

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

1(a) An income statement (for the group) together with a comparative statement for the corresponding period of the immediately preceding financial year

**Unaudited First Quarter Results**

	Group		Increase/ (Decrease) %
	01/07/2007 to 30/09/2007 \$	01/07/2006 to 30/09/2006 \$	
Revenue	2,856,022	2,443,812	17
Other operating income	107,884	113,143	(5)
	<u>2,963,906</u>	<u>2,556,955</u>	16
Personnel expenses	(1,069,981)	(966,760)	11
Depreciation and amortisation expenses	(118,570)	(114,658)	3
Other operating expenses	(1,084,310)	(951,595)	14
	<u>(2,272,861)</u>	<u>(2,033,013)</u>	12
<b>Profit before income tax</b>	691,045	523,942	32
Income tax	(151,875)	(108,047)	41
<b>Profit after income tax</b>	<u>539,170</u>	<u>415,895</u>	30
<b>Attributable to:</b>			
Shareholders of the Company	516,187	402,303	28
Minority interests	22,983	13,592	69
	<u>539,170</u>	<u>415,895</u>	30

**Notes to Income Statement:**

Foreign exchange (loss)/gain - net	(69,727)	4,029
Loss on disposal of plant and equipment	-	(17,540)
Interest income	57,915	78,862
Under provision of income tax in prior years	(49,000)	-

**1(b)(i) A balance sheet (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year**

**Unaudited Balance Sheets**

	Group		Company	
	30/09/2007	30/06/2007	30/09/2007	30/06/2007
	\$	\$	\$	\$
<b>Non-current assets</b>				
Plant and equipment	761,561	767,771	-	-
Subsidiaries	-	-	1,643,477	1,643,477
Goodwill on consolidation	717,076	717,076	-	-
Intangible assets	178,063	173,724	-	-
Deferred tax asset	18,019	18,325	-	-
	<u>1,674,719</u>	<u>1,676,896</u>	<u>1,643,477</u>	<u>1,643,477</u>
<b>Current assets</b>				
Trade and other receivables	2,349,552	2,229,531	12,471	4,937
Due from related companies	42,260	575,223	1,713,923	3,575,838
Income tax recoverable	93,093	101,916	72,812	72,812
Cash and cash equivalents	11,952,865	10,980,084	9,861,427	8,888,641
	<u>14,437,770</u>	<u>13,886,754</u>	<u>11,660,633</u>	<u>12,542,228</u>
Less:				
<b>Current liabilities</b>				
Trade and other payables	3,406,852	2,975,273	150,761	112,922
Due to related companies	26,191	592,605	1,498,776	2,442,337
Current income tax payable	417,936	281,776	103,912	54,912
	<u>3,850,979</u>	<u>3,849,654</u>	<u>1,753,449</u>	<u>2,610,171</u>
<b>Net current assets</b>	10,586,791	10,037,100	9,907,184	9,932,057
<b>Non-current liability</b>				
Deferred tax liability	7,255	7,255	-	-
<b>Net assets</b>	<u>12,254,255</u>	<u>11,706,741</u>	<u>11,550,661</u>	<u>11,575,534</u>
<b>Capital and reserves</b>				
Share capital	10,024,408	10,024,408	10,024,408	10,024,408
Reserves	157,621	139,655	196,146	142,697
Accumulated profits	1,952,951	1,436,764	1,330,107	1,408,429
<b>Equity attributable to equity holders of the Company</b>	<u>12,134,980</u>	<u>11,600,827</u>	<u>11,550,661</u>	<u>11,575,534</u>
Minority interests	119,275	105,914	-	-
	<u>12,254,255</u>	<u>11,706,741</u>	<u>11,550,661</u>	<u>11,575,534</u>

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

**Amount repayable in one year or less, or on demand**

As at 30/09/2007		As at 30/06/2007	
Secured	Unsecured	Secured	Unsecured
Nil	Nil	Nil	Nil

**Amount repayable after one year**

As at 30/09/2007		As at 30/06/2007	
Secured	Unsecured	Secured	Unsecured
Nil	Nil	Nil	Nil

**Details of any collateral**

Not applicable.

