-type: none"> <li>• Community Engagements</li> </ul>
<b>Results</b>	<ul style="list-style-type: none"> <li>• Customer Privacy (GRI 418-1)</li> <li>• Social Compliance (GRI 419-1)</li> </ul>

# SUSTAINABILITY REPORT

## 8.0 WHAT WE HAVE DONE

In the financial year ended 31 March 2019, the Group recorded total revenue of \$7.617 million (2018: \$8.634 million). The Group reported a loss before tax of \$3.483 million for FY2019 (2018: loss before tax of \$6.138 million).

The Group continued to make progress in streamlining its processes and leveraging on technology to realise greater cost efficiencies. During the reporting year, staffing costs reduced by 23% and another 26% from other operating expenses, following on from reductions in the previous year of 13% and 10% respectively.

Financially and also cash flow wise, the loss has been substantially improved and the business is now in a much more stable position and has curtailed the decline considerably.

### 201-1

Economic performance for the financial year ended 31 March 2019  
(based on financial statements in Annual Report)

Revenue	\$7.617 million
Operating Cost	\$5.778 million
Employee Wages and Benefits	\$5.299 million
Payments to Government by Country (i.e. taxes)	\$0.091 million
Other Expenses/Income	\$0.023 million
Cash from Financing Activities	\$0.918 million

# SUSTAINABILITY REPORT

## 8.1 PEOPLE

### OUR VALUES

We empower our people.

### OUR APPROACH

Informatics strives to maintain our competitive edge by providing our employees with the necessary competence to perform their roles effectively, providing employee with training and career development opportunities.

Nowadays, the workforce comprises a dynamic mix of different cultures, age groups, ethnic groups, lifestyles and genders. This diversity is reflected in the society, which we, as a company, are part of.

By embedding diversity and inclusion in every aspect of what we do, we make ourselves stronger, leveraging our employees' talents and welcoming fresh ideas, perspectives, experiences and new ways of thinking.

### OUR PERFORMANCE

The group has a diverse workforce both in gender (44% male and 56% female) but also nationality within our global offices and geographic spread. The company believes that this workforce diversity enables greater understanding of the education markets for which we operate. In order to have even greater flexibility within the workforce, there is a split between full-time, temporary and part-time employees, itself another level of diversity within. There are no material gender pay differences to report.

Total number of employees by employment contract (permanent and temporary), by gender.

Total number of employees by employment type (full-time and part-time), by gender.

Report Headcount as of 31 March 2019

Gender	No. of Permanent Employees	No. of Temporary Employees	No. of Full-Time Employees	No. of Part-Time Employees
Male	33	7	36	4
Female	48	2	47	3
<b>Total</b>	<b>81</b>	<b>9</b>	<b>83</b>	<b>7</b>

The majority of employees are based in Asia (Informatics Academy campus in Singapore) and Europe (NCC Education head office in Manchester, UK), but there is also a presence in Africa to support the growing partner network on the African continent.

# SUSTAINABILITY REPORT

## 8.1 PEOPLE (cont'd)

Total number of employees by employment contract (permanent and temporary), by region.

Report Headcount as of 31 March 2019

Region	No. of Permanent Employees	No. of Temporary Employees
Asia	48	4
Europe & the Rest of the World	33	5

Inclusive of temporary employees, the age group demographics are fairly broadly split, reflecting our position in the education industry and further evidence of diversity in the workforce.

Age Group	No. of Employees as of 31 March 2019
Under 30 Years Old	14
30-50 Years Old	60
Over 50 Years Old	16

Gender	No. of Employees as of 31 March 2019
Male	40
Female	50

Typical of the make-up of the governance body members and the need for experience and expertise, the age grouping is all above 30 years of age. Additionally, the split is three male and two female, thus giving adequate gender representation.

Age Group	No. of Governance Body Members
Under 30 Years Old	0
30-50 Years Old	1
Over 50 Years Old	4

Gender	No. of Governance Body Members
Male	3
Female	2

# SUSTAINABILITY REPORT

## 8.1 PEOPLE (cont'd)

In line with our education business and vision to be a global leader in education, Informatics Education invests time into training and upskilling our own workforce. Training is more than encouraged and is expected from all employees, something which will grow in the coming years. All training programmes are work skills related, in order to add value to our employees and ultimately the company. Typically, it is expected that each employee targets at least 20 hours of structured work-related skills training each year.

### 404-1: AVERAGE HOURS OF TRAINING PER YEAR PER EMPLOYEE

Average hours of training that the organisation's employees have undertaken during the financial year ended 31 March 2019, by:

- i. Gender;
- ii. Employee Category.

#### Report Headcount as of 31 March 2019

Gender	No. of Employees (as of 31 March 2019)	Total No. of Training Hours (1 Apr 2018 to 31 March 2019)
Male	40	404
Female	50	716

#### Report Headcount as of 31 March 2019

Age Group	No. of Employees (as of 31 March 2019)	Total No. of Training Hours (1 Apr 2018 to 31 March 2019)
Under 30 Years Old	14	165
30-50 Years Old	60	835
Over 50 Years Old	16	120

Most employees have job-related training and examples of group training sessions are below:

### 404-2: PROGRAMS FOR UPGRADING EMPLOYEE SKILLS AND TRANSITION ASSISTANCE PROGRAMS

Scope & Examples of Training Programs Provided for Employees to Upgrade Skills (can be provided based on job designation)	No. of Employees Who Received This Skills Training
Managers – Management and Leadership Training (18 hours)	15 Persons
Resilience Training	22 Persons

# SUSTAINABILITY REPORT

## 8.2 STUDENT CENTRIC

### OUR VALUES

We put our students first.

### OUR APPROACH

Our students expect quality education and exceptional experiences. We strive to understand what they are seeking, and continuously improve the quality of our training courses to meet their needs and expectations. We use a combination of internal and external measurements to assess how we are doing and where we can improve the quality of training that we provide.

### OUR PERFORMANCE

Informatics Academy conducts its Student Satisfaction Surveys in July 2018 and January 2019 for its services rendered. The categories are, Facilities and Environment, Teaching-Learning Resources, Student Support Services, General Satisfaction and Overall Satisfaction rates. The benchmark for each category is 82.5% or 3.25 out of a total score of 4.0

Based on the average findings of the 2 surveys conducted, Informatics Academy has achieved the following key results.

Category	July 2018	Jan 2019
Facilities and Environment	89% / 3.55	90% / 3.60
Teaching-Learning Resources	86% / 3.42	89% / 3.54
Student Support Services	89% / 3.55	93% / 3.72
General Satisfaction	84% / 3.34	86% / 3.42
Overall Satisfaction	84% / 3.37	87% / 3.46

Informatics Academy has achieved its target set and has improved the scores in all categories as we strive to deliver high quality customer services and experience to all our students.

The top 5 statements that our students had given the highest satisfaction scores are:

- 1<sup>st</sup> The Service Staff at Informatics are very friendly and helpful
- 2<sup>nd</sup> I do not have to wait more than 15 minutes when I require any assistance over the counter
- 3<sup>rd</sup> I am able to get all my questions answered by the Service Staff accurately & professionally
- 4<sup>th</sup> My queries (via the various communications channels) are being responded to in a timely manner
- 5<sup>th</sup> My classrooms are clean and well maintained/Informatics provides for a safe, secure and conducive environment

# SUSTAINABILITY REPORT

## 8.2 STUDENT CENTRIC (cont'd)

Also during the year NCC Education conducted a survey of its partner centre network, to measure the satisfaction levels in relation to teaching materials, marketing, staff & service, online systems and invoicing & pricing. The survey was sent to 295 centre contacts with a 54% completion rate. The results are below, and separately the company received feedback both positive and suggested areas of improvement;

For the financial year ended 31 March 2019

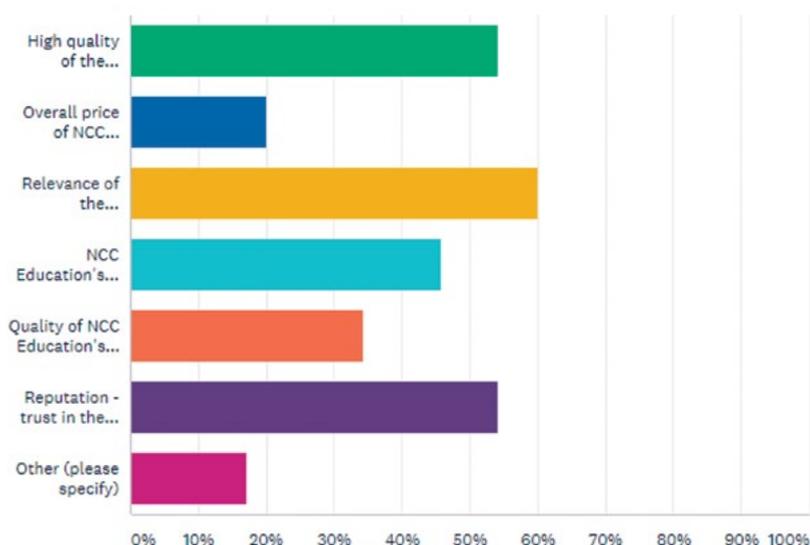
No. of Formal Surveys Done	1
Business Unit	NCC Education

Results of Formal Survey Responses  
(change ratings as appropriate based on feedback form)

	Yes	No
Would you recommend qualifications to others	97%	3%
Do you intend to continue your business relationship with NCC Education	94%	6%

Factors that made our centres choose NCC Education over other competitors

Answered: 35 Skipped: 6



- ☹️ 46% of responses were NCC Education's customer service
- 😊 54% of responses were high quality of the qualifications
- ☹️ 20% of responses were overall price of NCC Education's service

# SUSTAINABILITY REPORT

## 8.3 SOCIAL RESPONSIBILITY

### OUR VALUES

We strive to be socially responsible citizens.

### OUR APPROACH

By working with and contributing to the communities where we live and work and the wider society around the world, we can help improve the quality of life for all. Our support for the communities in which we operate and for wider society is built principally through long-lasting partnerships to assist the community with the challenges they face and improving educational opportunities for all.

### OUR PERFORMANCE

During the year to celebrate the 35th anniversary of Informatics Education, the Singapore office undertook an initiative of 35 Acts of Giving – to support social causes within the local community. This involved separate initiatives, vast and small, but in total a significant contribution of time and resource to the local social initiatives. Examples of social initiatives that staff from Informatics Academy participated in include various flag day fundraisings on the streets of Singapore, Kids workshop, complimentary workshops during Giving Week, to name a few.

Additionally, Informatics Academy continues its collaboration with Junior Achievement Singapore to inspire and prepare young people to succeed in a global economy.

During the year Informatics Education was conferred the prestigious Champions of Good by the National Volunteer & Philanthropy Centre (2nd consecutive time), gaining national recognition for our corporate giving initiatives.

# SUSTAINABILITY REPORT

## 8.4 RESULTS

### OUR VALUES

We endeavour to provide sustainable returns to our stakeholders.

### OUR APPROACH

At Informatics, we work hard to ensure that ethics and compliance remain the foundation of all our business practices. Compliance is highly consequential in our business and has an impact on our economic performance. Since 2004, the Employee Code of Ethics and Policy for Reporting Improper Action and Protecting Employees Against Retaliation (“Whistle Blower”) has been implemented. 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 overseen by the Audit Committee and is included in the staff orientation programme.

Responsible corporate management, aimed at a long-term increase in shareholder value, has always been a part of our ethos. To build trust, we are building on our reputation and focusing on privacy and security. Our students and partners need to know they can trust us with the data they choose to share with us; building that trust and ensuring we deliver on that promise underpins everything we are doing.

### OUR PERFORMANCE

The company has made the necessary controls and processes to ensure compliance with the protection of personal data in all markets that we operate, to ensure that personal data is accurate, safe, secure and lawful. Compliance is most significant in our markets, in particular compliance with the Personal Data Protection Act 2012 (Singapore) and Data Protection Act 2018 (United Kingdom).

#### 418-1: SUBSTANTIATED COMPLAINTS CONCERNING BREACHES OF CUSTOMER PRIVACY AND LOSSES OF CUSTOMER DATA

a) Total number of substantiated complaints received concerning breaches of customer privacy.

<b>No. of complaints received from outside parties and substantiated by the organisation</b> (provide details of what the complaints were and when it happened) For the financial year ended 31 March 2019	<b>No. of complaints received from regulatory bodies</b> (provide details of what the complaints were and when it happened) For the financial year ended 31 March 2019
Nil	Nil

b) Total number of identified leaks, thefts, or losses of customer data.

For the financial year ended 31 March 2019

No. of Identified Leaks	0
No. of Data Thefts	0
No. of Cases of Loss of Customer Data	0

c) There have been no cases of substantiated complaints.

# CORPORATE GOVERNANCE REPORT

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 2019 (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.

On 6 August 2018, the Monetary Authority of Singapore issued a revised Code of Corporate Governance (the “2018 Code”) and accompanying Practice Guidance. The 2018 Code supersedes and replaces the 2012 Code and will apply to the annual reports covering financial years commencing from 1 January 2019. The Group will review and set out the corporate practices in place to comply with the 2018 Code, where appropriate, in the next annual report.

The Company has complied with all principles and guidelines set out in the Code of Corporate Governance except for the following where the deviations and explanations have been provided in the relevant sections:

Guideline 2.2 One Half Board Independence  
Guideline 3.3 Lead Independent Director  
Guideline 3.4 Independent Directors’ Meeting  
Guideline 15.1 Investor Relations Policy  
Guideline 15.5 Dividend Policy

## **BOARD OF DIRECTORS**

### **Board’s Conduct of Affairs**

**Principle 1: Every company should be headed by an effective Board to lead and control the Company. The Board is collectively responsible for the long-term success of the Company. The Board works with Management to achieve this objective and Management remains accountable to the Board.**

The Board’s role is to:

- Set the overall business direction and objectives of the Company;
- Review and decide on major transactions, business plans, annual budgets and operating results of the Company;
- Review the Group’s financial performance and authorises announcements issued by the Company;
- Review Management’s performance;
- Provide entrepreneurial leadership;
- Ensure the necessary financial and human resources are in place for the Company to meet its objectives;
- Review the process for evaluating risks policies, including the adequacy and effectiveness of internal controls and establishment of risk management;
- Identify the key stakeholder groups and recognise that their perceptions affect the Company’s reputation;
- Set the Company’s values and standards (including ethical standards), and ensure obligations to shareholders and other stakeholders are understood and met; and
- Consider sustainability issues, e.g. environmental and social factors, as part of its strategic formulation.

## CORPORATE GOVERNANCE REPORT

Matters reserved for full Board's decision includes corporate or financial restructuring, major acquisition or disposal, issuance of shares and other equity or debt instruments, payment of dividends and other distribution to shareholders.

Three Board Committees, namely the Audit and Risk Management Committee (the "AC"), the Nominating Committee (the "NC"), and the Remuneration and Strategic Human Resource Committee (the "RC") have been constituted with written terms of references to assist the Board in discharging its responsibilities. With effect from 6 August 2018, the Board has decided to discontinue the Banking Committee in view that the duties have been delegated to Management and approved directly by the Board.

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 Constitution 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 Constitution. Minutes of the Board Committee meetings are available to all Board members. The Board and Board Committees may also make decisions through circular resolutions.

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

	Board of Directors	NC	RC	AC
No. of Meetings held	5	1	3	5
<b>No. of meetings attended by respective Directors</b>				
Dato' Sri Robin Tan Yeong Ching	2	N.A.	N.A.	N.A.
Ms Mae Ho Seok Khen	4	1	3	5
Mr Yeap Beng Swee, Philip <sup>1</sup>	3	–	2	3
Professor Lai Kim Fatt <sup>1</sup>	3	–	2	4
Ms Yau Su Peng	5	N.A.	N.A.	N.A.
Mr Ung Gim Sei <sup>2</sup>	1	1	1	1
Professor Chew Soon Beng @ Teo Soon Beng <sup>2</sup>	1	1	1	1

**Notes:**

N.A.: Not Applicable

<sup>1</sup> Mr Yeap Beng Swee, Philip and Professor Lai Kim Fatt were appointed as Non-Executive Independent Directors of the Company on 19 July 2018.

<sup>2</sup> Mr Ung Gim Sei and Professor Chew Soon Beng @ Teo Soon Beng resigned as Non-Executive Independent Directors of the Company on 12 July 2018.

During the Board and Board Committee meetings, the Non-Executive Directors constructively challenged and helped develop the Group's short-term and long-term business strategies and review the performance of Management in meeting agreed goals and objectives and monitor the reporting of performance. Where necessary, the Non-Executive Directors meet and discuss on need-to basis on the Group's affairs without the presence of Management.

All Directors must objectively make decisions in the interests of the Company. Upon the appointment of a new Director, the Company will issue a letter of appointment setting out the duties and obligations of a Director. 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. The newly appointed Director will be briefed by Management on the Group's business activities, operations, strategic direction and policies. Orientation programmes and familiarisation visits are also organised, if necessary, to facilitate a better understanding of the Group's operations. The Company is responsible for arranging and funding the training of Directors, when and where required.

## CORPORATE GOVERNANCE REPORT

The two new Directors who were appointed during the Year, namely Professor Lai Kim Fatt and Mr Yeap Beng Swee, Philip, who have no prior experience as a director of an issuer listed on the Singapore Exchange Securities Trading Limited (“SGX-ST”), have attended the relevant courses conducted by the Singapore Institute of Directors pertaining to the roles and responsibilities of a director of a public listed company in Singapore.

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 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/updates to laws and regulations as well as changing business risks, practices and cultures.

### Board Composition and Guidance

**Principle 2: There should be a strong and independent element on the Board, which is able to exercise objective judgement on corporate affairs independently, in particular, from Management and 10% shareholders. No individual or small group of individuals should be allowed to dominate the Board’s decision-making.**

The Board comprises five Directors of whom two 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. Membership of the Board Committees are as follows:

Name of Director	Appointment	Date of Initial Appointment	Date of Last Re-election	AC	NC	RC
Dato' Sri Robin Tan Yeong Ching	Non-executive Chairman	22 June 2011	27 July 2017	-	-	-
Ms Mae Ho Seok Khen	Non-executive, Non-independent Director	27 October 2010	27 July 2017	Member	Member	Member
Mr Yeap Beng Swee, Philip	Non-executive, Independent Director	19 July 2018	NA	Chairman	Member	Member
Professor Lai Kim Fatt	Non-executive, Independent Director	19 July 2018	NA	Member	Chairman	Chairman
Ms Yau Su Peng	Executive Director	23 November 2012	18 July 2018	-	-	-

The Board adopted the definition of the Code and the Listing Manual of the SGX-ST 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 and the Listing Manual of the SGX-ST, 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 independence based on the guidelines as set out in the Code and the Listing Manual of the SGX-ST. The Directors must also confirm that there exist no conditions that would impair his independence. This declaration of independence is tabled before the NC and, if accepted, the director’s independence is then recommended by the NC to the Board. Taking into account the views of the NC, the Board is satisfied that Professor Lai Kim Fatt and Mr Yeap Beng Swee, Philip are independent in the light of the provisions of the Code and Rule 210(5)(d) of the Listing Manual of the SGX-ST.

