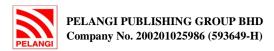


# CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE QUARTER ENDED 30 SEPTEMBER 2019 (The figures have not been audited)

	CURRENT 3 months ended		YEAR TO DATE 12 months ended	
	30.09.2019	30.09.2018	30.09.2019	30.09.2018
	RM'000	RM'000 (Audited)	RM'000	RM'000 (Audited)
Revenue	8,354	6,116	68,570	67,044
Cost of sales	(8,075)	(6,595)	(44,318)	(44,016)
Gross profit/(loss)	279	(479)	24,252	23,028
Other income	1,048	454	2,658	1,448
Administrative expenses	(2,926)	(3,159)	(12,392)	(12,013)
Selling expenses	(2,246)	(2,185)	(7,418)	(6,696)
Other expenses	(237)	(917)	(2,604)	(3,991)
Operating (loss)/profit	(4,082)	(6,286)	4,496	1,776
Finance costs	(144)	(162)	(604)	(654)
Finance income	96	70	342	312
Share of profit/(loss) of equity-accounted associate	4	(108)	(65)	(28)
(Loss)/profit before tax	(4,126)	(6,486)	4,169	1,406
Tax (expenses)/income	(273)	939	(2,331)	(935)
(Loss)/profit for the period	(4,399)	(5,547)	1,838	471
Other comprehensive income:  Item that will be reclassified subsequently to profit or loss	(25)	55.6	100	1.016
Foreign currency translation  Post-employment benefit net of tax	(25) 36	556 21	109 36	1,016 21
Total comprehensive (loss)/income for the period	(4,388)	(4,970)	1,983	1,508
Total comprehensive (1058)/meome for the period	(4,366)	(4,970)	1,963	1,500
(Loss)/profit attributable to: Owners of the Company	(4,383)	(5,411)	1,657	473
Non-controlling interests	(16)	(136)	181	(2)
	(4,399)	(5,547)	1,838	471
Other comprehensive (loss)/income attributable to:  Owners of the Company  Non-controlling interests	( <b>4,378</b> ) (10)	( <b>4,881</b> ) (89)	<b>1,737</b> 246	<b>1,454</b> 54
	(4,388)	(4,970)	1,983	1,508
Earnings per share attributable to owners of the Company:				
Basic (Sen)	(4.54)	(5.60)	1.72	0.49
Diluted (Sen)	(4.54)	(5.57)	1.72	0.49

The unaudited Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the audited financial statements for the year ended 30 September 2018 and the accompanying notes attached to the Interim Financial Statements.



# CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 SEPTEMBER 2019

(The figures have not been audited)

	As at 30.09.2019 RM'000	As at 30.09.2018 RM'000 (Audited)
ASSETS		
Non-current assets		
Property, plant and equipment	55,065	54,905
Investment properties	4,762	4,762
Investment in associate	155	224
Other Investments	1,001	1,027
Intangible assets Deferred tax assets	3 8,763	96 7,259
Deferred tax assets	69,749	68,273
Current assets		
Inventories	38,204	35,726
Trade receivables	16,533	14,809
Other receivables	1,284	1,540
Prepayment	1,839	1,872
Tax recoverable	2,061	2,050
Short-term investment	2,108	-
Cash and bank balances	9,816	13,748
	71,845	69,745
TOTAL ASSETS	141,594	138,018
EQUITY AND LIABILITIES		
Current liabilities		
Short-term borrowings	1,406	1,343
Trade Payables	5,580	4,955
Other Payables	21,915	19,709
Tax Payable	288	316
	29,189	26,323
Non-current liabilities	11.044	12.075
Long-term borrowings	11,044	12,075
Employees' benefits Deferred tax liabilities	491 2,727	381 2,596
Descried tax natinities	14,262	15,052
Total liabilities	43,451	41,375
Total habilities	45,451	41,373
Equity attributable to owners of the parent		<b>20.02</b> =
Share capital	50,025	50,025
Treasury shares	(1,508)	(1,508)
Foreign exchange reserve Employee share option reserve	1,588 303	1,544 316
Retained earnings	46,792	45,569
Retained carnings	97,200	95,946
Non-controlling interests	943	697
Total equity	98,143	96,643
TOTAL EQUITY AND LIABILITIES	141,594	138,018
Not seed to be a stable of the		
Net assets per share attributable to owners of the parent (RM)	1.0062	0.9933
orners of the parent (1411)	1.0002	0.7755