1(c) **A cash flow statement (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year**

**Unaudited Cash Flow Statement**

	Group	
	01/07/2007 to 30/09/2007	01/07/2006 to 30/09/2006
	\$	\$
<b>Cash flows from operating activities</b>		
Profit before income tax	691,045	523,942
Adjustments for:		
Depreciation and amortisation expenses	118,570	114,658
Interest income	(57,915)	(78,862)
Gain on disposal of plant and equipment	-	17,540
Share-based payment expenses	53,449	41,449
Foreign currency translation adjustment	26,768	(37,083)
Operating profit before working capital changes	<u>831,917</u>	<u>581,644</u>
Working capital changes:		
Trade and other receivables	(120,021)	352,169
Trade and other payables	431,579	519,472
Cash generated from operations	<u>1,143,475</u>	<u>1,453,285</u>
Net income tax paid	-	(21,341)
Net cash from operating activities	<u>1,143,475</u>	<u>1,431,944</u>
<b>Cash flows from investing activities</b>		
Cost incurred for course development	(29,322)	-
Interest income received	57,915	78,862
Purchase of plant and equipment	(109,347)	(271,785)
Purchase of computer software	(902)	-
Net cash used in investing activities	<u>(81,656)</u>	<u>(192,923)</u>
<b>Cash flows from financing activity</b>		
Amount due from related companies	(33,451)	956
Net cash (used in)/from financing activity	<u>(33,451)</u>	<u>956</u>
Net change in cash and cash equivalents	1,028,368	1,239,977
Cash and cash equivalents at beginning of financial period	10,980,084	9,690,215
Exchange differences on cash and cash equivalents	(55,587)	21,992
<b>Cash and cash equivalents at end of financial period</b>	<u>11,952,865</u>	<u>10,952,184</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

Unaudited Statements of Changes in Equity

GROUP	← Attributable to equity holders of the Company →						Total equity \$
	Share capital \$	Share option reserve \$	Foreign currency translation reserve \$	Accumulated profits \$	Total \$	Minority interests \$	
Balance as at 01/07/2007	10,024,408	142,697	(3,042)	1,436,764	11,600,827	105,914	11,706,741
Currency translation differences	-	-	(35,483)	-	(35,483)	(9,622)	(45,105)
Net loss recognised directly in equity	-	-	(35,483)	-	(35,483)	(9,622)	(45,105)
Net profit for the financial period	-	-	-	516,187	516,187	22,983	539,170
Total recognised gains/(losses)	-	-	(35,483)	516,187	480,704	13,361	494,065
Cost of share-based payment	-	53,449	-	-	53,449	-	53,449
Balance as at 30/09/2007	10,024,408	196,146	(38,525)	1,952,951	12,134,980	119,275	12,254,255
Balance as at 01/07/2006	9,570,896	65,464	37,700	1,217,259	10,891,319	155,408	11,046,727
Currency translation differences	-	-	(17,868)	-	(17,868)	(5,016)	(22,884)
Net loss recognised directly in equity	-	-	(17,868)	-	(17,868)	(5,016)	(22,884)
Net profit for the financial period	-	-	-	402,303	402,303	13,592	415,895
Total recognised gains/(losses)	-	-	(17,868)	402,303	384,435	8,576	393,011
Cost of share-based payment	-	41,449	-	-	41,449	-	41,449
Balance as at 30/09/2006	9,570,896	106,913	19,832	1,619,562	11,317,203	163,984	11,481,187

COMPANY	Share capital \$	Share option reserve \$	Accumulated profits \$	Total equity \$
Balance as at 01/07/2007	10,024,408	142,697	1,408,429	11,575,534
Net loss for the financial period	-	-	(78,322)	(78,322)
Total recognised losses	-	-	(78,322)	(78,322)
Cost of share-based payment	-	53,449	-	53,449
Balance as at 30/09/2007	10,024,408	196,146	1,330,107	11,550,661
Balance as at 01/07/2006	9,570,896	65,464	974,403	10,610,763
Net loss for the financial period	-	-	(7,116)	(7,116)
Total recognised losses	-	-	(7,116)	(7,116)
Cost of share-based payment	-	41,449	-	41,449
Balance as at 30/09/2006	9,570,896	106,913	967,287	10,645,096

- 1(d)(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 the 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 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**

Share capital

	Shares	\$
Balance as at 01/07/2007	242,030,000	10,024,408
Share sub-division during the financial period	<u>242,030,000</u>	<u>-</u>
Balance as at 30/09/2007	<u>484,060,000</u>	<u>10,024,408</u>

Share Options

As at 30 September 2007, there were unexercised share options for 5,280,000 ordinary shares (30 September 2006: 6,800,000\*) under the Hartford Share Option Scheme.

\* The number of share options had been adjusted for the share sub-division of 1 into 2 shares on 3 August 2007.

- 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.

- 3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of a 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 consistently applied the same accounting policies and methods of computation for the current reporting period ended 30 September 2007 as compared with the Group's audited financial statements for the year ended 30 June 2007.

- 5. Is there 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 Group has adopted all new and revised Financial Reporting Standards (FRS) which were issued by the Council on Corporate Disclosure and Governance effective for financial period beginning 1 July 2007. The adoption of these new and revised FRS has no material impact to the Group results for this financial period.

