



SUMMARY OF KEY FINANCIAL INFORMATION
30 June 2024

	INDIVIDUAL PERIOD		CUMULATIVE PERIOD	
	CURRENT YEAR QUARTER	PRECEDING YEAR CORRESPONDING QUARTER	CURRENT YEAR TO DATE	PRECEDING YEAR CORRESPONDING PERIOD
	30/06/2024	30/06/2023	30/06/2024	30/06/2023
	RM'000	RM'000	RM'000	RM'000
1 Revenue	43,983	47,493	93,651	93,491
2 Profit/(loss) before tax	(458)	2,515	2,994	7,793
3 Profit/(loss) for the period	(1,036)	2,391	2,527	6,988
4 Profit/(loss) attributable to ordinary equity holders of the parent	(1,036)	2,392	2,533	6,989
5 Basic earnings/(loss) per share (sen)	(0.08)	0.20	0.21	0.57
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)			0.1020	0.1009
ADDITIONAL INFORMATION				
	INDIVIDUAL PERIOD		CUMULATIVE PERIOD	
	CURRENT YEAR QUARTER	PRECEDING YEAR CORRESPONDING QUARTER	CURRENT YEAR TO DATE	PRECEDING YEAR CORRESPONDING PERIOD
	30/06/2024	30/06/2023	30/06/2024	30/06/2023
	RM'000	RM'000	RM'000	RM'000
1. Gross interest income	55	171	167	365
2. Gross interest expense	(2,411)	(2,124)	(4,789)	(4,171)



CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
for the period ended 30 June 2024

	Current Period 3 months ended 30 - June		Cumulative Period 6 months ended 30 - June	
	2024 (RM'000)	2023 (RM'000)	2024 (RM'000)	2023 (RM'000)
Revenue	43,983	47,493	93,651	93,491
Cost of services	(20,014)	(18,592)	(39,968)	(34,307)
Gross profit	23,969	28,901	53,683	59,184
Interest income	55	171	167	365
Other income	1,937	1,631	3,872	3,112
	25,961	30,703	57,722	62,661
Distribution expenses	(1,799)	(2,355)	(3,862)	(4,040)
Administrative expenses	(9,594)	(10,476)	(20,758)	(20,865)
Other expenses	(12,615)	(13,233)	(25,319)	(25,792)
Finance costs	(2,411)	(2,124)	(4,789)	(4,171)
Profit/(loss) before tax	(458)	2,515	2,994	7,793
Income tax	(578)	(124)	(467)	(805)
Profit/(loss) net of tax	(1,036)	2,391	2,527	6,988
Profit/(loss) for the period	(1,036)	2,391	2,527	6,988
Profit/(loss) attributable to:				
Equity holders of the Company	(1,036)	2,392	2,533	6,989
Non-controlling interests	-	(1)	(6)	(1)
	(1,036)	2,391	2,527	6,988
Other comprehensive income/(loss), net of tax:				
Items that will not be reclassified subsequently to profit or loss:				
Fair value gain through other comprehensive income ("FVOCI") equity instruments	(40)	(89)	(55)	(120)
Items that may be reclassified subsequently to profit or loss:				
Foreign currency translation differences	8	71	47	30
Total comprehensive income/(loss) for the period	(1,068)	2,373	2,519	6,898
Total comprehensive income/(loss) attributable to:				
Equity holders of the Company	(1,068)	2,374	2,525	6,989
Non-controlling interests	-	(1)	(6)	(1)
	(1,068)	2,373	2,519	6,898
Earnings/(loss) per share attributable to equity holders of the Company (sen):-				
- Basic	(0.08)	0.20	0.21	0.57
- Fully diluted	(0.08)	0.20	0.21	0.57

The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Annual Financial Statements for the year ended 31 December 2023.



CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As at 30 June 2024

	As at 30 June 2024 (RM'000)	As at 31 December 2023 (RM'000)
ASSETS		
NON-CURRENT ASSETS		
Property, plant and equipment	106,038	104,920
Investment properties	6,953	7,000
Intangible assets	29,322	29,773
Other investments	340	395
Receivables	9,601	6,427
Right-of-use assets	177,934	146,898
Deferred tax assets	13,839	12,807
	<hr/> 344,027	<hr/> 308,220
CURRENT ASSETS		
Inventories	76	72
Receivables	33,805	33,416
Tax recoverable	5,067	4,843
Other financial asset	294	290
Deposits, cash and bank balances	49,906	65,164
	<hr/> 89,148	<hr/> 103,785
TOTAL ASSETS	<hr/> 433,175	<hr/> 412,005
EQUITY AND LIABILITIES		
CURRENT LIABILITIES		
Borrowings	18,262	26,291
Lease liabilities	22,554	22,233
Payables	52,528	55,878
Contract liabilities	24,721	29,531
Provisions	159	41
Current tax liabilities	490	328
	<hr/> 118,714	<hr/> 134,302
NET CURRENT LIABILITIES	<hr/> (29,566)	<hr/> (30,517)
NON-CURRENT LIABILITIES		
Borrowings	7,866	4,855
Lease liabilities	170,943	139,538
Payables	1,290	2,156
Contract liabilities	3,181	1,234
Provisions	360	477
Deferred tax liabilities	7,188	7,146
	<hr/> 190,828	<hr/> 155,406
TOTAL LIABILITIES	<hr/> 309,542	<hr/> 289,708
NET ASSETS	<hr/> 123,633	<hr/> 122,297
EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY		
Share capital	148,458	148,458
Treasury shares	(48,490)	(48,032)
Reserves	24,705	22,905
	<hr/> 124,673	<hr/> 123,331
NON-CONTROLLING INTERESTS	<hr/> (1,040)	<hr/> (1,034)
TOTAL EQUITY	<hr/> 123,633	<hr/> 122,297
TOTAL EQUITY AND LIABILITIES	<hr/> 433,175	<hr/> 412,005

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Annual Financial Statements for the year ended 31 December 2023.



CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
for the period ended 30 June 2024

	30 June 2024	30 June 2023
	(RM'000)	(RM'000)
<u>Cash flows from operating activities</u>		
Profit before tax	2,994	7,793
Adjustment for:-		
- Non-cash items	17,109	18,523
- Non-operating items	4,618	3,788
	<hr/>	<hr/>
Operating cash flows before changes in working capital	24,721	30,104
Changes in working capital		
- (Increase)/decrease in inventories	(4)	31
- (Increase)/decrease in trade and other receivables	(3,566)	8,629
- Decrease in trade and other payables	(6,895)	(13,961)
	<hr/>	<hr/>
Cash generated from operations	14,256	24,803
- Net taxes paid	(1,519)	(3,911)
- Interest paid	(4,789)	(4,171)
	<hr/>	<hr/>
Net cash generated from operating activities	7,948	16,721
	<hr/>	<hr/>
<u>Cash flows from investing activities</u>		
- Proceeds from disposal of property, plant and equipment	58	8
- Interest received	167	365
- Purchase of property, plant and equipment	(4,605)	(4,652)
- Acquisition of a subsidiary, net of cash acquired	-	24
- Dividend received	4	18
- Withdrawal/(placement) of deposits with licensed banks and financial institutions with maturity of more than three months	5,395	(28)
	<hr/>	<hr/>
Net cash used in investing activities	1,019	(4,265)
	<hr/>	<hr/>
<u>Cash flows from financing activities</u>		
- Payment of principal portion of lease liabilities	(13,356)	(10,380)
- Net drawdown/(repayment) of borrowings	(5,489)	-
- Purchase of treasury shares	(457)	(284)
- Dividend paid	-	(24,480)
	<hr/>	<hr/>
Net cash used in financing activities	(19,302)	(35,144)
	<hr/>	<hr/>
Net decrease in cash and cash equivalents	(10,335)	(22,688)
Cash and cash equivalents at beginning of the period	53,373	81,195
	<hr/>	<hr/>
Cash and cash equivalents at end of the period	43,038	58,507
	<hr/>	<hr/>

The Condensed Consolidated Statement of Cash Flow should be read in conjunction with the Annual Financial Statements for the year ended 31 December 2023.