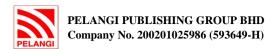
The unaudited Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the year ended 30 September 2018 and the accompanying explanatory notes to the Interim Financial Statements.

# CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE QUARTER ENDED 30 SEPT 2019

(The figures have not been audited)

	Share Capital	Treasury Shares	Foreign Exchange Reserve	Employee Share Option Reserve	Retained Earnings	Total	Non - Controlling Interests	Total Equity
	RM ' 000	RM ' 000	RM ' 000	RM ' 000	RM ' 000	RM ' 000	RM ' 000	RM ' 000
At 1 October 2018	50,025	(1,508)	1,544	316	45,569	95,946	697	96,643
Total comprehensive income	-	-	44	-	1,693	1,737	246	1,983
Dividend	-	-	-	-	(483)	(483)	-	(483)
Employee share option forfeited	-	-	-	(13)	13	-	-	-
At 30 September 2019	50,025	(1,508)	1,588	303	46,792	97,200	943	98,143
At 1 October 2017	50,025	(1,508)	581	348	46,978	96,424	643	97,067
Total comprehensive income	-	-	963	-	491	1,454	54	1,508
Dividend	-	-	-	-	(1,932)	(1,932)	-	(1,932)
Employee share option forfeited	-	-	-	(32)	32	-	-	-
At 30 September 2018	50,025	(1,508)	1,544	316	45,569	95,946	697	96,643

The unaudited Condensed Consolidated Statement of Changes In Equity should be read in conjunction with the audited financial statements for the year ended 30 September 2018 and the Notes to the Interim Financial Statements.



# CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE QUARTER ENDED 30 SEPT 2019

(The figures have not been audited)

	12 months ended		
	30.09.2019	30.09.2018	
	RM'000	RM'000	
		(Audited)	
Cash flows from operating activities			
Profit before tax	4,169	1,406	
Adjustments for non-cash items	6,898	6,880	
Operating profit before working capital changes	11,067	8,286	
Net change in current assets	(7,674)	(3,270)	
Net change in current liabilities	2,978	(4,724)	
Cash generated from operating activities	6,371	292	
Tax paid	(3,595)	(3,633)	
Net cash from/(used in) operating activities	2,776	(3,341)	
Cash flows from investing activities			
Interest received	342	312	
Proceeds from disposal of property, plant and equipment	38	370	
Purchase of property, plant and equipment	(2,572)	(1,473)	
Proceeds from disposal of investment Placement of investment	26	-	
Placement of investment	(2,108)	-	
Net cash used in investing activities	(4,274)	(791)	
Cash flows from financing activities			
Dividend paid on ordinary shares	(483)	(1,932)	
Interest paid	(604)	(654)	
Repayment of obligation under finance leases	(80)	(437)	
Repayment of term loans	(899)	(862)	
Net cash used in financing activities	(2,066)	(3,885)	
Net decrease in cash and cash equivalents	(2.564)	(8.017)	
rvet decrease in cash and cash equivalents	(3,564)	(8,017)	
Effect of exchange rate changes	(368)	1,198	
Cash and cash equivalents at beginning of year	13,248	20,067	
Cash and cash equivalents at end of year	9,316	13,248	

Cash and cash equivalents at the end of the year comprise the following:

	12 months ended			
	RM'000 RM'000			
Cash and bank balances	9,816	13,748		
Less: Fixed deposits pledged with licensed banks	(500)	(500)		
	9,316	13,248		

The unaudited Condensed Consolidated Statement of Cash Flow should be read in conjunction with the audited financial statements for the year ended 30 September 2018 and the Notes to the Interim Financial Statements.



