

MAA GROUP BERHAD

Registration No. 199801015274 (471403-A)

(Incorporated in Malaysia)

NOTES TO THE REPORT FOR THE FINANCIAL QUARTER AND PERIOD ENDED 30 SEPTEMBER 2020

PART A: EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARD ("MFRS") 134: INTERIM FINANCIAL REPORTING

A1. BASIS OF PREPARATION

These condensed consolidated interim financial statements ("Interim Reports") are unaudited and have been prepared in accordance with the MFRS 134 '*Interim Financial Reporting*' issued by the Malaysian Accounting Standards Board ("MASB"), the International Accounting Standard ("IAS") 34 '*Interim Financial Reporting*' and the requirements of Companies Act 2016. These Interim Reports have been prepared under the historical cost convention, as modified by the revaluation of investment properties, financial assets at fair value through profit or loss and financial assets at fair value through other comprehensive income.

These Interim Reports have also been prepared in accordance with paragraph 9.22 of the Main Market Listing Requirements ("MMLR") of Bursa Malaysia Securities Berhad ("Bursa Securities").

These unaudited Interim Reports should be read in conjunction with the Group's audited financial statements for the financial year ended 31 December 2019. The explanatory notes attached to these Interim Reports provide an explanation of events and transactions that are significant to the understanding of the changes in the financial position and performance of the Group since the financial year ended 31 December 2019.

A2. SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies and presentation adopted by the Group in these Interim Reports are consistent with those adopted in the Group's audited financial statements for the financial year ended 31 December 2019, except for the adoption of the following standards, amendments to standards and interpretations that became effective from financial year beginning on or after 1 January 2020:

- Amendments to MFRS 3 '*Business Combinations*' – *Definition of a Business*
- Amendments to MFRS 9 '*Financial Instruments*', MFRS 139 '*Financial Instruments : Recognition and Measurement*' and MFRS 7 '*Financial Instruments : Disclosures*' – *Interest Rate Benchmark Reform*
- Amendments to MFRS 101 '*Presentation of Financial Statements*' and MFRS 108 '*Accounting Policies, Changes in Accounting Estimates and Errors*' – *Definition of Material*

Effective for annual periods commencing on or after 1 January 2022

- Amendments to MFRS 101 '*Classification of liabilities as current or non-current*'

The International Accounting Standards Board has proposed to defer by one year the effective date of the amendments to MFRS 101 '*Classification of liabilities as current or non-current*' to 1 January 2023.

Effective for annual periods commencing on or after 1 January 2023

- MFRS 17 '*Insurance Contracts*'

The Group will assess the application of adopting the above standards, amendments to published standards and interpretations to existing standards before the effective dates.

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A3. SEASONAL OR CYCLICAL FACTORS

The Group's business operations were not significantly affected by any seasonal or cyclical factors.

A4. UNUSUAL ITEMS DUE TO THEIR NATURE, SIZE OR INCIDENCE

There were no unusual items affecting assets, liabilities, equity, net income or cash flows during the current financial quarter and period ended 30 September 2020.

A5. CHANGES IN ESTIMATES

There were no changes in estimates that have any material effect during the current financial quarter and period ended 30 September 2020.

A6. DEBT AND EQUITY SECURITIES

During the current financial quarter and period ended 30 September 2020, the Company has purchased 4,705,600 and 9,574,100 ordinary shares respectively from the open market at an average price of RM0.74 per share and RM0.73 per share respectively. The total purchase consideration paid for the shares buy-back including transaction costs during the current financial quarter and period ended 30 September 2020 amounted to RM3,497,925 and RM7,014,656 respectively and were financed by internally generated funds. The shares purchased are held as treasury shares in accordance with the Companies Act 2016 and carried at purchase cost.

As at 30 September 2020, the total number of treasury shares held was 9,574,100 ordinary shares.

Other than above, there were no issuances, repurchases and repayments of debt and equity securities during the current financial quarter and period ended 30 September 2020.

A7. DIVIDEND PAID

No interim dividend was paid by the Company during the current financial quarter and period ended 30 September 2020 in respect of the financial year ending 31 December 2020.

For the previous financial quarter and period ended 30 September 2019, the Company paid a first interim dividend of 6 sen per ordinary share under the single-tier dividend system in respect of the financial year ended 31 December 2019 totaling RM16,411,065 on 20 August 2019.

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NOTES TO THE REPORT FOR THE FINANCIAL QUARTER AND PERIOD ENDED 30 SEPTEMBER 2020**A8. SEGMENTAL INFORMATION**

The following summary describes the operations in each of the Group's operating segments for the current financial quarter and period ended 30 September 2020:

- Investment Holdings
- General Insurance business
- Education services

The Group's Other segments comprise of hire purchase, leasing and other credit facilities, property management, IT consultancy and business debt factoring services, none of which met the requirements of MFRS 8 'Operating Segment' to be separately presented as an operating segment. There have been no material changes in total assets, the basis of segmentation and the basis of measurement of segment profit or loss from the last annual financial statements.

The table below shows the segment information for the reportable segments:

	Investment Holdings	General Insurance	Education Services	Other segments	Total
	RM'000	RM'000	RM'000	RM'000	RM'000
<u>3 months period ended</u>					
<u>30 September 2020</u>					
Operating revenue	891	46,194	10,913	1,777	59,775
Net earned premiums	-	27,232	-	-	27,232
Investment income	541	599	-	-	1,140
Interest income	291	2,311	71	31	2,704
Realised gains and losses – net	(11,687)	971	(3)	-	(10,719)
Fair value gains and losses - net	16,135	55	-	150	16,340
Commission income	-	933	-	-	933
Other operating revenue from non-insurance businesses	59	-	10,842	1,746	12,647
Other operating income – net	6,416	261	450	1,842	8,969
Net claims incurred	-	(7,562)	-	-	(7,562)
Commission expenses	-	(10,056)	-	-	(10,056)
Management expenses	(4,900)	(4,840)	(9,120)	3,551	(15,309)
Finance costs	(6)	(5)	(125)	(3)	(139)
Profit before taxation	6,849	9,899	2,115	7,317	26,180

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The table below shows the segment information for the reportable segments (continued):