# CORPORATE GOVERNANCE REPORT

The Board is aware of the Guideline 2.2 of the Code that Independent Directors should constitute at least half of the Board where the Chairman is not an Independent Director. Currently, matters requiring the Board's approval are discussed and deliberated with participation of each Director and decisions are made collectively without any individual or small group of individuals influencing or dominating the decision-making process. Therefore, the Board is of the view that while the current composition of the Board does not meet the requirement of the guideline, it is sufficient for it to exercise objective and balanced judgement on corporate affairs. It also ensures that key issues and strategies are critically reviewed, constructively challenged, fully discussed and thoroughly examined. Nevertheless, the Board is reviewing the composition of Independent Directors to make up at least half of the Board by 31 March 2020.

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

The Board's policy in identifying Director candidates is primarily to have an appropriate mix of members with complementary skills, core competencies and experience for the Group, regardless of gender. The Board comprises Directors who as a group, provide an appropriate balance and diversity of skills, experience and knowledge of the Group. The Board also collectively have the necessary mix of experience and core competencies such as accounting and finance, legal expertise, business and management experience, industry knowledge, strategic planning experience to contribute to the effective strategic leadership of the Group. In recognition of the importance and value of gender diversity in the composition of the Board, out of the five Directors, two are female Directors. The female gender therefore represents 40% of the total Board membership. In terms of age diversity, two Directors are between the ages of 60 to 69, representing 40% of the total Board membership, two Directors are between the ages of 50 to 59, representing 40% of the total Board membership and 1 Director is between the ages of 40 to 49, representing 20% of the total Board membership.

## Chairman and Chief Executive Officer

**Principle 3: There should be a clear division of responsibilities between the leadership of the Board and the executives responsible for managing the Company's business. No one individual should represent a considerable concentration of power.**

There is a clear division of responsibilities between the Chairman and Executive Director, which ensures a balance of power and authority at the top of the Company.

The Chairman, Dato' Sri Robin Tan Yeong Ching, is a Non-Executive Chairman who oversees the business of the Board. He leads the Board discussions and ensures that Board meetings are convened when necessary. He approves the agendas for the Board meeting and ensures the quality, quantity and timeliness of the flow of information and encourages constructive relations between the Board and Key Management Personnel to facilitate efficient decision making.

The Executive Director, Ms Yau Su Peng, takes a leading role in developing the business of the Group and manages the operations of the Group with the assistance of the General Manager, Mr Allan Maxwell Norton. She also oversees the execution of the Group's business and corporate strategy decisions made by the Board.

The Chairman of the Board and the Executive Director are not related to each other.

Guideline 3.3 of the Code requires the appointment of a Lead Independent Director where the Chairman is not an Independent Director, and to act as an alternative channel for shareholders when normal communication with the Chairman, CEO or CFO are ineffective.

The Lead Independent Director may be appointed by the Board to serve in a lead capacity to coordinate the activities of the Non-Executive Directors in circumstances where it would be inappropriate for the Chairman and the Board to assure effective corporate governance in managing the affairs of the Board and the Company.

Considering the Company's current business operations and a board size of five members with two being Independent Directors, the Board is of the view that the appointment a Lead Independent Director is not necessary. The Directors are accessible to the Company's shareholders, and the Company has always responded to queries raised by the shareholders. The absence of a Lead Independent Director has not impacted and is unlikely to impact such accessibility or the Company's response to shareholders' queries. Nevertheless, the Board will annually examine the need for the appointment of a Lead Independent Director.

# CORPORATE GOVERNANCE REPORT

Although no Lead Independent Director has been appointed, the Company's Independent Directors conferred among themselves when the need arose without the presence of the other Directors, and the Independent Directors will provide feedback to the Chairman if it is necessary.

## Board Membership

**Principle 4: There should be a formal and transparent process for the appointment and re-appointment of Directors to the Board.**

### Nominating Committee ("NC")

The Board has established a NC comprising three Non-Executive Directors, the majority of whom, including the NC Chairman, are Independent:

NC Chairman:	Professor Lai Kim Fatt (Independent Director)
Members:	Mr Yeap Beng Swee, Philip (Independent Director)
	Ms Mae Ho Seok Khen (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;
- 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; and
- 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 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.

## CORPORATE GOVERNANCE REPORT

The NC had reviewed the multiple board representations held by the Directors and their confirmations that they are able to devote sufficient time and attention to the matters of the Group and noted the Directors attendance in relation to the Board and Board Committee meetings held during the year. The NC is satisfied that the Directors have been able to devote sufficient time and resources to the affairs of the Group. As such, the Board does not think that it is necessary to set a maximum number of listed board representations that any Director may hold.

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

The NC is charged with the responsibility of recommending to the Board the re-election of Director(s) having regard to their past contribution and performance. The NC reviews annually the Directors due for retirement under the Constitution of the Company.

Under Article 71 of the Company's Constitution, all Directors are subject to retirement by rotation once at least every three years and they are eligible for re-election at the Annual General Meeting (the "AGM"). The Directors who have been longest in office since their last re-election shall retire first. Ms Mae Ho Seok Khen who is retiring under Article 71 of the Constitution, has expressed her intention to retire as a Director of the Company at the conclusion of the AGM and will not be seeking re-election as a Director. In addition, Ms Mae Ho Seok Khen will relinquish her roles in the Audit and Risk Management Committee, Nominating Committee and Remuneration and Strategic Human Resource Committee.

Under Article 75 of the Company's Constitution, any director appointed to fill casual vacancies shall hold office only until the next AGM and shall be eligible for re-election. Professor Lai Kim Fatt and Mr Yeap Swee Beng, Philip shall stand for re-election at the forthcoming AGM under Article 75 of the Constitution.

The profiles of the Directors are set out on pages 6 and 7 of this Annual Report. None of the Directors hold shares in the Company and related corporations of the Company. Information relating to Directors seeking re-election as set out in Appendix 7.4.1 to the Listing Manual of SGX-ST is set out on page 120 of this Annual Report.

The initial appointment date and the date of last re-election of the Directors in office at the date of this report are shown under Principle 2 "**Board Composition and Guidance**".

As at 31 March 2019, there is no alternate Director on the Board.

### **Board Performance**

#### **Principle 5: There should be a formal annual assessment of the effectiveness of the Board as a whole and its Board Committees and the contribution by each Director to the effectiveness of the Board.**

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 Constitution requires that new Directors appointed by the Board shall hold office until the next AGM and shall be eligible for re-election at that AGM.

The NC undertakes annual evaluation process of the performance and effectiveness of the Board as a whole and the Board Committees as well as the contribution of individual Directors to the effectiveness of the entire Board. The criteria taken into consideration by the NC include contribution and performance factors such as attendance, preparedness and participation. These criteria will be changed when it is deemed necessary and approved by the Board. The NC is satisfied that the Board as a whole and Board Committees had met the performance objectives in the Year and each Director has contributed effective functioning of the Board and sufficient time and attention has been given by the Directors to the affairs of the Company, notwithstanding that some of the Directors have multiple board representations and other principal commitments.

No external facilitator was engaged in the Year in the evaluation of the Board as a whole, its Board Committees and the individual Directors.

# CORPORATE GOVERNANCE REPORT

## Access to Information

**Principle 6: In order to fulfil their responsibilities, Directors should be provided with complete, adequate and timely information prior to board meetings and on an on-going basis so as to enable them to make informed decisions to discharge their duties and responsibilities.**

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. These includes copies of disclosure documents, budgets, forecasts and internal financial statements. In respect of budgets, any material variance between the projections and actual results are also disclosed and explained.

The Company Secretary, to whom the Directors have independent access, keeps the Board informed 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 Management. Prior to each Board and Board Committee meeting, the Board and Board Committee members are provided with complete, adequate and timely information required for them to fulfill their responsibilities.

## REMUNERATION MATTERS

### Procedures for Developing Remuneration Policies

**Principle 7: There should be a formal and transparent procedure for developing policy on executive remuneration and for fixing remuneration packages of individual Directors. No Director should be involved in deciding his own remuneration.**

### Level and Mix of Remuneration

**Principle 8: The level and structure of remuneration should be aligned with the long-term interest and risk policies of the Company and should be appropriate to attract, retain and motivate (a) the Directors to provide good stewardship of the Company, and (b) Key Management Personnel to successfully manage the Company. However, companies should avoid paying more than is necessary for this purpose.**

### Disclosure on Remuneration

**Principle 9: Each company should provide clear disclosure of its remuneration policies, level and mix of remuneration, and the procedure for setting remuneration, in the Company's annual report. It should provide disclosure in relation to its remuneration policies to enable investors to understand the link between remuneration paid to Directors and Key Management Personnel and performance.**

### Remuneration and Strategic Human Resource Committee ("RC")

The Board has established the RC to deal with remuneration matters. The RC comprises three Non-Executive Directors, the majority of whom, including the RC Chairman, are independent:

RC Chairman :	Professor Lai Kim Fatt (Independent Director)
Members :	Mr Yeap Beng Swee, Philip (Independent Director)
	Ms Mae Ho Seok Khen (Non-Executive, Non-Independent Director)

## CORPORATE GOVERNANCE REPORT

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; and
- disclosing performance measures and targets for Key Management Personnel's performance bonuses.

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 Group successfully. The remuneration of Key Management Personnel is structured so as to link rewards to corporate and individual performance. The Company's risk policies are also taken into account. 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. In view of the challenging market and business conditions, the Company was not profitable in FY2019. Hence, Executive Director and Key Management Personnel were not entitled to performance bonuses.

The Company recognises the need to pay competitive fees to attract, motivate and retain Directors without being excessive to the extent that their independence might be compromised.

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. If a member of the RC has an interest in a matter being reviewed or considered by the RC, he or she will abstain from voting on that matter. The RC is also involved in the review of the remuneration scheme for Management. Directors' fees are recommended by the Board for approval by the shareholders at the Company's AGM. The RC reviews the fairness and reasonableness of the remuneration package of the Executive Directors and Key Management Personnel to ensure that there is no overly onerous or generous termination clause.

Service agreement for the Executive Director was entered with the Company on 20 October 2014 with no fixed appointment period and do not contain onerous termination provisions. The Non-Executive Directors and Independent Directors receive Directors' fees in accordance with their level of contributions, taking into account factors such as effort and time spent for serving on the Board and Board Committees, as well as the responsibilities and obligations of the Directors.

The Company previously had an employee share option scheme which had expired on 15 February 2016. The Company currently does not have any incentive scheme for its Directors and Key Management Personnel. The Company also does not have any scheme which encourages its Executive Director and Key Management Personnel to hold shares in the Company.

The RC has access to expert advice on human resource matters whenever there is a need to consult externally. The RC determined that there was no need to seek such expert advice for the Year.

There are no contractual provisions for the Company to reclaim incentive components of remuneration from Executive Director and Key Management Personnel in exceptional circumstances of misstatement of financial results, or misconduct resulting in financial loss to the Company. The RC is of the view such claw back provision are not necessary as the variable components of their remuneration package are moderate.

# CORPORATE GOVERNANCE REPORT

Details of remuneration of the Directors of the Company for the Year is as follows:

<b>Name of Director</b>	<b>Total Remuneration S\$'000</b>	<b>Salary %</b>	<b>Performance Bonuses %</b>	<b>Director's Fees* %</b>
<b><u>Non-Executive Directors</u></b>				
Dato' Sri Robin Tan Yeong Ching	-	-	-	-
Ms Mae Ho Seok Khen	-	-	-	-
Mr Yeap Beng Swee, Philip	25	-	-	100%
Professor Lai Kim Fatt	25	-	-	100%
<b><u>Executive Director</u></b>				
Ms Yau Su Peng	60	100%	-	-
<b>Total</b>	<b>110</b>	<b>54.5%</b>	<b>-</b>	<b>45.5%</b>

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

Details of remuneration for the top five Key Management Personnel (who are not Directors of the Company and in office during the year) for the Year are set out below:

<b>Top 5 Key Management Personnel (Non-Directors of the Company)</b>	<b>Salary %</b>	<b>Performance Bonuses %</b>	<b>Allowance and Other Benefits %</b>
<b><u>Below S\$250,000</u></b>			
Mr Allan Maxwell Norton General Manager, Informatics Education Limited	100%	-	-
Ms Esther Chesterman <sup>(1)</sup> Director of Qualifications and Academic Delivery	100%	-	-
Ms Melina Yong Mei Lin Vice President, Corporate Services	100%	-	-
Mr Tan Tze Ping <sup>(2)</sup> Financial Controller	100%	-	-
Ms Wong Wai Lan <sup>(3)</sup> General Manager, Informatics Education (HK) Limited	79%	-	21%

<sup>(1)</sup> Appointed on 8 May 2018

<sup>(2)</sup> Relinquished appointment on 22 February 2019

<sup>(3)</sup> Promoted on 1 June 2018

The aggregate amount of the total remuneration paid to the top five Key Management Personnel (who are not Directors or CEO) is S\$700,000. The remuneration of individual Key Management Personnel is not fully disclosed but in bands of S\$250,000 as the Company believes that such 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 whose remuneration exceeds S\$50,000 in the Group's employment for the Year.

# CORPORATE GOVERNANCE REPORT

## **ACCOUNTABILITY AND AUDIT**

### **Accountability**

**Principle 10: The Board should present a balanced and understandable assessment of the Company's performance, position and prospects.**

The Board is accountable to shareholders and always aim to provide shareholders with a balanced and understandable analysis, explanation and assessment of the Group's financial position and prospects on a timely basis.

The Board with the assistance of Management and professional advisors, ensures compliance with the disclosure requirements under the Listing Rules. In this regard, the Group releases its financial results on a quarterly basis and other information via SGXNET so as to provide shareholders with balanced and accurate assessment of the Group's performance, financial positions and prospects.

Quarterly and full year financial statements are presented by Management to the AC for its review before it is recommended for adoption by the Board. Upon the Board's approval, the financial results announcements will be released via SGXNET to the public.

Management provides the Board with detailed management accounts and such explanation and information relating to the Group's performance on a regular basis and as the Board may require from time to time to assist the Board in understanding and in making a balanced and informed assessment of the Group's performance, financial position and prospects.

The Board review legislative and regulatory compliance reports with Management to ensure that the Group complies with the relevant regulatory requirements.

In line with the Listing Rules, the Board provides a negative assurance statement to shareholders in its quarterly financial statement announcements, confirming to the best of its knowledge that nothing had come to the attention of the Board which might render the financial statements false or misleading in any material aspect.

All Directors and Executive Officers of the Group also signed a letter of undertaking pursuant to the amended Rule 720(1) of the Listing Rules.

### **Risk Management and Internal Controls**

**Principle 11: The Board is responsible for the governance of risk. The Board should ensure that Management maintains a sound system of risk management and internal controls to safeguard shareholders' interests and the Company's assets, and should determine the nature and extent of significant risks which the Board is willing to take in achieving its strategic objectives.**

The Board ensures that 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 will continue improving on the framework.

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 due to the current size of the Group's operations.

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, and risk management systems maintained to address financial, operational, compliance and information technology risks were adequate and effective during the Year to address the risks which the Group considers relevant and material. The internal auditors will continue to monitor the enforcement of controls in these areas.

## CORPORATE GOVERNANCE REPORT

The Board has received assurance from the General Manager and the Financial Controller that (a) the financial records have been properly maintained and the financial statements give a true and fair view of the Company's operations and finances and (b) regarding the effectiveness of the Company's risk management and internal control systems.

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 judgment 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 included in the staff orientation programme.

Any person may report via e-mail 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 AC Chairman may delegate to Management to conduct a preliminary investigation on the complaint and discuss with Management on the appropriate follow-up action to be taken after the investigation. For the Year, there have been no incidents pertaining to whistle-blowing reported.

**Principle 12: The Board should establish an Audit Committee ("AC") with written terms of reference which clearly set out its authority and duties.**

### **Audit and Risk Management Committee ("AC")**

The AC carries out the functions set out in the Code and the Companies Act. The AC comprises three Directors, the majority of whom, including the AC Chairman, are independent:

AC Chairman:	Mr Yeap Beng Swee, Philip (Independent Director)
Members:	Professor Lai Kim Fatt (Independent Director)
	Ms Mae Ho Seok Khen (Non-Executive, Non-Independent Director)

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

- financial statements, internal and external audit scope and results;
- significant financial reporting issues and judgments and any announcements relating to the Company's financial performance;
- adequacy and effectiveness of the Company's internal controls;
- consistency of and significant changes to accounting policies and practices;
- adequacy of internal audit resources;
- effectiveness of the Company's internal audit function;
- proposal of appointment, re-appointment and removal of the external auditors, and approving the remuneration and terms of engagement of the external auditors;
- risk management structure and oversight of risk management process;
- independence and objectivity of external auditors; and
- interested person transactions.

## CORPORATE GOVERNANCE REPORT

During the Year, AC has performed its duties as guided by the terms of reference which stipulate its principal functions. 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 authorise investigations into any matters within its scope of responsibility.

In addition, the AC reviewed the audit plans, evaluated the risk management framework and discussed regulatory compliance matters and accounting implications of any major transactions including significant financial reporting issues. It also assessed the internal audit functions to ensure that an effective system of control is maintained in the Group.

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 have discussed with the external auditors and reviewed the volume and nature of all non-audit services provided by them to the Group. The AC is satisfied that the financial, professional and business relationships between the Group and the external auditors will not affect their independence and objectivity. The fee payable to auditors is set out on page 84 of this annual report. The AC has recommended to the Board the nomination of Ernst & Young LLP for re-appointment by shareholders as external auditors of the Company at the forthcoming AGM.

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.

