



SASBADI HOLDINGS BERHAD

201201038178 (1022660-T)

Incorporated in Malaysia

SECOND QUARTER REPORT ENDED 28 FEBRUARY 2026

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE SECOND QUARTER ENDED 28 FEBRUARY 2026 ⁽¹⁾

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year Quarter 28.02.2026 RM'000	Preceding Year Quarter 28.02.2025 RM'000	Current Year-To-Date 28.02.2026 RM'000	Preceding Year-To-Date 28.02.2025 RM'000
Revenue	37,670	41,727	68,981	75,787
Cost of sales	(20,998)	(21,153)	(36,146)	(40,779)
Gross profit	16,672	20,574	32,835	35,008
Other operating income	77	34	171	371
Distribution expenses	(2,051)	(2,109)	(3,935)	(3,708)
Administrative expenses	(5,896)	(5,810)	(10,789)	(10,101)
Other operating expenses	(1,099)	(854)	(2,155)	(1,616)
Results from operating activities	7,703	11,835	16,127	19,954
Finance income	23	17	31	27
Finance costs	(235)	(228)	(523)	(513)
Profit before tax	7,491	11,624	15,635	19,468
Taxation	(2,419)	(3,442)	(4,747)	(5,481)
Net profit for the financial period	5,072	8,182	10,888	13,987
Other comprehensive income for the financial period, net of tax	-	-	-	-
Total comprehensive income for the financial period	5,072	8,182	10,888	13,987
Net profit for the financial period attributable to:				
- Owners of the Company	5,050	8,182	10,752	13,987
- Non-controlling interests	22	-	136	-
	5,072	8,182	10,888	13,987
Total comprehensive income for the financial period attributable to:				
- Owners of the Company	5,050	8,182	10,752	13,987
- Non-controlling interests	22	-	136	-
	5,072	8,182	10,888	13,987
Earnings per share (sen) attributable to owners of the Company:				
- Basic	1.19	1.89	2.53	3.22
- Diluted	N/A	N/A	N/A	N/A

Notes:

N/A Not applicable

(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 2025 and the accompanying explanatory notes attached to these interim financial statements.



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UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 28 FEBRUARY 2026⁽¹⁾

	Unaudited As at 28.02.2026 RM'000	Audited As at 31.08.2025 RM'000
ASSETS		
Property, plant and equipment	45,735	46,197
Rights-of-use assets	4,593	5,023
Investment properties	2,136	2,162
Intangible assets	20,685	21,069
Other investments	1,448	1,448
Deferred tax assets	764	757
Total non-current assets	75,361	76,656
Inventories	64,851	63,868
Rights to recover returned goods	3,225	1,429
Contract costs	57	47
Trade and other receivables	40,430	34,310
Current tax assets	2,555	9,281
Prepayments	2,537	3,051
Cash and cash equivalents	45,432	27,672
Total current assets	159,087	139,658
Total assets	234,448	216,314
EQUITY		
Share capital	110,768	110,768
Treasury shares	(1,829)	(1,829)
Reserves	59,099	49,411
Equity attributable to owners of the Company	168,038	158,350
Non-controlling interests	824	688
Total equity	168,862	159,038
LIABILITIES		
Loans and borrowings	1,481	1,553
Lease liabilities	3,827	3,965
Deferred tax liabilities	8,048	8,138
Total non-current liabilities	13,356	13,656
Loans and borrowings	24,499	16,512
Lease liabilities	1,287	1,109
Refund liabilities	6,182	2,659
Trade and other payables	20,067	23,182
Contract liabilities	195	158
Total current liabilities	52,230	43,620
Total liabilities	65,586	57,276
Total equity and liabilities	234,448	216,314
Net assets per share attributable to owners of the Company (RM)	0.39	0.37

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 2025 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 2026 ⁽¹⁾

