Message from the Chairman

SEGi REMAINED COMMITTED TO DELIVERING QUALITY, INDUSTRY-RELEVANT EDUCATION WHILE STRENGTHENING ITS OPERATIONAL CAPABILITIES AND LONG-TERM POSITIONING.

Dear Valued Shareholders,

ON BEHALF OF THE BOARD OF DIRECTORS, I AM PLEASED TO PRESENT THE ANNUAL REPORT AND AUDITED FINANCIAL STATEMENTS OF SEG INTERNATIONAL BHD ("SEGi") AND THE GROUP FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025.

The year 2025 marked a year of continued resilience and measured growth for the Group, as we navigated a dynamic and increasingly competitive education landscape. SEGi remained committed to delivering quality, industry-relevant education while strengthening its operational capabilities and long-term positioning.

MARKET OUTLOOK

The education sector continues to evolve in response to rapid technological advancements and shifting workforce expectations. Developments in digitalisation, artificial intelligence (AI), and data-driven learning are reshaping how education is delivered, while there is an increasing emphasis on practical skills, employability, and lifelong learning.

In Malaysia, ongoing policy support for accessible and quality education, together with a growing focus on industry-relevant skills, presents opportunities for institutions that are able to adapt and innovate. The continued demand for flexible learning pathways, including blended and hybrid models, further reinforces the need for education providers to remain agile and responsive to market needs.

Message from the Chairman

Tun Md Raus Bin Sharif
Chairman

Against this backdrop, SEGi is well-positioned to capitalise on these developments through the enhancement of its academic offerings, strengthening of industry collaborations, and continued focus on student outcomes. Initiatives such as the SEGi UniVerse and the SEGi Regional UniHubs reflect the Group's commitment to embracing digitalisation, expanding regional connectivity, and delivering more flexible and future-ready learning experiences. The Group remains mindful of the broader economic environment, but is confident that its strategic priorities will support sustainable growth and long-term value creation.

FINANCIAL PERFORMANCE

The Group delivered a stronger financial performance in 2025, reflecting improved operating momentum and continued recovery in student enrolments. Revenue increased by 7.6% as compared with last year's corresponding period to RM207.5 million, while profit before taxation rose significantly by 87.3% to RM10.3 million.

The performance improvement was primarily driven by higher student enrolments during the year, supported by the Group's ongoing efforts in strengthening its academic offerings, enhancing student engagement, and expanding market reach. This improved performance reflects the effectiveness of the Group's strategic initiatives in driving enrolment growth and enhancing operational efficiency.

Revenue
RM207.5 million

Profit Before Tax
RM10.3 million
increase by **87.3%**

Message from the Chairman

THE GROUP'S FINANCIAL POSITION REMAINS SOUND, UNDERPINNED BY PRUDENT FINANCIAL MANAGEMENT AND A DISCIPLINED APPROACH TO COST OPTIMISATION.

The Group's financial position remains sound, underpinned by prudent financial management and a disciplined approach to cost optimisation. This provides a stable foundation to support future growth initiatives while maintaining resilience in a dynamic operating environment.

Looking ahead, the Group remains focused on sustaining this momentum by continuing to invest in student success, enhancing learning experiences, and strengthening its competitive position within Malaysia's education sector.

During the year, the Group also continued to invest in new growth areas, including healthcare and specialised services such as Traditional Chinese Medicine, and aesthetic dental care. These initiatives are at an early stage and are expected to require a gestation period before contributing meaningfully to the Group's earnings.

DIVIDENDS

The Group remains committed to delivering sustainable returns to shareholders while maintaining a prudent approach to capital management.

For the financial year ended 31 December 2025, the Company declared two interim single-tier dividends totalling 1.8 sen per ordinary share, amounting to RM22.0 million, reflecting our continued commitment to rewarding our investors.

The first interim dividend of 1.0 sen per ordinary share, amounting to RM12.2 million, was paid on 20 February 2025, followed by a second interim dividend of 0.8 sen per ordinary share, amounting to RM9.8 million, which was paid on 28 August 2025.

OPERATIONAL REVIEW, ACHIEVEMENTS AND RECOGNITIONS

Over the past year, the Group has begun to see tangible outcomes from the strategic initiatives developed in previous years. These efforts are now translating into measurable progress across both the education and healthcare segments.

One of the most significant milestones during the year was SEGi University's debut in the QS World University Rankings 2026, where the University is now placed within the #731 to #740 band globally. This achievement positions SEGi among the top 1.5 percent of universities worldwide and reflects the sustained commitment of the Group to academic quality, international engagement, and global benchmarking.