#### A: EXPLANATORY NOTES PURSUANT TO FINANCIAL REPORTING STANDARD 134

#### 1. Basis of preparation

The interim financial statements are unaudited and have been prepared in accordance with the reporting requirements of Malaysian Financial Reporting Standards ("MFRSs") 134: Interim Financial Reporting issued by the Malaysian Accounting Standards Board ("MASB") and Paragraph 9.22 Main Market Listing Requirements of the Bursa Malaysia Securities Berhad ("Bursa Securities").

The interim financial statements should be read in conjunction with the audited financial statements for financial year ended 30 September 2018. 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 financial year ended 30 September 2018.

#### 2. Significant accounting policies

The accounting policies and methods of computation adopted by the Group in these interim financial statements are consistent with those adopted in the financial statements for the year ended 30 September 2018. At the beginning of the current financial year, the Group adopted amendments to MFRSs and IC interpretations ("IC Int") which are mandatory for the financial period beginning on or after 1 October 2018.

The initial application of the above standards, amendments and interpretation are not expected to have any financial impacts to the financial

#### Adoption of Amendments/Improvements to MFRSs

#### Amendments to MFRS 9 Financial Instruments

MFRS 9 replaces MFRS 139 Financial Instruments: Recognition and Measurement and all previous version of MFRS 9. The new standard introduces extensive requirements and guidance for classification and measurement of financial assets and financial liabilities which fall under scope of MFRS 9, new "expected credit loss model" under the impairment of financial assets and greater flexibility has been allowed in hedge accounting transactions. Upon adoption of MFRS 9, financial assets will be measured at either fair value or amortised cost. It is also expected that the Group's investment in unquoted shares will be measured at fair value through other comprehensive income.

The Group is currently performing a detailed analysis to determine the election of the practical expedients and to quantify the financial effects arising from the adoption of MFRS 9.

Expected credit losses model test has been done in line with adoption of MFRS 9. Provision of doubtful debts was made based on the expected credit losses model.

#### MFRS 15 Revenue from Contracts with Customers

MFRS 15 presents new requirements for the recognition of revenue, replacing the guidance of MFRS 111 Construction Contracts, MFRS 118 Revenue, IC Interpretation 13 Customer Loyalty Programmes, IC Interpretation 15 Agreements for Construction of Real Estate, IC Interpretation 18 Transfers of Assets from Customers and IC Interpretation 131 Revenue - Barter Transaction Involving Advertising Services. The principles in MFRS 15 provide a more structured approach to measuring and recognizing revenue. It establishes a new five-step model that will apply to revenue arising from contracts with customers. Under MFRS 15 revenue is recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchanged for transferring goods or services to a customer.

The Group is currently performing a detailed analysis to determine the election of the practical expedients and to quantify the financial effects arising from the adoption of MFRS 15.

Reclassification of revenue for prior year has been made in line with adoption of MFRS 15. Sales rebate has been reclassified from Selling Expenses to Revenue

#### Standard Issued But Not Yet Effective

At the date of authorisation of these interim financial statements, the Group has not applied the following new standards, amendments to standards that have been issued by the Malaysian Accounting Standards Board ("MASB") but are not yet effective for the Group:

MFRS and Amendments to MFRS effective 1 January 2019: Amendments to MFRS 9 Financial Instrument: Prepayment Features with Negative Compensation

MFRS 16 Leases

Amendments to MFRS 119 Employee Benefits: Plan Amendment, Curtailment or Settlement

Amendments to MFRS 128 Investments in Associates and Joint Ventures: Long-term Interests in Associates and Joint Ventures

Annual Improvements to MFRS Standards 2015 - 2017 Cycle

IC Interpretation 23 Uncertainty over Income Tax Treatments

Amendments to MFRS and IC Interpretation effective 1 January 2020:

Amendments to MFRS 2 Share-Based Payment Amendment to MFRS 3 Business Combinations

