



SASBADI HOLDINGS BERHAD

201201038178 (1022660-T)

Incorporated in Malaysia

FOURTH QUARTER REPORT ENDED 31 AUGUST 2024

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE FOURTH QUARTER ENDED 31 AUGUST 2024 ⁽¹⁾

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year Quarter 31.08.2024 RM'000	Preceding Year Quarter 31.08.2023 RM'000	Current Year-To-Date 31.08.2024 RM'000	Preceding Year-To-Date 31.08.2023 RM'000
Revenue	23,567	16,574	89,804	96,142
Cost of sales	(23,048)	(13,467)	(60,498)	(59,582)
Gross profit	519	3,107	29,306	36,560
Other operating income	713	87	1,443	1,225
Distribution expenses	(1,567)	(1,646)	(6,273)	(5,825)
Administrative expenses	(4,216)	(3,968)	(16,745)	(15,251)
Other operating expenses	(1,401)	(721)	(3,489)	(2,744)
Results from operating activities	(5,952)	(3,141)	4,242	13,965
Finance income	20	22	73	42
Finance costs	(509)	(127)	(1,085)	(857)
(Loss)/Profit before tax	(6,441)	(3,246)	3,230	13,150
Taxation	2,330	1,756	(1,077)	(2,982)
Net (loss)/profit for the financial period/ year	(4,111)	(1,490)	2,153	10,168
Other comprehensive income for the financial period/year, net of tax :				
Item that will not be reclassified subsequently to profit or loss				
Revaluation of property, plant and equipment	-	-	-	4,976
Total comprehensive (loss)/income for the financial period/year	(4,111)	(1,490)	2,153	15,144
Net (loss)/profit for the financial period/year attributable to:				
- Owners of the Company	(4,111)	(1,490)	2,153	10,168
- Non-controlling interests	-	-	-	-
	(4,111)	(1,490)	2,153	10,168
Total comprehensive (loss)/income for the financial period/year attributable to:				
- Owners of the Company	(4,111)	(1,490)	2,153	15,144
- Non-controlling interests	-	-	-	-
	(4,111)	(1,490)	2,153	15,144
(Loss)/Earnings per share (sen) attributable to owners of the Company:				
- Basic	(0.94)	(0.34)	0.50	2.38
- Diluted	(0.94)	(0.34)	0.50	2.37

Notes:

- (1) The Unaudited Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the Audited Financial Statements of Sasbadi Holdings Berhad ("the Company") for the financial year ended 31 August 2023 and the accompanying explanatory notes attached to these interim financial statements.



SASBADI HOLDINGS BERHAD

201201038178 (1022660-T)

Incorporated in Malaysia

FOURTH QUARTER REPORT ENDED 31 AUGUST 2024

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 AUGUST 2024 ⁽¹⁾

	Unaudited As at 31.08.2024 RM'000	Audited As at 31.08.2023 RM'000
ASSETS		
Property, plant and equipment	43,735	44,194
Rights-of-use assets	1,824	405
Investment properties	2,215	2,268
Intangible assets	17,433	18,853
Other investments	1,448	37
Deferred tax assets	586	401
Total non-current assets	67,241	66,158
Inventories	60,366	61,021
Rights to recover returned goods	2,650	1,603
Contract costs	65	104
Trade and other receivables	40,646	37,429
Current tax assets	6,582	4,395
Prepayments	3,547	4,990
Cash and cash equivalents	10,860	11,640
Total current assets	124,716	121,182
Total assets	191,957	187,340
EQUITY		
Share capital	110,768	110,379
Treasury shares	(1)	(1)
Reserves	41,525	42,748
Total equity	152,292	153,126
LIABILITIES		
Loans and borrowings	1,441	1,342
Lease liabilities	674	77
Deferred tax liabilities	6,946	8,619
Total non-current liabilities	9,061	10,038
Loans and borrowings	5,996	7,284
Lease liabilities	1,164	365
Refund liabilities	5,359	2,897
Trade and other payables	17,861	13,283
Contract liabilities	224	347
Total current liabilities	30,604	24,176
Total liabilities	39,665	34,214
Total equity and liabilities	191,957	187,340
Net assets per share attributable to owners of the Company (RM)	0.35	0.35

Notes:

- (1) The Unaudited Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements of the Company for the financial year ended 31 August 2023 and the accompanying explanatory notes attached to these interim financial statements.



