SASBADI HOLDINGS BERHAD
201201038178 (1022660-T)
Incorporated in Malaysia
FOURTH QUARTER REPORT ENDED 31 AUGUST 2026

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE FOURTH QUARTER ENDED 31 AUGUST 2026 (1)

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year Quarter 31.08.2026 RM'000	Preceding Year Quarter 31.08.2025 RM'000	Current Year-To-Date 31.08.2026 RM'000	Preceding Year-To-Date 31.08.2025 RM'000
Revenue	28,394	19,764	118,592	117,062
Cost of sales	(26,991)	(18,103)	(76,082)	(71,838)
Gross profit	1,403	1,661	42,510	45,224
Other operating income	176	152	458	1,170
Distribution expenses	(1,817)	(1,653)	(7,745)	(7,208)
Administrative expenses	(5,128)	(4,750)	(20,904)	(20,383)
Other operating expenses	(1,209)	(835)	(4,439)	(3,260)
Results from operating activities	(6,575)	(5,425)	9,880	15,543
Finance income	47	30	151	118
Finance costs	(241)	(188)	(954)	(854)
(Loss)/Profit before tax	(6,769)	(5,583)	9,077	14,807
Taxation	1,294	1,468	(3,401)	(4,251)
Net (loss)/profit for the financial period/year	(5,475)	(4,115)	5,676	10,556
Other comprehensive income for the financial period/year, net of tax	-	-	-	-
Total comprehensive (loss)/income for the financial period/year	(5,475)	(4,115)	5,676	10,556
Net (loss)/profit for the financial period/year attributable to:				
- Owners of the Company	(5,275)	(3,898)	5,835	11,050
- Non-controlling interests	(200)	(217)	(159)	(494)
	(5,475)	(4,115)	5,676	10,556
Total comprehensive (loss)/income for the financial period/year attributable to:				
- Owners of the Company	(5,275)	(3,898)	5,835	11,050
- Non-controlling interests	(200)	(217)	(159)	(494)
	(5,475)	(4,115)	5,676	10,556
(Loss)/Earnings per share (sen) attributable to owners of the Company:				
- Basic	(1.24)	(0.92)	1.37	2.57
- 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.

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 AUGUST 2026 (1)

	Unaudited As at 31.08.2026 RM'000	Audited As at 31.08.2025 RM'000
ASSETS		
Property, plant and equipment	44,893	46,197
Rights-of-use assets	5,640	5,023
Investment properties	2,109	2,162
Intangible assets	19,750	21,069
Other investments	1,448	1,448
Deferred tax assets	758	757
Total non-current assets	74,598	76,656
Inventories	64,663	63,868
Rights to recover returned goods	1,350	1,429
Contract costs	8	47
Trade and other receivables	47,213	34,310
Current tax assets	6,210	9,281
Prepayments	1,358	3,051
Cash and cash equivalents	33,873	27,672
Total current assets	154,675	139,658
Total assets	**229,273**	**216,314**
EQUITY		
Share capital	110,768	110,768
Treasury shares	(1,829)	(1,829)
Reserves	52,055	49,411
Equity attributable to owners of the Company	160,994	158,350
Non-controlling interests	529	688
Total equity	161,523	159,038
LIABILITIES		
Loans and borrowings	1,306	1,553
Lease liabilities	4,295	3,965
Deferred tax liabilities	7,772	8,138
Total non-current liabilities	13,373	13,656
Loans and borrowings	22,996	16,512
Lease liabilities	1,779	1,109
Refund liabilities	2,447	2,659
Trade and other payables	27,021	23,182
Contract liabilities	134	158
Total current liabilities	54,377	43,620
Total liabilities	67,750	57,276
Total equity and liabilities	**229,273**	**216,314**
Net assets per share attributable to owners of the Company (RM)	**0.38**	**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 TWELVE (12) MONTHS ENDED 31 AUGUST 2026 (1)