- 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	
	01/07/2007 to 30/09/2007	01/07/2006 to 30/09/2006
Earnings per ordinary share of the Group for the financial period based on net profit attributable to shareholders of the Company:		
(i) Based on weighted average number of ordinary shares in issue - Weighted average number of shares*	0.11 cents 484,060,000	0.08 cents 480,000,000
(ii) Based on fully diluted basis - Adjusted weighted average number of shares*	0.11 cents 484,243,121	0.08 cents 483,381,378

\* The number of shares had been adjusted for the share sub-division of 1 into 2 shares on 3 August 2007.

7. **Net asset value (for the issuer and group) per ordinary share based on issued share capital of the issuer at the end of the:**  
**(a) current financial period reported on; and**  
**(b) immediately preceding financial year**

	Group		Company	
	30/09/2007	30/06/2007	30/09/2007	30/06/2007
Net asset value per ordinary share*	2.51 cents	2.40 cents	2.39 cents	2.39 cents

\* The net asset value per ordinary share of the Group and the Company as at 30 September 2007 and 30 June 2007 were calculated based on the issued share capital of the Company of 484,060,000 shares which had been adjusted for the share sub-division of 1 into 2 shares on 3 August 2007.

8. **A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:**  
**(a) 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; and**  
**(b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on**

***Commentary on the Consolidated Income Statement***

The Group's revenue increased by 17% from \$2.4 million for the 3 months ended 30 September 2006 ("1QFY07") to \$2.9 million for the 3 months ended 30 September 2007 ("1QFY08"). The increase was attributed to increase in overall student enrolment, especially in Hartford's proprietary programmes, and revenue contributions from new Hartford institutes.

Personnel expenses for 1QFY08 increased by 11% compared to 1QFY07 due mainly to growth of student numbers in Hartford's proprietary courses, which resulted in higher personnel cost in the current financial period.

For 1QFY08, other operating expenses increased by \$133,000 or 14% compared to 1QFY07. This was attributed mainly to increase in office rental expenses by approximately \$25,000 due to the establishment of Hartford Institute Beijing as well as re-location of Hartford Institute Mongolia to bigger premises. With higher overall student enrolment and growth at the new centres, other operation costs such as marketing, agent commission and maintenance also rose correspondingly.

The income tax expense in the current period consist of tax on the current financial period's profit of about \$103,000 and additional tax payable of \$49,000 in respect of prior years.

The Group's net profit attributable to shareholders of the Company increased by 28% from \$402,000 in 1QFY07 to \$516,000 in 1QFY08.

***Commentary on the Consolidated Balance Sheet***

Plant and equipment additions during the current period amounted to about \$109,000 mainly due to expansion of Hartford Centre in Vietnam. Depreciation for 1QFY08 was about \$94,000.

Trade and other receivables rose by about \$120,000 due mainly to increased receivables from university partners and students for the current term.

The increase in trade and other payables by \$432,000 was mainly due to increase of deferred income by about \$311,000, which represented the unearned portion of course fees and commission income for future periods. The remaining increase was related to accruals for payments to university partners and other creditors in the normal course of business.

The amount due from/to related companies was attributable to operating expenses paid on behalf by/for related companies incurred in the normal course of business. The reductions were due to settlements during the current period.

Current income tax payable increased by approximately \$136,000 due largely to current period income tax provision of about \$103,000 and additional tax payable of \$49,000 in respect of prior years.

***Commentary on the Group Cash Flow***

Net cash from operating activities in the current quarter contributed about \$1,143,000 of positive cash flow and after taking into account mainly the cash outflow from purchase of plant and equipment of about \$109,000, the cash and cash equivalent of the Group increased from \$11.0 million as at 30 June 2007 to \$12.0 million as at 30 September 2007.

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 Group will continue to expand its footprint through setting up of new Hartford Institutes in emerging markets and focus on the development of new curricula and courses.

11. **Dividend**

**(a) Current Financial Period Reported On**

Any dividend declared for the current financial period reported on?  
No.

**(b) Corresponding Period of the Immediately Preceding Financial Year**

Any dividend declared for the corresponding period of the immediately preceding financial year?  
No.

**(c) Date Payable**

Not applicable.

**(d) Books Closure date**

Not applicable.

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

No dividend has been declared for the current financial period reported on.

**PART II - ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT**

**(This part is not applicable to Q1, Q2, Q3 or Half Year Results)**

13. **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**

Not applicable.

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

Not applicable.

15. **A breakdown of sales**

Not applicable.

16. **A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year**

Not applicable.

17. **Negative assurance confirmation on first quarter financial results pursuant to Rule 705(4) of the Listing Manual**

The Board confirms that to the best of its knowledge, nothing has come to its attention which may render the financial results of the three months ended 30 September 2007 to be false or misleading in any material respect. A statement signed by two directors is on record.

**BY ORDER OF THE BOARD**

**Chew Hua Seng**  
**Executive Chairman**  
**5 November 2007**