

**PROPOSED RENOUNCEABLE NON-UNDERWRITTEN RIGHTS CUM WARRANTS ISSUE
– IRREVOCABLE UNDERTAKING AND WHITEWASH WAIVER**

1. INTRODUCTION

The Board of Directors (the "**Board**" or "**Directors**") of Informatics Education Ltd. (the "**Company**", and together with its subsidiaries, the "**Group**"), refers to the Company's announcement dated 14 March 2019 (the "**Rights cum Warrants Issue Announcement**") in relation to the proposed Rights cum Warrants Issue. Unless otherwise defined, all capitalised terms used in this announcement shall bear the same meaning as ascribed to them in the Rights cum Warrants Issue Announcement.

2. IRREVOCABLE UNDERTAKING

2.1. Irrevocable Undertaking

Further to the Rights cum Warrants Issue Announcement, the Board wishes to announce that, to demonstrate the Undertaking Shareholder's (as defined below) confidence in the Rights cum Warrants Issue and to show commitment and support to the Company, Berjaya Leisure Capital (Cayman) Limited (the "**Undertaking Shareholder**" or "**BLCC**"), a substantial shareholder of the Company which owns in aggregate 19,563,515 Shares representing approximately 27.09% of the total number of issued Shares as at the date of this announcement, has on 13 May 2019 executed a deed of irrevocable undertaking (the "**BLCC Undertaking**") in favour of the Company, pursuant to which it has irrevocably undertaken to the Company that (among other things):

- (a) as at the Books Closure Date, it will own no less than 19,563,515 Shares ("**Undertaken Shares**");
- (b) it will not sell, transfer or otherwise dispose of, any of the Undertaken Shares or any interest therein on or prior to the Books Closure Date;
- (c) it will vote, and will procure the voting of, the Undertaken Shares in favour of the resolution(s) to be proposed at the extraordinary general meeting of the Company ("**EGM**") to be convened to approve the Rights cum Warrants Issue (save for the Whitewash Resolution (as defined below));
- (d) it will, by way of acceptance, subscribe and pay for (or procure subscription and payment for) in full at the Issue Price, an aggregate of 58,690,545 Rights Shares with 19,563,515 Warrants (the aggregate value of which is S\$2,934,527.25 based on the Issue Price) to be provisionally allotted to it on the basis of the Undertaken Shares ("**BLCC Entitlement**"); and
- (e) it will, by way of excess application, subscribe and pay for (or procure subscription and payment for), at the Issue Price, up to a maximum of 41,309,455 Rights Shares with up to a maximum of 13,769,818 Warrants (the aggregate value of which is S\$2,065,472.75 based on the Issue Price) which are not taken up by the other Shareholders who are eligible to participate in the Rights cum Warrants Issue or their renounces by way of acceptances and/or excess applications (subject to availability) (the "**BLCC Excess Application**").

The BLCC Undertaking is subject to:

- (i) the Whitewash Waiver (as defined herein) granted by the Securities Industry Council (“**SIC**”) not having been withdrawn or revoked as at the completion of the Rights cum Warrants Issue;
- (ii) the in-principle approval from the SGX-ST for the listing of and quotation for, the Rights Shares, the Warrants and the New Shares on the SGX-ST and if such approval is granted subject to conditions, such conditions being acceptable to the Company and the Undertaking Shareholder, and such approval not having been withdrawn or revoked on or prior to the completion of the Rights cum Warrants Issue;
- (iii) the Rights cum Warrants Issue and the issue of the Rights Shares, the Warrants and the New Shares being approved by Shareholders at the EGM to be convened;
- (iv) the Whitewash Resolution (as defined herein) being approved by Shareholders (other than the Undertaking Shareholder and any other parties acting or deemed to be acting in concert with the Undertaking Shareholder in respect of the Shares) (the “**Independent Shareholders**”) at the EGM; and
- (v) the lodgment of the offer information statement, together with all other accompanying documents (if applicable) in connection with the Rights cum Warrants Issue with the Monetary Authority of Singapore.

The Undertaking Shareholder has procured a confirmation from a financial institution of its holding company, Berjaya Land Berhad, that the Undertaking Shareholder has the necessary financial resources to enable it to subscribe and pay for (or procure subscription and payment for) the BLCC Entitlement and the BLCC Excess Application pursuant to the BLCC Undertaking.

