

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		Change %
		For the year ended		
		31-Dec-17 \$'000	31-Dec-16 \$'000	
Revenue				
Tuition fees		84,024	89,045	(5.6)
Registration fees		1,107	1,279	(13.4)
School shop revenue		611	641	(4.7)
Enrichment programme revenue		539	499	8.0
Interest income		277	332	(16.6)
Other revenue		44	51	(13.7)
Total revenue		86,602	91,847	(5.7)
Expenses				
Personnel expenses		51,169	56,036	(8.7)
School shop costs		367	391	(6.1)
Enrichment programme costs		372	347	7.2
Utilities		806	915	(11.9)
Upkeep and maintenance		1,801	1,157	55.7
Finance costs - Bonds		7,614	8,174	(6.9)
Other operating expenses		5,907	6,733	(12.3)
Expenses before depreciation and amortisation		68,036	73,753	(7.8)
Profit before depreciation and amortisation		18,566	18,094	2.6
Depreciation expenses				
- Leasehold land		1,236	1,237	(0.1)
- School buildings		3,656	3,660	(0.1)
- Other plant and equipment		4,863	5,022	(3.2)
Amortisation of intangible assets		606	674	(10.1)
		10,361	10,593	(2.2)
Profit before taxation		8,205	7,501	9.4
Income tax expense - current tax		(53)	(50)	
- deferred tax	2	(2,149)	(2,187)	
		(2,202)	(2,237)	(1.6)
Net profit for the year		6,003	5,264	14.0
Other comprehensive income for the year, net of tax		-	+	0.0
Total comprehensive income for the year		6,003	5,264	14.0
Attributable to:				
Owners of the Company		6,003	5,264	14.0
		6,003	5,264	14.0

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-17 \$'000	31-Dec-16 \$'000	
Allowance for doubtful debt	150	141	6.4
Write-off for stock obsolescence	-	9	n.m.
Loss on disposal of plant and equipment	1	45	(97.8)
Fair value loss on bonds repurchased	108	140	(22.9)

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-17 \$'000	As at 31-Dec-16 \$'000	As at 31-Dec-17 \$'000	As at 31-Dec-16 \$'000
ASSETS					
Non-current assets					
Property, plant and equipment					
- Leasehold land		31,535	32,772	-	-
- School buildings		173,735	177,391	-	-
- Other plant and equipment		61,358	65,549	89	116
Intangible assets		2,078	2,270	-	-
Investment in subsidiaries		-	-	101,219	101,219
Inter-company loan to subsidiary		-	-	135,000	143,000
Bonds - Issuance expenses	1	114	537	114	537
Deposits		279	249	-	-
Staff housing deposits		245	255	-	-
Other long term asset		334	334	-	-
		<u>269,678</u>	<u>279,357</u>	<u>236,422</u>	<u>244,872</u>
Current assets					
Inventories		434	472	-	-
Trade receivables		1,167	1,207	-	-
Other receivables and deposits		271	379	12	12
Amount owing by subsidiary		-	-	-	1,701
Bonds - Issuance expenses	1	393	416	393	416
Prepayments		1,000	1,052	16	16
Cash and cash equivalents		53,584	53,908	3,566	9,760
		<u>56,849</u>	<u>57,434</u>	<u>3,987</u>	<u>11,905</u>
TOTAL ASSETS		<u>326,527</u>	<u>336,791</u>	<u>240,409</u>	<u>256,777</u>
EQUITY AND LIABILITIES					
Current liabilities					
Trade payables		735	295	-	-
Other payables and liabilities		1,046	1,138	479	493
Fees received in advance		28,361	30,753	-	-
Amount owing to subsidiary		-	-	385	-
Bonds - Interest payable		1,462	1,548	1,462	1,548
Goods and Services Tax payable		2,657	2,362	52	57
Central Provident Fund payable		403	419	6	6
Income tax payable		56	54	56	52
		<u>34,720</u>	<u>36,569</u>	<u>2,440</u>	<u>2,156</u>
NET CURRENT ASSETS		22,129	20,865	1,547	9,749
Non-current liabilities					
Borrowings - Bonds	1	135,000	143,000	135,000	143,000
Other liabilities		-	-	114	537
Deferred tax liabilities	2	7,656	5,507	-	-
		<u>142,656</u>	<u>148,507</u>	<u>135,114</u>	<u>143,537</u>
Net assets		<u>149,151</u>	<u>151,715</u>	<u>102,855</u>	<u>111,084</u>
Equity attributable to owners of the Company					
Share capital		99,253	99,253	99,253	99,253
Revenue reserve		76,067	78,631	3,602	11,831
Other reserves		(26,169)	(26,169)	-	-
		<u>149,151</u>	<u>151,715</u>	<u>102,855</u>	<u>111,084</u>

