

Overseas Education Limited

Company Registration No: 201131905D

UNAUDITED FULL YEAR FINANCIAL STATEMENT AND DIVIDEND ANNOUNCEMENT

PART 1 INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1,Q2, & Q3), HALF-YEAR AND FULL YEAR RESULTS

1(a) An income statement and statement of comprehensive income, or a statement of comprehensive income, for the Group, together with a comparative statement for the corresponding period of the immediately preceding financial year.

1(a)(i) CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Note	GROUP For the year ended		Change %
		31-Dec-16 \$'000	31-Dec-15 \$'000	
Revenue				
Tuition fees		89,045	93,791	(5.1)
Registration fees		1,279	1,420	(9.9)
School shop revenue		641	878	(27.0)
Enrichment programme revenue		499	564	(11.5)
Interest income		332	376	(11.7)
Other revenue		51	90	(43.3)
Total revenue		<u>91,847</u>	<u>97,119</u>	(5.4)
Expenses				
Personnel expenses		56,036	57,248	(2.1)
School lease rental		-	3,416	(100.0)
School shop costs		391	519	(24.7)
Enrichment programme costs		347	362	(4.1)
Utilities		915	1,085	(15.7)
Upkeep and maintenance		1,157	534	116.7
Finance costs - Bonds		8,174	4,152	96.9
Other operating expenses		6,733	5,123	31.4
Relocation to Pasir Ris		-	322	(100.0)
Expenses before depreciation and amortisation		<u>73,753</u>	<u>72,761</u>	1.4
Profit before depreciation and amortisation		18,094	24,358	(25.7)
Depreciation expenses				
- Leasehold land		1,237	618	100.2
- School buildings		3,660	1,824	100.7
- Other plant and equipment		5,022	3,863	30.0
Amortisation of intangible assets		674	679	(0.7)
		<u>10,593</u>	<u>6,984</u>	51.7
Profit before taxation		7,501	17,374	(56.8)
Income tax expense - current tax		(50)	(59)	
- deferred tax	2	(2,187)	(2,379)	
		<u>(2,237)</u>	<u>(2,438)</u>	(8.2)
Net profit for the year		<u>5,264</u>	<u>14,936</u>	(64.8)
Other comprehensive income for the year, net of tax		+	+	0.0
Total comprehensive income for the year		<u>5,264</u>	<u>14,936</u>	(64.8)
Attributable to:				
Owners of the Company		5,264	14,936	(64.8)
		<u>5,264</u>	<u>14,936</u>	(64.8)

The format of the Consolidated Statement of Comprehensive Income is enhanced to better reflect the operations of the Group.

n.m. - Not meaningful

+ - Amount lower than S\$1,000

1(a)(ii) Breakdown and Explanatory Notes to Consolidated Statement of Comprehensive Income

	GROUP		Change %
	For the year ended		
	31-Dec-16	31-Dec-15	
	\$'000	\$'000	
Allowance for doubtful debt	141	63	123.8
Write-off for stock obsolescence	9	7	28.6
Loss/(gain) on disposal of plant and equipment	45	(+)	n.m.
Fair value loss on bonds repurchased	140	-	n.m.

1(b)(i) A statement of financial position (for the issuer and Group), together with a comparative statement as at the end of the immediately preceding financial year.

