

(A) EXPLANATORY NOTES TO THE INTERIM FINANCIAL REPORT

1. Basis of Preparation

The interim financial statements have been prepared under the historical cost convention. The unaudited interim financial statements have been prepared in accordance with FRS 134: Interim Financial Reporting and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”).

The interim financial statements should be read in conjunction with the Annual Financial Report for the financial year ended 31 October 2008 and the accompanying explanatory notes. These notes provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the year ended 31 October 2008.

2. Accounting Policies

The accounting policies and methods of computation adopted for the interim financial statements are consistent with those of the audited financial statements for the year ended 31 October 2008.

3. Seasonal or Cyclical Factors

The Group recognises tuition fees income based on the number of teaching periods over the entire duration of the respective courses. The revenue and profit for the first and third quarter of each financial year are usually lower due to summer period for courses from institutions in United Kingdom/United States and Australia.

4. Unusual Significant Items

Except for the information disclosed in this interim financial statements, there were no unusual items affecting assets, liabilities, equity, net income or cash flows during the current financial year-to-date.

5. Changes in Estimates

There were no changes in estimates of amounts reported in prior financial year that had a material effect in the current quarter and year-to-date results.

6. Changes in Debt and Equity Securities

There were no issuances, cancellations, repurchases, resale and repayments of debt and equity securities during the current financial year-to-date.

7. Dividends Paid

There were no dividends paid during the current financial year-to-date.

8. Segmental Reporting

The Group is principally involved in education activities carried out in Malaysia and accordingly no segment reporting has been prepared.

9. Material Subsequent Event

There were no material events subsequent to the end of the current quarter.

10. Changes in the Composition of the Group

There were no changes in the composition of the Group during the current financial year-to-date.

11. Changes in Contingent Liabilities or Contingent Assets

There were no contingent liabilities or contingent assets of the Group since the last annual balance sheet date.

(B) ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS OF BURSA SECURITIES (PARAGRAPH 9.22 AND APPENDIX 9B)

1. Review of Performance

	First Quarter 31/1/2009 RM'000	First Quarter 31/1/2008 RM'000
Revenue	<u>20,855</u>	<u>18,067</u>
Profit before taxation	<u>2,302</u>	<u>1,411</u>

For the first quarter under review, the Group's revenue increased by 15% from RM18.1 million last year to RM20.9 million. In line with the higher revenue achieved, the Group's profit before taxation increased by 63% from RM1.4 million to RM2.3 million.

The growth in revenue and profit was driven by higher student numbers, increase in the number of programmes offered, and saving in fee payments to foreign universities.

2. Material Changes in the Profit Before Taxation for the Quarter Reported on as Compared to the Immediate Preceding Quarter

	First Quarter 31/1/2009 RM'000	Fourth Quarter 31/10/2008 RM'000	Decrease RM'000
Revenue	<u>20,855</u>	<u>26,163</u>	<u>(5,308)</u>
Profit before taxation	<u>2,302</u>	<u>5,430</u>	<u>(3,128)</u>

The Group recorded a lower profit before taxation of RM2.3 million for this quarter as compared to RM5.4 million recorded in the immediate preceding quarter. The lower profit is in line with the expected seasonal lower revenue whereby less classes were being conducted during year end period for courses from institutions in Australia.

3. Commentary on Prospects

The current global financial crisis has created a lot of uncertainties across many countries.

In its 22 years of existence, HELP has experienced healthy growth even during economic downturns.

We expect demand for education to be stronger domestically due to the high cost of education overseas and tertiary education in Malaysia remains attractive to foreign students particularly from developing countries.

Our franchise programmes continue to grow in Vietnam and Indonesia.

We are exploring exporting our programmes to Cambodia and the African continent.

Based on the above, the Directors expect the performance of the Group to be satisfactory for the financial year ending 31 October 2009.

4. Statement on Profit Forecast

The Group has not provided any profit forecast in a public document for the current financial period.

5. Variance on Profit Forecast/ Profit Guarantee

The Group has not provided any profit forecast or profit guarantee in a public document for the current financial period.

6. Taxation

	Current Year Quarter RM'000	Current Year- To-Date RM'000
Current period charge	1,075	1,075
	<hr/> <hr/> 1,075	<hr/> <hr/> 1,075

The effective tax rate of the Group for the current year quarter and current year-to-date is higher than the statutory tax rate due principally to certain expenses that were not deductible for tax purposes and tax losses of subsidiaries which were not available for Group relief.

7. Profits/(Losses) on Sale of Unquoted Investments and/or Properties

There were no sales of unquoted investments or properties during the current quarter and financial year-to-date.

8. Quoted Securities other than Securities in Existing Subsidiaries and Associated Companies

There were no investment in quoted securities as at the end of the reporting period.

9. Corporate Proposals

(a) Status of Corporate Proposals

On 14 March 2008, the Company announced the proposed acquisition by HELP University College Sdn Bhd, a wholly-owned subsidiary of the Company from Juta Permai (M) Sdn Bhd of a leasehold land measuring approximately 23.29 acres in Seksyen U4 (Subang Delima), Mukim of Sungai Buloh, District of Petaling, State of Selangor for a total cash consideration of RM20,290,248 ("Proposed Acquisition").

The Economic Planning Unit (Foreign Investment Committee) had vide its letter dated 22 May 2008, stated that it has no objection to the Proposed Acquisition. The Proposed Acquisition is pending fulfilment of the conditions precedent in the Sale and Purchase Agreement and the approvals from the relevant authorities.

(b) Status of Utilisation of Proceeds Raised from the Company's listing on 22 May 2007

Purpose	Proposed Utilisation	Actual Utilisation as at 31 January 2009	Intended Timeframe for Utilisation	Deviation/ Balance		Explanations
	RM'000	RM'000		Amount RM'000	%	
Improvement to existing facilities	4,000	4,000	By 21 November 2008	-	-	Note (i)
Investment in and development of intellectual property, including staff development	2,660	2,532	By 21 May 2009	128	5	Note (ii)
International business development	1,179	1,179	By 21 November 2008	-	-	Note (i)
Working capital	1,982	1,982	By 21 May 2008	-	-	-
	<u>9,821</u>	<u>9,693</u>		<u>128</u>	1	

(i) Progressive utilisation within 18 months from date of Company's listing.

(ii) Progressive utilisation within 24 months from date of Company's listing.

10. Group Borrowings and Debt Securities

The Group's borrowings as at the end of the reporting period is as follows:

	RM'000
<u>Hire purchase creditors</u>	
Short term portion payable within one year	14
	<u>14</u>

11. Off Balance Sheet Financial Instruments

There were no financial instruments with off balance sheet risk as at 31 January 2009.

12. Material Litigation

The were no material litigation as at 31 January 2009.

13. Dividends

The Board of Directors does not recommend any dividend for the first quarter ended 31 January 2009.

14. Earnings per share attributable to equity holders of the Company

(a) Basic earnings per share

The basic earnings per share for the current financial year-to-date has been calculated based on the Group's profit for the current financial year-to-date attributable to the equity holders of the Company of RM1,227,000 and on the weighted average number of 88,776,000 ordinary shares in issue during the period.

(b) Fully diluted earnings per share

Fully diluted earnings per share were not computed as there were no potential ordinary shares to be issued as at the end of the reporting period.

BY ORDER OF THE BOARD

Chua Siew Chuan (MAICSA 0777689)
Tan Ai Ning (MAICSA 7015852)
Company Secretaries

Kuala Lumpur
23 March 2009