Amendments to MFRS 6 Exploration for and Evaluation of Mineral Resources

Amendment to MFRS 14 Regulatory Deferral Accounts

Amendments to MFRS 101 Presentation of Financial Statements

Amendments to MFRS 108 Accounting Policies, Changes in Accounting Estimates and Errors

Amendments to MFRS 134 Interim Financial Reporting

Amendment to MFRS 137 Provisions, Contingent Liabilities and Contingent Assets

Amendment to MFRS 138 Intangible Assets

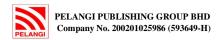
Amendment to IC Interpretaion 12 Service Concession Arrangements

Amendment to IC Interpretation 19 Extinguishing Financial Liabilities with Equity Instruments

Amendment to IC Interpretation 20 Stripping Costs in the Production Phase of a Surface Mine

Amendment to IC Interpretation 22 Foreign Currency Transactions and Advance Consideration

Amendments to IC Interpretation 132 Intangible Assets - Web Site Costs



#### MFRS effective 1 January 2021:

MFRS 17 Insurance Contracts

#### Amendments to MFRSs - effective date deferred indefinitely

Amendments to MFRS 10 Consolidated Financial Statements and MFRS 128 Investments in Associates and Joint Ventures – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture

#### 3. Auditors' report on preceding annual financial statements

The auditors' report on the financial statements for the year ended 30 September 2018 was not subject to qualification.

#### 4. Comments about seasonal or cyclical factors

The Group is basically involved in the production and distribution of books. In relation to our academic books, school terms will have impact on revenue and margin.

The bulk of Group's revenue comes from 1st quarter of our financial year (i.e., that is October 2018 to December 2018) before school term reopened in January 2019. The revenue cycle is expected to drop and coupled with higher goods returns in other quarters during the financial year.

The revenue starts picking up towards the end of our 4th quarter and the momentum is well carried forward to the 1st quarter of our next financial year before school term reopens again.

#### 5. Unusual items due to their nature, size and incidence

There were no unusual items affecting assets, liabilities, equity, net income or cash flows of the Group for the current quarter.

#### 6. Changes in estimates

There were no changes to the estimates that have a material effect in the current quarter under review.

#### 7. Debts and equity securities

There were no issuances, cancellation, repurchases, resale and repayments of debts and equity securities for the current quarter under review except for the following:

#### Employees's Share Option Scheme ("ESOS")

As at 30 September 2019, a total of 182,000 employee share options lapsed.

#### 8. Dividends

A single tier dividend of 0.50 sen per ordinary share on 96,597,500 ordinary shares of RM0.50 each amounting to RM482,988 in respect of the financial year ended 30 September 2018 was paid on 26 April 2019.

#### 9. Segment information

	Quarter ended		Financial year ended	
	30.09.2019 RM'000	30.09.2018 RM'000	30.09.2019 RM'000	30.09.2018 RM'000
Segment Revenue				
Revenue				
Publishing	7,212	4,213	65,727	59,158
Printing	2,768	2,617	10,740	10,886
Education	243	178	909	640
Others	971	2,413	5,012	6,774
Total revenue including inter segment sales	11,194	9,421	82,388	77,458
Elimination of inter-segment sales	(2,840)	(3,305)	(13,818)	(10,414)
Total revenue	8,354	6,116	68,570	67,044
Segment Results				
Publishing	(4,288)	(6,208)	4,074	818
Printing	(161)	(411)	(615)	(296)
Education	40	18	131	52
Others	327	315	906	1,202
Total operating profit	(4,082)	(6,286)	4,496	1,776

#### 10. Valuation of property, plant and equipment

There were no revaluation of property, plant and equipment during the current quarter under review.

#### 11. Material events subsequent to the end of the interim period

There were no material events subsequent to the end of the current quarter up to the date of this report.

#### 12. Changes in the composition of the Group

There were no changes in the composition of the Group during the current quarter under review.