BALANCE SHEETS

	Note	GROUP		COMPANY	
		As at 31-Dec-16 \$'000	As at 31-Dec-15 \$'000	As at 31-Dec-16 \$'000	As at 31-Dec-15 \$'000
ASSETS					
Non-current assets					
Property, plant and equipment					
- Leasehold land		32,772	34,008	-	-
- School buildings		177,391	180,965	-	-
- Other plant and equipment		65,549	69,946	116	141
Intangible assets		2,270	2,626	-	-
Investment in subsidiaries		-	-	101,219	101,219
Inter-company loan to subsidiary		-	-	143,000	150,000
Bonds - Issuance expenses	1	537	999	537	999
Deposits		249	235	-	-
Staff housing deposits		255	395	-	-
Other long term asset		334	-	-	-
		<u>279,357</u>	<u>289,174</u>	<u>244,872</u>	<u>252,359</u>
Current assets					
Inventories		472	589	-	-
Trade receivables		1,207	1,329	-	-
Other receivables and deposits		379	251	12	12
Amount owing by subsidiary		-	-	1,701	1,777
Bonds - Issuance expenses	1	416	436	416	436
Prepayments		1,052	1,338	16	16
Cash and cash equivalents		53,908	60,359	9,760	11,997
		<u>57,434</u>	<u>64,302</u>	<u>11,905</u>	<u>14,238</u>
TOTAL ASSETS		<u>336,791</u>	<u>353,476</u>	<u>256,777</u>	<u>266,597</u>
EQUITY AND LIABILITIES					
Current liabilities					
Trade payables		295	245	-	-
Other payables and liabilities		1,138	7,060	493	521
Fees received in advance		30,753	32,615	-	-
Bonds - Interest payable		1,548	1,624	1,548	1,624
Goods and Services Tax payable		2,362	3,012	57	57
Central Provident Fund payable		419	503	6	5
Income tax payable		54	79	52	61
		<u>36,569</u>	<u>45,138</u>	<u>2,156</u>	<u>2,268</u>
NET CURRENT ASSETS		20,865	19,164	9,749	11,970
Non-current liabilities					
Borrowings - Bonds	1	143,000	150,000	143,000	150,000
Other liabilities		-	-	537	999
Deferred tax liabilities	2	5,507	3,320	-	-
		<u>148,507</u>	<u>153,320</u>	<u>143,537</u>	<u>150,999</u>
Net assets		<u>151,715</u>	<u>155,018</u>	<u>111,084</u>	<u>113,330</u>
Equity attributable to owners of the Company					
Share capital		99,253	99,253	99,253	99,253
Revenue reserve		78,631	81,934	11,831	14,077
Other reserves		(26,169)	(26,169)	-	-
		<u>151,715</u>	<u>155,018</u>	<u>111,084</u>	<u>113,330</u>

	GROUP	
	As at	As at
	31-Dec-16	31-Dec-15
	\$'000	\$'000
Note 1:		
Borrowings - Bonds	143,000	150,000
Bonds - Issuance expenses		
- Non-current assets	(537)	(999)
- Current assets	(416)	(436)
	<u>(953)</u>	<u>(1,435)</u>
	<u>142,047</u>	<u>148,565</u>

During the third quarter, the Company repurchased and cancelled \$7,000,000 of the Bonds. Please refer to 1b(ii) for more information.

	GROUP	
	As at	As at
	31-Dec-16	31-Dec-15
	\$'000	\$'000
Note 2:		
Deferred tax liabilities		
Balance at beginning of the year	3,320	941
Movements during the year comprising:		
- Difference in net book value and tax-written-down-value of property, plant and equipment	2,355	3,092
- Unabsorbed capital allowances	(168)	(713)
Deferred tax charged to P&L during the year	<u>2,187</u>	<u>2,379</u>
Balance at end of the year	<u>5,507</u>	<u>3,320</u>

1b(ii) Aggregate amount of Group's borrowings and debt securities

The Company issued \$150 million bonds on 17 April 2014 with maturity on 17 April 2019. The Bonds are unsecured and bear interest from 17 April 2014 at the rate of 5.20 per cent. per annum, payable semi-annually in arrears on 17 October and 17 April each year.

During the third quarter, the Company repurchased \$7,000,000 of the Bonds. The repurchased Bonds have been cancelled and delisted from SGX-ST on 22 September 2016. Following the cancellation of the Bonds, the Company has a balance of \$143 million in aggregated principal amount of Bonds.