2.2. Resultant Shareholdings of the Undertaking Shareholder pursuant to the BLCC Undertaking

Pursuant to the BLCC Undertaking and immediately following the completion of the Rights cum Warrants Issue and exercise of the Warrants, the shareholding of the Undertaking Shareholder in the Company will be as follows:

- (a) assuming that the Undertaking Shareholder only subscribes and pays for (or procures subscription and payment for) in full the BLCC Entitlement under the Maximum Scenario (as defined herein) it will own in aggregate:
 - (i) 78,254,060 Shares representing approximately 27.09% of the enlarged share capital of the Company of 288,861,868 Shares immediately after completion of the Rights cum Warrants Issue; and
 - (ii) 97,817,575 Shares representing approximately 27.09% of the enlarged share capital of the Company of 361,077,335 Shares immediately after the exercise of the Warrants; and
- (b) assuming that the Undertaking Shareholder subscribes and pays for (or procures subscription and payment for) in full the BLCC Entitlement and the BLCC Excess Application under the Minimum Scenario (as defined herein) it will own in aggregate:
 - (i) 119,563,515 Shares representing approximately 69.43% of the enlarged share capital of the Company of 172,215,467 Shares immediately after completion of the Rights cum Warrants Issue; and

- (ii) 152,896,848 Shares representing approximately 74.38% of the enlarged share capital of the Company of 205,548,800 Shares immediately after the exercise of the Warrants.

2.3. Update on the Use of the Net Proceeds

On the basis that only the Undertaking Shareholder subscribes and pays for in full, the BLCC Entitlement and the BLCC Excess Application in accordance with the BLCC Undertaking, 100,000,000 Rights Shares with 33,333,333 Warrants will be issued pursuant to the Rights cum Warrants Issue (the "**Minimum Scenario**").

Under the Minimum Scenario, the Net Proceeds (after deducting estimated expenses of approximately S\$0.40 million) is expected to be approximately S\$4.60 million and the Company intends to use the Net Proceeds in the following manner:

Use of the Net Proceeds	Percentage of the Net Proceeds (%)
(a) Support the Business Expansion	63.0
(b) General corporate and working capital requirements of the Group	37.0

In the event the Net Proceeds falls between the Maximum Scenario and the Minimum Scenario, the Company will make the necessary announcements on the allocations once the final Net Proceeds have been determined.

On the basis that the BLCC Undertaking is fulfilled by the Undertaking Shareholder, the net proceeds from the Minimum Scenario will be sufficient to meet the Company's present funding requirements.

3. WHITEWASH WAIVER

3.1. Mandatory General Offer Obligation

Pursuant to the BLCC Undertaking, BLCC will subscribe and pay for (or procure subscription and payment for) the BLCC Entitlement and (if applicable) the BLCC Excess Application. Depending on the Shareholders' eventual subscription for the Rights Shares with Warrants, the Undertaking Shareholder's current shareholding interest in the Company of 27.09% may change in the manner as set out below:

	Possible Scenarios	BLCC's shareholding immediately before completion of the Rights cum Warrants Issue (%)	BLCC's shareholding immediately after completion of the Rights cum Warrants Issue (%)	BLCC's shareholding immediately after the exercise of the Warrants (%)
(a)	Under the Maximum Scenario, which assumes that all the Shareholders subscribe fully for their respective entitlements pursuant to the Rights cum Warrants Issue	27.09	27.09	27.09
(b)	Under the Minimum Scenario, which assumes that: <ul style="list-style-type: none"> (i) none of the Shareholders (other than BLCC) or purchasers of the "nil-paid" rights during the "nil-paid" rights trading period subscribe and pay for any Rights Shares with Warrants; and (ii) only BLCC subscribes for in full, the BLCC Entitlement and the BLCC Excess Application in accordance with the BLCC Undertaking 	27.09	69.43	74.38

As shown above, the fulfilment by BLCC of its obligations under the BLCC Undertaking may result in BLCC subscribing for Rights Shares and New Shares (upon exercise of the Warrants), resulting in BLCC and its concert parties increasing their shareholding to 30.0% or more of the enlarged issued and paid-up share capital of the Company immediately upon completion of the Rights cum Warrants Issue and (if applicable) immediately following the exercise of the Warrants (the "**Enlarged Issued Share Capital**"). In such event, BLCC and its concert parties would incur an obligation to make a mandatory general offer for Shares not already owned by BLCC and its concert parties under Rule 14.1 of the Singapore Code on Take-overs and Mergers ("**Code**") ("**MGO**").

3.2. SIC Application

Accordingly, an application was made to the SIC ("**SIC Application**") for a waiver of the obligation of BLCC and its concert parties to make a MGO in accordance with Rule 14.1 of the Code in the event that that their aggregate voting rights in the Company increases to more than 30% of the enlarged total number of issued Shares, arising from (i) BLCC's subscription of Rights Shares with Warrants pursuant to the BLCC Entitlement, (ii) the subscription by, and allotment to BLCC of, excess Rights Shares with Warrants pursuant to the BLCC Excess Application (if applicable), in each case, pursuant to the BLCC Undertaking, and (iii) the New Shares to be allotted to BLCC upon exercise of the Warrants (the "**Whitewash Waiver**").