The Board considers the members of the AC to be appropriately qualified to discharge their responsibilities. 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 explicit authority to investigate any matter within its terms of reference, full access to and co-operation by Management and full discretion to invite any Director or Executive Officer of the Company to attend its meetings.

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.

No former partner or Director of the Company's existing auditing firm or audit corporation is a member of the AC.

### **Significant financial statement reporting matter**

The significant issues considered by the AC in relation to the financial statements during the Year are detailed below, alongside the actions taken by the AC to address the issues.

<b>Significant matters considered</b>	<b>How the issues were addressed by the AC</b>
Material uncertainty related to going concern	The AC has reviewed and challenged the Group's ability to operate as a going concern. The AC concurred and agreed with the external auditors and Management that the financial statements of the Group and Company be prepared on a going concern basis given that the Group has received a letter of undertaking from an indirect controlling shareholder to provide additional funding of up to S\$5,000,000 from 12 June 2019 until 30 June 2020 to fund the Group's and the Company's capital expenditure, operating expenditure and working capital requirements.
Allowances for impairment in trade receivables	The AC has reviewed and challenged Management's assumptions and inputs used in the computation of the expected credit loss allowance. The AC concurred and agreed with the external auditors and Management on their assessment and judgement on the significant matter reported by the external auditors.

# CORPORATE GOVERNANCE REPORT

## Internal Audit

**Principle 13: The Company should establish an effective internal audit function that is adequately resourced and independent of the activities it audits.**

The AC ensures that the internal audit function is staffed with persons with relevant qualifications and experience and reviews the adequacy and effectiveness of the function at least annually.

The internal auditors report to the AC and assists the Board in monitoring and managing business risks and system of internal controls. The internal audit function has unfettered access to all the Company's documents, records, properties and personnel, including access to the AC.

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.

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 on the internal controls of the Group.

The internal auditors carry out their function in accordance to the standards set by the International Standards for the Professional Practice of Internal Auditing set by the Institute of Internal Auditors.

The AC is satisfied that the internal audit function is independent, effective and adequately resourced.

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, is of the opinion that the Group's internal controls were adequate and effective to address the financial, operational, compliance and information technology controls, and risk management systems maintained by the Company were adequate and effective to provide reasonable assurance of the integrity and effectiveness of the Group in safeguarding its assets and shareholders' value.

## **SHAREHOLDER RIGHTS AND RESPONSIBILITIES**

### Shareholder Rights

**Principle 14: Companies should treat all shareholders fairly and equitably, and should recognise, protect and facilitate the exercise of shareholders' rights, and continually review and update such governance arrangements.**

### Communication with Shareholders

**Principle 15: Companies should actively engage their shareholders and put in place an investor relations policy to promote regular, effective and fair communication with shareholders.**

### Conduct of Shareholder Meetings

**Principle 16: Companies should encourage greater shareholder participation at general meetings of shareholders, and allow shareholder the opportunity to communicate their views on various matters affecting the Company.**

Although the Company has not adopted a formal Investor Relations Policy to regularly convey pertinent information to the shareholders, the Board recognises the need to furnish timely information to shareholders and ensure full disclosure of material information to comply with statutory requirements and the Listing Manual of the SGX-ST is made.

# CORPORATE GOVERNANCE REPORT

The Company does not practice selective disclosure. Any price sensitive information is first publicly released through SGXNET, before the Company announced to any group of investors or analysts. Announcements of results and information on new initiatives are published through the SGXNET. Financial results and Annual Reports are announced or issued within the mandatory period. Shareholders can also access information on the Group via the website [www.informaticseducation.com](http://www.informaticseducation.com). To keep all stakeholders of the Company updated on the latest announcements, press releases of the Company, the Company has made available other channels such as the Company's website (<http://www.informaticseducation.com/investor-media-centre/investor-relations-contact/>) and hotline at +65 6580 4555 for shareholders to submit their feedback and queries.

In addition, the Company will ensure that shareholders have equal opportunity to participate effectively in and vote at general meetings and brief shareholders on the rules, including voting procedures that govern general meeting. All shareholders of the Company receive the Annual Report and Notice of AGM. The Notice is advertised in a daily newspaper. The Board regards the AGM as the principal communication channel with shareholders, where shareholders are given the opportunity to communicate their views and are encouraged to raise pertinent questions to the Board members and to vote at shareholders' meetings. Directors, including the chairpersons of the Board and Board Committees are present at the annual general meetings to address relevant questions raised by the shareholders. The external auditors will also be present to assist the Directors in addressing any relevant queries by shareholders.

The Company's Constitution 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. From 2015, the Company has conducted the voting of all its resolutions by employing electronic poll voting for all its resolutions passed at its AGM. There are separate resolutions tabled on each substantially separate issue. The detailed results showing the number of votes cast for and against each resolution and the respective percentages are announced via SGXNET. The Company's Constitution 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.

Minutes of general meetings that include substantial and relevant comments or queries from shareholders relating to the agenda of the meeting, and responses from the Board and Management are prepared and made available to shareholders upon their request.

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.

The Board does not recommend any payment of dividends for the Year as the business conditions are expected to remain challenging with increased global competition, with the Group continuing to pursue new and profitable revenue streams and generate cash flow growth, and streamline its processes and leveraging technology to achieve a learner cost structure.

## **Interested Person Transactions**

During the Year, there were no interested person transactions (excluding transactions less than \$100,000) entered into by the Group.

The Company does not have a general mandate from shareholders for interested person transactions pursuant to Rule 920 of the Listing Manual.

# CORPORATE GOVERNANCE REPORT

## **Material Contracts**

### **Rule 1207(8) of the Listing Manual**

Save for the service agreement between the Company and the Executive Director, 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 during the Year or have been entered into since the end of the Year.

“Associate” in relation to a Director, Chief Executive Officer or controlling shareholder means:

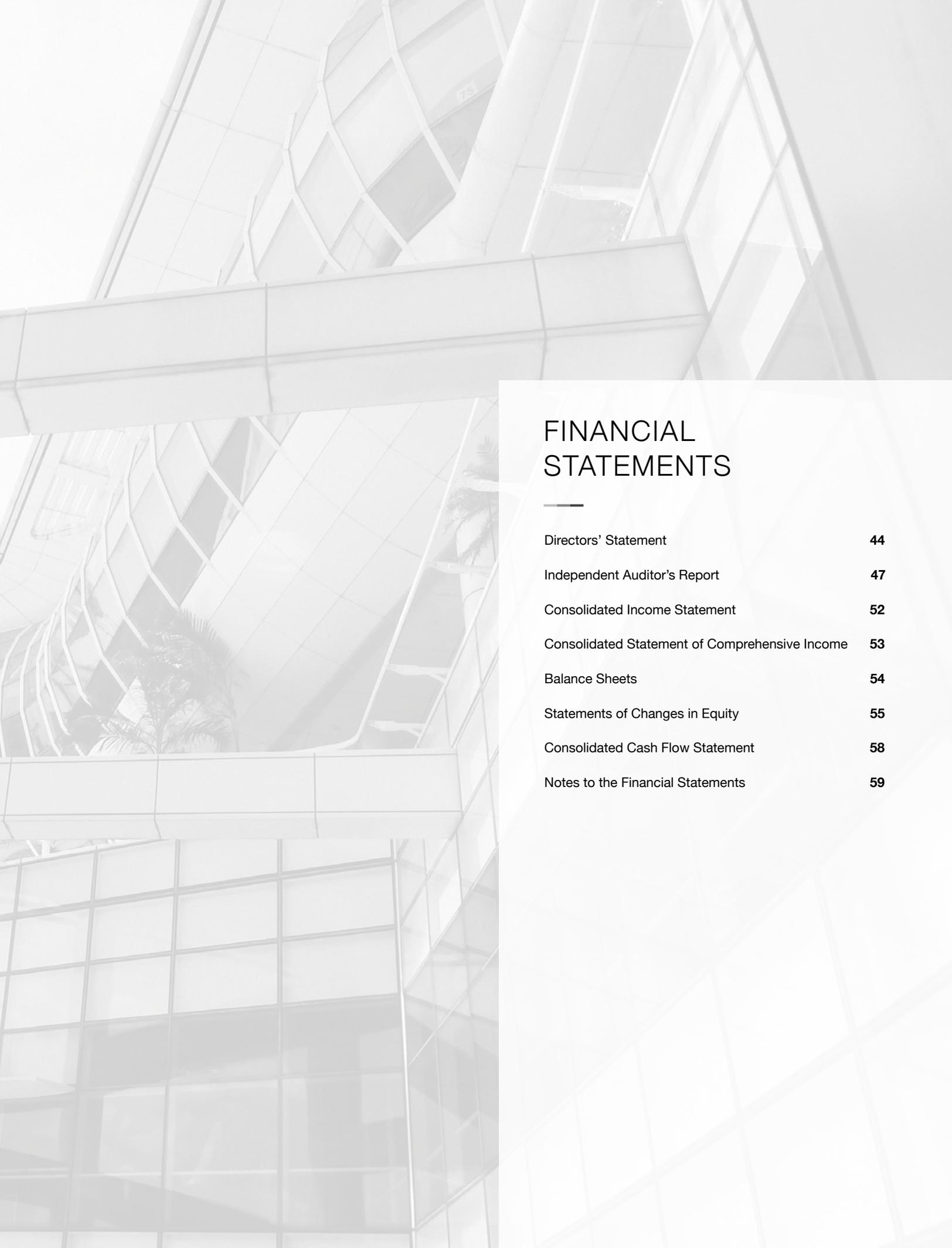
- his/her immediate family;
- the trustees of any trust of which he/her or his/her immediate family member is a beneficiary or, in the case of a discretionary trust, is a discretionary object; and
- any company in which he/her and his/her immediate family together (directly or indirectly) have an interest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

## **Dealings in Securities**

### **Rule 1207(19) of the Listing Manual**

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 STATEMENTS

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## **Informatics Education Ltd and its Subsidiaries**

### **Directors' statement**

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(In Singapore Dollars)

The directors are pleased to present their statement 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 2019.

### **Opinion of the directors**

In the opinion of the directors,

- (a) the consolidated financial statements of the Group and the balance sheet and statement of changes in equity of the Company are drawn up so as to give a true and fair view of the financial position of the Group and of the Company as at 31 March 2019 and the financial performance, changes in equity and cash flows of the Group and changes in equity of the Company for the financial year ended on that date; and
- (b) 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, as its indirect controlling shareholder has agreed to provide continuing financial support to the Company.

### **Directors**

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

Dato' Sri Robin Tan Yeong Ching	
Professor Lai Kim Fatt	(Appointed on 19 July 2018)
Ms Mae Ho Seok Khen	
Mr Yeap Beng Swee, Philip	(Appointed on 19 July 2018)
Ms Yau Su Peng	

### **Arrangements to enable directors to acquire shares or debenture**

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 debenture of the Company or any other body corporate.

## Informatics Education Ltd and its Subsidiaries

### Directors' statement

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(In Singapore Dollars)

#### Directors' interests in shares and debenture

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

#### Share options

During the financial year, there was:

- no options granted by the Company to any person to take up unissued shares in the Company and its subsidiaries; and
- no shares issued by virtue of the exercise of options to take up unissued shares of the Company and its subsidiaries.

At the end of the financial year, there were no unissued shares under option in the Company or its subsidiaries.

#### 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 Yeap Beng Swee, Philip (Independent Director)
Members	:	Professor Lai Kim Fatt (Independent Director) Ms Mae Ho Seok Khen (Non-Executive Director)

The AC carries out its functions in accordance with Section 201B(5) of the Companies Act, Chapter 50. The principal functions of the AC are to:

- Review the annual audit plans of the internal and external auditors of the Group and the Company, and review the internal auditor's evaluation of the adequacy of the Company's system of internal accounting controls and the assistance given by the Group and the Company's management to the external and internal auditors
- Review the quarterly and annual financial statements and the auditor's report on the annual financial statements of the Group and the Company before their submission to the board of directors
- Review effectiveness of the Group's and the Company's material internal controls, including financial, operational and compliance controls and risk management via reviews carried out by the internal auditor
- Meet with the external auditor, other committees, and management in separate executive sessions to discuss any matters that these groups believe should be discussed privately with the AC
- Review legal and regulatory matters that may have a material impact on the financial statements, related compliance policies and programmes and any reports received from regulators

**Informatics Education Ltd and its Subsidiaries****Directors' statement**

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(In Singapore Dollars)

- Review the cost effectiveness and the independence and objectivity of the external auditor
- Review the nature and extent of non-audit services provided by the external auditor
- Recommend to the board of directors the external auditor to be nominated, approve the compensation of the external auditor, and review the scope and results of the audit
- Report actions and minutes of the AC to the board of directors with such recommendations as the AC consider appropriate
- Review interested person transactions in accordance with the requirements of the Singapore Exchange Securities Trading Limited's Listing Manual

The AC, having reviewed all non-audit services provided by the external auditor to the Group, is satisfied that the nature and extent of such services would not affect the independence of the external auditor. The AC has also conducted a review of interested person transactions.

Further details regarding the AC are disclosed in the Report on Corporate Governance.

**Auditor**

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

On behalf of the Board of Directors:

Dato' Sri Robin Tan Yeong Ching  
Director

Ms Yau Su Peng  
Director

21 June 2019

## Informatics Education Ltd and its Subsidiaries

### Independent auditor's report For the financial year ended 31 March 2019

#### Independent auditor's report to the members of Informatics Education Ltd

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### Report on the audit of the financial statements

#### Opinion

We have audited the financial statements of Informatics Education Ltd (the "Company") and its subsidiaries (collectively, the "Group"), which comprise the balance sheets of the Group and the Company as at 31 March 2019, the statements of changes in equity of the Group and the Company and the consolidated income statement, consolidated statement of comprehensive income and consolidated cash flow statement of the Group for the financial year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements of the Group, the balance sheet and the statement of changes in equity of the Company are properly drawn up in accordance with the provisions of the Companies Act, Chapter 50 (the Act) and Singapore Financial Reporting Standards (International) (SFRS(I)s) so as to give a true and fair view of the consolidated financial position of the Group and the financial position of the Company as at 31 March 2019 and of the consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group and changes in equity of the Company for the financial year ended on that date.

#### Basis for opinion

We conducted our audit in accordance with Singapore Standards on Auditing (SSAs). Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the Group in accordance with the Accounting and Corporate Regulatory Authority (ACRA) *Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities* (ACRA Code) together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Material uncertainty related to going concern

We draw attention to Note 2 of the financial statements. The Group continued to incur net loss of \$3,574,000 and recorded cash outflow of \$2,613,000 from its operating activities for the financial year ended 31 March 2019. As at that date, the Group is in net current liabilities and net liabilities position of \$2,981,000 and \$2,862,000, while the Company is in net current liabilities and net liabilities position of \$6,674,000 and \$6,670,000 respectively. These factors indicate the existence of a material uncertainty which may cast significant doubt about the Group's and the Company's ability to continue as going concern. Notwithstanding the above, the financial statements of the Group and the Company are prepared on a going concern basis as the Group received letter of undertaking from an indirect controlling shareholder to provide or procure additional funding of up to S\$5,000,000 from 12 June 2019 to 30 June 2020 to fund the Group's and the Company's capital expenditure, operating expenditure and working capital requirements.

If the Group and the Company are unable to continue operational existence for the foreseeable future, the Group and Company may be unable to discharge their liabilities in the normal course of business and adjustments may have to be made to reflect the situations that assets may need to be realised other than in the normal course of business and at amounts which could differ significantly from the amounts at which they are currently recorded in the balance sheets. In addition, the Group and Company may have to reclassify non-current assets and liabilities as current assets and liabilities. No such adjustments have been made to these financial statements. Our opinion is not modified in respect of this matter.

## Informatics Education Ltd and its Subsidiaries

### Independent auditor's report For the financial year ended 31 March 2019

#### Independent auditor's report to the members of Informatics Education Ltd

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#### Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matter described in the *Material uncertainty related to going concern* section, we have determined the matters described below to be the key audit matters to be communicated in our report. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the *Auditor's responsibilities for the audit of the financial statements* section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying financial statements.

#### ***Allowances for expected credit losses of trade receivables***

As at 31 March 2019, the gross balance of trade receivables amounted to \$1.67 million, against which allowance of expected credit losses ("ECL") of \$0.73 million was made. The collectability of trade receivables is a key element of the Group's working capital management, which is managed on an ongoing basis by management.

The Group determines ECL for trade receivables by making debtor-specific assessment for credit-impaired debtors. The Group uses provision matrix method for the remaining group of trade debtors that is based on its historical credit loss experience, adjusted for current and forward-looking factors specific to the debtors and the economic environment. In determining the ECL allowance for the Group's trade receivables as at year end, management has considered various factors such as the age of the outstanding balances, historical payment and credit loss patterns, as well as facts and circumstances specific to the countries and economic environments where the debtors operate. These assessments required significant management judgement. As a result, we have identified this as a key audit matter.

As part of our audit procedures, we evaluated the Group's processes and controls relating to the monitoring of trade receivables and review of credit risks of its debtors. Our audit procedures in evaluating management's assumptions and inputs used in the computation of the ECL allowance included, amongst others, requesting trade receivable confirmations and obtaining evidence of receipts from these debtors after the year end. We assessed management's estimates on the historical loss rate through analysis of historical ageing of receivables and assessment of significant overdue individual debtors. We evaluated the provision matrix prepared by management for determining ECL allowance and reviewed the data and information that management has used to make forward-looking adjustments. We checked the arithmetic accuracy of the ECL allowance computation. We also reviewed the adequacy of the Group's disclosures on the trade receivables in Note 15 and the related risks such as liquidity risk and credit risk in Notes 25(b) and 25(d) to the consolidated financial statements.

## **Informatics Education Ltd and its Subsidiaries**

### **Independent auditor's report For the financial year ended 31 March 2019**

#### **Independent auditor's report to the members of Informatics Education Ltd**

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#### **Other information**

Management is responsible for other information. The other information comprises the information included in the annual report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

#### **Responsibilities of management and directors 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 Act and FRSs, 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 financial statements and to maintain accountability of assets.

In preparing the financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The directors' responsibilities include overseeing the Group's financial reporting process.

#### **Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

## **Informatics Education Ltd and its Subsidiaries**

### **Independent auditor's report For the financial year ended 31 March 2019**

#### **Independent auditor's report to the members of Informatics Education Ltd**

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#### **Auditor's responsibilities for the audit of the financial statements (cont'd)**

- Obtain an understanding of internal control relevant to the audit 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 Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

**Informatics Education Ltd and its Subsidiaries****Independent auditor's report  
For the financial year ended 31 March 2019****Independent auditor's report to the members of Informatics Education Ltd**

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**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 subsidiary corporations incorporated in Singapore of which we are the auditors have been properly kept in accordance with the provisions of the Act.