	As at	
	31-Dec-16	31-Dec-15
	\$'000	\$'000
Borrowings - Bonds	143,000	150,000
Bonds issuance expenses	(953)	(1,435)
	<u>142,047</u>	<u>148,565</u>
Total bonds issuance expenses incurred	2,181	2,181
Accumulated amortisation	(1,173)	(746)
Amortisation on bonds repurchased	(55)	-
	<u>953</u>	<u>1,435</u>

1(c) A statement of cash flows (for the Group), together with a comparative statement for the corresponding period of the immediately preceding year.

CONSOLIDATED STATEMENTS OF CASH FLOWS

	GROUP	
	31-Dec-16	31-Dec-15
	\$'000	\$'000
Cash flows from operating activities		
Profit before taxation	7,501	17,374
Adjustments for:		
Depreciation and amortisation expenses	10,593	6,984
Loss/(gain) on disposal of plant and equipment	45	(+)
Fair value loss on bonds repurchased	140	-
Finance costs - Bonds	8,174	4,152
Interest income	(332)	(376)
Operating profit before working capital changes	<u>26,121</u>	<u>28,134</u>
Decrease/(increase) in inventories	117	(73)
Decrease/(increase) in trade receivables	122	(144)
Decrease in other receivables and deposits and prepayments	158	3,663
Increase in non-current deposits and other long term asset	(207)	(311)
Decrease in trade payables, other payables and liabilities, and fees received in advance	(8,468)	(457)
Cash generated from operations	<u>17,843</u>	<u>30,812</u>
Interest received	332	376
Income tax paid	(76)	(4,600)
Net cash generated from operating activities	<u>18,099</u>	<u>26,588</u>
Cash flows from investing activities		
Additions of intangible assets	(319)	(394)
Acquisition of property, plant and equipment	(819)	(66,484)
Bond interest paid capitalised as construction-in-progress	-	(5,492)
Proceeds from disposal of plant and equipment	62	68
Net cash used in investing activities	<u>(1,076)</u>	<u>(72,302)</u>
Cash flows from financing activities		
Bond interest paid and expensed	(7,639)	(2,308)
Dividends paid	(8,567)	(17,134)
Bonds repurchased	(7,268)	-
Net cash used in financing activities	<u>(23,474)</u>	<u>(19,442)</u>
Net decrease in cash and cash equivalents	(6,451)	(65,156)
Cash and cash equivalents at beginning of the year	60,359	125,515
Cash and cash equivalents at end of the year	<u>53,908</u>	<u>60,359</u>

1(d)(i) A statement (for the issuer and Group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

STATEMENTS OF CHANGES IN EQUITY

	Attributable to owners of the Company						Total equity \$'000
	Share capital \$'000	Revenue reserve \$'000	Other reserves, total \$'000	Foreign currency translation reserve \$'000	Merger reserve \$'000 (Note #)	Capital reserve \$'000 (Note *)	
GROUP 2016							
Balance at 1 January 2016	99,253	81,934	(26,169)	1	(26,170)	-	155,018
Profit net of tax	-	5,264	-	-	-	-	5,264
Other comprehensive income for the year	-	-	-	+	-	-	+
Total comprehensive income for the year	-	5,264	-	+	-	-	5,264
Distribution to owners							
Dividends	-	(8,567)	-	-	-	-	(8,567)
Total transactions with owners in their capacity as owners	-	(8,567)	-	-	-	-	(8,567)
Balance at 31 December 2016	99,253	78,631	(26,169)	1	(26,170)	-	151,715
2015							
Balance at 1 January 2015	99,253	44,132	13,831	1	(26,170)	40,000	157,216
Profit net of tax	-	14,936	-	-	-	-	14,936
Other comprehensive income for the year	-	-	-	+	-	-	+
Total comprehensive income for the year	-	14,936	-	+	-	-	14,936
Distribution to owners							
Dividends	-	(17,134)	-	-	-	-	(17,134)
Total transactions with owners in their capacity as owners	-	(17,134)	-	-	-	-	(17,134)
Others							
Transfer from Capital reserve to Revenue reserve	-	40,000	(40,000)	-	-	(40,000)	-
Total others	-	40,000	(40,000)	-	-	(40,000)	-
Balance at 31 December 2015	99,253	81,934	(26,169)	1	(26,170)	-	155,018

+ Amount lower than S\$1,000

Note # Merger reserve represents the difference between the consideration paid by the Company and the share capital of the subsidiaries acquired under common control during FY 2011, following the application of the pooling of interest method. This reserve will remain until the subsidiaries are disposed.

