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### Informatics' Nigeria franchise booming

By CHEN HUIFEN

HOMEGROWN education group Informatics Holdings may not have come out of the woods yet but its franchisee in Nigeria is thriving as one of the best-known IT education brands in the country.



Having started in 2000, the Nigerian operations is now Informatics' fastest-growing overseas franchisee and it is even aiming for a listing in its home country by end-2007.

'We have nearly 2,000 students now,' Informatics Nigeria executive director George Kong told BT.

'The target is to reach 30,000 students by end-2007,' he added.

The ambitions are backed by government funds and a blueprint to promote IT education in Africa's most populous nation. In fact, the Jigawa state government is the master franchisee in Nigeria and has spent about \$20 million for the building of the Informatics Institute - a central campus the size of four football fields - to accommodate up to 20,000 students.

To be fully completed by March next year, the campus will also have hostel rooms for 2,500 students from neighbouring states. There are also plans to increase the number of satellite training centres to 27 by the end of this year, from four right now.

**Mr Kong: 'Sub-franchising will be important to grow the business faster.'**

According to Mr Kong, the Jigawa state government has budgeted about \$6 million a year which will go into sponsoring up to 80 per cent of each student's fees at Informatics Institute. In addition, it has mapped out six other related entities to take the franchise name further.

This includes a professional development centre, a guest inn, an IT park, an international school, a nursing school and a sports school. With the exception of the IT Park, all the related businesses will carry the Informatics name.

The listing will turn Informatics Nigeria from a government-owned, government-supported operation into an independent enterprise, with the government continuing to fund some scholarships.

'Sustainability beyond a ruling government's term is a concern in Nigeria,' said Mr Kong. 'Having non-government investors will ensure that the programmes and the ultimate goal of turning Jigawa into an IT hub can be an ongoing project even as the government changes.'

Informatics' success in Jigawa has also raised its profile in surrounding states. With IT literacy being viewed as a stepping stone to better employment prospects, Mr Kong said there is room for the business to grow.

'Sub-franchising will be important to grow the business faster,' he added. 'We have already confirmed sub-franchises in Abuja and Kaduna. The governments there have already given us the go-ahead to build more Informatics Institutes.'

A Singaporean based in Nigeria, Mr Kong came home last week to lead a group of 26 Nigerian students for further studies at the Informatics Singapore campus.

The mainboard-listed group was battered by accounting problems last year, leading it to report a FY2004 loss of \$42.5 million. For FY2005, it posted a net loss of \$70.3 million, but group chairman Vincent Tan said in its latest annual report 'there are positive signs pointing to an improvement in the operational and business environment, as reflected in the quarter-on-quarter reduction in losses incurred'.

For Q1 ended June 30 this year, its net loss was slashed to \$3.9 million, down from the previous Q1's loss of \$26.4 million.