



SUMMARY OF KEY FINANCIAL INFORMATION
30 JUNE 2015

	INDIVIDUAL PERIOD		CUMULATIVE PERIOD	
	CURRENT YEAR QUARTER	PRECEDING YEAR CORRESPONDING QUARTER	CURRENT YEAR TO DATE	PRECEDING YEAR CORRESPONDING PERIOD
	30/6/2015	30/6/2014	30/6/2015	30/6/2014
	RM'000	RM'000	RM'000	RM'000
1 Revenue	65,067	61,809	132,432	123,332
2 Profit before tax	8,703	7,602	20,598	15,668
3 Profit for the year	7,992	6,701	18,696	13,837
4 Profit attributable to ordinary equity holders of the parent	7,960	6,740	18,775	13,950
5 Basic earnings per share (sen)	1.16	1.05	2.76	2.17
6 Proposed/Declared dividend per share of RM0.25 each (sen)	7.00	5.00	7.00	5.00
			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)			0.2970	0.3286

ADDITIONAL INFORMATION

	INDIVIDUAL PERIOD		CUMULATIVE PERIOD	
	CURRENT YEAR QUARTER	PRECEDING YEAR CORRESPONDING QUARTER	CURRENT YEAR TO DATE	PRECEDING YEAR CORRESPONDING PERIOD
	30/6/2015	30/6/2014	30/6/2015	30/6/2014
	RM'000	RM'000	RM'000	RM'000
1. Gross interest income	245	321	540	525
2. Gross interest expense	(272)	(522)	(844)	(1,051)



CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
for the period ended 30 June 2015

	Current Period 3 months ended 30-June		Cumulative Period 6 months ended 30-June	
	2015 (RM'000)	2014 (RM'000)	2015 (RM'000)	2014 (RM'000)
Revenue - services	65,067	61,809	132,432	123,332
Cost of services	(19,671)	(18,592)	(37,897)	(35,728)
Gross profit	45,396	43,217	94,535	87,604
Other income	2,216	3,866	5,086	6,939
	47,612	47,083	99,621	94,543
Distribution expenses	(6,129)	(8,286)	(14,217)	(16,157)
Administrative expenses	(15,384)	(13,627)	(30,196)	(27,709)
Other expenses	(17,074)	(16,927)	(33,597)	(33,720)
Finance costs	(37)	(31)	(74)	(52)
Profit before taxation from continuing operations	8,988	8,212	21,537	16,905
Income tax expense	(711)	(901)	(1,902)	(1,831)
Profit after taxation from continuing operations	8,277	7,311	19,635	15,074
Discontinued operation				
Loss from discontinued operation, net of tax	(285)	(610)	(939)	(1,237)
Profit after taxation	7,992	6,701	18,696	13,837
Profit/(loss) attributable to:				
Equity holders of the Company	7,960	6,740	18,775	13,950
Non-Controlling interests	32	(39)	(79)	(113)
	7,992	6,701	18,696	13,837
Other comprehensive income:				
Other comprehensive income to be reclassified to profit or loss in subsequent periods:				
Foreign currency translation reserve	(26)	(148)	227	(242)
Total comprehensive income for the period	7,966	6,553	18,923	13,595
Total comprehensive income/(loss) attributable to:				
Equity holders of the Company	7,934	6,592	19,002	13,708
Non-Controlling interests	32	(39)	(79)	(113)
	7,966	6,553	18,923	13,595
Earnings per share attributable to equity holders of the Company (sen):-				
- Basic	1.16	1.05	2.76	2.17
- Fully diluted	1.15	0.95	2.75	1.97

The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Annual Financial Statements for the year ended 31 December 2014.



CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 30 June 2015

	As at 30 June 2015 (RM'000)	As at 31 December 2014 (RM'000)
ASSETS		
NON-CURRENT ASSETS		
Property, plant and equipment	127,603	132,335
Intangible assets	27,897	27,948
Other investments	830	830
Receivables	582	582
Deferred tax assets	10,148	10,512
	<u>167,060</u>	<u>172,207</u>
CURRENT ASSETS		
Inventories	85	58
Receivables	31,261	27,934
Tax recoverable	17,575	16,578
Cash and bank balances	102,420	101,369
Assets of disposal group classified as held for sale	57,474	57,333
	<u>208,815</u>	<u>203,272</u>
TOTAL ASSETS	<u>375,875</u>	<u>375,479</u>
EQUITY AND LIABILITIES		
CURRENT LIABILITIES		
Payables	60,368	62,300
Short-term borrowings	904	1,031
Current tax liabilities	1,007	674
Dividend payable	50,357	40,441
Liabilities directly associated with disposal group classified as held for sale	44,002	44,005
	<u>156,638</u>	<u>148,451</u>
NET CURRENT ASSETS	<u>52,177</u>	<u>54,821</u>
NON-CURRENT LIABILITIES		
Long-term borrowings	1,314	1,242
Payables	39	8
Deferred tax liabilities	4,700	4,700
	<u>6,053</u>	<u>5,950</u>
TOTAL LIABILITIES	<u>162,691</u>	<u>154,401</u>
EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY		
Share capital	186,357	175,017
Treasury shares	(37,483)	(37,482)
Share premium	67,763	55,288
Reserves	(2,991)	28,638
	<u>213,646</u>	<u>221,461</u>
NON-CONTROLLING INTERESTS	<u>(462)</u>	<u>(383)</u>
TOTAL EQUITY	<u>213,184</u>	<u>221,078</u>
TOTAL EQUITY AND LIABILITIES	<u>375,875</u>	<u>375,479</u>

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Annual Financial Statements for the year ended 31 December 2014.

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
for the period ended 30 June 2015

	← Non-Distributable					Distributable →					
	Share Capital RM'000	Share Premium RM'000	Warrant Reserve RM'000	Available- for-sale Financial Assets Reserve RM'000	Exchange Translation Reserve RM'000	Other Capital Reserve RM'000	Treasury Shares RM'000	Retained Profits/ (Losses) RM'000	Attributable to Owners of the Company RM'000	Non- Controlling Interests RM'000	Total Equity RM'000
Balance at 1 January 2015	175,017	55,288	1,208	(110)	1,108	861	(37,482)	25,571	221,461	(383)	221,078
Total comprehensive income for the financial period	-	-	-	-	227	-	-	18,775	19,002	(79)	18,923
Transactions with owners:-											
- Issuance of shares from exercise of warrants	11,340	12,475	(1,134)	-	-	-	-	-	22,681	-	22,681
- Purchase of own shares	-	-	-	-	-	-	(1)	-	(1)	-	(1)
- Share-based payments	-	-	-	-	-	860	-	-	860	-	860
- Dividends	-	-	-	-	-	-	-	(50,357)	(50,357)	-	(50,357)
Balance at 30 June 2015	<u>186,357</u>	<u>67,763</u>	<u>74</u>	<u>(110)</u>	<u>1,335</u>	<u>1,721</u>	<u>(37,483)</u>	<u>(6,011)</u>	<u>213,646</u>	<u>(462)</u>	<u>213,184</u>
Balance at 1 January 2014	167,090	46,569	2,001	60	486	-	(37,479)	74,832	253,559	(148)	253,411
Total comprehensive income for the financial period	-	-	-	-	(242)	-	-	13,950	13,708	(113)	13,595
Transactions with owners:-											
- Issuance of shares from exercise of warrants	314	345	(32)	-	-	-	-	-	627	-	627
- Purchase of own shares	-	-	-	-	-	-	(1)	-	(1)	-	(1)
- Dividends	-	-	-	-	-	-	-	(32,183)	(32,183)	-	(32,183)
Balance at 30 June 2014	<u>167,404</u>	<u>46,914</u>	<u>1,969</u>	<u>60</u>	<u>244</u>	<u>-</u>	<u>(37,480)</u>	<u>56,599</u>	<u>235,710</u>	<u>(261)</u>	<u>235,449</u>

The Condensed Consolidated Statement Of Changes In Equity should be read in conjunction with the Annual Financial Statements for the year ended 31 December 2014.



CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
for the period ended 30 June 2015

	30 June 2015 (RM'000)	30 June 2014 (RM'000)
<u>Cash flows from operating activities</u>		
Profit before taxation from continuing operations	21,537	16,905
Loss before taxation from discontinued operation	(939)	(1,237)
Profit before taxation, total	<u>20,598</u>	<u>15,668</u>
Adjustment for:-		
- Non-cash items	7,572	6,750
- Non-operating items	1,430	167
Operating profit before working capital changes	<u>29,600</u>	<u>22,585</u>
Changes in working capital		
- (Increase)/decrease in inventories	(27)	13
- (Increase)/decrease in trade and other receivables	(4,150)	5,126
- Decrease in trade and other payables	(1,459)	(1,843)
Cash from operations	<u>23,964</u>	<u>25,881</u>
- Net taxes (paid)/refunded	(2,202)	1,363
- Interest paid	(844)	(1,051)
Net cash from operating activities	<u>20,918</u>	<u>26,193</u>
<u>Cash flows from investing activities</u>		
- Proceeds from disposal of property, plant and equipment	21	200
- Purchase of property, plant and equipment	(2,248)	(4,724)
- Placement of deposits with licensed banks and financial institutions	(253)	(10,131)
- Dividend received	18	17
- Interest received	540	525
Net cash used in investing activities	<u>(1,922)</u>	<u>(14,113)</u>
<u>Cash flows from financing activities</u>		
- Net repayment of borrowings	(620)	(712)
- Purchase of own shares	(1)	(1)
- Proceeds from new shares, net of expenses	22,681	627
- Dividends paid	(40,441)	(16,057)
Net cash used in financing activities	<u>(18,381)</u>	<u>(16,143)</u>
Net increase/(decrease) in cash and cash equivalents	615	(4,063)
Cash and cash equivalents at beginning of period	<u>88,011</u>	<u>54,930</u>
Cash and cash equivalents at end of period	<u>88,626</u>	<u>50,867</u>

The Condensed Consolidated Statement of Cash Flow should be read in conjunction with the Annual Financial Statements for the year ended 31 December 2014.



SEG
International
Bhd

(145998-U)

Notes to interim financial report

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

1. **Basis of preparation**

The interim financial report is unaudited and has been prepared in accordance with the reporting requirements of MFRS 134: Interim Financial Reporting and the applicable disclosure provisions of the Listing Requirements of Bursa Malaysia Securities Berhad.

The interim financial report has been prepared in accordance with the accounting policies adopted in the 2014 annual financial statements.

The interim financial report should be read in conjunction with the audited financial statements of the Group for the year ended 31 December 2014. 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 2014.

2. **Significant accounting policies**

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 2014, except for the adoption of Amendments and Annual improvements to Standards effective as of 1 January 2015.

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

The Group has adopted the following Amendments and Annual improvements to Standards, with a date of initial application of 1 January 2015.

Amendments to MFRS 119 Employee Benefits – Defined Benefit Plans: Employee Contributions

Annual Improvements to MFRSs 2010 - 2012 Cycle

Annual Improvements to MFRSs 2011 - 2013 Cycle

The adoption of the above pronouncements did not have any impact on the financial statements of the Group.



SEG
International
Bhd

(145998-U)

2. Significant accounting policies

2.2 Standards issued but not yet effective

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

Effective for financial periods beginning on or after 1 January 2016

MFRS 14 Regulatory Deferral Accounts

Amendments to MFRS 11 Joint Arrangements - Accounting for Acquisitions of Interests in Joint Operations

Amendments to MFRS 101 Presentation of Financial Statements - Disclosure Initiative

Amendments to MFRS 127 Consolidated and Separate Financial Statements – Equity Method in Separate Financial Statements

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

Amendments to MFRS 116 Property, Plant and Equipment and MFRS 138 Intangible Assets – Clarification of Acceptable Methods of Depreciation and Amortisation

Amendments to MFRS 116 Property, Plant and Equipment and MFRS 141 Agriculture - Bearer Plants

Amendments to MFRS 10 Consolidated Financial Statements, MFRS 12 Disclosure of Interests in Other Entities and MFRS 128 Investments in Associates and Joint Ventures - Investment Entities: Applying the Consolidation Exception

Annual Improvements to MFRSs 2012 - 2014 Cycle

Effective for financial periods beginning on or after 1 January 2017

MFRS 15 Revenue from Contracts with Customers

Effective for financial periods beginning on or after 1 January 2018

MFRS 9 Financial Instruments (IFRS 9 as issued by International Accounting Standards Board ("IASB") in July 2014)



3. Qualification of Audit Report

The audit report of the financial statements of the Group for the year ended 31 December 2014 was not qualified.