	Investment Holdings	General Insurance	Education Services	Other segments	Total
	RM'000	RM'000	RM'000	RM'000	RM'000
<u>9 months period ended</u>					
<u>30 September 2020</u>					
Operating revenue	4,123	130,548	24,772	4,825	164,268
Net earned premiums	-	83,755	-	-	83,755
Investment income	1,359	1,955	-	-	3,314
Interest income	2,586	6,843	256	96	9,781
Realised gains and losses – net	(2,954)	2,996	6	-	48
Fair value gains and losses - net	4,842	(2,356)	-	425	2,911
Commission income	-	1,914	-	-	1,914
Other operating revenue from non- insurance businesses	178	-	24,516	4,729	29,423
Other operating income/(expenses)– net	4,171	202	1,682	(406)	5,649
Net claims incurred	-	(24,953)	-	-	(24,953)
Commission expenses	-	(29,125)	-	-	(29,125)
Management expenses	(13,189)	(13,214)	(27,140)	(1,873)	(55,416)
Finance costs	(31)	(29)	(454)	(11)	(525)
(Loss)/profit before taxation	(3,038)	27,988	(1,134)	2,960	26,776

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NOTES TO THE REPORT FOR THE FINANCIAL QUARTER AND PERIOD ENDED 30 SEPTEMBER 2020**A8. SEGMENTAL INFORMATION** (continued)

The table below shows the segment information for the reportable segments (continued):

	Investment Holdings	General Insurance	Education Services	Other segments	Total
	RM'000	RM'000	RM'000	RM'000	RM'000
<u>3 months period ended</u>					
<u>30 September 2019</u>					
Operating revenue	2,388	44,630	1,045	42	48,105
Net earned premiums	-	28,227	-	-	28,227
Investment income	273	716	-	-	989
Interest income	2,056	2,094	5	98	4,253
Realised gains and losses – net	214	14	-	-	228
Fair value gains and losses - net	2,253	(616)	-	56	1,693
Commission income	-	563	-	-	563
Other operating revenue from non- insurance businesses	59	-	1,040	^(N1) (56)	1,043
Other operating (expenses)/income – net	(1,584)	254	6	(13)	(1,337)
Net claims incurred	-	(16,058)	-	-	(16,058)
Commission expenses	-	(10,250)	-	-	(10,250)
Management expenses	(5,663)	(5,121)	(1,046)	(789)	(12,619)
Finance costs	(24)	(15)	^(N2) 15	(2)	(26)
(Loss)/profit before taxation	(2,416)	(192)	20	(706)	(3,294)

^(N1) Recognition of suspense interest income from money lending, hire purchase and other credit activities^(N2) Reversal of lease interest over recognised

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The table below shows the segment information for the reportable segments (continued):

	Investment Holdings	General Insurance	Education Services	Other segments	Total
	RM'000	RM'000	RM'000	RM'000	RM'000
<u>9 months period ended</u>					
<u>30 September 2019</u>					
Operating revenue	7,438	129,729	2,818	276	140,261
Net earned premiums	-	81,267	-	-	81,267
Investment income	1,736	1,882	-	-	3,618
Interest income	5,524	5,685	5	276	11,490
Realised gains and losses – net	472	2,354	-	-	2,826
Fair value gains and losses - net	4,031	(1,530)	-	151	2,652
Commission income	-	1,698	-	-	1,698
Other operating revenue from non- insurance businesses	178	-	2,813	-	2,991
Other operating (expenses)/income – net	(2,154)	(477)	10	(33)	(2,654)
Net claims incurred	-	(40,107)	-	-	(40,107)
Commission expenses	-	(29,955)	-	-	(29,955)
Management expenses	(16,150)	(14,386)	(2,943)	(2,217)	(35,696)
Finance costs	(85)	(71)	(9)	(11)	(176)
(Loss)/profit before taxation	(6,448)	6,360	(124)	(1,834)	(2,046)

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The table below shows the segment information for the reportable segments (continued):

	Investment Holdings	General Insurance	Education Services	Other segments	Total
	RM'000	RM'000	RM'000	RM'000	RM'000
<u>Segmental Assets</u>					
At 30 September 2020	288,112	451,210	72,783	67,380	879,485
At 31 December 2019 (Audited)	338,796	399,404	76,407	24,597	839,204
<u>Segmental Liabilities</u>					
At 30 September 2020	10,725	327,075	26,593	5,589	369,982
At 31 December 2019 (Audited)	9,883	300,307	36,622	709	347, 521

A9. MATERIAL EVENT AFTER THE REPORTING PERIOD

There was no material event subsequent to the end of the current financial quarter and period ended 30 September 2020 that have not been reflected in these Interim Reports.

A10. CHANGES IN THE COMPOSITION OF THE GROUP

- (a) On 7 July 2020, MAA Corporation Sdn Bhd, a wholly-owned subsidiary of the Company, subscribed for two (2) new ordinary shares of RM2 each, representing 100% of the issued and paid up capital in a new subsidiary, Glovtec Sdn Bhd ("Glovtec"), a company incorporated in Malaysia, for cash purchase consideration of RM4.
- (b) On 3 November 2020, MAA Corp acquired 2 ordinary shares of RM1 each in Hospitality 360 Sdn Bhd ("H360"), representing 2% of the issued and paid up share capital of H360, from Charming Vanguard Sdn Bhd for a total cash purchase consideration of RM2. With this acquisition, MAA Corp's equity interest in H360 increased from 49% to 51%, making H360 a subsidiary of the Group.

A11. VALUATION OF PROPERTY, PLANT AND EQUIPMENT

There was no revaluation of property, plant and equipment during the current financial period ended 30 September 2020. As at 30 September 2020, the Group's property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment loss.

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A12. VALUATION OF INVESTMENT PROPERTIES

Investment properties of the Group were carried at revalued amount at the financial year ended 31 December 2019. These revalued amounts have been carried forward to the current financial period ended 30 September 2020.

A13. CONTINGENT ASSETS AND LIABILITIES

There were no contingent assets and liabilities as at the end of the financial period ended 30 September 2020.

A14. CAPITAL COMMITMENTS

Significant capital commitments contracted but not provided for the purchase of property, plant and equipment as at the end of the financial period are as follows:

	As at 30.9.2020	As at 31.12.2019
	RM'000	RM'000
Property, plant and equipment		
- Furniture, fitting and equipment	577	-
- Renovation	120	401
	697	401

A15. RELATED PARTY DISCLOSURES

All related party transactions and balances within the Group had been entered into the normal course of business and were carried out on normal commercial terms. The Company monitors related party transactions to comply with the requirements under Chapter 10 of the MMLR of Bursa Securities.

