

learning redefined

Quality accredited education. Anytime. Everywhere.

VISION

To be a global leader in providing quality education and training services.

MISSION

To educate and train global citizens to make them effective and competent contributors to society.

CORE VALUES

STUDENT CENTRIC

We focus in understanding our students and putting them first in everything we do.

PEOPLE

We empower our people to be professionals demonstrating the highest standards of ethics and integrity.

INNOVATIVE CULTURE

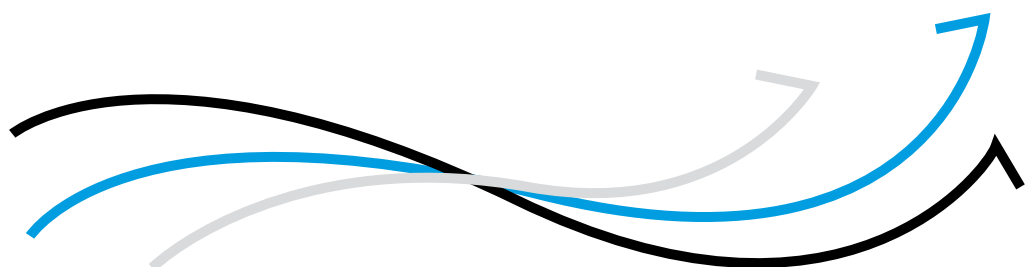
We manifest creativity and innovation in our development, delivery of programmes and services.

SOCIAL RESPONSIBILITY

We strive to be responsible corporate citizens in every society that we operate.

RESULTS

We endeavour to provide sustainable returns to our stakeholders.





THE REVITALISED BRAND NAME

We have retained the current brand equity while adding a touch of quiet class and sophistication, the new Informatics logo takes on a modern look as reflection of our renewed direction. The symbol is retained but refined to look friendlier. The typeface is now softer while retaining the same distinguished feel of the former. This logo is an embodiment of the positioning and values that the new Informatics has undertaken.

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AN IT-PLUS INSTITUTION

Informatics redefines the way you learn. Not only through our comprehensive and flexible mode of learning but also embracing technology in everything we do, our programmes integrate cutting-edge methods that equip you with the skills you need today.





TRULY GLOBAL

Anytime, Everywhere. With a global network of centres and integrated infrastructure, our students enjoy the flexibility of learning in multiple locations and via e-Learning at their convenience.

VOCATIONAL SKILLS

We promise a skill-based curriculum where our graduates will be able to apply the knowledge they gain in real-world settings.





HIGHLY EMPLOYABLE

The World Awaits. We strive to prepare graduates who will be ready to meet today's challenges with the right skills for the industry.

STUDENT CENTRIC

Our students comes first. We strive to provide a holistic learning experience taking time and effort to provide our students with a memorable learning journey.



learning redefined

Quality accredited education. Anytime. Everywhere.

CHAIRMAN'S STATEMENT

Dear Shareholders,

The last financial year had been a year of concerted and diligent effort in reforming our operations as well as senior management team which had proven to be effective and efficient. The Group managed to reduce our full year net loss attributed to shareholders by \$17 million or 75% to \$5.8 million from \$22.8 million in the previous financial year. This was due mainly to \$6.3 million or 21% savings in staff cost and a \$17.2 million or 37% reduction in other operating expense.

Overall, the Group's operation in Singapore is showing great improvements while our UK operations recorded the best results in terms of both revenue and profit. As for our operations in Malaysia, we have made decisive steps to downsize those parts of the operation that are unprofitable and stemming the tide of red ink in the operations achieving a significant measure of stability.

Informatics Re-Born

Year 2006 marked the re-birth of Informatics.

In FY2006, we launched a revitalized Informatics logo taking on a modern look as reflection of our renewed direction. The current brand equity is retained while adding a touch of quiet class and sophistication.

The revitalized logo represents our realigned values reflecting our commitment to our students. We promise an IT-Plus education - producing highly employable graduates by empowering them with applicable skills to excel in the workforce. In everything we do, we will put our students' interest first and will continue to expand our global network of centres, giving our students true global education and experience.

Our Singapore operation was nominated as a finalist of 'Best Host for International Students' in Singapore Education Award 2006 organised by the Education Services Division of the Singapore Tourism Board (STB). As a nominee of the 'Best Host for International Students' category, it is a testament to our effort in providing an intellectually-stimulating environment with opportunities for international students to integrate into their host environment and optimize their learning.

Informatics continues to come through with academic excellence. Both our Hong Kong and Singapore operation passed the re-validation by Oxford Brookes University, UK to conduct a range of Bachelor (Hons) programmes in Computing. The panel of review assessor from Oxford Brookes University, UK was pleased with Informatics' practice on assessment arrangements and the level of intellectual competency displayed by our students.

In conjunction with our renewed direction, we took on several initiatives.

Always striving to be at the forefront of technology, Informatics introduced an online report card for student's parent if they wish to receive their child's academic assessment electronically. This progress report allows them to see their child's academic grades, attendance and what lecturers say about him / her.

In addition, an Online Instant Response Admission System (OIRAS) was developed to evaluate student's qualifications and present to them the choice of further education options with Informatics at any location they choose. With their highest qualifications, they will also be able to know instantly, the exempted modules in their choice programme. With these initiatives, we are re-engineering the private education business in view of the intense global competition.

Our promise to a student-centric approach that will drive all our initiatives saw the formulation of Global Alumni and Global Employment. The Global Alumni will enable our students globally to stay connected and the Global Employment is aimed to maximise our students' and graduates' employability and employment opportunities.



Y.Bhg. Tan Sri Datuk Seri Panglima
Dr Abu Hassan Bin Othman

Moving Forward

Going forward, the Group will continue to focus on revival of the core values of Informatics emphasizing on the quality of the human resources content and delivery which we believe will eventually translate to top line growth for the company.

Singapore operations would seek to gain by focusing effort to attract even more foreign students to our Singapore campus. We adopt a holistic approach to make them feel comfortable and adapted in every aspect. Our variety of activities, such as cultural celebrations and sports events, provide an avenue for foreign students to interact and understand the cultures and values from different countries. We will pursue improvements through upgrading our campus facilities in order to provide students with enriching learning journey.

Following reformation, our Malaysia operations had achieved a significant measure of efficiency and stability. In the new financial year, the Malaysia operation will focus on corporate training for large corporations, Ministries and government institutions. We will gain our growth from delivering quality content through creative and innovative manner.

Our operations in UK will be the star for the Group. We will continue to maintain our strong fundamentals even though the education sector remains challenging.

China and Sri Lanka operations will be the two key markets with high potential for growth. Both economies are developing at an exponential rate. Apart from the higher education sector, we will focus on developing human capital with our Professional and Skills Development programmes.

In terms of programme development, we will in particular develop programmes which incorporates a skill-based curriculum where our graduates will be able to apply the knowledge they gain in real-world settings. New market penetration through licensing our programme will continue to be our growth strategy for the Group. We will keep a look out for synergistic opportunities for potential markets and enter with direct investment.

Appreciation for shareholders' support

On behalf of the Board, I would like to express my sincere appreciation to our loyal shareholders for your trust and support. The Rights issue exercise that was concluded in May 2007 had been very successful, raising approximately S\$16.2 million in net proceeds, which has enhanced the Group's financial position.

We look forward to many prosperous years ahead with you.

A word of thanks

In June 2007, we bid a fond farewell to Tan Sri Vincent Tan who stepped down as Chairman, a position he held since 2004. During his tenure, Tan Sri Vincent Tan amicably provided the stability and stewardship to the Group in its time of distress. His entrepreneurship and extremely energetic and influential leadership have certainly left an indelible mark on the Group. On behalf of the Board, we would like to record our deepest and sincere appreciation towards Tan Sri Vincent Tan for his invaluable contribution.

Notwithstanding, I must record my appreciation to all my fellow directors who have taken up the most challenging task of committing to turn the Company around, by dedicating their time, effort, expertise, knowledge and experience to the Company.

We are grateful for the opportunities and patronage extended to us by our academic and business partners and associates. We are committed to work with you for greater prospects in the coming years.

More importantly, I would like to acknowledge the Board's appreciation to all our staff for their dedication and contributions in meeting the challenges of this past year. With your efforts, inherent hard work and commitment, there is much optimism in the future of Informatics.

Chairman
Informatics Education Limited

OPERATIONS REVIEW

Financial Year 2007 1 April 2006 to 31 March 2007

The last financial year had been a year of concerted and diligent effort in reforming its operations which had proven to be effective and efficient. The Group managed to reduce its full year net loss attributed to shareholders by \$17 million or 75% to \$5.8 million from \$22.8 million in the previous financial year.

Trade and other receivables decreased by \$3.0 million to \$8.0 million compared to \$11.0 million in the last financial year mainly due to provision made and write-off of franchise debtors and lower debtors in the Malaysia operations.

\$'000	Q1	Q2	Q3	Q4	Full Year
FY2006					
Revenue	14,143	14,331	14,501	14,049	57,024
Operating loss before tax	(3,850)	(3,798)	(8,062)	(7,191)	(22,901)
FY2007					
Revenue	11,726	13,663	12,023	13,059	50,471
Operating loss before tax	(2,722)	(1,216)	(604)	(1,209)	(5,751)

Group operating revenue registered a decrease of \$6.5 million or 11% to \$50.5 million mainly due to the restructuring of Malaysia operations and divestment of ATS business in the UK operation. Restructuring efforts in the Malaysia operations attributed to the major revenue decreases in all business sectors namely Higher Education, Professional Skills Development and e-Learning. However, these decreases were offset by revenue growths of 5% to 17% shown in its higher education business in Singapore, Hong Kong and UK operations.

Fixed assets were reduced by \$2.6 million (39%) to \$4.0 million due to depreciation for the year of \$2.6 million. During the year, two properties of \$2.1 million were sold while additions to fixed assets of \$2.2 million are for expansion and improvement of facilities in Hong Kong and Singapore.

Associated companies were fully impaired by the close of the financial year. Intangible assets pertaining to research and development cost in the UK operation were also fully amortised at the year end.

Interest-bearing loans and borrowing decreased by \$0.8 million to nil as bank loans were fully settled via proceeds from disposal of property.

Reduction in Costs and Operational Losses

The reduction in cost and operational losses was due mainly to \$6.3 million or 21% savings in staff cost and a \$17.2 million or 37% reduction in other operating expense.

Following attributed to the reduction in other operating expense:

- Reduction in facility cost (\$2.1 million) due to consolidation of centre in Malaysia, reduction in repair and maintenance cost in Singapore school operation and reduced in amortization expenses for Research and Development in UK Operation.
- Reduction in provisions made for training aids (\$0.7 million)
- Lower provision for doubtful debts (\$3.4 million) mainly due to absence of provision made for joint venture in China in previous financial year.
- Gain on disposal of properties (\$0.6 million)
- Absence of impairment loss on fixed assets (\$1.1 million)
- Direct cost savings arising from change in product mix resulting in lower revenue (\$7.7 million)

Segmental and Geographical Business Analyses

Higher Education business revenue decreased by 3% to \$43.0 million compared with \$44.1 million in previous year. This is mainly due to restructuring of Malaysia's operation and absence of ATS business which was sold in FY2006 despite growths shown in Singapore, Hong Kong and UK operations. As a result of consolidation of school operations in Singapore and Malaysia, as well as lower provision and write-off of doubtful debts, operating loss from this sector was slashed by \$15.9 million or 76% to \$5.1 million from \$21.0 million in previous year.

In Professional Skills Development business sector, its revenue recorded a \$3.5 million or 43% decrease to \$4.7 million from \$8.2 million last year. This was mainly due to restructuring of Malaysia operations and its revenue decline in Hong Kong and Singapore operations. However, cost savings generated from improved operational efficiency reduced its operating loss by \$1.3 million (or 79%) to \$0.4 million compared to \$1.7 million loss in last year.

Geographically, Singapore operations registered higher revenue of \$18.3 million compared to \$16.9 million last year, mainly from higher education sector.

Despite registering a \$1.0 million increase in revenue by Hong Kong operation, due to restructuring of Malaysia operations, Asia Pacific region showed a decline of revenue by 27% to \$18.3 million.

The revenue in Europe dropped by \$1.3 million or 9% to \$13.8 million mainly due to the disposal of ATS business.

Rights Issue

In the recently completed rights issue in May 2007, 939,698,926 Rights Shares at issue price of S\$0.04 were subscribed. This represents approximately 224.6% of the total number of Rights Shares that were available under the Rights Issue and raised gross proceeds of S\$16.7 million for the Group. This will enhance the Group's financial position for future growth.

Growth Strategy and Operating Philosophy

The education sector, in which Informatics operates, will continue to be challenging. The Group will continue to focus on revival of the core values of Informatics emphasizing on the quality of content and delivery which it is believed will eventually translate to top line growth for the company.

With a clear business objective of focusing on increasing student headcount coupled with balanced product mix, it will translate to better margin and revenue growth for the Group and thereby enhancing shareholders' value.

The Group has outlined a clear business model operating with wholly owned school operations in Singapore, Malaysia, Hong Kong, China and Sri Lanka; two International Operations based in Singapore and UK and delivering programmes directly to students via blended mode powered by PurpleTrain. Com.

The Group will continue to focus on expanding its training and education business worldwide by way of franchising the three brands – Informatics Computer School, Thames Business School and Informatics Professional Development Centre and licensing programmes to educational institutions.

It had realigned values reflecting commitment to students. Promising students an IT-Plus education and producing highly employable graduates by empowering them with applicable skills to excel in the workforce. The Group had adopted a student centric approach putting students' interest first and will continue to expand its global network of centres, giving students true global education and experience.

Translating the realigned values to new programme development, the Group will in particular develop programmes which will incorporate a skill-based curriculum where graduates will be able to apply the knowledge they gain in real-world settings.

Underpinning these efforts will be the Group's strict adherence to best practices in corporate and academic governance with improvements in financial and operational management control systems.

BOARD OF DIRECTORS

Y.Bhg. Tan Sri Datuk Seri Panglima Dr Abu Hassan Bin Othman

Non-Executive,
Chairman

Y.Bhg. Tan Sri Datuk Seri Panglima Dr Abu Hassan Bin Othman is currently the Vice Chancellor of Berjaya Higher Education Sdn Bhd, (a subsidiary company of Berjaya Corporation Bhd), of it soon to be incorporated, Berjaya University College of Hospitality. He was nominated and appointed as the Chairman of the Board of Directors of Informatics Education Limited in May 2007.

Tan Sri Abu Hassan, a Fullbright Scholar has a distinguish and long service career as an educationist in Malaysian public universities. He began his career as the Head of Department of Sociology & Anthropology at University Kebangsaan Malaysia and moving up its ranks to Dean, Deputy Vice Chancellor and Professor before he was handpicked to start up University Malaysia Sabah ("UMS") as its Vice Chancellor in 1994. He retired from that position in 2005 and at that juncture; UMS had a population of more than 12,000 students.

While in service, Tan Sri Abu Hassan had also distinguished appointments as Chairman, the Australian–Malaysian Vice Chancellors Committee; Member of the Board of ACU (Association of Commonwealth Universities); Member of the Board of ASAIHL (Association of Southeast Asian Institutions of Higher Learning); and Chairman of UMAP (University Mobility Asia Pacific).

He holds a Honorary Degree Doctor of Management from Open University Malaysia; Honorary Degree in Agricultural Science from Kinki University, Japan and PhD (Sociology) from Michigan State University, United States of America. He also holds directorships at Malaysian American Educational Exchange (MACEE) and Meteor Doc Sdn Bhd.

Dato' Mohd Annuar Bin Zaini

Non-Executive,
Non-independent Director

Dato' Mohd Annuar Bin Zaini holds a Master of Arts in Law & Diplomacy from The Fletcher School of Laws & Diplomacy, Tufts University, USA; and a Bachelor of Arts with honours in Economics from University Kebangsaan Malaysia.

He began his career in the government service as an Administrative and Diplomatic Officer in 1977. He served the Malaysian Government at various ministries and departments and was the Senior Private Secretary to the Minister of Home Affairs from 1981 to 1986. From 1991 to 1993, he was the Principal Assistant Director of the Perak State Economic Planning Unit. In 1993, he was appointed General Manager of The Perak Foundation, a position he held until 1999 before he chose to take an optional retirement from the government service.

Since February 2004, he has been appointed the Chairman of Malaysian National News Agency (BERNAMA). Also in February 2004, HRH The Sultan of Perak consented his appointment as Member of the Council of Elders to HRH Sultan of Perak. He is a Visiting Fellow to Institute of Strategic and International Studies (ISIS) Malaysia, Fellow to Institut Sosial Malaysia and a member of the



Mr Freddie Pang Hock Cheng

Non-Executive,
Non-Independent Director

Accreditation Privy Council Institute Public Relations Malaysia. He is a member of the Board of Directors of University Malaya and Chairman of the Management Committee University Malaya Medical Centre. He is Board of Trustee Malaysian Hockey Foundation, Member of the National Youth Consultative Council and Member of the Advisory Board of the Public Complaints Bureau of the Prime Minister's department.

On the corporate sector, he is the Chairman of AWC Facility Solutions Berhad and he holds directorships in Berjaya Corporation Berhad, Malaysian Airline System Berhad, Linkedua (Malaysia) Berhad, MITV Corporation Sdn Bhd and other subsidiaries of Berjaya Corporation Berhad and a few private limited companies. He is also the Group Corporate Advisor of TSH Resources Berhad and Multi Media Synergy Corporation Sdn Bhd.

Mr Freddie Pang Hock Cheng began his career with a predecessor firm of Messrs Ernst & Young where he worked for seven years until 1982, during which he qualified for entry as a member of the Malaysian Institute of Certified Public Accountants. He is also a member of the Malaysian Institute of Accountants. In the same year, he joined the Corporate Advisory Department of Malaysian International Merchant Bankers Berhad where he was actively involved in a wide variety of corporate exercises in an advisory capacity until his departure in 1990 to join Berjaya Group Berhad.

He is currently the Chairman of Intan Utilities Berhad and an Executive Director of Berjaya Corporation Berhad and Berjaya Sports Toto Berhad. He is also a director of Nexnews Berhad, MOL.com Berhad, Berjaya Group Berhad, Berjaya Vacation Club Berhad and several other private limited companies.

Mr Ung Gim Sei

Independent Director

Mr Ung Gim Sei is a partner of Singapore law firm, Messrs. KhattarWong and a part-time law lecturer at the Nanyang Technological University, Singapore.

Prior to taking up Law, Mr Ung started his career in the media and publishing industry and assumed key positions at Nanyang Siang Pau, Singapore Press Holdings and Hong Kong Sing Tao Newspaper Group. He is the legal adviser and member with Tan Kah Kee Foundation and China Trade Association and also a Committee Member for Singapore-China Friendship Association and China Aw Boon Haw Foundation and Director for Li Ming University in Quanzhou, Fujian, Peoples' Republic of China.

He holds a Bachelor of Arts in Economics from the National University of Singapore and a Master in Law, from the City University of Hong Kong. He has also obtained a Common Professional Examinations in Law from the UK and a Graduate Diploma in Singapore Law from the National University of Singapore.



BOARD OF DIRECTORS
(CONT'D)**Mr Anderson Tang Siu Ki**

Independent Director

Mr Anderson Tang Siu Ki is an Executive Consultant with business consultancy firm, CK Siow & Associates. Prior to this, he was Chief Financial Officer of the Singapore Exchange. He has over 20 years of finance and operations experience with various leading multinational banks and financial institutions, including inter alia as Regional Financial Controller of American Express Bank for Asia and the Subcontinent, Head of Finance & Operations of Lehman Brothers Singapore, Chief Operating Officer of BZW Pacific Union Pte Limited and Director of Operations of BZW Asia Limited. Mr Tang is a Chartered Accountant who graduated from McGill University in Canada. He also holds a Bachelor of Commerce degree, honours in accountancy with distinction, from Concordia University in Canada.

Professor Chew Soon Beng

Independent Director

Professor Chew Soon Beng is with the Nanyang Technological University (NTU). He is the Founding Director of the Asia Commerce and Economics Studies (ACES) Center in Nanyang Business School in 1993 for the training of top officials from China. He is also the Founding Director of the Master of Science programme in Managerial Economics known as the Mayor programme, since its inception in 1998 at NTU for top Chinese officials. To date, more than 300 students have graduated from this one-year master's programme. He is now in-charge of executive programmes in the School of Humanities and Social Sciences.

In 2004-05, Prof Chew was a consultant to the Omani Ministry of Higher Education, looking into the reform of Oman's higher education. Prof Chew received his Ph. D. in Economics from the University of Western Ontario, Canada, in 1979, after obtaining a Master of Social Science in Economics from the former University of Singapore in 1974 and a Bachelor of Commerce, First Class Honours, from the former Nanyang University in 1972.



Mr Wong Wee Woon

Executive Director,
Managing Director, International Division

Mr Wong Wee Woon joined Informatics in October 2004. He has a rich background in educational publishing, having been with educational publisher Longman Malaysia for 25 years from 1971 to 1996, where he rose from Regional Sales Executive to Managing Director. In 1997, he became Managing Director of Longman Singapore/Malaysia and the following year, he was Managing Director of Addison Wesley Longman Asia, after successfully integrating the companies in Asia belonging to the Longman and Addison Wesley stables.

In 1999, Mr Wong was named President of Pearson Education Asia when publishing giant Pearson acquired Prentice Hall and folded it into Addison Wesley Longman. From 2000 to 2002, he held the post of President, Pearson Education South Asia. Thereafter, he moved on to become a consultant with India's Bhagat Publications in 2003 and with a UK publishing house in 2004, before joining Informatics that year.

Mr Val Philip Ortega

Executive Director,
Chief Executive Officer

Mr Val Philip Ortega was appointed the Chief Executive Officer in August 2006. He has been with Informatics for seventeen years in different senior management capacities, including Vice President of academic affairs for the Group, COO of Singapore School Operation and other Board appointments.

He has extensive experience in the private education industry, spanning a period of about 25 years and ranging from teaching and curriculum development to assessment and administration. As the Vice President for the Group's academic affairs, he acted as the guardian for the Group's academic standards and has established credible relationships with international examining bodies, universities and other institutions of higher learning worldwide. He has also served a term as the General Secretary of the Singapore Association of Private Schools. He was appointed the Executive Director and Acting CEO of Informatics Education Ltd in March 2006.

Besides several professional qualifications, including a Postgraduate Diploma in Marketing (UK), Postgraduate Diploma in International Advertising (New York) and the CAM Foundation Professional Diploma in Communication, Advertising and Marketing (UK), Mr Ortega also holds a Master of Science Degree in International Marketing (University of Strathclyde), Glasgow, UK, and a Master of Education (RMIT University), Melbourne, Australia.

Ms Cecilia Tong Chiu Fai

Executive Director,
Chief Financial Officer

Ms Cecilia Tong was appointed Chief Financial Officer in April 2006. She joined the Group as Financial Controller of Informatics Holdings in July 2001 and was promoted to the executive level in August 2004. In September 2005, she was promoted and appointed as the Executive Officer for the Group's finance and corporate functions and board member in a number of subsidiary companies of the Group. As the Executive Officer for the Group's finance and corporate functions, she has been driving changes and enhancements to the Group's finance, corporate functions and corporate governance.

Ms Tong has fifteen years of auditing and finance experience in various industries, such as banking, manufacturing, education, construction, import and export trade, hotel and other services. She also has regional experience in Singapore, Hong Kong and China.

She graduated with a Bachelor of Business (Accounting) degree from Monash University in Melbourne, Australia, in 1992 and was admitted to the status of Certified Practising Accountant of CPA Australia in 1996. She gained auditing experience at Kwan Wong Tan & Fong BDO (now known as Deloitte Touche Tohmatsu) in Hong Kong from 1993 to 1995, before moving on to another auditing firm Coopers & Lybrand (now known as PricewaterhouseCoopers) in Singapore from 1996 to 1998. From 1998 to 2001, she assumed the position of Controller of the Singapore subsidiary of Illinois Tool Works (a US Fortune 200 company).



KEY MANAGEMENT



Ms Cecilia Tong Chiu Fai
Chief Financial Officer



Mr Val Philip Ortega
Chief Executive Officer



Mr Wong Wee Woon
Managing Director,
International Division



Mr Felix Raoul Stravens
Managing Director,
NCC Education



Mr Dennis Foo Suan Hua
Executive Director,
E-Learning



Mr Alan Phua Poh Kuay
Executive Director,
Academic Affairs



Mr Breyvan Tan Kiah Tong
Managing Director,
Singapore School Operation

Ms Mabel Cheung Oi Lin
Managing Director,
Hong Kong School Operation

Mr Lawrence Wee Thian Kiong
Managing Director,
Malaysia School Operation



Mr Regunathan Ambalam
Managing Director,
Sri Lanka School Operation

Ms Jennifer Jiang Li Ting
Managing Director,
Shanghai School Operation

KEY MANAGEMENT

(CONT'D)

Mr Val Philip Ortega

Chief Executive Officer

Appointed the Chief Executive Officer in August 2006, Mr Val Philip Ortega has been with Informatics Group for over seventeen years in different capacities. He first started as adjunct lecturer in 1989 and later came on board full-time in 1995 as the General Manager of Thames Business School. Mr Ortega has extensive experience in the private education industry, having been in it for over 25 years. He holds a Master of Science in International Marketing from the University of Strathclyde, Glasgow, and Master of Education from RMIT University, Melbourne. He is currently pursuing his PhD in Education.

Ms Cecilia Tong Chiu Fai

Chief Financial Officer

Appointed the Chief Financial Officer in April 2006, Ms Cecilia Tong joined the Group as Financial Controller of Informatics Holdings in July 2001 and was promoted to the executive level in August 2004. In September 2005, she was appointed as the Executive Officer for the Group's finance and corporate functions and board member in a number of subsidiary companies of the Group. As the Executive Officer for the Group's finance and corporate functions, she has been driving changes and enhancements to the Group's finance and corporate functions and corporate governance. She was appointed as board member of the Company on 31 March 2006 and now directly looks after the Group's Finance, Corporate Secretary, Legal Functions and Investor Relationship.

Mr Wong Wee WoonManaging Director,
International Division

Mr Wong Wee Woon was appointed Managing Director for International Division in May 2007. He has been with Informatics Group Malaysia since October 2004, bringing with him more than 20 years of rich corporate experience in educational publishing. He was with educational publisher Longman Malaysia for 25 years from 1971 to 1996, where he rose from Regional Sales Executive to Managing Director. From 1997 to 2004, he held a series of positions, ranging from Managing Director of Longman Singapore/Malaysia and President of Pearson Education Asia to consultant to a UK multinational publishing house. Mr Wong obtained a Master in Management from the Asian Institute of Management in the Philippines.

Mr. Felix Raoul StravensManaging Director,
NCC Education (UK)

Mr Felix Raoul Stravens was appointed the Managing Director for NCC Education (UK) in August 2006. He brings along with him many years of experience in the training & education services industry.

Prior to joining Informatics, he was an Associate Professor and Program Director at the University of Canberra, Australia, and was the Executive Director of the Institute of Advertising in Singapore. He has taught academic courses in various institutions, designed and conducted in-house training in various established organisations and given seminars at many platforms.

Besides other qualifications, Felix graduated from the University of East London, UK with a Master of Business Administration (Strategic Management). In addition, he also holds a Graduate Diploma in Financial Management and a Graduate Diploma in Marketing Management from the Singapore Institute of Management, and a Diploma in International Advertising from the International Advertising Association, USA.

Mr Alan Phua Poh KuayExecutive Director
Academic Affairs

Mr Alan Phua is the Executive Director for Academic Affairs under International Division. His responsibilities in Informatics encompass academic quality assurance in teaching, curriculum development and assessment as well as strengthening university collaborative relations. He has devoted the last 14 years to the education industry and worked in different capacities in Informatics. Mr Phua taught in Informatics' various Diploma and undergraduate degree IT programs. He holds a Bachelor of Science from the National University of Singapore, as well as a Master of Science in Software Engineering from Andrews University (US).

