



SUMMARY OF KEY FINANCIAL INFORMATION
31 March 2020

	INDIVIDUAL PERIOD		CUMULATIVE PERIOD	
	CURRENT YEAR QUARTER	PRECEDING YEAR CORRESPONDING QUARTER	CURRENT YEAR TO DATE	PRECEDING YEAR CORRESPONDING PERIOD
	31/3/2020	31/3/2019	31/3/2020	31/3/2019
	RM'000	RM'000	RM'000	RM'000
1 Revenue	51,976	59,675	51,976	59,675
2 Profit before tax	10,489	11,195	10,489	11,195
3 Profit for the period	9,344	10,089	9,344	10,089
4 Profit attributable to ordinary equity holders of the parent	9,343	10,092	9,343	10,092
5 Basic earnings per share (sen)	0.75	0.81	0.75	0.81
6 Proposed/Declared dividend per share (sen)	-	-	-	-
			AS AT END OF CURRENT QUARTER	AS AT PRECEDING FINANCIAL YEAR END
7 Net assets per share attributable to ordinary equity holders of the parent (RM)			0.0821	0.0755

ADDITIONAL INFORMATION

	INDIVIDUAL PERIOD		CUMULATIVE PERIOD	
	CURRENT YEAR QUARTER	PRECEDING YEAR CORRESPONDING QUARTER	CURRENT YEAR TO DATE	PRECEDING YEAR CORRESPONDING PERIOD
	31/3/2020	31/3/2019	31/3/2020	31/3/2019
	RM'000	RM'000	RM'000	RM'000
1. Gross interest income	215	269	215	150
2. Gross interest expense	(2,053)	(2,438)	(2,053)	(2,438)

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
 for the period ended 31 March 2020

	Current Period 3 months ended 31- March		Cumulative Period 3 months ended 31- March	
	2020 (RM'000)	2019 (RM'000)	2020 (RM'000)	2019 (RM'000)
Revenue	51,976	59,675	51,976	59,675
Cost of services	(15,575)	(19,053)	(15,575)	(19,053)
Gross profit	36,401	40,622	36,401	40,622
Interest income	215	150	215	150
Other income	2,106	1,470	2,106	1,470
	38,722	42,242	38,722	42,242
Distribution expenses	(2,091)	(2,736)	(2,091)	(2,736)
Administrative expenses	(12,551)	(13,725)	(12,551)	(13,725)
Other expenses	(11,538)	(12,148)	(11,538)	(12,148)
Finance costs	(2,053)	(2,438)	(2,053)	(2,438)
Profit before tax	10,489	11,195	10,489	11,195
Income tax	(1,145)	(1,106)	(1,145)	(1,106)
Profit for the period	9,344	10,089	9,344	10,089
Profit attributable to:				
Equity holders of the Company	9,343	10,092	9,343	10,092
Non-controlling interests	1	(3)	1	(3)
	9,344	10,089	9,344	10,089
Other comprehensive income:				
Other comprehensive income to be reclassified to profit or loss in subsequent periods:				
Fair value gain on available for sale financial assets	200	20	200	20
Foreign currency translation reserve	(161)	(102)	(161)	(102)
Total comprehensive income for the period	9,383	10,007	9,383	10,007
Total comprehensive income attributable to:				
Equity holders of the Company	9,382	10,010	9,382	10,010
Non-controlling interests	1	(3)	1	(3)
	9,383	10,007	9,383	10,007
Earnings per share attributable to equity holders of the Company (sen):-				
- Basic	0.75	0.81	0.75	0.81
- Fully diluted	0.75	0.81	0.75	0.81

The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Annual Financial Statements for the year ended 31 December 2019.



CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
At 31 March 2020

	As at 31 March 2020 (RM'000)	As at 31 December 2019 (RM'000)
ASSETS		
NON-CURRENT ASSETS		
Property, plant and equipment	90,070	92,092
Intangible assets	27,523	27,524
Other investments	610	740
Receivables	1,350	1,350
Right-of-use assets	117,610	122,856
Deferred tax assets	7,708	7,522
	<u>244,871</u>	<u>252,084</u>
CURRENT ASSETS		
Inventories	88	95
Receivables	34,018	31,101
Tax recoverable	1,869	1,152
Other financial asset	275	273
Deposits, cash and bank balances	89,552	58,692
	<u>125,802</u>	<u>91,313</u>
TOTAL ASSETS	<u>370,673</u>	<u>343,397</u>
EQUITY AND LIABILITIES		
CURRENT LIABILITIES		
Borrowings	43,546	9,000
Lease liabilities	23,244	23,283
Payables	49,892	56,696
Contract liabilities	28,694	29,687
Provisions	619	619
Current tax liabilities	295	255
	<u>146,290</u>	<u>119,540</u>
NET CURRENT LIABILITIES	<u>(20,488)</u>	<u>(28,227)</u>
NON-CURRENT LIABILITIES		
Borrowings	14,000	16,250
Lease liabilities	104,413	109,945
Contract liabilities	2,390	1,306
Payables	1,538	2,671
Deferred tax liabilities	1,320	1,253
	<u>123,661</u>	<u>131,425</u>
TOTAL LIABILITIES	<u>269,951</u>	<u>250,965</u>
NET ASSETS	<u>100,722</u>	<u>92,432</u>
EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY		
Share capital	147,707	147,707
Treasury shares	(38,587)	(37,486)
Reserves	(7,379)	(16,769)
	<u>101,741</u>	<u>93,452</u>
NON-CONTROLLING INTERESTS	<u>(1,019)</u>	<u>(1,020)</u>
TOTAL EQUITY	<u>100,722</u>	<u>92,432</u>
TOTAL EQUITY AND LIABILITIES	<u>370,673</u>	<u>343,397</u>