	<---------- Non-distributable ---------->					Distributable			
	Share capital RM'000	Treasury shares RM'000	Merger deficit RM'000	Fair value reserve RM'000	Revaluation reserve RM'000	Retained earnings RM'000	Total RM'000	Non-controlling interests RM'000	Total equity RM'000
As at 1 September 2025	110,768	(1,829)	(50,500)	(64)	23,332	76,643	158,350	688	159,038
Total comprehensive income/(loss) for the financial year	-	-	-	-	-	5,835	5,835	(159)	5,676
Transaction with owners of the Company									
Dividends to owners of the Company	-	-	-	-	-	(3,191)	(3,191)	-	(3,191)
Total transactions with owners of the Company	-	-	-	-	-	(3,191)	(3,191)	-	(3,191)
As at 31 August 2026	110,768	(1,829)	(50,500)	(64)	23,332	79,287	160,994	529	161,523
As at 1 September 2024	110,768	(1)	(50,500)	(64)	23,332	68,811	152,346	-	152,346
Total comprehensive income/(loss) for the financial year	-	-	-	-	-	11,050	11,050	(494)	10,556
Transaction with owners of the Company									
Acquisition of a subsidiary	-	-	-	-	-	-	-	1,182	1,182
Purchase of treasury shares	-	(1,828)	-	-	-	-	(1,828)	-	(1,828)
Dividends to owners of the Company	-	-	-	-	-	(3,218)	(3,218)	-	(3,218)
Total transactions with owners of the Company	-	(1,828)	-	-	-	(3,218)	(5,046)	1,182	(3,864)
As at 31 August 2025	110,768	(1,829)	(50,500)	(64)	23,332	76,643	158,350	688	159,038

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.

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE TWELVE (12) MONTHS ENDED 31 AUGUST 2026 (1)

	Current Year-To-Date 31.08.2026 RM'000	Preceding Year-To-Date 31.08.2025 RM'000
Cash flows from operating activities		
Profit before tax	9,077	14,807
Adjustments for:		
Amortisation of intangible assets	1,780	1,370
Depreciation of property, plant and equipment	2,804	2,540
Depreciation of investment properties	53	53
Depreciation of rights-of-use assets	1,508	1,162
Provision of inventories write-down	8,673	4,580
Write-off of property, plant and equipment	5	27
Reversal of impairment loss on trade and other receivables	(62)	(664)
Write-off of receivables	51	-
Gain on lease termination	-	(19)
Gain on disposal of property, plant and equipment	(50)	(161)
Unrealised foreign exchange loss	-	5
Finance costs	954	854
Finance income	(151)	(118)
Operating profit before changes in working capital	24,642	24,436
Changes in inventories	(9,468)	(6,631)
Changes in rights to recover returned goods	79	1,113
Changes in contract costs	39	18
Changes in trade and other receivables and prepayments	(11,199)	7,444
Changes in refund liabilities	(212)	(2,483)
Changes in trade and other payables	3,839	244
Changes in contract liabilities	(24)	(66)
Cash from operations	7,696	24,075
Tax paid	(5,320)	(5,910)
Tax refunded	4,623	287
Interest paid	(537)	(521)
Interest received	151	118
Net cash from operating activities	6,613	18,049
Cash flows from investing activities		
Change in pledged deposits	(10)	143
Proceeds from disposal of property, plant and equipment	50	188
Acquisition of a subsidiary, net of cash and cash equivalents	-	(2,437)
Acquisition of intangible assets	-	(1,200)
Acquisition of property, plant and equipment	(1,027)	(1,081)
Net cash used in investing activities	(987)	(4,387)

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.

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE TWELVE (12) MONTHS ENDED 31 AUGUST 2026 (1) (CONT'D)

	Current Year-To-Date 31.08.2026 RM'000	Preceding Year-To-Date 31.08.2025 RM'000
Cash flows from financing activities		
Net drawdown/(repayment) of bankers' acceptances	3,524	(3,209)
Net repayment of finance lease liabilities	(600)	(471)
Net repayment of term loans	(442)	(454)
Net repayment of lease liabilities	(1,832)	(1,274)
Purchase of treasury shares	-	(1,828)
Dividends paid	(3,191)	(3,218)
Interest paid	(171)	(165)
Net cash used in financing activities	(2,712)	(10,619)
Net increase in cash and cash equivalents	2,914	3,043
Cash and cash equivalents at beginning of the financial period	13,200	10,157
Cash and cash equivalents at end of the financial period	16,114	13,200

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

	Current Year-To-Date 31.08.2026 RM'000	Preceding Year-To-Date 31.08.2025 RM'000
Cash and bank balances	33,341	26,930
Deposit placed with a licensed bank	532	742
	33,873	27,672
Less : Deposits pledged	(532)	(522)
Bank overdrafts	(17,227)	(13,950)
	16,114	13,200

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*
- Amendments to MFRS 128, *Amendments to the Fair Value Option for Investments in Associates and Joint Ventures*

MFRSs, Interpretations and amendments effective for annual periods beginning on or after 1 January 2029

- MFRS 20, *Regulatory Assets and Regulatory Liabilities*

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 2025 were not qualified.

