



SASBADI HOLDINGS BERHAD

201201038178 (1022660-T)

Incorporated in Malaysia

SECOND QUARTER REPORT ENDED 28 FEBRUARY 2025

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE SECOND QUARTER ENDED 28 FEBRUARY 2025 ⁽¹⁾

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year Quarter 28.02.2025 RM'000	Preceding Year Quarter 29.02.2024 RM'000	Current Year-To-Date 28.02.2025 RM'000	Preceding Year-To-Date 29.02.2024 RM'000
Revenue	41,727	35,017	75,787	50,270
Cost of sales	(21,153)	(18,081)	(40,779)	(28,806)
Gross profit	20,574	16,936	35,008	21,464
Other operating income	34	121	371	374
Distribution expenses	(2,109)	(1,621)	(3,708)	(3,087)
Administrative expenses	(5,810)	(4,675)	(10,101)	(8,344)
Other operating expenses	(854)	(712)	(1,616)	(1,403)
Results from operating activities	11,835	10,049	19,954	9,004
Finance income	17	25	27	43
Finance costs	(228)	(233)	(513)	(392)
Profit before tax	11,624	9,841	19,468	8,655
Taxation	(3,442)	(2,829)	(5,481)	(2,636)
Net profit for the financial period	8,182	7,012	13,987	6,019
Other comprehensive income for the financial period, net of tax	-	-	-	-
Total comprehensive income for the financial period	8,182	7,012	13,987	6,019
Net profit for the financial period attributable to:				
- Owners of the Company	8,182	7,012	13,987	6,019
- Non-controlling interests	-	-	-	-
	8,182	7,012	13,987	6,019
Total comprehensive income for the financial period attributable to:				
- Owners of the Company	8,182	7,012	13,987	6,019
- Non-controlling interests	-	-	-	-
	8,182	7,012	13,987	6,019
Earnings per share (sen) attributable to owners of the Company:				
- Basic	1.89	1.61	3.22	1.39
- Diluted	1.89	1.61	3.22	1.38

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 2024 and the accompanying explanatory notes attached to these interim financial statements.



UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 28 FEBRUARY 2025⁽¹⁾

	Unaudited As at 28.02.2025 RM'000	Audited As at 31.08.2024 RM'000
ASSETS		
Property, plant and equipment	43,460	43,736
Rights-of-use assets	1,517	1,823
Investment properties	2,188	2,215
Intangible assets	17,958	17,433
Other investments	1,448	1,448
Deferred tax assets	652	770
Trade and other receivables	2,608	2,608
Total non-current assets	69,831	70,033
Inventories	62,017	59,993
Rights to recover returned goods	3,566	2,542
Contract costs	60	65
Trade and other receivables	48,012	40,980
Prepayments	4,941	986
Current tax assets	4,222	7,440
Cash and cash equivalents	35,685	10,980
Total current assets	158,503	122,986
Total assets	228,334	193,019
EQUITY		
Share capital	110,768	110,768
Treasury shares	(1,796)	(1)
Reserves	54,476	41,579
Total equity	163,448	152,346
LIABILITIES		
Loans and borrowings	1,678	1,682
Lease liabilities	735	994
Deferred tax liabilities	7,605	7,682
Total non-current liabilities	10,018	10,358
Loans and borrowings	29,179	5,755
Lease liabilities	808	844
Refund liabilities	6,821	5,142
Trade and other payables	17,894	18,350
Contract liabilities	166	224
Total current liabilities	54,868	30,315
Total liabilities	64,886	40,673
Total equity and liabilities	228,334	193,019
Net assets per share attributable to owners of the Company (RM)	0.38	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 2024 and the accompanying explanatory notes attached to these interim financial statements.



UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE SIX (6) MONTHS ENDED 28 FEBRUARY 2025 ⁽¹⁾

	<----- Non-distributable ----->						Distributable	Total equity RM'000
	Share capital RM'000	Treasury shares RM'000	Share Options reserve RM'000	Merger deficit RM'000	Fair value reserve RM'000	Revaluation reserve RM'000	Retained earnings RM'000	
At 1 September 2024	110,768	(1)	-	(50,500)	(64)	23,332	68,811	152,346
Total comprehensive income for the financial period	-	-	-	-	-	-	13,987	13,987
Transaction with owners of the Company								
Purchase of treasury shares	-	(1,795)	-	-	-	-	-	(1,795)
Dividends to owners of the Company	-	-	-	-	-	-	(1,090)	(1,090)
Total transactions with owners of the Company	-	(1,795)	-	-	-	-	(1,090)	(2,885)
At 28 February 2025	110,768	(1,796)	-	(50,500)	(64)	23,332	81,708	163,448
As at 1 September 2023	110,379	(1)	134	(50,500)	(64)	23,332	69,846	153,126
Total comprehensive loss for the financial period	-	-	-	-	-	-	6,019	6,019
Transaction with owners of the Company								
Expiry/Lapse of share options under ESOS	-	-	(2)	-	-	-	2	-
Ordinary shares issued pursuant to ESOS	244	-	(70)	-	-	-	-	174
Dividends to owners of the Company	-	-	-	-	-	-	(1,084)	(1,084)
Total transactions with owners of the Company	244	-	(72)	-	-	-	(1,082)	(910)
At 29 February 2024	110,623	(1)	62	(50,500)	(64)	23,332	74,783	158,235