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Annual Financial Statements for the year ended 31 December 2019.



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CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
for the period ended 31 March 2020

	← Non-Distributable →				Distributable				Total Equity RM'000
	Share Capital RM'000	Available- for-sale Financial Assets Reserve RM'000	Exchange Translation Reserve RM'000	Other Capital Reserve RM'000	Treasury Shares RM'000	Retained Profits/ (Losses) RM'000	Attributable to Owners of the Company RM'000	Non- Controlling Interests RM'000	
As at 1 January 2020	147,707	(200)	9	1,969	(37,486)	(18,547)	93,452	(1,020)	92,432
Total comprehensive income for the period	-	200	(161)	-	(1,101)	9,344	8,282	1	8,283
Transactions with owners:-									
- Share-based payments	-	-	-	7	-	-	7	-	7
As at 31 March 2020	147,707	-	(152)	1,976	(38,587)	(9,203)	101,741	(1,019)	100,722
As at 1 January 2019	147,707	(120)	93	1,991	(37,486)	(19,725)	92,460	(1,000)	91,460
Adoption of MFRS 16	-	-	-	-	-	(12,991)	(12,991)	-	(12,991)
Balance as at 1 January 2019	147,707	(120)	93	1,991	(37,486)	(32,716)	79,469	(1,000)	78,469
Total comprehensive income for the period	-	20	(102)	-	-	10,092	10,010	(3)	10,007
Transactions with owners:-									
- Share-based payments	-	-	-	66	-	-	66	-	66
As at 31 March 2019	147,707	(100)	(9)	2,057	(37,486)	(22,624)	89,545	(1,003)	88,542

The Condensed Consolidated Statement Of Changes In Equity should be read in conjunction with the Annual Financial Statements for the year ended 31 December 2019.



CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
for the period ended 31 March 2020

	31 March 2020 (RM'000)	31 March 2019 (RM'000)
<u>Cash flows from operating activities</u>		
Profit before tax	10,489	11,195
Adjustment for:-		
- Non-cash items	10,708	10,899
- Non-operating items	988	285
Operating cash flows before changes in working capital	22,185	22,379
Changes in working capital		
- Decrease in inventories	7	9
- Increase in trade and other receivables	(4,279)	(11,106)
- Decrease in trade and other payables	(7,848)	(3,482)
Cash generated from operations	10,065	7,800
- Net taxes paid	(1,941)	(593)
- Interest received	215	150
- Interest paid	(340)	(457)
Net cash generated from operating activities	7,999	6,900
<u>Cash flows from investing activities</u>		
- Proceeds from disposal of property, plant and equipment	2	-
- Purchase of property, plant and equipment	(784)	(1,080)
- Gain on other investment	(2)	(1)
- Dividend received	15	14
Net cash used in investing activities	(769)	(1,067)
<u>Cash flows from financing activities</u>		
- Repayment of hire purchase and financial lease payables	(7,565)	(7,398)
- Drawdown/(Repayment) of loans	32,296	(2,250)
- Purchase of own shares	(1,101)	-
- Withdrawal of deposits with licensed banks and financial institutions with maturity of more than three months	1,558	3,735
Net cash generated from/(used in) financing activities	25,188	(5,913)
Net increase/(decrease) in cash and cash equivalents	32,418	(80)
Cash and cash equivalents at beginning of the period	53,562	45,002
Cash and cash equivalents at end of the period	85,980	44,922

The Condensed Consolidated Statement of Cash Flow should be read in conjunction with the Annual Financial Statements for the year ended 31 December 2019.