Note * The capital reserve was previously established as a contingency reserve fund out of the revenue reserve for the purpose of building the new school. This capital reserve was no longer needed on completion of the new school and was transferred back to revenue reserve in Q3 2015.

STATEMENTS OF CHANGES IN EQUITY (CONT'D)

	Attributable to owners of the Company		
	Share capital	Revenue reserve	Total equity
	\$'000	\$'000	\$'000
COMPANY			
2016			
Balance at 1 January 2016	99,253	14,077	113,330
Profit net of tax	-	6,321	6,321
Total comprehensive income for the year	-	6,321	6,321
Distribution to owners			
Dividends	-	(8,567)	(8,567)
Total transactions with owners in their capacity as owners	-	(8,567)	(8,567)
Balance at 31 December 2016	<u>99,253</u>	<u>11,831</u>	<u>111,084</u>
2015			
Balance at 1 January 2015	99,253	18,718	117,971
Profit net of tax	-	12,493	12,493
Total comprehensive income for the year	-	12,493	12,493
Distribution to owners			
Dividends	-	(17,134)	(17,134)
Total transactions with owners in their capacity as owners	-	(17,134)	(17,134)
Balance at 31 December 2015	<u>99,253</u>	<u>14,077</u>	<u>113,330</u>

1d(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles, as well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.

As at 31 December 2016, the Company has no outstanding convertibles (31 December 2015 : nil).

	Company
	No of shares
At 31 December 2016 and 31 December 2015	<u>415,363,548</u>

1d(iii) The total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.

	As at	
	31-Dec-16	31-Dec-15
Total number of issued shares	415,363,548	415,363,548

1d(iv) A statement showing all sales, transfers, disposal, cancellation and/or use of treasury shares as at the end of the current financial period reported on.

Not applicable.

2 Whether the figures have been audited or reviewed and in accordance with which auditing standard or practice.

The figures have not been audited or reviewed by the Company's auditor.

3 Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of matter).

Not applicable.

4 Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.

The Group has applied the same accounting policies and computation methods used in the preparation of the financial statements for the current reporting period compared with the audited financial statements as at 31 December 2015, except for the adoption of the new and revised Financial Reporting Standards (FRS) which become effective for the financial year beginning on or after 1 January 2016.

5 If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.

The adoption of the new and revised accounting standards referred to in paragraph 4 did not give rise to any significant changes to the financial statements.

6 Earnings per ordinary share of the Group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends.

	GROUP	
	For the year ended	
	31-Dec-16	31-Dec-15
	cents	cents
Earnings per ordinary share of the Group for the financial period based on net profit attributable to shareholders:		
Based on weighted average number of ordinary shares on issue	1.3	3.6
On a fully diluted basis	1.3	3.6
Weighted average number of ordinary shares for basic and diluted earnings per share computation	415,363,548	415,363,548

7 Net asset value (for the issuer and Group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the (a) current financial period reported on; and (b) immediately preceding financial year.

	GROUP		COMPANY	
	As at	As at	As at	As at
	31-Dec-16	31-Dec-15	31-Dec-16	31-Dec-15
	cents	cents	cents	cents
Net asset value per ordinary share based on issued share capital at the end of the period reported on	36.5	37.3	26.7	27.3

- 8 **A review of the performance of the Group, to the extent necessary for a reasonable understanding of the Group's business. The review must discuss any significant factors that affected the turnover, costs and earnings of the Group for the current financial period reported on, including (where applicable) seasonal or cyclical factors. It must also discuss any material factors that affected the cash flow, working capital, assets or liabilities of the Group during the current financial period reported on.**

Review of performance

Review of Income statement

The Group posted total revenue of \$91.85 million for the financial year ended 31 December 2016 (FY 2016) compared to \$97.12 million for the last financial year (FY 2015). The decrease in total revenue was due to lower student enrolments.