A3. Seasonality or Cyclicality 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

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.

On 15 June 2026, the Company paid an interim single-tier dividend of RM0.005 per ordinary share in respect of the financial year ended 31 August 2026.

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 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	26,105	1,196	1,005	1,778	(1,690)	28,394
Cost of sales	(26,102)	(792)	(470)	(1,157)	1,530	(26,991)
Gross profit/(loss)	3	404	535	621	(160)	1,403
Add/(Less):						
Other operating income						176
Distribution expenses						(1,817)
Administrative expenses						(5,128)
Other operating expenses						(1,209)
Results from operating activities						(6,575)

Current financial year-to-date ended 31 August 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	101,951	5,248	4,910	13,232	(6,749)	118,592
Cost of sales	(66,199)	(3,408)	(2,395)	(9,900)	5,820	(76,082)
Gross profit/(loss)	35,752	1,840	2,515	3,332	(929)	42,510
Add/(Less):						
Other operating income						458
Distribution expenses						(7,745)
Administrative expenses						(20,904)
Other operating expenses						(4,439)
Results from operating activities						9,880

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 2025

	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	19,262	785	1,127	1,315	(2,725)	19,764
Cost of sales	(17,827)	(764)	(430)	(976)	1,894	(18,103)
Gross profit/(loss)	1,435	21	697	339	(831)	1,661
Add/(Less):						
Other operating income						152
Distribution expenses						(1,653)
Administrative expenses						(4,750)
Other operating expenses						(835)
Results from operating activities						(5,425)

Preceding financial year's corresponding year-to-date ended 31 August 2025

	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	114,956	3,217	3,959	2,159	(7,229)	117,062
Cost of sales	(71,957)	(2,174)	(1,743)	(1,807)	5,843	(71,838)
Gross profit/(loss)	42,999	1,043	2,216	352	(1,386)	45,224
Add/(Less):						
Other operating income						1,170
Distribution expenses						(7,208)
Administrative expenses						(20,383)
Other operating expenses						(3,260)
Results from operating activities						15,543

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 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

Capital commitments for the Group in respect of property, plant and equipment not provided for as of 31 August 2026 are as follows:

	RM'000
Approved and contracted for	3,200

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 31 August 2026.

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

B1. Review of Performance

Current Quarter ended 31 August 2026 against Preceding Financial Year's Corresponding Quarter ended 31 August 2025

The Group recorded revenue of RM28.394 million for the current financial quarter ("Q426") as compared to RM19.764 million for the preceding financial year's corresponding quarter ("Q425"). This represents an increase of RM8.630 million (equivalent to 43.67%), mainly attributed to higher revenue from the Print Publishing Division.

Revenue from the Print Publishing Division increased by RM6.843 million, from RM19.262 million in Q425 to RM26.105 million in Q426, driven by strong sales arising from the 2026 MADANI Book Voucher program which started in July 2026.

The Digital Solutions & Network Marketing Division and the Paper-based Stationery Division also registered revenue growth of RM0.411 million and RM0.463 million respectively in Q426 as compared to Q425. The former was driven by a Ministry of Education ("MOE") tender award for the provision of English language proficiency testing services, whilst the latter benefited from higher school orders. However, the ALP & STEM Education Division recorded a marginal revenue decline of RM0.122 million.

The Group recorded a loss before tax ("LBT") of RM6.769 million in Q426 as compared to a LBT of RM5.583 million in Q425. This represents a higher loss of RM1.186 million (equivalent to 21.24%), mainly due to higher provision of inventories write-down amounting to RM8.673 million in Q426 as compared to RM4.580 million in Q425. Excluding the impact of the inventories write-down, the Group would have recorded a profit before tax ("PBT") of RM1.904 million in Q426 as compared to a LBT of RM1.003 million in Q425, representing an improvement of RM2.907 million, mainly attributable to higher revenue recorded in Q426.

Current Financial Year-to-Date ended 31 August 2026 against Preceding Financial Year's Corresponding Year-to-Date ended 31 August 2025

The Group recorded revenue of RM118.592 million for the current financial year-to-date ("YTDQ426") as compared to RM117.062 million for the preceding financial year's corresponding year-to-date ("YTDQ425"). This represents an increase of RM1.530 million (equivalent to 1.31%).