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NOTES TO THE REPORT FOR THE FINANCIAL QUARTER AND PERIOD ENDED 30 SEPTEMBER 2020**PART B: EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD****B1. REVIEW OF GROUP PERFORMANCE****Current financial quarter ended 30 September 2020 ("3Q-2020") against preceding year's corresponding financial quarter ended 30 September 2019 ("3Q-2019")**Group

Key financial performance	3Q-2020	3Q-2019
	RM'000	RM'000
Operating revenue	59,775	48,105
Profit/(loss) before taxation	26,180	(3,294)

In 3Q-2020 under review, the Group recorded a total operating revenue of RM59.8 million (3Q-2019: RM48.1 million) which comprised mainly of gross earned premiums of RM43.3 million (3Q-2019: RM41.8 million) recorded by the General Insurance business held via subsidiary, MAA General Assurance Philippines, Inc. ("MAAGAP"), investment and interest income of RM3.8 million (3Q-2019: RM5.2 million) and other operating revenue from non-insurance businesses of RM12.6 million (3Q-2019: RM1.0 million).

In 3Q-2020, the Group recorded a Profit before taxation ("PBT") of RM26.2 million (3Q-2019: Loss before taxation ("LBT") of RM3.3 million) contributed by PBT of RM6.8 million (3Q-2019: LBT of RM2.4 million) from the Investment Holdings segment, PBT of RM9.9 million (3Q-2019: LBT of RM192,000) from the General Insurance business, PBT of RM2.1 million (3Q-2019: PBT of RM20,000) from the Education Services segment and PBT of RM7.3 million (3Q-2019: LBT of RM0.7 million) from other segments.

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Key financial performance	3Q-2020	3Q-2019
	RM'000	RM'000
Operating revenue	891	2,388
Profit/(loss) before taxation	6,849	(2,416)

Investment Holdings segment recorded a decrease in total operating revenue to RM0.9 million (3Q-2019: RM2.4 million) which mainly comprised of interest income of RM0.3 million (3Q-2019: RM2.1 million), dividend income of RM0.5 million (3Q-2019: RM0.2 million) and rental income from investment properties of RM1,000 (2Q-2019: RM56,000).

In 3Q-2020, the Investment Holdings segment recorded a PBT of RM6.8 million (3Q-2019: LBT of RM2.4 million) contributed mainly by higher fair value gains of RM16.1 million (3Q-2019: gains of RM2.3 million) on equity investments classified as FVTPL, write back of allowance for impairment loss on amounts due from associates of RM5.4 million (3Q-2019: nil) and other income of RM3.5 million arising from the returned excess purchase consideration of Imperium Edumaax (formerly known as HCAT) and lower management expenses of RM4.9 million (3Q-2019: RM5.7 million). However, these were set off by higher realised losses from disposal of investments of RM11.7 million (3Q-2019: gains of RM0.2 million).

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NOTES TO THE REPORT FOR THE FINANCIAL QUARTER AND PERIOD ENDED 30 SEPTEMBER 2020**B1. REVIEW OF GROUP PERFORMANCE** (continued)**Current financial quarter ended 30 September 2020 ("3Q-2020") against preceding year's corresponding financial quarter ended 30 September 2019 ("3Q-2019")** (continued)General Insurance

Key financial performance	3Q-2020		3Q-2019	
	PHP'000	RM'000	PHP'000	RM'000
Gross premium written ("GPW")	561,953	48,272	580,476	46,893
Underwriting surplus	122,658	10,547	30,711	2,482
Investment income	6,984	599	8,861	716
Interest income	26,908	2,311	25,932	2,094
Claim ratio in %	27.8%	27.8%	56.9%	56.9%
Commission ratio in %	30.7%	30.7%	28.3%	28.3%
Profit/(loss) before taxation	115,089	9,899	(2,384)	(192)
Range of currency exchange rate	1RM = 11.59 to 11.72PHP		1RM = 12.36 to 12.39 PHP	

GPW decrease by 3.2% from PHP580.5 million in 3Q-2019 to PHP562.0 million in 3Q-2020, affected mainly by decrease in the production of both motor classes of business. Motor classes recorded a decrease in GPW of 13.3% to PHP184.4 million (3Q-2019: PHP212.7 million); whilst non-motor classes registered a 2.7% increase in GPW to PHP377.6 million (3Q-2019: PHP367.8 million). Motor and non-motor businesses contributed 33% (3Q-2019: 37%) and 67% (3Q-2019: 63%) respectively of the total GPW in 3Q-2020.

Despite of the lower GPW, MAAGAP has registered a PBT of PHP115.1 million (3Q-2019: LBT of PHP2.4 million). The higher profit was mainly contributed by higher underwriting surplus of PHP122.7 million with lower claim ratio of 27.8%, compared to PHP30.7 million in 3Q-2019 with claim ratio of 56.9%. In 3Q-2020, the claim ratios for both motor and non-motor classes have improved to 47.5% (3Q-2019: 66.7%) and 6.5% (3Q-2019: 45.0%) respectively.

MAAGAP has also registered improvement in investment performance with higher realised gains from disposal of investments of PHP11.3 million (3Q-2019: PHP0.2 million) and net fair value gains of PHP0.7 million (3Q-2019: losses of PHP7.6 million) on equity investments classified at FVTPL during the 3Q-2020 under review.

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Education Services comprised of the following business units:

- Edumaax Sdn Bhd and Kasturi Academy Sdn Bhd ("Kasturi Group") – offer private tuition education for Malaysia National secondary school curriculum and Sijil Tinggi Persekolahan Malaysia ("STPM") curriculum;
- St John's International Edu Group Sdn Bhd, St John's International (Campus 2) Sdn Bhd and Alfaakademik Sdn Bhd (collectively known as "SJI Group") – offer International school primary and secondary education and private tuition for Cambridge, IGCSE O-Level and A-Level program; and
- Imperium Edumaax Sdn Bhd ("Imperium Edumaax") (formerly known as HELP College of Arts and Technology Sdn Bhd ("HCAT")) – offers tertiary education for certificates, diplomas, professional and post graduate degrees.