Mr Dennis Foo Suan HuaExecutive Director
E-Learning

Mr Dennis Foo was appointed Executive Director of E-Learning in June 2007 who is responsible for strategizing and managing the E-learning business to greater heights.

He was with Informatics from 1999 to 2005 and assumed various senior academic, management and business roles with his last held position as Vice President - Global Higher Education, Informatics Corporate Learning and Purpletrain.com. He left the company to pursue other interest. Prior to rejoining us, he had gained much exposure in other several training and education organizations.

Mr Foo holds a Master Degree in Information Technology from the University of Glasgow, Scotland and a Post-graduate certificate in E-Business from the University of California, Berkeley (Extension).

Mr Breyvan Tan Kiah Tong

Managing Director
Singapore School Operation

Mr Breyvan Tan joined Informatics in 1994 and has been with Informatics for over 10 years, during which time he assumed various management responsibilities, including managing centres and heading the customer care division for Singapore School Operation. Mr Tan has since moved up the ranks to become the Executive Director of Recruitment for Singapore School Operation. He possesses a Bachelor of Science in Business Computing under Information Technology from University of Wales (UK).

Mr Lawrence Wee Thian Kiong

Managing Director
Malaysia School Operation

Mr Lawrence Wee joined Informatics in 1991 and undertook various roles within the Group. Between 1997 and 2000, he left the company to pursue career interests in sales and business development at IT multinationals Oracle and Hewlett-Packard. In 2000, Mr Wee rejoined Informatics as Market Development Director for the Emerging Markets. Over the years, he moved up the ranks to head Singapore School Operation in October 2002, before being tasked with the responsibilities of Managing Director for Malaysia School Operation. Mr Wee has a degree in Computer Technology from Curtin University of Technology (Australia).

Ms Mabel Cheung Oi Lin

Managing Director
Hong Kong School Operation

Ms Mabel Cheung joined Informatics in February 1998 as an Accountant. Over the years, she has worked in various positions within Informatics and was subsequently promoted to head the Hong Kong team. Ms Cheung holds a Bachelor in Business from the University of Technology (Sydney), and is a member of the CPA (Australia). Prior to joining Informatics, Ms Cheung had about 5 years of experience in the commercial field.

Mr Regunathan Ambalam

Managing Director
Sri Lanka School Operation

Mr Regunathan Ambalam assumed the designation of Managing Director for Sri Lanka School Operation in October 2006.

Prior to joining Informatics, he had held key senior positions in large corporations with management and regional marketing experience in the training & education, multi-media development, IT retail and distribution industry.

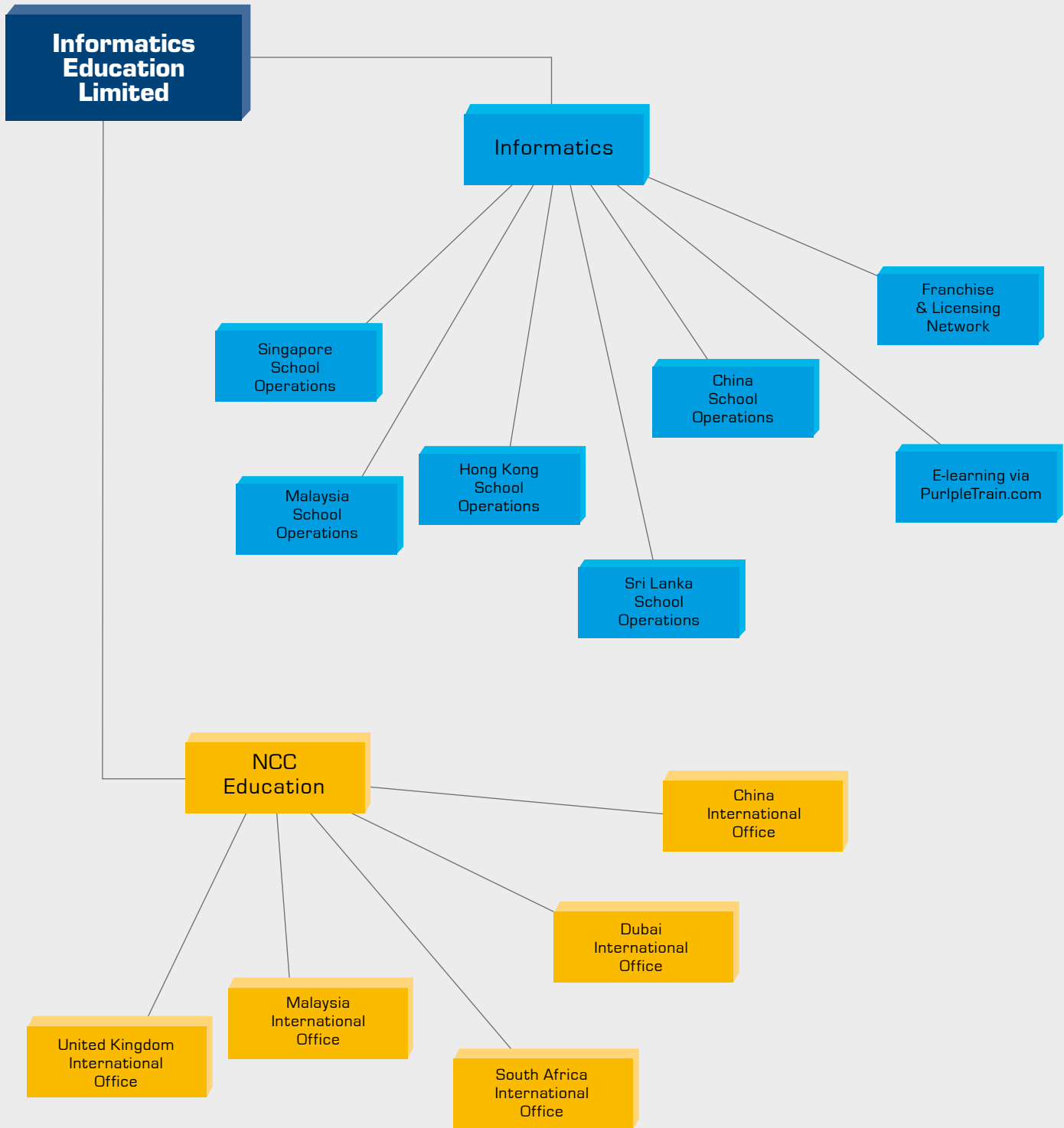
Mr Regunathan graduated from Murdoch University, Perth, Western Australia with a Bachelor of Arts (Double Major in Business / Marketing). He was nominated "Jewel of India" award by International Institute of Education and Management India for outstanding contributions made by a Person of Indian Origin to the Indian Marketing Fraternity.

Ms Jennifer Jiang Li Ting

Managing Director
Shanghai School Operation

Ms Jennifer Jiang joined the Group as Finance Manager of Informatics Holdings in September 2001. She was promoted to Business Director for the Group's Shanghai School Operation and appointed as board member in a number of the Group's subsidiary companies in China. In April 2006, she was appointed as the Managing Director for China operation. Ms Jiang graduated with a Master Degree of Commerce from University of New South Wales (Australia), and is a member of the CPA (Australia).

GROUP STRUCTURE



CORPORATE FUNCTIONS

With a clear business objective of focusing in increasing student headcount coupled with balanced product mix, we have realigned our corporate functions to focus on the growth of all Informatics centres and campuses worldwide.

Content Management and Programme Development

Our research and content development team will constantly upgrade our programmes to meet changing market demands and always developing new programme to meet future industry trends.

Marketing Communications and Public Relations

A core set of standards and best practices for public relations and marketing have been put in place to establish Informatics as a strong international brand in providing quality training and education service. Marketing and communications materials are periodically reviewed to ensure accurate and updated information. Through a focused and integrated public relations and branding strategy, coupled with effective and timely communication efforts, the Group seeks to enhance brand value and market share so as to strengthen our leadership position in the market.

Human Resource Management

Our Human Resource Management objective is to leverage on best practices in people management and development, so as to develop our people to their maximum potential and to the best of their capabilities. These practices are translated into higher staff morale, greater teamwork among staff and higher staff productivity, which in turn lead to greater returns to shareholders.

On a global scale, we established a five-pillar people excellence framework:

- Talent identification and management
- Leadership cultivation
- Transparent compensation and benefit schemes
- Consistency in core HR policies and philosophy
- Benchmarking of best HR practices

One of the key thrust of Global HR is effective and timely communication with staff members. Some initiatives implemented for improvement in this area include management presentations at staff forums, monthly CEO communication sessions, and web-based tele-conferencing sessions with our overseas offices. We recognize that regular communication will enable management to communicate the company's business directions and performance effectively to staffs at all levels, thus aligning their functions to the overall Group objectives.

IT Infrastructure

Information Technology is a key enabler of Informatics' business, as well as a conduit for our strategic e-learning business. It will provide the infrastructure for capturing data and producing management information on a real-time basis. We have moved towards a centralized infrastructure in order to achieve better standardisation and control, leverage and effectively utilise the pool of valuable resources, as well as to better collaborate knowledge and expertise.

The Data Centre set up is equipped with environmental protection, access control and clustered servers to support all country offices within the Group.

The Informatics Management Information System (IMIS) which is a student management system developed internally was further enhanced with online attendance recording and tracking tied to a online report card for students or parents to download. It is also integrated with our latest development of Online Instant Response Admission System which evaluates student's qualifications and presents to them the choice of further education options.

Informatics will continue to explore innovative ways of delivering IT services and capabilities by embracing technology in whatever we do.

Finance

The finance function of all country offices within the Group is led and spearheaded by the Group's Chief Financial Officer. This structure provides an environment of independence and financial information on the business will be in compliance with the Group's accounting and financial policies. This will ensure the Group maintains a high standard of financial integrity and corporate governance.

Key development strategies include a centralized system in tax planning, treasury and fund management. It will also oversee and effectively manage the Group's investments with the objective of maximizing business growth. The Finance group had also established a framework of proper internal controls and optimizes financial and operating system with proper documentation of processes, procedures and policies.

The Finance leadership will make continual improvements to strengthen its internal control systems and processes, integrate the operational, financial and management information systems in order to provide relevant and timely reports to support the management and business decision making.

CORPORATE FUNCTION (CONT'D)

Service Quality

An integrated service excellence framework has been incorporated as part of the strategic pillars of organizational success in Informatics. This framework encompasses all business systems including the design of academic curriculum, classroom delivery standards, service contact points and support services. It aims to develop a student-centric mindset amongst all staff.

Key service initiatives developed include the Global Employment service which aimed to maximise our students' and graduates' employability and employment opportunities and Global Alumni which will enable our students globally to stay connected even after they graduate with us. Harnessing technology, we have implemented several online service systems to further enhance our service efficiency and greater convenience to students.

Investor Relations

The role of the Group's investor relations aims to inform and facilitate strategic partners as investors in Informatics. The Group is committed to a high level of corporate transparency, with the objective of facilitating timely and accurate communication to the investment community. The Group will disseminate information effectively on a wide scale and without bias, so as to ensure that share holders and investors have easy access to significant information pertaining to the Company. Such information include announcements to the Singapore Exchange by the corporate secretary on the Group's quarterly results, changes in executives, updates on the Company's Employee Share Option Scheme (ESOS), changes in shareholdings and events that are of interest to shareholders. The Group will continue to foster strong investor confidence in the company and to practise fair and transparent disclosure of our performance and results and ultimately enhance shareholders' value.

Audit and Risk Management Committee

The Audit and Risk Management Committee ensures an independent review of the Company's key risks, operational efficiency and performance. It will provide the Board of Directors with an independent report, as well as provide the management with advice on best practices. The Audit Committee also oversees special projects such as corporate re-engineering review and the implementation of the review's recommendations.

Internal Audit

The internal audit function of the Group is undertaken by the Group Internal Audit, which is based in its Corporate Headquarters in Singapore. The regional auditors are located within the Group's operational offices in China, Malaysia and Singapore. They report directly to the Head of Group Internal Audit. The Head of Group Internal Audit reports directly to the Audit and Risk Management Committee and sits in the Committee meeting.

The Internal Audit work plan for the year is reviewed and approved by the Committee. In addition, the Committee oversees and appraises the quality of the audit effort of the Group's Internal Audit function. During the year, the Internal Audit plans its work in consultation with, but independent of, management. The Audit Plan will be developed using a risk-based approach, in which the inherent business and control risks in each operating unit have been taken into consideration.

The overall objective of the Group Internal Audit is to ensure compliance with policies and procedures established by the management. Key to this initiative is the participation of each employee in acting as 'watchdog' for the Group and in upholding good ethical and governance standards in their respective areas of work. The Internal Audit team also conducts training sessions for staff on governance and standards. It will also provide independent recommendations on how to ensure compliance and forms opinion on the reliability of the numbers reported.

In-House Legal Counsel

The in-housed legal counsel manages legal risks and put in place policies to minimise legal exposure of the Company. The department also provides guidance and advice on legal matters to the management and support functions within the Group. The focus of the advice is predominantly on contractual matters, document management and legal processes. The legal department is the custodian of all the Company's agreements and outstanding litigation matters, if any.

The Group also engages a panel of external law firms to advise the legal department and the Company on more complex issues. Focusing on proper documentation and record keeping, the legal department will continuously review and refine legal process and policies in order to improve its efficiency.

GLOBAL OPERATIONS REVIEW INTERNATIONAL DIVISION



Graduates from 2006 cohort



Validation panel from Oxford Brookes University, UK

The International Division at Informatics is an integral part of Informatics. It is chartered to engineer research and content development of academic and professional skills programmes in InfoComm Technology and Business, Finance and Management; and expand the Group's training and education business worldwide by way of franchising our three brands – Informatics Computer School, Thames Business School and Informatics Professional Development Centre.

Higher Education

Higher Education is one of the core business growths for the Group. Through our global network, we have enabled individuals worldwide to achieve world-class higher education qualifications through our wide range of programmes, from diplomas and undergraduate degrees to postgraduate degrees.

By providing our students with up-to-date and relevant academic knowledge and disciplines, our programme will enable individuals to maximise their potential to meet challenges in the new economy. All our higher education programmes are delivered through Informatics Computer School and Thames Business School located worldwide. Through Informatics Academy, the international tertiary education awarding body of Informatics, our students are assured of the quality of their academic awards.

GLOBAL OPERATIONS REVIEW INTERNATIONAL DIVISION (CONT'D)



CEO exchanges memento with visitors from Ministry of Higher Education, Saudi Arabia



Delegates from Akwa Ibom State in Nigeria visits Informatics.

Faculty of Information and Communication Technology

The continuing technological developments in InfoComm Technology will ensure strong future demands for graduates in this field. Thriving on our positioning of an IT-plus institution, our programmes aim to equip students with the technical expertise and latest IT skills that are useful and relevant in any part of the world.

Focusing on the wireless and communication technology, our latest development of Diploma and Advanced Diploma in Mobile Application Technology will enable students to develop information for distributed application and its communication in the most efficient manner using the latest technology.

Another niche discipline leading from our successful development and launch of Diploma and Advanced Diploma in Gaming and Animation Technology is Digital Media. The global Digital Media entertainment industry has been growing strongly with key identified areas in animation, games and effects, media intermediary and 'on-the-move' media services. We will be introducing academic programmes that would provide students the technical know-how in line with this market trend.

Computers have evolved to be a part of our lives. Along with the rising concern about Cybersecurity globally, Computer Forensic will be another area of increasing relevance. This is a growing industry and many government agencies and private concerns are getting into this niche area. This would be another area of research and content development which the International Division would charter.

Faculty of Business, Finance and Management

The Faculty of Business, Finance and Management offer a wide range of professional business qualifications. It is committed to delivering quality business programmes for aspiring individuals who will be applicable in real-world situations.

Hospitality and Tourism has witnessed rapid growth especially in developing economies. Hospitality and Tourism companies are facing increasing need to meet the challenges of today's world market by deploying up-to-date skills workers. Informatics has developed and successfully launched learning opportunities in academics studies and skills training in this area.

In an age of outsourcing and extended supply chains, skilled Logistics professionals are critical. Building on the demand for human capital in this area, we have developed Diploma and Advanced Diploma in Logistics Management which leads to an undergraduate degree from renowned university.

Professional Skills Development

Professional Skills Development marketed under the brand name of Informatics Professional Development Centre, is the professional skills and training arm of the Group. It strives to be at the forefront of skills training by providing current and innovative Business and IT skills training to both individuals and corporate customers. It will focus on research and content development of programmes in partnership with key market leaders such as Microsoft, PMI, Autodesk and many others. It will continue to enhance its strategic alliances with key Business, IT and certified partners, so as to develop and offer the most up-to-date programmes to equip customers with much sought-after work and life skills.

Customers will find a full range of vocational skills training programmes from IT application to soft skills like Wireless Networking, Office Security, Power Negotiation and Service Excellence, just to name a few.

GLOBAL OPERATIONS REVIEW

INTERNATIONAL DIVISION: INFORMATICS ACADEMY



Quality Assurance Framework

Informatics Academy is an integral part of Informatics. Formed in 2002, Informatics Academy act as an independent, international awarding body to ensure that all our awards bear the quality assurance marks which are internationally recognised and accepted by employers and universities for employment and credit transfers respectively. We work closely with NCC Education, to offer diploma programmes validated by NCC.

Independently, Informatics Academy awards a wide range of qualifications from diploma to postgraduate programmes. Our programmes have high academic standards with qualifications that are recognised and accepted worldwide. With strategic partnership and alliances with 23 international universities in the UK, USA, Australia and New Zealand we offer students a wide range of choices for further studies that lead to international recognition.

Functions within Informatics Academy include content development and management of our programmes; universities articulation, assessment setting and administration, online student services, evaluation and admission, curriculum design and awarding of all certifications.

Informatics Academy is committed to provide quality programmes and services to all our students.

We have an academic framework of standards and procedures that manages and controls our programmes and service activities. The Informatics Academic Governance is the backbone on which the quality of our awards is judged. Collectively, the various institutes in Informatics Higher Education interact with the Academic Council and thereby empower the Examination Council and the various Examination Boards the authority to grant Informatics Academy awards.

The formation of the International Academic Advisory Board ensures that high academic standards are maintained at centres within the Informatics global network. Represented by a group of respected and experienced academic leaders from universities in the United Kingdom, Australia, each member brings an extensive range of educational leadership and management experience.

The board advises on strategic academic matters including academic quality and standards, policies, systems and procedures, curriculum design and development, teaching, assessment practices and standards, security and integrity. It also monitors the strategic institutional development of Informatics institutions to ensure educational excellence.

GLOBAL OPERATIONS REVIEW INTERNATIONAL DIVISION: INFORMATICS ACADEMY (CONT'D)



External Examiners

Informatics Academy has also incorporated in its quality assurance system a panel of External Examiners. These External Examiners are usually faculty members from renowned tertiary institutions.

External Examiners will play a significant role in our continuous quest to achieve academic quality of the highest standard. They will audit the evidence to indicate the basis on which grades have been awarded. This process usually involves taking samples of examination scripts and candidates' written work that includes samples of work at all levels of performance.

Assessment

Informatics Academy is chartered to evaluate the various forms of assessments for its students. The assessment of students comes largely in two forms:

Formative Assessment

Summative Assessment

A formative assessment ensures that students are continuously being assessed and regular feedbacks are given to students to ensure that they are able to review their strengths and weaknesses. This form of assessment will allow students the opportunity to understand their abilities and gain the knowledge appropriate for their level of studies. Formative assessment comes largely in the format of coursework, projects, periodic class test and participation in class.

Summative assessments are usually in the form of semester-end examinations. This form of assessment allows the cumulative skills and knowledge of the students to be applied at the end of the semester and assess the students holistically.

Moderation

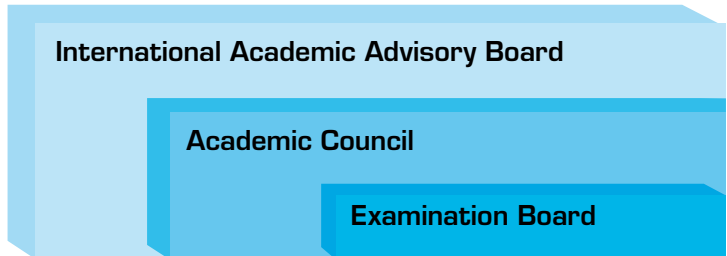
With the vast network that Informatics operates in, the assurance of standards across all countries is crucial. The key role of Informatics Academy is to ensure that all assessments are equivalent in standards and all students are suitably graded. There are up to three levels of controls before the results of the students are being released.

Firstly all assessments are examined by qualified academics approved by Informatics Academy. The Examiner's role in the assessment is to ensure that all students are assessed fairly and suitably at their level of studies.

Another team of senior academics from the Informatics Academy, who play the role of Chief Examiner, will then moderate the graded scripts. The task of the Chief Examiner is to ensure that all assessments are graded with consistency and accuracy. They also moderate the assessment to ensure equivalent standards are applied to students around the world.

For undergraduate and postgraduate degree programmes awarded by the universities, a final moderation will be conducted by the academics from the university partners and other validation bodies.

Informatics Academy Governing Framework



International Academic Advisory Board

	Professor William Lovegrove Vice Chancellor University of Southern Queensland, (Australia)		Professor Peter Ford Chairman, Academic Board NCC Education, UK		
	Professor Tony Whitehouse Director NCC Education, UK		Dr. Ann Gibson Dean - Business School Andrews University, USA		Mr. Huw Hughes Head of Validation Services University of Wales, UK
	Mrs. Annette Clare Wilson Associate Dean Students, Faculty of Technology University of Portsmouth, UK		Mrs. Sue Greenwood Director of International Collaborative Provision and Principal Lecturer, School of Technology, Oxford Brookes University, UK		

Academic Council

	Val Philip Ortega CEO Informatics Education		Wong Wee Woon Managing Director International Division		Dr. Jonathan Britt Director, Academic Informatics Academy
	Blbiana Teh Assistant Director Informatics Academy		Alan Phua Director Academic Affairs International Division		David D'Souza Director Singapore School Operations
	Tng Choon Hock Dean, Faculty of ICT Singapore School Operations		Don Rodrigues Dean, Faculty of Business Singapore School Operations		Thamilarsi Periasamy Academic Quality Manager International Division

GLOBAL OPERATIONS REVIEW SINGAPORE SCHOOL OPERATIONS



Informatics Education Singapore Pte Ltd is a wholly-owned subsidiary of Informatics Education Limited. Conveniently located at the thriving suburb of Jurong East, it is in close proximity to the Business and Technology belt of Singapore. Its 600,000 sq ft campus can accommodate up to 15,000 students, and is one of the largest campuses amongst Private Education Institutions in Singapore.

Well-equipped with full-fledged academic facilities, our Informatics campus houses more than 80 classrooms and computer labs, custom-built gaming and animation lab, engineering lab and spacious lecture

theatres. It remains highly attractive with a list of comprehensive sporting facilities for Basketball, Soccer, Street Soccer, Tennis, Cricket, Badminton, Table Tennis and upcoming sports like Archery and Wall-climbing. Students can also enjoy wireless internet access in most areas of the campus.

The current population within the campus comes from 25 different nations bringing them a truly inter-cultural experience, allowing them to study and mingle with fellow students from varied culture.

Our Improvements in 2006

Improved curriculum

As part of the holistic educational experience, the Enrichment and Sports Development (ESD) was introduced to encourage students to participate in co-curricular activities in the creative arts, basic professional skills and sports and games, so as to develop all-rounded individuals amongst them and ensure they make good use of their full day on campus. The ESD programme also grooms our students to be employment-ready when they complete their studies.

Improved system

Part of our initiative as a leading PEO is also to be on the forefront of technology. These new services were introduced to increase service efficacy:

Electronic Attendance System

This system, using the same technology of scanning bar codes, eliminates the manual attendance taking in every class. Students are issued student cards where they can scan their attendance upon entering their class. It rules out human errors and errant behaviour as well.

Electronic Report Card

This online report card allows students' parents to be in the know of their children's progress in school. Details such as attendance and examination results are sent to them on a regular basis.

International Student Management

Our entire IMIS system was upgraded and immensely improved to manage our International students' data in the most efficient manner. This improved, integrated and informative system now allows us to be proactive in managing International students' visa needs and attendance requirements.

New services

Student Concierge

A special team was set up to highlight and fulfill the needs of International Students, especially those who have arrived in Singapore for the first time. This team from our International Office takes special care to ensure hospitality begins before students leave their home countries through our concierge services such as arranging for accommodation and airport pick-ups. Students are facilitated in their Student's Pass applications, and a structured orientation program provided comprehensive guidance to help them settle into this new environment.

Global Employment Services

To remain relevant to the market's demands, our Global Employment Services (GES) department was set up to maximise our alumni's employability and job opportunities with some core areas of interest: Career Counseling, Career Mapping and Career Data Banking.

Internships also ensure that students are introduced into the real working environments before they complete their courses. Our NITEC-certified Hospitality and Tourism Diploma and Advanced Diploma courses put our students in good stead for future employment, with industry attachment opportunities and thereby allowing them to attain realistic levels of expectations of their future careers. On-campus, our newly-built Hospitality Service Training Room ensures students get to learn with a hands-on approach.

Pastoral Care

A Pastoral Care Centre was set up to improve the learning experience of our students. This centre sets out to tackle important issues and needs of the students such as learning, health, social and emotional developments. A regular time-table is put up for students to meet with our very own counselors to discuss these issues/problems/requests (academic or personal) that they may have.

Improved Learning and Recreation Facilities

Many more studying and relaxation areas with free wireless internet access were opened up for the convenience of students who need quiet times in between classes. An enhanced printing centre together with the upgrade of our PC labs also enhance their learning process.



GLOBAL OPERATIONS REVIEW SINGAPORE SCHOOL OPERATIONS (CONT'D)



Convenient Testing Facilities

In a recent relocation, Thomson Prometric, a global leader in Technology-enabled Testing and Assessment Services, shifted their only Prometric Testing Center (PTC) in Singapore to our campus in 2 May 2007. This move brings much convenience to our students and the public alike, who can now easily access hundreds of tests hosted by 600 big-name providers in the Academic, Professional, Government, Corporate and Information Technology markets.

More events

A variety of activities such as cultural events, celebrations and sports events organised throughout the year allow students to interact and understand the cultures and values from different countries. Working closely with the various embassies, we take special attention to make our students feel at home with co-related events during their native festivals.

Informatics Singapore continues to strive to improve its offerings to its students with course enhancements and collaborations with third parties. A 16-man academic and curricular team ensures that existing programmes are constantly reviewed and enhanced to better suit our students evolving lifestyles and the market's increasing demand. Some of such recent projects include the Proficiency In English (PIE) and the Executive Diploma programmes, reconfigured to fit students' needs and their busy schedules.

Achievements

Informatics amassed an interesting list of awards and accolades in 2006, once again providing testament to our continuous strive in ensuring service and academic excellence. To name a few:

- (1) Finalist - Best Host for International Students - Education Service Division of Singapore Tourism Board

Informatics was the only PEO in this inaugural award hosted by Education Service Division of Singapore Tourism Board. This has given us a confidence boost and is testament of the excellent work put in by our International Office, Student Service and Academic teams.

- (2) Our students have also fared well in achievements, with one of our students being the proud recipient of the prestigious Golden Key Award. This scholarship programme is formed by a few key universities in Australia to reward the top 15% of each faculty who displayed excellent academic and leadership qualities. Our student was invited on-campus to University of Southern Queensland to pursue her Postgraduate studies.

- (3) Our exemplary high percentage of first class graduates from our Bachelor of Electrical and Electronics Engineering program with Northumbria University was also regarded by the university as the "best model collaboration", leading to a revalidation of the programme with Informatics.