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
 for the period ended 30 June 2024

	← Non-Distributable					Distributable →				
	Share Capital RM'000	Fair Value Reserve of Financial Asset at FVOCI RM'000	Assets Revaluation Surplus RM'000	Exchange Translation Reserve RM'000	Share-Based Payment Reserve RM'000	Treasury Shares RM'000	Retained Profits/ (Accumulated Loss) RM'000	Attributable to Owners of the Company RM'000	Non- Controlling Interests RM'000	Total Equity RM'000
As at 1 January 2024	148,458	(260)	25,679	289	726	(48,032)	(3,529)	123,331	(1,034)	122,297
Profit for the period	-	-	-	-	-	-	2,533	2,533	(6)	2,527
Other comprehensive income for the period, net of tax	-	-	-	-	-	-	-	(55)	-	(55)
Fair value gain on financial assets	-	(55)	-	-	-	-	-	47	-	47
Foreign currency translation differences	-	-	-	47	-	-	-	-	-	-
Total comprehensive income for the period	-	(55)	-	47	-	-	2,533	2,526	(6)	2,520
Depreciation transfer for buildings to retained profits	-	-	(375)	-	-	-	375	-	-	-
Deferred tax impact transfer on revaluation of freehold land and buildings	-	-	90	-	-	-	(90)	-	-	-
Transactions with owners:-										
- Purchase of treasury shares	-	-	-	-	-	(458)	-	(458)	-	(458)
- Share-based payments	-	-	-	-	(726)	-	-	(726)	-	(726)
As at 30 June 2024	148,458	(315)	25,395	336	-	(48,490)	(711)	124,673	(1,040)	123,633
As at 1 January 2023	148,458	(70)	24,531	248	1,546	(47,095)	281	127,899	(1,022)	126,877
Profit for the period	-	-	-	-	-	-	6,989	6,989	(1)	6,988
Other comprehensive income for the period, net of tax	-	-	-	-	-	-	-	(120)	-	(120)
Fair value gain on financial assets	-	(120)	-	-	-	-	-	30	-	30
Foreign currency translation differences	-	-	-	30	-	-	-	-	-	-
Total comprehensive income for the year	-	(120)	-	30	-	-	6,989	6,899	(1)	6,898
Depreciation transfer for buildings to retained profits	-	-	(402)	-	-	-	402	-	-	-
Deferred tax impact transfer on revaluation of freehold land and buildings	-	-	79	-	-	-	(79)	-	-	-
Transactions with owners:-										
- Purchase of treasury shares	-	-	-	-	-	(284)	-	(284)	-	(284)
- Share-based payments	-	-	-	-	312	-	-	312	-	312
As at 30 June 2023	148,458	(190)	24,208	278	1,858	(47,379)	7,593	134,826	(1,023)	133,803

The Condensed Consolidated Statement Of Changes In Equity should be read in conjunction with the Annual Financial Statements for the year ended 31 December 2023.



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 2023. 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 2023.

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 2023, except for the following:

Standards, Amendments and Annual Improvements to Standards effective for the financial periods beginning on or after 1 January 2024

Description	Effective for annual periods beginning on or after
Amendments to MFRS 16 – Lease Liability in a Sale and Leaseback	1 January 2024
Amendments to MFRS 101 – Presentation of Financial Statement - Non-current Liabilities with Covenants	1 January 2024
Amendments to MFRS 107 – Statement of Cash Flows – Supplier Finance Arrangements	1 January 2024

The adoption of the above Amendments to MFRS did not have any material effect on the financial statements in the period of initial application.



