



SASBADI HOLDINGS BERHAD (1022660-T)

Incorporated in Malaysia under the Companies Act, 1965
SECOND QUARTER REPORT ENDED 28 FEBRUARY 2015

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE SECOND QUARTER AND SIX (6) MONTHS ENDED 28 FEBRUARY 2015 ⁽¹⁾

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year	Preceding Year	Current Year-	Preceding Year-
	Quarter	Quarter ⁽²⁾	To-Date	To-Date ⁽²⁾
	28.02.2015	28.02.2014	28.02.2015	28.02.2014
	RM'000	RM'000	RM'000	RM'000
Revenue	32,113	N/A	48,436	N/A
Cost of sales	(14,656)	N/A	(24,048)	N/A
Gross profit	17,457	N/A	24,388	N/A
Other operating income	-	N/A	63	N/A
Distribution expenses	(2,262)	N/A	(4,145)	N/A
Administrative expenses	(3,534)	N/A	(6,082)	N/A
Other operating expenses	(192)	N/A	(486)	N/A
Operating profit	11,469	N/A	13,738	N/A
Interest income	109	N/A	222	N/A
Finance costs	(113)	N/A	(209)	N/A
Profit before tax	11,465	N/A	13,751	N/A
Tax expense	(3,128)	N/A	(3,766)	N/A
Profit/Total comprehensive income for the financial period	8,337	N/A	9,985	N/A
Profit/Total comprehensive income attributable to:				
- Owners of the Company	8,337	N/A	9,985	N/A
- Non-controlling interests	-	N/A	-	N/A
	8,337	N/A	9,985	N/A
Earnings per share (sen) attributable to owners of the Company:				
- Basic ⁽³⁾	6.56	N/A	7.86	N/A
- Diluted	N/A	N/A	N/A	N/A



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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 2014 and the accompanying explanatory notes attached to these interim financial statements.*
- (2) No comparative figures for the preceding financial year's corresponding quarter and preceding financial year's corresponding period-to-date are available as these are the fourth interim financial statements being announced by the Company in compliance with the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, pursuant to its listing on 23 July 2014. The first interim financial statements announced by the Company were for the financial quarter ended 31 May 2014.*
- (3) Based on the weighted average number of ordinary shares in issue as detailed in Note B11.*



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UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 28 FEBRUARY 2015 ⁽¹⁾

	Unaudited As at 28.02.2015 RM'000	Audited As at 31.08.2014 RM'000
ASSETS		
Property, plant and equipment	30,833	30,261
Intangible assets	5,658	4,950
Other investments	37	37
Total non-current assets	36,528	35,248
Inventories	23,716	20,215
Current tax assets	1,017	741
Trade and other receivables	41,709	31,163
Prepayments	457	884
Cash and cash equivalents	25,126	26,290
Total current assets	92,025	79,293
Total assets	128,553	114,541
EQUITY		
Share capital	63,500	63,500
Share premium	13,461	13,461
Reserves	22,923	16,748
Equity attributable to owners of the Company	99,884	93,709
LIABILITIES		
Borrowings	148	198
Deferred tax liabilities	3,877	4,332
Total non-current liabilities	4,025	4,530
Borrowings	99	5,827
Provisions	3,534	1,683
Trade and other payables	14,644	8,004
Dividend payable	3,810	-
Current tax liabilities	2,557	788
Total current liabilities	24,644	16,302
Total liabilities	28,669	20,832
Total equity and liabilities	128,553	114,541
Net assets per share attributable to the owners of the Company (RM) ⁽²⁾	0.79	0.74



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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 2014 and the accompanying explanatory notes attached to these interim financial statements.*
- (2) Based on the issued share capital of 127,000,000 ordinary shares.*



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UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE SIX (6) MONTHS ENDED 28 FEBRUARY 2015 ⁽¹⁾

	Share capital RM'000	Non-distributable Share premium RM'000	Non-distributable Revaluation reserve RM'000	Non-distributable Merger deficit RM'000	Distributable Retained earnings RM'000	Total equity RM'000
At 1 September 2014	63,500	13,461	13,596	(50,500)	53,652	93,709
Profit and total comprehensive income for the financial period	-	-	-	-	9,985	9,985
Dividend to owners of the Company	-	-	-	-	(3,810)	(3,810)
At 28 February 2015	63,500	13,461	13,596	(50,500)	59,827	99,884

Notes:

No comparative figures for the preceding financial year's corresponding period-to-date are available as these are the fourth interim financial statements being announced by the Company in compliance with the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, pursuant to its listing on 23 July 2014. The first interim financial statements announced by the Company were for the financial quarter ended 31 May 2014.