- (4) Excellent Service Award (SPRING Singapore)

We have gleaned this award for 3 consecutive years, and it has encouraged us to want to make this a permanent feature in our list of achievements.



Ms Lei Sandi Aung, Myanmar

Growth Strategy

In order to remain steadfast in the rapidly changing private education scene, we will constantly recreate ourselves through the advancement of technology, in providing students and staff alike, with advanced services, customised to suit their lifestyles.

As one of the only Private Education Organisations to have a good scale of sporting facilities, we'll be developing sports as a key curriculum, encouraging more stellar sports personalities to join us. We currently already have a few notable sportsmen from around the region studying with us.

Informatics sees itself as a strong supporting partner to Singapore's call to be a premier education hub with 150,000 International students by 2012.

Our growth emphasis is on the International pool of College Going Students, which we target to see exponential growth in enrolment within the next financial year. We will place the same emphasis on our Professional Skills & Development market, greatly tapping on the existing market while developing new ones.

What our customers say

Lei Sandi Aung, a 21 year old from Myanmar, arrived at our shores in search of an internationally-recognised tertiary education just 2 years ago.

Equipped with a Diploma from her hometown, she enrolled into the Advanced Diploma in Information Communication Technology program, awarded by Informatics, which fast-tracked her into the final year of the Bachelors of Business Computing and Information Technology course, awarded by the University of Wales and hosted by Informatics.

Just a month shy of her final exams, Sandi has already secured a job as an Application Engineer, with a local Design and Technology firm whose clients include big international brand names.

This, she describes, "is a dream come true". "Informatics is an underrated good school, and the wonderful lecturers here have ensured that my studies come first under any circumstances. If I had problems, I can seek their counseling anytime."

Sandi chose Informatics Singapore for its large pool of International students, exposing her to the various cultures and allowing her to meet new friends from all over the world. Its holistic learning approach also enticed her "because very few Private Education Organisations have a large campus with complete sports and learning facilities like this", she explains.

Up next, Sandi is intending to attain her Masters qualification with her alma mater at Informatics. She concludes "I am going to utilise Informatics' flexi-learning study modes while working, and make my bigger dreams come true"

GLOBAL OPERATIONS REVIEW MALAYSIA SCHOOL OPERATIONS



8 Star Services

Incorporated in 1984, Informatics Education Malaysia is the pioneer IT education and training institution. Today, we are the leader in professional and vocational training and education. We place a strong emphasis on providing excellent education and training certification programmes with up-to-date job-ready skills, complemented by our 8 Star Services pledge to deliver high quality services to our students.

Being an established name in Information Technology, Business and Engineering education, Informatics Malaysia offers a wide array of professional and vocational education and training programmes, ranging from information technology, business administration, engineering technology to soft skills training for corporate clients. Corporate Training programmes include the latest in Microsoft

technology and end-user programmes, CCNA/CCNP, Macromedia, Adobe, PMI, EC-Council and soft skills training.

To be in line with the industry, our professional and vocation education and training programmes are approved under the Human Resources Development Fund (PSMB) to allow working adults to complete their higher education by being sponsored by their company.

Our corporate clients in Malaysia include reputable Malaysian organizations and multinationals. Among them are oil & gas organizations, utility companies, telecommunication, automotive, banks and manufacturing companies.



Achievements

Due to the geographical spread and transportation challenges faced by metropolitan Kuala Lumpur, Informatics Education Malaysia is the first to provide the virtual classroom solution to the working adult community. The virtual classroom solution reduces time wastage, thus permits full concentration on the course itself. Since the launching of virtual classroom solution, we have experienced tremendous success – a clear indication that this is the preferred method of acquiring knowledge for working adults community.

In a nutshell, our virtual classroom solution comprises of 2 main elements. With the Informatics Virtual Campus (IVC), Informatics students would be able to catch up on missed lessons and at the same time enjoy unlimited e-revisions. With the Executive Virtual Campus (eVC), real time lessons using technology of VOIP coupled with lessons slides where student will be able to enjoy the convenience of learning from any location, without the need to battle through traffic congestion or rush to a physical class. On top of all the learning convenience, students also get to interact with their classmates and lecturers via forums and scheduled chat sessions. Students who require assistance are assured that help is just a phone call away or email either the Academic Helpdesk, IT Helpdesk or the Services Helpdesk.

Growth Strategy

Moving ahead, Informatics Education Malaysia is strengthening its position as the leader in professional and vocational education and training. In line with this plan, Informatics Education Malaysia has successfully launched a series of professional training programmes for Microsoft Vista and AutoCad 2008. The soon-to-be-launched International Diploma and International Advanced Diploma in Mobile Applications Technology is also expected to invoke great interest.

Besides that, we are also tapping into new markets of working adults outside the Klang Valley region, starting with the Northern Region of Malaysia. With the flexible learning options and 8 Star Services, Informatics Education Malaysia is now able to expand its offerings to students from all over the country. The Academic Helpdesk, IT Helpdesk and Services Helpdesk is to extend assistance and support to students in their quest of acquiring knowledge.

Five Core strategies that Informatics Education Malaysia will focus on :-

- To be the Leader in Professional & Vocational Training & Education.
- To provide education and training programmes with industrial related skills.
- To provide a suite of learning delivery services targeted at different segments of working adults.

- To complement our education and training programmes with a comprehensive academic and student services.
- To make learning affordable for all working adults by ensuring that our courses are 100% claimable via PSMB.

What our customers say

Yap Kim Yoong
1st Year Student
International Foundation Programme / International Diploma in Gaming and Animation Technology

Yap Kim Yoong, is currently taking our International Foundation Programme and International Diploma in Gaming and Animation Technology simultaneously via face-to-face tutorials. Yap feels very at ease in Informatics as he is able to get assistance either via telephone or via email whenever he requires it.

Yap who hails from PJ likes Informatics KL as we are situated very near to the LRT station, which is a very important factor since he comes for classes four times in a week. On top of that, he has given high marks for our friendly and approachable lecturers and student services.

Currently unemployed, he feels that his certification from Informatics will give him an added boost when he embarks into the working world.

GLOBAL OPERATIONS REVIEW

HONG KONG SCHOOL OPERATIONS



Informatics Education (HK) Ltd Marching to the 15th successful business year!

Informatics Education (HK) was established in 1992 and is a wholly owned subsidiary of Informatics Education Ltd. We are one of the leading education and training centres committed to offer a wide range of Information Technology, Business and Management programmes from certificate level to master level and to provide over 20 worldwide recognized certification trainings for various needs of individuals and corporations in Hong Kong.

Informatics Education (HK) Ltd. operates 3 major training and education centres, which are located at the most convenient districts: Tsimshatsui

(Informatics Open Institute & Territory Corporate Office), Central (Informatics Professional Development Centre) and Mongkok (Informatics College) respectively. Our programmes are highly recommended by our students in terms of comprehensiveness and practicality as well as experienced tutors.

This year Informatics HK is awarded the Caring Company Logo 2006/07 by The Hong Kong Council of Social Service, in recognition of our commitment to corporate citizenship. This is the 4th consecutive year to obtain the award which is a social recognition of our position in Hong Kong.

In order to fulfill our corporate responsibility in community caring, we have launched Informatics Scholarship 2007 since last year. The purpose of the scholarship is to encourage people with physical disabilities/ chronic illness to pursue lifelong learning. In practice, Informatics HK will fully subsidize one successful candidate to complete a bachelor degree programme.

We have just marched to our 15th Birthday, 1st July 2007. It is a golden opportunity to reinforce our leading position in the local education and training industry with the unique corporate rationales: IT- Plus, Employability, Professional skills, Student centric and Global education.

We are thrilled about what we are doing, we desire to serve and support students' and clients' goals to enhance their knowledge and qualifications. Looking forward, Informatics will continue to provide more industry-leading educational and training programmes whilst building up more professionals and leaders in Hong Kong.

Informatics Higher Education Colleges

Over the past years, the strong strategic alliances with world-renowned universities, and institutions to offer a variety of quality, up-to-date and widest range of educational programmes have helped Informatics to become one of the global player in the educational market.

Informatics Open Institute (IOI) Informatics College and Informatics Open Institute (IOI) together with their University partners and overseas affiliations are focused on providing high quality education at both undergraduate and post-graduate levels, through the management and delivery of flexible learning, e-learning, seminars, training programmes and scheduled faculty visits. IOI has in the past years managed over 9 Degree programmes with about over 10,000 graduates. It works with university partners in the Australia and the United Kingdom. These programmes are registered with the authorities under the Hong Kong Non-local Higher and Professional Education. The year also saw a healthy number of graduates graduating from our taught class and e-learning programmes.

With these graduations, it has made IOI one of the major contributors towards the development of human resources and manager at the workplace.

Informatics Professional Development Centre (IPDC)

Being one of the leaders in education and training industry, IPDC is committed to providing world class certification training programmes to professionals and corporations. Our programmes range from technical to management in areas like IT, business management, finance, soft skills and language to cater for various needs of our clients. IPDC has also been the appointed training solution partner of multinational corporations and government departments, we analyse client's training needs with professional advice and tailor make customized programs to meet their unique goal. We have renowned and experienced industry experts to train up leaders all around the world.

In Hong Kong, IPDC is one of the pioneers of Project Management Professional (PMP) training. Project management is said to be the best career in the 21st Century. As the Global Registered Education Provider (G.R.E.P.) of the Project Management Institute (PMI), IPDC has fostered over 1,000 PMP® students within these 4 years. We have recently provided 50 PMP classes to certify local Project Management Professionals and supplied the majority of PMPs in the market. Keeping the passing rate consistently, IPDC is able to deliver high caliber PMP courses to reinforce our market leader role.

We are also the prime training provider for various IT programmes. Being the Accredited Training Centre (ATC) of EC-Council, we primarily provide the Computer Hacking Forensic Investigator (CHFI) training in Hong Kong. IPDC is also proud to be awarded with the "Accredited Training Center Award 2006" by the EC-Council.

What our customers say

"I studied at Informatics from Advanced Diploma level to Bachelor Degree. I finally finished the 3-year-learning and graduated this year. I've experienced personal advancement in terms of knowledge base at Informatics."

Mr Wong Yeuk Shing

2007 Graduate

Bachelor of Arts (Hons) in Business & Marketing - University of Portsmouth, UK

Project Management Professional (PMP) and Customer Relationship Management on China Business Development (CRM) student

"The PMP course is comprehensive and practical. The trainer is truly experienced and knowledgeable in this subject. On the other hand, it is an invaluable opportunity to share up-to-date marketing experience with other managerial professionals in the class. I am going to take the CRM programme after I have become a PMP in 2006."

Steve Lam Kwok On

Product Manager, SME Banking
Standard Chartered Bank (Hong Kong)
Limited



GLOBAL OPERATIONS REVIEW

CHINA SCHOOL OPERATIONS



Shanghai Informatics Jinwen College Informatics College, Chongqing

上海英华美精文专修学院
重庆电力职工大学英华美学院

Established since 1993, Informatics China is a dynamic and integral part of the Group. Informatics China is one of the earliest Chinese-Foreign Cooperatively-Run Schools approved by China's Ministry of Education. It received the PCEC "Best Foreign Award" for 4 consecutive years from 1995 to 1999. This award recognizes the excellent performance of the college in various areas, including quality of teaching and services, job opportunities for graduates and contribution towards the betterment of the society. In the year 2000, the college received the ISO9001 Quality Management Award. To date, Informatics has trained more than 20,000 graduates in China.

Shanghai Campus

Sprawling 500,000 square feet, 上海英华美精文专修学院, Jufeng campus features a full-fledged campus with boarding facility. The self-contained campus is well equipped with lecture theatre, state-of-the-art tutorial rooms, and custom-built computer labs, well-stocked library, and sporting facilities including track and field, badminton hall, table tennis room, cafeteria and mini mart. The hostel can house up to 1,000 students.

Informatics China imports the best practices in curriculum design from Singapore and combines education needs of students in China which will graduates to compete effectively in the International market. The school has a team of dedicated and passionate academics comprising both local and foreign lecturers. The school places emphasis on academic quality of our programme and employability of graduates ensuring they find their dream career upon graduation.



Chong Qing Campus

Informatics collaborated with Chong Qing Electrical Training University and established Informatics Chong Qing (重庆电力职工大学英语美术学院) in 1999. Housed within Chong Qing Electrical Training University, it is one of the earliest Chinese-Foreign Cooperatively-Run Schools approved by Chong Qing Ministry of Education.

It is also one of the first tertiary education institutions employing dual language approach in delivering academic programmes. Best practices in curriculum materials are designed and imported from Singapore and lectures are delivered using both English and Mandarin languages. It offers Diploma and Advanced Diploma programmes in Information Technology and Business.

The school focuses on academic quality and has a team of dedicated and passionate academics comprising both local and foreign lecturers. We are proud to have 98% of our students achieving a 3rd grade in the local English examinations (CET). Many of our Advanced Diploma graduates also gained entry into some of the top local universities in China for degree completion.

Growth Strategy

Informatics China will continue to serve the college going students segment providing them with up-to-date and relevant academic training and education. With our international network, students will be able to obtain a truly global education. They can get the flexibility of undergoing their diploma education in China and move on to degree completion in Singapore, Australia, United Kingdom or United States of America. Our structured curriculum taught in English and Mandarin, will enable students compete internationally. With student interest at heart, we integrate course delivery, tutoring, pastoral care and student services to provide a holistic learning journey.

In order to enhance their employability, we will continue to collaborate with multinational corporations as well as local companies to conduct career fair on campus for graduating student. Large corporations like Siemens, Prudential, AMD conducts interview with our graduating pool and most of them find our students a right-fit for them. With our concerted effort in enhancing employability, we believe our graduates will be the most sort-after pool of human capital in China.

GLOBAL OPERATIONS REVIEW

SRI LANKA SCHOOL OPERATIONS



A wholly-owned subsidiary of Informatics Education Ltd, Singapore Informatics Computer Institute (SICI) was established in 1995 to cater to the growing demand of Sri Lankan student population seeking professional IT skill training & certification.

To date, SICI had trained and educated almost 20,000 students in Sri Lanka. Though challenged with a ever-changing education industry, growth of Sri Lankan economy will provide us with abundant opportunities. The developing economy had created many initiatives in both government and private sectors.

SICI has poised itself to cater to the above need by providing the Sri Lankan student population a well rounded education which will not only arm them with the skills and academic ability required but also enable them with the practical experiences & life skills that will ensure them an opportunity to be a truly Global Citizen.

Achievements

Due to geographical factors, IT infrastructure in Sri Lanka are still very much under developed therefore Internet access are quite limited. Despite these challenges, SICI was the first institution in Sri Lanka to offer e-learning via our e-learning platform, PurpleTrain.com. Since its launch, it had produced more than 80 graduates through e-learning amongst them first-class honour graduates from University of Portsmouth.

It is proud to remain as the only institute in Sri Lanka to offer undergraduate and postgraduate programmes through the e-learning mode.

Growth Strategy

Sri Lanka being a country with a rapidly growing job market in both the IT and Professional Services sectors, has a dearth of graduates with all rounded skills to match. Singapore Informatics in Sri Lanka is poised to provide this emerging Sri Lankan job market with graduates who have an all rounded education by embarking on a comprehensive strategy:

An IT-Plus Educator

Providing students with a truly IT enabled learning environment, SICI has enabled wireless access throughout the campus. Our academic team is also fully qualified industry practitioners which will be able to impart industrial-related experience to our students.

Apart from the basic computing programmes, SICI will be adding other specialized IT programmes to our portfolio. This includes Diploma/Advanced Diploma in Mobile Application Technology and Diploma/Advanced Diploma in Network and Cyber Security.

Student Centricity with Highly Employable Graduates

As a true believer of providing Student with quality service and best practices in education we will be launching Student Electronic Attendance Tracking System (SEATS). Thus we will be scoring yet another first in Sri Lanka, as the first Institute to provide an Electronic Student Attendance Tracking System.

Apart from providing students with quality education SICI will be launching a Student Job placement Service in partnership with various local corporation. This will give opportunities for SICI graduates to be employed by distinguished corporation into the areas of IT, Business and Hospitality. Our students can also look forward to internships with these corporations to enhance their employability.

In order to provide students in SICI greater flexibility in attaining a degree locally, we will be applying to University Grants Commission of Sri Lanka to become a degree awarding institute.

A Global Education provider

Taking advantage of Informatics global presence, SICI students will be able to transfer to any Informatics centres worldwide to pursue further studies after completing their Diploma studies in Sri Lanka.

Vocational Skills Development

Not forgetting the working adult and the corporate community of Sri Lanka, SICI's Professional Skills Development Unit will aggressively market its Skill certification programs such as CCNA, MCSE, CEH, Auto Cad and various other multimedia short programs bundled with Soft Skill development programs eg : Business Communication Skills, presentation Skills which will upgrade the quality of the current workforce of Sri Lanka and enhance corporate productivity.

What our customers say

"I started with Singapore Informatics as a CCS student while I was in Grade 10 at school. At that time I was only 15.

After completion of CCS, I joined DCS while following Advanced Level in School. By the time I finished Advanced Level I have already completed half of the Advanced Diploma program. So I was far ahead of my school colleagues when I completed A/L's.

Currently following the Final year I wish to complete my degree before I reach 22. I think that it would never have been possible if I did not join Singapore informatics early in life. I would also like to commend the support of dedicated academic staff that helped me to balance the studies of the school and the degree program. I am really enjoying my e-learning, along with the supportive lectures provided by Singapore Informatics. I also wish to join the Masters program through e-learning once I complete the degree."

Ms Manjula Kularathne
Final Year E-Learning Student
BSc. (Hons.) Technology Management



Ms Manjula Kularathne, Sri Lanka



GLOBAL OPERATIONS REVIEW

INFORMATICS FRANCHISE NETWORK



The International Division holds the charter to expand the Group’s training and education business worldwide by way of franchising our three brands – Informatics Computer School, Thames Business School and Informatics Professional Development Centre and licensing our programmes to educational institutions.

We will identify key markets to penetrate and select suitable franchising partners to work with in each market. This mode of market entry has proven to be the fastest method of market development and increasing market share. Part of our success factor is the comprehensive training and guidance we provide to all franchisee and licensee worldwide to help ensure business success and leadership.

Informatics is represented in 22 countries with 113 centres worldwide. Apart from our wholly owned subsidiaries located in Singapore, Malaysia, Hong Kong, Shanghai, Chongqing and Sri Lanka, the rest are Informatics franchise centres.

Countries like Vietnam, Nigeria and Kathmandu will be a showcase of some of our successful business partner.

Market Entry

Informatics is also offering education centres an opportunity to be an accredited centre and complement its existing portfolio with a wide choice of prestigious Diploma and Advanced Diploma programmes that are awarded by Informatics Academy and validated by NCC Education (UK).

Our licensee will be able to offer a wide range of programmes that lead to internationally recognised qualifications that will enhance students’ employment opportunity globally, at the same time strengthening their portfolio of education offering.

With our years of experience, we have developed and refined an extensive training and support programme for both our franchisees and licensee



Vietnam

We partner with Singapore Informatics & Business Management Education Ltd (SIBME) who is a wholly owned subsidiary of Sinviet Investment Pte Ltd (Singapore). It has been licensed by the Vietnam Ministry of Planning and Investment to provide education and training courses in Information Technology (I.T.), Business Management, Foreign Languages and other vocational training courses.

Singapore Informatics & Business Management Education Ltd is our Master Franchisee in Vietnam for Informatics Computer School brand. The programmes and courses are conducted at the Informatics of Singapore - Centre of Learning. It was established in May 2003 and is one of the leading private schools in Vietnam, with more than 400 students. The first cohort of students graduated in 2005 scored outstanding results with 100% passing rate and 70% awarded with distinctions for two terms.

All programmes are taught by a professional team of full-time experienced, well-qualified and committed lecturers, who are recruited locally and overseas. The centre is also well-equipped with computer labs, wireless broadband internet access, and resources for the students. Informatics of Singapore - Centre of Learning is housed in a five-storey building of 16,000 sq ft, located at 664 Su Van Hanh (ND), Ward 12, District 10, Ho Chi Minh City.

Nigeria

Informatics Nigeria is another showcase of our success partnership in Africa. It is the first of its kind in Africa and its establishment is a clear reflection of Governor Turaki's great achievements in answering the needs of Information and Communication Technology to support the administration for the good of the citizenry. The new IT-focused institute of Kazaure serves 2,000 student, about half from who does not come reside in the state. The institute offers Diploma and Advanced Diploma programmes in Information and Communication Technology and Business awarded by Informatics Academy and validated by NCC Education as well as undergraduate and postgraduate degree awarded by universities in UK and Australia via e-learning on Purpletrain.com, Informatics' e-learning arm.

The institute has begun transforming rural Kazaure into a young college town and attracting new business. It is housed in 3km Kazaure-Kana Road, Jigawa State in Nigeria.

Kathmandu

Through strategic partnerships, Informatics Kathmandu was established. It is located at a peaceful location situated at the heart of the capital city of Nepal. Since its establishment it has successfully produced more than 250 graduates of various IT programs.

Informatics Kathmandu is operating with all levels of study from foundation programme to diploma and advanced diploma programme awarded by Informatics

Academy and validated by NCC Education; undergraduate and postgraduate degree programmes via e-learning on Purpletrain.com. The programmes offered at Informatics Kathmandu are delivered through different methods such as class-taught, e-Learning or a combination of both.

What our partners say

Our Kuwait Partner

"Access to quality and education is vital for the future economic strength of Kuwait. Through Informatics market-leading business and IT courses, it will enable us to do that swiftly." Said **Mr Pradeep Handa**, CEO of Kuwait Auto Parts Imports Co. W.L.L. (KAPICO)

Our Oman Partner

"Our company is committed to developing the education sector and we have chosen to make our foray into Oman by entering into a partnership with Informatics. We decided on Informatics as we are highly impressed with the quality and diverse range of education programmes that Informatics offers and with their affiliations with the leading universities in the UK, Australia and UK. Informatics will be able to provide a strong academic curriculum that open pathways to our students as well as to professionals who are looking for internationally recognized qualifications." Says **Mr Jinesh A Dharamsey**, Managing Director of Jinesh Group of Companies.

GLOBAL OPERATIONS REVIEW

E-LEARNING



PurpleTrain.com is a 100%-owned venture of Informatics Education and is the largest global e-Learning provider outside the United States, with e-Learners in more than 45 countries. It offers online education and training programmes in Business and InfoComm Technology to individuals as well as corporations.

It is internationally networked and engaged who base is in Singapore. We firmly supports continuous lifelong learning and provides students from all over the world with quality and accredited education anytime, everywhere with minimal disruptions to their work and other obligations.

By combining innovative technology with world class training content, PurpleTrain.com offers companies and individuals high value, quality and effective online training solutions. Our online courses range from Post-graduate and Undergraduate degree to Diploma and Certificates programmes suited for technical to management levels.

With education industry becoming increasingly cross-border and globalised,

PurpleTrain.com will continue to be an important growth pillar of the Group.

The first education institution in the world to provide tertiary qualifications through Mobile Learner Programme – the future of learning

Worldwide web-based learning systems have proven its value for flexibility, collaborative and experiential effects. Mobile Learning is not only a new concept; it is also an exponent of new mode of learning. It's our way of expressing our brand promise – Learning Redefined.

Learning on the move, that's what it is in a nutshell as we believe education has gradually shifted from the transfer of knowledge to developing skills and understanding it at the spot, just when it is needed. We can expect our Mobile Learner Programme to be able to combine communication, work and leisure time better, so that learning

moments can happen whenever we are ready for it. Therefore the question is not whether "will it work" but rather how best it will fit into your blend.

The Mobile Learner Kit is making use of whichever devices and technologies surrounding the learner, in an attempt to allow them to learn wherever and whenever they are. The kit contains a simple secure digital card which can be read in almost any type of media.

Designed specially for lifelong learners, Informatics is proud to be the first education institution in the world to provide our tertiary qualifications through Mobile Learner Programme.





Integrated E-learning

With almost a decade of experience in offering education and training programme online, we were able to design a fully integrated e-learning solution to our students.

Lessons are delivered using both synchronous and asynchronous methodology so that students will not be left alone to go through the course their own. Virtual classes are conducted real-time and chat sessions are scheduled for students to communicate with facilitators or fellow classmates. Our learning management system also caters tools like discussion boards and e-mail for students to participate at their convenience. Students do not need to rush from the office to a night class or miss a lecture because of a scheduling conflict.

Recognising that it can be frustrating at times to get to someone for assistance in various issues during the course of study, we introduced a live helpdesk to enhance our service to students.

The live helpdesk uses the latest technology in voice-over-IP (VOIP) that enables voice and video interaction. It is available during and after office hours which allows students to express their concerns whereby they can hear and possibly see (if they have a web camera installed) the customer support staff from PurpleTrain.com, exchange of document and discussion pertaining to relevant document with highlighting tools.

From course enquiry, consultation, evaluation and admission, registration, payment, orientation, lesson proper, progressive test, obtaining certification and transcript, employment services to even Alumni are available online.

Organic Growth

With technical advances and innovation, it is no surprise that blended learning is becoming an alternative to traditional classroom learning. The many benefits of blended learning area already recognized by many students and this popularity is growing.

We will continue to focus our efforts to increase our ever-growing learning community through more relevant and up-to-date programmes catering to the learning needs of our customers. Improve our integrated service which will enhance their learning experience and provide timely and accurate communication to our students.

Leveraging on the strength of the Group, PurpleTrain.com will be an important part of our promise to provide flexible mode of learning to student worldwide. The extent of flexibility classes will allow students to choose and plan their mode of contact to suit their work and lifestyle needs and manage their time more effectively.

What our customers say

Hidy Chan, Hong Kong
Graduate of Bachelor of Science (Honours) in Computing (First Class)
University of Portsmouth

Hidy embarked on her e-Learning path with PurpleTrain.com initially with the Advanced Diploma in Computing, upon completion of which she felt the need to pursue further qualifications. Having enjoyed the flexibility and convenience, Hidy chose to continue her studies via e-Learning for her Bachelor's degree. E-Learning on PurpleTrain.com allowed Hidy to plan her studies without distracting her from personal commitments. She battled all odds to achieve her Bachelor of Science (Honours) in Computing (First Class) with University of Portsmouth. She remained focused in her studies and ignored all stereotypes of e-Learning being 'less practical than the traditional taught class'.

"This final year programme has allowed me to continue my studies at my own pace, and the beauty of this course is that I can complete it in just 1 year. People have been judgmental and skeptical but I proved them all wrong. What e-Learning really gives is the powerful connection that gives no barrier to communicate with fell classmates all around the world. The interaction among the class was even better than I could ever imagine, and I dare say, even stronger than that of traditional classes!" Hidy shared.

GLOBAL OPERATIONS REVIEW NCC EDUCATION



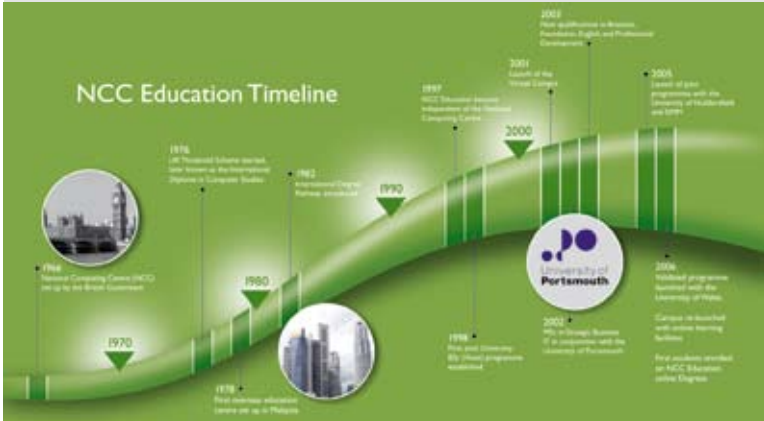
NCC Education is a global provider of education which was set up by the British Government in 1966 as an IT initiative. Originally part of the National Computing Centre, NCC Education started offering IT qualifications in 1976 and from 1997 developed its Higher Education portfolio to include Foundation and Business programmes.