Details of revenue lines are as follows:

Revenue from tuition fees was lower at \$89.05 million in FY 2016 compared to \$93.79 million in FY 2015.

Revenue from registration fees was \$1.28 million in FY 2016 compared to \$1.42 million in FY 2015.

School shop revenue was \$0.64 million in FY 2016 compared to \$0.88 million in FY 2015. Enrichment programme revenue was flat at \$0.50 million in FY 2016 compared to \$0.56 million in FY 2015.

Interest income was \$0.33 million in FY 2016 compared to \$0.38 million in FY 2015. Other revenue was at \$0.05 million for FY 2016 compared to \$0.09 million for FY 2015.

Total expenses before depreciation and amortisation amounted to \$73.75 million in FY 2016 compared to \$72.76 million in FY 2015. The increase was due to higher upkeep and maintenance expenses of the new school campus and finance costs on the bonds borrowings as explained below.

Personnel expenses were \$56.04 million in FY 2016 as compared to \$57.25 million in FY 2015. The decrease was due to non-renewal of academic contracts for the new semester commencing in August 2016 due to the lower student numbers.

The school lease rental paid last year was on the former Paterson Road campus. The Paterson Road lease ended on 30 June 2015.

School shop costs and enrichment programme costs were lower in FY 2016 compared to FY 2015. These decreases were in line with the lower revenues from school shop and enrichment programme.

Utilities expenses decreased to \$0.92 million in FY 2016 from \$1.09 million in FY 2015. The increase in upkeep and maintenance expenses from \$0.53 million in FY 2015 to \$1.16 million in FY 2016 was due to renewal of several maintenance contracts after the expiry of the maintenance free period.

Finance costs - Bonds amounted to of \$8.17 million in FY 2016 compared to \$4.15 million in FY 2015. These costs were expensed with effect from 1 July 2015 upon the completion of the new school campus but prior to 1 July 2015, these costs were capitalised as part of construction-in-progress.

Other operating expenses were higher at \$6.73 million in FY 2016 compared to \$5.12 million in FY 2015. The increase was due mainly to the revision of property tax for the new school campus from \$0.23 million to \$1.08 million per annum with effect from the issuance of the Temporary Occupancy Permit. Bus transport expenses have also increased due to the provision of shuttle buses and additional buses for the afterschool extra-curricular activities for the students.

The increase in depreciation expenses in FY 2016 was due to the full year depreciation on leasehold land, school buildings and other plant and equipment. In FY 2015, the depreciation expenses on the same assets commenced from July 2015 upon completion of the new school campus.

Profit before taxation ended at \$7.50 million in FY 2016 compared to \$17.37 million in FY 2015.

Income tax expense for FY2016 comprised mainly of the accrual of net deferred tax liabilities of \$2.19 million compared to \$2.38 million for FY 2015. The net deferred tax liabilities arose from the recognition of capital allowances on new assets acquired for the new school campus.

Net profit after taxation for FY 2016 ended at \$5.26 million compared to \$14.94 million for FY 2015.

Review of Group Balance Sheet as at 31 December 2016

Total property, plant and equipment as at 31 December 2016 amounted to \$275.71 million compared to \$284.92 million as at 31 December 2015. The decrease of \$9.21 million was due mainly to the depreciation charge for FY 2016.

Inventories for school uniforms, books and stationery supplies for sale at the school shop were \$0.47 million as at 31 December 2016 compared to \$0.59 million as at 31 December 2015.