The engagement partner on the audit resulting in this independent auditor's report is Andrew Tan Chwee Peng.

Ernst & Young LLP  
Public Accountants and  
Chartered Accountants  
Singapore  
21 June 2019

**Informatics Education Ltd and its Subsidiaries****Consolidated income statement  
For the financial year ended 31 March 2019**

(In Singapore Dollars)

	<b>Note</b>	<b>2019</b>	<b>2018</b>
		\$'000	\$'000
Revenue	5	7,617	8,634
Other operating income	6	87	139
Staff costs	7	(5,299)	(6,879)
Depreciation of property, plant and equipment	11	(110)	(236)
Other operating expenses	8	(5,778)	(7,796)
<b>Loss before taxation</b>		<b>(3,483)</b>	<b>(6,138)</b>
Taxation	9	(91)	(5)
<b>Loss for the year</b>		<b>(3,574)</b>	<b>(6,143)</b>
<b>Loss attributable to:</b>			
Equity holders of the Company		(3,574)	(6,143)
<b>Earnings per share attributable to equity holders of the Company (cents)</b>	<b>10</b>		
Basic		(4.95)	(8.51)
Diluted		(4.95)	(8.51)

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

**Informatics Education Ltd and its Subsidiaries****Consolidated statement of comprehensive income  
For the financial year ended 31 March 2019**

(In Singapore Dollars)

	<b>2019</b>	<b>2018</b>
	\$'000	\$'000
<b>Loss for the financial year</b>	(3,574)	(6,143)
<b>Other comprehensive income:</b>		
<b>Items that may be reclassified subsequently to profit or loss</b>		
Foreign currency translation	(16)	239
Other comprehensive income for the financial year	(16)	239
<b>Total comprehensive income for the financial year</b>	(3,590)	(5,904)
<b>Total comprehensive income attributable to:</b>		
Equity holders of the Company	(3,590)	(5,904)
	(3,590)	(5,904)

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

## Informatics Education Ltd and its Subsidiaries

### Balance sheets As at 31 March 2019

(In Singapore Dollars)

	Note	31 March 2019 \$'000	Group 31 March 2018 \$'000	1 April 2017 \$'000	31 March 2019 \$'000	Company 31 March 2018 \$'000	1 April 2017 \$'000
<b>Non-current assets</b>							
Property, plant and equipment	11	99	184	364	4	25	135
Intangible assets	12	20	38	181	–	–	–
Investment in subsidiaries	13	–	–	–	–	–	4,820
Other investments	14	–	–	–	–	–	–
		119	222	545	4	25	4,955
<b>Current assets</b>							
Prepayments		339	344	585	88	126	137
Trade and other receivables	15	1,270	1,400	2,358	189	238	2,371
Restricted cash at bank	16	–	138	138	–	–	–
Cash and cash equivalents	16	1,396	3,137	8,403	200	334	258
		3,005	5,019	11,484	477	698	2,766
<b>Total assets</b>		3,124	5,241	12,029	481	723	7,721
<b>Current liabilities</b>							
Deferred income and fees	5	3,240	2,281	2,154	270	84	150
Trade and other payables	17	2,664	2,061	3,012	6,881	5,873	6,664
Provision for reinstatement cost	18	82	171	230	–	89	148
Income tax payable		–	–	1	–	–	–
		5,986	4,513	5,397	7,151	6,046	6,962
<b>Total liabilities</b>		5,986	4,513	5,397	7,151	6,046	6,962
<b>Net current (liabilities)/assets</b>		(2,981)	506	6,087	(6,674)	(5,348)	(4,196)
<b>Total net (liabilities)/assets</b>		(2,862)	728	6,632	(6,670)	(5,323)	759
<b>Equity attributable to equity holders of the Company</b>							
Share capital	19	29,908	29,908	29,908	29,908	29,908	29,908
Reserves	20	(32,770)	(29,180)	(23,276)	(36,578)	(35,231)	(29,149)
<b>Total equity</b>		(2,862)	728	6,632	(6,670)	(5,323)	759

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

**Informatics Education Ltd and its Subsidiaries**

**Statements of changes in equity  
For the financial year ended 31 March 2019**

(In Singapore Dollars)

Group	Attributable to equity holders of the Company				Total equity \$'000
	Share capital \$'000	Translation reserve \$'000	Accumulated losses \$'000	Total reserves \$'000	
<b>2019</b>					
At 31 March 2018, as previously reported	29,908	(1,120)	(26,699)	(27,819)	2,089
Effects of adopting SFRS(I) 1	–	1,380	(1,380)	–	–
Effects of adopting SFRS(I) 15	–	(21)	(1,340)	(1,361)	(1,361)
At 1 April 2018, as restated	29,908	239	(29,419)	(29,180)	728
Loss for the financial year	–	–	(3,574)	(3,574)	(3,574)
Other comprehensive income for the financial year	–	(16)	–	(16)	(16)
Total comprehensive income for the financial year	–	(16)	(3,574)	(3,590)	(3,590)
At 31 March 2019	29,908	223	(32,993)	(32,770)	(2,862)

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

**Informatics Education Ltd and its Subsidiaries**

**Statements of changes in equity  
For the financial year ended 31 March 2019**

(In Singapore Dollars)

Group	Attributable to equity holders of the Company				Total equity \$'000
	Share capital \$'000	Translation reserve \$'000	Accumulated losses \$'000	Total reserves \$'000	
<b>2018</b>					
At 31 March 2017, as previously reported	29,908	(1,420)	(20,873)	(22,293)	7,615
Effects of adopting SFRS(I) 1	–	1,380	(1,380)	–	–
Effects of adopting SFRS(I) 15	–	40	(1,023)	(983)	(983)
At 1 April 2017, as restated	29,908	–	(23,276)	(23,276)	6,632
Loss for the financial year	–	–	(6,143)	(6,143)	(6,143)
Other comprehensive income for the financial year	–	239	–	239	239
Total comprehensive income for the financial year	–	239	(6,143)	(5,904)	(5,904)
At 31 March 2018, as restated	29,908	239	(29,419)	(29,180)	728

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

## Informatics Education Ltd and its Subsidiaries

### Statements of changes in equity For the financial year ended 31 March 2019

(In Singapore Dollars)

<b>Company</b>	<b>Share capital \$'000</b>	<b>Accumulated losses \$'000</b>	<b>Total equity \$'000</b>
<b>2019</b>			
At 31 March 2018, as previously reported	29,908	(35,171)	(5,263)
Effects of adopting SFRS(I) 15	–	(60)	(60)
At 1 April 2018, as restated	29,908	(35,231)	(5,323)
Loss for the financial year, representing total comprehensive income for the financial year	–	(1,347)	(1,347)
At 31 March 2019	29,908	(36,578)	(6,670)
<b>2018</b>			
At 31 March 2017, as previously reported	29,908	(29,041)	867
Effects of adopting SFRS(I) 15	–	(108)	(108)
At 1 April 2017, as restated	29,908	(29,149)	759
Loss for the financial year, representing total comprehensive income for the financial year	–	(6,082)	(6,082)
At 31 March 2018	29,908	(35,231)	(5,323)

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

## Informatics Education Ltd and its Subsidiaries

### Consolidated cash flow statement For the financial year ended 31 March 2019

(In Singapore Dollars)

	Note	2019	2018
		\$'000	\$'000
<b>Cash flow from operating activities</b>			
Loss before taxation		(3,483)	(6,138)
Adjustments for:			
Depreciation of property, plant and equipment	11	110	236
Amortisation of intangible assets	12	25	70
Net (gain)/loss on disposal of property, plant and equipment	8	(2)	1
Impairment loss of property, plant and equipment	8	–	101
Impairment loss of intangible assets	8	–	230
Property, plant and equipment written-off	8	7	–
Allowance for doubtful debts	15	80	207
Write-off/(Write-back) for bad debts	8	59	(19)
Interest expense	8	12	–
Interest income	6	(1)	(7)
Unrealised exchange loss		(23)	173
<b>Operating loss before working capital changes</b>		<b>(3,216)</b>	<b>(5,146)</b>
Decrease in restricted cash at bank		138	–
Decrease in prepayments, trade and other receivables		–	992
Decrease in deferred income and fees		959	127
Decrease in trade and other payables		(404)	(1,010)
<b>Cash used in operations</b>		<b>(2,523)</b>	<b>(5,037)</b>
Interest received		1	27
Tax paid		(91)	(6)
<b>Net cash flows used in operating activities</b>		<b>(2,613)</b>	<b>(5,016)</b>
<b>Cash flows from investing activities</b>			
Purchase of property, plant and equipment	11	(35)	(149)
Expenditure on intangible assets	12	–	(155)
Proceeds from disposal of property, plant and equipment		6	4
<b>Net cash flows used in investing activities</b>		<b>(29)</b>	<b>(300)</b>
<b>Cash flows from financing activities</b>			
Amount due to indirect controlling shareholder	17	418	–
Amount due to a director	17	500	–
<b>Net cash flows generated from financing activities</b>		<b>918</b>	<b>–</b>
Net decrease in cash and cash equivalents		(1,724)	(5,316)
Cash and cash equivalents at beginning of the financial year		3,137	8,403
Effects of exchange rate changes on opening cash and cash equivalents		(17)	50
<b>Cash and cash equivalents at end of the financial year</b>	16	<b>1,396</b>	<b>3,137</b>

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

## Informatics Education Ltd and its Subsidiaries

### Notes to the financial statements For the financial year ended 31 March 2019

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(In Singapore Dollars)

#### 1. Corporate information

Informatics Education Ltd (the "Company") is a limited liability company domiciled and incorporated in Singapore and is listed on the Singapore Exchange Securities Trading Limited ("SGX-ST"). The registered office and principal place of business of the Company is located at 100 Victoria Street, #13-01/02, National Library Building, Singapore 188064.

The principal activities of the Company are those of investment holding, franchisor and licensor for computer and commercial training centres and examination facilitators. The principal activities of the subsidiaries are disclosed in Note 13 to the financial statements.

#### 2. Fundamental accounting concept

For the financial year ended 31 March 2019, the Group incurred net loss of \$3,574,000 (2018: \$6,143,000) and recorded cash outflow of \$2,613,000 (2018: \$5,016,000) from its operating activities for the financial year ended 31 March 2019.

As at 31 March 2019, the Group is in net current liabilities and net liabilities position of \$2,981,000 (2018: net current assets of \$506,000) and \$2,862,000 (2018: net assets of \$728,000), while the Company is in net current liabilities and net liabilities position of \$6,674,000 (2018: \$5,348,000) and \$6,670,000 (2018: \$5,323,000) respectively. These factors indicate the existence of a material uncertainty which may cast significant doubt on the Group's and the Company's ability to continue as going concern.

Notwithstanding the above, the financial statements of the Group and the Company are prepared on a going concern basis as the Group has received a letter of undertaking from an indirect controlling shareholder, Tan Sri Dato' Seri Vincent Tan Chee Yioun, to provide or procure additional funding of up to S\$5,000,000 from 12 June 2019 to 30 June 2020 to fund the Group's and the Company's capital expenditure, operating expenditure and working capital requirements.

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

#### 3. Summary of significant accounting policies

##### 3.1 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 International ("SFRS(I)").

For all periods up to and including the year ended 31 April 2018, the Group prepared its financial statements in accordance with Financial Reporting Standards in Singapore ("FRS"). These financial statements for the year ended 31 March 2019 are the first the Group has prepared in accordance with SFRS(I).

## Informatics Education Ltd and its Subsidiaries

### Notes to the financial statements For the financial year ended 31 March 2019

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(In Singapore Dollars)

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

##### 3.1 Basis of preparation (cont'd)

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), except when otherwise indicated.

##### 3.2 First-time adoption of (SFRS(I))

These financial statements for the year ended 31 March 2019 are the first the Group and the Company have prepared in accordance with SFRS(I). Accordingly, the Group and the Company have prepared financial statements that comply with SFRS(I) applicable as at 31 March 2019, together with the comparative period data for the year ended 31 March 2018, as described in the summary of significant accounting policies. On preparing the financial statements, the Group's and the Company's opening balance sheets were prepared as at 1 April 2017, the Group's and the Company's date of transition to SFRS(I).

The principal adjustments made by the Group on adoption of SFRS(I) and the adoption of the new standards that are effective on 1 April 2018 are disclosed below.

##### Exemptions applied on adoption of SFRS(I)

SFRS(I) allows first-time adopters exemptions from the retrospective application of certain requirements under SFRS(I). The Group has applied the following exemptions:

- SFRS(I) 3 *Business Combinations* has not been applied to either acquisitions of subsidiaries that are considered businesses under SFRS(I), or acquisitions of interests in associates and joint ventures that occurred before 1 April 2017. The carrying amounts of assets and liabilities at the date of transition to SFRS(I) is the same as previously reported under FRS.
- Cumulative currency translation differences for all foreign operations are deemed to be zero at the date of transition, 1 April 2017. As a result, an amount of negative \$1,380,000 was adjusted against the opening retained earnings as at 1 April 2017.
- The comparative information do not comply with SFRS(I) 9 *Financial Instruments* or SFRS(I) 7 *Financial Instruments: Disclosures* to the extent the disclosures relate to items within the scope of SFRS(I) 9.

##### New accounting standards effective on 1 April 2018

The accounting policies adopted are consistent with those previously applied under FRS except that in the current financial year, the Group has adopted all the SFRS(I) which are effective for annual financial periods beginning on or after 1 April 2018. Except for the impact arising from the exemptions applied as described above and the adoption of SFRS(I) 15 described below, the adoption of these standards did not have any material effect on the financial performance or position of the Group and the Company.

## Informatics Education Ltd and its Subsidiaries

### Notes to the financial statements For the financial year ended 31 March 2019

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(In Singapore Dollars)

#### 3 Summary of significant accounting policies (cont'd)

##### 3.2 *First-time adoption of (SFRS(I)) (cont'd)*

###### Adoption of SFRS(I) 9 Financial Instruments

On 1 April 2018, the Group adopted SFRS(I) 9 Financial instruments, which is effective for annual periods beginning on or after 1 April 2018.

The changes arising from the adoption of SFRS(I) 9 have been applied retrospectively. The Group has elected to apply the exemption in SFRS(I) 1 and has not restated comparative information in the year of initial application. The adoption of SFRS(I) 9 did not have an impact on the opening retained earnings at the date of initial application, 1 April 2018. The comparative information was prepared in accordance with the requirements of FRS 39.

###### *Classification and measurement*

SFRS(I) 9 requires debt instruments to be measured either at amortised cost, fair value through other comprehensive income ("FVOCI") or fair value through profit or loss ("FVPL"). Classification of debt instruments depends on the entity's business model for managing the financial assets and whether the contractual cash flows represent solely payments of principal and interest ("SPPI"). An entity's business model is how an entity manages its financial assets in order to generate cash flows and create value for the entity either from collecting contractual cash flows, selling financial assets or both. If a debt instrument is held to collect contractual cash flows, it is measured at amortised cost if it also meets the SPPI requirement. Debt instruments that meet the SPPI requirement that are held both to collect the assets' contractual cash flows and to sell the assets are measured at FVOCI. Financial assets are measured at FVPL if they do not meet the criteria of FVOCI or amortised cost.

The assessment of the business model and whether the financial assets meet the SPPI requirements was made as of 1 April 2018, and then applied retrospectively to those financial assets that were not derecognised before 1 April 2018.

SFRS(I) 9 requires all equity instruments to be carried at fair value through profit or loss, unless an entity chooses on initial recognition, to present fair value changes in other comprehensive income.

There is no significant impact arising from measurement of the Group's debt and equity instruments under SFRS(I) 9.

###### *Impairment*

SFRS(I) 9 requires the Group to record expected credit losses on all of its financial assets measured at amortised cost or FVOCI and financial guarantees. The Group previously recorded impairment based on the incurred loss model when there is objective evidence that a financial asset is impaired.

There is no significant impact arising from the adoption of the expected credit loss model for the Group's financial assets measured at amortised cost under SFRS(I) 9.

## Informatics Education Ltd and its Subsidiaries

### Notes to the financial statements For the financial year ended 31 March 2019

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(In Singapore Dollars)

#### 3 Summary of significant accounting policies (cont'd)

##### 3.2 *First-time adoption of (SFRS(I)) (cont'd)*

###### Adoption of SFRS(I) 15 Revenue from Contracts with Customers

The Group adopted SFRS(I) 15 which is effective for annual periods beginning on or after 1 April 2018. The Group applied the changes in accounting policies retrospectively to each reporting year presented, using the full retrospective approach.

The Group is in the business of providing education services to customers. The key impact of adopting SFRS(I) 15 is detailed below:

###### *Examination fees income*

The Group had previously recorded examination fee income when examination services are substantially rendered. When examination dates fall in next financial year, judgement is used to establish the proportion of revenue that may be recognised in the current financial year based upon stage of completion of services performed within the current financial year as a proportion of the total services to be performed.

Under SFRS(I) 15, the Group has examined whether the examination services provided to the customers were transferred over time, or at a point time.

The Group has assessed that the performance obligations relating to the provision of examination services to customers were not satisfied over time, but rather at a point in time when the Group has delivered or satisfied all its performance obligations stated in the contract with the customer. Accordingly, examination fee income is recognised upon release of the examination results to the customer. In addition, the Group has also adjusted its related costs, which were previously recognised based on the stage of completion method adopted previously.

Accordingly, the Group has recognised adjustments to increase its deferred income and fees by \$1,589,000, to decrease trade and other payables by \$606,000, and to reduce reserves of the Group by \$983,000 on 1 April 2017.

The Group's balance sheet as at 31 April 2018 was restated, resulting in an increase in deferred income and fees of \$1,881,000, a decrease in trade and other payables of \$520,000, and a decrease in reserves of the Group amounting to \$1,361,000. The statement of profit or loss for the year ended 31 April 2018 was also restated, resulting a reduction in revenue and an increase in other operating expenses of \$198,000 and \$119,000 respectively.