NCC Education's qualifications range from Information Communication Technology (ICT) for schools to the International Degree Pathway in Business or IT. NCC Education's programmes are recognised by universities, professional bodies and employers. Students can upgrade their skills on professional development modular programmes, or complete their university degrees and masters either in their home country or in the UK.

With Accredited Partners in over 49 countries, five international offices and Academic Managers worldwide, NCC Education employs the latest technologies for learning, assessment and support.

NCC Education's charter focuses upon Higher Education with programmes ranging from Diploma to Masters level qualifications.





Key Markets

With over 300 Accredited Partner Centres in 49 countries, NCC Education has positioned itself as a global provider of quality educational programmes. NCC Education currently has five international offices situated within the UK, China, Malaysia, Dubai and South Africa, offering support to our network of Accredited Partner Centres and students worldwide.

To find your nearest NCC Education Accredited Partner Centre please visit www.nccedu.com/findacentre

Market Entry

NCC Education has established strategic partnerships with Higher Education providers worldwide, all of whom are committed to delivering high quality education and training. These strategic partnerships have enabled the delivery of NCC Education programmes in 49 countries worldwide, including such key regions as UK and Europe, East Asia, South East Asia, Middle East and South Asia and Africa.

NCC Education and its Accredited Partners work closely to ensure the seamless delivery of NCC Education programmes, as well as raise the profile of NCC Education programmes to students and prospective Accredited Partners.

Quality Assurance

NCC Education has a long tradition of setting and maintaining the highest quality standards in Information and Communication Technology (ICT) education and assessment, and its proven track record is renowned and respected by universities and the commercial business sector alike. In 2003, NCC Education added Business and Foundation programmes to its portfolio. There are very few organisations in the world who are more experienced than NCC Education in the provision of quality assurance on such a large scale internationally, which is furthered through our collaborations with UK Higher Education institutions.

NCC Education adopts uniform processes globally for accrediting and monitoring its Accredited Partner Centres. This consistency extends to the administration of the students who can expect to receive an equally high level of service irrespective of their location. In addition, all students are assured that examination papers are the same worldwide and are marked to the same standard. Thus, all students are assessed and certificated on equal terms. All examination papers, marking, moderation and issuing of certificates are controlled from the UK by the NCC Education Academic Board.

NCC Education's high standards of quality and service are due in part to the segregation of responsibilities and accountability to the respective specialist departments able

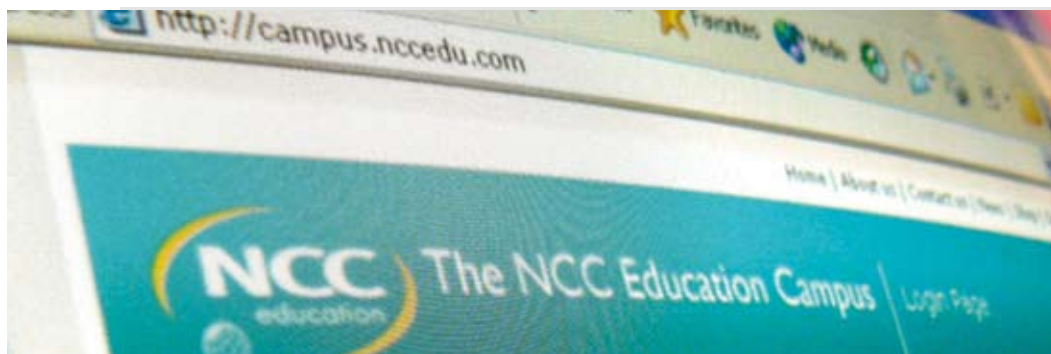
to deal with student services on the one hand and quality assurance functions on the other. In accordance with this, all those involved in quality assurance matters are accountable to the Academic Board. The system of quality assurance crucially depends on the involvement of all participants, including members of the Academic Board and the qualification specific boards, as well as Academic Managers, academic and administrative staff in centres responsible for course delivery, and students. Operating on so many layers and over such distances, it is vital that an efficient communication and feedback process is in place. This is achieved through both formal and informal feedback throughout the hierarchical system to ensure any digression is detected and an environment conducive to continual improvement is in place.

NCC Education is an Associate Member of the British Council Education UK Partnership and is recognised by the UK Qualifications and Curriculum Authority (QCA) and the Department for Education and Skills (DfES) as an awarding body. NCC Education's IT awards are supported by the UK e-Skills sector skills council, and our Business awards by the UK Council for Administration (CfA) sector skills council.

NCC Education is also inspected by the UK Quality Assurance Agency for Higher Education (QAA) as part of its review of university collaborative provision.

GLOBAL OPERATIONS REVIEW

NCC EDUCATION [CONT'D]



The NCC Education Academic Board

All NCC Education quality assurance functions are accountable to the Academic Board. This is an independently constituted body, chaired by Professor Peter Ford, former Pro-Vice Chancellor of the University of Nottingham, which is outside the normal chain of management of NCC Education. All our quality assurance procedures follow the QAA codes and the Academic Board is responsible for setting and upholding these academic standards in all areas of NCC Education's operations.

The NCC Education Campus

Launched in 2006, Campus is NCC Education's web-based learning, resource, feedback and networking platform designed specifically for NCC Education students and Accredited Partner teaching staff. Campus provides a global learning community for additional resources, networking and sharing of ideas. In addition to offering NCC Education students a personalised environment, Campus offers access to programme materials and a wide variety of support in the form of past exam papers, schedules and the opportunities to participate in online forums. Students also have the opportunity to study for their qualifications through Campus via scheduled online classes which are supported by NCC Education teaching staff and module leaders.

Growth Strategy

NCC Education is continually striving to develop its portfolio and partnerships with other well respected Higher Education institutions, including such prestigious universities as the University of Wales, University of Nottingham, London Metropolitan University and the University of Portsmouth. Such partnerships offer a route to an internationally recognised degree level qualification.

The partnerships with respected universities allow NCC Education to develop its product portfolio and increase the appeal of NCC Education programmes to a global market, as a route to obtaining quality British degree qualifications.

NCC Education's International Degree Pathway offers a selection of programmes which lead to UK degrees and masters. The unique pathway allows students to study for their degree either locally or within the UK.

CORPORATE GOVERNANCE

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

The following report describes the current measures, corporate governance policies and practices of the Company throughout the financial year 2007 ("Year") with reference to the Code of Corporate Governance 2005 ("Code").

1. Board's Conduct of Its Affairs

The Board sets the overall business direction and objectives of the Company. The Board reviews and decides on major transactions, business plans, annual budgets and operating results of the Company. Besides providing entrepreneurial leadership, it also ensures that the necessary financial and human resources are in place for the company to meet its objective. The Board's approval is required for any major acquisition or disposal, corporate or financial restructuring, issuance of shares and other equity or debt instruments, payment of dividends and other distribution to shareholders.

All directors must objectively take decisions in the interest of the Company. Appropriate training and orientation (including his duties as a director and how to discharge those duties) are given when he is first appointed to the Board to ensure that the incoming directors are familiar with the Company's business and governance practices. Existing directors will also receive further relevant training such as relevant new laws and regulations, from time to time. Upon appointment with an appointment letter, the new director is briefed and provided with written guidance on a director's role and responsibilities. He will also be briefed by the Chief Executive Officer and other business heads on the Group's business activities, operations, its strategic direction and policies. In addition to participation in the introduction process for new directors, directors are also invited to participate in the Company's regional conference with the senior management to strategies and plan the Group's mid-term direction.

2. Board Composition and Guidance

The Board has nine members, comprising three executive directors and six non-executive directors, three of whom are independent as follow:-

- (1) Tan Sri Datuk Seri Panglima Dr Abu Hassan Bin Othman (appointed on 1.6.2007) - Non-Executive Chairman
- (2) Mr Valentine Philip Ortega - Executive Director and Chief Executive Officer
- (3) Ms Tong Chiu Fai - Executive Director and Chief Financial Officer
- (4) Mr Wong Wee Woon - Executive Director
- (5) Dato' Mohd Annuar Bin Zaini - Non-Executive Director
- (6) Mr Freddie Pang Hock Cheng - Non-Executive Director
- (7) Mr Ung Gim Sei - Independent Director
- (8) Mr Anderson Tang Siu Ki - Independent Director
- (9) Professor Chew Soon Beng @ Teo Soon Beng - Independent Director

The current Board comprises members with diverse corporate and business experience who, as a group, provide the requisite skills, knowledge and experience relevant to the business of the Company. Detailed information on the directors' experience and qualifications can be found on pages 10 to 13. The Board is of the opinion that its current composition is appropriate and allows for effective decision making, taking into account the scope and nature of the operations of the Company and the Group.

The Board conducts quarterly board meetings. In addition, ad-hoc meetings would be convened as circumstances require. The Article 87C of the Company's Articles of Association allow the holding of board meetings to include conducting any of them by way of telephone conference or video-conference. Should the Board has informal discussion matters requiring urgent attention, it would then be formally confirmed and approved by circulating resolutions in writings.

CORPORATE GOVERNANCE (cont'd)

2. Board Composition and Guidance (cont'd)

To assist the Board in the discharge of its responsibilities, the Board has established various committees which include the following:

- (1) Audit & Risk Management Committee;
- (2) Remuneration and Strategic Human Resource Committee;
- (3) Nominating Committee; and
- (4) Banking Committee.

The attendance of the directors at the meeting of the Board and Board Committees meetings during the financial year are disclosed as follow:-

Directors' Attendance in financial year 2007

Name of Directors	Number of Meetings Attended in Financial Year 2007				
	Board of Directors	Audit and Risk Management Committee	Nominating Committee*	Remuneration & Strategic HR Committee	Banking Committee*
Total Number of Meetings Held	8	6	-	3	-
Tan Sri Dato' Seri Vincent Tan Chee Yioun (resigned on 1 June 2007)	1	-	-	-	-
Dato' Mohd Annuar Bin Zaini	-	-	-	-	-
Mr Freddie Pang Hock Cheng	8	6	-	2	-
Mr Ung Gim Sei	8	6	-	3	-
Mr Anderson Tang Siu Ki	8	4	-	-	-
Prof Chew Soon Beng	8	5	-	3	-
Mr Valentine Philip Ortega	8	-	-	3	-
Ms Tong Chiu Fai	8	-	-	-	-
Mr Wong Wee Woon	7	-	-	-	-

* Although no formal meeting has been held during the financial year for Nominating Committee, members of Nominating Committee did communicate frequently with each other on matters within the purview of the Nominating Committee. Urgent informal discussions and the matters discussed were then formally approved by circular resolutions in writing. During the Year, certain matters were deliberated and approved via resolutions in writing by the Nominating Committee and Banking Committee.

During the board and board committees' meeting, all directors, including non-executive directors and independent directors took opportunities to review the management performance in meeting agreed goals, and constructively challenged and help develop proposals on strategy and provide guidance and opinions on issues.

CORPORATE GOVERNANCE (cont'd)

3. Chairman & Chief Executive Officer

In accordance with the Articles, the Chairman of the Company also assumes the position of Chairman of the Board. The position of Chairman is strictly a non-executive one. He represents the Company in dealings with third parties. In relation to the Company, the Chairman oversees the workings of the Board and presides over board meetings.

There is a clear division of responsibilities for the Chairman and Chief Executive Officer to ensure an appropriate balance of power. The Chairman will lead the Board to ensure its effectiveness on all aspects of its role and promote high standards of corporate governance. Chief Executive Officer is responsible for the day-to-day management of all line and staff operations of the Company, the overall financial performance and for the direct implementation of the policies for all aspects of the Company's operations as set out by the Board.

The current Chief Executive Officer of the Company does not have any family ties to the Chairman.

4. Board Membership

The Board has established a Nominating Committee which shall make recommendation to the Board on all board appointments including the appointments of:

- Board members for new appointment and re-appointment; and
- Chief Executive Officer including any other officer by whatever name called who has responsibilities and functions similar to any of the above officers; are nominated by the Nominating Committee and approved by the Board.

When the need for a new appointment arises, the Nominating Committee reviews the range of expertise, skills and attributes on the Board, identify the need and shortlist candidates with the appropriate profile. Where necessary, the Nominating Committee may seek advice from external search consultant.

For reappointment, the nominating committee is charged with the responsibility of re-nomination of directors having regard to each of the director's past contribution and performance.

The Company's Articles of Association ("the Articles") require all directors to retire once in every 3 years. In addition, a newly appointed director must retire and submit himself for re-election at the next annual general meeting following his appointment.

Executive director, being an employee of the Company, is employed on terms which allow termination by notice.

5. Board Performance

The Board will implement a process to be carried out by the Nominating Committee for assessing the performance and effectiveness of the Board as a whole and of each individual director:

At every financial year end, the directors shall be required to complete the appraisal forms as part of the process adopted to assess the overall effectiveness of the Board. The results of the appraisal exercise are to be reviewed by the Nominating Committee. The factors for consideration in the appraisal exercise include: the size and composition of the Board, directors' conduct, achievement in discharging the principle function, number of attendance at meeting, contributions to board meetings etc. During the appraisal session, each director shall discuss with the chairman of the Nominating Committee on his role and identify areas for improvement with regards to the duty of the Board. Feedback and constructive suggestions for improvement will also be communicated to him by the chairman of the Nominating Committee.

CORPORATE GOVERNANCE (cont'd)

6. Nominating Committee

The Nominating Committee ("NC") comprises of one non-executive director and three independent directors, one of whom is also the Chairman.

Members of the NC at the date of this report are as follows:

- (1) Mr Ung Gim Sei - Chairman
- (2) Mr Anderson Tang Siu Ki
- (3) Professor Chew Soon Beng @ Teo Soon Beng
- (4) Mr Freddie Pang Hock Cheng

The NC evaluates the Board's performance, and adopts both quantitative and qualitative criteria in its assessment. It also considers the composition of the Board and assesses its degree of independence. All independent directors are required to declare that they were independent of management and not having any conflict of interest. NC is also required to review whether there was a right mix of expertise, experience and skills in the Board. More importantly, NC would pay particular attention to the efficient and effective operation of the Board in guiding the management. Issues such as whether the Board has spent appropriate amount of time deliberating the long term strategy and performance of the management, and has assisted the management in setting clear and well understood policies and action plans were to be reviewed. Brainstorming sessions would have also been organized for the Board members and senior management on the overall business directions and planning to focus on a common objective.

The duties and responsibilities of the NC include the following:

- Review the composition of the Board to ensure there is a required mix of expertise, skills, attributes and capabilities from its members;
- Identify, consider and recommend suitable candidate required for appointment to the Board, taking into account the company's objectives and the Board's requirements;
- Review of the independence of each independent director and to ensure that at least one-third of the Board members are independent;
- Assist the Board in setting up the procedure and criteria in assessing the effective performance of the Board as a whole and the contribution of each director;
- Review and recommend the re-appointment of Board members;
- Review the nomination for appointment of executive director and other officer who has responsibilities and functions similar to any of the executive director; and
- Arrange orientation and education programme for members of the Board with respect to the Company's business and its management.

7. Access to Information

Guidance will be given to new directors on the requirements under the Listing Manual of the Singapore Exchange Securities Trading Limited and other Singapore Law on disclosure of interest, restrictions on dealing in securities, duties and responsibilities of directors. Directors are continually updated on changes in the requirements including relevant accounting standards. The Company Secretary, to whom the directors have independent access, keeps the Board apprised of relevant laws, regulations and changes thereto. The directors have the authority to seek independent professional advice, at the Company's expense. In addition, all directors are given access to monthly finance and governance report. The Board is also given separate access and independent access to the company's senior management and company secretary. Prior to each board meeting, Board members shall be provided with complete, adequate and timely information in order to fulfill their responsibilities.

CORPORATE GOVERNANCE (cont'd)

8. Remuneration and Strategic Human Resource Committee

The Board has established a Remuneration and Strategic Human Resource Committee ("RSHRC") to deal with remuneration matters.

Members of the RSHRC are as follows:

- (1) Professor Chew Soon Beng @ Teo Soon Beng - Chairman
- (2) Mr Freddie Pang Hock Cheng
- (3) Mr Ung Gim Sei
- (4) Mr Valentine Philip Ortega

RSHRC comprises four members, majority are non-executive directors including the Chairman who is also an independent director. The Company recognises that the Chief Executive Officer plays a critical role in the strategic human resource function. As such, the Group's Chief Executive Officer is also a member of RSHRC. RSHRC makes recommendations and assists in attracting, retaining and rewarding well-qualified people to serve the Company, by pegging remuneration and benefits at competitive market rates. Accordingly, the duties and responsibilities of the Committee include:-

- review and advise the Board of Directors on the terms of appointment and remuneration of its members and senior management of the Company;
- review the working environment and succession planning for management;
- review with management the terms of the employment arrangements so as to develop consistent group-wide employment practices subject to regional differences;
- recommend the total allocation of the share options to the directors and employees of the Group; and
- determine the number of share options to be offered to the employees of the Group.

The Company has entered into service agreements with all the executive directors of the Company. The service agreements cover the terms of employment and provide for termination by either the executive directors or the Company upon giving written notice of not less than 3 months.

In line with the Code, RSHRC will submit its recommendation on the remuneration packages (including directors' fee, salaries, allowance, bonuses, options and benefits in kind) for each director for the endorsement by the entire Board. No director should be involved in deciding his own remuneration. The RSHRC will also be involved in the review of the remuneration scheme of the senior management.

9. Level & Mix of Remuneration

The level of remuneration should be appropriate to attract, retain and motivate executive directors needed to run the Group successfully without paying more than necessary. The remuneration of executive directors' are structured so as to link rewards to corporate and individual performance while the remuneration of non-executive directors are appropriated to the level of contribution, taking into account factors such as effort and time spent, responsibilities of the directors. Non-executive directors are not over-compensated to the extent that their independence may be compromised. From time to time, remuneration packages of employees are reviewed to ensure that they are at sufficiently competitive levels. A compensation system is in place to reward employees based on merit and performance through annual merit service increments and bonuses. The Company's share option scheme for directors, senior management and executives, which serves as a long-term incentive plan for more senior-level is also based on merit and individual performance.

CORPORATE GOVERNANCE (cont'd)

10. Disclosure of Remuneration

The remuneration of the directors of the Company and its top key executives (who are not directors of the Company) is as follows:

Name	Remuneration Band (\$)	Salary & Fees (%)	Performance Based Bonuses (%)	Other Benefits (%)
Non-Executive Directors				
Tan Sri Dato' Seri Vincent Tan Chee Yioun (resigned on 1 June 2007)	< 250,000	100		
Dato' Mohd Annuar Bin Zaini	< 250,000	100		
Mr Freddie Pang Hock Cheng	< 250,000	100		
Mr Ung Gim Sei	< 250,000	100		
Mr Anderson Tang Siu Ki	< 250,000	100		
Prof Chew Soon Beng	< 250,000	100		
Executive Directors				
Mr Valentine Philip Ortega	< 250,000	84		16
Ms Cecilia Tong Chiu Fai	< 250,000	91		9
Mr Wong Wee Woon	< 250,000	80		20
Top Key Executives (who are not directors of the Company)				
Mr Breyvan Tan Kiah Tong	< 250,000	90		10
Mr Lawrence Wee Thian Kiong	< 250,000	87		13
Ms Mabel Cheung Oi Lin	< 250,000	90	9	1
Ms Jennifer Jiang Li Ting	< 250,000	73		27
Mr Felix Raoul Stravens	< 250,000	77		23
Mr Regunathan Ambalam	< 250,000	95		5
Mr Alan Phua Poh Kuay	< 250,000	88		12

Details of the Informatics Group Share Option Scheme and options granted to directors are disclosed in para (5) of the Directors' Report.

There were no employees who are immediate family member of the directors or the Chief Executive Officer.

11. Accountability

The Board is accountable to the Company's shareholders while the management is accountable to the Board.

The management submits monthly operational and financial reports to the Board. In addition to these reports, quarterly, half-yearly and full year accounts are presented by management for review with the Audit and Risk Management Committee. The Committee then presents its findings on these accounts for review and approval by the Board. The Board approves the results and authorizes the management to release the results for public information via SGXNET.

12. Audit and Risk Management Committee

The Audit and Risk Management Committee ("ARMC") carries out the functions set out in the Code and Companies Act, Cap.50.

CORPORATE GOVERNANCE (cont'd)

12. Audit and Risk Management Committee (cont'd)

The ARMC comprises four non-executive directors, majority of whom, including the Chairman of the Committee, are independent directors. The members are as follows:-

- (1) Mr Ung Gim Sei - Chairman
- (2) Mr Anderson Tang Siu Ki
- (3) Professor Chew Soon Beng @ Teo Soon Beng
- (4) Mr Freddie Pang Hock Cheng

The principal responsibility of the ARMC is to assist the Board in maintaining high 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 statement of the Company for any formal announcements. The ARMC has the power to conduct or authorize investigations into any matters within the Committee's scope of responsibility.

In addition, the ARMC seeks to establish corporate policies on minimum operating standards pertaining to specific areas of the business. These policies are aimed at providing the necessary operational controls to guide the day-to-day management and business operation of the Company under the purview and authority of the Chief Executive Officer. The ARMC aims to improve the system of operational controls and efficiency through reviews of operational performance matrices for every business sector against established benchmarks. It also oversees special projects such as corporate reengineering review and the implementation of the recommendations arising from such reviews.

The ARMC was empowered to make recommendation to the Board on the appointment, re-appointment and removal of the external auditors, and approving the remuneration and terms of engagement of the external auditor. The ARMC having reviewed the scope and value of the non-audit services provided by external auditors during the Year, is satisfied that the nature and extent of such services did not prejudice the independence and objectivity of the external auditors. The ARMC has recommended to the Board the nomination of Messrs Ernst & Young, Certified Public Accountants for re-appointment as external auditors of the Company at the forthcoming AGM.

The ARMC has held meetings during the Year with both the external auditors and the internal auditors without the presence of the management.

To achieve a high 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 instituted the Employees 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 in full disclosure of conflict of interest and promoting ethical standards of conduct for all employees. The Whistle Blower policy is administered by Internal Audit and is included in the staff orientation program for awareness and adherence.

13. Internal Controls

The ARMC ensures that the management has maintained a sound system of internal controls to safeguard the shareholders' investment and the Company's assets and has reviewed the effectiveness of the internal controls including financial, operational and compliance controls and risk management.

All business units have primary responsibility for managing their specific risk exposures based on the Group's guidelines. Each executive committee reviews its business unit's risk portfolio on periodic basis. The Group's internal audit coordinates and reports risk exposures to ARMC for review. Upon risk assessment review, ARMC will advise the Board on adequacy of risk management infrastructure and make recommendation for areas of improvement.

The ARMC will continue to review the external and internal auditor's reports to ensure that there are adequate controls in the Company.

CORPORATE GOVERNANCE (cont'd)

14. Internal Audit

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

The scope of the Internal Audit covers the audits of all units and operations, including overseas offices, subsidiaries, associates and franchisees.

To further enhance the internal controls of the Group, the ARMC would also consider engaging external resources to assist in the internal audit function.

15. Banking Committee

The Banking Committee comprises four members, three of whom are executive directors and one independent director. The members are as follows:-

- (1) Mr Anderson Tang Siu Ki - Chairman
- (2) Mr Valentine Philip Ortega
- (3) Ms Tong Chiu Fai
- (4) Mr Wong Wee Woon

The committee's primary function is to review and approve the change in bank authorized signatories for all banking accounts maintained with the various banking institutions. The Banking Committee performs the following main functions:

- To review and approve any change in authorized signatories for operating the banking accounts according to the operation needs and the limits set by the Board of Directors.
- To ensure proper approval procedures are in place for the bank accounts operations.

16. Communication with Shareholders

The Company recognises the need to communicate with all shareholders on all material business matters affecting the Company. Timely and detailed disclosures are made to the shareholders in compliance with SGX-ST guidelines and the Singapore Companies Act, Cap.50.

At annual general meetings, shareholders are encouraged to ask questions on the Company's operating and financial performance and resolutions being proposed. A separate resolution on each distinct issue is proposed at general meetings. The external auditors and legal advisers are usually invited to be present to assist the directors in addressing any queries by shareholders. The Company does not practice selective disclosure of information. Investors and shareholders can visit the Company's investor relations website at www.informaticseducation.com

17. Dealings in Securities

Policy on share dealings has been issued to all directors and employees of the Company, setting out the implications of insider trading and the recommendations of the SGX-ST Best Practices Guide. All directors and employees are prohibited from trading in the Company's shares and securities one month before the release of the quarterly and full year results and ending on the date of announcement of the relevant results. In addition, all directors and employees are prohibited at all times from trading if they are in possession of material non-public information.

18. Interested Person Transactions

The Board confirms that there are no interested person transactions entered into during the financial year which fall under Rule 907 of the Listing Manual of the SGX-ST.

19. Material Contracts

There were no material contracts of the Company and its subsidiaries involving the interests of the Chief Executive officer, each director or controlling shareholder subsisted at the end of the financial year or have been entered into since the end of the previous financial year.

FIVE-YEAR FINANCIAL HIGHLIGHTS

For The Year (\$'000)	2007	2006	2005	2004	2003
Turnover	50,471	57,024	74,683	134,095	185,371
(Loss) / profit before taxation	(5,751)	(22,901)	(70,569)	(42,125)	7,268
(Loss) / profit after taxation before minority interests	(5,815)	(22,818)	(71,284)	(43,959)	5,921
(Loss) / profit attributable to shareholders	(5,815)	(22,818)	(70,334)	(42,489)	12,232
As at 31 March (\$'000)					
Shareholders' funds	(17,664)	(14,772)	(11,110)	40,157	86,894
Property, plant and equipment	3,961	6,546	16,275	22,955	28,856
Current assets	26,809	29,007	25,962	69,192	110,752
Current liabilities	48,636	50,058	53,034	59,188	62,042
Per Share Data (Cents)					
Net (loss) / earnings	(0.63)	(3.11)	(19.94)	(13.58)	3.91
Net tangible (liabilities) / assets	(2.11)	(1.89)	(3.13)	11.51	25.66

GROUP FINANCIAL HIGHLIGHTS

For the year (\$'000)	2007	2006	Change (%)
Turnover	50,471	57,024	-11%
Loss before taxation	(5,751)	(22,901)	-75%
Loss after taxation before minority interests	(5,815)	(22,818)	-75%
Loss attributable to shareholders	(5,815)	(22,818)	-75%
As at 31 March (\$'000)			
Shareholders' funds	(17,664)	(14,772)	-20%
Property, plant and equipment	3,961	6,546	-39%
Current assets	26,809	29,007	-8%
Current liabilities	48,636	50,058	-3%
Financial Ratios (Cents)			
Net loss per share	(0.63)	(3.11)	-80%



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DIRECTORS' REPORT

(In Singapore dollars)

The directors are pleased to present their report to the members together with the audited consolidated financial statements of Informatics Education Ltd (the "Company") and its subsidiaries (collectively, the "Group") and the balance sheet and statement of changes in equity of the Company for the financial year ended 31 March 2007.

1. Directors

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

Tan Sri Datuk Seri Panglima Dr Abu Hassan Bin Othman - Non-Executive Chairman
 Valentine Philip Ortega - Chief Executive Officer
 Freddie Pang Hock Cheng
 Dato' Mohd Annuar Bin Zaini
 Anderson Tang Siu Ki
 Ung Gim Sei
 Prof. Chew Soon Beng @ Teo Soon Beng
 Wong Wee Woon
 Tong Chiu Fai

2. Arrangements to enable directors to acquire shares or debentures

Except as described in paragraph 5 below, neither at the end of nor at any time during the financial year was the Company a party to any arrangement whose objects are, or one of whose object is, to enable the directors of the Company to acquire benefits by means of the acquisition of shares or debentures of the Company or any other body corporate.