SASBADI HOLDINGS BERHAD

201201038178 (1022660-T)

Incorporated in Malaysia

FOURTH QUARTER REPORT ENDED 31 AUGUST 2024

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE TWELVE (12) MONTHS ENDED 31 AUGUST 2024 ⁽¹⁾

	<----- Non-distributable ----->						Distributable	
	Share capital	Treasury shares	Share Options reserve	Merger deficit	Fair value reserve	Revaluation reserve	Retained earnings	Total equity
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
At 1 September 2023	110,379	(1)	134	(50,500)	(64)	23,332	69,846	153,126
Total comprehensive income for the financial year	-	-	-	-	-	-	2,153	2,153
Transaction with owners of the Company								
Expiry/Lapse of share options under ESOS	-	-	(23)	-	-	-	23	-
Ordinary shares issued pursuant to ESOS	389	-	(111)	-	-	-	-	278
Dividends to owners of the Company	-	-	-	-	-	-	(3,265)	(3,265)
Total transactions with owners of the Company	389	-	(134)	-	-	-	(3,242)	(2,987)
At 31 August 2024	110,768	(1)	-	(50,500)	(64)	23,332	68,757	152,292
As at 1 September 2022	109,138	(1)	705	(50,500)	(64)	18,356	61,616	139,250
Total comprehensive loss for the financial year	-	-	-	-	-	4,976	10,168	15,144
Transaction with owners of the Company								
Expiry/Lapse of share options under ESOS	-	-	(216)	-	-	-	216	-
Ordinary shares issued pursuant to ESOS	1,241	-	(355)	-	-	-	-	886
Dividends to owners of the Company	-	-	-	-	-	-	(2,154)	(2,154)
Total transactions with owners of the Company	1,241	-	(571)	-	-	-	(1,938)	(1,268)
At 31 August 2023	110,379	(1)	134	(50,500)	(64)	23,332	69,846	153,126

Notes:

(1) The Unaudited Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Financial Statements of the Company for the financial year ended 31 August 2023 and the accompanying explanatory notes attached to these interim financial statements.

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE TWELVE (12) MONTHS ENDED 31 AUGUST 2024 ⁽¹⁾

	Current Year-To-Date 31.08.2024 RM'000	Preceding Year-To-Date 31.08.2023 RM'000
Cash flows from operating activities		
Profit before tax	3,230	13,150
Adjustments for:		
Amortisation of intangible assets	1,420	1,422
Depreciation of property, plant and equipment	2,125	1,789
Depreciation of investment properties	53	52
Depreciation of rights-of-use assets	598	405
Intangible assets written-off	-	12
Provision of inventories write-down	9,950	3,037
Write-off of property, plant and equipment	-	21
Reversal of impairment loss on trade receivables	(336)	(685)
Gain on disposal of property, plant and equipment	(203)	(249)
Unrealised foreign exchange gain	(11)	(6)
Finance costs	1,085	857
Finance income	(73)	(42)
Operating profit before changes in working capital	17,838	19,763
Changes in inventories	(9,295)	319
Changes in rights to recover returned goods	(1,047)	587
Changes in contract costs	39	149
Changes in trade and other receivables and prepayments	(1,438)	(1,835)
Changes in refund liabilities	2,462	(1,369)
Changes in trade and other payables	4,589	(5,720)
Changes in contract liabilities	(123)	(483)
Cash generated from operations	13,025	11,411
Tax paid	(5,122)	(2,469)
Interest paid	(559)	(735)
Interest received	73	42
Net cash generated from operating activities	7,417	8,249
Cash flows from investing activities		
Change in pledged deposits	-	250
Proceeds from disposal of property, plant and equipment	247	271
Acquisition of other investments	(1,411)	-
Acquisition of property, plant and equipment	(434)	(1,201)
Net cash used in investing activities	(1,598)	(680)

Notes:

- (1) The Unaudited Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Audited Financial Statements of the Company for the financial year ended 31 August 2023 and the accompanying explanatory notes attached to these interim financial statements.