## Informatics Education Ltd and its Subsidiaries

### Notes to the financial statements For the financial year ended 31 March 2019

(In Singapore Dollars)

### 3 Summary of significant accounting policies (cont'd)

#### 3.2 First-time adoption of (SFRS(I)) (cont'd)

The following is the reconciliation of the impact arising from first-time adoption of SFRS(I) including application of the new accounting standards on 1 April 2017 to the balance sheet of the Group.

	1 April 2017 (FRS) \$'000	Group SFRS(I) 1 adjustments \$'000	SFRS(I) 15 adjustments \$'000	1 April 2017 (SFRS(I)) \$'000
<b>Non-current assets</b>				
Property, plant and equipment	364	–	–	364
Intangible assets	181	–	–	181
Investment in subsidiaries	–	–	–	–
Other investments	–	–	–	–
	545	–	–	545
<b>Current assets</b>				
Prepayments	585	–	–	585
Trade and other receivables	2,358	–	–	2,358
Restricted cash at bank	138	–	–	138
Cash and cash equivalents	8,403	–	–	8,403
	11,484	–	–	11,484
<b>Total assets</b>	12,029	–	–	12,029
<b>Current liabilities</b>				
Deferred income and fees	565	–	1,589	2,154
Trade and other payables	3,618	–	(606)	3,012
Provision for reinstatement cost	230	–	–	230
Income tax payable	1	–	–	1
	4,414	–	983	5,397
<b>Total liabilities</b>	4,414	–	983	5,397
<b>Net current assets/(liabilities)</b>	7,070	–	(983)	6,087
<b>Total net assets/(liabilities)</b>	7,615	–	(983)	6,632
<b>Equity attributable to equity holders of the Company</b>				
Share capital	29,908	–	–	29,908
Reserves	(22,293)	–	(983)	(23,276)
<b>Total equity</b>	7,615	–	(983)	6,632

## Informatics Education Ltd and its Subsidiaries

### Notes to the financial statements For the financial year ended 31 March 2019

(In Singapore Dollars)

### 3 Summary of significant accounting policies (cont'd)

#### 3.2 First-time adoption of (SFRS(I)) (cont'd)

The following is the reconciliation of the impact arising from first-time adoption of SFRS(I) including application of the new accounting standards on 31 March 2018 and 1 April 2018 to the balance sheet of the Group.

	31 March 2018 (FRS) \$'000	Group SFRS(I) 1 adjustments \$'000	SFRS(I) 15 adjustments \$'000	1 April 2018 (SFRS(I)) \$'000
<b>Non-current assets</b>				
Property, plant and equipment	184	–	–	184
Intangible assets	38	–	–	38
Investment in subsidiaries	–	–	–	–
Other investments	–	–	–	–
	222	–	–	222
<b>Current assets</b>				
Prepayments	344	–	–	344
Trade and other receivables	1,400	–	–	1,400
Restricted cash at bank	138	–	–	138
Cash and cash equivalents	3,137	–	–	3,137
	5,019	–	–	5,019
<b>Total assets</b>	5,241	–	–	5,241
<b>Current liabilities</b>				
Deferred income and fees	400	–	1,881	2,281
Trade and other payables	2,581	–	(520)	2,061
Provision for reinstatement cost	171	–	–	171
	3,152	–	1,361	4,513
<b>Total liabilities</b>	3,152	–	1,361	4,513
<b>Net current assets/(liabilities)</b>	1,867	–	(1,361)	506
<b>Total net assets/(liabilities)</b>	2,089	–	(1,361)	728
<b>Equity attributable to equity holders of the Company</b>				
Share capital	29,908	–	–	29,908
Reserves	(27,819)	–	(1,361)	(29,180)
<b>Total equity</b>	2,089	–	(1,361)	728

## Informatics Education Ltd and its Subsidiaries

### Notes to the financial statements For the financial year ended 31 March 2019

(In Singapore Dollars)

### 3 Summary of significant accounting policies (cont'd)

#### 3.2 First-time adoption of (SFRS(I)) (cont'd)

The following is the reconciliation of the impact arising from first-time adoption of SFRS(I), including application of new standards on 1 April 2017 and 31 March 2018 to the balance sheet of the Company.

	Company					
	1 April 2017 (FRS) \$'000	SFRS(I) 15 adjustments \$'000	1 April 2017 (SFRS(I)) \$'000	31 March 2018 (FRS) \$'000	SFRS(I) 15 adjustments \$'000	1 April 2018 (SFRS(I)) \$'000
<b>Non-current assets</b>						
Property, plant and equipment	135	–	135	25	–	25
Investment in subsidiaries	4,820	–	4,820	–	–	–
Other investments	–	–	–	–	–	–
	4,955	–	4,955	25	–	25
<b>Current assets</b>						
Prepayments	137	–	137	126	–	126
Trade and other receivables	2,371	–	2,371	238	–	238
Cash and cash equivalents	258	–	258	334	–	334
	2,766	–	2,766	698	–	698
<b>Total assets</b>	7,721	–	7,721	723	–	723
<b>Current liabilities</b>						
Deferred income and fees	42	108	150	24	60	84
Trade and other payables	6,664	–	6,664	5,873	–	5,873
Provision for reinstatement cost	148	–	148	89	–	89
	6,854	108	6,962	5,986	60	6,046
<b>Total liabilities</b>	6,854	108	6,962	5,986	60	6,046
<b>Net current assets/(liabilities)</b>	(4,088)	(108)	(4,196)	(5,288)	(60)	(5,348)
<b>Total net assets/(liabilities)</b>	867	(108)	759	(5,263)	(60)	(5,323)
<b>Equity attributable to equity holders of the Company</b>						
Share capital	29,908	–	29,908	29,908	–	29,908
Reserves	(29,041)	(108)	(29,149)	(35,171)	(60)	(35,231)
<b>Total equity</b>	867	(108)	759	(5,263)	(60)	(5,323)

## Informatics Education Ltd and its Subsidiaries

### Notes to the financial statements For the financial year ended 31 March 2019

(In Singapore Dollars)

### 3 Summary of significant accounting policies (cont'd)

#### 3.2 First-time adoption of (SFRS(I)) (cont'd)

The following is the reconciliation of the impact arising from first-time adoption of SFRS(I) and application of the new accounting standards to the comprehensive income the Group for the year ended 31 March 2018.

	2018 (FRS) \$'000	SFRS(I) 15 adjustments \$'000	2018 (SFRS(I)) \$'000
Revenue	8,832	(198)	8,634
Other operating income	139	–	139
Staff costs	(6,879)	–	(6,879)
Depreciation of property, plant and equipment	(236)	–	(236)
Other operating expenses	(7,677)	(119)	(7,796)
<b>Loss before taxation</b>	<b>(5,821)</b>	<b>(317)</b>	<b>(6,138)</b>
Taxation	(5)	–	(5)
<b>Loss for the year</b>	<b>(5,826)</b>	<b>(317)</b>	<b>(6,143)</b>
<b>Loss attributable to:</b>			
Equity holders of the Company	(5,826)	(317)	(6,143)
<b>Earnings per share attributable to equity holders of the Company (cents)</b>			
Basic	(8.07)	(0.44)	(8.51)
Diluted	(8.07)	(0.44)	(8.51)

## Informatics Education Ltd and its Subsidiaries

### Notes to the financial statements For the financial year ended 31 March 2019

(In Singapore Dollars)

### 3 Summary of significant accounting policies (cont'd)

#### 3.2 First-time adoption of (SFRS(I)) (cont'd)

The following is the reconciliation of the impact arising from first-time adoption of SFRS(I) and application of the new accounting standards to the Group's statement of comprehensive income for the year ended 31 March 2018.

	2018 (FRS) \$'000	SFRS(I) 15 adjustments \$'000	2018 (SFRS(I)) \$'000
<b>Other comprehensive income:</b>	(5,826)	(317)	(6,143)
<b>Items that may be reclassified subsequently to profit or loss</b>			
Foreign currency translation	300	(61)	239
Other comprehensive income for the financial year	300	(61)	239
<b>Total comprehensive income for the financial year</b>	<b>(5,526)</b>	<b>(378)</b>	<b>(5,904)</b>
<b>Total comprehensive income attributable to:</b>			
Equity holders of the Company	(5,526)	(378)	(5,904)

#### 3.3 Standards issued but not yet effective

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

<i>Description</i>	<i>Effective for annual periods beginning on or after</i>
SFRS(I) 16 <i>Leases</i>	1 April 2019
SFRS(I) INT 23 <i>Uncertainty over Income Tax Treatments</i>	1 April 2019
Amendments to SFRS(I) 9 <i>Prepayment Features with Negative Compensations</i>	1 April 2019
Amendments to SFRS(I) 1-28 <i>Long-term Interests in Associates and Joint Ventures</i>	1 April 2019
Annual Improvements to SFRS(I)s 2015-2017 Cycle	1 April 2019
Amendments to SFRS(I) 10 and SFRS(I) 28 <i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture</i>	Date to be determined

## Informatics Education Ltd and its Subsidiaries

### Notes to the financial statements For the financial year ended 31 March 2019

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(In Singapore Dollars)

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

##### 3.3 Standards issued but not yet effective (cont'd)

Except for SFRS(I) 16, the Group expect that the adoption of the other standards above will have no material impact on the financial statements in the year of initial application. The nature of the impending changes in accounting policy on adoption of SFRS(I) 16 are described below.

##### SFRS(I) 16 Leases

SFRS(I) 16 requires lessees to recognise most leases on balance sheets. The standard includes two recognition exemptions for lessees – leases of 'low value' assets and short-term leases. SFRS(I) 16 is effective for annual periods beginning on or after 1 April 2019. At commencement date of a lease, a lessee will recognise a liability to make lease payments (i.e. the lease liability) and an asset representing the right to use the underlying asset during the lease term (i.e. the right-of-use asset). Lessees will be required to separately recognise the interest expense on the lease liability and the depreciation expense on the right-of-use asset.

The Group plans to adopt SFRS(I) 16 retrospectively with the cumulative effect of initially applying the standard as an adjustment to the opening retained earnings at the date of initial application, 1 April 2019.

On the adoption of SFRS(I) 16, the Group expects to choose, on a lease-by-lease basis, to measure the right-of-use asset at either:

- (i) its carrying amount as if SFRS(I) 16 had been applied since the commencement date, but discounted using the lessee's incremental borrowing rate as of 1 April 2019; or
- (ii) an amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments relating to that lease recognised in the statement of financial position immediately before 1 April 2019.

In addition, the Group plans to elect the following practical expedients:

- not to reassess whether a contract is, or contains a lease at the date of initial application and to apply SFRS(I) 16 to all contracts that were previously identified as leases
- to apply the exemption not to recognise right-of-use asset and lease liabilities to leases for which the lease term ends within 12 months as of 1 April 2019
- to apply a single discount rate to a portfolio of leases with reasonably similar characteristics

The Group has performed a preliminary impact assessment based on currently available information, and the assessment may be subjected to changes arising from ongoing analysis until the Group adopts SFRS(I) 16 in the financial year ending 31 March 2020.

The Group is expected to recognise right-of-use assets and lease liabilities for its leases previously classified as operating leases, with a decrease in the opening retained earnings and its related tax impact as of 1 April 2019.

## Informatics Education Ltd and its Subsidiaries

### Notes to the financial statements For the financial year ended 31 March 2019

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(In Singapore Dollars)

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

##### 3.4 *Basis of consolidation*

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.

##### 3.5 *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.

## Informatics Education Ltd and its Subsidiaries

### Notes to the financial statements For the financial year ended 31 March 2019

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(In Singapore Dollars)

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

#### 3.5 Foreign currency (cont'd)

##### (a) Transactions and balances (cont'd)

Exchange differences arising on the settlement of monetary items or on translating monetary items at the end of the reporting period are recognised in profit or loss.

##### (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 profit or loss 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 profit or loss.

#### 3.6 Property, plant and equipment

All items of property, plant and equipment are initially recorded at cost. Subsequent to recognition, property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses.

Depreciation is computed on a straight-line basis over the estimated useful lives of the assets as follows:

Furniture and fittings, office and computer equipment	-	3 to 5 years
Improvement to premises	-	2 to 5 years

Assets under construction included in plant and equipment are not depreciated as these assets are not yet available for use.

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 profit or loss in the year the asset is derecognised.

#### 3.7 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.

## Informatics Education Ltd and its Subsidiaries

### Notes to the financial statements For the financial year ended 31 March 2019

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(In Singapore Dollars)

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

##### 3.7 *Intangible assets (cont'd)*

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 profit or loss when the asset is derecognised.

##### *Computer software*

Computer software has a finite useful life and is amortised over the period of estimated useful life of 3 years on a straight-line basis.

##### *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.

##### 3.8 *Subsidiaries*

A subsidiary is an investee that is controlled by the Group. The Group controls an investee when it is exposed, or has rights, to variable returns from its investment with the investee and has the ability to affect those returns through its power over the investee.

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

**Informatics Education Ltd and its Subsidiaries****Notes to the financial statements  
For the financial year ended 31 March 2019**

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(In Singapore Dollars)

**3. Summary of significant accounting policies (cont'd)****3.9 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 3.11.

**3.10 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. 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.

Impairment losses are recognised in profit or loss. 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 profit or loss.

**3.11 Financial instruments****(a) Financial assets***Initial recognition and measurement*

Financial assets are recognised when, and only when the entity becomes party to the contractual provisions of the instruments.

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset.

Trade receivables are measured at the amount of consideration to which the Group expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third party, if the trade receivables do not contain a significant financing component at initial recognition.

## Informatics Education Ltd and its Subsidiaries

### Notes to the financial statements For the financial year ended 31 March 2019

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(In Singapore Dollars)

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

##### 3.11 *Financial instruments (cont'd)*

###### (a) *Financial assets (cont'd)*

###### *Subsequent measurement*

###### Investments in debt instruments

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the contractual cash flow characteristics of the asset.

###### Amortised cost

Financial assets that are held for the collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Financial assets are measured at amortised cost using the effective interest method, less impairment. Gains and losses are recognised in profit or loss when the assets are derecognised or impaired, and through amortisation process.

###### Investments in equity instruments

On initial recognition of an investment in equity instrument that is not held for trading, the Group may irrevocably elect to present subsequent changes in fair value in other comprehensive income ("OCI"). Dividends from such investments are to be recognised in profit or loss when the Group's right to receive payments is established. For investments in equity instruments which the Group has not elected to present subsequent changes in fair value in OCI, changes in fair value are recognised in profit or loss.

###### Derivatives

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured to their fair value at the end of each reporting period. Changes in fair value of derivatives are recognised in profit or loss.

###### *De-recognition*

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 for debt instruments is recognised in profit or loss.

**Informatics Education Ltd and its Subsidiaries****Notes to the financial statements  
For the financial year ended 31 March 2019**

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(In Singapore Dollars)

**3. Summary of significant accounting policies (cont'd)****3.11 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*

After initial recognition, financial liabilities that are not carried at fair value through profit or loss are subsequently measured at amortised cost using the effective interest method. Gains or losses are recognised in profit or loss when the liabilities are derecognised, and through the amortisation process.

*De-recognition*

A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or expires. On derecognition, the difference between the carrying amounts and the consideration paid is recognised in profit or loss.

## Informatics Education Ltd and its Subsidiaries

### Notes to the financial statements For the financial year ended 31 March 2019

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(In Singapore Dollars)

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

##### 3.12 *Impairment of financial assets*

The Group recognises an allowance for expected credit losses (“ECLs”) for all debt instruments not held at fair value through profit or loss and financial guarantee contracts. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

For trade receivables, the Group applies a simplified approach in calculating ECLs. Therefore, the group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

The Group considers a financial asset in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

##### 3.13 *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. Cash and cash equivalents exclude cash and deposits which are restricted in use.

##### 3.14 *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.

## Informatics Education Ltd and its Subsidiaries

### Notes to the financial statements For the financial year ended 31 March 2019

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(In Singapore Dollars)

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

##### 3.15 *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.

##### 3.16 *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 profit or loss over the expected useful life of the relevant asset by equal annual instalments.

###### *Government grants related to income*

Government grant shall be recognised in profit or loss 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 "Staff costs" in the profit or loss.

##### 3.17 *Revenue*

Revenue is measured based on the consideration to which the Group expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

Revenue is recognised when the Group satisfies a performance obligation by transferring a promised good or service to the customer, which is when the customer obtains control of the good or service. A performance obligation may be satisfied at a point in time or over time. The amount of revenue recognised is the amount allocated to the satisfied performance obligation.

###### (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 upon full module fees collected upon commencement of class for the respective modules. Fees received prior to the commencement of the courses are recorded as deferred income and fees in the balance sheet.

## Informatics Education Ltd and its Subsidiaries

### Notes to the financial statements For the financial year ended 31 March 2019

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(In Singapore Dollars)

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

##### 3.17 Revenue (cont'd)

(b) *Examination fees*

Examination fee is recognised as revenue when the Group has delivered or satisfied all its performance obligations stated in the contract with the customer, which is upon release of the examination results to the customers. Examination fees received prior to the completion of the examination are recorded as deferred income and fees in the balance sheet.

(c) *Franchise fees*

Initial franchise fee is recognised as revenue when the contractual requirements under the franchise agreement are completed. 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.

##### 3.18 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 profit or loss on a straight-line basis over the lease term. The aggregate benefit of incentives provided by the lessor is recognised as a reduction of rental expense over the lease term on a straight-line basis.

**Informatics Education Ltd and its Subsidiaries****Notes to the financial statements  
For the financial year ended 31 March 2019**

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(In Singapore Dollars)

**3. Summary of significant accounting policies (cont'd)****3.18 Leases (cont'd)***As lessor*

Leases in which the Group does not transfer substantially all the risks and rewards of ownership of the asset are classified as operating leases. Initial direct costs incurred in negotiating an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same bases as rental income. The accounting policy for rental income is set out in Note 3.17(e). Contingent rents are recognised as revenue in the period in which they are earned.

**3.19 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 profit or loss except to the extent that the tax relates to items recognised outside profit or loss, 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.

## Informatics Education Ltd and its Subsidiaries

### Notes to the financial statements For the financial year ended 31 March 2019

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(In Singapore Dollars)

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

##### 3.19 Taxes (cont'd)

###### (b) *Deferred taxes (cont'd)*

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 profit or loss is recognised outside profit or loss. 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.

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 profit or loss.

**Informatics Education Ltd and its Subsidiaries****Notes to the financial statements  
For the financial year ended 31 March 2019**

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(In Singapore Dollars)

**3. Summary of significant accounting policies (cont'd)****3.19 Taxes (cont'd)****(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.