4. Seasonal or cyclical factors

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

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

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

There were no material unusual items affecting the assets, liabilities, equity, net income or cash flows of the Group for the financial period ended 30 June 2015.

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 2015.

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 2015 except for the following:

	No. of ordinary shares
No. of ordinary shares net of treasury shares as at 1 January 2015	674,019,468
Add: Issue of shares from exercise of warrants	45,361,600
	<hr/> 719,381,068
Less: Purchase of Company's own ordinary shares	(1,000)
No. of ordinary shares net of treasury shares as at 30 June 2015	<hr/> <hr/> 719,380,068

During the previous quarter, the Company:

- (i) Issued 264,000 new ordinary shares pursuant to the exercise of warrants.
- (ii) Repurchased of 1,000 of its own ordinary shares from the open market at an average price of RM1.46 per share.

During the current quarter, the Company:

- (i) Issued 45,097,600 new ordinary shares pursuant to the exercise of warrants.



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

The shares repurchased are being held as treasury shares in accordance with Section 67A of the Companies Act 1965. As at 31 March 2015, the total shares bought back, all of which are held as treasury shares, amounted to 26,046,600 shares of RM0.25 each.

8. Dividends paid

During the previous financial year, the Board of Directors declared a second interim single tier dividend of RM 0.06 per ordinary share of RM 0.25 each in respect of the financial year ended 31 December 2014. This interim single tier dividend amounting to RM40,441,000 was paid on 28 January 2015.

On 9 April 2015, the Board of Directors declared an interim single tier dividend of RM 0.07 per ordinary share of RM 0.25 each in respect of the financial year ending 31 December 2015. This interim single tier dividend amounting to RM50,357,000 was paid on 6 July 2015.

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 2015.

11. Changes in composition of the Group

There were no major changes in the composition of the Group during the current quarter ended 30 June 2015.

12. Changes in contingent liabilities or contingent assets

There were no material contingent liabilities or contingent assets of the Group as at 30 June 2015.

13. Capital Commitment

There were no material capital commitments approved and contracted for as at 30 June 2015.



SEG
International
Bhd

(145998-U)

14. Cash and bank balances

	As at 30 June 2015 (RM'000)
Cash and bank balances	
- Continuing operations	102,420
- Discontinued operation	180
Total cash and bank balances	<u>102,600</u>
Less: Deposits with licensed banks and financial institution with maturity of more than three months	<u>(13,974)</u>
Total cash and cash equivalents	<u>88,626</u>

15. Payables

Included in payables are fees received in advance from students amounting to approximately RM29.0 million (30 Jun 2014: RM11.5 million).



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

1. Review of performance

For the period ended 30 June 2015, the Group achieved a revenue of RM132.4 million and a profit before taxation of RM20.6 million, an increase of 7.38% and 31.47% respectively, as compared to the corresponding period in 2014.

The increase in revenue and profit as compared to the previous financial year corresponding period is mainly attributed to better product mix and better demand for higher end programmes.

2. Variation of results against preceding quarter

The Group recorded a lower profit before taxation of RM8.7 million for the quarter under review compared to a profit before tax of RM11.9 million in the preceding quarter. This is in line with the general trend where the first quarter results are normally stronger than the second quarter.

3. Prospects for 2015

The Group launched a number of new initiatives in the last two years which have set a strong foundation for growth. With this in place, the Group expects its financial performance to improve further for this and the coming years.

4. Profit forecast

Not applicable.