Key financial performance	3Q-2020	3Q-2019
	RM'000	RM'000
Operating revenue	10,913	1,045
Profit before taxation	2,115	20

Key financial performance by business units

	3Q-2020				3Q-2019
	Kasturi Group	SJI Group	Imperium Edumaax	Total	Kasturi Group
	RM'000	RM'000	RM'000	RM'000	RM'000
Operating revenue	370	5,045	5,498	10,913	1,045
(Loss)/profit before taxation	(357)	629	1,843	2,115	20

In 3Q-2020, Kasturi Group recorded a lower operating revenue of RM370,000 (3Q-2019: RM1.0 million) with a LBT of RM357,000 (3Q-2019: PBT of RM20,000) due to lower enrolment of students arising from the Covid-19 pandemic.

SJI Group recorded a total operating revenue of RM5.0 million with a PBT of RM0.6 million in 3Q-2020 which included the loss of RM0.6 million incurred by the newly start up primary school which commenced in January 2020. For Imperium Edumaax, it recorded a total operating revenue of RM5.5 million mainly from short-term courses and registered a PBT of RM1.8 million.

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B1. REVIEW OF GROUP PERFORMANCE (continued)

Current financial period ended 30 September 2020 ("FPE 30.9.2020") against preceding year's corresponding financial period ended 30 September 2019 ("FPE 30.9.2019")

Group

Key financial performance	FPE	FPE
	30.9.2020	30.9.2019
	RM'000	RM'000
Operating revenue	164,268	140,261
Profit/(loss) before taxation	26,776	(2,046)

In FPE 30.9.2020 under review, the Group recorded a total operating revenue of RM164.3 million (FPE 30.9.2019: RM140.3 million) which comprised of gross earned premiums of RM121.8 million (FPE 30.9.2019: RM122.2 million) recorded by MAAGAP, investment and interest income of RM13.1 million (FPE 30.9.2019: RM15.1 million) and other operating revenue from non-insurance businesses of RM29.4 million (FPE 30.9.2019: RM3.0 million).

The Group recorded a PBT of RM26.8 million (FPE 30.9.2019: LBT of RM2.0 million) in FPE 30.9.2020. The profit was mainly contributed by a higher PBT of RM28.0 million (FPE 30.9.2019: RM6.4 million) from the General Insurance business and PBT of RM3.0 million (FPE 30.9.2019: LBT of RM1.8 million) from Other segments; offset by LBT of RM3.0 million (FPE 30.9.2019: LBT of RM6.4 million) from the Investment Holdings segment and LBT of RM1.1 million (FPE 30.9.2019: LBT of RM124,000) from Education Services segment.

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Current financial period ended 30 September 2020 ("FPE 30.9.2020") against preceding year's corresponding financial period ended 30 September 2019 ("FPE 30.9.2019") (continued)

Investment Holdings

Key financial performance	FPE 30.9.2020	FPE 30.9.2019
	RM'000	RM'000
Operating revenue	4,123	7,438
Loss before taxation	(3,038)	(6,448)

Investment Holdings segment recorded a decrease in total operating revenue to RM4.1 million (FPE 30.9.2019: RM7.4 million) which comprised mainly of interest income of RM2.6 million (FPE 30.9.2019: RM5.5 million), dividend income of RM1.2 million (FPE 30.9.2019: RM1.5 million) and rental income from investment properties of RM143,000 (FPE 30.9.2019: RM197,000).

In FPE 30.9.2020, the Investment Holdings segment recorded a lower LBT of RM3.0 million (FPE 30.9.2019: LBT of RM6.4 million) contributed mainly by higher net fair value gains of RM4.8 million (FPE 30.9.2019: gains of RM4.0 million) on equity investments classified at FVTPL, write back of impairment loss on amounts due from associates of RM3.0 million (FPE 30.9.2019: Nil), other income of RM3.5 million arising from the returned excess purchase consideration of Imperium Edumaax (formerly known as HCAT) and lower management expenses of RM13.2 million (FPE 30.9.2019: RM16.2 million).

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Key financial performance	FPE 30.9.2020		FPE 30.9.2019	
	PHP'000	RM'000	PHP'000	RM'000
Gross premium written ("GPW")	1,375,174	115,915	1,680,702	133,809
Underwriting surplus	371,701	31,591	162,418	12,903
Investment income	23,128	1,955	23,628	1,882
Interest income	81,114	6,843	71,378	5,685
Claim ratio in %	29.8%	29.8%	49.4%	49.4%
Commission ratio in %	36.5%	36.5%	31.0%	31.0%
Profit before taxation	326,259	27,988	80,433	6,360
Range of currency exchange rate	1RM = 11.59 to 12.48PHP		1 RM = 12.36 to 12.83 PHP	

GPW decrease by 18.2% from PHP1,680.7 million in FPE 30.9.2019 to PHP1,375.2 million in FPE 30.9.2020, affected mainly by decrease in the production of both motor and non-motor classes of business. Motor classes recorded a decrease in GPW of 15.6% to PHP503.1 million (FPE 30.9.2019: PHP596.1 million), whilst non-motor classes registered a 19.6% increase in GPW to PHP872.1 million (FPE 30.9.2019: PHP1,084.6 million). Motor and non-motor businesses contributed 37% (FPE 30.9.2019: 35%) and 63% (FPE 30.9.2019: 65%) respectively of the total GPW in FPE 30.9.2020.

Despite of the lower GPW, MAAGAP has registered a higher PBT of PHP326.3 million (FPE 30.9.2019: PHP80.4 million). The higher profit was mainly contributed by higher underwriting surplus of PHP371.7 million with lower claim ratio of 29.8%, compared to PHP162.4 million with claim ratio of 49.4% in FPE 30.9.2019. In FPE 30.9.2020, the claim ratios for both motor and non-motor classes have improved to 38.4% (FPE 30.9.2019: 52.5%) and 20.7% (FPE 30.9.2019: 46.0%) respectively.

In FPE 30.9.2020, MAAGAP registered a higher interest and dividend income totaling PHP104.2 million (FPE 30.9.2019: PHP95.0 million), higher realised gains from disposal of investments of PHP35.2 million (FPE 30.9.2019: PHP29.7 million) and higher net fair value losses of PHP30.1 million (FPE 30.9.2019: PHP19.4 million) on equity investments classified at FVTPL.

