

## INFORMATICS EDUCATION LTD.

(Company Registration Number: 198303419G)  
(Incorporated in Singapore)

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### GENERAL UPDATES ON INFORMATICS ACADEMY PTE LTD

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The Board of Directors (the “**Board**”) of Informatics Education Ltd. (the “**Company**”, and together with its subsidiaries, the “**Group**”) refers to the Company’s announcement on the outcome of the EduTrust Assessment dated 3 March 2021 (“**Previous Announcement**”) and wishes to announce that, following a strategic review by the Group, and after taking into consideration the recent developments affecting the Company’s subsidiary, Informatics Academy Pte Ltd (“**Informatics Academy**”), Informatics Academy will cease to accept new students and will teach-out its existing students, with effect from 1 April 2021. Teach-out of students is expected to complete by 31 December 2021, and will include outsourcing the programme completion for some students to a third party private education institution.

Informatics Academy will also undertake an immediate restructuring of its operations, including redundancy of employees and gradual cessation of its on-going operations. Redundancy costs will have an expected financial impact of approximately \$320,000 on the Group’s earnings for the financial year ending 30 June 2021. The Board, after its strategic review, is of the view that this exercise will reduce Informatics Academy’s operating losses and stem the continued cash burn from operating the school, in view of the decline in revenue for the school.

The restructuring and teach-out of existing students is a consequence of Informatics Academy, which runs school operations in Singapore, being awarded the EduTrust Provisional in the latest EduTrust assessment on 3 March 2021, as announced in the Previous Announcement. The EduTrust Provisional award will be valid for 1 year from 4 March 2021 to 3 March 2022, as previously announced on 3 March 2021. The 1 year EduTrust Provisional award has significantly affected the school’s ability to recruit students amidst the already challenging environment imposed by the COVID-19 pandemic.

The audited revenue and net profit/(loss) after tax for Informatics Academy for the past three financial years are as follows:-

(in \$’000)	Financial year ended 31 March 2018	Financial year ended 31 March 2019	15 months financial period ended 30 June 2020
Revenue	1,622	1,625	2,041
Net profit/(loss) after tax	(2,980)	(1,995)	2,267 <sup>(1)</sup>

<sup>(1)</sup> The profit recorded was mainly attributed to a write back of allowance for expected credit losses on trade and other receivables of \$2,812,000.

Informatics Academy has net assets as at 30 June 2020 of \$881,000. With the 1 year EduTrust Provisional award, the prospects of Informatics Academy will be extremely challenging, making it tougher for Informatics Academy to achieve turnaround in the near future.

Whilst the cessation of operations for Informatics Academy will result in decline in revenue for the Group, after completion of the restructuring and redundancy payments, it is expected to lead to improved earnings and cash flows for the Group by focusing on profitable overseas operations. Except for the estimated redundancy costs as disclosed above, the full extent of the impact of the cessation of operations for Informatics Academy on the Group’s financial performance, cash flows and financial position cannot be reasonably determined at this point in time.

The Board will keep the Shareholders updated on any material developments to the Group's operations and business activities.

**BY ORDER OF THE BOARD**

Yau Su Peng  
Executive Director  
1 April 2021