3. Directors' interests in shares or debentures

The following directors, who held office at the end of the financial year had, according to the register of directors' shareholdings required to be kept under Section 164 of the Singapore Companies Act, Cap. 50, an interest in shares and share options of the Company and related corporations (other than wholly-owned subsidiaries) as stated below:

Names of Directors	Direct interest			Deemed interest		
	At 1.4.2006	At 31.3.2007	At 21.4.2007	At 1.4.2006	At 31.3.2007	At 21.4.2007
The Company						
Informatics Education Ltd						
Ordinary shares						
Prof. Chew Soon Beng @ Teo Soon Beng	-	300,000	300,000	-	-	-
Ung Gim Sei	-	-	200,000	-	-	-
Tong Chiu Fai	-	-	200,000	300,000	300,000	300,000
Tan Sri Dato' Seri Vincent Tan Chee Yioun (resigned on 1.6.2007)	-	-	-	227,880,000	280,049,375	280,049,375

DIRECTORS' REPORT (cont'd)

(In Singapore dollars)

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

	At the beginning of the financial year or date of appointment	At the end of the financial year	At 21.4.2007	Exercise price \$	Exercise period
<i>Options to subscribe for ordinary shares</i>					
Valentine Philip Ortega	90,517	-	-	0.935	21.08.2002 to 19.08.2006
	90,517	90,517	90,517	1.325	01.06.2003 to 30.05.2007
	120,689	120,689	120,689	0.265	29.12.2005 to 28.12.2009
	-	400,000	400,000	0.055	01.04.2007 to 31.03.2011
Tong Chiu Fai	30,172	30,172	30,172	1.210	22.08.2003 to 21.08.2007
	90,517	90,517	90,517	0.265	29.12.2005 to 28.12.2009
	-	400,000	200,000	0.055	01.04.2007 to 31.03.2011
Wong Wee Woon	144,827	144,827	144,827	0.265	29.12.2005 to 28.12.2009
	-	400,000	400,000	0.055	01.04.2007 to 31.03.2011
Dato' Mohd Annuar Bin Zaini	181,034	181,034	181,034	0.265	29.12.2005 to 28.12.2009
	-	400,000	400,000	0.055	01.04.2007 to 31.03.2011
Freddie Pang Hock Cheng	181,034	181,034	181,034	0.265	29.12.2005 to 28.12.2009
	-	400,000	400,000	0.055	01.04.2007 to 31.03.2011
Anderson Tang Siu Ki	181,034	181,034	181,034	0.265	29.12.2005 to 28.12.2009
	-	400,000	400,000	0.055	01.04.2007 to 31.03.2011
Ung Gim Sei	181,034	181,034	181,034	0.265	29.12.2005 to 28.12.2009
	-	400,000	200,000	0.055	01.04.2007 to 31.03.2011

By virtue of Section 7 of the Singapore Companies Act Cap. 50, Tan Sri Dato' Seri Vincent Tan Chee Yioun is deemed to have interests in the shares held by the Company in all its subsidiaries until the date of his resignation.

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

DIRECTORS' REPORT (cont'd)

[In Singapore dollars]

4. Directors' contractual benefits

Except as disclosed in the financial statements, since the end of the previous financial year, no director of the Company has received or become entitled to receive a benefit by reason of a contract made by the Company or a related corporation with the director, or with a firm of which the director is a member, or with a company in which the director has a substantial financial interest.

5. Share options

The Informatics Group Share Option Scheme (the "Scheme") was approved by the members of the Company at an Extraordinary General Meeting held on 7 September 1994 and subsequently amended at Extraordinary General Meetings held on 2 September 1997, 1 October 1999, 16 August 2002, 8 August 2003 and 31 July 2006.

At the Extraordinary General Meeting held on 8 August 2003, the members of the Company approved the extension of the Scheme for a further period of ten years from the expiry of the ten-year period of the Scheme on 7 September 2004.

The Scheme is administered by the Remuneration and Strategic Human Resource Committee (the "Committee") comprising the following members:

Prof. Chew Soon Beng @ Teo Soon Beng - Independent Director and Chairman

Mr Freddie Pang Hock Cheng - Non-Executive Director

Mr Ung Gim Sei - Independent Director

Mr Valentine Philip Ortega - Chief Executive Officer

During the financial year, the following share options were granted by the Company to directors and employees at the Group pursuant to the Scheme :

Offer date	Period during which options are exercisable	Exercise price \$	Number of options to subscribe for ordinary shares
31.03.2006	01.04.2007 to 31.03.2011	0.055	8,160,000

Details of all the outstanding options to subscribe for ordinary shares of the Company pursuant to the employee share option plans as at 31 March 2007 are as follows :

Offer date	Period during which options are exercisable	Exercise price \$	Number of options to subscribe for ordinary shares
31.05.2002*	01.06.2003 to 30.05.2007	1.325	720,823
21.08.2002*	22.08.2003 to 21.08.2007	1.210	30,172
28.12.2004*	29.12.2005 to 28.12.2009	0.265	2,273,249
31.03.2006	01.04.2007 to 31.03.2011	0.055	6,932,000
			9,956,244

* Both the number of options and exercise prices of these options were adjusted in accordance with the deed poll dated 7 September 2004 in connection with the Right Issue Announcement on 22 March 2005.

DIRECTORS' REPORT (cont'd)

(In Singapore dollars)

5. Share options (cont'd)

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

	Exercise price \$	Exercise period	Options granted during the financial year	Aggregate options granted since commencement of Scheme to end of financial year	Aggregate options exercised/lapsed since commencement of Scheme to end of financial year	Aggregate options outstanding at end of financial year
Options to subscribe for ordinary shares						
Valentine Philip Ortega	0.935	21.08.2002 to 19.08.2006	-	90,517	90,517	-
	1.325	01.06.2003 to 30.05.2007	-	90,517	-	90,517
	0.265	29.12.2005 to 28.12.2009	-	120,689	-	120,689
	0.055	01.04.2007 to 31.03.2011	400,000	400,000	-	400,000
Tong Chiu Fai	1.210	22.08.2003 to 21.08.2007	-	30,172	-	30,172
	0.265	29.12.2005 to 28.12.2009	-	90,517	-	90,517
	0.055	01.04.2007 to 31.03.2011	400,000	400,000	-	400,000
Wong Wee Woon	0.265	29.12.2005 to 28.12.2009	-	144,827	-	144,827
	0.055	01.04.2007 to 31.03.2011	400,000	400,000	-	400,000
Dato' Mohd Annuar Bin Zaini	0.265	29.12.2005 to 28.12.2009	-	181,034	-	181,034
	0.055	01.04.2007 to 31.03.2011	400,000	400,000	-	400,000
Freddie Pang Hock Cheng	0.265	29.12.2005 to 28.12.2009	-	181,034	-	181,034
	0.055	01.04.2007 to 31.03.2011	400,000	400,000	-	400,000
Anderson Tang Siu Ki	0.265	29.12.2005 to 28.12.2009	-	181,034	-	181,034
	0.055	01.04.2007 to 31.03.2011	400,000	400,000	-	400,000
Ung Gim Sei	0.265	29.12.2005 to 28.12.2009	-	181,034	-	181,034
	0.055	01.04.2007 to 31.03.2011	400,000	400,000	-	400,000

Since the commencement of the employee share option plans till the end of the financial year :

- No options have been granted to the controlling shareholders of the Company and their associates;
- No participant has received 5% or more of the total options available under the plans;
- No options that entitle the holder to participate, by virtue of the options, in any share issue of any other corporation have been granted; and
- No options have been granted at a discount.

DIRECTORS' REPORT (cont'd)

[In Singapore dollars]

6. Whitewash Waiver

In connection with the Rights Issue that was undertaken by the Company and completed on 31 December 2005 (the "Rights Issue 2005") and 7 May 2007 ("Right Issue 2007"), two separate Whitewash Waivers were granted by the Securities Industry Council of Singapore on 14 February 2005 ("Waiver 2005") and 15 February 2007 ("Waiver 2007") respectively to Tan Sri Dato' Seri Vincent Tan Chee Yioun ("Tan Sri") and his concert parties are waived from the requirement to make a mandatory general offer for the Company under Rule 14 of the Singapore Code on Take-overs and Mergers (the "Code") arising from the acquisition by Tan Sri and his concert parties of rights shares and/or new shares upon the exercise of warrants issued pursuant to the Rights Issue. Waiver 2005 and Waiver 2007 were approved by the EGM on 25 November 2005 and on 29 March 2007 respectively.

Further details of Waiver 2005, Waiver 2007, Rights Issue 2005 and Rights Issue 2007 are set out in the Circular to Shareholders dated 10 November 2005 and 7 March 2007 respectively, and in the Offer Information Statement of the Company dated 14 December 2005 and 18 April 2007 respectively, and the Disclosure Notice pursuant to Note 2 on Section 2 of Appendix 1 of the Code, all of which copies can be obtained from the registered office of the Company.

In accordance with Waiver 2005, Berjaya Leisure Capital (Cayman) Ltd had on 27 October 2006 exercised 52,169,375 Warrants 2011 at an exercise price of \$0.05 each totalling \$2.61 million. As at the date of this report, the percentage shareholdings by Tan Sri and his concert parties is 33.47%.

7. Audit and Risk Management Committee

The Audit and Risk Management Committee comprises four members, all non-executive directors and majority of whom are independent directors. The members of the Committee are:

Mr Ung Gim Sei - Chairman and Independent Director

Mr Anderson Tang Siu Ki - Independent Director

Mr Freddie Pang Hock Cheng - Non-Executive Director

Prof. Chew Soon Beng @ Teo Soon Beng - Independent Director

The functions performed by the Committee are detailed in the report on Corporate Governance.

8. Auditors

Ernst & Young have expressed their willingness to accept re-appointment as auditors.

On behalf of the Board of Directors:

Tan Sri Datuk Seri Panglima Dr Abu Hassan Bin Othman
Director

Valentine Philip Ortega
Director

Singapore
29 June 2007

STATEMENT BY DIRECTORS

PURSUANT TO SECTION 201(15)

We, Tan Sri Datuk Seri Panglima Dr Abu Hassan Bin Othman and Valentine Philip Ortega, being two of the directors of Informatics Education Ltd, do hereby state that, in the opinion of the directors :

- (i) subject to the ongoing investigations by the Commercial Affairs Department, which might uncover other information and might require adjustments to be made to the financial statements, the accompanying balance sheets, consolidated profit and loss account, statements of changes in equity, and consolidated cash flow statement together with notes thereto are drawn up so as to give a true and fair view of the state of affairs of the Company and of the Group as at 31 March 2007 and the results of the business, changes in equity and cash flows of the Group and the changes in equity of the Company for the year ended on that date; and
- (ii) at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

On behalf of the Board of Directors:

Tan Sri Datuk Seri Panglima Dr Abu Hassan Bin Othman
Director

Valentine Philip Ortega
Director

Singapore
29 June 2007

INDEPENDENT AUDITORS' REPORT

To the Members of Informatics Education Ltd

We have audited the accompanying financial statements of Informatics Education Ltd (the "Company") and its subsidiaries (collectively, the "Group") set out on pages 63 to 106, which comprise the balance sheets of the Group and the Company as at 31 March 2007, the statements of changes in equity of the Group and the Company, and the profit and loss account and cash flow statement of the Group for the year then ended, and a summary of significant accounting policies and other explanatory notes.

Directors' responsibility for the financial statements

The Company's directors are responsible for the preparation and fair presentation of these financial statements in accordance with the provisions of the Singapore Companies Act, Cap. 50 (the "Act") and Singapore Financial Reporting Standards. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditors' responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Singapore Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion,

- (a) the consolidated financial statements of the Group, and the balance sheet and statement of changes in equity of the Company are properly drawn up in accordance with the provisions of the Act and Singapore Financial Reporting Standards so as to give a true and fair view of the state of affairs of the Group and of the Company as at 31 March 2007 and the results, changes in equity and cash flows of the Group and the changes in equity of the Company for the financial year ended on that date; and
- (b) the accounting and other records required by the Act to be kept by the Company and by those subsidiaries incorporated in Singapore of which we are the auditors have been properly kept in accordance with the provisions of the Act.



INDEPENDENT AUDITORS' REPORT (cont'd)

To the Members of Informatics Education Ltd

Without qualifying our opinion, we draw attention to the following matters:-

(a) Ongoing investigations

During the financial year ended 31 March 2004, the Company restated profits in respect of its unaudited quarterly results for the nine months ended 31 December 2003. The restatements led to an investigation by the Commercial Affairs Department. The outcome of the investigation might uncover other information which might require adjustments to be made to the financial statements.

(b) Going concern assumption

A set out under the basis of preparation in Note 2.1, the financial statements have been prepared on a going concern basis. The Group incurred a net loss of \$5,815,000 for the year ended 31 March 2007 and as at 31 March 2007, there is a deficit of \$17,664,000 in the total equity attributable to equity holders of the Company. As at 31 March 2007, the ability of the Group and Company to meet its financial obligations and to continue as going concerns depend on the Group generating sufficient positive cash flows from its operations. In May 2007, the Company completed a rights issue which raised a total gross proceeds of approximately \$16,700,000 for working capital and other purposes. If the Group and the Company were unable to continue in operational existence for the foreseeable future, the Group and the Company might be unable to discharge their liabilities in the normal course of business and adjustments might 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 the Company might have to reclassify long term assets and liabilities as current assets and liabilities respectively. No such adjustments have been made to the financial statements.

ERNST & YOUNG
Certified Public Accountants

Singapore
29 June 2007

BALANCE SHEETS

as at 31 March 2007
(In Singapore dollars)

	Note	Group		Company	
		2007 \$'000	2006 \$'000	2007 \$'000	2006 \$'000
Non-current assets					
Property, plant and equipment	3	3,961	6,546	273	549
Intangible assets	4	-	32	-	-
Investments in subsidiaries	5	-	-	2,962	3,462
Investments in associates	6	-	134	-	86
Deferred tax assets	10	204	307	-	-
		<u>4,165</u>	<u>7,019</u>	<u>3,235</u>	<u>4,097</u>
Current assets					
Trade and other receivables	7	7,391	10,989	6,454	5,427
Cash and short-term deposits	19	19,418	18,018	9,441	9,186
		<u>26,809</u>	<u>29,007</u>	<u>15,895</u>	<u>14,613</u>
Current liabilities					
Fees received in advance		18,081	18,224	-	-
Trade and other payables	8	30,335	31,176	12,094	12,679
Interest-bearing loans and borrowings	9	2	250	-	40
Income tax payable		218	408	-	-
		<u>48,636</u>	<u>50,058</u>	<u>12,094</u>	<u>12,719</u>
Net current (liabilities)/assets		(21,827)	(21,051)	3,801	1,894
Non-current liabilities					
Other payables	8	-	-	5,477	5,697
Interest-bearing loans and borrowings	9	2	604	-	11
Deferred tax liabilities	10	-	136	-	-
		<u>(2)</u>	<u>(740)</u>	<u>(5,477)</u>	<u>(5,708)</u>
Total net (liabilities)/assets		(17,664)	(14,772)	1,559	283
Equity attributable to equity holders of the Company					
Share capital	11	64,065	61,469	64,065	61,469
Reserves	12	(81,729)	(76,241)	(62,506)	(61,186)
Total (deficit of equity) / equity		(17,664)	(14,772)	1,559	283

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

CONSOLIDATED STATEMENT OF PROFIT AND LOSS

for the year ended 31 March 2007

(In Singapore dollars)

	Note	2007 \$'000	2006 \$'000
Operating revenue	13	50,471	57,024
Employee benefits expense	14	(24,015)	(30,310)
Depreciation of property, plant and equipment	3	(2,666)	(3,215)
Other operating expenses	15	(29,736)	(46,968)
Interest expense	16	(290)	(123)
Interest income	16	490	187
Exceptional items	17	-	770
Share of results of associates		(5)	(266)
Loss before taxation		(5,751)	(22,901)
Tax (expense)/credit	10	(64)	83
Loss for the year		(5,815)	(22,818)
Attributable to :			
Equity holders of the Company		(5,815)	(22,818)
Minority interests		-	-
		(5,815)	(22,818)
Loss per share (cents)	18		
Basic		(0.63)	(3.11)
Diluted		(0.62)	(2.93)

STATEMENTS OF CHANGES IN EQUITY

for the year ended 31 March 2007
(In Singapore dollars)

Attributable to equity holders of the Company

	Share capital \$'000	Share premium \$'000	Employee share option reserve \$'000	Translation reserve \$'000	Accumulated losses \$'000	Total reserves \$'000	Total equity \$'000
Group							
At 31 March 2006	61,469	–	354	(2,697)	(73,898)	(76,241)	(14,772)
Exchange differences arising on consolidation	–	–	–	135	–	135	135
Net gain recognised directly in equity	–	–	–	135	–	135	135
Loss for the year	–	–	–	–	(5,815)	(5,815)	(5,815)
Total recognised gain/(loss) for the year	–	–	–	135	(5,815)	(5,680)	(5,680)
Issuance of ordinary shares (Note 11)	2,608	–	–	–	–	–	2,608
Expenses on issuance of ordinary shares	(12)	–	–	–	–	–	(12)
Grant of equity-settled share options	–	–	192	–	–	192	192
At 31 March 2007	64,065	–	546	(2,562)	(79,713)	(81,729)	(17,664)
At 31 March 2005	19,600	22,742	72	(2,444)	(51,080)	(53,452)	(11,110)
Exchange differences arising on consolidation	–	–	–	(253)	–	(253)	(253)
Net loss recognised directly in equity	–	–	–	(253)	–	(253)	(253)
Loss for the year	–	–	–	–	(22,818)	(22,818)	(22,818)
Total recognised loss for the year	–	–	–	(253)	(22,818)	(23,071)	(23,071)
Issuance of ordinary shares (Note 11)	19,127	–	–	–	–	–	19,127
Transfer of share premium reserve to share capital	22,742	(22,742)	–	–	–	–	–
Grant of equity-settled share options	–	–	282	–	–	282	282
At 31 March 2006	61,469	–	354	(2,697)	(73,898)	(76,241)	(14,772)

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

STATEMENTS OF CHANGES IN EQUITY (cont'd)

for the year ended 31 March 2007

[In Singapore dollars]

Attributable to equity holders of the Company

	Share capital \$'000	Share premium \$'000	Employee share option reserve \$'000	Accumulated losses \$'000	Total reserves \$'000	Total equity \$'000
Company						
At 31 March 2006	61,469	–	354	(61,540)	(61,186)	283
Loss for the year	–	–	–	(1,512)	(1,512)	(1,512)
Total recognised loss for the year	–	–	–	(1,512)	(1,512)	(1,512)
Issuance of ordinary shares (Note 11)	2,608	–	–	–	–	2,608
Expenses on issuance of ordinary shares	(12)	–	–	–	–	(12)
Grant of equity-settled share options	–	–	192	–	192	192
At 31 March 2007	64,065	–	546	(63,052)	(62,506)	1,559
At 31 March 2005	19,600	22,742	72	(42,738)	(42,666)	(324)
Loss for the year	–	–	–	(18,802)	(18,802)	(18,802)
Total recognised loss for the year	–	–	–	(18,802)	(18,802)	(18,802)
Issuance of ordinary shares (Note 11)	19,127	–	–	–	–	19,127
Transfer of share premium reserve to share capital	22,742	(22,742)	–	–	–	–
Grant of equity-settled share options	–	–	282	–	282	282
At 31 March 2006	61,469	–	354	(61,540)	(61,186)	283

CONSOLIDATED STATEMENT OF CASH FLOWS

for the year ended 31 March 2007

(In Singapore dollars)

	Note	2007 \$'000	2006 \$'000
Cash flow from operating activities			
Loss before tax		(5,751)	(22,901)
Adjustments for:			
Amortisation of intangible assets	4	38	363
Depreciation of property, plant and equipment	3	2,666	3,215
Allowance for doubtful receivables		992	1,457
Gain on disposals of property, plant and equipment	15	(360)	(599)
Impairment loss on investments in associates	15	129	197
Share of results of associates		5	266
Employee share option expense	14	192	282
Interest expense	16	290	123
Interest income	16	(490)	(187)
Unrealised exchange loss		133	129
Loss on disposal of investment in a subsidiary	15	-	215
Loss on disposal of investment in an associate	15	-	41
Gain on disposal of a business	15	-	(213)
Gain on disposal of educational investment in the United States of America	17	-	(770)
Allowance for doubtful receivable in relation to joint venture in China	15	-	4,694
Impairment loss on property, plant and equipment	3	-	1,062
Operating loss before working capital changes		(2,156)	(12,626)
Decrease in trade and other receivables		2,606	2,092
Decrease/(increase) in cash held in escrow account		456	(1,360)
(Decrease)/increase in fees received in advance		(143)	6,025
Decrease in trade and other payables		(1,321)	(4,463)
Decrease in inventories		-	119
Cash used in operations		(558)	(10,213)
Interest paid		(8)	(123)
Interest received		490	187
Taxation (paid)/refund		(86)	159
Net cash used in operating activities		(162)	(9,990)

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

CONSOLIDATED STATEMENT OF CASH FLOWS (cont'd)

for the year ended 31 March 2007

[In Singapore dollars]

	Note	2007 \$'000	2006 \$'000
Cash flow from investing activities			
Purchase of property, plant and equipment	3	(2,151)	(2,341)
Proceeds from disposal of property, plant and equipment		2,387	6,949
Disposal of a subsidiary, net of cash disposed		-	529
Proceeds from sale of an associate		-	120
Proceeds from sale of a business		-	1,476
Proceeds from disposal of educational investment in the United States of America	17	-	770
Net cash generated from investing activities		236	7,503
Cash flow from financing activities			
Proceeds from issuance of ordinary shares	11	2,608	19,127
Expenses on issuance of ordinary shares	11	(12)	-
Repayment of finance lease obligations		(60)	(95)
Repayment of loans and borrowings		(790)	(3,133)
Repayment of amounts due to a director		-	(3,295)
Net cash generated from financing activities		1,746	12,604
Net increase in cash and cash equivalents		1,820	10,117
Cash and cash equivalents at beginning of year	19	15,608	5,890
Effects of exchange rate changes on opening cash and cash equivalents		36	(399)
Cash and cash equivalents at end of year	19	17,464	15,608

NOTES TO THE FINANCIAL STATEMENTS

31 March 2007

(In Singapore dollars)

1. Corporate information

Informatics Education Ltd (the "Company") is a limited liability company domiciled and incorporated in Singapore. The address of the Company's registered office and principal place of business is Informatics Campus, 12 Science Centre Road, Singapore 609080.

With effect from 31 July 2006, the Company changed its name from Informatics Holdings Ltd to Informatics Education Ltd.

The principal activities of the Company are those of investment holding, franchisor for computer and commercial training centres and examination facilitators. The Company also operates under the names "Informatics International", "Informatics Academy", "Informatics Consulting", "Thames Academy", "Thames International", "Informatics Higher Education", "Informatics Corporate Learning" and "Informatics Uni" being sole-proprietorships registered under the name of the Company. The principal activities of the subsidiaries are shown in Note 5 to the financial statements.

2. Summary of significant accounting policies

2.1 Basis of preparation

The consolidated financial statements of the Group, and the balance sheet and statement of changes in equity of the Company have been prepared in accordance with Singapore Financial Reporting Standards ("FRS").

The financial statements have been prepared under the historical cost basis.

The financial statements are presented in Singapore Dollars (\$) and all values are rounded to the nearest thousand (\$'000) except when otherwise indicated.

The accounting policies have been consistently applied by the Group and the Company and are consistent with those used in the previous financial year.

Fundamental accounting assumptions

The financial statements have been prepared on a going concern basis. The Group incurred a net loss of \$5,815,000 (2006: \$22,818,000) for the year ended 31 March 2007 and as at 31 March 2007, there is a deficit of \$17,664,000 (2006: \$14,772,000) in the total equity attributable to equity holders of the Company. As at 31 March 2007, the ability of the Group and Company to meet its financial obligations and to continue as going concerns depend on the Group generating sufficient positive cash flows from its operations.

If the Group and the Company were unable to continue its operational existence for the foreseeable future, the Group and the Company might be unable to discharge their liabilities in the normal course of business and adjustments might 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 the Company might have to reclassify long term assets and liabilities as current assets and liabilities. No such adjustments have been made to the financial statements.

In May 2007, the Company completed a rights issue which raised a total gross proceeds of approximately \$16.7 million for working capital and other purposes.

During the financial year ended 31 March 2004, the Company restated profits in respect of its unaudited quarterly results for the nine months ended 31 December 2003. The restatements led to an investigation by the Commercial Affairs Department. The outcome of the investigation might uncover other information, which might require adjustments to be made to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

31 March 2007

(In Singapore dollars)

2. Summary of significant accounting policies (cont'd)**2.2 FRS and Interpretation of Financial Reporting Standard ("INT FRS") not yet effective**

The Group and the Company have not applied the following FRS and INT FRS that have been issued but not yet effective:

	Effective date (annual periods beginning on or after)
FRS 1 : Amendment to FRS 1 (revised), Presentation of Financial Statements (Capital Disclosures)	1 January 2007
FRS 40 : Investment Property	1 January 2007
FRS 107 : Financial Instruments: Disclosures	1 January 2007
FRS 108 : Operating Segments	1 January 2009
INT FRS 108 : Scope of FRS 102, Share-based Payment	1 May 2006
INT FRS 109 : Reassessment of Embedded Derivatives	1 June 2006
INT FRS 110 : Interim Financial Reporting and Impairment	1 November 2006
INT FRS 111 : Group and Treasury Share Transactions	1 March 2007
INT FRS 112 : Service Concession Arrangements	1 January 2008

The directors expect that the adoption of the above pronouncements will have no material impact to the financial statements in the period of initial application, except for FRS 107 and the amendment to FRS 1 as indicated below.

FRS 107, Financial Instruments: Disclosures and amendment to FRS 1 (revised), Presentation of Financial Statements (Capital Disclosures)

FRS 107 introduces new disclosures to improve the information about financial instruments. It requires the disclosure of qualitative and quantitative information about exposure to risks arising from financial instruments, including specified minimum disclosures about credit risk, liquidity risk and market risk, including sensitivity analysis to market risk. The amendment to FRS 1 requires the Group to make new disclosures to enable users of the financial statements to evaluate the Group's objectives, policies and processes for managing capital. The Group will apply FRS 107 and the amendment to FRS 1 from annual period beginning 1 April 2007.

2.3 Significant accounting estimates and judgements

Estimates, assumptions concerning the future and judgements are made in the preparation of the financial statements. They affect the application of the Group's accounting policies, reported amounts of assets, liabilities, income and expenses, and disclosures made. They are assessed on an on-going basis and are based on experience and relevant factors, including expectations of future events that are believed to be reasonable under the circumstances.

Key sources of estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the balance sheet date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

(i) Depreciation of plant and equipment

Plant and equipment are depreciated on a straight-line basis over their estimated useful lives. Management estimates the useful lives of these plants and equipment to be within 3 to 20 years. The carrying amount of the Group's plant and equipment at 31 March 2007 was \$3,395,000 (2006: \$4,311,000). Changes in the expected level of usage and technological development could impact the economic useful lives and the residual values of these assets, therefore future depreciation charges could be revised.

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

31 March 2007

[In Singapore dollars]

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

2.3 Significant accounting estimates and judgements (cont'd)

(ii) Income tax payable

Significant judgement is involved in determining the Group-wide provision for income taxes. There are certain transactions and computations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group recognises liabilities for expected tax issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recognised, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made. The carrying amount of the Group's tax payables at 31 March 2007 was \$218,000 (2006: \$408,000).