SASBADI HOLDINGS BERHAD

201201038178 (1022660-T)

Incorporated in Malaysia

FOURTH QUARTER REPORT ENDED 31 AUGUST 2024

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE TWELVE (12) MONTHS ENDED 31 AUGUST 2024 ⁽¹⁾ (CONT'D)

	Current Year-To-Date 31.08.2024 RM'000	Preceding Year-To-Date 31.08.2023 RM'000
Cash flows from financing activities		
Net drawdown of bankers' acceptances	(1,914)	2,271
Net repayment of finance lease liabilities	(250)	(114)
Net repayment of term loans	(426)	(403)
Net repayment of lease liabilities	(1,018)	(430)
Proceeds from issuance of shares pursuant to ESOS	278	886
Dividends paid	(3,265)	(2,154)
Interest paid	(129)	(122)
Net cash used in financing activities	(6,724)	(66)
Net decrease in cash and cash equivalents	(905)	7,503
Cash and cash equivalents at beginning of the financial period	11,079	3,576
Cash and cash equivalents at end of the financial period	10,174	11,079

Cash and cash equivalents included in the statement of cash flows comprise the following statement of financial position amounts:

	Current Year-To-Date 31.08.2024 RM'000	Preceding Year-To-Date 31.08.2023 RM'000
Cash and bank balances	10,083	10,999
Deposit placed with a licensed bank	777	641
	10,860	11,640
Less : Deposits pledged	(528)	(528)
Bank overdrafts	(158)	(33)
	10,174	11,079

Notes:

- (1) The Unaudited Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Audited Financial Statements of the Company for the financial year ended 31 August 2023 and the accompanying explanatory notes attached to these interim financial statements.

A. EXPLANATION NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARD (“MFRS”) 134: INTERIM FINANCIAL REPORTING

A1. Accounting Policies and Basis of Preparation

The interim financial statements are unaudited and have been prepared in accordance with the requirements of Malaysian Financial Reporting Standard (“MFRS”) 134: Interim Financial Reporting issued by the Malaysian Accounting Standards Board (“MASB”), International Accounting Standard (“IAS”) 34: Interim Financial Reporting issued by the International Accounting Standards Board (“IASB”), and paragraph 9.22 and Part A of Appendix 9B of the Main Market Listing Requirements (“Listing Requirements”) of Bursa Malaysia Securities Berhad (“Bursa Securities”).

These interim financial statements should be read in conjunction with the Audited Financial Statements of the Company for the financial year ended 31 August 2023 and the accompanying explanatory notes attached to these interim financial statements.

These interim financial statements provide an explanation of significant events and transactions that contributed to the changes in the financial position and performance of the Company and its subsidiaries (“the Group”) since the financial year ended 31 August 2023.

The significant accounting policies and methods of computation applied in these unaudited condensed interim financial statements are consistent with those adopted for the Audited Financial Statements of the Company for the financial year ended 31 August 2023, except for the following accounting standards, amendments and interpretations that have been issued by the MASB but have not been adopted by the Group:

MFRSs, Interpretations and amendments effective for annual periods beginning on or after 1 January 2024

- Amendments to MFRS 16, *Leases – Lease Liability in a Sale and Leaseback*
- Amendments to MFRS 101, *Presentation of Financial Statements – Non-current Liabilities with Covenants*
- Amendments to MFRS 7, *Financial Instruments: Disclosures* and MFRS 107, *Statement of Cash Flows – Supplier Finance Arrangements*

MFRSs, Interpretations and amendments effective for annual periods beginning on or after 1 January 2025

- Amendments to MFRS 121, *The Effects of Changes in Foreign Exchange Rates – Lack of Exchangeability*

MFRSs, Interpretations and amendments effective for annual periods beginning on or after 1 January 2026

- Amendments to MFRS 1, *First-time Adoption of Malaysian Financial Reporting Standards*, MFRS 7, *Financial Instruments: Disclosures*, MFRS 9, *Financial Instruments*, MFRS 10, *Consolidated Financial Statements* and MFRS 107, *Statement of Cash Flows - Annual Improvements to MFRS Accounting Standards – Volume 11*
- Amendments to MFRS 7, *Financial Instruments: Disclosures* and MFRS 9, *Financial Instruments – Classification and Measurement of Financial Instruments*

MFRSs, Interpretations and amendments effective for annual periods beginning on or after 1 January 2027

- MFRS 18, *Presentation and Disclosure in Financial Statements*
- MFRS 19, *Subsidiaries without Public Accountability: Disclosures*

MFRSs, Interpretations and amendments effective for annual periods beginning on or after a date yet to be confirmed

- 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*

The initial application of the accounting standards, amendments or interpretations is not expected to have any material financial impact to the financial statements of the Group.