Trade receivables comprised amounts attributable to tuition fees, registration fees, school shop revenue and other revenue. Trade receivables balance as at 31 December 2016 was lower at \$1.21 million as compared to \$1.33 million as at 31 December 2015, due mainly to the timing of collection of the receivables for the reporting period.

Total Deposits, Staff housing deposits and Other receivables and deposits were constant at \$0.88 million as at 31 December 2016 and as at 31 December 2015.

The Group's cash and cash equivalents amounted to \$53.91 million at 31 December 2016 and \$60.36 million at 31 December 2015. The decrease was due to cash used in investing and financing activities, and explained in the review of Group cash flow below.

Trade and other payables and liabilities decreased by \$5.87 million as at 31 December 2016 due to the payment of the accrued retention sum to the main contractor during the last quarter of FY 2016.

The fluctuation in fees received in advance of \$30.75 million as at 31 December 2016 compared to \$32.62 million as at 31 December 2015 was due to the timing of receipts of the fees received in advance.

Bonds - Interest payable at 31 December 2016 was for the interest accrued on the \$143 million Bonds at 5.20% p.a. for the period from 17 October to 31 December 2016. The interest payable at 31 December 2015 was accrued on \$150 million Bonds for the same comparative period last year. During Q3 2016, the Company repurchased and cancelled S\$7,000,000 of the Bonds. Please refer to 1b(ii) for additional information.

Goods and Services Tax payable of \$2.36 million and \$3.01 million at 31 December 2016 and 31 December 2015 respectively arose mainly from the billing of semester two tuition fees.

Deferred tax liabilities amounted to \$5.51 million at 31 December 2016. The increase from \$3.32 million at 31 December 2015 arose from the tax effect on temporary differences between the net book value and the tax-written-down-value of qualifying assets, offset by deferred tax asset from unabsorbed capital allowances.

Review of Group cash flow for the year ended 31 December 2016

The net cash generated from operating activities in FY 2016 was \$18.10 million, which consisted of cash flows from operating activities before working capital changes of \$26.12 million, net working capital outflow of \$8.28 million, interest received of \$0.33 million and income tax paid of \$0.07 million.

The above-mentioned net working capital outflow of \$8.28 million arose mainly from cash outflow relating to the decrease in trade and other payables of \$8.47 million which was mainly attributed to the payment of the remaining retention sum due to the main contractor. This outflow was set-off by the cash inflow relating to the decrease in inventories, trade receivables and other receivables and deposits and prepayments.

The net cash outflow in investing activities of \$1.08 million in FY 2016 was mainly due to additions of property, plant and equipment of \$0.82 million.

The cash outflow in financing activities of \$23.47 million arose from the bond interest paid (\$7.64 million), the payment of the final dividend (\$5.71 million) in respect of FY 2015 in May 2016, payment of FY 2016 interim dividend (\$2.85 million) in November 2016 and the repurchase and cancellation of Bonds (\$7.27 million).

9 Where a forecast , or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.

Not applicable.

10 A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the Group operates and any known factors or events that may affect the Group in the next reporting period and the next 12 months.

Current economic outlook expects to remain challenging. The Group will continue to focus on quality school programmes, and will maintain a conservative stance on its expenditure.

The foreign system schools (FSS) in Singapore are to a large extent dependent upon the ability of Singapore to continue to attract foreign direct investments, and the Group is well placed in the FSS market to compete and to support any expansion of foreign investments into Singapore.

11 Dividend**(a) Current financial period reported on**

The dividends paid and declared for the current financial year FY 2016 are as follows:

Name of dividend	FY2016 Interim Dividend
Dividend type	Cash
Dividend rate	S\$0.006875 per share
Tax rate	Tax-exempt (one-tier)
Date paid	24 November 2016
Name of dividend	FY2016 Final Dividend (proposed)
Dividend type	Cash
Dividend rate	S\$0.020625 per share (payable out of revenue reserve)
Tax rate	Tax-exempt (one-tier)
Date payable	17 May 2017

Date Payable

The proposed FY 2016 Final Dividend shall be payable on 17 May 2017.