- (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 2014 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 2015 ⁽¹⁾

	Current Year-To-Date 28.02.2015 RM'000	Preceding Year-To-Date 28.02.2014 ⁽²⁾ RM'000
Cash flows from operating activities		
Profit before tax	13,751	N/A
Adjustments for:		
Amortisation of intangible assets	292	N/A
Depreciation on property, plant and equipment	1,061	N/A
Gain on disposal of property, plant and equipment	(63)	N/A
Interest expense	196	N/A
Interest income	(222)	N/A
Provision for sales returns	1,851	N/A
Operating profit before changes in working capital	16,866	N/A
Changes in inventories	(3,501)	N/A
Changes in trade and other receivables and prepayments	(10,119)	N/A
Changes in trade and other payables	6,640	N/A
Cash generated from operations	9,886	N/A
Tax paid	(2,728)	N/A
Interest paid	(190)	N/A
Interest received	222	N/A
Net cash generated from operating activities	7,190	N/A
Cash flows from investing activities		
Proceeds from disposal of property, plant and equipment	63	N/A
Acquisition of intellectual properties	(1,000)	N/A
Acquisition of property, plant and equipment	(1,633)	N/A
Net cash used in investing activities	(2,570)	N/A
Cash flows from financing activities		
Repayment of finance lease liabilities	(50)	N/A
Interest paid	(6)	N/A
Net cash used in financing activities	(56)	N/A
Net increase in cash and cash equivalents	4,564	N/A
Cash and cash equivalents at beginning of the financial period	20,562	N/A
Cash and cash equivalents at end of the financial period	25,126	N/A



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UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE SIX (6) MONTHS ENDED 28 FEBRUARY 2015 ⁽¹⁾ (CONT'D)

			Current Year-To-Date 28.02.2015 RM'000	Preceding Year-To-Date 28.02.2014 ⁽²⁾ RM'000
Cash and cash equivalents included in the statement of cash flows comprise the following statement of financial position amounts:				
	Cash and bank balances		25,087	N/A
	Deposit placed with a licensed bank		39	N/A
			25,126	N/A
	Less: Bank overdrafts		-	N/A
			25,126	N/A

Notes:

N/A Not applicable

- (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 2014 and the accompanying explanatory notes attached to these interim financial statements.*
- (2) No comparative figures for the preceding financial year's corresponding period-to-date are available as these are the fourth interim financial statements being announced by the Company in compliance with the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, pursuant to its listing on 23 July 2014. The first interim financial statements announced by the Company were for the financial quarter ended 31 May 2014.*



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A EXPLANATION NOTES PURSUANT TO MALAYSIA 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 Standard 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 are the fourth interim financial statements being announced by the Company in compliance with the Listing Requirements pursuant to its listing on 23 July 2014 and, as such, there are no comparative figures for the preceding financial year’s corresponding period. The first interim financial statements announced by the Company were for the financial quarter ended 31 May 2014.

These interim financial statements should be read in conjunction with the Audited Financial Statements of the Company for the financial year ended 31 August 2014 and the accompanying explanatory notes attached to these interim financial statements.

These interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Company and its subsidiaries (“the Group”) since the financial year ended 31 August 2014.

The significant accounting policies and methods of computation applied in the unaudited condensed interim financial statements are consistent with those adopted as disclosed in the Audited Financial Statements of the Company for the financial year ended 31 August 2014, 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 2016

- Amendments to MFRS 5, *Non-current Assets Held for Sale and Discontinued Operations (Annual Improvements 2012-2014 Cycle)*
- Amendments to MFRS 7, *Financial Instruments: Disclosures (Annual Improvements 2012-2014 Cycle)*
- Amendments to MFRS 10, *Consolidated Financial Statements* and MFRS 128, *Investments in Associates and Joint Ventures – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*
- Amendments to MFRS 11, *Joint Arrangements – Accounting for Acquisitions of Interests in Joint Operations*
- MFRS 14, *Regulatory Deferral Accounts*
- Amendments to MFRS 116, *Property, Plant and Equipment* and MFRS 138, *Intangible Assets – Clarification of Acceptable Methods of Depreciation and Amortisation*
- Amendments to MFRS 116, *Property, Plant and Equipment* and MFRS 141, *Agriculture – Agriculture: Bearer Plants*
- Amendments to MFRS 119, *Employee Benefits (Annual Improvements 2012-2014 Cycle)*
- Amendments to MFRS 127, *Separate Financial Statements – Equity Method in Separate Financial Statements*
- Amendments to MFRS 134, *Interim Financial Reporting (Annual Improvements 2012-2014 Cycle)*