	GROUP	
	As at	As at
	31-Dec-17	31-Dec-16
	\$'000	\$'000
Note 1:		
Borrowings - Bonds	135,000	143,000
Bonds - Issuance expenses		
- Non-current assets	(114)	(537)
- Current assets	(393)	(416)
	<u>(507)</u>	<u>(953)</u>
Bonds at amortised cost	<u>134,493</u>	<u>142,047</u>

During the financial year, the Company repurchased, cancelled and delisted \$8,000,000 (2016: \$7,000,000) of its Bonds. Please refer to 1b(ii) for more information.

	GROUP	
	As at	As at
	31-Dec-17	31-Dec-16
	\$'000	\$'000
Note 2:		
Deferred tax liabilities		
Balance at beginning of the year	5,507	3,320
Movements during the year comprising:		
- Difference in net book value and tax-written-down-value of property, plant and equipment	1,903	2,355
- Unabsorbed capital allowances	246	(168)
Deferred tax charged to P&L during the year	<u>2,149</u>	<u>2,187</u>
Balance at end of the year	<u>7,656</u>	<u>5,507</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 in each year.

In FY2016, the Company repurchased, cancelled and delisted \$7,000,000 of its Bonds.

During FY2017, the Company repurchased, cancelled and delisted an additional \$8,000,000 of its Bonds.

As at 31 December 2017, the Company has a balance of \$135 million (31 December 2016: \$143 million) in aggregated principal amount of Bonds.

	As at	
	31-Dec-17	31-Dec-16
	\$'000	\$'000
Borrowings - Bonds	135,000	143,000
Bonds issuance expenses (net)	(507)	(953)
Bonds at amortised cost	<u>134,493</u>	<u>142,047</u>
Total bonds issuance expenses incurred	2,181	2,181
Accumulated amortisation	(1,629)	(1,173)
Amortisation on bonds repurchased	(45)	(55)
Bonds issuance expenses (net)	<u>507</u>	<u>953</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 STATEMENT OF CASH FLOWS**

	GROUP	
	For the year ended	For the year ended
	31-Dec-17	31-Dec-16
	\$'000	\$'000
Cash flows from operating activities		
Profit before taxation	8,205	7,501
Adjustments for:		
Depreciation and amortisation expenses	10,361	10,593
Loss on disposal of plant and equipment	1	45
Fair value loss on bonds repurchased	108	140
Finance costs - Bonds	7,614	8,174
Interest income	(277)	(332)
Operating profit before working capital changes	<u>26,012</u>	<u>26,121</u>
Decrease in inventories	38	117
Decrease in trade receivables	40	122
Decrease in other receivables and deposits and prepayments	160	158
Increase in non-current deposits and other long term asset	(20)	(207)
Decrease in trade payables, other payables and liabilities, and fees received in advance	(1,765)	(8,468)
Cash generated from operations	<u>24,465</u>	<u>17,843</u>
Interest received	277	332
Income tax paid	(51)	(76)
Net cash generated from operating activities	<u>24,691</u>	<u>18,099</u>
Cash flows from investing activities		
Additions of intangible assets	(414)	(319)
Acquisition of property, plant and equipment	(737)	(819)
Proceeds from disposal of plant and equipment	65	62
Net cash used in investing activities	<u>(1,086)</u>	<u>(1,076)</u>
Cash flows from financing activities		
Bond interest paid and expensed	(7,227)	(7,639)
Dividends paid	(8,567)	(8,567)
Bonds repurchased	(8,135)	(7,268)
Net cash used in financing activities	<u>(23,929)</u>	<u>(23,474)</u>
Net decrease in cash and cash equivalents	(324)	(6,451)
Cash and cash equivalents at beginning of the year	53,908	60,359
Cash and cash equivalents at end of the year	<u>53,584</u>	<u>53,908</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 #)	
GROUP						
2017						
Balance at 1 January 2017	99,253	78,631	(26,169)	1	(26,170)	151,715
Profit net of tax	-	6,003	-	-	-	6,003
Other comprehensive income for the year	-	-	-	(-)	-	(-)
Total comprehensive income for the year	-	6,003	-	(-)	-	6,003
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 2017	99,253	76,067	(26,169)	1	(26,170)	149,151
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

+ 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.