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NOTES TO THE REPORT FOR THE FINANCIAL QUARTER AND PERIOD ENDED 30 SEPTEMBER 2020**B1. REVIEW OF GROUP PERFORMANCE** (continued)**Current financial period ended 30 September 2020 ("FPE 30.9.2020") against preceding year's corresponding financial period ended 30 September 2019 ("FPE 30.9.2019")** (continued)Education Services

Key financial performance	FPE	FPE
	30.9.2020	30.9.2019
	RM'000	RM'000
Operating revenue	24,772	2,818
Loss before taxation	(1,134)	(124)

Key financial performance by business units

	FPE 30.9.2020				FPE 30.9.2019
	Kasturi Group	SJI Group	Imperium Edumaax	Total	Kasturi Group
	RM'000	RM'000	RM'000	RM'000	RM'000
Operating revenue	1,060	14,041	9,671	24,772	2,818
(Loss)/profit before taxation	(581)	791	(1,344)	(1,134)	(124)

In FPE 30.9.2020, Kasturi Group recorded a lower total operating revenue of RM1.1 million (FPE 30.9.2019: RM2.8 million) with a higher LBT of RM581,000 (FPE 30.9.2019: LBT of RM124,000)) were attributable to lower students' enrolment to both physical and online classes amid the Covid-19 pandemic and cancellation of PT3 examination and postponement of SPM and STPM.

SJI Group recorded a total operating revenue of RM14.0 million with a PBT of RM0.8 million in FPE 30.9.2020 which included the loss of RM2.2 million incurred by the newly start up primary school which commenced in January 2020. For Imperium Edumaax, it recorded a total operating revenue of RM9.7 million with a LBT of RM1.3 million.

B2. RESULTS OF THE CURRENT FINANCIAL QUARTER (3Q-2020) AGAINST THE PRECEDING FINANCIAL QUARTER (2Q-2020)

In 3Q-2020, the Group recorded a lower PBT of RM26.2 million (2Q-2020: PBT of RM29.2 million) contributed mainly by higher net fair value gains of RM16.3 million (2Q-2020: gains of RM7.8 million) on equity investments classified at FVTPL, higher other operating revenue from non-insurance business of RM12.6 million (2Q-2020: RM7.6 million), write back of impairment loss on amounts due from associates of RM5.4 million (2Q-2020: allowance for impairment loss of RM0.6 million) and lower management expenses of RM15.3 million (2Q-2020: RM20.0 million). However, these profits were offset by higher realised losses of RM10.7 million (2Q-2020: gains of RM14.7 million) from disposal of investments coupled with higher net claims incurred of RM7.6 million (2Q-2020: RM4.3 million).

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NOTES TO THE REPORT FOR THE FINANCIAL QUARTER AND PERIOD ENDED 30 SEPTEMBER 2020**B3. PROSPECTS**

The Covid-19 pandemic has caused major disruption to the global economies including Malaysia. Businesses worldwide are currently facing a very challenging time and having to manage uncertainties that have arisen resulting from the outbreak of the Covid-19 situation.

As at the date of this announcement, there are on-going proactive measures introduced by each company in the Group. The Group will also continue to improve its management efficiency and intensifying costs optimization efforts to ensure business sustainability.

B4. PROFIT FORECAST OR PROFIT GUARANTEE

There was no profit forecast or profit guarantee issued by the Group.

B5. INVESTMENT INCOME

	Individual Period		Cumulative Period	
	Current Year Quarter	Preceding Year Corresponding Quarter	Current Year To Date	Preceding Year To Date
	30.9.2020	30.9.2019	30.9.2020	30.9.2019
	RM'000	RM'000	RM'000	RM'000
Rental income from investment properties	1	56	143	197
Investments at FVTPL				
Dividend income from				
- Equity securities quoted in Malaysia	20	59	117	170
- Equity securities quoted outside Malaysia	714	425	1,819	1,399
- Equity securities unquoted outside Malaysia	-	-	-	703
	734	484	1,936	2,272
Investments at FVOCI				
Dividend income from				
- Equity securities quoted outside Malaysia	405	449	1,235	1,149
	1,140	989	3,314	3,618

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NOTES TO THE REPORT FOR THE FINANCIAL QUARTER AND PERIOD ENDED 30 SEPTEMBER 2020**B6. INTEREST INCOME**

	Individual Period		Cumulative Period	
	Current Year Quarter	Preceding Year Corresponding Quarter	Current Year To Date	Preceding Year To Date
	30.9.2020	30.9.2019	30.9.2020	30.9.2019
	RM'000	RM'000	RM'000	RM'000
Investments at FVOCI				
Interest income from				
- Government debt securities quoted outside Malaysia	484	1,271	1,545	3,027
- Corporate debt securities quoted outside Malaysia	17	53	71	155
- Corporate debt securities unquoted in Malaysia	-	-	309	304
	501	1,324	1,925	3,486
Investments at AC				
Interest income from				
- Government debt securities quoted outside Malaysia	188	101	516	297
- Corporate debt securities quoted outside Malaysia	1,595	588	4,600	1,653
- Private trust fund unquoted in Malaysia	8	-	23	-
- Private trust fund unquoted outside Malaysia	2	-	6	-
	1,793	689	5,145	1,950
Interest income from				
- staff loans	1	1	2	2
- advances to associate companies	105	-	219	-
- fixed and call deposits	304	2,239	2,490	6,052
	410	2,240	2,711	6,054
	2,704	4,253	9,781	11,490

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NOTES TO THE REPORT FOR THE FINANCIAL QUARTER AND PERIOD ENDED 30 SEPTEMBER 2020**B7. REALISED GAINS AND LOSSES - NET**

	Individual Period		Cumulative Period	
	Current Year Quarter	Preceding Year Corresponding Quarter	Current Year To Date	Preceding Year To Date
	30.9.2020	30.9.2019	30.9.2020	30.9.2019
	RM'000	RM'000	RM'000	RM'000
Net gains/(losses) from disposal of property, plant and equipment	(4)	27	5	(146)
Investments at FVTPL				
Net realised gains/(losses)				
- Equity securities quoted in Malaysia	107	49	301	514
- Equity securities quoted outside Malaysia	(11,850)	105	(3,594)	2,408
- Unit trusts quoted outside Malaysia	-	-	-	(80)
- Derivatives quoted in Malaysia	-	-	-	39
	(11,743)	154	(3,293)	2,881
Investments at FVOCI				
Net realised gains/(losses)				
- Government debt securities quoted outside Malaysia	1,028	47	3,344	91
- Corporate debt securities quoted outside Malaysia	-	-	(8)	-
	1,028	47	3,336	91
	(10,719)	228	48	2,826