A. EXPLANATION NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARD (“MFRS”) 134: INTERIM FINANCIAL REPORTING (CONT’D)
A2. Auditors’ Report on Preceding Annual Financial Statements

The Auditors’ Reports on the financial statements of the Company and its subsidiaries for the financial year ended 31 August 2023 were not qualified.

A3. Seasonality or Cyclicalities of Operations

The Group’s business operations are exposed to seasonality patterns as the Group generally experiences significantly higher quarterly sales in months approaching the beginning of the school academic year. As a result, the seasonal sales patterns may adversely impact the Group’s quarterly revenue, profit and cash flow.

The Group takes the seasonality patterns into consideration in our cash flow planning. In addition, the Group is consistently seeking ways to reduce the impact of seasonality patterns such as stepping up our efforts to grow our non-academic and digital solutions segments, which are less prone to seasonality, and the private and international schools segment which follows a different academic year period from that of our national schools.

A4. Unusual Items Affecting the Financial Statements

The deferment of the new academic year from January to March since 2022 have affected the business operations of the Group where the book orders were also delayed from the first quarter to the second quarter of the financial year, impacting our usual seasonality pattern. Going forward, this may change again as the Ministry of Education (“MOE”) has announced that they are working on gradually reverting the commencement of the new academic year to January.

Other than the above, there were no significant items affecting the assets, liabilities, equity, net income, or cash flows of the Group that were unusual in nature, size or incidence during the current financial quarter.

A5. Changes in Estimates

There were no material changes in the estimates that have a material effect in the current financial quarter and financial year-to-date.

A6. Debt and Equity Securities
Employees’ Share Option Scheme (“ESOS”)

Option Price	Balance as at 1.9.2023	Exercised	Lapsed/ Expired	Balance exercisable as at 31.08.2024
RM0.10	3,330,000	-	(3,330,000)	-

On 10 March 2022, the Company offered 12,000,000 options at an exercise price of RM0.10 each to its eligible employees. During the current financial year-to-date, 2,780,000 new ordinary shares were issued pursuant to the exercise of this ESOS. Additionally, 50,000 options lapsed due to an employee’s resignation and 500,000 options expired on 9 March 2024.

Save as disclosed above, there was no issuance, cancellation, repurchase, resale or repayment of debt and equity securities in the current financial quarter and current financial year-to-date.

A7. Dividend Paid

On 3 January 2024, the Company paid a second interim single tier dividend of RM0.0025 per ordinary share in respect of the financial year ended 31 August 2023.

On 24 May 2024, the Company paid an interim single tier dividend of RM0.005 per ordinary share in respect of the financial year ending 31 August 2024.

A. EXPLANATION NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARD ("MFRS") 134: INTERIM FINANCIAL REPORTING (CONT'D)
A8. Segment Information

Segmental information is presented by the Group in accordance with the Group's operations and products to enable better monitoring and management, as well as clearer performance reporting.

Current financial quarter ended 31 August 2024

	Print Publishing RM'000	Digital Solutions & Network Marketing * RM'000	ALP & STEM Education ^ RM'000	Inter- segment elimination RM'000	Total RM'000
Revenue	22,917	972	1,387	(1,709)	23,567
Cost of sales	(23,190)	(469)	(369)	980	(23,048)
Gross profit	(273)	503	1,018	(729)	519
Add/(Less):					
Other operating income					713
Distribution expenses					(1,567)
Administrative expenses					(4,216)
Other operating expenses					(1,401)
Results from operating activities					<u>(5,952)</u>

Current financial year-to-date ended 31 August 2024

	Print Publishing RM'000	Digital Solutions & Network Marketing * RM'000	ALP & STEM Education ^ RM'000	Inter- segment elimination RM'000	Total RM'000
Revenue	83,615	4,533	6,485	(4,829)	89,804
Cost of sales	(58,699)	(2,980)	(2,948)	4,129	(60,498)
Gross profit	24,916	1,553	3,537	(700)	29,306
Add/(Less):					
Other operating income					1,443
Distribution expenses					(6,273)
Administrative expenses					(16,745)
Other operating expenses					(3,489)
Results from operating activities					<u>4,242</u>