	<----- Non-distributable ----->					Distributable	Total	Non-controlling interests	Total equity
	Share capital	Treasury shares	Merger deficit	Fair value reserve	Revaluation reserve	Retained earnings			
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
At 1 September 2025	110,768	(1,829)	(50,500)	(64)	23,332	76,643	158,350	688	159,038
Total comprehensive income for the financial period	-	-	-	-	-	10,752	10,752	136	10,888
Transaction with owners of the Company									
Dividends to owners of the Company	-	-	-	-	-	(1,064)	(1,064)	-	(1,064)
Total transactions with owners of the Company	-	-	-	-	-	(1,064)	(1,064)	-	(1,064)
At 28 February 2026	110,768	(1,829)	(50,500)	(64)	23,332	86,331	168,038	824	168,862
As at 1 September 2024	110,768	(1)	(50,500)	(64)	23,332	68,811	152,346	-	152,346
Total comprehensive income for the financial period	-	-	-	-	-	13,987	13,987	-	13,987
Transaction with owners of the Company									
Purchase of treasury shares	-	(1,795)	-	-	-	-	(1,795)	-	(1,795)
Dividends to owners of the Company	-	-	-	-	-	(1,090)	(1,090)	-	(1,090)
Total transactions with owners of the Company	-	(1,795)	-	-	-	(1,090)	(2,885)	-	(2,885)
At 28 February 2025	110,768	(1,796)	(50,500)	(64)	23,332	81,708	163,448	-	163,448

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 2025 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 2026 ⁽¹⁾

	Current Year-To-Date 28.02.2026 RM'000	Preceding Year-To-Date 28.02.2025 RM'000
Cash flows from operating activities		
Profit before tax	15,635	19,468
Adjustments for:		
Amortisation of intangible assets	845	675
Depreciation of property, plant and equipment	1,404	1,157
Depreciation of investment properties	26	27
Depreciation of rights-of-use assets	717	393
Write-off of property, plant and equipment	5	1
Provision/(reversal) of impairment loss on trade and other receivables	13	(73)
Gain on disposal of property, plant and equipment	(12)	(70)
Unrealised foreign exchange loss	13	3
Finance costs	523	513
Finance income	(31)	(27)
Operating profit before changes in working capital	19,138	22,067
Changes in inventories	(983)	(2,024)
Changes in rights to recover returned goods	(1,796)	(1,024)
Changes in contract costs	(10)	5
Changes in trade and other receivables and prepayments	(5,619)	(10,914)
Changes in refund liabilities	3,523	1,679
Changes in trade and other payables	(3,128)	(459)
Changes in contract liabilities	37	(58)
Cash from operations	11,162	9,272
Tax paid	(2,741)	(2,222)
Tax refunded	4,623	-
Interest paid	(323)	(399)
Interest received	31	27
Net cash from operating activities	12,752	6,678
Cash flows from investing activities		
Change in pledged deposits	(5)	200
Proceeds from disposal of property, plant and equipment	12	85
Acquisition of intangible assets	-	(1,200)
Acquisition of property, plant and equipment	(662)	(251)
Net cash used in investing activities	(655)	(1,166)

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 2025 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 2026 ⁽¹⁾ (CONT'D)

	Current Year-To-Date 28.02.2026 RM'000	Preceding Year-To-Date 28.02.2025 RM'000
Cash flows from financing activities		
Net drawdown of bankers' acceptances	7,614	8,589
Net repayment of finance lease liabilities	(291)	(256)
Net repayment of term loans	(238)	(223)
Net repayment of lease liabilities	(817)	(420)
Purchase of treasury shares	-	(1,795)
Dividends paid	(1,064)	(1,090)
Interest paid	(91)	(76)
Net cash generated from financing activities	<u>5,113</u>	<u>4,729</u>
Net increase in cash and cash equivalents	17,210	10,241
Cash and cash equivalents at beginning of the financial period	<u>13,200</u>	<u>10,157</u>
Cash and cash equivalents at end of the financial period	<u>30,410</u>	<u>20,398</u>

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

	Current Year-To-Date 28.02.2026 RM'000	Preceding Year-To-Date 28.02.2025 RM'000
Cash and bank balances	44,905	35,120
Deposit placed with a licensed bank	527	565
	<u>45,432</u>	<u>35,685</u>
Less : Deposits pledged	(527)	(465)
Bank overdrafts	(14,495)	(14,822)
	<u>30,410</u>	<u>20,398</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 2025 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 2025 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 2025.

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 2025, 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 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*
- Amendments to MFRS 121, *The Effects of Changes in Foreign Exchange Rates – Translation to a Hyperinflationary Presentation Currency*

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 2025 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 academic year schedule has been gradually normalised in the last few years. In this regard, the preceding financial year’s corresponding quarter reflected a later school reopening period (i.e. in February), whereas it normalised to January in the current financial year.

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

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 23 December 2025, the Company paid a second interim single-tier dividend of RM0.0025 per ordinary share in respect of the financial year ended 31 August 2025.