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NOTES TO THE REPORT FOR THE FINANCIAL QUARTER AND PERIOD ENDED 30 SEPTEMBER 2020**B8. FAIR VALUE GAINS AND LOSSES - NET**

	Individual Period		Cumulative Period	
	Current Year Quarter	Preceding Year Corresponding Quarter	Current Year To Date	Preceding Year To Date
	30.9.2020	30.9.2019	30.9.2020	30.9.2019
	RM'000	RM'000	RM'000	RM'000
Net fair value losses on investment properties	-	(8)	-	(357)
Investments at FVTPL				
Net fair value gains/(losses)				
- Equity securities quoted in Malaysia	(154)	486	(1,132)	1,864
- Equity securities quoted outside Malaysia	16,362	1,390	7,345	3,278
- Equity securities unquoted outside Malaysia	(18)	(231)	(3,727)	(2,513)
- Unit trusts quoted in Malaysia	150	56	425	151
- Unit trusts quoted outside Malaysia	-	-	-	162
- Derivatives quoted in Malaysia	-	-	-	67
	16,340	1,701	2,911	3,009
	16,340	1,693	2,911	2,652

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NOTES TO THE REPORT FOR THE FINANCIAL QUARTER AND PERIOD ENDED 30 SEPTEMBER 2020**B9. PROFIT/(LOSS) BEFORE TAXATION FOR THE FINANCIAL QUARTER AND PERIOD**

Profit/(loss) before taxation for the financial quarter and period is arrived at after crediting/(charging):

	Individual Period		Cumulative Period	
	Current Year Quarter	Preceding Year Corresponding Quarter	Current Year To Date	Preceding Year To Date
	30.9.2020	30.9.2019	30.9.2020	30.9.2019
	RM'000	RM'000	RM'000	RM'000
(Allowance for)/write back of impairment loss on:				
- investments at AC	(18)	107	(52)	(245)
- loans from money lending, hire purchase and other credit activities	1,834	-	(379)	-
- amounts due from associates	5,407	-	2,997	-
- cash and cash equivalents	8	(31)	15	(3)
- insurance receivables	(390)	135	(1,047)	212
- trade receivables	(37)	-	50	-
- factoring receivables	4,232	-	(84)	-
Other income from the excess purchase consideration*	3,500	-	3,500	-
Realised foreign exchange (losses)/gains - net	(670)	203	(623)	(68)
Unrealised foreign exchange losses - net	(1,696)	(1,615)	(902)	(2,204)
Property, plant and equipment written off	-	(8)	-	(12)
Depreciation of property, plant and equipment	(640)	(292)	(1,915)	(760)
Depreciation of right-of-use assets	(2,062)	(875)	(6,172)	(1,788)
Amortisation of leasehold land	-	-	(1)	(1)
Amortisation of intangible assets	(51)	(18)	(128)	(54)

*Arising from the returned excess purchase consideration of RM3.5 million as result of the reduced purchase consideration of Imperium Edumaax (formerly known as HCAT), as disclosed in Note B12(b) of this Interim Reports.

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NOTES TO THE REPORT FOR THE FINANCIAL QUARTER AND PERIOD ENDED 30 SEPTEMBER 2020**B10. TAXATION**

	Individual Period		Cumulative Period	
	Current Year Quarter	Preceding Year Corresponding Quarter	Current Year To Date	Preceding Year To Date
	30.9.2020	30.9.2019	30.9.2020	30.9.2019
	RM'000	RM'000	RM'000	RM'000
<u>Current tax</u>				
Current financial quarter/period	2,766	8	9,468	1,723
Over provision in prior quarter/period	(58)	(582)	(82)	(602)
	2,708	(574)	9,386	1,121
<u>Deferred tax</u>				
Origination and reversal of temporary differences	594	584	1,704	1,762
Tax expense	3,302	10	11,090	2,883

The Group's provision for taxation made in the current financial quarter and period mainly for the profit recorded by General Insurance business held via MAAGAP as the group loss relief in Malaysia is not applicable to MAAGAP.

Even though the Group recorded a loss in the previous year's financial quarter and period under review, provision for taxation has been made mainly for the profit recorded by General Insurance business held via MAAGAP as the group loss relief in Malaysia is not applicable to MAAGAP.

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NOTES TO THE REPORT FOR THE FINANCIAL QUARTER AND PERIOD ENDED 30 SEPTEMBER 2020**B11. FAIR VALUE MEASUREMENT OF INVESTMENTS**

The Group classifies investments which are measured at fair value according to the following hierarchy, reflecting the significance of inputs used in making the fair value measurement:

- Level 1 - The fair value is measured by reference to published quotes in an active market which are readily and regularly available from an exchange, secondary market via dealer and broker, pricing service or regulatory agency and those prices represent actual and regular occurring market transactions on an arm's length basis.
- Level 2 - The fair value is measured using a valuation technique based on assumptions that are supported by prices from observable current market transactions obtained via pricing services; where prices have not been determined in an active market.
- Level 3 - The fair value is determined using a valuation technique based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data. The main asset class in this category is unquoted equity securities. The unobservable inputs reflect the Group's own assumptions that market participants would use in pricing the investment. These inputs are developed based on the best information available, which might include the Group's own data.

The following tables show the Group's investments which are measured at fair value analysed by the various level within the fair value hierarchy:

At 30 September 2020

	Level 1	Level 2	Level 3	Total
	RM'000	RM'000	RM'000	RM'000
Investments at FVTPL:				
Equity securities quoted in Malaysia	9,965	-	-	9,965
Equity securities quoted outside Malaysia	121,679	-	-	121,679
Equity securities unquoted outside Malaysia	-	-	19,330	19,330
Unit trusts quoted in Malaysia	2,733	-	-	2,733
	134,377	-	19,330	153,707
Investments at FVOCI:				
Government debt securities quoted outside Malaysia	69,260	-	-	69,260
Corporate debt securities quoted outside Malaysia	1,485	-	-	1,485
Equity securities quoted outside Malaysia	25,195	925	-	26,120
Equity securities unquoted outside Malaysia	-	-	4	4
	95,940	925	4	96,869
Total investments measured at fair value	230,317	925	19,334	250,576

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The following tables show the Group's investments which are measured at fair value analysed by the various level within the fair value hierarchy: (continued)