**3.20 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.

**3.21 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.

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.

## Informatics Education Ltd and its Subsidiaries

### Notes to the financial statements For the financial year ended 31 March 2019

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(In Singapore Dollars)

#### 4. 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.

##### 4.1 Judgements made in applying accounting policies

There are no critical judgements, apart from those involving estimates, that Management has made in the process of applying the entity's accounting policies and that have significant effect on the amounts recognised in the financial statements.

##### 4.2 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 were 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.

###### *Provision for expected credit losses of trade and other receivables*

The Group uses a provision matrix to calculate ECLs for trade and other receivables. The provision rates are based on days past due for groupings of various customer segments that have similar loss patterns. The provision matrix is initially based on the Group's historical observed default rates. The Group will calibrate the matrix to adjust historical credit loss experience with forward-looking information. At every reporting date, historical default rates are updated and changes in the forward-looking estimates are analysed.

The assessment of the correlation between historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions. The Group's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future. The information about the ECLs on the Group's trade receivables is disclosed in Note 15.

**Informatics Education Ltd and its Subsidiaries**

**Notes to the financial statements  
For the financial year ended 31 March 2019**

(In Singapore Dollars)

**5. Revenue**

**a) Disaggregation of revenue**

	Course fees		Examination fees		Franchise and license fee income		Rental income		Total revenue	
	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Segments										
<i>Primary geographical markets</i>										
Singapore	1,584	1,889	99	108	—	—	—	—	1,683	1,997
United Kingdom	—	—	3,954	4,599	455	424	—	—	4,409	5,023
Asia Pacific and others	1,219	1,218	240	384	66	5	—	7	1,525	1,614
	2,803	3,107	4,293	5,091	521	429	—	7	7,617	8,634
Timing of transfer of goods or services										
At a point in time	—	—	4,293	5,091	455	424	—	—	4,748	5,515
Over time	2,803	3,107	—	—	66	5	—	7	2,869	3,119
	2,803	3,107	4,293	5,091	521	429	—	7	7,617	8,634

## Informatics Education Ltd and its Subsidiaries

### Notes to the financial statements For the financial year ended 31 March 2019

(In Singapore Dollars)

#### 5. Revenue (cont'd)

##### b) Deferred income and fees

Deferred income and fees relate primarily to:

- (a) Course fees which the Group had billed and received in advance, and will be recognised as revenue over the duration of the course; and
- (b) Examination fees billed and received in advance, and will be recognised when the Group releases the results to the customer.

	<b>Group</b>	
	<b>2019</b>	<b>2018</b>
	\$'000	\$'000
Revenue recognised that was included in the deferred income and fees balance at the beginning of the year	1,699	1,991

#### 6. Other operating income

	<b>Group</b>	
	<b>2019</b>	<b>2018</b>
	\$'000	\$'000
Interest income	1	7
Sundry income	86	132
	<u>87</u>	<u>139</u>

#### 7. Staff costs

	<b>Group</b>	
	<b>2019</b>	<b>2018</b>
	\$'000	\$'000
Staff costs (including key management personnel):		
- salaries and bonuses	4,769	6,177
- defined contribution plan contributions	530	702
	<u>5,299</u>	<u>6,879</u>

## Informatics Education Ltd and its Subsidiaries

### Notes to the financial statements For the financial year ended 31 March 2019

(In Singapore Dollars)

#### 8. Other operating expenses

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

	Note	Group 2019 \$'000	Group 2018 \$'000
Audit fees to:			
- Auditor of the Company		106	108
- Affiliate to auditor of the Company		55	46
- Other auditors		12	29
Non-audit fees to:			
- Affiliate to auditor of the Company		14	14
- Other auditors		22	27
Amortisation of intangible assets	12	25	70
Net (gain)/loss on disposal of property, plant and equipment		(2)	1
Property, plant and equipment written off		7	-
Impairment loss of property, plant and equipment	11	-	101
Impairment loss of intangible assets	12	-	230
Interest expense		12	-
Allowance for doubtful debts	15	80	207
Write-off/(write-back) for bad debts	15	59	(19)
Foreign exchange (gain)/loss, net		(95)	363
Operating lease expenses	22	1,286	1,794
Franchising and licensing, accreditation, registration and assessment fees		1,830	2,298

## Informatics Education Ltd and its Subsidiaries

### Notes to the financial statements For the financial year ended 31 March 2019

(In Singapore Dollars)

#### 9. Taxation

##### Major components of income tax expense

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

	<b>Group</b>	
	<b>2019</b>	<b>2018</b>
	\$'000	\$'000
<b>Consolidated income statement:</b>		
Current income tax:		
- current year	2	5
- under-provided in respect of prior years	89	–
Income tax expense recognised in profit or loss	91	5

##### Relationship between tax expense and accounting loss

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

	<b>Group</b>	
	<b>2019</b>	<b>2018</b>
	\$'000	\$'000
Loss before taxation	(3,483)	(6,138)
Tax at the domestic rates applicable to profits in the countries where the Group operates	(606)	(1,032)
Adjustments:		
Income not subject to taxation	(37)	(451)
Non-deductible expenses	47	482
Deferred tax benefits not recognised	641	1,053
Benefits from previously unrecognised capital allowances and tax losses	(38)	(45)
Tax losses which cannot be carried forward	–	4
Under-provided in respect of prior years	89	–
Others	(5)	(6)
Income tax expense recognised in profit or loss	91	5

As at 31 March 2019, the Group has tax losses of approximately \$83,414,000 (2018: \$79,989,000) and other temporary differences of approximately \$2,080,000 (2018: \$1,958,000) 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. There is no expiry for the Group's tax losses in the respective tax jurisdictions.

## Informatics Education Ltd and its Subsidiaries

### Notes to the financial statements For the financial year ended 31 March 2019

(In Singapore Dollars)

#### 10. 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:

	<b>Group</b>	
	<b>2019</b>	<b>2018</b>
	\$'000	\$'000
Loss for the financial year attributable to equity holders of the Company	(3,574)	(6,143)
	<hr/>	
	<b>Number of shares</b>	
	<b>2019</b>	<b>2018</b>
	'000	'000
Weighted average number of ordinary shares for basic and diluted earnings per share computation	72,215	72,215
	<hr/> <hr/>	

There are no outstanding share options as at 31 March 2018 and 31 March 2019.

Since the end of the financial year, there was no ordinary share transaction involving senior executives.

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.

## Informatics Education Ltd and its Subsidiaries

### Notes to the financial statements For the financial year ended 31 March 2019

(In Singapore Dollars)

#### 11. Property, plant and equipment

	Furniture and fittings, office and computer equipment \$'000	Improvement to premises \$'000	Improvement to premises under construction \$'000	Total \$'000
<b>Group</b>				
<b>Cost:</b>				
At 1 April 2017	3,271	937	67	4,275
Additions	77	72	–	149
Transfer	–	67	(67)	–
Disposals/write-off	(311)	(272)	–	(583)
Exchange differences	43	1	–	44
At 31 March 2018 and 1 April 2018	3,080	805	–	3,885
Additions	35	–	–	35
Disposals/write-off	(570)	(228)	–	(798)
Exchange differences	(28)	1	–	(27)
At 31 March 2019	2,517	578	–	3,095
<b>Accumulated depreciation and impairment:</b>				
At 1 April 2017	2,989	922	–	3,911
Charge for the financial year	167	69	–	236
Impairment loss	26	75	–	101
Disposals/write-off	(308)	(270)	–	(578)
Exchange differences	31	–	–	31
At 31 March 2018 and 1 April 2018	2,905	796	–	3,701
Charge for the financial year	99	11	–	110
Disposals/write-off	(559)	(228)	–	(787)
Exchange differences	(27)	(1)	–	(28)
At 31 March 2019	2,418	578	–	2,996
<b>Net carrying amount:</b>				
At 31 March 2019	99	–	–	99
At 31 March 2018	175	9	–	184
At 1 April 2017	282	15	67	364

## Informatics Education Ltd and its Subsidiaries

### Notes to the financial statements For the financial year ended 31 March 2019

(In Singapore Dollars)

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

An impairment loss was recognised in “Other operating expenses” (Note 8) line item of the consolidated income statement for the financial year ended 31 March 2018. The impairment serves to write-down the Group’s furniture and fittings, office and computer equipment to its recoverable amount. No impairment loss was recognised for the financial year ended 31 March 2019.

Company	Furniture and fittings, office and computer equipment \$'000	Improvement to premises to premises \$'000	Improvement to premises under construction \$'000	Total \$'000
<b>Cost:</b>				
At 1 April 2017	1,784	291	67	2,142
Additions	2	62	–	64
Transfer	–	67	(67)	–
Disposals	(141)	(201)	–	(342)
At 31 March 2018 and 1 April 2018	1,645	219	–	1,864
Disposals	(415)	(219)	–	(634)
At 31 March 2019	1,230	–	–	1,230
<b>Accumulated depreciation:</b>				
At 1 April 2017	1,717	290	–	2,007
Charge for the financial year	33	54	–	87
Impairment loss	9	76	–	85
Disposals	(139)	(201)	–	(340)
At 31 March 2018 and 1 April 2018	1,620	219	–	1,839
Charge for the financial year	10	–	–	10
Disposals	(404)	(219)	–	(623)
At 31 March 2019	1,226	–	–	1,226
<b>Net carrying amount:</b>				
At 31 March 2019	4	–	–	4
At 31 March 2018	25	–	–	25
At 1 April 2017	67	1	67	135

## Informatics Education Ltd and its Subsidiaries

### Notes to the financial statements For the financial year ended 31 March 2019

(In Singapore Dollars)

#### 12. Intangible assets

Group	Software \$'000	Software under development \$'000	Development costs \$'000	Total \$'000
<b>Cost:</b>				
At 1 April 2017	–	118	260	378
Additions	–	155	–	155
Transfer	118	(118)	–	–
Exchange differences	–	3	15	18
At 31 March 2018 and 1 April 2018	118	158	275	551
Exchange differences	–	(7)	(3)	(10)
At 31 March 2019	118	151	272	541
<b>Accumulated amortisation:</b>				
At 1 April 2017	–	–	197	197
Amortisation	43	–	27	70
Impairment loss	75	155	–	230
Exchange differences	–	3	13	16
At 31 March 2018 and 1 April 2018	118	158	237	513
Amortisation	–	–	25	25
Exchange differences	–	(7)	(10)	(17)
At 31 March 2019	118	151	252	521
<b>Net carrying amount:</b>				
At 31 March 2019	–	–	20	20
At 31 March 2018	–	–	38	38
At 1 April 2017	–	118	63	181

Development costs relate to cost incurred on courseware products capitalised by a subsidiary.

An impairment loss of \$230,000 was recognised in “Other operating expenses” (Note 8) line item of the consolidated income statement for the financial year ended 31 March 2018. The impairment serves to write-down the Group’s software and software under development to its recoverable amount. No impairment loss was recognised for the financial year ended 31 March 2019.

## Informatics Education Ltd and its Subsidiaries

### Notes to the financial statements For the financial year ended 31 March 2019

(In Singapore Dollars)

#### 13. Investment in subsidiaries

	31 March 2019 \$'000	Company 31 March 2018 \$'000	1 April 2017 \$'000
Unquoted equity shares, at cost	72,591	72,591	72,591
Impairment losses	(72,591)	(72,591)	(67,771)
Carrying amount	–	–	4,820

Movement in impairment losses is as follows:

Balance at beginning of the financial year	72,591	67,771	56,880
Charge for the financial year	–	4,820	10,971
Liquidation of subsidiaries	–	–	(80)
Balance at end of the financial year	72,591	72,591	67,771

Name of company (country of incorporation and place of business)	Principal activities	Proportion of ownership interests			Cost of investment by the Company		
		31 March 2019 %	31 March 2018 %	1 April 2017 %	31 March 2019 \$'000	31 March 2018 \$'000	1 April 2017 \$'000
<b>Held by the Company</b>							
<sup>(1)</sup> Informatics Academy Pte Ltd (Singapore)	Computer and business education and training, business management consultancy and child development	100	100	100	52,424	52,424	52,424
<sup>(1)</sup> Informatics International Pte Ltd (Singapore)	Dormant	100	100	100	100	100	100

## Informatics Education Ltd and its Subsidiaries

### Notes to the financial statements For the financial year ended 31 March 2019

(In Singapore Dollars)

#### 13. Investment in subsidiaries (cont'd)

	Name of company (country of incorporation and place of business)	Principal activities	Proportion of ownership interests			Cost of investment by the Company		
			31 March 2019 %	31 March 2018 %	1 April 2017 %	31 March 2019 \$'000	31 March 2018 \$'000	1 April 2017 \$'000
<b>Held by the Company (cont'd)</b>								
(1)	Informatics Global Campus Pte Ltd (Singapore)	Operation of e-learning portal providing e-learning for higher education, corporations and education services	100	100	100	50	50	50
(2)	Informatics Education Malaysia Sdn Bhd (Malaysia)	Dormant	100	100	100	14,054	14,054	14,054
(2)	Informatics Computer Education Sdn Bhd (Malaysia)	Dormant	100	100	100	1,182	1,182	1,182
(#)	Singapore Informatics Computer Institute (Pvt) Ltd (Sri Lanka)	Dormant	100	100	100	788	788	788
(3)	Informatics Education (HK) Ltd (Hong Kong)	Computer education and training	100	100	100	776	776	776
(#)	Informatics Education UK Ltd (United Kingdom)	Investment holding	100	100	100	3,217	3,217	3,217
						72,591	72,591	72,591

## Informatics Education Ltd and its Subsidiaries

### Notes to the financial statements For the financial year ended 31 March 2019

(In Singapore Dollars)

#### 13. Investment in subsidiaries (cont'd)

	Name of company (country of incorporation and place of business)	Principal activities	Proportion of ownership interests		
			31 March 2019 %	31 March 2018 %	1 April 2017 %
<b>Held by the subsidiaries</b>					
(2)	Informatics Training Technology Sdn Bhd (Malaysia)	Dormant	100	100	100
(4)	NCC Education (M) Sdn Bhd (Malaysia)	Marketing and consultancy	100	100	100
(5)	NCC Education Limited (United Kingdom)	Educational and business management consultancy	100	100	100
(#)	NCC (Beijing) Education Consulting Co., Ltd (The People's Republic of China)	Dormant	100	100	100
(6)	NCC Education (Beijing) Consulting Co., Ltd (The People's Republic of China)	Consultancy	100	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 Ernst & Young, United Kingdom.				
(6)	Audited by Beijing Zhong Ping Jian Hua Hao Certified Public Accountants, The People's Republic of China.				
(#)	Not required to be audited by the law in the country of incorporation				

## Informatics Education Ltd and its Subsidiaries

### Notes to the financial statements For the financial year ended 31 March 2019

(In Singapore Dollars)

#### 14. Other investments

	31 March 2019 \$'000	Group 31 March 2018 \$'000	1 April 2017 \$'000	31 March 2019 \$'000	Company 31 March 2018 \$'000	1 April 2017 \$'000
Unquoted equity shares, at cost	3,071	3,071	3,071	3,071	3,071	3,071
Impairment loss	–	(3,071)	(3,071)	–	(3,071)	(3,071)
Write-off	(3,071)	–	–	(3,071)	–	–
Carrying amount	–	–	–	–	–	–
Movement in impairment loss account:						
At beginning of the financial year	3,071	3,071	3,123	3,071	3,071	3,071
Write-off	(3,071)	–	(58)	(3,071)	–	–
Exchange differences	–	–	6	–	–	–
At end of the financial year	–	3,071	3,071	–	3,071	3,071

Other investments are investments in unquoted ordinary shares in franchisees in the education service provider sector. The investments have been written off during the financial year.

#### 15. Trade and other receivables

	31 March 2019 \$'000	Group 31 March 2018 \$'000	1 April 2017 \$'000	31 March 2019 \$'000	Company 31 March 2018 \$'000	1 April 2017 \$'000
Trade receivables	1,666	1,534	2,068	192	108	308
Less: Allowance for ECL	(728)	(746)	(571)	(3)	(2)	(2)
	938	788	1,497	189	106	306
Other receivables	7	33	96	–	2	3
Goods and service or value added tax receivable	2	25	76	–	–	–
	9	58	172	–	2	3
Deposits	323	554	687	–	130	262
Staff advances	–	–	2	–	–	–
Amounts due from subsidiaries	–	–	–	6,082	7,678	10,270
Less: Allowance for ECL	–	–	–	(6,082)	(7,678)	(8,470)
	–	–	–	–	–	1,800
Total trade and other receivables	1,270	1,400	2,358	189	238	2,371

## Informatics Education Ltd and its Subsidiaries

### Notes to the financial statements For the financial year ended 31 March 2019

(In Singapore Dollars)

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

##### *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.

##### *Amounts due from subsidiaries*

Amounts due from subsidiaries are unsecured, interest-free, are repayable on demand and are expected to be settled in cash. The amounts have been fully impaired.

##### *Receivables that are past due but not impaired*

The Group and the Company have trade and other receivables amounting to \$778,000 (2017: \$1,218,000) and \$106,000 (2017: \$280,000) respectively, that are past due on 31 March 2018 but not impaired. These receivables are unsecured and the analysis of their aging at the end of the reporting period is as follows:

	Group		Company	
	31 March 2018 \$'000	1 April 2017 \$'000	31 March 2018 \$'000	1 April 2017 \$'000
Trade and other receivables past due:				
- Less than 30 days	663	911	86	146
- 30 – 90 days	95	93	–	2
- More than 90 days	20	214	20	132
	<u>778</u>	<u>1,218</u>	<u>106</u>	<u>280</u>

##### *Receivables that are impaired*

Trade and other receivables that are impaired at the end of the reporting period and the movement of the allowance accounts used to record the impairment is as follows:

##### *Allowance for doubtful debts on trade receivables*

	Group		Company	
	31 March 2018 \$'000	1 April 2017 \$'000	31 March 2018 \$'000	1 April 2017 \$'000
Trade receivables – nominal amounts	746	600	2	2
Less: Allowance for doubtful debts	(746)	(571)	(2)	(2)
	<u>–</u>	<u>29</u>	<u>–</u>	<u>–</u>

## Informatics Education Ltd and its Subsidiaries

### Notes to the financial statements For the financial year ended 31 March 2019

(In Singapore Dollars)

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

Movement in allowance accounts:

	Group		Company	
	31 March 2018 \$'000	1 April 2017 \$'000	31 March 2018 \$'000	1 April 2017 \$'000
At beginning of the financial year	571	1,329	2	77
Charge/(write-back) for the financial year	207	(38)	–	2
Written-off against allowance	(63)	(619)	–	(77)
Exchange differences	31	(101)	–	–
At end of the financial year	746	571	2	2

Trade receivables and other receivables that are individually 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. These receivables are not secured by any collateral or credit enhancements.