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 2024 and the accompanying explanatory notes attached to these interim financial statements.



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UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE SIX (6) MONTHS ENDED 28 FEBRUARY 2025 ⁽¹⁾

	Current Year-To-Date 28.02.2025 RM'000	Preceding Year-To-Date 29.02.2024 RM'000
Cash flows from operating activities		
Profit before tax	19,468	8,655
Adjustments for:		
Amortisation of intangible assets	675	711
Depreciation of property, plant and equipment	1,157	1,021
Depreciation of investment properties	27	27
Depreciation of rights-of-use assets	393	208
Write-off of property, plant and equipment	1	-
Reversal of impairment loss on trade receivables	(73)	(144)
Gain on disposal of property, plant and equipment	(70)	(79)
Unrealised foreign exchange loss/(gain)	3	(5)
Finance costs	513	392
Finance income	(27)	(43)
Operating profit before changes in working capital	22,067	10,743
Changes in inventories	(2,024)	(5,040)
Changes in rights to recover returned goods	(1,024)	(641)
Changes in contract costs	5	17
Changes in trade and other receivables and prepayments	(10,914)	(14,263)
Changes in refund liabilities	1,679	1,415
Changes in trade and other payables	(459)	1,047
Changes in contract liabilities	(58)	(59)
Cash from/(used in) operations	9,272	(6,781)
Tax paid	(2,222)	(1,864)
Interest paid	(399)	(325)
Interest received	27	43
Net cash generated from/(used in) operating activities	6,678	(8,927)
Cash flows from investing activities		
Change in pledged deposits	200	-
Proceeds from disposal of property, plant and equipment	85	83
Acquisition of other investments	-	(1,411)
Acquisition of intangible assets	(1,200)	-
Acquisition of property, plant and equipment	(251)	(275)
Net cash used in investing activities	(1,166)	(1,603)

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 2024 and the accompanying explanatory notes attached to these interim financial statements.



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UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE SIX (6) MONTHS ENDED 28 FEBRUARY 2025 ⁽¹⁾ (CONT'D)

	Current Year-To-Date 28.02.2025 RM'000	Preceding Year-To-Date 29.02.2024 RM'000
Cash flows from financing activities		
Net drawdown of bankers' acceptances	8,589	2,964
Net repayment of finance lease liabilities	(256)	(87)
Net repayment of term loans	(223)	(209)
Net repayment of lease liabilities	(420)	(233)
Proceeds from issuance of shares pursuant to ESOS	-	174
Purchase of treasury shares	(1,795)	-
Dividends paid	(1,090)	(1,084)
Interest paid	(76)	(58)
Net cash generated from financing activities	<u>4,729</u>	<u>1,467</u>
Net increase/(decrease) in cash and cash equivalents	10,241	(9,063)
Cash and cash equivalents at beginning of the financial period	<u>10,157</u>	<u>11,079</u>
Cash and cash equivalents at end of the financial period	<u><u>20,398</u></u>	<u><u>2,016</u></u>

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

	Current Year-To-Date 28.02.2025 RM'000	Preceding Year-To-Date 29.02.2024 RM'000
Cash and bank balances	35,120	11,031
Deposit placed with a licensed bank	565	709
	<u>35,685</u>	<u>11,740</u>
Less : Deposits pledged	(465)	(528)
Bank overdrafts	(14,822)	(9,196)
	<u><u>20,398</u></u>	<u><u>2,016</u></u>

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 2024 and the accompanying explanatory notes attached to these interim financial statements.



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SECOND QUARTER REPORT ENDED 28 FEBRUARY 2025

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 2024 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 2024.

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 2024, 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 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*
- Amendments to MFRS 7, *Financial Instruments: Disclosures* and MFRS 9, *Financial Instruments - Contracts Referencing Nature-dependent Electricity*

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.



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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 2024 were not qualified.