At 31 December 2019 (Audited)

	Level 1	Level 2	Level 3	Total
	RM'000	RM'000	RM'000	RM'000
Investments at FVTPL:				
Equity securities quoted in Malaysia	10,572	-	-	10,572
Equity securities quoted outside Malaysia	59,883	-	-	59,883
Equity securities unquoted outside Malaysia	-	-	22,565	22,565
Unit trusts quoted in Malaysia	2,308	-	-	2,308
	<u>72,763</u>	<u>-</u>	<u>22,565</u>	<u>95,328</u>
Investments at FVOCI:				
Government debt securities quoted outside Malaysia	52,150	-	-	52,150
Corporate debt securities quoted outside Malaysia	4,193	-	-	4,193
Equity securities quoted outside Malaysia	25,073	1,030	-	26,103
Equity securities unquoted outside Malaysia	-	-	3	3
	<u>81,416</u>	<u>1,030</u>	<u>3</u>	<u>82,449</u>
Total investments measured at fair value	<u>154,179</u>	<u>1,030</u>	<u>22,568</u>	<u>177,777</u>

The Group's policy is to recognise transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period. There was no transfer among Level 1, 2 and 3 during the financial period ended 30 September 2020.

The following table shows the movement in Level 3 investments for the current financial period ended 30 September 2020:

	Unquoted equity securities	
	FVTPL	FVOCI
	RM'000	RM'000
At 1 January 2020	22,565	3
Fair value loss recorded in profit or loss	(3,727)	-
Currency translation difference	492	1
At 30 September 2020	<u>19,330</u>	<u>4</u>

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NOTES TO THE REPORT FOR THE FINANCIAL QUARTER AND PERIOD ENDED 30 SEPTEMBER 2020

B12. CORPORATE PROPOSALS

- (a) On 30 September 2011, the Company became an affected listed issuer pursuant to Practice Note 17 (“PN17”) of the MMLR of Bursa Securities whereby a listed issuer has suspended or ceased its major business, i.e. in this case the disposal of Malaysian Assurance Alliance Berhad (now known as Zurich Insurance Malaysia Berhad).

Nonetheless, the Company did not trigger any of the other prescribed criteria under PN17 of MMLR, such as consolidated shareholders’ equity of 25% or less of the issued and paid up share capital, a default in payment by the Group, the auditors having expressed an adverse or disclaimer opinion on the Company’s latest audited accounts, etc.

Pursuant to Paragraph 8.04(3) of the MMLR, the Company is required to regularise its condition by undertaking a regularisation plan. The regularisation plan was required to be submitted to Bursa Securities on 30 September 2012, and was subsequently extended to 31 October 2020 via Bursa Securities’ letters dated 5 May 2020, 20 November 2019, 17 May 2019, 30 October 2018, 27 June 2018, 12 January 2018, 18 July 2017, 16 February 2017, 21 July 2016, 18 February 2016, 4 August 2015, 23 March 2015, 21 October 2014, 11 March 2014, 1 August 2013 and 20 December 2012.

The extension of time of up to 31 October 2020 for the Company to submit a regularisation plan is without prejudice to Bursa Securities’ right to proceed to suspend the trading of the listed securities of the Company and to de-list the Company in the event:

- (i) The Company fails to submit a regularisation plan to the regulatory authorities on or before 31 October 2020;
- (ii) The Company fails to obtain approval from any of the regulatory authorities necessary for the implementation of its regularisation plan; and
- (iii) The Company fails to implement its regularisation plan within the time frame or extended time frame stipulated by any of the regulatory authorities.

Upon occurrence of any of the events set out in (i) to (iii) above, Bursa Securities shall suspend the trading of the listed securities of the Company on the 6th market day after the date of notification of suspension by Bursa Securities and de-list the Company, subject to the Company's right to appeal against the delisting.

On 16 October 2020, the Company has submitted the application for an extension of time to comply with Paragraph 8.04(3) of the MMLR to Bursa Securities for approval.

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B12. CORPORATE PROPOSALS (continued)

- (b) On 13 September 2019, Edumaax Sdn Bhd (“Edumaax”), a wholly-owned subsidiary of MAA Corporation Sdn Bhd, which in-turn is a wholly-owned subsidiary of the Company had entered into a share purchase agreement (“SPA”) with HELP International Corporation Berhad (“Vendor”) for acquisition of 30,259,564 ordinary shares representing 100% equity interest in HELP College of Arts and Technology Sdn Bhd (“HCAT”) (now known as Imperium Edumaax Sdn Bhd “Imperium Edumaax”)) for a total purchase consideration of RM5,500,000 (“Acquisition of HCAT”).

However, the SPA was rescinded pursuant to Clause 3A.2 of the SPA on 24 June 2020 in view that the post conditions under the SPA were not fulfilled by the Vendor by the deadline of 12 January 2020 and there was no mutual agreement between the Vendor and Edumaax to extend the said deadline.

Subsequently, Edumaax and the Vendor had, on 20 July 2020, entered into a new Share Purchase Agreement (“SPA dated 20 July 2020”) with the Vendor for the Acquisition of HCAT for the purchase consideration of RM2,000,000 only.

On 8 September 2020, Jabatan Pendidikan Tinggi, Ministry of Education (“JPT”) had approved the change in shareholdings, shareholders and directors in HCAT (now known as Imperium Edumaax). Upon obtaining the said JPT approval, the HCAT shares have on 26 October 2020 officially transferred to Edumaax.

- (c) MAA Corporation Sdn Bhd (“MAA Corp”), which is a wholly owned subsidiary of the Company had on 27 October 2020 entered into a Partnership Interest Subscription (“PISA”) with MircoLEAP PLT (“MircoLEAP) and all the Existing Partners for the subscription of 35.20% interest in MircoLEAP for a total consideration of RM1,250,000 (“Proposed Subscription”) subject to further terms and conditions stipulated in the PISA.

The Proposed Subscription will enable MAAG Group to diversify into peer-to-peer financing business in Malaysia which is expected to be a high yielding business and to assist in alleviating the financing gap encountered by both the mirco, small and medium enterprises.

This will be in line with the MAAG Group’s aspiration to diversify its income stream.

Other than as stated above, there was no corporate proposal announced but not completed as at the reporting date.