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Notes to interim financial report

A. ***DISCLOSURE REQUIREMENTS AS PER MALAYSIAN FINANCIAL REPORTING STANDARD (“MFRS”) 134***

1. **Basis of preparation**

The interim financial report is unaudited and has been prepared in accordance with the reporting requirements of MFRS 134: Interim Financial Reporting and the requirements of the Companies Act 2016 in Malaysia, where applicable.

The report has also been prepared in accordance with the applicable disclosure provisions of the Listing Requirements of Bursa Malaysia Securities Berhad.

The interim financial report should be read in conjunction with the audited financial statements of the Group for the year ended 31 December 2019. The explanatory notes attached to the interim financial statements 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 December 2019.

2. **Significant accounting policies**

2.1 **Adoption of Standards, Amendments and Annual Improvements to Standards**

The accounting policies adopted in the preparation of the interim financial report are consistent with those followed in the preparation of the Group's audited financial statements for the financial year ended 31 December 2020, except for the following:

Standards, Amendments and Annual Improvements to Standards effective for the financial periods beginning on or after 1 January 2020

Amendments to MFRS 3 Definition of a Business
Amendments to MFRS 29, MFRS 139 and MFRS 7 Interest Rate Benchmark Reform
Amendments to MFRS 101 Definition of Material
Amendments to MFRS 108 Definition of Material

The above standards and interpretations do not have any impact on the financial statements of the Group.



2. Significant accounting policies (Cont'd)

2.2 Standards issued but not yet effective

At the date of authorisation of the interim financial report, the following Standards were issued by the Malaysian Accounting Standards Board (MASB) but are not yet effective and have not been adopted by the Group:

Description	Effective for annual periods beginning on or after
MFRS 17 Insurance Contract	1 January 2021
Amendments to MFRS 101 Classification of Liabilities As Current or Non-current	1 January 2022
Amendments to MFRS 10 and MFRS 128 - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred

3. Qualification of Audit Report

The audit report of the financial statements of the Group for the year ended 31 December 2019 was not qualified.

4. Seasonal or cyclical factors

Full-time students enrol for courses during certain periods of the year whereas adult learners (part-time students) do not have preference for specific intakes.

With the combination of both full-time and part-time programmes offered by the Group, the effects of seasonal or cyclical factors are minimised.

5. Nature and amount of items affecting assets, liabilities, equity, net income, or cash flows that are unusual.

There were no material unusual items affecting the assets, liabilities, equity, net income or cash flows of the Group for the financial period ended 31 March 2020.

6. Nature and amount of changes in estimates

There were no changes in estimates of amounts previously reported which have a material effect in the financial period ended 31 March 2020.



7. Issuance, cancellations, repurchases, resale and repayments of debt and equity securities

There were no cancellations, repurchases, resale and repayments of debts and equity securities during the financial period ended 31 March 2020 except for the following:

	No. of ordinary shares
No. of ordinary shares net of treasury shares as at 1 January 2020	1,238,514,542
Less: Purchase of Company's own ordinary shares	<u>(1,793,500)</u>
No. of ordinary shares net of treasury shares as at 31 March 2020	<u><u>1,236,721,042</u></u>

During the current quarter, the Company had repurchased 1,793,500 of its own ordinary shares from the open market at an average price of RM0.61 per share.

The shares repurchased are being held as treasury shares in accordance with Section 127(4)(b) of the Companies Act 2016. As at 31 March 2020, the total shares bought back of 27,842,100 are held as treasury shares.

8. Dividend paid

There were no dividends declared or paid in the quarter under review.

9. Segment reporting

The Group's turnover and profits were derived mainly from education and training activities and accordingly, no segment reporting is presented.

10. Material subsequent events

There are no material subsequent events that have not been reflected in the financial statements for the financial year period ended 31 March 2020.

11. Changes in composition of the Group

There were no major changes in the composition of the Group during the current quarter ended 31 March 2020.

12. Changes in contingent liabilities or contingent assets

There were no material contingent liabilities or contingent assets of the Group as at 31 March 2020.



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13. Capital Commitment

There were no material capital commitments approved and contracted for as at 31 March 2020.

14. Deposits, cash and bank balances

	As at 31 March 2020 (RM'000)
Total deposits, cash and bank balances	89,552
Less: Deposits with licensed banks and financial institution with maturity of more than three months	<u>(3,572)</u>
Total cash and cash equivalents	<u>85,980</u>



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B. DISCLOSURE REQUIREMENTS AS PER BURSA MALAYSIA SECURITIES BERHAD LISTING REQUIREMENTS.

1. Review of performance

For the period ended 31 March 2020, the Group achieved a revenue of RM52.0 million and a profit before taxation of RM10.5 million, a decrease of 12.9% and 6.3 % respectively, as compared to the corresponding period in 2019.

The Group achieved an earnings before interest, tax, depreciation and amortisation (“EBITDA”) of RM20.9 million compared to RM22.1 million in the corresponding period in 2019. This reflects a decrease in 5.4% in EBITDA.