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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 2026

	Print Publishing RM'000	Digital Solutions & Network Marketing * RM'000	ALP & STEM Education ^ RM'000	Paper-based Stationery RM'000	Inter- segment elimination RM'000	Total RM'000
Revenue	30,830	1,549	823	5,374	(906)	37,670
Cost of sales	(15,880)	(1,114)	(376)	(4,322)	694	(20,998)
Gross profit/(loss)	14,950	435	447	1,052	(212)	16,672
Add/(Less):						
Other operating income						77
Distribution expenses						(2,051)
Administrative expenses						(5,896)
Other operating expenses						(1,099)
Results from operating activities						7,703

Current financial year-to-date ended 28 February 2026

	Print Publishing RM'000	Digital Solutions & Network Marketing * RM'000	ALP & STEM Education ^ RM'000	Paper-based Stationery RM'000	Inter- segment elimination RM'000	Total RM'000
Revenue	57,545	2,929	1,832	10,048	(3,373)	68,981
Cost of sales	(28,659)	(1,847)	(768)	(7,699)	2,827	(36,146)
Gross profit/(loss)	28,886	1,082	1,064	2,349	(546)	32,835
Add/(Less):						
Other operating income						171
Distribution expenses						(3,935)
Administrative expenses						(10,789)
Other operating expenses						(2,155)
Results from operating activities						16,127



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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 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/(loss)	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					11,835

Preceding financial year's corresponding 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/(loss)	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					19,954

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



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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 and financial year-to-date.

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. Changes in Composition of the Group

On 17 November 2025, the Company’s wholly-owned subsidiary, Sasbadi Online Sdn. Bhd. disposed 45% equity interest in Penerbitan Minda Sdn. Bhd. (“PMSB”) to Agmo Capital Sdn. Bhd. for a cash consideration of RM1. PMSB is currently dormant and its management financial statements as at the date of disposal recorded a shareholder’s funds of RM42.

Other than the above, there were no changes in the composition of the Group during the current financial quarter and financial year-to-date.

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 2025.

Contingent Assets

The Group does not have any material contingent assets as at 28 February 2026.



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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 2026 against Preceding Financial Year's Corresponding Quarter ended 28 February 2025

The Group recorded revenue of RM37.670 million for the current financial quarter ("Q226") as compared to RM41.727 million for the preceding financial year's corresponding quarter ("Q225"). This represents a decrease of RM4.057 million (equivalent to 9.72%), mainly attributed to the Print Publishing Division.

Revenue from the Print Publishing Division declined from RM41.418 million in Q225 to RM30.830 million in Q226. This decrease was mainly due to the absence of sales from the Madani Book Voucher program (June 2024 to December 2024) and lower contributions from school orders for the new academic year due to the normalisation of school reopening to January 2026, resulting in a significant portion of orders being recognised in the immediate preceding financial quarter of the current financial year ("Q126").

However, the decrease in revenue was partly offset by a revenue contribution of RM5.374 million from Edu Paper and Stationery Sdn. Bhd. ("EPSSB"), which was acquired in March 2025. In addition, the Digital Solutions & Network Marketing Division and the ALP & STEM Education Division recorded increases in revenue of RM0.757 million and RM0.290 million, respectively.

The increase in revenue from the Digital Solutions & Network Marketing Division was mainly driven by a tender awarded by the Ministry of Education for the provision of English language proficiency testing services for English option teachers.

The Group recorded a profit before tax ("PBT") of RM7.491 million in Q226 as compared to RM11.624 million in Q225. This represents a decrease of RM4.133 million (equivalent to 35.56%), mainly due to lower revenue in Q226.

Current Financial Year-to-Date ended 28 February 2026 against Preceding Financial Year's Corresponding Year-to-Date ended 28 February 2025

The Group recorded revenue of RM68.981 million for the current financial year-to-date ("YTDQ226") as compared to RM75.787 million for the preceding financial year's corresponding year-to-date ("YTDQ225"). This represents a decrease of RM6.806 million (equivalent to 8.98%), mainly attributed to the Print Publishing Division.

Revenue from the Print Publishing Division declined by RM18.842 million mainly due to the absence of sales from the Madani Book Voucher program as mentioned above. However, the decrease in revenue was partly offset by overall better performance in school orders and a revenue contribution of RM10.048 million from EPSSB during YTDQ226. In addition, the Digital Solutions & Network Marketing Division and the ALP & STEM Education Division recorded increases in revenue of RM1.347 million and RM0.426 million, respectively.