A3. Seasonality or Cyclicity 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 has affected the Group’s business operations, delaying book orders from the first quarter to the second quarter of the financial year, impacting our usual seasonality pattern. Going forward, this is expected to change as the Ministry of Education (“MOE”) has announced that the academic year will gradually revert to January. The current academic year had commence in February 2025, with a full transition to the January academic year expected to be by 2026.

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

During the current financial quarter, the Company repurchased 10,487,100 of its own shares from the open market for a total consideration of RM1.795 million, financed by internally generated funds.

As of 28 February 2025, the Company holds a total of 10,488,100 shares as treasury shares, in accordance with the requirements of Section 127 (4) of the Companies Act 2016. These treasury shares are not included in the calculation of earnings per share (“EPS”).

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

During the current financial quarter, on 18 December 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 2024.



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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 28 February 2025

	Print Publishing RM'000	Digital Solutions & Network Marketing * RM'000	ALP & STEM Education ^ RM'000	Inter- segment elimination RM'000	Total RM'000
Revenue	41,418	792	533	(1,016)	41,727
Cost of sales	(21,234)	(695)	(298)	1,074	(21,153)
Gross profit	20,184	97	235	58	20,574
Add/(Less):					
Other operating income					34
Distribution expenses					(2,109)
Administrative expenses					(5,810)
Other operating expenses					(854)
Results from operating activities					<u>11,835</u>

Current financial year-to-date ended 28 February 2025

	Print Publishing RM'000	Digital Solutions & Network Marketing * RM'000	ALP & STEM Education ^ RM'000	Inter- segment elimination RM'000	Total RM'000
Revenue	76,387	1,582	1,406	(3,588)	75,787
Cost of sales	(42,532)	(808)	(608)	3,169	(40,779)
Gross profit	33,855	774	798	(419)	35,008
Add/(Less):					
Other operating income					371
Distribution expenses					(3,708)
Administrative expenses					(10,101)
Other operating expenses					(1,616)
Results from operating activities					<u>19,954</u>



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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 29 February 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	32,828	864	1,747	(422)	35,017
Cost of sales	(16,864)	(727)	(912)	422	(18,081)
Gross profit	15,964	137	835	-	16,936
Add/(Less):					
Other operating income					121
Distribution expenses					(1,621)
Administrative expenses					(4,675)
Other operating expenses					(712)
Results from operating activities					<u>10,049</u>

Preceding financial year's corresponding year-to-date ended 29 February 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	45,486	2,494	3,921	(1,631)	50,270
Cost of sales	(26,733)	(1,659)	(1,874)	1,460	(28,806)
Gross profit	18,753	835	2,047	(171)	21,464
Add/(Less):					
Other operating income					374
Distribution expenses					(3,087)
Administrative expenses					(8,344)
Other operating expenses					(1,403)
Results from operating activities					<u>9,004</u>

Notes:

* Digital/Online and Technology-enabled Solutions and Network Marketing Business Division

^ 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)

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

Save as disclosed in Note B7(i)(b) with respect to the acquisition of Edu Paper And Stationery Sdn Bhd (“EPSSB”), there is no other 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. Subsequent to the financial quarter effective 1 March 2025, upon completion of the acquisition of EPSSB as mentioned in B7(i)(b), EPSSB became a 60%-owned subsidiary of the Company.

A12. Capital Commitments

There were no material capital commitments for the Group at the end 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 2024.

Contingent Assets

The Group does not have any material contingent assets as at 28 February 2025.



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B. ADDITIONAL INFORMATION REQUIRED BY THE MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

B1. Review of Performance

Current Quarter ended 28 February 2025 against Preceding Financial Year's Corresponding Quarter ended 29 February 2024

The Group recorded a revenue of RM41.727 million for the current financial quarter as compared to RM35.017 million for the preceding financial year's corresponding quarter. This represents an increase of RM6.710 million (equivalent to 19.16%), mainly contributed by our Print Publishing Division.

The increase was mainly attributed to the sterling performance of our school orders for the new school academic year beginning in February 2025 and tail end sales (December 2024) from the Madani Book Voucher program launched by the Prime Minister Datuk Seri Anwar Ibrahim's administration on 30 May 2024.

Despite the higher administrative expenses due to higher staff cost, the Group recorded a profit before tax ("PBT") of RM11.624 million for the current financial quarter vis-à-vis a PBT of RM9.841 million for the preceding financial year's corresponding quarter, representing an increase of RM1.783 million (equivalent to 18.12%) mainly due to higher revenue achieved as mentioned above.