#### 13. Changes in contingent liabilities/assets

There were no material changes in contingent liabilities/assets since the last balance sheet date up to the date of this report.

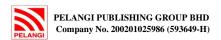
#### 14. Capital commitments

There were no capital commitments for the purchase of property, plant and equipment not provided for in the interim financial statements as at 30 September 2019.

#### 15. Significant related party transactions

The following are significant related party transactions:

The following are significant related party transactions:	Quarte	er ended	Financial	l year ended
	30.09.2019 RM'000	30.09.2018 RM'000	30.09.2019 RM'000	30.09.2018 RM'000
Rental expense	19	19	76	76



### B: EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

#### 16. Performance review (YTD Q4 2019 vs YTD Q4 2018)

#### Publishing Segment

Publishing Segment generated revenue of RM65.73 million for the current period ended 30 September 2019 if compared to RM59.16 million for the current comparative period ended 30 September 2018, an increase of RM6.57 million. Operating profit improved by RM3.26 million if compared between current period ended 30 September 2019 with the comparative period ended 30 September 2018.

Academic and children books sales increased in Malaysia and Thailand despite the lower textbook revenue this year.

Besides higher revenue, the segment's higher operating profit was also contributed by lower operating expenses related to textbook revenue and unrealised gain on foreign exchange of RM0.80 million as a result from the strengthening of Indonesian Rupiah and Thai Baht against Malaysia Ringgit.

#### Printing Segment

Printing Segment generated revenue of RM10.74 million for the current period ended 30 September 2019 as compared to RM10.89 million for the comparative period ended 30 September 2018, a decrease of RM0.15 million. Comtech Marketing Sdn Bhd have done the restructure of the organisation and relocation of the factory. Relocation of printing plant caused the delay in sales delivery and incurred extra costs in the short term. Despite low demand in commercial print jobs, the Group expects the printing business to improve in coming months.

#### **Education Segment**

The Education Segment generated revenue of RM0.91 million in the current period ended 30 September 2019, as compared to RM0.64 million in the comparative period ended 30 September 2018. The increase of revenue by RM0.27 million was mainly driven by the increase in number of students enrolling in the Group's childcare centre in Johor Bahru.

Education segment continues to play an important role in promoting and uplifting the Group's image and branding to the public.

#### Other Segment

The Other Segment generated revenue of RM5.01 million in the current period as compared to RM6.77 million for the comparative period ended 30 September 2018 with a decrease of RM1.76 million.

The decrease is mainly from the lesser dividend revenue for PPG this year.

#### 17. Comparison of current quarter with preceding quarter results (Q4 2019 vs Q3 2019)

The Group reported net loss before tax of RM4.13 million for the current quarter ended 30 September 2019 as compared to the loss before tax of RM1.40 million in the preceding quarter ended 30 June 2019.

#### 18. Commentary of prospects

With ASEAN market in mind, the Group continues to create new innovations in providing better educational solutions in K-12 markets, including digital contents, e-books, digital learning tools and Augmented Reality products, while expending into products for infants.

The Group is confident that education remains an attractive investment opportunity with the growth potential to enable us to serve more students around the world and deliver good, sustainable returns to our shareholders. Thus, ASEAN markets outside Malaysia through our team in regional offices- Thailand and Indonesia will be the development focus for the Group.

The Group will place more investments and product development efforts in growing its business on other ASEAN markets and continue to explore new forms of collaborations and develop new business models across the publishing and digital education boundaries in ASEAN countries.

Apart from that, the Group will continue to make further initiatives in digital marketing to better engage with consumers. The Group will grow the direct sales/network marketing channel to promote and sell its online/digital products and also use our core strengths in content to move into digital content marketing so consumers could interact and access digital data as quickly and as conveniently as possible.

Another area for future growth is the digital learning sector which has the potential to revolutionise education. The Group is well prepared for the shift as we already have a content portfolio in place, as evidenced by our presence in the digital learning market via ePelangi.com, and are working actively to increase the content progressively.