Revenue from the Print Publishing Division declined by RM13.005 million, primarily due to the timing of the MADANI Book Voucher programs. The current year's program, which runs from July 2026 to October 2026, contributed only two months of sales to YTDQ426. In contrast, the previous program, which ran from June 2024 to December 2024, contributed four months of sales to YTDQ425.

Conversely, the Paper-based Stationery Division recorded a significant revenue increase of RM11.073 million. This growth was mainly attributable to the acquisition of Edu Paper and Stationery Sdn. Bhd. ("EPSSB") on 1 March 2025, which resulted in a full year's consolidation in YTDQ426 as compared to only six months' contribution in YTDQ425. In addition, this division established its initial footprint in the overseas market during the current financial year.

The Digital Solutions & Network Marketing Division and the ALP & STEM Education Division also registered revenue growth of RM2.031 million and RM0.951 million respectively. The growth in the former was primarily driven by MOE tender awards for the provision of English language proficiency testing services and the supply and delivery of interactive digital storybooks for preschool, whilst the latter benefited from higher institutional sales.

The Group recorded a PBT of RM9.077 million in YTDQ426 as compared to a PBT of RM14.807 million in YTDQ425, representing a decrease of RM5.730 million (equivalent to 38.70%). The lower PBT was mainly attributable to higher 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)

B2. Variation of Results for the Current Financial Quarter ended 31 August 2026 against the Immediate Preceding Financial Quarter

	Current Quarter 31.08.2026 RM'000	Preceding Quarter 31.05.2026 RM'000	Change RM'000
Revenue	28,394	21,217	7,177
(Loss)/Profit Before Tax	(6,769)	211	(6,980)

The Group recorded revenue of RM28.394 million for Q426 as compared to RM21.217 million for Q326. This represents an increase of RM7.177 million (equivalent to 33.83%), driven by strong sales arising from the 2026 MADANI Book Voucher program which started in July 2026.

The Group recorded a LBT of RM6.769 million for Q426 as compared to a PBT of RM0.211 million for Q326, mainly attributable to the provision of inventories write-down in Q426 as mentioned above. Excluding the impact of the inventories write-down, the Group would have recorded a PBT of RM1.904 million in Q426, representing an increase of RM1.693 million as compared to Q326.

B3. Group's Prospects for the financial year ending 31 August 2027

For current year-to-date ("FYE 2026") performance, Sasbadi Group has achieved a revenue of RM118.592 million compared to RM117.062 million in the preceding financial year ("FYE 2025"), representing a marginal increase of 1.31%. In terms of profit after tax ("PAT"), the Group recorded RM5.676 million in FYE 2026 versus RM10.556 in FYE 2025, representing a 46.23% decrease, largely due to higher provision of inventories write-down amounting to RM8.673 million in Q426 as compared to RM4.580 million in Q425. The substantial increase in provision for inventories write-down is mainly attributed to the Group's prudent decision to impair all Year 1 and Form 1 titles under the old curriculum.

Looking ahead, the Group maintains an optimistic outlook for the financial year ending 31 August 2027 ("FYE 2027"). On the publishing side, Sasbadi is building on the success of the Kurikulum Persekolahan 2027 ("KP 2027") textbook tenders under the Ministry of Education ("MOE") where the Group secured six contracts worth approximately RM17.673 million for SJKC Year 1 and SMK Form 1 subjects. The Group is continuing with its resource allocation strategies and hope to achieve similar or better success in the upcoming rounds of textbook tenders. Moving forward, the KP 2027 textbook tenders will continue to serve as a sustainable growth catalyst for the Group through FYE 2032 when the KP 2027 completes its current cycle.

In addition, growth momentum for FYE 2027 is further bolstered by the 2026 MADANI Book Voucher Initiative which commenced in July 2026 and is scheduled to conclude on 31 October 2026. As a primary beneficiary, demand for our products has surged across Book Capital and MySiswaPlace, the official online platforms for voucher redemption, and through our distributors operating on those platforms. The Group is a direct beneficiary of the MADANI Book Voucher Initiatives as the enhanced purchasing power via the government's cash injection provides immediate revenue growth and strengthen earnings to cushion our Group against challenging macroeconomic factors.

On the digital education front, the Group's flagship AI-powered learning platform, Ace-it, continues to gain encouraging traction, receiving positive feedback from participating schools under the MOE's AI-Powered Classroom Pilot Project. On the other hand, our strategic collaboration with Intel Microelectronics (M) Sdn Bhd and Maistorage Technology Sdn Bhd to develop an on-premise AI solution for education has also achieved its set technical milestones and yielded encouraging results during initial testing. The parties are now focusing on enhancing the solution's capabilities and operational efficiency and look forward to launching this solution in the near future to help democratise AI adoption in education across Malaysia.