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MFRSs, Interpretations and amendments effective for annual periods beginning on or after 1 January 2017

- MFRS 15, *Revenue from Contracts with Customers*

MFRSs, Interpretations and amendments effective for annual periods beginning on or after 1 January 2018

- MFRS 9, *Financial Instruments (2014)*

The Group plans to apply the abovementioned accounting standards, amendments and interpretations:

- from the annual period beginning on 1 September 2016 for those accounting standards, amendments or interpretations that are effective for annual periods beginning on or after 1 January 2016, except for Amendments to MFRS 11, MFRS 14 and Amendments to MFRS 119 which are not applicable to the Group.
- from the annual period beginning on 1 September 2017 for those accounting standards, amendments or interpretations that are effective for annual periods beginning on or after 1 January 2017.
- from the annual period beginning on 1 September 2018 for those accounting standards, amendments or interpretations that are effective for annual periods beginning on or after 1 January 2018.

The initial application of the accounting standards, amendments or interpretations are not expected to have any material impacts to the financial statements of the Group except as mentioned below:

MFRS 15, Revenue from Contracts with Customers

MFRS 15 replaces the guidance in MFRS 111, *Construction Contracts*, MFRS 118, *Revenue*, IC Interpretation 13, *Customer Loyalty Programmes*, IC Interpretation 15, *Agreements for Construction of Real Estate*, IC Interpretation 18, *Transfer of Assets from Customers* and IC Interpretation 131, *Revenue - Barter Transactions Involving Advertising Services*. Upon adoption of MFRS 15, it is expected that the timing of revenue recognition might be different as compared with the current practices.

The adoption of MFRS 15 will result in a change in accounting policy. The Group is currently assessing the financial impact of adopting MFRS 15.

MFRS 9, Financial Instruments

MFRS 9 replaces the guidance in MFRS 139, *Financial Instruments: Recognition and Measurement* on the classification and measurement of financial assets. Upon adoption of MFRS 9, financial assets will be measured at either fair value or amortised cost. It is expected that the Group's investment in unquoted shares will be measured at fair value through other comprehensive income.

The adoption of MFRS 9 will result in a change in accounting policy. The Group is currently assessing the financial impact of adopting MFRS 9.



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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 2014 were not qualified.

A3. Seasonality or Cyclicity of Operations

The Group's business operations are exposed to seasonality patterns. The seasonality patterns are primarily caused by the timing of the start of the academic year for national schools. As a result, our seasonal sales patterns may adversely impact on our quarterly revenue, profit and cash flow. Nevertheless, the Group takes the seasonality patterns into consideration in our cash flow planning.

Historically, we experienced highest quarterly sales in the second financial quarter (December to February), followed by the first financial quarter (September to November) and the third financial quarter (March to May). The fourth financial quarter (June to August) was the lowest.

For the financial year ended 31 August 2014, however, the Group experienced some changes in the seasonality patterns for the fourth financial quarter (June to August) as we had introduced new educational materials in June 2014 to cater for the then newly announced format for Form 3 Assessment (PT3 – Pentaksiran Tingkatan 3), which replaced Penilaian Menengah Rendah. In addition, the Group also recorded sales of post-secondary educational materials in the financial quarter (June to August) of 2014, which coincided with the intake of post-secondary students in May for national schools.

For the financial year ending 31 August 2015, the Group expects to continue experiencing highest quarterly sales in the second financial quarter (December to February), followed by the third financial quarter (March to May).

A4. Unusual Items

There were no significant items affecting assets, liabilities, equity, net income, or cash flows of the Group that are unusual because of their nature, size and incidence during the current quarter and current financial year-to-date.

A5. Changes in Estimates

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

A6. Debt and Equity Securities

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

A7. Dividend Paid

No dividend was paid by the Company in the current quarter.



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A8. Segment Information

Segmental information is presented in accordance with the Group's entities, which are the Group's strategic business units.