The decrease in revenue and profits as compared to the corresponding period last year is partly due to the slower new enrolments for the first quarter of 2020 arising from the effects of the Covid-19 pandemic.

2. Variation of results against preceding quarter

The Group recorded a profit before taxation of RM9.0 million for the quarter under review compared to a profit before tax of RM11.0 million in the preceding quarter. The variation in results is partly due to the slower new enrolments as explained above.

3. Prospects for 2020

For the last two years, the Group has successfully streamlined its operations where it has optimised its assets and resources. In this new financial year, the Group is looking at growing its market segments both locally and internationally. The Group is looking at adding on new academic programmes which are in demand by the workplace, particularly those related to technology. We are also expanding our reach internationally through collaborations and smart partnerships with local partners in many countries around the region.

With the unprecedented occurrence of Covid-19 pandemic affecting Malaysia and the nations globally, and the restrictions in movement and travel from the pandemic control, we expect our results for 2020 to be affected to an extent yet to be accurately determined. The Group has however, countered the expected negative impact with new business strategies and appropriate cost cutting measures. With this in place, we believe that the negative impact would be mitigated to a certain extent.

4. Profit forecast

Not applicable.



5. Notes to the Consolidated Statement of Comprehensive Income

Profit before taxation is arrived at after charging/(crediting):

	Current Quarter Ended 31/3/2020 (RM'000)	Comparative Quarter Ended 31/3/2019 (RM'000)	Cumulative to-date 31/3/2020 (RM'000)	Cumulative to-date 31/3/2019 (RM'000)
Amortisation of development costs	-	2	-	2
Depreciation expense	2,800	2,923	2,800	2,923
Depreciation of right-of-use assets	5,526	5,578	5,526	5,578
Expected credit loss	1,275	2,860	1,275	2,860
Interest expense	340	457	340	457
Interest expense on lease liabilities	1,713	1,981	1,713	1,981
Interest income	(215)	(150)	(215)	(150)
Gain on disposal of property, plant and equipment	(2)	-	(2)	-
(Gain)/Loss on foreign exchange	(855)	87	(855)	87
Provision of doubtful debts	87	(2,091)	87	(2,091)

6. Income tax

	Current quarter ended 31 March 2020 (RM'000)	Cumulative to-date 31 March 2020 (RM'000)
Current income tax		
- current	1,265	1,265
- prior year	-	-
	<u>1,265</u>	<u>1,265</u>
Deferred income tax		
- current	(11)	(11)
- prior year	(109)	(109)
	<u>(120)</u>	<u>(120)</u>
Total	<u>1,145</u>	<u>1,145</u>



7. Status of corporate proposals announced

There are no corporate proposals announced that have not been completed.

8. Borrowing and debt securities

The Group's borrowings as at 31 March 2020 are as follows:

	<u>(RM'000)</u>
Current	
- Overdraft	25,046
- Short-term loan	<u>18,500</u>
	43,546
Non-current	
- Long-term loan	<u>14,000</u>
	<u><u>57,546</u></u>

The above borrowings are secured and denominated in Ringgit Malaysia.

9. Changes in material litigation

There were no pending material litigations as at 28 May 2020.

10. Dividend

No dividend has been declared and paid during the quarter under review.



11. Earnings per share

The basic and diluted earnings per share have been calculated based on the consolidated net profit for the period and on the weighted average number of ordinary shares in issue during the period.

Basic earnings per share

	Current Quarter Ended 31/3/2020 (RM'000)	Comparative Quarter Ended 31/3/2019 (RM'000)	Cumulative to-date 31/3/2020 (RM'000)	Cumulative to-date 31/3/2019 (RM'000)
Earnings				
Profit after taxation	9,344	10,089	9,344	10,089
Amount attributable to non-controlling interests	(1)	3	(1)	3
Profit after taxation attributable to the equity holders of the Company	9,343	10,092	9,343	10,092
Weighted average number of ordinary shares ('000)	1,238,330	1,238,515	1,238,330	1,238,515
Basic earnings per share (sen)	0.75	0.81	0.75	0.81

Diluted earnings per share

Earnings				
Profit after taxation	9,344	10,089	9,344	10,089
Amount attributable to non-controlling interests	(1)	3	(1)	3
Profit after taxation attributable to the equity holders of the Company	9,343	10,092	9,343	10,092
Weighted average number of ordinary shares ('000)	1,238,330	1,238,515	1,238,330	1,238,515
Effect of dilution ('000) - Shares Grant Plan ("SGP")	-	652	-	652
Weighted average number of ordinary shares ('000)	1,238,330	1,239,167	1,238,330	1,239,167
Diluted earnings per share (sen)	0.75	0.81	0.75	0.81