#### Trade and other receivables that are impaired

An allowance for doubtful debts of \$80,000 (2018: write-back of \$207,000) and write-off of bad debts of \$59,000 (2018: write-back of bad debts of \$19,000) 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 8).

#### *Allowance for doubtful debts on amounts due from subsidiaries*

	Company	
	31 March 2018 \$'000	1 April 2017 \$'000
Amounts due from subsidiaries - nominal amounts	7,678	8,470
Less: Allowance for doubtful debts	(7,678)	(8,470)
	–	–

Movement in allowance accounts:

At beginning of the financial year	8,470	12,707
Charge for the financial year	743	866
Written-off against allowance	(1,535)	(5,103)
At end of the financial year	7,678	8,470

## Informatics Education Ltd and its Subsidiaries

### Notes to the financial statements For the financial year ended 31 March 2019

(In Singapore Dollars)

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

##### Amounts due from subsidiaries that are impaired

At the end of the reporting period, the Company has provided an allowance of \$7,678,000 (2017: \$8,470,000) for impairment of unsecured amounts due from subsidiaries with nominal amounts of \$7,678,000 (2017: \$8,470,000).

##### ***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, there are no significant trade and other receivables denominated in foreign currencies.

##### ***Expected credit loss on trade and other receivables***

Summarised below are the information about the loss allowance provision and the credit risk exposure on the Group's trade receivables using provision matrix:

	Current and past due less than 30 days \$'000	Past due more than 30 days, but less than 90 days \$'000	Past due more than 90 days \$'000	Total \$'000
<b>31 March 2019</b>				
Gross carrying amount	736	184	746	1,666
Loss allowance provision	256	27	445	728

##### Expected credit losses

The movement in allowance for expected credit losses of trade receivables computed based on lifetime ECL are as follows:

	<b>2019</b> \$'000
Movement in allowance accounts:	
At 1 January	746
Charge for the financial year	80
Written-off against allowance	(71)
Exchange differences	(27)
	<hr/>
At 31 December	728

## Informatics Education Ltd and its Subsidiaries

### Notes to the financial statements For the financial year ended 31 March 2019

(In Singapore Dollars)

#### 16. Cash and cash equivalents

	31 March 2019 \$'000	Group 31 March 2018 \$'000	1 April 2017 \$'000	31 March 2019 \$'000	Company 31 March 2018 \$'000	1 April 2017 \$'000
<b>Cash and cash equivalents</b>						
Cash at bank and on hand	1,396	3,137	6,369	200	334	258
Short-term deposits	–	–	2,034	–	–	–
<b>Total cash and cash equivalents</b>	<b>1,396</b>	<b>3,137</b>	<b>8,403</b>	<b>200</b>	<b>334</b>	<b>258</b>
<b>Restricted cash at bank</b>						
Cash held in escrow accounts	–	138	138	–	–	–
<b>Total restricted cash at bank</b>	<b>–</b>	<b>138</b>	<b>138</b>	<b>–</b>	<b>–</b>	<b>–</b>
<b>Total cash and bank balances</b>	<b>1,396</b>	<b>3,275</b>	<b>8,541</b>	<b>200</b>	<b>334</b>	<b>258</b>

#### Restricted cash at bank

In previous financial years, a subsidiary was required under Case Trust for Education Scheme to maintain an escrow bank account where course fees paid by its international students are held in trust and disbursed by the escrow bank to the subsidiary according to a predetermined schedule. Such balances were excluded from cash and cash equivalents for cash flow presentation. During the year, all funds in the escrow bank account had been released as the Case Trust Education Scheme no longer requires the maintenance of such an escrow bank account.

#### Cash and cash equivalents

As at 31 March 2017, short-term deposits were made for a period of nine months, depending on the immediate cash requirements of the Group, and earned interests at the respective deposit rates. The weighted average effective interest rate for short-term deposits as at 31 March 2017 for the Group was 0.49% per annum.

At the end of the reporting period, cash and bank balances denominated in foreign currencies are as follows:

	31 March 2019 \$'000	Group 31 March 2018 \$'000	1 April 2017 \$'000	31 March 2019 \$'000	Company 31 March 2018 \$'000	1 April 2017 \$'000
Renminbi	–	–	2	–	–	–
United States Dollars	63	81	82	63	59	68

## Informatics Education Ltd and its Subsidiaries

### Notes to the financial statements For the financial year ended 31 March 2019

(In Singapore Dollars)

#### 17. Trade and other payables

	31 March 2019 \$'000	Group 31 March 2018 \$'000	1 April 2017 \$'000	31 March 2019 \$'000	Company 31 March 2018 \$'000	1 April 2017 \$'000
Trade payables	372	523	681	–	–	–
Other payables	150	100	347	97	37	85
Goods and services tax payable	–	–	–	11	23	20
Accrued operating expenses	1,224	1,438	1,984	171	236	327
Amount due to an indirect controlling shareholder (non-trade)	418	–	–	418	–	–
Amount due to a director (non-trade)	500	–	–	500	–	–
Due to subsidiaries	–	–	–	5,684	5,577	6,232
<b>Total trade and other payables</b>	<b>2,664</b>	<b>2,061</b>	<b>3,012</b>	<b>6,881</b>	<b>5,873</b>	<b>6,664</b>

#### *Trade and other payables*

Trade and other payables (excluding amount due to an indirect controlling shareholder and amount due to a director) are non-interest bearing and are normally settled on 30-90 days term.

Amount due to an indirect controlling shareholder and amount due to a director are non-trade in nature, unsecured and bear interest at a rate of 5.0% per annum. Amount due to an indirect controlling shareholder is repayable on demand, while amount due to a director is due for repayment within the next financial year.

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

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

	31 March 2019 \$'000	Group 31 March 2018 \$'000	1 April 2017 \$'000	31 March 2019 \$'000	Company 31 March 2018 \$'000	1 April 2017 \$'000
Great Britain Pounds	185	125	129	–	–	–

## Informatics Education Ltd and its Subsidiaries

### Notes to the financial statements For the financial year ended 31 March 2019

(In Singapore Dollars)

#### 18. Provision for reinstatement cost

	31 March 2019 \$'000	Group 31 March 2018 \$'000	1 April 2017 \$'000	31 March 2019 \$'000	Company 31 March 2018 \$'000	1 April 2017 \$'000
At beginning of the financial year	171	230	230	89	148	148
Utilisation for the financial year	(89)	(59)	–	(89)	(59)	–
At end of the financial year	82	171	230	–	89	148

#### 19. Share capital

	Group and Company			
	2019		2018	
	No. of shares '000	\$'000	No. of shares '000	\$'000
Issued and fully paid:				
At beginning of the financial year	72,215	29,908	72,215	29,908
At end of the financial year	72,215	29,908	72,215	29,908

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.

#### 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.

## Informatics Education Ltd and its Subsidiaries

### Notes to the financial statements For the financial year ended 31 March 2019

(In Singapore Dollars)

#### 21. Related party disclosures

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

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

	Group	
	2019 \$'000	2018 \$'000
Interest expense on amounts due to:		
- An indirect controlling shareholder	8	-
- A director of the Company	4	-
	12	-

##### (b) *Compensation of key management personnel*

	Group	
	2019 \$'000	2018 \$'000
Short-term employee benefits	756	752
Defined contribution plan contributions	54	46
	810	798
Total compensation paid to key management personnel	810	798
Comprise amounts paid to:		
- Directors of the Company	110	108
- Other key management personnel	700	690
	810	798

#### 22. Commitments and contingencies

##### (a) *Capital commitments*

Capital expenditure contracted for as at the end of the reporting period but not recognised in the financial statements are as follows.

	31 March 2019 \$'000	Group 31 March 2018 \$'000	1 April 2017 \$'000	31 March 2019 \$'000	Company 31 March 2018 \$'000	1 April 2017 \$'000
Capital commitments in respect of property, plant and equipment	-	-	159	-	-	159

## Informatics Education Ltd and its Subsidiaries

### Notes to the financial statements For the financial year ended 31 March 2019

(In Singapore Dollars)

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

##### (b) *Operating lease commitments – as lessee*

The Group and the 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's or the Company's activities concerning dividends, additional debt or further leasing.

Minimum lease payment recognised as an expense in profit or loss for the financial year ended 31 March 2019 amounted to \$1,286,000 (2018: \$1,794,000).

Future minimum rental payables under non-cancellable operating leases at the end of reporting period are as follows:

	31 March 2019 \$'000	Group 31 March 2018 \$'000	1 April 2017 \$'000	31 March 2019 \$'000	Company 31 March 2018 \$'000	1 April 2017 \$'000
Not later than one year	1,043	1,323	1,128	–	507	169
Later than one year but not later than five years	1,235	403	492	–	85	–
Later than five years	–	–	23	–	–	–
	2,278	1,726	1,643	–	592	169

##### (c) *Contingent liabilities*

The Company has undertaken to provide continual 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 and Masters 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.

**Informatics Education Ltd and its Subsidiaries****Notes to the financial statements  
For the financial year ended 31 March 2019**

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(In Singapore Dollars)

**23. Segment information (cont'd)****(a) Business segments (cont'd)**

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.

## Informatics Education Ltd and its Subsidiaries

### Notes to the financial statements For the financial year ended 31 March 2019

(In Singapore Dollars)

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

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

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

	Higher Education		Corporate Training		Note	Total	
	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000		2019 \$'000	2018 \$'000
<b>Revenue:</b>							
Sales to external customers	6,407	7,288	1,210	1,346		7,617	8,634
<b>Results:</b>							
Sundry income	86	132	—	—		86	132
Interest income	1	7	—	—		1	7
Staff costs	(4,976)	(6,546)	(323)	(333)		(5,299)	(6,879)
Depreciation and amortisation							
- Depreciation	(92)	(226)	(18)	(10)		(110)	(236)
- Amortisation	(25)	(70)	—	—		(25)	(70)
Allowance for doubtful receivables and bad debts written-off	(139)	(188)	—	—		(139)	(188)
Impairment loss of property, plant and equipment	—	(101)	—	—		—	(101)
Impairment loss of intangible assets	—	(230)	—	—		—	(230)
Interest expense	(12)	—	—	—		(12)	—
Net gain/(loss) on disposal of property, plant and equipment	2	(1)	—	—		2	(1)
Property, plant and equipment written-off	(7)	—	—	—		(7)	—
Operating lease expenses	(1,155)	(1,643)	(131)	(151)		(1,286)	(1,794)
Other non-cash (expenses)/income	(53)	85	154	(366)	(i)	101	(281)
<b>Segment (loss)/profit before tax</b>	<b>(3,780)</b>	<b>(5,682)</b>	<b>297</b>	<b>(456)</b>		<b>(3,483)</b>	<b>(6,138)</b>

**Informatics Education Ltd and its Subsidiaries**

**Notes to the financial statements  
For the financial year ended 31 March 2019**

(In Singapore Dollars)

**23. Segment information (cont'd)**

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

	Higher Education		Corporate Training		Note	Total	
	31 March 2019 \$'000	1 April 2017 \$'000	31 March 2019 \$'000	1 April 2017 \$'000		31 March 2018 \$'000	1 April 2017 \$'000
<b>Assets:</b>							
Additions to non-current assets	15	592	20	2	(ii)	35	594
Segment assets	2,887	11,792	237	237		3,124	12,029
<b>Total assets</b>						<b>3,124</b>	<b>12,029</b>
<b>Liabilities:</b>							
Segment liabilities	5,812	5,242	174	154		5,986	5,396
Income tax payable						—	1
<b>Total liabilities</b>						<b>5,986</b>	<b>5,397</b>

## Informatics Education Ltd and its Subsidiaries

### Notes to the financial statements For the financial year ended 31 March 2019

(In Singapore Dollars)

#### 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 mainly of foreign exchange gain/loss, 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
<b>2019</b>				
<b>Revenue:</b>				
Sales to external customers	1,683	4,409	1,525	7,617
<b>Non-current assets</b>	30	58	31	119
<b>2018</b>				
<b>Revenue:</b>				
Sales to external customers	1,997	5,023	1,614	8,634
<b>Non-current assets</b>	85	110	27	222

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% (2018: 10%) of the Group's revenue for the financial year ended 31 March 2019.

## Informatics Education Ltd and its Subsidiaries

### Notes to the financial statements For the financial year ended 31 March 2019

(In Singapore Dollars)

#### 24. Fair value of financial instruments

##### *Fair value of financial assets and liabilities*

Management has determined that the carrying amount of cash and bank balances, 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.

##### *Classification of financial assets and liabilities*

The carrying amounts of financial assets and financial liabilities in each of the following categories are as follows:

	31 March 2019 \$'000	Group 31 March 2018 \$'000	1 April 2017 \$'000	31 March 2019 \$'000	Company 31 March 2018 \$'000	1 April 2017 \$'000
<b><i>Financial assets measured at amortised cost</i></b>						
Trade and other receivables	1,270	1,400	2,358	189	238	2,371
Cash and cash equivalents	1,396	3,137	8,403	200	334	258
Restricted cash at bank	–	138	138	–	–	–
	2,666	4,675	10,899	389	572	2,629
Less: Goods and services or value added tax receivable	(2)	(25)	(76)	–	–	–
	2,664	4,650	10,823	389	572	2,629
<b><i>Financial liabilities measured at amortised cost</i></b>						
Trade and other payables	2,664	2,061	3,012	6,881	5,873	6,664
Less: Goods and services tax payable	–	–	–	(11)	(23)	(20)
	2,664	2,061	3,012	6,870	5,850	6,644

## Informatics Education Ltd and its Subsidiaries

### Notes to the financial statements For the financial year ended 31 March 2019

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(In Singapore Dollars)

#### 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 interest rate risk, 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) **Interest rate risk**

Interest rate risk is the risk that the fair value or future cash flows of the Group's and the Company's financial instruments will fluctuate due to changes in market interest rates. The Group's and the Company's exposure to interest rate risk arises primarily from the Group's and Company's amounts due to an indirect controlling shareholder and a director.

As the interest rate on the amounts due to an indirect controlling shareholder and a director is fixed, there is no impact from interest rate fluctuation.

(b) **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.

*Analysis of financial instruments by remaining contractual maturities*

The Group's and the Company's financial assets and 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.

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.

**Informatics Education Ltd and its Subsidiaries**

**Notes to the financial statements  
For the financial year ended 31 March 2019**

(In Singapore Dollars)

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

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

	31 March 2019 \$'000	Group 31 March 2018 \$'000	1 April 2017 \$'000	31 March 2019 \$'000	Company 31 March 2018 \$'000	1 April 2017 \$'000
<b>Financial assets</b>						
Trade and other receivables (exclude Goods and Services or value added tax receivable)	1,268	1,375	2,282	189	238	2,371
Cash and cash equivalents	1,396	3,137	8,403	200	334	258
Restricted cash at bank	–	138	138	–	–	–
<b>Total undiscounted financial assets</b>	<b>2,664</b>	<b>4,650</b>	<b>10,823</b>	<b>389</b>	<b>572</b>	<b>2,629</b>
<b>Financial liabilities</b>						
Trade and other payables (exclude Goods and Services or value added tax payable)	2,710	2,061	3,012	6,870	5,850	6,644
<b>Total undiscounted financial liabilities</b>	<b>2,710</b>	<b>2,061</b>	<b>3,012</b>	<b>6,870</b>	<b>5,850</b>	<b>6,644</b>
<b>Total net undiscounted assets/(liabilities)</b>	<b>(46)</b>	<b>2,589</b>	<b>7,811</b>	<b>(6,481)</b>	<b>(5,278)</b>	<b>(4,015)</b>

## Informatics Education Ltd and its Subsidiaries

### Notes to the financial statements For the financial year ended 31 March 2019

(In Singapore Dollars)

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

##### (c) *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 86% (2018: 85%) 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 bank balances denominated in foreign currencies for working capital purposes. The currency mix of the cash and bank balances 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.

##### *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.

	<b>Group</b>	
	<b>2019</b>	<b>2018</b>
	\$'000	\$'000
USD - strengthened 5% (2018: 5%)	3	4
- weakened 5% (2018: 5%)	(3)	(4)
GBP - strengthened 5% (2018: 5%)	(9)	(6)
- weakened 5% (2018: 5%)	9	6

**Informatics Education Ltd and its Subsidiaries****Notes to the financial statements  
For the financial year ended 31 March 2019**

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(In Singapore Dollars)

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

Credit risk is the risk of loss that may arise on outstanding financial instruments should a counterparty default on its obligations. The Group's and the Company's exposure to credit risk arises primarily from trade and other receivables.

The Group's objective is to seek continual revenue growth while minimising losses incurred due to increased credit risk exposure. The Group trades only with recognised and creditworthy third parties. It is the Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an ongoing basis.

*Excessive risk concentration*

Concentrations 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 bank balances.

*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 (excluding Goods and services or value added tax receivable) at the end of the reporting period is as follows:

## Informatics Education Ltd and its Subsidiaries

### Notes to the financial statements For the financial year ended 31 March 2019

(In Singapore Dollars)

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

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

##### *Credit risk concentration profile (cont'd)*

	2019		Group 2018		2017	
	\$'000	% of total	\$'000	% of total	\$'000	% of total
<b>By region:</b>						
Asia-Pacific	580	46	675	49	1,121	49
Europe	688	54	700	51	1,161	51
	1,268	100	1,375	100	2,282	100
<b>By industry sectors:</b>						
Higher Education	1,196	94	1,336	97	2,187	96
Corporate Training	72	6	39	3	95	4
	1,268	100	1,375	100	2,282	100

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

##### *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 records with the Group. Cash and cash equivalents are placed with reputable financial institutions with high credit ratings and no history of default.

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

##### *Expected credit loss on trade and other receivables*

The Group provides for lifetime expected credit losses for all trade and other receivables using a provision matrix. The provision rates are determined based on the Group's historical observed default rates analysed in accordance to days past due by grouping of customers based on observable ageing buckets. The expected credit losses also incorporate forward looking information such as unemployment rate of Singapore residents and global inflation rates.