Critical judgements made in applying accounting policies

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

(i) Impairment of financial assets

The determination of whether a financial asset is impaired requires significant judgement. The Group evaluates, among other factors, the duration and extent to which the fair value of financial asset is less than its cost, and the financial health of and near-term business outlook for the financial asset, including factors such as industry performance, changes in technology and operational and financing cash flow. The impairment losses recognised during the year are disclosed in Note 15.

2.4 Functional and foreign currencies

(a) *Functional currency*

The management has determined the currency of the primary economic environment in which the Company operates i.e. functional currency, to be Singapore dollars. Sales prices and major costs of providing goods and services including major operating expenses, are primarily influenced by fluctuations in Singapore dollars.

(b) *Foreign currency transactions*

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 closing rate of exchange ruling at the balance sheet date. 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 determined.

Exchange differences arising on the settlement of monetary items or on translating monetary items at the balance sheet date are recognised in the profit and loss account.

(c) *Foreign currency translation*

The results and financial position of the foreign operations are translated into Singapore dollars using the following procedures:

- (i) Assets and liabilities for each balance sheet presented are translated at the closing rate ruling at that balance sheet date; and
- (ii) Income and expenses for each income statement are translated at average exchange rates for the year, which approximates the exchange rates at the dates of transactions.

All resulting exchange differences are recognised in a separate component of equity as foreign currency translation reserve.

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

31 March 2007

[In Singapore dollars]

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

2.5 Subsidiaries and principles of consolidation

(a) Subsidiaries

A subsidiary is an entity over which the Group has the power to govern the financial and operating policies so as to obtain benefits from its activities. The Group generally has such power when it directly or indirectly, holds more than 50% of the issued share capital, or controls more than half of the voting power, or controls the composition of the board of directors.

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

(b) Principles of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at the balance sheet date. The financial statements of the subsidiaries are prepared for the same reporting date as the parent company. Consistent accounting policies are applied for like transactions and events in similar circumstances.

All intra-group balances, transactions, income and expenses and profits and losses resulting from intra-group transactions that are recognised in assets, are eliminated in full.

Subsidiaries are fully 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.

Acquisitions of subsidiaries are accounted for using the purchase method. The cost of an acquisition is measured as the fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the acquisition. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date, irrespective of the extent of any minority interest.

Any excess of the cost of the business combination over the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities represents goodwill. The goodwill is accounted for in accordance with the accounting policy for goodwill stated in Note 2.8 below.

Any excess of the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities over the cost of business combination is recognised in the profit and loss account on the date of acquisition.

Minority interests represent the portion of profit or loss and net assets in subsidiaries not held by the Group. They are presented in the consolidated balance sheet within equity, separately from the parent shareholders' equity, and are separately disclosed in the consolidated profit and loss account.

2.6 Associates

An associate is an entity, not being a subsidiary or a joint venture, in which the Group has significant influence. This generally coincides with the Group having 20% or more of the voting power, or has representation on the board of directors.

The Group's investments in associates are accounted for using the equity method. Under the equity method, the investment in associate is carried in the balance sheet at cost plus post-acquisition changes in the Group's share of net assets of the associate. The Group's share of the profit or loss of the associate is recognised in the consolidated profit and loss account. Where there has been a change recognised directly in the equity of the associate, the Group recognises its share of such changes. After application of the equity method, the Group determines whether it is necessary to recognise any additional impairment loss with respect to the Group's net investment in the associate. The associate is equity accounted for from the date the Group obtains significant influence until the date the Group ceases to have significant influence over the associate.

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

31 March 2007

[In Singapore dollars]

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

2.6 Associates (cont'd)

Goodwill relating to an associate is included in the carrying amount of the investment.

Any excess of the Group's share of the net fair value of the associate's identifiable assets, liabilities and contingent liabilities over the cost of the investment is excluded from the carrying amount of the investment and is instead included as income in the determination of the Group's share of the associate's profit or loss in the period in which the investment is acquired.

When the Group's share of losses in an associate equals or exceeds its interest in the associate, including any other unsecured receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associate.

The most recent available audited financial statements of the associates are used by the Group in applying the equity method. Where the dates of the audited financial statements used are not co-terminous with those of the Group, the share of results is arrived at from the last audited financial statements available and un-audited management financial statements to the end of the accounting period. Consistent accounting policies are applied for like transactions and events in similar circumstances.

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

2.7 Property, plant and equipment

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

Freehold land has an unlimited useful life and therefore is not depreciated. Depreciation of an asset begins when it is available for use and is computed on a straight-line basis over the estimated useful life of the asset as follows:

Buildings and leasehold land	- 50 years or over the remaining period of lease up to maximum of 38 years
Leasehold units	- Over remaining period of lease up to maximum of 33 years
Plant and equipment	- 15 to 20 years
Furniture and fittings, office and computer equipment	- 3 to 10 years
Improvement to premises	- 3 to 5 years
Training aids	- 5 years
Motor vehicles	- 6 years

The carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

The residual values, useful life and depreciation method are reviewed at each financial year-end to ensure that the amount, method and period of depreciation are consistent with previous estimates and the expected pattern of consumption of the future economic benefits embodied in the items of property, plant and equipment.

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 the profit and loss account in the year the asset is derecognised.

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

31 March 2007

(In Singapore dollars)

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

2.8 Intangible assets

(a) Goodwill

Goodwill acquired in a business combination is initially measured at cost being the excess of the cost of the business combination over the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities. Following initial recognition, goodwill is measured at cost less any accumulated impairment losses. Goodwill is reviewed for impairment, annually or more frequently if events or changes in circumstances indicate that the carrying value may be impaired.

For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the group's cash-generating units, or groups of cash-generating units, that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the Group are assigned to those units or groups of units. Each unit or group of units to which the goodwill is so allocated:

- Represents the lowest level within the Group at which the goodwill is monitored for internal management purposes; and
- Is not larger than a segment based on either the Group's primary or the Group's secondary reporting format.

A group of cash-generating units to which goodwill has been allocated are tested for impairment annually and whenever there is an indication that the unit may be impaired, by comparing the carrying amount of the unit, including the goodwill, with the recoverable amount of the unit. Where the recoverable amount of the cash-generating unit (or group of cash-generating units) is less than the carrying amount, an impairment loss is recognised.

Where goodwill forms part of a group of cash-generating units and part of the operation within that unit is disposed of, the goodwill associated with the operation disposed of is included in the carrying amount of the operation when determining the gain or loss on disposal of the operation. Goodwill disposed of in this circumstance is measured based on the relative values of the operation disposed of and the portion of the cash-generating unit retained.

The Group does not reverse in a subsequent financial period, any impairment loss recognised for goodwill.

(b) Other intangible assets

The useful lives of intangible assets are assessed to be either finite or indefinite. Intangible assets with finite lives are amortised on a straight-line basis over the estimated economic 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 for an intangible asset with a finite useful life are reviewed at least at each financial year-end. The amortisation expense on intangible assets with finite lives is recognised in the profit and loss account through the 'depreciation and amortisation expenses' line item.

Intangible assets with indefinite useful lives are tested for impairment annually or more frequently if the events or changes in circumstances indicate that the carrying value may be impaired either individually or at the cash-generating unit level. Such intangibles are not amortised. The useful life of an intangible asset with an indefinite life is reviewed annually to determine whether the useful life assessment continues to be supportable.

Development costs

An intangible asset arising from development expenditure on an individual project is recognised only 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 expenditure during the development.

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

31 March 2007

(In Singapore dollars)

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

2.8 Intangible assets (cont'd)

(b) Other intangible assets (cont'd)

The carrying value of development costs is reviewed for impairment annually when the asset is not yet in use or more frequently when an indication of impairment arises during the reporting year. Upon completion, the development costs is amortised over the estimated useful life and assessed for impairment whenever there is an indication that the intangible asset may be impaired.

2.9 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 annual impairment testing for an asset (i.e. an intangible asset with an indefinite useful life, an intangible asset not yet available for use, or goodwill acquired in a business combination) 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 to sell 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 groups of assets. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. Impairment losses of continuing operations are recognised in the profit and loss account as 'impairment losses'.

An assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses recognised for an asset other than goodwill may no longer exist or may have decreased. If such indication exists, the recoverable amount is estimated. 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 increased amount cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Reversal of an impairment loss is recognised in the profit and loss account. After such a reversal, the depreciation charge is adjusted in future periods to allocate the asset's revised carrying amount, less any residual value, on a systematic basis over its remaining useful life.

2.10 Financial assets

Financial assets are classified as loans and receivables. Financial assets are recognised on the balance sheet when, and only when, the Group becomes a party to the contractual provisions of the financial instrument.

When financial assets are recognised initially, they are measured at fair value, plus, in the case of financial assets not at fair value through profit or loss, directly attributable transaction costs. The Group determines the classification of its financial assets after initial recognition and, where allowed and appropriate, re-evaluates this designation at each financial year-end.

Loans and receivables

Non-derivative financial assets with fixed or determinable payments that are not quoted in an active market are classified as loans and receivables. Such assets are carried at amortised cost using the effective interest method. Gains and losses are recognised in profit and loss account when the loans and receivables are derecognised or impaired, as well as through the amortisation process.

The Group classifies the following financial assets as loans and receivables:

- cash and short-term deposits;
- trade and other receivables, including amounts due from related parties.

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

31 March 2007

(In Singapore dollars)

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

2.11 Cash and cash equivalents

Cash and cash equivalents consist of cash on hand and short-term, highly liquid investments that are readily convertible to known amounts of cash and that are subject to an insignificant risk of changes in value.

2.12 Impairment of financial assets

The Group assesses at each balance sheet date whether there is any objective evidence that a financial asset or group of financial assets is impaired.

(a) Assets carried at amortised cost

If there is objective evidence that an impairment loss on financial assets carried at amortised cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced through the use of an allowance account. The amount of the loss is recognised in the profit and loss account.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed. Any subsequent reversal of an impairment loss is recognised in the profit and loss account, to the extent that the carrying value of the asset does not exceed its amortised cost at the reversal date.

(b) Assets carried at cost

If there is objective evidence that an impairment loss on an unquoted equity instrument that is not carried at fair value because its fair value cannot be reliably measured, the amount of the loss is measured as the difference between the asset's carrying amount and the estimated realisable amount. Such impairment losses are not reversed in subsequent periods.

2.13 Derecognition of financial assets

A financial asset is derecognised where the contractual rights to receive cash flows from the asset have expired.

On derecognition of a financial asset, the difference between the carrying amount and the sum of (a) the consideration received and (b) any cumulative gain or loss that has been recognised directly in equity is recognised in the profit and loss account.

2.14 Financial liabilities

Financial liabilities include trade payables, which are normally settled on 30-90 day terms, other amounts payable, payables to related parties and interest-bearing loans and borrowings. Financial liabilities are recognised on the balance sheet when, and only when, the Group becomes a party to the contractual provisions of the financial instrument. Financial liabilities are initially recognised at fair value of consideration received less directly attributable transaction costs and subsequently measured at amortised cost using the effective interest method.

Gains and losses are recognised in the profit and loss account when the liabilities are derecognised as well as through the amortisation process. The liabilities are derecognised when the obligation under the liability is discharged or cancelled or expired.

2.15 Borrowing costs

Borrowing costs are generally expensed as incurred.

2.16 Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) where, 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 a reliable estimate can be made of the amount of the obligation.

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

31 March 2007

[In Singapore dollars]

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

2.17 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 national 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 employees. The estimated liability for leave is recognised for services rendered by employees up to balance sheet date.

(c) *Employee share option plans*

Eligible employees of the Group receive remuneration in the form of share options as consideration for services rendered ("equity-settled transactions").

The cost of equity-settled transactions with employees is measured by reference to the fair value at the date on which the share options are granted. In valuing the share options, no account is taken of any performance conditions, other than conditions linked to the price of the shares of the Company ("indirect conditions"), if applicable.

The cost of equity-settled transactions is recognised, together with a corresponding increase in the employee share option reserve, over the period in which the service conditions are fulfilled, ending on the date on which the relevant employees become fully entitled to the award ("the vesting date"). The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of equity instruments that will ultimately vest. The charge or credit to the profit and loss account for a period represents the movement in cumulative expense recognised as at the beginning and end of that period.

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

2.18 Leases

Finance leases, which transfer to the Group substantially all the risks and rewards incidental to ownership of the leased item, are capitalised at the inception of the lease term at fair value of the leased asset or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged directly to the profit and loss account. Contingent rents, if any, are charged as expenses in the periods in which they are incurred.

Capitalised leased assets are depreciated over the shorter of the estimated useful life of the asset or the lease term, if there is no reasonable certainty that the Group will obtain ownership by the end of the lease term.

Operating lease payments are recognised as an expense in the profit and loss account 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.

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

31 March 2007

[In Singapore dollars]

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

2.19 Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured.

(a) *Course fees*

Course fees are generally recognised as revenue over the duration of the course. For courses hosted on the e-learning portal, course fees are recognised as revenue over the period access is granted, which typically coincides with the duration of the course.

(b) *Examination fees*

Examination fee is recognised as revenue when examination services are substantially rendered to the students. When examination dates fall in the next financial year, judgement is used to establish the proportion of revenue that may be recognised in the current period based upon services performed within the period as a proportion of the total services to be performed.

(c) *Franchise fees*

Initial franchise fee is recognised as revenue when the contractual requirements under the franchise agreement are completed and when collectibility is certain. Recurring franchise fee is recognised as revenue on a monthly basis, determined as a percentage of revenue generated by the franchisees, and when collectibility is certain.

(d) *Licence fees*

Licence fee is recognised as revenue on a straight-line basis over the duration of the agreement. Accreditation fee from potential licensee is recognised upon completion and issue of accreditation report, and when collectibility is certain.

(e) *Interest income*

Interest income is recorded using the effective interest rate method, unless collectibility is in doubt.

(f) *Rental income*

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease.

(g) *Dividend income*

Dividend income is recognised when the Group's right to receive payment is established.

2.20 Income taxes

(a) *Current tax*

Current tax assets and liabilities for the current and prior periods 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 by the balance sheet date.

(b) *Deferred tax*

Deferred income tax is provided using the liability method on temporary differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

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

- (i) Where the deferred tax 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

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

31 March 2007

(In Singapore dollars)

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

2.20 Income taxes (cont'd)

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

- (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 by the Group and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred income tax assets are recognised for all deductible temporary differences (other than those mentioned above), 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.

The carrying amount of deferred income tax assets is reviewed at each balance sheet date 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 income tax asset to be utilised. Unrecognised deferred income tax assets are reassessed at each balance sheet date 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 income tax assets and liabilities are measured at the tax rates that are expected to apply to 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 balance sheet date.

Income tax relating to items recognised directly in equity is recognised in equity.

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

(c) *Sales tax*

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

- (i) Where the sales tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case the sales tax is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
- (ii) Receivables and payables that are stated with the amount of sales tax included.

The net amount of sales tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

31 March 2007

[In Singapore dollars]

3. Property, plant and equipment

	Freehold land \$'000	Freehold buildings \$'000	Leasehold land and buildings \$'000	Leasehold units \$'000	Plant and equipment \$'000	Furniture and fittings, office and computer equipment \$'000	Improvement to premises \$'000	Training aids \$'000	Motor vehicles \$'000	Total \$'000
Group										
Cost										
At 1 April 2005	1,912	3,678	6,328	734	12	34,470	8,791	2,371	1,038	59,334
Additions	-	-	-	-	-	1,219	1,017	20	85	2,341
Disposals/write-off	(230)	(326)	(6,328)	(247)	-	(9,828)	(4,170)	(1,416)	(359)	(22,904)
Exchange differences on consolidation	-	71	-	-	-	17	52	-	3	143
Arising from disposal of subsidiaries	(987)	(713)	-	-	(12)	(213)	(315)	-	-	(2,240)
At 31 March 2006 and 1 April 2006	695	2,710	-	487	-	25,665	5,375	975	767	36,674
Additions	-	-	-	-	-	1,612	430	34	75	2,151
Disposals/write-off	(607)	(1,973)	-	(487)	-	(3,722)	(210)	-	(411)	(7,410)
Exchange differences on consolidation	-	(5)	-	-	-	(127)	(99)	(6)	(5)	(242)
At 31 March 2007	88	732	-	-	-	23,428	5,496	1,003	426	31,173
Accumulated depreciation and impairment										
At 1 April 2005	-	639	1,604	270	12	31,522	6,403	2,182	427	43,059
Charge for the year	-	56	86	20	-	1,968	817	124	144	3,215
Disposals/write-off	-	(78)	(1,714)	(115)	-	(9,652)	(3,363)	(1,413)	(219)	(16,554)
Exchange differences on consolidation	-	8	(4)	-	-	10	47	-	1	62
Impairment loss	220	814	28	-	-	-	-	-	-	1,062
Arising from disposal of subsidiaries	-	(177)	-	-	(12)	(212)	(315)	-	-	(716)
At 31 March 2006 and 1 April 2006	220	1,262	-	175	-	23,636	3,589	893	353	30,128
Charge for the year	-	23	-	5	-	1,505	981	71	81	2,666
Disposals/write-off	(220)	(1,031)	-	(180)	-	(3,706)	(91)	-	(155)	(5,383)
Exchange differences on consolidation	-	-	-	-	-	(110)	(77)	(6)	(6)	(199)
At 31 March 2007	-	254	-	-	-	21,325	4,402	958	273	27,212
Net book value										
At 31 March 2007	88	478	-	-	-	2,103	1,094	45	153	3,961
At 31 March 2006	475	1,448	-	312	-	2,029	1,786	82	414	6,546

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

31 March 2007

(In Singapore dollars)

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

	Leasehold buildings \$'000	Leasehold units \$'000	Furniture and fittings, office and computer equipment \$'000	Improvement to premises \$'000	Training aids \$'000	Motor vehicles \$'000	Total \$'000
Company							
Cost							
At 1 April 2005	5,741	835	1,659	103	1,537	625	10,500
Additions	-	-	242	-	-	-	242
Disposals	(5,741)	(835)	(216)	(89)	-	(115)	(6,996)
As at 31 March 2006 and 1 April 2006	-	-	1,685	14	1,537	510	3,746
Additions	-	-	24	-	9	-	33
Transfer from a subsidiary	-	-	-	-	-	113	113
Disposals	-	-	(2)	-	-	(337)	(339)
At 31 March 2007	-	-	1,707	14	1,546	286	3,553
Accumulated depreciation and impairment							
At 1 April 2005	1,441	269	1,542	103	1,454	151	4,960
Charge for the year	86	10	166	-	62	93	417
Disposals	(1,321)	(279)	(211)	(89)	-	(74)	(1,974)
Impairment loss	(206)	-	-	-	-	-	(206)
As at 31 March 2006 and 1 April 2006	-	-	1,497	14	1,516	170	3,197
Charge for the year	-	-	101	-	15	63	179
Disposals	-	-	-	-	-	(96)	(96)
At 31 March 2007	-	-	1,598	14	1,531	137	3,280
Net book value							
At 31 March 2007	-	-	109	-	15	149	273
At 31 March 2006	-	-	188	-	21	340	549

Assets held under finance leases

The net carrying amount of plant and equipment of the Group held under finance leases as at 31 March 2007 was \$4,173 (2006: \$181,000).

Assets pledged as security

As at 31 March 2006, in addition to assets held under finance leases, the Group's freehold land and buildings with a carrying amount of \$1,343,000 were subject to a first legal charge to secure one of the Group's bank loan.

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

31 March 2007

(In Singapore dollars)

4. Intangible assets

	Group		Company	
	2007 \$'000	2006 \$'000	2007 \$'000	2006 \$'000
Cost				
At 1 April	3,050	7,833	-	925
Additions	-	-	-	-
Disposals	-	(3,347)	-	-
Write-off	-	(925)	-	(925)
Exchange difference on consolidation	177	(511)	-	-
At 31 March	3,227	3,050	-	-
Accumulated amortisation and impairment				
At 1 April	3,018	6,660	-	925
Amortisation for the year (Note 15)	38	363	-	-
Disposals	-	(2,561)	-	-
Write-off	-	(925)	-	(925)
Exchange differences on consolidation	171	(519)	-	-
At 31 March	3,227	3,018	-	-
Net carrying amount	-	32	-	-
Average remaining amortisation period (years)	-	1	-	-

Intangible assets relate to development costs in developing in-house software, new courses and the accompanying materials.

5. Investments in subsidiaries

	Company	
	2007 \$'000	2006 \$'000
Unquoted equity shares, at cost	66,450	66,450
Impairment losses	(63,488)	(62,988)
Carrying amount of investments	2,962	3,462

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

31 March 2007

[In Singapore dollars]

5. Investments in subsidiaries (cont'd)

Name of company (country of incorporation and place of business)	Principal activities	Effective equity held by the Group		Cost of investment by the Company	
		2007 %	2006 %	2007 \$'000	2006 \$'000
Held by the Company					
① Informatics Education Singapore Pte Ltd (formerly known as Informatics Group (Singapore) Pte Ltd) (Singapore)	Computer and business education and training, business management consultancy and child development	100	100	725	725
① PurpleTrain.com Pte Ltd (Singapore)	Operation of e-learning portal providing e-learning for higher education, corporations and education services	100	100	50	50
⊖ Informatics YLG Pte Ltd (Singapore)	Dormant	100	100	586	586
① Informatics Education International Pte Ltd (formerly known as Informatics Children Education Pte Ltd) (Singapore)	Dormant	100	100	315	315
† ICS Pte Ltd (Singapore)	Dormant	100	100	3,195	3,195
† SIU Recruitment Centre Pte Ltd (Singapore)	Dormant	100	100	464	464
† Informatics Regional Applied Computing Centre Pte Ltd (Singapore)	Dormant	100	100	557	557
† Thames Advancement Pte Ltd (Singapore)	Dormant	100	100	384	384
②## Citinetics Sdn Bhd (Malaysia)	Computer education and training	100	100	-	-
† Thames Centre Pte Ltd (Singapore)	Dormant	100	100	510	510
② Futurekids Learning Centre Sdn Bhd (Malaysia)	Dormant	100	100	284	284
† Stance Sdn Bhd (Malaysia)	Dormant	100	100	52	52

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

31 March 2007

[In Singapore dollars]

5. Investments in subsidiaries (cont'd)

Name of company (country of incorporation and place of business)	Principal activities	Effective equity held by the Group		Cost of investment by the Company	
		2007 %	2006 %	2007 \$'000	2006 \$'000
Held by the Company					
② Informatics Education Malaysia Sdn Bhd (formerly known as Informatics Resource Corporation Sdn Bhd) (Malaysia)	Computer education and training, educational and business management consultancy	100	100	14,054	14,054
② Informatics Resources Group (M) Sdn Bhd (Malaysia)	Educational and business management consultancy	100	100	2,327	2,327
+② Informatics Computer Education Sdn Bhd (formerly known as Informatics Computer Centre Sdn Bhd) (Malaysia)	Educational training and training facilities	100	100	1,182	1,182
⊖ PT Informatics Rigtenders Indonesia (Indonesia)	Dormant	60	60	632	632
⑦ Singapore Informatics Computer Institute (Pvt) Ltd (Sri Lanka)	Computer education and training	100	100	788	788
③ Informatics Education (HK) Ltd (formerly known as Informatics (HK) Ltd) (Hong Kong)	Computer education and training	100	100	776	776
⊖ Informatics (Shanghai) Ltd (Hong Kong)	Dormant	100	100	909	909
† PurpleTrain (HK) Ltd (Hong Kong)	Dormant	100	100	@	@
⊖ Informatics (North China) Ltd (Hong Kong)	Dormant	100	100	215	215
⑤ Informatics Group (Europe) Limited (United Kingdom)	Investment holding	100	100	37,851	37,851
⊖ Informatics Education UK Ltd (United Kingdom)	Dormant	100	-	@	-
⊖ Informatics Consultancy (Shanghai) Co., Ltd (The People's Republic of China)	Investment consultancy, development of market for business management and computer training schools	100	100	594	594
				66,450	66,450

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

31 March 2007

(In Singapore dollars)

5. Investments in subsidiaries (cont'd)

Name of company (country of incorporation and place of business)	Principal activities	Effective equity held by the Group	
		2007 %	2006 %
Held by the subsidiaries			
② Informatics Smarter Education Sdn Bhd (Malaysia)	Dormant	70	70
† Informatics Training (Sarawak) Sdn Bhd (Malaysia)	Dormant	100	100
② Informatics Open Learning Services Sdn Bhd (Malaysia)	Investment holding	100	100
② IAHE Consultants Sdn Bhd (Malaysia)	Dormant	100	100
② PurpleTrain.com (M) Sdn Bhd (Malaysia)	Dormant	100	100
##② Institute Sarjana Sdn Bhd (Malaysia)	Dormant	100	100
##② Informatics Training Technology Sdn Bhd (Malaysia)	Computer education and training	100	100
##② Informatics Perkasa Sdn Bhd (Malaysia)	Computer education and training	100	100
④ NCC Education (M) Sdn Bhd (Malaysia)	Computer education and training	100	100
⊖ Informatics Professional Training Limited (Hong Kong)	Dormant	100	100
⑤ NCC Education Limited (United Kingdom)	Educational and business management consultancy	100	100
⑤ Informatics Investments Limited (United Kingdom)	Investment holding	60	60
† Thames Consulting Group Sdn Bhd (Malaysia)	Dormant	100	100
† Computer Assisted Learning Centre Sdn Bhd (Malaysia)	Dormant	100	100
† Twin Unity Sdn Bhd (Malaysia)	Dormant	72	72
⑥ NCC Beijing Consultancy Co., Ltd (The People's Republic of China)	Computer education and training	100	100

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

31 March 2007

(In Singapore dollars)

5. Investments in subsidiaries (cont'd)

@ Denotes less than \$1,000.

+ This represents the Group's effective interest in Informatics Computer Centre Sdn Bhd. The Company holds a 85% (2006: 85%) direct interest in Informatics Computer Centre Sdn Bhd and the remaining 15% (2006: 15%) is held through a subsidiary.

① Audited by Ernst & Young, Singapore.

② Audited by Ernst & Young, Malaysia

③ Audited by KPMG, Hong Kong.

④ Audited by KPMG, Malaysia.

⑤ Audited by Tenon Audit Limited, United Kingdom.

⑥ Audited by Salustro Zhongrui, The People's Republic of China.

⑦ Audited by Ernst & Young, Sri Lanka

⊖ Not required to be audited by the laws of the country of incorporation.

t Under members' voluntary liquidation.

Treated as subsidiaries as the Company hold full management control and responsibility over the financial and operating activities of these companies.

6. Investments in associates

	Group		Company	
	2007 \$'000	2006 \$'000	2007 \$'000	2006 \$'000
Unquoted equity shares, at cost	4,300	4,300	4,140	4,229
Group's share of post-acquisition results and reserves	(1,861)	(1,856)	-	-
	2,439	2,444	4,140	4,229
Impairment loss	(2,439)	(2,310)	(4,140)	(4,143)
Carrying amount of investments	-	134	-	86

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

31 March 2007

(In Singapore dollars)

6. Investments in associates (cont'd)

Name of company (country of incorporation and place of business)	Principal activities	Effective equity held by the Group		Cost of investment by the Company	
		2007 %	2006 %	2007 \$'000	2006 \$'000
Held by the Company					
IAF Pte Ltd (Singapore)	Management of computer training schools in the Peoples' Republic of China	30	30	270	270
Info-Millennium Pte Ltd (Singapore)	Management of computer training schools in the Peoples' Republic of China	40	40	252	252
PT Triaksara Saraswati (Indonesia)	Management of computer training schools in Indonesia	20	20	172	172
Informatics Holdings Philippines Inc (Philippines)	Investment holding	40	40	1,487	1,487
De Chazal Du Mee Informatics Ltd (Mauritius)	Computer education and training	20	20	101	101
Edutech Informatics India Ltd (India)	Computer education and training	23	23	1,310	1,310
Singa Training Ltd (Myanmar)	Management of computer training schools	40	40	548	548
PT Lifelong Learning, Indonesia (Indonesia)	Computer education and training	36	36	-	-
Berjaya Higher Education Sdn Bhd (formerly known as Berjaya Informatics Sdn Bhd) (Malaysia)	Computer and education training	-	30	-	89
				4,140	4,229

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

31 March 2007

[In Singapore dollars]

6. Investments in associates (cont'd)

Name of company (country of incorporation and place of business)	Principal activities	Effective equity held by the Group	
		2007 %	2006 %
Held by the subsidiary			
Informatics (Macau) Limited (Macau)	Computer education and training	40	40

All of these associates are not significant as defined under Rule 718 of the SGX-ST Listing Manual.