3.3. Whitewash Waiver

On 8 May 2019, SIC granted the Whitewash Waiver, subject to the following conditions:

- (a) a majority of holders of voting rights of the Company approve at a general meeting, before the Rights cum Warrants Issue, a resolution (the “**Whitewash Resolution**”) by way of a poll to waive their rights to receive a mandatory general offer from BLCC and its concert parties;
- (b) the Whitewash Resolution is separate from other resolutions;
- (c) BLCC and its concert parties, as well as parties not independent of them abstain from voting on the Whitewash Resolution;
- (d) BLCC and its concert parties did not acquire or are not to acquire any Shares or instruments convertible into and options in respect of Shares (other than subscriptions for, rights to subscribe for, instruments convertible into or options in respect of new Shares which will be disclosed in the circular):
 - (i) during the period between the Rights cum Warrants Issue Announcement and the date Shareholders’ approval is obtained for the Whitewash Resolution; and
 - (ii) in the six (6) months prior to the Rights cum Warrants Issue Announcement but subsequent to negotiations, discussions or the reaching of understandings or agreements with the Directors in relation to the Rights cum Warrants Issue;
- (e) the Company appoints an independent financial adviser to advise Independent Shareholders on the Whitewash Resolution;
- (f) the Company sets out clearly in the circular:
 - (i) details of the Rights cum Warrants Issue and the BLCC Undertaking;
 - (ii) the dilution effect to existing holders of voting rights of the Company upon (A) the subscription of the Rights Shares and (B) the exercise of the Warrants by BLCC;
 - (iii) the number and percentage of voting rights in the Company as well as the number of instruments convertible into, rights to subscribe for and options in respect of Shares held by BLCC and its concert parties as at the latest practicable date;
 - (iv) the number and percentage of voting rights to be acquired by BLCC as a result of its (A) subscription of the Rights Shares and (B) exercise of the Warrants;
 - (v) specific and prominent reference to the fact that the subscription of the Rights Shares and exercise of the Warrants could result in BLCC and its concert parties holding Shares carrying over 49% of the voting rights of the Company, and the fact that BLCC and its concert parties would thereafter be free to acquire further Shares without incurring any obligation under Rule 14 of the Code to make a general offer;
 - (vi) specific and prominent reference to the possibility that Shareholders, by voting for the Whitewash Resolution, could be foregoing the opportunity to receive a general offer from another person who may be discouraged from making a general offer in view of the potential dilution effect of the Warrants; and

- (vii) specific and prominent reference to the fact that Shareholders, by voting for the Whitewash Resolution, are waiving their rights to a general offer from BLCC at the highest price paid by BLCC and its concert parties for Shares in the past six (6) months preceding the commencement of the offer;
- (g) the circular by the Company to its Shareholders states that the Whitewash Waiver granted by the SIC to BLCC and its concert parties from the requirement to make a general offer under Rule 14 of the Code is subject to the conditions stated in (a) to (f) above;
- (h) the Company obtains the SIC's approval in advance for those parts of the Circular that refer to the Whitewash Resolution; and
- (i) to rely on the Whitewash Resolution, the approval of the Whitewash Resolution must be obtained within three (3) months of the SIC's letter, the subscription of the Rights Shares with Warrants by BLCC must be completed within three (3) months of the approval of the Whitewash Resolution and the acquisition of the New Shares upon exercise of the Warrants must be completed within five (5) years of the issue of the Warrants; and
- (j) BLCC will comply or procure the relevant person(s) to comply with the disclosure requirements set out in Note 2 on Section 2 of Appendix 1 of the Code.

RHT Capital Pte. Ltd. has been appointed as the independent financial adviser to advise such Directors who are considered independent for the purposes of making the recommendation to Independent Shareholders in relation to the Whitewash Resolution. Further details of the Whitewash Waiver and the advice of the independent financial adviser will be set out in the circular to be despatched to Shareholders in due course.

4. CAUTIONARY STATEMENT

Shareholders and potential investors are advised to exercise caution when dealing or trading in the Shares as there is no certainty or assurance that the Rights cum Warrants Issue will be completed or that no changes will be made to the terms thereof. Shareholders and potential investors are also advised to read this announcement and any further announcements by the Company carefully, and where in doubt as to the action that they should take, they should consult their financial, tax or other professional adviser immediately.

**INFORMATICS EDUCATION LTD.
BY ORDER OF THE BOARD**

Yau Su Peng
Executive Director

14 May 2019