STATEMENTS OF CHANGES IN EQUITY (CONT'D)

	Attributable to owners of the Company		
	Share capital	Revenue reserve	Total equity
	\$'000	\$'000	\$'000
COMPANY			
2017			
Balance at 1 January 2017	99,253	11,831	111,084
Profit net of tax	-	338	338
Total comprehensive income for the year	-	338	338
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 2017	99,253	3,602	102,855
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	99,253	11,831	111,084

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 the number of shares that may be issued on conversion of all the outstanding convertibles, if any, against the total number of issued shares excluding treasury shares and subsidiary holdings 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. State also the number of shares held as treasury shares and the number of subsidiary holdings, if any, and the percentage of the aggregate number of treasury shares and subsidiary holdings held against the total number of shares outstanding in a class that is listed 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 2017, the Company has no outstanding convertibles (31 December 2016: nil).

As at 31 December 2017, the Company has no treasury shares (31 December 2016: nil) and no subsidiary holdings (31 December 2016: nil).

	Company No of shares
At 31 December 2017 and 31 December 2016	415,363,548

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-17	31-Dec-16
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.

1d(v) A statement showing all sales, transfers, cancellation and/or use of subsidiary holdings 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 2016, except for the adoption of the new and revised Financial Reporting Standards (FRS) which became effective for the financial year beginning on or after 1 January 2017.

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-17	31-Dec-16
	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	1.5	1.3
On a fully diluted basis	1.5	1.3
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-17	31-Dec-16	31-Dec-17	31-Dec-16
	cents	cents	cents	cents
Net asset value per ordinary share based on issued share capital at the end of the period reported on	35.9	36.5	24.8	26.7

- 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 \$86.60 million for the financial year ended 31 December 2017 (FY 2017) compared to \$91.85 million for the last financial year (FY 2016). The decrease in total revenue was due to the lower student enrolments in the current financial year being reported on.

Details of revenue lines are as follows:

Revenue from tuition fees was lower at \$84.02 million in FY 2017 compared to \$89.05 million in FY 2016.

Revenue from registration fees was \$1.11 million in FY 2017 compared to \$1.28 million in FY 2016.

School shop revenue was \$0.61 million in FY 2017 compared to \$0.64 million in FY 2016.

Enrichment programme revenue was higher at \$0.54 million in FY 2017 compared to \$0.50 million in FY 2016.

Interest income was \$0.28 million in FY 2017 compared to \$0.33 million in FY 2016. Other revenue was \$0.04 million in FY 2017 compared to \$0.05 million in FY 2016.

Total expenses before depreciation and amortisation was lower at \$68.04 million in FY 2017 compared to \$73.75 million in FY 2016. The decrease was due mainly to the rightsizing measures taken to reduce personnel expenses, and interest savings from the repurchase of the Bonds. The Group maintained a conservative stance on the other operating expenditure as explained below.

Personnel expenses decreased to \$51.17 million in FY 2017 from \$56.04 million in FY 2016. The decrease was due to further non-renewal of contracts of academic staff in line with the lower student enrolments.

School shop costs were lower at \$0.37 million in FY 2017 compared to \$0.39 million in FY 2016.

Enrichment programme costs of \$0.37 million was marginally higher in FY 2017 compared to \$0.35 million in FY 2016, in line with the higher revenue from enrichment programmes.

Utilities expenses were lower at \$0.81 million in FY 2017 compared to \$0.92 million in FY 2016.

Upkeep and maintenance expenses were higher at \$1.80 million in FY 2017 compared to \$1.16 million in FY 2016 due to the full-year impact of several maintenance contracts renewed after the expiry of the maintenance free period, which ended in the first half of 2016.

Finance costs on Bonds were reduced to \$7.61 million in FY 2017 from \$8.17 million in FY 2016. The decrease was due to the interest savings from the repurchase of the Bonds. Information on the repurchase of the Bonds is disclosed in paragraph 1b(ii) above.

Other operating expenses were lower at \$5.91 million in FY 2017 compared to \$6.73 million in FY 2016. The higher other operating expenses in FY 2016 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 in May 2015. The backdated upward property tax adjustment was charged to the Group in Q1 2016.

Depreciation and amortisation expenses of \$10.36 million in FY 2017 were comparable with FY2016.

Profit before taxation ended higher at \$8.21 million in FY 2017 compared to \$7.50 million in FY 2016, an increase of 9.4% over the last financial year.

Income tax expense for FY2017 and FY 2016 were \$2.20 million and \$2.24 million respectively, and comprised mainly of the accrual of net deferred tax liabilities of \$2.15 million in FY 2017 and \$2.19 million in FY 2016. 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 2017 ended higher at \$6.00 million compared to \$5.26 million for FY 2016, an improvement of 14.0% over the last financial year.