These entities are not accounted for using equity method as the Company does not have any form of significant influence and long term commitment for these investments. The Company is in the process of stepping down from the Board of the associates. Full impairment loss has been recognised against these investments.

The summarised financial information of the associates are as follows :

	Group	
	2007 \$'000	2006 \$'000
Assets and liabilities:		
Current assets	51	77
Non-current assets	43	222
Total assets	94	299
Current liabilities	16	74
Non-current liabilities	-	-
Total liabilities	16	74
Results:		
Revenue	210	228
Loss for the year	(12)	(11)

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

31 March 2007

(In Singapore dollars)

7. Trade and other receivables

	Group		Company	
	2007 \$'000	2006 \$'000	2007 \$'000	2006 \$'000
Non-financial assets				
Prepayments	1,829	1,235	334	116
Financial assets				
Trade receivables	5,972	16,706	2,929	6,199
Less : Allowance for doubtful receivables	(4,019)	(12,800)	(2,336)	(3,963)
	1,953	3,906	593	2,236
Other receivables	7,769	9,458	2,266	2,278
Less : Allowance for doubtful receivables	(5,216)	(4,990)	(1,603)	(1,355)
	2,553	4,468	663	923
Deposits	1,055	1,150	88	162
Staff loans	1	18	1	-
Amounts due from subsidiaries	-	-	4,775	1,767
Amounts due from associates	-	212	-	223
	5,562	9,754	6,120	5,311
Total trade and other receivables	7,391	10,989	6,454	5,427

Trade and other receivables

Trade and other receivables are non-interest bearing. They are recognised at their original invoice amounts which represents their fair values on initial recognition.

Related party receivables

Amounts due from subsidiaries and associates are unsecured, interest-free, are repayable on demand and are expected to be settled in cash.

Allowance for doubtful receivables

An impairment loss of \$992,000 (2006: \$6,151,000) was recognised in the profit and loss account subsequent to a debt recovery assessment performed on trade receivables and other receivables as at 31 March 2007 (Note 15).

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

31 March 2007

(In Singapore dollars)

7. Trade and other receivables (cont'd)

Trade and other receivables were denominated in the following currencies at the balance sheet date :

	Group		Company	
	2007 \$'000	2006 \$'000	2007 \$'000	2006 \$'000
Singapore Dollars	3,107	3,768	4,493	207
United States Dollars	594	1,573	549	1,668
British Pounds	1,111	1,165	-	2,198
Malaysian Ringgit	1,437	3,151	11	5
Hong Kong Dollars	598	821	-	-
Chinese Renminbi	427	386	1,401	1,349
Others	117	125	-	-
	7,391	10,989	6,454	5,427

8. Trade and other payables

	Group		Company	
	2007 \$'000	2006 \$'000	2007 \$'000	2006 \$'000
Other payables (non-current)				
<i>Financial liabilities</i>				
Due to subsidiaries	-	-	5,477	5,697
Trade and other payables (current)				
<i>Financial liabilities</i>				
Trade payables	6,739	3,613	282	267
Deposits received	1,081	1,076	537	537
Other payables	2,213	3,173	824	911
Accrued operating expenses	16,792	19,032	5,915	5,651
Due to subsidiaries	-	-	3,978	3,599
Due to associates	18	21	-	-
	26,843	26,915	11,536	10,965
<i>Non financial liabilities</i>				
Accruals for withholding tax	1,303	1,100	286	76
Deferred franchise fees	276	1,638	272	1,635
Deferred income	1,913	1,523	-	3
	3,492	4,261	558	1,714
	30,335	31,176	12,094	12,679
Total trade and other payables	30,335	31,176	17,571	18,376

Trade payables

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

Other payables

Other payables are non-interest bearing and have an average term of one month.

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

31 March 2007

(In Singapore dollars)

8. Trade and other payables (cont'd)

Related party payables

The amounts due to subsidiaries and associates are unsecured, interest-free and repayable on demand except for the amount of \$5,477,000 (2006 : \$5,697,000) due to subsidiaries which is not expected to be repaid within the next 12 months. These amounts are expected to be settled in cash.

Trade and other payables were denominated in the following currencies at the balance sheet date :

	Group		Company	
	2007 \$'000	2006 \$'000	2007 \$'000	2006 \$'000
Singapore Dollars	20,384	17,161	14,442	13,601
United States Dollars	204	1,455	170	1,414
Australian Dollars	406	1,593	–	38
British Pounds	5,364	4,014	2,881	3,228
Hong Kong Dollars	822	1,265	2	10
Malaysian Ringgit	2,810	5,258	75	85
Indonesian Rupiah	249	263	–	–
Others	96	167	1	–
	30,335	31,176	17,571	18,376

9. Interest-bearing loans and borrowings

	Effective interest rates %	Maturities	Group		Company	
			2007 \$'000	2006 \$'000	2007 \$'000	2006 \$'000
Current						
Obligations under finance lease (secured)	2.8	2006	2	46	-	40
<i>Bank loans:</i>						
Bank loan (in Malaysian Ringgit) (secured)	8.0	2006	-	204	-	-
			2	250	-	40
Non-current						
Obligations under finance lease (secured)	2.8	2009	2	18	-	11
<i>Bank loans:</i>						
Bank loan (in Malaysian Ringgit) (secured)	8.0	2011	-	586	-	-
			2	604	-	11

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

31 March 2007

(In Singapore dollars)

9. Interest-bearing loans and borrowings (cont'd)*Obligations under finance lease*

Lease terms range from 1 to 5 years with options to purchase at the end of the lease term.

Malaysian Ringgit bank loan

The Malaysian Ringgit bank loan carried an interest rate of 2% per annum above the bank's base lending rate. The loan was fully repaid during the year.

10. Income tax

(a) Major components of income tax expense

The major components of income tax expense for the year ended 31 March 2007 and 2006 are :

	Group	
	2007	2006
	\$'000	\$'000
Current income tax		
- current year	131	35
- over-provision in respect of prior years	(207)	(246)
Deferred tax		
- current year	(24)	22
Foreign withholding tax	164	106
Income tax expense/(credit) recognised in the profit and loss account	64	(83)

(b) Relationship between tax expense and loss before taxation

A reconciliation between tax expense and the product of loss before taxation multiplied by the applicable corporate tax rates for the years ended 31 March 2007 and 2006 are as follows :

	Group	
	2007	2006
	\$'000	\$'000
Loss before taxation	(5,751)	(22,901)
Tax at the applicable tax rate of 18% (2006: 20%)	(1,035)	(4,580)
Adjustments :		
Different tax rates in other countries	11	(994)
Income not subject to taxation	(417)	(1,748)
Non-deductible expenses	841	2,828
Deferred tax benefit not recognised	713	4,427
Over provision in respect of previous years	(207)	(246)
Foreign withholding tax	164	106
Others	(6)	124
Income tax expense/(credit) recognised in the profit and loss account	64	(83)

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

31 March 2007

(In Singapore dollars)

10. Income tax (cont'd)

(c) Deferred income tax

Deferred tax assets relate to the following:

	Group		Company	
	2007 \$'000	2006 \$'000	2007 \$'000	2006 \$'000
Excess of depreciation over capital allowances	128	233	-	-
Other deductible temporary differences	76	74	-	-
	204	307	-	-

Deferred tax liabilities relate to the following:

	Group		Company	
	2007 \$'000	2006 \$'000	2007 \$'000	2006 \$'000
Accelerated depreciation for tax purposes	-	138	-	-
Other temporary differences	-	(2)	-	-
	-	136	-	-

The statutory income tax rate applicable to the Company was reduced to 18% for Year of Assessment 2008 from 20% for Year of Assessment 2007.

The Group has deductible temporary differences and unutilised tax losses of approximately \$2,577,000 (2006: \$3,663,000) and \$39,436,000 (2006: \$34,389,000) respectively, for which no deferred tax asset is recognised due to uncertainty of its recoverability. The use 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.

11. Share capital

	Group and Company			
	2007		2006	
	No. of shares '000	\$'000	No. of shares '000	\$'000
Issued and fully paid :				
At 1 April	784,000	61,469	392,000	19,600
Issued during the year	52,173	2,608	392,000	19,127
Transfer of share premium reserve to share capital	-	-	-	22,742
Expenses on issuance of ordinary shares	-	(12)	-	-
At 31 March	836,173	64,065	784,000	61,469

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

31 March 2007

(In Singapore dollars)

11. Share capital (cont'd)

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 restriction.

During the year, the Company issued 52,173,375 ordinary shares upon the exercise of 52,173,375 warrants at the exercise price of \$0.05 per share.

During the year, the Company granted 8,160,000 options under the employee share option scheme at an exercise price of \$0.055 per share.

As at 31 March 2007, the outstanding warrants and options are :

- 143,826,451 (2006 : 195,999,826) warrants at the exercise price of \$0.05 each expiring on 8 January 2011 ("Warrants 2005");
- 91,414,352 (2006 : 91,414,352) warrants at the exercise price of \$0.22 each expiring on 30 September 2009 ("Warrants 2004"); and
- 9,956,244 (2006 : 4,786,733) share options at the exercise price ranging from \$0.05 to \$1.33 per share. Please see note 14 for details.

12. Reserves

The nature of the reserves are :

Foreign currency translation reserve

The foreign currency translation reserve records exchange differences arising from the translation of the financial statement of foreign operations whose functional currencies are different from that of the Group's presentation currency.

Employee share option reserve

Employee share option reserve represents the value of equity-settled share options granted to employees. The reserve represents the cumulative value of services received from employees recorded since grant date of equity-settled share options.

13. Operating revenue

	Group	
	2007	2006
	\$'000	\$'000
Training and education course fees	49,329	53,289
Franchise operations and service income	1,021	3,151
Rental income	121	584
	50,471	57,024

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

31 March 2007

(In Singapore dollars)

14. Employee benefits

	Group	
	2007	2006
	\$'000	\$'000
Employee benefits expense (including key management personnel):		
- salaries and bonuses	22,188	27,950
- defined contribution plan contributions	1,635	2,078
- employee share option expense	192	282
	24,015	30,310

Employee share option plan

The Company has an employee share option scheme, Informatics Group Share Option Scheme (the "Scheme"), for granting of non-transferable options to eligible employees and Directors of the Group.

The Scheme is administered by the Remuneration and Strategic Human Resource Committee comprising the following members :

Prof Chew Soon Beng @ Teo Soon Beng - Chairman - Independent Director
 Mr Freddie Pang Hock Cheng - Non Executive Director
 Mr Ung Gim Sei - Independent Director
 Mr Valentine Philip Ortega - Chief Executive Officer

The subscription price in respect of which an option is exercisable shall be payable on the exercise of the option and may be at the market price based on the average of the last dealt price of the ordinary shares of the Company, as determined by the Committee, by reference to the daily Financial News published by the Stock Exchange for the three consecutive trading days immediately preceding the Date of Grant or at a discount of not more than 20% to the market price, provided always that the subscription price shall be at least \$0.05.

Options granted to and accepted by Participants in respect of an option granted with a subscription price at the market price will be exercisable after the first anniversary of the offer date of that option and before the fifth anniversary of such offer date. Options granted to and accepted by Participants in respect of an option granted with a subscription price at a discount to the market price will only be exercisable after the second anniversary of the offer date of that option and before the fifth anniversary of such offer date.

There are no cash settlement alternatives in the Scheme.

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

31 March 2007

(In Singapore dollars)

14. Employee benefits (cont'd)

The following table summarises the number and weighted average exercise prices of share options.

	No. of options in financial year ^① 2007	Weighted average exercise price in financial year 2007 \$	No. of options in financial year ^① 2006	Weighted average exercise price in financial year 2006 \$
Outstanding at beginning of year	4,786,733	0.552	13,510,000	0.834
Granted ^② / adjusted ^③ during the year	8,160,000	0.055	920,771	0.576
Forfeited during the year	(2,219,201)	0.178	(6,983,038)	0.984
Expired during the year	(771,288)	0.935	(2,661,000)	0.858
Outstanding at end of year	9,956,244	0.198	4,786,733	0.552
Exercisable at end of year	2,455,932	0.588	3,185,278	0.697

① Included within these balances are share options that are not required to be accounted for in accordance with FRS 102 - Share-based Payment as these share options were granted on or before 22 November 2002.

② The weighted average fair value of share options granted during the year was \$0.034 (2006: nil).

③ The number and exercise price of outstanding share options were adjusted as a result of rights issue undertaken by the Company in December 2005.

Details of outstanding share options as at 31 March 2007 are as follows :

Offer date	Period during which options are exercisable	Exercise price \$	Number of outstanding options to subscribe for ordinary shares
31.05.2002	01.06.2003 to 30.05.2007	1.325	720,823
21.08.2002	22.08.2003 to 21.08.2007	1.210	30,172
28.12.2004	29.12.2005 to 28.12.2009	0.265	2,273,249
31.03.2006	01.04.2007 to 31.03.2011	0.055	6,932,000
			9,956,244

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

31 March 2007

(In Singapore dollars)

14. Employee benefits (cont'd)

The fair value of share options as at the date of grant is estimated using a binomial model, taking into account the terms and conditions upon which the options were granted. The inputs to the model used for the years ended 31 March 2007 and 2006 are shown below :

	2007	2006
Dividend yield (%)	-	-
Expected volatility (%)	84.00 - 92.00	78.00
Historical volatility (%)	84.00 - 92.00	78.00
Risk-free interest rate (%)	3.11 - 3.14	2.375
Expected life of options (years)	3.20 - 4.00	4.00
Weighted average share price (\$)	0.055	0.330

The expected life of the options is based on historical data and is not necessarily indicative of exercise patterns that may occur. The expected volatility reflects the assumption that the historical volatility is indicative of future trends, which may also not necessarily be the actual outcome. No other features of the option grant were incorporated into measurement of fair value.

15. Other operating expenses

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

	Group	
	2007 \$'000	2006 \$'000
Amortisation of intangible assets (Note 4)	38	363
Gain on disposals of property, plant and equipment	(360)	(599)
Impairment of investments in associates (Note 6)	129	197
Allowance for doubtful receivable (Note 7)	992	1,457
Operating lease expenses	5,156	6,406
Foreign exchange losses	778	129
Allowance for doubtful receivable in relation to joint venture in China	-	4,694
Gain on disposal of a business	-	(213)
Loss on disposal of investment in a subsidiary	-	215
Loss on disposal of investment in an associate	-	41
Impairment of property, plant and equipment (Note 3)	-	1,062
Non-audit fees to auditors of the Company	-	41

16. Interest expense/income

	Group	
	2007 \$'000	2006 \$'000
Interest expense		
- interest-bearing loans and borrowings	(290)	(123)
Interest income		
- cash and short-term deposits	490	187

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

31 March 2007

(In Singapore dollars)

17. Exceptional items

	Group	
	2007	2006
	\$'000	\$'000
Gain on disposal of educational investment in the United States of America	-	770

On 2 April 2005, Informatics Inc, a wholly owned subsidiary of the Company sold all its owned property, land and assets to Salem International University Inc and Salem International University LLC at the price of US\$500,000 (approximately \$830,000). The divestment was completed on 11 June 2005.

18. Loss per share

Basic loss per share amounts are calculated by dividing the loss for the year attributable to equity holders of the Company by the weighted average number of ordinary shares outstanding during the year.

Diluted loss per share amounts are calculated by dividing the loss for the year attributable to equity holders of the Company by the weighted average number of ordinary shares outstanding during the year plus the effects of all dilutive potential ordinary shares.

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

	Group	
	2007	2006
	\$'000	\$'000
Loss for the year attributable to equity holders of the Company	(5,815)	(22,818)

	Number of shares	
	2007	2006
	'000	'000
Weighted average number of ordinary shares*	918,170	733,235
Warrants	16,416	44,228
Adjusted weighted average number of shares	934,586	777,463

* The weighted average number of shares outstanding during the year includes the additional number of shares arising from the rights issue which was completed in May 2007. The weighted average number of shares outstanding as at 31 March 2006 has also been adjusted accordingly.

9,956,244 (2006: 4,786,733) outstanding share options and 91,414,352 (2006: 91,414,352) warrants were excluded from the calculation of diluted loss per share because they are anti-dilutive for the current and previous financial years.

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

31 March 2007

(In Singapore dollars)

19. Cash and short-term deposits

	Group		Company	
	2007 \$'000	2006 \$'000	2007 \$'000	2006 \$'000
Cash at banks and in hand *	13,341	10,609	3,713	2,085
Short-term deposits **	6,077	7,409	5,728	7,101
	19,418	18,018	9,441	9,186

Cash at banks earns interest at floating rates based on daily bank deposit rates ranging from 0.063% to 1.063% (2006: 0.375% to 1.094%) per annum. Short-term deposits are made for varying periods between one to three months depending on the immediate cash requirements of the Group, and earn interest at the respective fixed deposit rates. The weighted average effective interest rate for short-term deposit is 2.91% (2006: 1.36%) per annum.

* A subsidiary company is required under Case Trust for Education Scheme in Singapore to open an escrow bank account where tuition fees paid by its international students are held in trust in this escrow account and disbursed by the bank to the subsidiary company according to a predetermined schedule. As at 31 March 2007, the Group has \$904,229 (2006: \$1,360,000) in the escrow bank account.

** Short-term deposits of \$1,050,000 (2006: \$1,050,000) is restricted in use as it is held by a bank as collateral for the issue of a banker's guarantee on behalf of the Company.

Cash and short-term deposits were denominated in the following currencies at the balance sheet date :

	Group		Company	
	2007 \$'000	2006 \$'000	2007 \$'000	2006 \$'000
Singapore Dollars	9,036	11,124	7,161	8,597
Australian Dollars	139	253	7	7
British Pounds	4,767	3,734	826	449
Malaysia Ringgit	681	249	-	-
Hong Kong Dollars	2,559	1,897	-	-
United States Dollars	1,997	529	1,447	133
Sri Lanka Rupee	236	208	-	-
Chinese Renminbi	3	24	-	-
	19,418	18,018	9,441	9,186

Cash and cash equivalents included in the consolidated statement of cash flow comprise :

	Group	
	2007 \$'000	2006 \$'000
Cash at banks and in hand (excludes cash held in escrow accounts)	12,437	9,249
Short-term deposits (excludes deposits restricted in use)	5,027	6,359
	17,464	15,608

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

31 March 2007

(In Singapore dollars)

20. 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 who are not members of the Group took place during the year at terms agreed between the parties:

	Group	
	2007 \$'000	2006 \$'000
Training and education income from associates	270	195
Franchise operations and service income from associates	405	366

(b) Compensation of key management personnel

	Group	
	2007 \$'000	2006 \$'000
Short-term employee benefits	2,774	3,220
Share-based payment	115	125
Defined contribution plan contributions	77	147
Total compensation paid to key management personnel	2,966	3,492
Comprise amounts paid to :		
- Directors of the Company	987	1,152
- Other key management personnel	1,979	2,340
	2,966	3,492

	Group and Company	
	2007 No. of options	2006 No. of options
Aggregate number of share options granted to / adjusted for Directors and key management personnel during the year	3,670,000	458,672
Outstanding number of share options granted to Directors and key management personnel at year end	5,313,785	2,675,672

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

31 March 2007

(In Singapore dollars)

21. Commitments and contingencies**(a) Commitments**

Amount contracted for as at balance sheet date but not recognised in the financial statements is as follows:

	Group		Company	
	2007 \$'000	2006 \$'000	2007 \$'000	2006 \$'000
Commitments in respect of training aids				
- not later than one year	3,357	737	3,357	737
- later than one year but not later than five years	14,051	18,589	14,051	18,589
	17,408	19,326	17,408	19,326

(b) Operating lease commitments

The Group and Company have entered into commercial leases for the use of equipment, offices and other facilities. Most leases contain renewable options. Some of the leases contain escalation clauses and provide for contingent rentals based on percentages of sales derived from assets held under operating leases. Lease terms do not contain restriction on the Group's activities concerning dividends, additional debt or further leasing.

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

	Group		Company	
	2007 \$'000	2006 \$'000	2007 \$'000	2006 \$'000
Not later than one year	3,051	4,100	11	19
Later than one year but not later than five years	4,266	6,804	1	3
Later than five years	178	169	-	-
	7,495	11,073	12	22

(c) Finance lease commitments

Future minimum lease payments together with the present value of the net minimum lease payments are as follows:

	2007		2006	
	Minimum payments \$'000	Present value of payments \$'000	Minimum payments \$'000	Present value of payments \$'000
Group				
Not later than one year	2	2	49	46
Later than one year but not later than five years	3	2	20	18
Total minimum lease payments	5	4	69	64
Less: Amounts representing finance charges	(1)	-	(5)	-
Present value of minimum lease payments	4	4	64	64

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

31 March 2007

[In Singapore dollars]

21. Commitments and contingencies (cont'd)

(c) Finance lease commitments (cont'd)

	2007		2006	
	Minimum payments \$'000	Present value of payments \$'000	Minimum payments \$'000	Present value of payments \$'000
Company				
Not later than one year	-	-	42	40
Later than one year but not later than five years	-	-	12	11
Total minimum lease payments	-	-	54	51
Less: Amounts representing finance charges	-	-	(3)	-
Present value of minimum lease payments	-	-	51	51

(d) Contingent liabilities

	Group		Company	
	2007 \$'000	2006 \$'000	2007 \$'000	2006 \$'000
<i>Corporate guarantees</i>				
Corporate guarantees issued to financial institutions for credit facilities granted to subsidiaries	-	-	1,140	2,857

The Company has undertaken to provide continuing financial support to certain subsidiaries to enable them to operate as going concerns for at least 12 months from the date of their financial statements.

Legal claims

Legal suits amounting to approximately RM5,851,137 (2006 : RM5,851,137) have been filed against the Company by franchisees for alleged non-fulfilment of the terms of sub-franchise agreements by the Company. In the opinion of the Directors, supported by legal advice, the alleged claims made are unsubstantiated, and accordingly no provision has been made in the financial statements in respect thereof.

A subsidiary in the United Kingdom, Informatics Group (UK) Limited ("IGUK"), is placed under liquidation since October 2003. The Company has received letters dated 7 March 2007 from lawyers acting on behalf of the joint liquidators of IGUK seeking contributions up to GBP1.8 million (approximately \$5.4 million) against a Letter of Comfort which was issued by the Company in the Year 2003 to Informatics Group (Europe) Limited, the intermediate holding company of IGUK. The Company is refuting the claim made by the joint liquidators. The Company has been advised by its legal advisers that the legal liability under the Letter of Comfort is uncertain as at the balance sheet date. If the liquidators are successful in their claim, this could have an adverse effect on the financial performance and position of the Company and Group.

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

31 March 2007

(In Singapore dollars)

22. Segment information**Reporting format**

The primary segment reporting format is determined to be business segments as the Group's risks and rates of return are affected predominantly by differences in the products and services produced. Secondary information is reported geographically. The operating businesses 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.

Business segments

The Global Higher Education segment offers Diploma, Advanced Diploma, Degree, Masters and Doctorate qualifications in a range of business, engineering and technological subjects, to college going students and life long learners.

The Informatics Professional Skills Development segment provides training and skills upgrading and enhancement to the general workforce, in both technical and non-technical areas.

The e-Learning segment offers courses through online virtual campus platform for e-learners.

Geographical segments

The Group's geographical segments are based on the location of the Group's assets. Sales to external customers disclosed in geographical segments are based on the geographical location of its customers.

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 corporate assets, income tax and deferred tax assets and liabilities, interest-bearing loans and related expenses.

(a) Business segments

- (i) The following table presents revenue and results information regarding the Group's business segments for the years ended 31 March 2007 and 2006.

	Global Higher Education		Informatics Professional Skills Development		e-Learning		Others		Total	
	2007	2006	2007	2006	2007	2006	2007	2006	2007	2006
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Revenue:										
Sales to external customers	41,242	44,136	6,363	8,221	2,859	4,157	7	510	50,471	57,024
Results:										
Segment results	(4,469)	(20,675)	(721)	(1,681)	(468)	(399)	337	561	(5,321)	(22,194)
Unallocated expenses									(135)	(318)
Finance costs									(290)	(123)
Share of results of associates	(5)	(266)	-	-	-	-	-	-	(5)	(266)
Loss before tax									(5,751)	(22,901)
Tax (expense) / credit									(64)	83
Loss for the year									(5,815)	(22,818)

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

31 March 2007

(In Singapore dollars)

22. Segment information (cont'd)

(a) Business segments (cont'd)

(ii) The following table presents assets, liabilities and other segment information regarding the Group's business segments for the years ended 31 March 2007 and 2006.

	Global Higher Education		Informatics Professional Skills Development		e-Learning		Others		Total	
	2007 \$'000	2006 \$'000	2007 \$'000	2006 \$'000	2007 \$'000	2006 \$'000	2007 \$'000	2006 \$'000	2007 \$'000	2006 \$'000
Assets and liabilities:										
Segment assets	25,836	28,923	3,986	5,388	1,225	1,274	566	-	31,613	35,585
Investments in associates	-	134	-	-	-	-	-	-	-	134
Unallocated assets									204	307
Total assets									31,817	36,026
Segment liabilities	35,455	34,618	5,470	6,448	8,334	8,334	-	-	49,259	49,400
Unallocated liabilities									222	1,398
Total liabilities									49,481	50,798
Other segment information:										
Capital expenditure	1,829	1,946	282	363	40	32	-	-	2,151	2,341
Depreciation of property, plant and equipment and amortisation	2,307	2,933	356	546	18	13	23	86	2,704	3,578
Allowance for doubtful receivables	964	5,792	149	546	8	10	-	-	1,121	6,348
Other non-cash income	(141)	(711)	(22)	(67)	-	-	-	-	(163)	(778)

(b) Geographical segments

The following table presents revenue, capital expenditure and certain assets information regarding the Group's geographical segments for the years ended 31 March 2007 and 2006.

	Singapore		Malaysia		Hong Kong		United Kingdom		Others		Total	
	2007 \$'000	2006 \$'000	2007 \$'000	2006 \$'000	2007 \$'000	2006 \$'000	2007 \$'000	2006 \$'000	2007 \$'000	2006 \$'000	2007 \$'000	2006 \$'000
Revenue:												
Sales to external customers	18,345	16,922	5,451	9,958	10,644	9,779	13,777	15,113	2,254	5,252	50,471	57,024

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

31 March 2007

(In Singapore dollars)

22. Segment information (cont'd)

(b) Geographical segments (cont'd)

	Singapore		Malaysia		Hong Kong		United Kingdom		Others		Total	
	2007 \$'000	2006 \$'000	2007 \$'000	2006 \$'000	2007 \$'000	2006 \$'000	2007 \$'000	2006 \$'000	2007 \$'000	2006 \$'000	2007 \$'000	2006 \$'000
<i>Other segment information:</i>												
Segment assets	5,893	6,747	2,988	5,752	4,135	3,874	5,752	4,736	13,049	14,783	31,817	35,892
Investments in associates	-	-	-	-	-	-	-	-	-	134	-	134
Total assets											31,817	36,026
Capital expenditure	1,074	1,087	192	100	459	683	239	167	187	304	2,151	2,341

23. Financial risk management objectives and policies

The Group's principal financial instruments comprise cash and short-term deposits, receivables and payables which arise directly from its operations.