The increase in revenue from the Digital Solutions & Network Marketing Division was mainly driven by tenders awarded by the Ministry of Education for the provision of English language proficiency testing services as mentioned above, and for the supply and delivery of interactive digital storybooks for preschool.

The Group recorded a PBT of RM15.635 million for YTDQ226 as compared to RM19.468 million for YTDQ225. This represents a decrease of RM3.833 million (equivalent to 19.69%), mainly due to lower revenue recorded and the consolidation of EPSSB's results, including its expenses, following our acquisition of EPSSB in March 2025.



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

B2. Variation of Results for the Current Financial Quarter ended 28 February 2026 against the Immediate Preceding Financial Quarter

	Current Quarter 28.02.2026 RM'000	Preceding Quarter 30.11.2025 RM'000	Change RM'000
Revenue	37,670	31,311	6,359
Profit Before Tax	7,491	8,144	(653)

The Group recorded revenue of RM37.670 million for Q226 as compared to RM31.311 million for Q126. This represents an increase of RM6.359 million (equivalent to 20.31%), mainly due to the strong performance of school orders.

Despite the higher revenue, the Group recorded a PBT of RM7.491 million for Q226 as compared to a PBT of RM8.144 million for Q126, representing a decrease of RM0.653 million (equivalent to 8.02%), mainly due to higher administrative expenses, primarily arising from increased staff cost.

B3. Group's Prospects for the financial year ending 31 August 2026

For the current financial quarter ("Q226"), the Group's revenue declined year-on-year from RM41.727 million to RM37.670 million (a decrease of 9.72%), while profit after tax decreased from RM8.182 million to RM5.072 million (a decline of 38.01%). The performance was in line with our expectations, after taking into consideration the high base effect of the preceding financial year's corresponding quarter ("Q225"), attributed to the one-off MADANI Book Voucher initiative implemented between June 2024 and December 2024, which had significantly boosted sales of our academic publications and delivered strong economies of scale. Nevertheless, the impact of this decline was partially mitigated by contributions from Edu Paper and Stationery Sdn. Bhd. ("EPSSB"), which recorded a revenue of RM5.374 million in Q226. The Group aims at further strengthening EPSSB's operational efficiency and growth trajectory going forward.

Looking ahead, the Group remains positive on its outlook for the financial year ending 31 August 2026 ("FYE 2026") and beyond, supported by several key developments. Notably, the Group's participation in the Ministry of Education Malaysia's ("MOE") textbook tenders under the new *Kurikulum Persekolahan 2027* ("KP2027") in January 2026 had successfully delivered three (3) contracts for National-type Chinese School ("SJJC") Year One subjects and two (2) contracts for National Secondary School ("SMK") Form One subjects with a total estimated value of RM17.229 million. This achievement underscores the Group's enduring strength in textbook publishing. The KP2027 textbook procurement tenders are expected to be rolled out annually until the end of the new cycle in 2031. The subsequent textbook tenders for SJJC Year Two and SMK Form Two are anticipated to be announced in the second half of 2026, giving the Group more time than the previous round to prepare and compete more effectively in these upcoming opportunities.

On the digital education front, our Group's participation in the MOE's AI-Powered Classroom Pilot Project ("AIPCP") has yielded encouraging outcomes for our AI-powered Classroom solution, Ace-it. During the period from January to March 2026, our Group received constructive and positive feedback from teachers and students across 20 schools nationwide. Following the conclusion of the AIPCP on 31 March 2026, the Group is preparing a Pilot Project Evaluation Report for the MOE which aims to provide an evidence-based, qualitative and quantitative assessment to determine if the project achieved its intended educational outcomes and is to be adopted on a broader scale. At the same time, these insights are being systematically incorporated into ongoing product enhancements to ensure better alignment with classroom needs. Building on this momentum, the Group is also intensifying efforts to commercialise Ace-it, particularly targeting schools with existing digital infrastructure and strong community support. The outcomes of the AIPCP reinforce our confidence in the Group's ability to support effective teaching and learning in digitally enabled environments.



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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 31 August 2026 (cont'd)

In summary, the Group is entering the remainder of FYE 2026 on a strong footing, supported by a combination of secured textbook contracts, a visible pipeline of future tenders, and increasing traction in its digital education initiatives. These factors collectively strengthen the Group's medium-term growth prospects and provide a clearer pathway towards improved earnings resilience. Leveraging its established market position, deep domain expertise, and continued investments in innovation, our Group is well-placed to navigate evolving industry dynamics while sustaining long-term value creation.