Notes:

* Digital/Online and Technology-enabled Solutions and Network Marketing Business Division (including Linguaskill and Bookr)

^ Applied Learning Products ("ALP") and Science, Technology, Engineering and Mathematics ("STEM") Education Services Division

A. EXPLANATION NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARD ("MFRS") 134: INTERIM FINANCIAL REPORTING (CONT'D)
A8. Segment Information (cont'd)
Preceding financial year's corresponding quarter ended 31 August 2023

	Print Publishing RM'000	Digital Solutions & Network Marketing * RM'000	ALP & STEM Education ^ RM'000	Inter-segment elimination RM'000	Total RM'000
Revenue	14,651	1,903	1,623	(1,603)	16,574
Cost of sales	(13,070)	(1,359)	(476)	1,438	(13,467)
Gross profit	1,581	544	1,147	(165)	3,107
Add/(Less):					
Other operating income					87
Distribution expenses					(1,646)
Administrative expenses					(3,968)
Other operating expenses					(721)
Results from operating activities					(3,141)

Preceding financial year's corresponding year-to-date ended 31 August 2023

	Print Publishing RM'000	Digital Solutions & Network Marketing * RM'000	ALP & STEM Education ^ RM'000	Inter-segment elimination RM'000	Total RM'000
Revenue	90,736	6,205	3,786	(4,585)	96,142
Cost of sales	(58,597)	(3,578)	(1,229)	3,822	(59,582)
Gross profit	32,139	2,627	2,557	(763)	36,560
Add/(Less):					
Other operating income					1,225
Distribution expenses					(5,825)
Administrative expenses					(15,251)
Other operating expenses					(2,744)
Results from operating activities					13,965

Notes:

* Digital/Online and Technology-enabled Solutions and Network Marketing Business Division (including Linguaskill and Bookr)

^ Applied Learning Products ("ALP") and Science, Technology, Engineering and Mathematics ("STEM") Education Services Division

**SASBADI HOLDINGS BERHAD**

201201038178 (1022660-T)

Incorporated in Malaysia

FOURTH QUARTER REPORT ENDED 31 AUGUST 2024

A. EXPLANATION NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARD ("MFRS") 134: INTERIM FINANCIAL REPORTING (CONT'D)**A9. Valuation of Property, Plant and Equipment**

There was no valuation of property, plant and equipment undertaken in the current financial quarter.

A10. Material Events Subsequent to the End of the Interim Period

There is no material event subsequent to the end of the current financial quarter up to the date of this report.

A11. Effects of Changes in Composition of the Group

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

A12. Capital Commitments

There were no capital commitments for the Group in respect of the current financial quarter.

A13. Changes in Contingent Liabilities and Contingent Assets**Contingent Liabilities**

There were no material changes in the Group's contingent liabilities since the last audited statement of financial position as at 31 August 2023.

Contingent Assets

The Group does not have any material contingent assets as at 31 August 2024.

B. ADDITIONAL INFORMATION REQUIRED BY THE MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD**B1. Review of Performance****Current Quarter ended 31 August 2024 against Preceding Financial Year's Corresponding Quarter ended 31 August 2023**

The Group recorded a revenue of RM23.567 million for the current financial quarter ("Q4 FYE 2024") as compared to RM16.574 million for the preceding financial year's corresponding quarter (Q4 FYE 2023). This represents an increase of RM6.993 million (equivalent to 42.19%), mainly arising from our Print Publishing Division.

The increase was mainly attributed to higher sales, arising from the introduction of Madani Book Voucher, launched by the Prime Minister Datuk Seri Anwar Ibrahim's administration on 30 May 2024, where approximately RM300 million was allocated in the form of book vouchers given to students of Malaysia from Year 4 and above, in support of their literacy development and to enhance their access to quality educational resources. The increase was partly off-set by lower contribution from the supply of reprinted textbooks of RM2.758 million in Q4 FYE 2024 as compared to RM6.277 million in Q4 FYE 2023.