Current Financial Year-to-Date ended 28 February 2025 against Preceding Financial Year's Corresponding Year-to-Date ended 29 February 2024

The Group recorded a revenue of RM75.787 million for the current financial year-to-date as compared to RM50.270 million for the preceding financial year's corresponding year-to-date. This represents an increase of RM25.517 million (equivalent to 50.76%), mainly due to higher revenue achieved as mentioned above.

The Group recorded a PBT of RM19.468 million for the current financial year-to-date vis-à-vis a PBT of RM8.655 million for the preceding financial year's corresponding year-to-date. This represents an increase of RM10.813 million (equivalent to 124.93%) mainly due to higher revenue achieved as mentioned above.

B2. Variation of Results for the Current Financial Quarter ended 28 February 2025 against the Immediate Preceding Financial Quarter

	Current Quarter 28.02.2025 RM'000	Preceding Quarter 30.11.2024 RM'000	Change RM'000
Revenue	41,727	34,060	7,667
Profit Before Tax	11,624	7,844	3,780

The Group recorded a revenue of RM41.727 million for the current financial quarter as compared to RM34.060 million for the immediate preceding financial quarter, representing an increase of RM7.667 million (equivalent to 22.51%) due to the reasons mentioned above.

The Group recorded a PBT of RM11.624 million for the current financial quarter as compared to a PBT of RM7.844 million for the immediate preceding financial quarter, representing an increase of RM3.780 million, mainly due to the reasons mentioned above.



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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 ("FYE") 31 August 2025

For the second financial quarter ("Q2") of FYE 31 August 2025 ("FYE 2025"), our Group is pleased to report that we had performed beyond our own expectations, with revenue rising year-on-year from RM35.017 million to RM41.727 million (equivalent to 19.16%), solidifying itself as the highest quarterly revenue ever recorded by Sasbadi Group. Despite the higher administrative expenses, profit after tax ("PAT") for Q2 FYE2025 also rose year-on-year from RM7.012 million to RM8.182 million (equivalent to 16.69%). This favourable performance was driven by robust sales of our academic publications for the new academic year that began in February 2025 and strong sales attributed to the MADANI Book Voucher initiative (outlined in Note B1) which ended on 31st December 2024.

Moving forward, whilst continuing to strengthen our academic publications to maintain our market-leading position, Sasbadi Group will place greater emphasis on growing revenue from our non-academic business, particularly on early childhood education, comics and paper-based stationery segments, following our acquisition of the intellectual property rights of Kohwai & Young Publications (Malaysia) Sdn Bhd in late 2024 and the recent acquisition of a 60% equity stake in Edu Paper and Stationery Sdn Bhd. This marks Sasbadi's entry into a new market segment and opens up further opportunities for revenue diversification.

On the digital front, Sasbadi Group remains firmly committed to supporting the Ministry of Education Malaysia's ("MOE's") Digital Education Policy ("DEP"). As the digitalisation of the education sector continues to accelerate, the Group is well-positioned to benefit from the increased government investment in digital solutions for teachers and students. Another key highlight of our digital initiatives is the ongoing development of our proprietary Large Language Model ("LLM") in collaboration with Agmo Holdings Berhad. This project underscores our dedication to innovation and our drive to continuously evolve in response to the rapidly changing education landscape. Beyond equipping the education sector with cutting-edge technology, we are also focused on delivering a secure, ring-fenced AI solution that provide accurate, contextually relevant information tailored to Malaysia's multicultural society. We envision this LLM becoming an important tool for both teachers and students upon its launch.

With these initiatives underway, the Group foresees a promising phase of growth, presenting significant opportunities to boost both revenue and profitability. Backed by four decades of experience and a solid reputation for delivering quality, we are committed to expanding our product portfolio and expanding our market presence. While we remain mindful of potential challenges ahead, we move forward with cautious optimism and a steadfast focus on driving sustainable, long-term success.



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

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year Quarter 28.02.2025 RM'000	Preceding Year Quarter 29.02.2024 RM'000	Current Year-To-Date 28.02.2025 RM'000	Preceding Year-To-Date 29.02.2024 RM'000
Amortisation of intangible assets	347	356	675	711
Depreciation on property, plant and equipment	577	525	1,157	1,021
Depreciation on investment properties	14	13	27	27
Depreciation on rights-of-use assets	197	104	393	208
Gain on disposal of property, plant and equipment	-	(79)	(70)	(79)
Write-off of property, plant and equipment	-	-	1	-
Reversal of impairment loss on trade receivables	(135)	(103)	(73)	(144)
Finance costs	228	233	513	392
Finance income	(17)	(25)	(27)	(43)
Realised foreign exchange gain	(21)	(20)	(34)	(34)
Unrealised foreign exchange loss/(gain)	8	21	3	(5)

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 28.02.2025 RM'000	Preceding Year Quarter 29.02.2024 RM'000	Current Year-To-Date 28.02.2025 RM'000	Preceding Year-To-Date 29.02.2024 RM'000
Current tax expense				
Current period	3,490	2,770	5,440	3,203
Deferred tax expense				
Current period	(48)	59	41	(567)
	3,442	2,829	5,481	2,636

The effective tax rates for the current financial quarter and current year-to-date are higher than the statutory tax rate of 24% mainly due to certain expenses of the Group not allowable for tax purposes.