5. Notes to the Consolidated Statement of Comprehensive Income

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

	Current Quarter Ended 30/6/2015 (RM'000)	Comparative Quarter Ended 30/6/2014 (RM'000)	Cumulative to-date 30/6/2015 (RM'000)	Cumulative to-date 30/6/2014 (RM'000)
Amortisation of development costs	20	74	43	122
Depreciation expense	3,423	3,406	6,853	6,695
Interest income	(245)	(321)	(540)	(525)
Loss/(Gain) on disposal of property, plant and equipment	33	(114)	62	(114)
Loss on foreign exchange	22	3	22	3



6. Tax expenses

	Current quarter ended 30 June 2015 (RM'000)	Cumulative to-date 30 June 2015 (RM'000)
Current tax expense		
- current	702	1,303
- prior year	235	235
	<u>937</u>	<u>1,538</u>
Deferred tax expense		
- current	(226)	364
- prior year	-	-
	<u>(226)</u>	<u>364</u>
Total	<u>711</u>	<u>1,902</u>

7. Status of corporate proposals announced

On 19 May 2014, the Company announced that its wholly owned subsidiary company, SEG International Group Sdn Bhd, entered into a share sale agreement with Global Activate Sdn Bhd for the proposed disposal of the entire issued and paid-up share capital of SEGi International Learning Alliance Sdn Bhd for a cash consideration of RM14,000,000.

The completion of the proposed disposal is subject to certain conditions precedent to be satisfied.

8. Borrowing and debt securities

The Group's borrowings as at 30 June 2015 are as follows:

	(RM'000)
Continuing operations:-	
- Current	904
- Non-current	1,314
	<u>2,218</u>
Discontinued operation:-	
- Non-current	44,000
	<u>46,218</u>

The above borrowings are secured and denominated in Ringgit Malaysia.

9. Changes in material litigation

There were no pending material litigations as at 27 July 2015.



10. Dividends

During the previous financial year, the Board of Directors declared a second interim single tier dividend of RM 0.06 per ordinary share of RM 0.25 each in respect of the financial year ended 31 December 2014. This interim single tier dividend amounting to RM40,441,000 was paid on 28 January 2015.

On 9 April 2015, the Board of Directors declared an interim single tier dividend of RM 0.07 per ordinary share of RM 0.25 each in respect of the financial year ending 31 December 2015. This interim single tier dividend amounting to RM50,357,000 was paid on 6 July 2015.

11. Retained Profits/(Losses)

The breakdown of retained profits/(losses) of the Group as at reporting date, into realised and unrealised is as follows:

	Current quarter ended 30 June 2015 (RM'000)	Cumulative to-date 30 June 2015 (RM'000)
Retained profits/(losses) of the Group		
- realised	(43,904)	(22,253)
- unrealised	527	5,908
	<u>(43,377)</u>	<u>(16,345)</u>
Add: consolidation adjustments	980	10,334
Total retained profits/(losses) as per consolidated accounts	<u>(42,397)</u>	<u>(6,011)</u>



12. 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 30/6/2015 (RM'000)	Comparative Quarter Ended 30/6/2014 (RM'000)	Cumulative to-date 30/6/2015 (RM'000)	Cumulative to-date 30/6/2014 (RM'000)
Earnings				
Profit after taxation	7,992	6,701	18,696	13,837
Amount attributable to non-controlling interests	(32)	39	79	113
Profit after taxation attributable to the equity holders of the Company	7,960	6,740	18,775	13,950
Weighted average number of ordinary shares ('000)	686,869	643,404	680,696	642,991
Basic earnings per share (sen)	1.16	1.05	2.76	2.17

Diluted earnings per share

Earnings				
Profit after taxation	7,992	6,701	18,696	13,837
Amount attributable to non-controlling interests	(32)	39	79	113
Profit after taxation attributable to the equity holders of the Company	7,960	6,740	18,775	13,950
Weighted average number of ordinary shares ('000)	686,869	643,404	680,696	642,991
Effect of dilution ('000)				
- Warrants	2,447	65,460	2,440	65,810
Weighted average number of ordinary shares ('000)	689,315	708,864	683,136	708,801
Diluted earnings per share (sen)	1.15	0.95	2.75	1.97