The main risks arising from the Group's financial instruments are interest rate risk, liquidity risk, foreign currency risk and credit risk. These are summarised below.

(a) Interest rate risk

It is the Group's policy to minimise exposure to interest rate fluctuations by obtaining minimal financing through bank borrowings and leasing arrangements. Surplus funds are placed with reputable banks and financial institutions which generate interest income for the Group.

(b) Liquidity risk

Funding is generally obtained from internal resources of the Group. In the management of liquidity risk, the Group monitors and maintains a level of cash and cash equivalents deemed adequate by the management to finance the Group's operations and mitigate the effects of fluctuation in cash flows.

(c) Foreign currency risk

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 derivative contracts.

The Group is primarily exposed to fluctuations of exchange rates in United States dollars, Australian dollars, Malaysian ringgit and British pound arising from services received from overseas service providers. The Group reviews foreign currency monetary assets and liabilities regularly to ensure that net exposure is kept at an acceptable level.

(d) Credit risk

The carrying amount of cash and cash equivalents, trade receivables and other receivables represent the Group's maximum exposure to credit risk in relation to financial assets. No other financial assets carry a significant exposure to credit risk. Exposure to credit risk is monitored on an ongoing basis.

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

31 March 2007

(In Singapore dollars)

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

(e) Fair values

The fair value of a financial instrument is the amount at which the instrument could be exchanged or settled between knowledgeable and willing parties in an arm's length transaction, other than in a forced or liquidation sale.

Financial instruments whose carrying amount approximate fair value

Management has determined that the carrying amounts of cash and short-term deposits, current trade and other receivables and current trade and other payables based on their notional amounts, reasonably approximate their fair values because these are mostly short-term in nature or are repriced frequently.

Financial instruments carried at other than fair value

Set out below is a comparison by category of carrying amounts and fair values of all the Group and Company's financial instruments that are carried in the financial statements at other than fair values as at 31 March.

	Carrying amount		Fair value	
	2007 \$'000	2006 \$'000	2007 \$'000	2006 \$'000
Group				
Financial liabilities:				
Obligations under finance leases	2	64	2	62
Bank loans, non-current	-	586	-	468
Company				
Financial liabilities:				
Obligations under finance leases	-	51	-	50

It is not practical to determine the fair value of non-current balances due to subsidiaries because the timing of the expected cash flows cannot be reasonably determined as there are no fixed repayment terms.

24. Subsequent events

Rights Issue Exercise

Subsequent to the year end, the Company undertook a rights issue ("Rights Issue") on the basis of one new share for every two existing shares (as defined in the Offer Information Statement dated 18 April 2007), which resulted in the issuance of 418,369,021 new shares at an issue price of \$0.04 per share. The Rights Issue raised a total gross proceeds of approximately \$16.7 million for working capital and other purposes. Arising from the Rights Issue, adjustments have been made to the number and exercise price of outstanding warrants and share options as provided for in their respective deed polls and option scheme.

Capital Reduction Exercise

On 29 March 2007, the shareholders approved the reduction of share capital by \$60,469,000 through the cancellation of the paid-up capital of the Company. The resulting credit arising from the cancellation of the capital has been applied to reduce the accumulated losses of the Company by the same amount. The capital reduction exercise was completed on 11 May 2007.

Share Option

On 19 May 2007, the Company offered 9,930,000 options under Informatics Group Share Option Scheme at an exercise price of \$0.058 per share.

25. Authorisation of financial statements for issue

The financial statements for the year ended 31 March 2007 were authorised for issue in accordance with a resolution of the directors on 29 June 2007.

ADDITIONAL INFORMATION

1. Portfolio of properties

Address	Area	Purpose	Lease / Freehold
Informatics Computer Education Sdn Bhd			
491 Plaza Melaka Jalan Hang Tuah 75300 Melaka, Malaysia	715 sq m	3½ storey shop lot for rental and for computer training centre	Freehold
Informatics Education Malaysia Sdn Bhd			
443 & 444, Jalan Tun Dr Ismail 70200 Seremban, Negeri Sembilan, Malaysia	882 sq m	2 units of 3-storey shophouses for office-cum-operator training school	Lease 19/4/1989 to 18/4/2088
131 Taman Pekan Baru SP Bandar Sungai Petani Daerah Kuala Muda, Kedah Malaysia	455 sq m	3½ storey shophouse for office-cum-computer training school	Lease 1992 to 2019

2. Status on the Use of Rights Issue Proceeds

In May 2007, the Company completed a rights issue which raised a total gross proceeds of approximately \$16.7 million for working capital and other purposes. As at the date of this report, issuance expenses amounting to \$0.3 million relating to the rights issue has been utilized.

3. Proforma Balance Sheet

Below is the Proforma Balance Sheets assuming the rights issues exercise (with net proceeds of approximately \$16.4 million as at date of the report) and share capital reduction exercise as disclosed in Note 24 of the Financial Statement were completed as at 31 March 2007:

	After		Before	
	Group \$'000	Company \$'000	Group \$'000	Company \$'000
Non-current assets	4,165	3,235	4,165	3,235
Current assets				
Trade and other receivables	7,391	6,454	7,391	6,454
Cash and short-term deposits	35,818	25,841	19,418	9,441
	43,209	32,295	26,809	15,895
Current liabilities				
Fees received in advance	18,081	-	18,081	-
Trade and other payables	30,335	12,094	30,335	12,094
Interest-bearing loans and borrowings	2	-	2	-
Income tax payables	218	-	218	-
	48,636	12,094	48,636	12,094
Net current (liabilities)/assets	(5,427)	20,201	(21,827)	3,801
Non-current liabilities	(2)	(5,477)	(2)	(5,477)
Total net (liabilities)/assets	(1,264)	17,959	(17,664)	1,559
Share capital	19,996	19,996	64,065	64,065
Reserves	(21,260)	(2,037)	(81,729)	(62,506)
Total (deficit of equity)/equity	(1,264)	17,959	(17,664)	1,559

SHAREHOLDING STATISTICS

SHAREHOLDING STATISTICS AS AT 20 JUNE 2007

Issued and Paid Up Capital	:	S\$20,374,025.34
Class of Shares	:	Ordinary Share
Voting Rights	:	One Vote Per Share

ANALYSIS OF SHAREHOLDINGS

Range of Shareholdings	Number Of Shareholders	%	Number Of Shares	%
1 - 999	23	0.42	8,299	0.00
1,000 - 10,000	1,703	31.25	8,996,093	0.72
10,001 - 1,000,000	3,650	66.99	396,183,069	31.56
1,000,001 and Above	73	1.34	849,919,603	67.72
	5,449	100.00	1,255,107,064	100.00

MAJOR SHAREHOLDERS LIST - TOP 20 AS AT 20 JUNE 2007

No.	Name	Number Of Share Held	%
1	CIMB-GK SECURITIES PTE. LTD.	421,226,837	33.56
2	WONG TAI	61,265,304	4.88
3	CITIBANK NOMINEES S'PORE PTE LTD	60,546,300	4.82
4	UNITED OVERSEAS BANK NOMINEES PTE LTD	25,410,875	2.02
5	DBS NOMINEES PTE LTD	23,853,428	1.90
6	OCBC SECURITIES PRIVATE LTD	20,684,250	1.65
7	CHEAH HON KUEN	19,825,616	1.58
8	RAFFLES NOMINEES PTE LTD	17,020,000	1.36
9	CHEONG SENG PEOW PETER	15,108,000	1.20
10	ONG BOON KHENG	11,653,500	0.93
11	OCBC NOMINEES SINGAPORE PTE LTD	11,134,250	0.89
12	PHILLIP SECURITIES PTE LTD	10,426,372	0.83
13	DBS VICKERS SECURITIES (S) PTE LTD	10,206,500	0.81
14	HSBC (SINGAPORE) NOMINEES PTE LTD	9,948,500	0.79
15	NG SWEE OON	8,600,000	0.69
16	MANNA INVESTMENTS PTE LTD	6,375,000	0.51
17	HO SING MING	5,587,500	0.44
18	LAU KAU CHIN	5,484,000	0.44
19	YAP SWEE LUM @ SEW BEE LAM	5,100,000	0.41
20	KIM ENG SECURITIES PTE. LTD.	4,153,000	0.33
		753,609,232	60.04

WARRANTHOLDINGS STATISTICS

WARRANTHOLDINGS STATISTICS FOR WARRANT 2009 AS AT 20 JUNE 2007

Each Warrant 2009 carries the rights to subscribe for one new ordinary share at an exercise price of S\$0.20.

ANALYSIS OF WARRANTHOLDINGS FOR WARRANT 2009

Range of Warrantholdings	Number Of Warrants Holders		Number Of Warrants	
		%		%
1 - 999	90	6.32	44,115	0.04
1,000 - 10,000	832	58.43	3,239,682	3.09
10,001 - 1,000,000	491	34.48	47,757,465	45.55
1,000,001 and Above	11	0.77	53,815,592	51.32
	1,424	100.00	104,856,854	100.00

MAJOR WARRANTHOLDERS LIST FOR WARRANT 2009 - TOP 20 AS AT 20 JUNE 2007

No.	Name	Number Of Warrant Held	%
1	CIMB-GK SECURITIES PTE. LTD.	30,478,352	29.07
2	PHILLIP SECURITIES PTE LTD	9,336,440	8.90
3	TAN SOO EE	3,188,376	3.04
4	CHAN CHIN SUN	1,802,000	1.72
5	LIM SAY PEAN	1,722,662	1.64
6	MANNA INVESTMENTS PTE LTD	1,671,838	1.59
7	OCBC SECURITIES PRIVATE LTD	1,300,101	1.24
8	CHEE FOONG MUN	1,154,237	1.10
9	TELEINFO TECHNOLOGY & SERVICES PTE LTD	1,091,375	1.04
10	LOH CHUIN SEONG	1,069,976	1.02
11	TEO KENG HIAN	1,000,235	0.95
12	SOH HOCK POH	940,241	0.90
13	CHIA CHEE KONG	936,229	0.89
14	LIM GNEE KIANG	886,497	0.85
15	DANIEL YONG HOCK DIH	869,355	0.83
16	ONG ZEE LONG	777,070	0.74
17	GOH HOON HOE	762,358	0.73
18	FOO KEAH SIEN	668,735	0.64
19	NG TOONG SENG	668,735	0.64
20	THAM WAN LOONG JEROME	631,799	0.60
		60,956,611	58.13

WARRANTHOLDINGS STATISTICS (cont'd)

WARRANTHOLDINGS STATISTICS FOR WARRANT 2011 AS AT 20 JUNE 2007

Each Warrant 2011 carries the rights to subscribe for one new ordinary share at an exercise price of S\$0.05.

ANALYSIS OF WARRANTHOLDINGS FOR WARRANT 2011

Range of Warrantholdings	Number Of Warrants Holders	%	Number Of Warrants	%
1 - 999	96	8.05	29,315	0.02
1,000 - 10,000	390	32.72	1,873,549	1.13
10,001 - 1,000,000	679	56.96	51,869,291	31.44
1,000,001 AND ABOVE	27	2.27	111,203,994	67.41
	1,192	100.00	164,976,149	100.00

MAJOR WARRANTHOLDERS LIST FOR WARRANT 2011 - TOP 20 AS AT 20 JUNE 2007

No.	Name	Number Of Warrant Held	%
1	PHILLIP SECURITIES PTE LTD	19,571,789	11.86
2	CITIBANK NOMINEES S'PORE PTE LTD	11,965,117	7.25
3	HSBC (SINGAPORE) NOMINEES PTE LTD	11,785,294	7.14
4	OCBC SECURITIES PRIVATE LTD	9,772,926	5.92
5	CIMB-GK SECURITIES PTE. LTD.	8,041,884	4.88
6	NG SWEE OON	4,563,000	2.77
7	GAN EE BOON	4,157,352	2.52
8	ANG LAY TEE	3,863,294	2.34
9	BNP PARIBAS NOMINEES S'PORE PTE LTD	3,441,176	2.09
10	ONG BOON KHENG	3,246,777	1.97
11	LEE PUAY KENG	2,974,000	1.80
12	LIM KOK YONG	2,965,147	1.80
13	UNITED OVERSEAS BANK NOMINEES PTE LTD	2,959,303	1.79
14	TAN KOK TEE TONY	2,821,764	1.71
15	LIM SAY PEAN	2,007,352	1.22
16	VAN WIERINGEN BRION JUDE	1,949,999	1.18
17	TAN SENG KOK @ TAN SENG KUO	1,720,588	1.04
18	KOH CHEOH LIANG VINCENT	1,717,647	1.04
19	MANNA INVESTMENTS PTE LTD	1,692,485	1.03
20	DBS NOMINEES PTE LTD	1,667,092	1.01
		102,883,986	62.36

SUBSTANTIAL SHAREHOLDERS

SUBSTANTIAL SHAREHOLDERS AS AT 20 JUNE 2007

(AS SHOWN IN THE REGISTER OF SUBSTANTIAL SHAREHOLDERS)

		Direct Interest		Deemed Interest	
		No. of Shares	%	No. of Shares	%
1.	Berjaya Leisure Capital (Caymen) Limited	391,270,312	31.17%	-	-
2.	Tan Sri Dato' Seri Vincent Tan Chee Yioun	-	-	420,074,062*	33.47%
3.	Berjaya Corporation Berhad	-	-	420,074,062*	33.47%
4.	Berjaya Group Berhad	-	-	420,074,062*	33.47%
5.	Hotel Resort Enterprise Sdn Bhd	-	-	420,074,062*	33.47%
6.	Berjaya Land Berhad	-	-	391,270,312**	31.17%
7.	Teras Mewah Sdn Bhd	-	-	391,270,312**	31.17%

Notes :

- * Deemed to be interested in the shares held by Berjaya Leisure Capital (Caymen) Limited, Berjaya Sompo Insurance Berhad (formerly known as Berjaya General Insurance Berhad) and Rantau Embun Sdn Bhd by virtue of Section 7 of the Companies Act, Cap. 50.
- ** Deemed to be interested in the shares held by Berjaya Leisure Capital (Caymen) Limited by virtue of Section 7 of the Companies Act, Cap. 50.

SHAREHOLDINGS IN THE HANDS OF PUBLIC AS AT 20 JUNE 2007

Based on the information provided, to the best knowledge of the Directors and the substantial shareholders of the Company, approximately 66.41% of the issued share capital of the Company was held in the hands of the public as at 20 June 2007. Accordingly, Rule 723 of the Listing Manual of Singapore Exchange Securities Trading Limited has been complied with.

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Twenty-Fourth Annual General Meeting of Informatics Education Ltd. (the "Company") will be held at Informatics Campus, 12 Science Centre Road, Singapore 609080 on Monday, 30 July 2007 at 1.30 p.m. to transact the following business:

As Ordinary Business

1. To receive and adopt the Audited Financial Statements for the year ended 31 March 2007 together with the Reports of the Directors and Auditors. **(Resolution 1)**
2. To approve the payment of Directors' Fees of S\$165,000 for the year ended 31 March 2007 (2006: S\$123,750). **(Resolution 2)**
3. To re-elect Mr Freddie Pang Hock Cheng who is retiring pursuant to Article 71 of the Company's Articles of Association [see Explanatory Note (a)]. **(Resolution 3)**
4. To record the retirement of Dato' Mohd Annuar Bin Zaini under Article 71 of the Company's Articles of Association. Dato' Mohd Annuar Bin Zaini has decided not to seek re-election.
5. To re-elect Tan Sri Datuk Seri Panglima Dr. Abu Hassan Bin Othman who is retiring pursuant to Article 75 of the Company's Articles of Association [see Explanatory Note (b)]. **(Resolution 4)**
6. To re-appoint Messrs Ernst & Young as Auditors of the Company and to authorise the Directors to fix their remuneration. **(Resolution 5)**
7. To transact any other business that may be transacted at an Annual General Meeting of which due notice shall have been given.

As Special Business

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

8. General Mandate to Directors to issue Shares

That pursuant to Section 161 of the Companies Act, Cap. 50 and the listing rules of the Singapore Exchange Securities Trading Limited (the "Listing Rules"), authority be and is hereby given to the Directors of the Company to allot and issue:

- (a) shares; or
- (b) convertible securities; or
- (c) additional convertible securities issued pursuant to Rule 829 of the Listing Rules; or
- (d) shares arising from the conversion of securities in (b) and (c) above,

in the Company (whether by way of rights, bonus or otherwise) at any time to such persons and upon such terms and conditions and for such purposes as the Directors may in their absolute discretion deem fit, provided that:

- (i) the aggregate number of shares and convertible securities to be allocated and issued pursuant to this resolution must be not more than 50% of the issued share capital of the Company (calculated in accordance with (ii)), of which the aggregate number of shares and convertible securities issued other than on a pro rata basis to existing shareholders must be not more than 20% of the issued share capital of the Company (calculated in accordance with (ii)); and
- (ii) for the purpose of determining the number of shares and convertible securities that may be issued pursuant to (i), the percentage of issued share capital shall be calculated based on the Company's issued share capital at the time of the passing of this resolution after adjusting for (a) new shares arising from the conversion or exercise of convertible securities; (b) new shares arising from exercising share options or vesting of share awards outstanding or subsisting at the time of the passing of this resolution and (c) any subsequent consolidation or subdivision of shares.

NOTICE OF ANNUAL GENERAL MEETING (cont'd)

Unless revoked or varied by ordinary resolution of the shareholders of the Company in general meeting, this resolution shall remain 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 (c)]. **(Resolution 6)**

9. Mandate to Directors to issue Scheme Shares

That approval be and is hereby given to the Directors to: (a) offer and grant options in accordance with the provisions of The Informatics Group Share Option Scheme ("the Scheme"); and pursuant to Section 161 of the Companies Act, Cap. 50, to allot and issue from time to time such number of shares in the capital of the Company (the "Scheme Shares") as may be required to be issued pursuant to the exercise of the options that may be granted under the Scheme provided always that the number of the Scheme Shares available under the Scheme shall not exceed 15% of the issued share capital of the Company from time to time; the aggregate number of Scheme Shares available to Participants who are controlling shareholders of the Company and their associates shall not exceed 25% of the Scheme Shares available under the Scheme and the number of Scheme Shares available to each Participant who is controlling shareholder of the Company or his associates shall not exceed 10% of the Scheme Shares available under the Scheme [see Explanatory Note (d)]. **(Resolution 7)**

BY ORDER OF THE BOARD

Lim Swe Jian
Chew Man Lin
Secretaries

Singapore
13 July 2007

NOTICE OF ANNUAL GENERAL MEETING (cont'd)

Explanatory Notes:

- (a) Mr. Freddie Pang Hock Cheng will, upon re-election as a Director of the Company, remain a member of the Remuneration & Strategic Human Resource Committee, the Audit & Risk Management Committee and the Nominating Committee.
- (b) Tan Sri Datuk Seri Panglima Dr. Abu Hassan Bin Othman will, upon re-election as a Director of the Company, remain as Non-Executive Chairman of the Board.
- (c) Resolution No. 6, if passed, will empower the Directors from the date of the above Meeting until the date of the next Annual General Meeting, to allot and issue shares and convertible securities in the Company. The number of shares and convertible securities that the Directors may allot and issue under this Resolution would not exceed fifty percent. (50%) of the issued capital of the Company at the time of the passing of this resolution. For issue of shares and convertible securities other than on a pro rata basis to all shareholders, the aggregate number of shares and convertible securities to be issued shall not exceed twenty percent. (20%) of the issued capital of the Company. The percentage of issued capital is based on the Company's issued capital after adjusting for (a) new shares arising from the conversion of convertible securities or employee share options on issue at the time this proposed Ordinary Resolution is passed, and (b) any subsequent consolidation or subdivision of shares.
- (d) Resolution No. 7, if passed, will empower the Directors to offer and grant options and to issue ordinary shares in the capital of the Company pursuant to The Informatics Group Share Option Scheme (the "Scheme"). The grant of options under the Scheme will be made in accordance with their respective provisions. The aggregate number of ordinary shares which may be issued pursuant to the Scheme is limited to fifteen percent. (15%) of the issued ordinary share capital of the Company for the time being pursuant to the exercise of the options under the Scheme.

Notes:

- 1. A member entitled to attend and vote at a meeting of the Company is entitled to appoint not more than two proxies to attend and vote on his behalf. A proxy need not be a member of the Company.
- 2. If the appointor is a corporation, the instrument appointing a proxy must be executed under seal or the hand of its duly authorised officer or attorney.
- 3. An instrument of proxy must be deposited at the registered office of the Company at Informatics Campus, 12 Science Centre Road, Singapore 609080, not less than 48 hours before the time appointed for the holding of this Meeting or adjourned Meeting.

INFORMATICS EDUCATION LTD.

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

PROXY FORM

IMPORTANT:

1. For investors who have used their CPF monies to buy Informatics Education Ltd.'s shares, this Report is forwarded to them at the request of the CPF Approved Nominees and is sent solely FOR INFORMATION ONLY.
2. This Proxy Form is not valid for use by CPF investors and shall be ineffective for all intents and purposes if used or purported to be used by them.
3. CPF investors who wish to attend the Meeting as an observer must submit their requests through their CPF Approved Nominees within the time frame specified. If they also wish to vote, they must submit their voting instructions to the CPF Approved Nominees within the time frame specified to enable them to vote on their behalf.

I/We, _____

of _____

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, if necessary to demand a poll, at the Annual General Meeting of the Company to be held on Monday, 30 July 2007 at 1.30 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
1	Receive and adopt the Audited Financial Statements for the year ended 31 March 2007 together with the Reports of the Directors and Auditors		
2	Approval of Directors' fees		
3	Re-election of Mr Freddie Pang Hock Cheng as director		
4	Re-election of Tan Sri Datuk Seri Panglima Dr. Abu Hassan Bin Othman as director		
5	Re-appointment of Messrs Ernst & Young as Auditors and authorise Directors to fix their remuneration		
6	General Mandate to Directors to issue Shares		
7	Mandate to Directors to issue Scheme Shares		

Dated this _____ day of _____ 2007

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

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

[IMPORTANT: Please read notes overleaf]

Notes:

1. Please insert the total number of Shares held by you. If you have Shares entered against your name in the Depository Register (as defined in Section 130A of the Singapore Companies Act, Cap. 50), you should insert that number of Shares. If you have shares registered in your name in the Register of Members, you should insert that number of Shares. If you have Shares entered against your name in the Depository Register and Shares registered in your name in the Register of Members, you should insert the aggregate number of Shares entered against your name in the Depository Register and registered in your name in the Register of Members. If no number is inserted, the instrument appointing a proxy or proxies shall be deemed to relate to all the Shares held by you.
2. A member of the Company entitled to attend and vote at a meeting of the Company is entitled to appoint one or two proxies to attend and vote instead of him/her. A proxy need not be a member of the Company.
3. Where a member appoints two proxies, the appointments shall be invalid unless he/she specifies the proportion of his/her shareholding (expressed as a percentage of the whole) to be represented by each proxy.
4. The instrument appointing a proxy or proxies must be deposited at the registered office of the Company at Informatics Campus, 12 Science Centre Road, Singapore 609080, not less than forty-eight (48) hours before the time appointed for the Annual General Meeting.
5. The instrument appointing a proxy or proxies must be under the hand of the appointor or of his attorney duly authorised in writing. Where the instrument appointing a proxy or proxies is executed by a corporation, it must be executed either under its seal or under the hand of an officer or attorney duly authorised.
6. A corporation which is a member may authorise by resolution of its directors or other governing body such person as it thinks fit to act as its representative at the Annual General Meeting, in accordance with Section 179 of the Singapore Companies Act, Cap. 50.
7. The Company shall be entitled to reject the instrument appointing a proxy or proxies if it is incomplete, improperly completed or illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the instrument appointing a proxy or proxies. In addition, in the case of Shares entered in the Depository Register, the Company may reject any instrument appointing a proxy or proxies lodged if the members, being the appointor, is not shown to have shares entered against his name in the Depository Register as at forty-eight (48) hours before the time appointed for holding the Annual General Meeting, as certified by The Central Depository (Pte) Limited to the Company.

CORPORATE INFORMATION

BOARD OF DIRECTORS

Y.Bhg. Tan Sri Datuk Seri Panglima
Dr Abu Hassan Bin Othman (Chairman)

Mr Valentine Philip Ortega

Ms Cecilia Tong Chiu Fai

Mr Wong Wee Woon

Dato' Mohd Annuar Bin Zaini

Mr Freddie Pang Hock Cheng

Mr Anderson Tang Siu Ki

Mr Ung Gim Sei

Prof. Chew Soon Beng @ Teo Soon Beng

KEY MANAGEMENT

Mr Valentine Philip Ortega

Ms Cecilia Tong Chiu Fai

Mr Wong Wee Woon

Mr Alan Phua Poh Kuay

Mr Dennis Foo Suan Hua

Mr Felix Raoul Stravens

Mr Breyvan Tan Kiah Tong

Ms Mabel Cheung Oi Lin

Mr Lawrence Wee Thian Kiong

Ms Jennifer Jiang Li Ting

Mr Regunathan Ambalam

AUDIT AND RISK MANAGEMENT COMMITTEE

Mr Ung Gim Sei (Chairman)

Mr Anderson Tang Siu Ki

Prof. Chew Soon Beng @ Teo Soon Beng

Mr Freddie Pang Hock Cheng

REMUNERATION AND STRATEGIC HUMAN RESOURCE COMMITTEE

Prof. Chew Soon Beng @ Teo Soon Beng
(Chairman)

Mr Valentine Philip Ortega

Mr Freddie Pang Hock Cheng

Mr Ung Gim Sei

NOMINATING COMMITTEE

Mr Ung Gim Sei (Chairman)

Mr Anderson Tang Siu Ki

Prof. Chew Soon Beng @ Teo Soon Beng

Mr Freddie Pang Hock Cheng

BANKING COMMITTEE

Mr Anderson Tang Siu Ki (Chairman)

Ms Cecilia Tong Chiu Fai

Mr Valentine Philip Ortega

Mr Wong Wee Woon

REGISTERED OFFICE

Informatics Campus

12 Science Centre Road

Singapore 609080

Tel : (65) 6562 5625

Fax : (65) 6565 1371

Website : www.informaticseducation.com

SHARE REGISTRAR AND SHARE TRANSFER OFFICE

M & C Services Private Limited

138 Robinson Road #17-00

The Corporate Office

Singapore 068906

AUDITORS

Ernst & Young

Certified Public Accountant

Partner-in-charge:

Yen Heng Fook (since Financial Year 2007)

One Raffles Quay

North Tower Level 18

Singapore 048583

BANKERS

Development Bank of Singapore Ltd

6 Shenton Way

DBS Building

Singapore 068809

Maybank

2 Battery Road

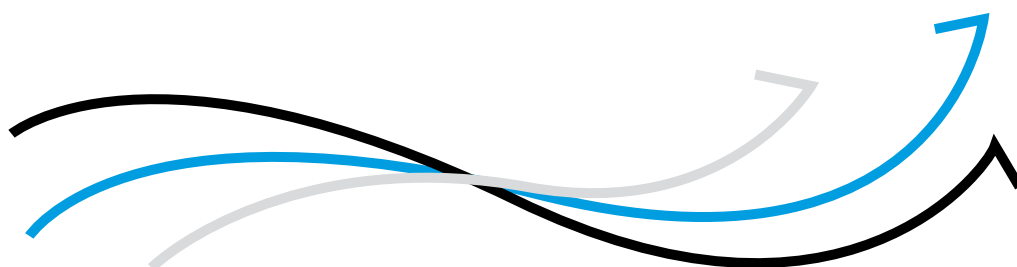
Maybank Tower

Singapore 049907

COMPANY SECRETARIES

Ms Chew Man Lin

Ms Lim Swe Jian





Registration No. 198303419G

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