The Group recorded a loss before tax ("LBT") of RM6.441 million for Q4 FYE 2024 vis-à-vis a LBT of RM3.246 million for Q4 FYE 2023, representing an increased loss of RM3.195 million mainly due to higher provision of inventories write-down where RM9.950 million was recognised in Q4 FYE 2024 as compared to RM3.037 million recognised in Q4 FYE 2023.

B. ADDITIONAL INFORMATION REQUIRED BY THE MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (CONT'D)

B1. Review of Performance (cont'd)

Current Financial Year-to-Date ended 31 August 2024 against Preceding Financial Year's Corresponding Year-to-Date ended 31 August 2023

The Group recorded a revenue of RM89.804 million for the current financial year-to-date ("FYE 2024") as compared to RM96.142 million for the preceding financial year's corresponding year-to-date ("FYE 2023"). This represents a decrease of RM6.338 million (equivalent to 6.59%), mainly arising from our Print Publishing Division.

These were mainly due to the sluggish retail segment and lower contribution from MOE contracts totalling to RM4.573 million in FYE 2024 as compared to FYE 2023 of RM16.448 million, representing a decrease of RM11.875 million (equivalent to 72.20%). However, the decrease was partly cushioned by higher sales arising from the redemption of MADANI Book Vouchers as mentioned above and increase in contribution in our ALP & STEM Education Division with revenue of RM6.485 million for FYE 2024 as compared to RM3.786 million for FYE 2023, representing an increase of RM2.699 million (equivalent to 71.29%) due to the higher sales attributed from the intensified efforts by the MOE to promote STEM Education amongst Malaysian students.

The Group recorded a profit before tax ("PBT") of RM3.230 million for FYE 2024 vis-à-vis a PBT of RM13.150 million for FYE 2023. This represents a decrease of RM9.920 million (equivalent to 75.44%) mainly due to lower revenue achieved and higher provision of inventories write down as mentioned above.

B2. Variation of Results for the Current Financial Quarter ended 31 August 2024 against the Immediate Preceding Financial Quarter

	Current Quarter 31.08.2024 RM'000	Preceding Quarter 31.05.2024 RM'000	Change RM'000
Revenue	23,567	15,967	7,600
(Loss)/Profit Before Tax	<u>(6,441)</u>	<u>1,016</u>	<u>(7,457)</u>

The Group recorded a revenue of RM23.567 million for Q4 FYE 2024 as compared to RM15.967 million for the immediate preceding financial quarter ("Q3 FYE 2024"), representing an increase of RM7.600 million (equivalent to 47.60%), mainly due the introduction of Madani Book Voucher as mentioned in Note B1 and revenue from the supply of reprinted textbooks amounting to RM2.758 million during Q4 FYE 2024.

The Group recorded a LBT of RM6.441 million for Q4 FYE 2024 as compared to a PBT of RM1.016 million for Q3 FYE 2024, mainly due to the provision of inventories write down as mentioned above.

B. ADDITIONAL INFORMATION REQUIRED BY THE MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (CONT'D)**B3. Group's Prospects for the financial year ending 31 August 2025 ("FYE 2025")**

For Q4 FYE 2024, the Group's revenue exceeded our expectations, whereby the revenue for Q4 FYE 2024 increased significantly as compared to Q4 FYE 2023, rising from RM16.574 million to RM23.567 million (equivalent to 42.19%). However, in terms of profitability, the Group recorded a LBT of RM6.441 million for Q4 FYE 2024 vis-à-vis a LBT of RM3.246 million for Q4 FYE 2023, mainly due to higher provision of inventories write-down (Q4 FYE 2024 – RM9.950 million; Q4 FYE 2023 – RM3.037 million). Excluding the provision of inventories write-down, the Group's performance actually improved from a LBT of RM0.209 million in Q4 FYE 2023 to a PBT of RM3.509 million in Q4 FYE 2024.