In conclusion, Sasbadi Group is well-positioned to capitalise on new opportunities arising from the new 2027 school curriculum and the MOE's AI-Powered education transformation program to drive growth and profitability going forward. Building on over four decades of expertise, our Group remains hopeful for its prospects for FYE 2027.

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 31.08.2026 RM'000	Preceding Year Quarter 31.08.2025 RM'000	Current Year-To-Date 31.08.2026 RM'000	Preceding Year-To-Date 31.08.2025 RM'000
Amortisation of intangible assets	467	347	1,780	1,370
Depreciation on property, plant and equipment	690	692	2,804	2,540
Depreciation on investment properties	13	13	53	53
Depreciation on rights-of-use assets	394	366	1,508	1,162
Gain on lease termination	-	(19)	-	(19)
(Gain)/loss on disposal of property, plant and equipment	(19)	5	(50)	(161)
Write-off of property, plant and equipment	-	26	5	27
Reversal of impairment loss on trade and other receivables	(95)	(155)	(62)	(664)
Write-off of receivables	51	-	51	-
Provision of inventories write-down included in cost of sales	8,673	4,580	8,673	4,580
Finance costs	241	188	954	854
Finance income	(47)	(30)	(151)	(118)
Realised foreign exchange loss/(gain)	30	16	(15)	(10)
Unrealised foreign exchange (gain)/loss	(28)	-	-	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.

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 31.08.2026 RM'000	Preceding Year Quarter 31.08.2025 RM'000	Current Year-To-Date 31.08.2026 RM'000	Preceding Year-To-Date 31.08.2025 RM'000
Current tax expense				
Current period	(1,423)	(2,133)	3,149	3,608
Prior period	-	-	619	175
	(1,423)	(2,133)	3,768	3,783
Deferred tax expense				
Current period	129	665	(367)	468
	(1,294)	(1,468)	3,401	4,251

The effective tax rate for the current financial quarter is lower than the statutory tax rate of 24%, with the Group recording a net income tax credit for the quarter, whilst the effective tax rate for the current financial year-to-date is higher than the statutory tax rate 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.

Following the successful initial deployment and performance evaluation of the on-premise AI solution, the collaboration has progressed to the next phase of development, focusing on enhancing the solution's capabilities and efficiency.

The technical team has identified and integrated into the solution an advanced AI model capable of processing both text and images within a single system. Initial testing has yielded encouraging results in terms of processing speed and accuracy. The parties are now preparing for the next stage of performance evaluation, pending a software update from Maistorage which is expected to support further optimisation and validation of the integrated solution.

The collaboration continues to make steady progress towards developing an efficient and cost-effective on-premise AI solution designed to democratise AI adoption in education across Malaysia.

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.

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 31 August 2026 were as follows:

	As at 31.08.2026 RM'000	As at 31.08.2025 RM'000
Non-current		
Finance lease liabilities	1,306	1,553
Current		
Finance lease liabilities	686	561
Term loans - secured	-	442
Bank overdrafts - secured	17,227	13,950
Bankers' acceptances - secured	5,083	1,559
	22,996	16,512
	24,302	18,065

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 October 2026, the Board of Directors of the Company has declared and approved the payment of a second interim single-tier dividend of RM0.005 per ordinary share in respect of the financial year ended 31 August 2026. This second interim dividend is to be paid on 8 December 2026 to shareholders registered in the Record of Depositors as at 18 November 2026.

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 31.08.2026 RM'000	Preceding Year Quarter 31.08.2025 RM'000	Current Year-To-Date 31.08.2026 RM'000	Preceding Year-To-Date 31.08.2025 RM'000
Net (loss)/profit attributable to owners of the Company	(5,275)	(3,898)	5,835	11,050
Weighted average number of ordinary shares in issue ('000)	425,446	436,135	425,446	436,135
Effect of purchase of treasury shares ('000)	-	(10,689)	-	(6,219)
Weighted average number of ordinary shares in issue ('000)	425,446	425,446	425,446	429,916
Basic (loss)/earnings per ordinary share (sen)	(1.24)	(0.92)	1.37	2.57

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 31 August 2026.

By order of the Board
Kuala Lumpur
28 October 2026