Books closure date

Registrable transfers received by the Company's Registrar, M&C Services Private Limited, of 112 Robinson Road, #05-01, Singapore 068902 up to 5.00 p.m. on 8 May 2017 will be registered before entitlements to the FY 2016 Final Dividend are determined.

Notice is hereby given that the share registers will be closed on 9 May 2017 for the preparation of dividend warrants.

(b) Corresponding period of the immediately preceding financial year

Name of dividend	FY2015 Special Dividend
Dividend type	Cash
Dividend rate	S\$0.01375 per share
Tax rate	Tax-exempt (one-tier)
Date paid	27 November 2015
Name of dividend	FY2015 Final Dividend
Dividend type	Cash
Dividend rate	S\$0.01375 per share
Tax rate	Tax-exempt (one-tier)
Date paid	17 May 2016

The total annual dividends paid in the financial year ended 31 December 2016 and 31 December 2015 were as follows:

	31-Dec-16	31-Dec-15
Final exempt (one-tier) dividend for previous financial year: \$0.01375 per share (2015: \$0.0275 per share)	5,712	11,422
Interim/Special exempt (one-tier) dividend for FY 2016: \$0.006875 per share (2015: \$0.01375 per share)	2,855	5,712
	<u>8,567</u>	<u>17,134</u>

12 If no dividend has been declared/ recommended, a statement to that effect.

Not applicable.

13 If the Group has obtained a general mandate from the shareholders for Interested Person Transactions (IPT), the aggregate value of such transactions as required under Rule 920(1) (a) (ii). If no IPT mandate has been obtained, a statement to that effect.

The Group has not obtained a general mandate from shareholders for IPTs.

14 Segmented revenue and results for business or geographical segments(of the Group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediately preceding year.

The Company and its subsidiaries operate in Singapore in one business segment as determined in accordance with FRS 108, that of provision of education under a foreign education system. All revenue and expenses, and more than 99% of its assets and liabilities are derived from operations in Singapore.

15 In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the business or geographical segments.

This has been addressed in paragraph 14.

16 A breakdown of sales

	GROUP		
	31-Dec-16 \$'000	31-Dec-15 \$'000	Change %
Sales reported for the first half year	48,141	49,660	(3.1)
Operating profit after tax before deducting non-controlling interests reported for the first half year	3,466	10,850	(68.1)
Sales reported for the second half year	43,706	47,459	(7.9)
Operating profit after tax before deducting non-controlling interests reported for the second half year	1,798	4,086	(56.0)

17 Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704 (13).

Name	Age	Family relationship with any director and/or chief executive officer and/or substantial shareholder	Current position and duties, and the year the position was first held	Details of changes in duties and position held, if any, during the year
Ms. Chee Jingying, Joyce	32	Daughter of Executive Director, Ms. Wong Lok Hiong	Student Recruitment Manager since 2014 in Overseas Family School Limited. Responsible for active recruitment of new students and overseeing the Student Recruitment Department.	Not Applicable

18 Disclosure of the status on the use of proceeds raised from IPO.

The Company raised net proceeds of S\$68,033,985 (after deducting IPO expenses of S\$3,966,015) from its IPO on 7 February 2013. The amount utilised as at the date of this report is as follows:

Total amount utilised for the building of a new school campus	\$ <u>65,635,545</u>
Balance proceeds	\$ <u>2,398,440</u>

It is intended that the balance \$2,398,440 of the IPO Proceeds also be used wholly towards capital expenditure for the new school campus.

19 Disclosure of confirmation of undertakings from Directors and Executive Officers pursuant to Rule 720(1) of the Listing Manual.

The Company has procured undertakings on 16 February 2016 in the format set out in Appendix 7.7 from all its directors and executive officers under Rule 720(1) of the Listing Manual.

BY ORDER OF THE BOARD

David Alan Perry
Executive Chairman and Chief Executive Officer
February 16, 2017