The Group is also well prepared to support initiatives from Malaysia's Ministry of Education in digital education, as seen in the Group's recent successful bidding in Tingkatan 1 Mathematics digital textbook. The Group is well positioned to introduce these products to other ASEAN markets too, further strengthening the Group's business prospects in ASEAN.

#### 19. Profit forecast and profit guarantee

The Group has not issued any profit guarantee during the current quarter under review.

#### 20. Taxation

	Quarte	Quarter ended		year ended
	30.09.2019 RM'000	30.09.2018 RM'000	30.09.2019 RM'000	30.09.2018 RM'000
Income tax:				
Malaysian	1,138	2	(2,883)	(1,957)
Overseas	(111)	543	(672)	(435)
Deferred tax:				
Malaysian	(1,658)	282	1,135	953
Overseas	358	112	89	504
Total tax expenses	(273)	939	(2,331)	(935)

The effective tax rate of the Group for the financial period is higher than the statutory tax rate principally due to certain expenses incurred during the period which are not deductible for tax purposes.

#### 21. Corporate proposals

There were no material corporate proposals announced but not completed as at the date of this report.

#### 22. Borrowings and debt securities

<u> </u>	Secured RM'000	As at 30.09.2019 Unsecured RM'000	Total RM'000
Short term Long term	1,406 11,044	-	1,406 11,044
Long term	12,450		12,450

#### 23. Changes in material litigation

As at the date of this report, there are no litigations that have material effect to the Group.

### 24. Earnings per share

#### a) Basic earnings per share

The basic earnings per ordinary share for current period is calculated by dividing the profit attributable to owners of the Company by the weighted average number of ordinary shares outstanding during the current period concerned.

	Quarte	Quarter ended		year ended
	30.09.2019	30.09.2018	30.09.2019	30.09.2018
Net (loss)/profit for the year (RM'000)	(4,383)	(5,411)	1,657	473
Weighted average number of ordinary shares in issue ('000)	96,598	96,598	96,598	96,598
Earnings per share (Sen)	(4.54)	(5.60)	1.72	0.49

#### b) Diluted earnings per share

For the purpose of calculating diluted earnings per share, the profit for the period attributable to ordinary equity holders of the Company and the weighted average number of ordinary shares in issue during the financial period have been adjusted for the dilutive effects of all potential ordinary shares, i.e., share options granted to employees.

	Quarter ended		Financial	year ended
	30.09.2019	30.09.2018	30.09.2019	30.09.2018
Net (loss)/profit for the year (RM'000)	(4,383)	(5,411)	1,657	473
Weighted average number of ordinary shares in issue ('000) Effect of dilution arising from ESOS ('000)	96,598	96,598 476	96,598 -	96,598 476
Weighted averge number of ordinary shares for diluted earnings per share ('000)	96,598	97,074	96,598	97,074
Diluted earnings per share (Sen)	(4.54)	(5.57)	1.72	0.49

#### 25. Notes to the condensed consolidated statement of comprehensive income

The following items have been (credited)/charged in arriving at profit before tax:

	Quarter ended		Financial ye	ear ended
	30.09.2019	09.2019 30.09.2018	30.09.2019	30.09.2018
	RM'000	RM'000	RM'000	RM'000
a) Finance income	(96)	(70)	(342)	(312)
b) Other income	(1,048)	(454)	(2,658)	(1,448)
c) Interest expense	144	162	604	654
d) Depreciation and amortisation	804	688	2,811	2,777
e) Provision for and write off receivables	1,255	1,167	3,470	1,464
f) Provision for and write off of inventories	736	(423)	2,913	1,441
g) Loss/(gain) on disposal of property, plant and equipment	(27)	17	(24)	(349)
h) Loss/(gain) on foreign exchange	(40)	97	(801)	1,639
i) Reversal of impairment loss on receivables	(827)	(181)	(1,816)	(609)

#### 26. Authorisation for issue

The interim financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the Directors in accordance with a resolution of the Directors on 28 November 2019.