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Incorporated in Malaysia

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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

a) Proposed Acquisition of Intellectual Properties

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.

This acquisition was completed on 20 December 2024 upon fulfilment of the terms and conditions under the Agreement.

b) Proposed Acquisition of 60% Equity Interest

On 10 December 2024 the Company entered into a Share Sale Agreement ("the Agreement") with Eduprint Solutions Sdn Bhd, to acquire 1,680,000 ordinary shares representing 60% equity interest in EPSSB, at a purchase price of RM2,580,000 to be settled by way of cash, subject to the terms and conditions contained in the Agreement ("Proposed Acquisition").

This acquisition was completed on 1 March 2025 upon fulfilment of the terms and conditions under the Agreement. In this regard, EPSSB is now a 60%-owned subsidiary of the Company.

c) Proposed Joint Venture Agreement

On 18 February 2025, the Company's wholly-owned subsidiary, Sasbadi Online Sdn Bhd had entered into a Memorandum of Agreement ("MOA") with Agmo Studio Sdn Bhd, a wholly-owned subsidiary of Agmo Holdings Berhad, to establish a joint venture company to undertake the development and commercialisation of an Artificial Intelligence solution in the form of a local Large Language Model ("LLM") for the education sector, and other related services within this scope ("Collaboration").

This MOA is effective from the date of signing and will remain in effect until the parties enter into a Joint Venture Agreement ("JVA"). The parties are currently in the process of finalising the JVA.

Save as disclosed above, there is no 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.



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

B8. Loans and Borrowings

The Group's loans and borrowings as at 28 February 2025 were as follows:

	As at 28.02.2025 RM'000	As at 31.08.2024 RM'000
Non-current		
Finance lease liabilities	1,474	1,240
Term loans - secured	204	442
	1,678	1,682
Current		
Finance lease liabilities	531	375
Term loans - secured	469	454
Bank overdrafts - secured	14,822	158
Bankers' acceptances - secured	13,357	4,768
	29,179	5,755
	30,857	7,437

The above borrowings are denominated in Ringgit Malaysia.

B9. Material Litigation

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

B10. Proposed Dividend

On 29 April 2024, the Board of Directors of the Company has declared and approved the payment of an interim single tier dividend of RM0.005 per ordinary share in respect of the financial year ending 31 August 2025. The interim dividend will be paid on 12 June 2025 to shareholders registered in the Record of Depositors as at 19 May 2025.

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 28.02.2025 RM'000	Preceding Year Quarter 29.02.2024 RM'000	Current Year-To-Date 28.02.2025 RM'000	Preceding Year-To-Date 29.02.2024 RM'000
Net profit attributable to owners of the Company	8,182	7,012	13,987	6,019
Weighted average number of ordinary shares in issue ('000)	436,135	434,329	436,135	434,017
Effect of purchase of treasury shares ('000)	(3,497)	-	(1,749)	-
Adjusted weighted average number of ordinary shares in issue ('000)	432,638	434,329	434,386	434,017
Basic earnings per ordinary share (sen)	1.89	1.61	3.22	1.39

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SECOND QUARTER REPORT ENDED 28 FEBRUARY 2025

B. ADDITIONAL INFORMATION REQUIRED BY THE MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (CONT'D)**B11. Earnings Per Share ("EPS") (cont'd)**

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 28.02.2025 RM'000	Preceding Year Quarter 29.02.2024 RM'000	Current Year-To-Date 28.02.2025 RM'000	Preceding Year-To-Date 29.02.2024 RM'000
Net profit attributable to owners of the Company	8,182	7,012	13,987	6,019
Weighted average number of ordinary shares in issue ('000)	432,638	434,329	434,386	434,017
Effect of dilution due to ESOS ('000)	-	613	-	658
Adjusted weighted average number of ordinary shares ('000)	432,638	434,942	434,386	434,675
Diluted earnings per ordinary share (sen)	1.89	1.61	3.22	1.38

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

B12. Derivative Financial Instruments

The Group did not enter into any derivative financial instruments which were outstanding as at 28 February 2025.

By order of the Board
Kuala Lumpur
29 April 2025