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
Amendments to MFRS 121 – The Effects of Changes in Foreign Exchange Rates – Lack of Exchangeability	1 January 2025
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 2023 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.

Further, the Group's strategy towards embracing digitalisation in its delivery of programmes with multiple intakes will also mitigate such seasonal or cyclical effects.

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 30 June 2024.

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 30 June 2024.



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 30 June 2024 except the following:

	No. of ordinary shares
No. of ordinary shares net of treasury shares as at 1 January 2024	1,222,573,142
Less: Purchase of Company's own ordinary shares	<u>(700,000)</u>
No. of ordinary shares net of treasury shares as at 30 June 2024	<u>1,221,873,142</u>

In the previous quarter, the Company repurchased 700,000 of its own ordinary shares from the open market at an average price of RM0.65 per share.

The shares repurchased are being held as treasury shares in accordance with Section 127(4)(b) of the Companies Act 2016.

8. Dividends paid

No dividend has been declared during the quarter under review.

On 5 Aug 2024, the Board of Directors declared a first interim dividend of RM0.01 per ordinary share each in respect of the financial year ending 31 December 2024. This first interim dividend amounting to RM12.2 million will be paid on 30 August 2024.

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 period ended 30 June 2024.

11. Changes in composition of the Group

There were no major changes in the composition of the Group during the financial period ended 30 June 2024.

12. Changes in contingent liabilities or contingent assets

There were no material contingent liabilities or contingent assets of the Group as at 30 June 2024.



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13. Capital Commitment

Authorised capital expenditure not provided for in the financial statements as at 30 June 2024.

(RM'000)

Approved and contracted for 5,022

14. Deposits, cash and bank balances

As at
30 June 2024
(RM'000)

Total deposits, cash and bank balances	49,906
Less: Deposits with licensed banks and financial institution with maturity of more than three months	(106)
Less: Overdraft	<u>(6,762)</u>
Total cash and cash equivalents	<u>43,038</u>



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

1. Review of performance

The Group recorded a revenue of RM93.7 million and a profit before taxation of RM3.0 million, for the financial period ended 30 June 2024, an increase of 0.2% and a decrease of 62% respectively as compared to the financial period ended 30 June 2023.

The Group's consistent strategies to increase student numbers and revenue stream have enabled the revenue to be maintained year over year. However, profits were eroded due to the increase in acquisition costs of these student in the month of enrolment, which the Group deems necessary as a foundation to build better student numbers for the foreseeable future.

2. Variation of results against preceding quarter

The Group recorded a loss before taxation of RM0.5 million for the quarter under review as compared to a profit before tax of RM3.5 million in the preceding quarter in line with the increase in acquisition costs to secure the new student enrolments as explained above.

3. Prospects for 2024

The effects of the pandemic and the extended lockdown for our international students have affected the results of the Group under review. The new initiatives taken in 2023 such as the introduction of skill-based programmes, the launching of new programmes and the acquisition of K-12 (kindergarten, primary and secondary) schools have helped the Group to steadily increase its student numbers and revenue stream. Extensive groundwork has also been done to expand our market reach globally. With these initiatives in place, we expect to normalise our returns to pre-pandemic levels and grow further in the coming years.

4. Profit forecast

Not applicable.



5. Notes to the Consolidated Statement of Comprehensive Income

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

	Current Quarter Ended 30/06/2024 (RM'000)	Comparative Quarter Ended 30/06/2023 (RM'000)	Cumulative to-date 30/06/2024 (RM'000)	Cumulative to-date 30/06/2023 (RM'000)
Allowance for ECL on trade				
Receivables	(156)	(33)	452	(61)
Depreciation and amortisation of:				
- property, plant and equipment	1,688	2,104	3,378	4,191
- right-of-use assets	7,114	7,248	13,864	13,989
- development cost	15	-	31	-
- service contracts	211	-	421	-
Interest expense	109	99	299	132
Interest expense on lease liabilities	2,302	2,025	4,490	4,039
Interest income	(55)	(172)	(167)	(365)
Loss/(Gain) on disposal of property, plant and equipment	42	(7)	40	19
Loss/(Gain) on foreign exchange	72	(134)	(46)	(148)