Review of Group Balance Sheet as at 31 December 2017

Total property, plant and equipment at 31 December 2017 amounted to \$266.63 million compared to \$275.71 million at 31 December 2016. The decrease of \$9.08 million was due mainly to the depreciation charge for the reporting period.

Inventories for school uniforms, books and stationery supplies for sale at the school shop were \$0.43 million at 31 December 2017 compared to \$0.47 million at 31 December 2016.

Trade receivables comprised amounts attributable to tuition fees, registration fees, school shop revenue and other revenue. Trade receivables balance at 31 December 2017 was lower at \$1.17 million as compared to \$1.21 million at 31 December 2016, 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 lower at \$0.80 million as at 31 December 2017, compared to \$0.88 million as at 31 December 2016.

The Group's cash and bank balances amounted to \$53.58 million at 31 December 2017 and \$53.91 million at 31 December 2016. The cash movements are disclosed and further explained in the Review of Group cash flow below.

Trade and other payables and liabilities increased by \$0.35 million at 31 December 2017, as compared to 31 December 2016, due mainly to accrual and timing of payments of operating expenses.

Fees received in advance at 31 December 2017 was lower at \$28.36 million as compared to \$30.75 million at 31 December 2016, due to the timing of receipts of the fees received in advance.

Bonds - Interest payable at 31 December 2017 was for the interest accrued on the remaining balance of \$135 million bonds at 5.20% p.a. for the period from 17 October to 31 December 2017. Bonds - Interest payable at 31 December 2016 was for the bonds interest accrued on \$143 million bonds for the same comparative period last year. Information on the repurchase of the Bonds is disclosed in paragraph 1b(ii) above.

Goods and Services Tax payable of \$2.66 million and \$2.36 million at 31 December 2017 and 31 December 2016 respectively arose mainly from the billing of semester two tuition fees.

Deferred tax liabilities amounted to \$7.66 million at 31 December 2017. The increase from \$5.51 million at 31 December 2016 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 2017

The net cash generated from operating activities in FY 2017 was \$24.69 million, which consisted of cash inflow from operating profit before working capital changes of \$26.01 million, net working capital outflow of \$1.55 million, interest received of \$0.28 million and income tax paid of \$0.05 million.

The above-mentioned net working capital outflow of \$1.55 million arose mainly from cash outflow relating to the decrease in trade and other payables and liabilities and fees received in advance of \$1.77 million, offset by the cash inflow from the decrease in inventories, trade receivables and other receivables and deposits and prepayments.

The net cash used in investing activities of \$1.09 million in FY 2017 was mainly due to additions of property, plant and equipment of \$0.74 million.

The net cash outflow in financing activities of \$23.93 million was for the payment of bond interest (\$7.23 million), the payment of the final dividend in respect of FY 2016 in May 2017 (\$8.57 million) and the repurchase of Bonds (\$8.13 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.

The current operating environment for foreign system schools ("FSS") is expected to remain challenging and protracted.

The Group continues to focus on delivering quality school programmes, and has increased our student recruitment efforts to attract student enrolments. The Group maintains a conservative stance on expenditure, and will continue to rightsize personnel expenses as and when necessary during this challenging period.

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**

There is no FY2017 interim dividend paid in the current financial year.

The final dividend declared for the current financial year FY 2017 is as follows:

Name of dividend	FY 2017 Final Dividend (proposed)
Dividend type	Cash
Dividend rate	S\$0.0275 per share (payable out of group revenue reserve)
Tax rate	Tax-exempt (one-tier)
Date payable	17 May 2018

Date Payable

The proposed FY 2017 Final Dividend shall be payable on 17 May 2018.

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 2018 will be registered before entitlements to the FY 2017 Final Dividend are determined.

Notice is hereby given that the share registers will be closed on 9 May 2018 for the preparation of dividend warrants.

(b) Corresponding period of the immediately preceding financial year

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

The total annual dividends paid in the financial year ended 31 December 2017 and 31 December 2016 were as follows:

	31-Dec-17	31-Dec-16
Final exempt (one-tier) dividend for previous financial year: \$0.020625 per share (2016: \$0.01375 per share)	8,567	5,712
Interim exempt (one-tier) dividend for FY 2017: \$Nil (2016: \$0.006875 per share)	-	2,855
	<u>8,567</u>	<u>8,567</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, to provide 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-17 \$'000	31-Dec-16 \$'000	Change %
Sales reported for the first half year	44,659	48,141	(7.2)
Operating profit after tax before deducting non-controlling interests reported for the first half year	2,894	3,466	(16.5)
Sales reported for the second half year	41,943	43,706	(4.0)
Operating profit after tax before deducting non-controlling interests reported for the second half year	3,109	1,798	72.9

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	33	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 13, 2018