These recognitions reaffirm SEGi's unwavering pursuit of academic excellence, innovation, and global engagement.

The Group has also continued to expand its global reach through innovative education platforms. SEGi Universe, our metaverse-based digital learning environment, has gained encouraging momentum in reaching international learners through targeted digital outreach initiatives. Complementing this platform is the establishment of SEGi Regional UniHubs across 15 countries and 30 cities, enabling stronger on the ground support for students pursuing open and distance learning programmes.

At the same time, the Group's renewed focus on adult learners has yielded positive growth. SEGi Professional and Continuing Education (SPACE) was set up to support working professionals seeking to enhance their qualifications and remain competitive in an evolving workforce landscape.

Beyond education, SEGi has also taken meaningful steps in expanding its presence in the healthcare sector. Through Urban Healthcare Group, the Group has strengthened its healthcare services across Traditional Chinese Medicine, and Dental Clinics. These initiatives represent the early stages of a broader strategy to build an integrated healthcare ecosystem that complements the Group's strengths in health sciences education.

CORPORATE DEVELOPMENTS

During the financial year, the Company undertook a bonus issue of warrants as part of its capital management strategy. This exercise is intended to enhance the Company's capital structure, provide shareholders with additional participation in the equity of the Company, and potentially improve the trading liquidity of its shares upon the conversion of the warrants.

Message from the Chairman

The warrants exercise also aligns with the Group's broader strategy to optimise capital efficiency and strengthen its equity base. This initiative reflects the Board's continued commitment to prudent capital management while enhancing long-term shareholder value and maintaining financial flexibility for future growth.

CORPORATE SUSTAINABILITY

SEGi continues to embed Environmental, Social and Governance (ESG) considerations into its operations and strategic decision-making framework. Sustainability remains an integral part of the Group's long-term direction, guided by its commitment to responsible growth, ethical conduct, and positive social impact.

During the year, the Board strengthened its sustainability governance framework to further enhance oversight, coordination, and integration of sustainability-related matters across the Group. This includes reinforcing cross-functional collaboration and ensuring that sustainability considerations are progressively embedded within risk management and strategic planning processes.

The Group continues to focus on key sustainability priorities, including education quality and student outcomes, talent development, governance and compliance, data protection, and responsible resource management across its campuses. While the Group's environmental footprint remains relatively moderate, we remain committed to continuous improvement in environmental awareness, monitoring, and efficiency initiatives.

Further details of the Group's sustainability initiatives are set out in the Sustainability Statement of this Annual Report.

FUTURE OUTLOOK

Looking ahead, SEGi remains well-positioned to advance its strategic agenda, anchored on delivering student success, academic excellence, and sustainable long-term growth. While the operating environment continues to be competitive and shaped by evolving global and domestic dynamics, the Group will continue to strengthen its resilience through innovation, digital enablement, and industry collaboration.

The Group's future growth will be supported by continued enhancements in academic offerings, expansion of flexible learning pathways, and ongoing efforts to improve graduate employability and student outcomes. Strategic initiatives, including the development of new growth areas, are expected to contribute progressively over the longer term.

With a clear strategic direction and disciplined execution, the Board remains confident that SEGi will continue to navigate challenges effectively while capitalising on emerging opportunities in the higher education landscape.

We remain committed to managing our businesses responsibly to deliver sustainable growth and long-term value creation for our stakeholders.

ACKNOWLEDGEMENTS

SEGi's continued progress is built on the dedication, professionalism, and resilience of its people. I would like to express my sincere appreciation to my fellow Board members, the management team, faculty, and staff for their commitment to advancing the Group's mission and objectives.

I would also like to record the Board's deep appreciation for the late Tan Sri (Dr.) Megat Najmuddin Bin Dato' Seri Dr. Haji Megat Khas, who served as Chairman until his retirement in May 2025. His leadership, guidance, and contributions to the Group remain valued, and his passing in December 2025 is deeply mourned. We extend our heartfelt condolences to his family and loved ones.

During the year, the Board was further strengthened by the appointments of Dato' John Tiong and Datin Adeline Hii in January 2025, which have enhanced the Board's collective expertise and perspective. I also took office as Chairman in June 2025, and I am grateful for the support and collaboration extended by the Board and management since my appointment.

To our shareholders, students, parents, industry partners, and stakeholders, I extend my sincere appreciation for your continued trust and support. Your confidence inspires us to continuously strengthen our performance and deliver meaningful impact.

As we move forward, SEGi remains firmly committed to innovation, excellence, and the development of future-ready talent. Together, we will continue to advance SEGi to greater heights.

TUN MD RAUS BIN SHARIF
Chairman

8 April 2026