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 28.02.2026 RM'000	Preceding Year Quarter 28.02.2025 RM'000	Current Year-To-Date 28.02.2026 RM'000	Preceding Year-To-Date 28.02.2025 RM'000
Amortisation of intangible assets	429	347	845	675
Depreciation on property, plant and equipment	710	577	1,404	1,157
Depreciation on investment properties	13	14	26	27
Depreciation on rights-of-use assets	357	197	717	393
Gain on disposal of property, plant and equipment	(12)	-	(12)	(70)
Write-off of property, plant and equipment	-	-	5	1
Provision/(reversal) of impairment loss on trade and other receivables	(76)	(135)	13	(73)
Finance costs	235	228	523	513
Finance income	(23)	(17)	(31)	(27)
Realised foreign exchange gain	(7)	(21)	(13)	(34)
Unrealised foreign exchange loss	15	8	13	3

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.



SASBADI HOLDINGS BERHAD

201201038178 (1022660-T)

Incorporated in Malaysia

SECOND QUARTER REPORT ENDED 28 FEBRUARY 2026

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

B6. Income Tax Expense

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year Quarter 28.02.2026 RM'000	Preceding Year Quarter 28.02.2025 RM'000	Current Year-To-Date 28.02.2026 RM'000	Preceding Year-To-Date 28.02.2025 RM'000
Current tax expense				
Current period	2,475	3,490	4,585	5,440
Prior period	-	-	259	-
	<u>2,475</u>	<u>3,490</u>	<u>4,844</u>	<u>5,440</u>
Deferred tax expense				
Current period	(56)	(48)	(97)	41
	<u>2,419</u>	<u>3,442</u>	<u>4,747</u>	<u>5,481</u>

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.

B7. Status of Corporate Proposals and Utilisation of Proceeds

i) Status of Corporate Proposals

On 28 January 2026, the Company entered into a Memorandum of Understanding (“MOU”) with Intel Microelectronics (M) Sdn Bhd (“Intel”) and Maistorage Technology Sdn Bhd (“Maistorage”) to explore a potential collaboration for joint delivery of hybrid and on-premise AI-enabled learning environments for the education sector across Southeast Asia. This collaboration will leverage Intel’s technology expertise, Maistorage’s AI platforms, and our Group’s educational content. The MOU is non-binding, and any future binding agreements will be subject to negotiation and execution of definitive agreements.

Subsequently, Intel has provided the next-generation hardware being used for model performance benchmarking. MaiStorage has integrated their proprietary middleware for the testing and has derived the relevant data useful for the development of a best possible on-premise AI-Powered Classroom solution. This collaboration aims to deliver an on-premise well-grounded AI solution by leveraging the Group’s verified educational content and integrating MaiStorage’s aiDAPTIV+ turnkey software, within a Windows-based environment running on Intel’s hardware platform.

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 2026 were as follows:

	As at 28.02.2026 RM'000	As at 31.08.2025 RM'000
Non-current		
Finance lease liabilities	1,481	1,553
Current		
Finance lease liabilities	627	561
Term loans - secured	204	442
Bank overdrafts - secured	14,495	13,950
Bankers' acceptances - secured	9,173	1,559
	<u>24,499</u>	<u>16,512</u>
	<u>25,980</u>	<u>18,065</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. Proposed Dividend

On 28 April 2026, 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 2026. The interim dividend will be paid on 15 June 2026 to shareholders registered in the Record of Depositors as at 22 May 2026.

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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 28.02.2026 RM'000	Preceding Year Quarter 28.02.2025 RM'000	Current Year-To-Date 28.02.2026 RM'000	Preceding Year-To-Date 28.02.2025 RM'000
Net profit attributable to owners of the Company	5,050	8,182	10,752	13,987
Weighted average number of ordinary shares in issue ('000)	425,446	436,135	425,446	436,135
Effect of purchase of treasury shares ('000)	-	(3,497)	-	(1,749)
Weighted average number of ordinary shares in issue ('000)	425,446	432,638	425,446	434,386
Basic earnings per ordinary share (sen)	1.19	1.89	2.53	3.22

ii) Diluted Earnings Per Share

Diluted earnings per share is not applicable as the Group does not have any instruments with potential dilutive effect.

B12. Derivative Financial Instruments

The Group did not enter into any derivative financial instruments which were outstanding as at 28 February 2026.

By order of the Board
Kuala Lumpur
28 April 2026