Our Q4 FYE 2024's encouraging performance was mainly due to the impact of the MADANI Book Voucher, as mentioned in Note B1 above. Since the voucher's introduction, Sasbadi's book sales have experienced a significant increase due to the strong demand for our products. Sales were generated not only via our very own Sasbadi store on Book Capital (or *Kota Buku*, the digital platform responsible for book voucher redemption) but also through book sales to our booksellers whom are also operating on the platform. It is also important to note that our book sales via these vouchers have not reached its peak in Q4 FYE 2024, largely due to various initial glitches; momentum has since picked up and marketing efforts towards the initiative have been intensified by all stakeholders. As a result, we expect our book sales via these vouchers to increase favourably in the first financial quarter of financial year ending 31 August 2025 ("Q1 FYE 2025").

With regards to performance of FYE 2024 against FYE 2023, the drop in revenue was primarily attributed to the poor performance in the retail segment amidst rising inflation and cost of living. The noticeably drop in PBT was chiefly due to higher provision of inventories write down being recognised in Q4 FYE 2024 as compared to Q4 FYE 2023, as mentioned above. Excluding the provision of inventories write-down, the Group's PBT would amount to RM13.180 million for FYE 2024 vis-à-vis RM16.187 million for FYE 2023. The substantial increase in provision of inventories write-down reflects the Group's strategic decision to accelerate impairment of older titles and focus on the production of newer publications which can contribute more significantly to our financial performance through the MADANI Book Voucher initiative. It is pertinent to note that the older titles would have required steeper discounting to generate sales, resulting in lower profit margins.

Overall, our Group is confident that the MADANI Book Voucher initiative will contribute significantly to the earnings of the Group in FYE 2025, particularly in Q1 FYE 2025, where the full impact of the book voucher sales will be registered. Moreover, with the proposed acquisition of the Intellectual Property Rights from Kohwai & Young Publications (Malaysia) Sdn Bhd as detailed in Note B7(i) below, the Group will jump straight into further diversifying our product offerings to meet expanding demands. As always, we will continue to monitor our risk management strategies, including cost reduction and cost optimisation measures, which would benefit the Group as we strengthen our economies of scale and financial position. All things considered, we are cautiously optimistic about the Group's prospects for FYE 2025.

B. ADDITIONAL INFORMATION REQUIRED BY THE MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (CONT'D)
B4. Variance of Profit Forecast

No profit forecast has been issued by the Group previously in any public document.

B5. Notes to the Statement of Comprehensive Income

The (loss)/profit before tax is arrived at after charging/(crediting):

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year Quarter 31.08.2024 RM'000	Preceding Year Quarter 31.08.2023 RM'000	Current Year-To-Date 31.08.2024 RM'000	Preceding Year-To-Date 31.08.2023 RM'000
Amortisation of intangible assets	354	359	1,420	1,422
Depreciation on property, plant and equipment	557	501	2,125	1,789
Depreciation on investment properties	13	13	53	52
Depreciation on rights-of-use assets	286	101	598	405
Intangible assets written-off	-	12	-	12
(Gain)/Loss on disposal of property, plant and equipment	(46)	4	(203)	(249)
Write-off of property, plant and equipment	-	2	-	21
Impairment/(Reversal of impairment) loss on trade receivables	56	(70)	(336)	(685)
Provision of inventories write-down included in cost of sales	9,950	3,037	9,950	3,037
Finance costs	509	127	1,085	857
Finance income	(20)	(22)	(73)	(42)
Realised foreign exchange (gain)/loss	(62)	67	(95)	105
Unrealised foreign exchange gain	(6)	(6)	(11)	(6)

Save as disclosed above, the other items as required under paragraph 16 of Part A of Appendix 9B of the Main Market Listing Requirements of Bursa Securities are not applicable.

B6. Income Tax Expense

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year Quarter 31.08.2024 RM'000	Preceding Year Quarter 31.08.2023 RM'000	Current Year-To-Date 31.08.2024 RM'000	Preceding Year-To-Date 31.08.2023 RM'000
Current tax expense				
Current period	(1,086)	(1,170)	2,789	1,362
Prior period	-	1	146	(7)
	(1,086)	(1,169)	2,935	1,355
Deferred tax expense				
Current period	(1,244)	(587)	(1,858)	1,627
	(2,330)	(1,756)	1,077	2,982

The effective tax rate is higher than the statutory tax rate of 24% mainly due to certain expenses of the Group not allowable for tax purposes.