6. Income tax

	Current quarter ended 30 June 2024 (RM'000)	Cumulative to-date 30 June 2024 (RM'000)
Current income tax		
- current	87	1,478
- prior year	142	(36)
	<u>229</u>	<u>1,442</u>
Deferred income tax		
- current	349	(975)
- prior year	-	-
	<u>349</u>	<u>(975)</u>
Total	<u>578</u>	<u>467</u>



7. Status of corporate proposals announced

On 30 April 2024, the Board of Directors announced that the Company (or “SEGi”) has received a notice of unconditional mandatory take-over offer (“Notice”) from AmInvestment Bank Berhad, on behalf of EduEdge Equities Sdn Bhd (“Offeror”), to acquire the following:

(i) all the remaining ordinary shares in the Company (“SEGi Share(s)”) (excluding all the treasury shares held by SEGi) not already owned by the Offeror and Tan Sri Clement Hii Chii Kok; and

(ii) any new SEGi Shares that may be issued and allotted prior to the Closing Date of the offer (as defined in the Notice) arising from the exercise of the outstanding options granted under the long-term incentive plan of SEGi (“LTIP”) and any new options that may be further granted under the LTIP,

(collectively known as the “Offer Share(s)”)

for a cash consideration of RM0.45 per Offer Share.

In accordance with this, the Board has announced that the Company has received a press notice from AmInvestment Bank Bhd on behalf of the Offeror, informing that the offer has closed on 11 June 2024 and in accordance with para 13.01 of the rules, the level of acceptance of the offer at 5pm (Malaysian time) was announced.

8. Borrowing and debt securities

The Group’s borrowings as at 30 June 2024 are as follows:

	(RM’000)
Current	
- Overdraft - secured	6,762
- Other short-term borrowings - unsecured	11,500
	18,262
Non-current	
- Long-term borrowings-unsecured	7,866
	26,128

The above borrowings are denominated in Ringgit Malaysia.

9. Changes in material litigation

There were no pending material litigations as at 19 Aug 2024.

10. Dividend

No dividend has been declared during the quarter under review.

On 5 Aug 2024, the Board of Directors declared a first interim dividend of RM0.01 per ordinary share each in respect of the financial year ending 31 December 2024. This first interim dividend amounting to RM12.2 million will be paid on 30 August 2024.



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 30/06/2024 (RM'000)	Comparative Quarter Ended 30/06/2023 (RM'000)	Cumulative to-date 30/06/2024 (RM'000)	Cumulative to-date 30/06/2023 (RM'000)
Earnings				
Profit/(loss) after taxation	(1,036)	2,391	2,527	6,988
Amount attributable to non-controlling interests	-	1	6	1
Profit/(loss) after taxation attributable to the equity holders of the Company	(1,036)	2,392	2,533	6,989
Weighted average number of ordinary shares ('000)	1,221,873	1,223,197	1,222,991	1,223,597
Basic earnings/(loss) per share (sen)	(0.08)	0.20	0.21	0.57

Diluted earnings per share

Earnings				
Profit/(loss) after taxation	(1,036)	2,391	2,527	6,988
Amount attributable to non-controlling interests	-	1	6	1
Profit/(loss) after taxation attributable to the equity holders of the Company	(1,036)	2,392	2,533	6,989
Weighted average number of ordinary shares ('000)	1,221,873	1,223,197	1,221,991	1,223,597
Effect of dilution ('000)				
- Shares Grant Plan ("SGP")	-	1,395	-	1,395
Weighted average number of ordinary shares ('000)	1,221,873	1,224,592	1,221,991	1,224,992
Diluted earnings/(loss) per share (sen)	(0.08)	0.20	0.21	0.57

Note: The Share Grant Plan relating to the Long-Term Incentive Plan has expired on 30 June 2024.