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NOTES TO THE REPORT FOR THE FINANCIAL QUARTER AND PERIOD ENDED 30 SEPTEMBER 2020**B13. STATUS OF UTILISATION OF PROCEEDS RAISED FROM CORPORATE PROPOSALS**

Brief explanations of the status of utilisation of proceeds raised from corporate proposals of the Group are as follow:

(a) Disposal of MAA Takaful Berhad ("MAA Takaful") on 30 September 2016

	Purpose	Revised Utilisation	Actual Proceeds Received	Further Revised Utilisation	Deviation	Further Revised Utilisation (After Deviation)	Further Revised Timeframe For Utilisation	Actual Utilisation	Further Revised Remaining Unutilised Proceeds
		RM'000	RM'000	RM'000	RM'000	RM'000		RM'000	RM'000
(i)	Future investment opportunity(ies)/Prospective new business(es) to be acquired ^(N4)	68,250 93,750	68,250 ^(N2) 88,623	- 70,127	- -	- 70,127	Within 24 months from the EGM held on 30 June 2020	-	70,127
(ii)	Working capital	30,854	30,854	84,435	^(N7) 3,500	87,395		Within 24 months from the EGM held on 30 June 2020	78,636
(iii)	Payment of dividends to shareholders for the FYE 2017	8,207	8,207	8,207	-	8,207	Utilised	8,207	-
(iv)	Payment of dividends to shareholders	32,822	32,822	32,822	-	32,822	Within 24 months from the EGM held on 30 June 2020	16,411	16,411
(v)	Acquisition of HCAT ^(N6) , Acquisition of Scholastic IB International Sdn Bhd ("SIB") and Subscription of Shares in Altech Chemicals Limited ("Altech")	-	-	38,292	^(N6) (3,500)	34,792	Within 18 months from the EGM held on 30 June 2020	30,958	^(N3) 3,834
	Total	^(N1) 233,883	228,756	^(N5) 233,883	-	233,883		134,212	99,671

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B13. STATUS OF UTILISATION OF PROCEEDS RAISED FROM CORPORATE PROPOSALS (continued)

Brief explanations of the status of utilisation of proceeds raised from corporate proposals of the Group are as follow: (continued)

(a) Disposal of MAA Takaful Berhad (“MAA Takaful”) on 30 September 2016 (continued)

^(N1) Revised utilisation approved by shareholders during the EGM held on 5 June 2018.

^(N2) Of the RM93,750,000 balance sale consideration of MAA Takaful retained by Zurich Insurance Company Ltd (“Zurich”), the Company received RM88,623,399.52 from Zurich on 1 July 2019 net of Zurich’s claims of RM5,126,600.48.

^(N3) RM5.0 million of the purchase consideration for SIB and its subsidiaries has been withheld by the Company pending fulfillment of RM5.0 million profit guarantees for financial years ended 31 December 2019 and ending 31 December 2020 cumulatively by the sellers. On 17 July 2020, the Group paid RM1,166,054 for achieving partial yearly profit guarantee for financial year ended 31 December 2019.

^(N4) As disclosed in the Circular to Shareholders in relation to the disposal of MAA Takaful dated 6 June 2016, the actual proceeds of RM156.8 million is allocated for the Company to acquire future investment opportunity(ies)/prospective new business(es) to enhance its earning profile, regulate its financial conditions and address the PN17 status.

^(N5) Further revised utilisation approved by shareholders during the EGM held on 30 June 2020.

^(N6) As disclosed in the Note B12(b) of this Interim Reports, the appointed lawyer of the Vendor returned the excess purchase consideration of RM3.5 million as result of the reduced purchase consideration pursuant to the SPA dated 20 July 2020.

^(N7) The deviation of RM3.5 million will be allocated for the working capital requirement of Imperium Edumaax (formerly known as HCAT).

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NOTES TO THE REPORT FOR THE FINANCIAL QUARTER AND PERIOD ENDED 30 SEPTEMBER 2020**B13. STATUS OF UTILISATION OF PROCEEDS RAISED FROM CORPORATE PROPOSALS (continued)**

Brief explanations of the status of utilisation of proceeds raised from corporate proposals of the Group are as follow: (continued)

(b) Disposal of Columbus Capital Pty Limited ("CCA") on 27 December 2018

	Purpose	Proposed Utilisation	Actual Utilisation	Timeframe for utilisation	Deviation	Explanations (if the deviation is 5% or more)
		RM'000	RM'000		RM'000	
(i)	Future investment opportunity(ies)/ Prospective new business(es) to be acquired	61,418	^(N8) 14,752	No time limit specified	-	-
	Total	^(N9) 61,418	^(N9) 14,752		-	-

^(N8) Acquisition of a loan secured by mortgage which was valued approximately 2.5 times above the debt.^(N9) Based on the exchange rate of USD1.00 : RM4.1604.

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NOTES TO THE REPORT FOR THE FINANCIAL QUARTER AND PERIOD ENDED 30 SEPTEMBER 2020**B14. BORROWINGS AND DEBT SECURITIES**

The Group has no outstanding borrowings and debt securities as at the end of the financial period ended 30 September 2020.

B15. CHANGES IN MATERIAL LITIGATION

There was no material litigation against the Group and the Company as at the reporting date.

B16. DIVIDEND PAYABLE

The Board of Directors does not recommend the payment of any interim dividend for the financial period ended 30 September 2020 (30 September 2019: 6 sen) in respect for the financial year ending 31 December 2020.

B17. BASIC EARNING/(LOSS) PER ORDINARY SHARE

	Individual Period		Cumulative Period	
	Current Year Quarter	Preceding Year Corresponding Quarter	Current Year To Date	Preceding Year To Date
	30.9.2020	30.9.2019	30.9.2020	30.9.2019
<u>Attributable to the Owners of the Company:</u>				
Net profit /(loss) for the financial quarter/period (RM'000)	22,760	(3,299)	15,434	(4,959)
Weighted average number of ordinary shares in issue ('000)	272,577	273,469	270,867	273,469
Basic earnings/(loss) per ordinary share (sen)	8.35	(1.21)	5.70	(1.81)

B18. AUDITOR'S REPORT ON PRECEDING ANNUAL FINANCIAL STATEMENTS

The auditor's report on the audited annual financial statements for the financial year ended 31 December 2019 was not qualified.

By Order of the Board

Lily Yin Kam May
Company Secretary

KUALA LUMPUR

DATE: 4 NOVEMBER 2020