B. ADDITIONAL INFORMATION REQUIRED BY THE MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (CONT'D)

B7. Status of Corporate Proposals and Utilisation of Proceeds

i) Status of Corporate Proposals

On 8 October 2024, the Company's wholly-owned subsidiary, Orbit Buku Sdn Bhd ("OBSB") entered into a Sale Agreement and Assignment of Intellectual Property Rights ("Agreement") with Kohwai & Young Publications (Malaysia) Sdn Bhd ("KYPsB") to acquire all the rights, title and interest in a list of publications relating to early childhood publications ("Assigned Rights") and the inventories in relation to the publishing list acquired ("Inventory") at the purchase price of RM1,200,000 ("Purchase Price") subject to the terms and conditions contained in the Agreement.

On 14 October 2024, OBSB paid the initial payment of RM1,080,000 to KYPsB, representing 90% of the Purchase Price. The proposal is currently pending the completion of the due diligence verification on the Assigned Rights and inspection of the Inventory for defects and damages.

Save as disclosed above, there is no other corporate proposal announced but not completed at the date of this report.

ii) Utilisation of Proceeds

As at the date of this report, all proceeds from corporate proposals implemented by the Company in the past have been fully utilised.

B8. Loans and Borrowings

The Group's loans and borrowings as at 31 August 2024 were as follows:

	As at 31.08.2024 RM'000	As at 31.08.2023 RM'000
Non-current		
Finance lease liabilities	999	447
Term loans - secured	442	895
	<u>1,441</u>	<u>1,342</u>
Current		
Finance lease liabilities	616	142
Term loans - secured	454	427
Bank overdrafts - secured	158	33
Bankers' acceptances - secured	4,768	6,682
	<u>5,996</u>	<u>7,284</u>
	<u>7,437</u>	<u>8,626</u>

The above borrowings are denominated in Ringgit Malaysia.

B9. Material Litigation

There is no pending material litigation at the date of this report.

B10. Dividend

On 28 October 2024, the Board of Directors of the Company has declared and approved the payment of a second interim single tier dividend of RM0.0025 per ordinary share in respect of the financial year ended 31 August 2024. This second interim dividend is to be paid on 18 December 2024 to shareholders registered in the Record of Depositors as at 26 November 2024.



SASBADI HOLDINGS BERHAD

201201038178 (1022660-T)

Incorporated in Malaysia

FOURTH QUARTER REPORT ENDED 31 AUGUST 2024

B. ADDITIONAL INFORMATION REQUIRED BY THE MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (CONT'D)

B11. Earnings Per Share ("EPS")

i) Basic Earnings Per Share

The basic earnings per share for the current financial quarter is computed as follows:

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year Quarter 31.08.2024 RM'000	Preceding Year Quarter 31.08.2023 RM'000	Current Year-To-Date 31.08.2024 RM'000	Preceding Year-To-Date 31.08.2023 RM'000
Net (loss)/profit attributable to owners of the Company	(4,111)	(1,490)	2,153	10,168
Weighted average number of ordinary shares in issue ('000)	436,135	432,565	434,723	427,831
Basic (loss)/earnings per ordinary share (sen)	(0.94)	(0.34)	0.50	2.38

ii) Diluted Earnings Per Share

Diluted earnings per share arising from the share options vested under ESOS of the Company is computed as follows:

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year Quarter 31.08.2024 RM'000	Preceding Year Quarter 31.08.2023 RM'000	Current Year-To-Date 31.08.2024 RM'000	Preceding Year-To-Date 31.08.2023 RM'000
Net (loss)/profit attributable to owners of the Company	(4,111)	(1,490)	2,153	10,168
Weighted average number of ordinary shares in issue ('000)	436,135	432,565	434,723	427,831
Effect of dilution due to ESOS ('000)	-	-	-	1,147
Adjusted weighted average number of ordinary shares ('000)	436,135	432,565	434,723	428,978
Diluted earnings per ordinary share (sen)	(0.94)	(0.34)	0.50	2.37

Diluted EPS for the current financial quarter and financial year-to-date are equivalent to basic EPS as the Group no longer have any other instruments with potential dilutive effects upon expiry of the Group's ESOS on 9 March 2024.

B12. Derivative Financial Instruments

The Group did not enter into any derivative financial instruments which were outstanding as at 31 August 2024.

By order of the Board
Kuala Lumpur
28 October 2024