Information regarding the loss allowance provision on the Group's trade and other receivables is disclosed in Note 15 (Trade and other receivables)

## Informatics Education Ltd and its Subsidiaries

### Notes to the financial statements For the financial year ended 31 March 2019

(In Singapore Dollars)

#### 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 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 manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Group may adjust dividend payment to shareholders, return capital to shareholders or issue new shares. There is no external capital requirements imposed on the Group.

	Group	
	2019	2018
	\$'000	\$'000
Deferred income and fees	3,240	2,281
Provision and trade and other payables	2,746	2,232
	5,986	4,513
Cash and cash equivalents (Note 16)	(1,396)	(3,137)
	4,590	1,376
Net debt/(cash)		
	(2,862)	728
Total equity		
	(1.60)	1.89
Gearing		

#### 27. Authorisation of financial statements for issue

The financial statements for the financial year ended 31 March 2019 were authorised for issue in accordance with a resolution of the directors on 21 June 2019.

# ANALYSIS OF SHAREHOLDINGS

AS AT 10 JUNE 2019

Range of shareholdings	No. of shareholders	%	No. of shares	%
1- 99	346	7.78	14,603	0.02
100 - 1,000	1,768	39.74	841,711	1.17
1,001 - 10,000	1,882	42.30	7,395,444	10.24
10,001 - 1,000,000	447	10.05	21,779,431	30.16
1,000,001 AND ABOVE	6	0.13	42,184,278	58.41
	4,449	100.00	72,215,467	100.00

## Share capital

Issued and fully paid-up capital	:	\$29,655,861.53
Number of issued shares and paid-up shares (excluding treasury shares)	:	72,215,467
Number of treasury shares held	:	Nil
Number of subsidiary holdings <sup>1</sup>	:	Nil
Class of shares	:	Ordinary
Voting rights	:	One vote per share

# ANALYSIS OF SHAREHOLDINGS

AS AT 10 JUNE 2019

<b>Major shareholders list - Top 22 as at 10 June 2019</b>		<b>No. of shares</b>	<b>%</b>
1	Phillip Securities Pte Ltd	20,759,078	28.75
2	UOB Kay Hian Private Limited	15,088,305	20.89
3	Goh Han Choon Steve	2,300,000	3.18
4	OCBC Securities Private Ltd	1,638,962	2.27
5	Raffles Nominees (Pte) Limited	1,366,481	1.89
6	DBS Nominees Pte Ltd	1,031,452	1.43
7	Maybank Kim Eng Securities Pte Ltd	902,227	1.25
8	Chua Kiang Hiang	840,464	1.16
9	United Overseas Bank Nominees Private Limited	809,717	1.12
10	Cheng Yin Mui	669,375	0.93
11	Tan Lian Seng	512,650	0.71
12	Lim Hee Liat	499,960	0.69
13	CIGA Enterprises Pte Ltd	365,400	0.51
14	Tan Lye Seng	337,400	0.47
15	OCBC Nominees Singapore Pte Ltd	307,765	0.43
16	Teo Thong Soon	292,028	0.40
17	CGS-CIMB Securities (Singapore) Pte Ltd	271,366	0.37
18	Koh Hui Ling (Xu Huiling)	263,676	0.36
19	Lau Kheng Hock (Liu Qingfu)	250,000	0.35
20	Meo Alessandro	250,000	0.35
21	Tan Hwee Juan Agnes	250,000	0.35
22	Wong Fook Shyang	250,000	0.35
		49,256,306	68.21

# SUBSTANTIAL SHAREHOLDERS

AS AT 10 JUNE 2019

As shown in the Company's Register of Substantial Shareholders

Substantial Shareholders	Direct / Beneficial No. of Shares	Interest %*	Deemed No. of Shares	Interest %*
Berjaya Leisure Capital (Cayman) Ltd	19,563,515	27.09		
Tan Sri Dato' Seri Vincent Tan Chee Yioun			20,493,577 <sup>(2)</sup>	28.38
Berjaya Corporation Berhad			20,493,577 <sup>(2)</sup>	28.38
Berjaya Group Berhad			20,493,577 <sup>(2)</sup>	28.38
Berjaya Land Berhad			19,563,515 <sup>(1)</sup>	27.09
Teras Mewah Sdn Bhd			19,563,515 <sup>(1)</sup>	27.09
Kestrel Capital Pte Ltd	14,971,350	20.73		
Lim Eng Hock			14,971,350 <sup>(3)</sup>	20.73

Notes:

- (1) Deemed to be interested in the shares held by Berjaya Leisure Capital (Cayman) Limited.
- (2) Deemed to be interested in the shares held by Berjaya Leisure Capital (Cayman) Limited and Rantau Embun Sdn Bhd.
- (3) Deemed to be interested in the shares held by Kestrel Capital Pte Ltd.

\* Based on 72,215,467 ordinary shares as at 10 June 2019.

## **SHAREHOLDINGS IN THE HANDS OF THE PUBLIC AS AT 10 JUNE 2019**

Based on the information provided, to the best knowledge of the Directors and the substantial shareholders of the Company, approximately 50.89% of the issued ordinary shares are held in the hands of the public as at 10 June 2019. 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-Sixth Annual General Meeting (“AGM”) of INFORMATICS EDUCATION LTD. (the “Company”) will be held at Enabling Village, UOB Ability Hub Hall 1, 20 Lengkok Bahru, Singapore 159053 on Thursday, 18 July 2019 at 2.00 p.m. to transact the following businesses:

## As Ordinary Business

1. To receive and adopt the Directors’ Statement and Audited Financial Statements for the financial year ended 31 March 2019 and the Auditors’ Report thereon. **(Resolution 1)**
2. To approve the payment of Directors’ Fees of S\$50,000 for the financial year ended 31 March 2019 (2018: S\$47,500). **(Resolution 2)**
3. To re-elect the following Directors retiring pursuant to Article 75 of the Company’s Constitution:
  - (i) Professor Lai Kim Fatt [See Explanatory Note (a)] **(Resolution 3)**
  - (ii) Mr Yeap Beng Swee, Philip [See Explanatory Note (b)] **(Resolution 4)**

To record the retirement of Ms Ho Seok Khen as a Director pursuant to Article 71 of the Company’s Constitution at the conclusion of the AGM [See Explanatory Note (c)]
4. To re-appoint Ernst & Young LLP as Auditors of the Company for the financial year ending 31 March 2020 and to authorise the Directors to fix their remuneration. **(Resolution 5)**

## As Special Business

To consider and, if thought fit, to pass the following resolution as Ordinary Resolution, with or without modifications:

5. **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 and subsidiary holdings of the Company) (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 and subsidiary holdings of the Company) (as calculated in accordance with paragraph (ii) below); and

# NOTICE OF ANNUAL GENERAL MEETING

- (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 and subsidiary holdings of the Company) 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 Constitution 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 (d)]* **(Resolution 6)**

BY ORDER OF THE BOARD

**Ms Lo Swee Oi**  
Company Secretary

3 July 2019

# NOTICE OF ANNUAL GENERAL MEETING

## Explanatory Notes:

- (a) Professor Lai Kim Fatt, if re-elected, will remain as the Chairman of the Remuneration & Strategic Human Resource Committee and Nominating Committee and Member of the Audit & Risk Management Committee. He is considered an Independent Director pursuant to Rule 704(8) of the Listing Manual of the SGX-ST. Detailed information pursuant to Rule 720(6) of the Listing Manual of SGX-ST on Professor Lai can be found under the section entitled “Additional Information on Director Seeking Re-election” on page 120 of 2019 Annual Report of the Company
- (b) Mr Yeap Beng Swee, Philip, if re-elected, will remain as the Chairman of the Audit & Risk Management Committee and Member of the Remuneration & Strategic Human Resource Committee and Nominating Committee. He is considered an Independent Director pursuant to Rule 704(8) of the Listing Manual of the SGX-ST. Detailed information pursuant to Rule 720(6) of the Listing Manual of SGX-ST on Mr Philip Yeap can be found under the section entitled “Additional Information on Director Seeking Re-election” on page 120 of 2019 Annual Report of the Company.
- (c) Ms Ho Seok Khen, who is retiring by rotation at the AGM pursuant to Article 71 of the Company’s Constitution, has expressed her intention to retire at the AGM and will not be seeking re-election.
- (d) Resolution 6, 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 and subsidiary holdings of the Company) 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 and subsidiary holdings of the Company) is based on the Company’s total number of issued Shares (excluding treasury Shares and subsidiary holdings of the Company) 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 AGM will be exercising his right under Article 56 of the Company’s Constitution to demand a poll in respect of each of the resolutions to be put to the vote of members at the AGM and at any adjournment thereof. Accordingly, each resolution at the AGM will be voted on by way of a poll.
- 2. Except for a member who is a Relevant Intermediary as defined under Section 181(6) of the Companies Act, a member is entitled to appoint not more than two proxies to attend, speak and vote at the AGM. Where a member appoints more than one proxy, he shall specify the proportion of his shares to be represented by each proxy.

A member of the Company who is a relevant intermediary is entitled to appoint more than two proxies to attend, speak and vote at the AGM, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such member (which number and class of shares shall be specified). In such an event, such member shall submit a list of its proxies together with the information required in the proxy form to the Company.

“Relevant Intermediary” means:

- (I) a banking corporation licensed under the Banking Act of Singapore (Chapter 19) or a wholly-owned subsidiary of such a banking corporation, whose business includes the provision of nominee services and who holds shares in that capacity;
- (II) a person holding a capital markets services licence to provide custodial services for securities under the Securities and Futures Act of Singapore (Chapter 289), and who holds shares in that capacity; or

# NOTICE OF ANNUAL GENERAL MEETING

- (III) the Central Provident Fund Board established by the Central Provident Fund Act of Singapore (Chapter 36), in respect of shares purchased under the subsidiary legislation made under that Act providing for the making of investments from the contributions and interest standing to the credit of members of the Central Provident Fund, if the Board holds those shares in the capacity of an intermediary pursuant to or in accordance with that subsidiary legislation.
3. Where a member appoints two proxies, he shall specify the proportion of his shareholding to be represented by each proxy.
  4. 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.
  5. The instrument of proxy must be deposited at the registered office of the Company at **100 Victoria Street, #13-01/02 National Library Building, Singapore 188064 (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 AGM 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 AGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the AGM (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.

Photographic, sound and/or video recordings of the above meeting may be made by the Company for record keeping and to ensure the accuracy of the minutes prepared of the meeting. Accordingly, the personal data of a member of the Company (such as his name, his presence at the meeting and any questions he may raise or motions he propose/second) may be recorded by the Company for such purpose.

In addition, the Company may upon the request of any shareholder, provide such shareholder with a copy of the minutes of the above meeting which may contain member's personal data as explained above. By participating in the meeting, raising any questions and/or proposing/seconding any motion, a member will be deemed to have consented to have his personal data recorded and dealt with the purposes and in the manner explained above.

## ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION

Professor Lai Kim Fatt and Mr Yeap Beng Swee, Philip are the Directors seeking re-election at the annual general meeting of the Company on 18 July 2019 (“AGM”) (collectively, the “Retiring Directors” and each a “Retiring Director”).

Pursuant to Rule 720(6) of the Listing Manual of SGX-ST, the information relating to the Retiring Directors as set out in Appendix 7.4.1 to the Listing Manual of SGX-ST is set out below:

Name of Director	Professor Lai Kim Fatt	Yeap Beng Swee, Philip
Date of appointment	19 July 2018	19 July 2018
Date of last re-appointment (if applicable)	Not applicable	Not applicable
Age	62	55
Country of principal residence	Singapore	Singapore
The Board’s comments on this re-appointment (including rationale, selection criteria, and the search and nomination process)	The Board of Directors of the Company, having considered Professor Lai’s qualifications and experience, is satisfied that the re-appointment of Professor Lai as a Director of the Company will be beneficial to the Board and the Company.	The Board of Directors of the Company, having considered Mr Philip Yeap’s qualifications and experience, is satisfied that the re-appointment of Mr Philip Year as a Director of the Company will be beneficial to the Board and the Company.
Whether Board appointment is executive, and if so, the area of responsibility	Non-Executive	Non-Executive
Job Title (e.g. Lead ID, AC Chairman, AC Member)	Non-Executive Independent Director Chairman of the Nominating Committee and Remuneration and Strategic Human Resource Committee Member of the Audit and Risk Management Committee	Non-Executive Independent Director Chairman of the Audit and Risk Management Committee Member of the Nominating Committee and Remuneration and Strategic Human Resource Committee
Academic / professional qualifications	As disclosed in profile of Directors set out on pages 6 and 7 of Annual Report	As disclosed in profile of Directors set out on pages 6 and 7 of Annual Report
Working experience and occupation(s) during the past 10 years	As disclosed in profile of Directors set out on pages 6 and 7 of Annual Report	As disclosed in profile of Directors set out on pages 6 and 7 of Annual Report
Shareholding interest in the listed issuer and its subsidiaries	None	None
Any relationship (including immediate family relationships) with any existing director/existing executive officer of the Company or any of its principal subsidiaries and/or substantial shareholder	None	None
Conflict of interest (including any competing business)	None	None
Undertaking (in the format set out in Appendix 7.7) under Rule 720(1) has been submitted to the Company	Yes	Yes
Other Principal Commitments including Directorships		
Past 5 years	Nil	Nil
Present	Nil	Nil
Professor Lai Kim Fatt and Mr Yeap Beng Swee, Philip have individually confirmed that on each of the questions as set out in paragraphs (a) to (k) of Appendix 7.4.1 to the Listing Manual of the SGX-ST, the answer is “No”.		
The disclosure on prior experience as a director of an issuer listed on the Exchange and details of prior experience is not applicable as disclosure is applicable to the appointment of Director only.		

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# ANNUAL GENERAL MEETING PROXY FORM

**IMPORTANT:**

1. Pursuant to Section 181(1C) of the Companies Act, Chapter 50 (the "Act"), relevant intermediaries may appoint more than two proxies to attend, speak and vote at the Annual General Meeting.
2. This Proxy Form is not valid for use and shall be ineffective for all intents and purposes if used or purported to be used by CPF/SRS investors who hold shares through their CPF/SRS funds. CPF/SRS investors should contact their respective Agent Banks/SRS operators if they have any queries regarding their appointment as proxies.

I/We, \_\_\_\_\_ (Name) \_\_\_\_\_ (NRIC/Passport No./Company Registration 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-Sixth Annual General Meeting ("Meeting") of the Company to be held at Enabling Village, UOB Ability Hub Hall 1, 20 Lengkok Bahru, Singapore 159053 on Thursday, 18 July 2019 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.

No.	Resolutions relating to:	For	Against
<b>ORDINARY BUSINESS</b>			
1	Receive and adopt the Audited Financial Statements for the year ended 31 March 2019 together with the Directors' Statement and Auditors' Report		
2	Approval of Directors' Fees		
3	Re-election of Professor Lai Kim Fatt as Director		
4	Re-election of Mr Yeap Beng Swee, Philip as Director		
5	Re-appointment of Ernst & Young LLP as Auditors and authorise Directors to fix their remuneration		
<b>SPECIAL BUSINESS</b>			
6	General Mandate to Directors to issue Shares		

Dated this \_\_\_\_\_ day of \_\_\_\_\_ 2019

Total number of Shares in:	No. of Shares
(a) CDP 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 81SF of the Securities and Future Act (Chapter 289) of Singapore, you should insert that number of Shares. If you have Shares registered in your name in the Register of Members of the Company, 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. Except for a member who is a relevant intermediary as defined under Section 181(6) of the Companies Act (Chapter 50) of Singapore (the "Act"), a member is entitled to appoint not more than two (2) proxies to attend and vote on his behalf. Where a member appoints more than one (1) proxy, 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.
3. Pursuant to Section 181(1C) of the Act, a member who is a Relevant Intermediary, is entitled to appoint more than two (2) proxies to attend and vote at the meeting, but each proxy must be appointed to exercise rights attached to a different Share or Shares held by such member. Where such member appoints more than two (2) proxies, the number and class of Shares held by such member in relation to which each proxy has been appointed shall be specified in the proxy form.

"Relevant Intermediary" means:

- (i) a banking corporation licensed under the Banking Act of Singapore (Chapter 19) or a wholly-owned subsidiary of such a banking corporation, whose business includes the provision of nominee services and who holds shares in that capacity;
  - (ii) a person holding a capital markets services licence to provide custodial services for securities under the Securities and Futures Act of Singapore (Chapter 289), and who holds shares in that capacity; or
  - (iii) the Central Provident Fund Board established by the Central Provident Fund Act of Singapore (Chapter 36), in respect of shares purchased under the subsidiary legislation made under that Act providing for the making of investments from the contributions and interest standing to the credit of members of the Central Provident Fund, if the Board holds those shares in the capacity of an intermediary pursuant to or in accordance with that subsidiary legislation.
4. A proxy need not be a member of the Company.
  5. Completion and return of this instrument appointing a proxy shall not preclude a member from attending and voting at the Meeting. Any appointment of a proxy or proxies shall be deemed to be revoked if a member attends the Meeting in person, and in such event, the Company reserves the right to refuse to admit any person or persons appointed under the instrument of proxy, to the Meeting.
  6. The instrument appointing a proxy or proxies must be deposited at the registered office of the Company at 100 Victoria Street, #13-01/02 National Library Building, Singapore 188064, not less than forty-eight (48) hours before the time appointed for the Meeting.
  7. 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.
  8. Where an instrument appointing a proxy or proxies is signed on behalf of the appointer by an attorney, the letter or power of attorney or a duly certified copy thereof must (failing previous registration with the Company) be lodged with the instrument of proxy, failing which the instrument may be treated as invalid.
  9. A corporation which is a member may, in accordance with Section 179 of the Act, authorise by resolution of its directors or other governing body such person as it thinks fit to act as its representative at the Meeting.
  10. 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 seventy-two (72) hours before the time of the Meeting, as certified by The Central Depository (Pte) Limited to the Company.
  11. An investor who buys shares using CPF monies ("CPF Investor") and/or SRS monies ("SRS Investor") (as may be applicable) may attend and cast his vote(s) at the Meeting in person. CPF and SRS Investors who are unable to attend the Meeting but would like to vote, may inform their CPF and/or SRS Approved Nominees to appoint the Chairman of the Meeting to act as their proxy, in which case, the CPF and SRS Investors shall be precluded from attending 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 3 July 2019.



INFORMATICS  
EDUCATION  
LIMITED

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