	Current quarter ended 28.02.2015									
	Sasbadi Holdings Berhad	Sasbadi Sdn Bhd	Sasbadi Online Sdn Bhd	Orbit Buku Sdn Bhd	Maya Press Sdn Bhd	Malaysian Book Promotions Sdn Bhd	Sasbadi Learning Solutions Sdn Bhd	MBP Publications Sdn Bhd	Inter-company elimination	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue										
Revenue	3,840	30,065	144	330	-	2,274	1,165	-	(5,705)	32,113
Cost of sales	-	(14,491)	(219)	(185)	-	(1,105)	(521)	-	1,865	(14,656)
Gross profit/(loss)	3,840	15,574	(75)	145	-	1,169	644	-	(3,840)	17,457
Add/(Less)										
Other operating income										-
Distribution expenses										(2,262)
Administrative expenses										(3,534)
Other operating expenses										(192)
Operating profit										11,469

	Current year-to-date ended 28.02.2015									
	Sasbadi Holdings Berhad	Sasbadi Sdn Bhd	Sasbadi Online Sdn Bhd	Orbit Buku Sdn Bhd	Maya Press Sdn Bhd	Malaysian Book Promotions Sdn Bhd	Sasbadi Learning Solutions Sdn Bhd	MBP Publications Sdn Bhd	Inter-company elimination	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue										
Revenue	3,840	45,455	454	391	-	2,993	1,165	-	(5,862)	48,436
Cost of sales	-	(23,533)	(364)	(253)	-	(1,398)	(522)	-	2,022	(24,048)
Gross profit	3,840	21,922	90	138	-	1,595	643	-	(3,840)	24,388
Add/(Less)										
Other operating income										63
Distribution expenses										(4,145)
Administrative expenses										(6,082)
Other operating expenses										(486)
Operating profit										13,738

Comparative figures for the preceding financial year's corresponding quarter and preceding financial year's corresponding period-to-date are not available as these are the fourth interim financial statements being announced by the Company pursuant to its listing on 23 July 2014. The first interim financial statements announced by the Company were for the financial quarter ended 31 May 2014.

A9. Valuation of Property, Plant and Equipment

There were no amendments to the valuation of property, plant and equipment that have been brought forward from the Audited Financial Statements of the Company for the financial year ended 31 August 2014.



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

There were no material events subsequent to the end of the current quarter up to the date of issue of this report that have not been reflected in the financial statements for the current quarter and financial year-to-date.

A11. Effects of Changes in Composition of the Group

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

A12. Capital Commitments

There were no material capital commitments for the current quarter.

A13. Changes in Contingent Liabilities and Contingent Assets

There were no changes in contingent liabilities and contingent assets since the last annual reporting financial year date up to the date of this report.



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

B1. Review of Performance

The Group recorded revenue and profit before tax (“PBT”) of RM32.113 million and RM11.465 million, respectively, for the current quarter. For the current financial year-to-date, the Group’s revenue and PBT were RM48.436 million and RM13.751 million, respectively.

The revenue and gross profit (before inter-company elimination) of the Group for the current quarter and financial year-to-date were mainly derived from Sasbadi Sdn Bhd, which is involved in education print publishing and distribution of applied learning products (Current Quarter: Revenue of RM30.065 million and gross profit of RM15.574 million, Financial Year-to-Date: Revenue of RM45.455 million and gross profit of RM21.922 million). Malaysian Book Promotions Sdn Bhd, which is involved in the publishing and distribution of printed educational materials, also contributed to the Group’s revenue and gross profit (Current Quarter: Revenue of RM2.274 million and gross profit of RM1.169 million, Financial Year-to-Date: Revenue of RM2.993 million and gross profit of RM1.595 million).

Meanwhile, Sasbadi Learning Solutions Sdn Bhd, which commenced operations in January 2015 by assuming the activity of distributing applied learning products of Sasbadi Sdn Bhd, recorded revenue of RM1.165 million and gross profit of RM0.644 million during the current quarter (Financial Year-to-Date: Revenue of RM1.165 million and gross profit of RM0.643 million). Sasbadi Online Sdn Bhd, our online educational resources arm, recorded revenue of RM0.144 million and gross loss of RM0.075 million for the current quarter (Financial Year-to-Date: Revenue of RM0.454 million and gross profit of RM0.090 million).

No comparative figures are presented for the preceding financial year’s corresponding quarter and preceding financial year’s corresponding period-to-date as these are the fourth interim financial statements announced by the Company pursuant to its listing on 23 July 2014. The first interim financial statements announced by the Company were for the financial quarter ended 31 May 2014.

B2. Variation of Results for the current quarter ended 28 February 2015 against the immediate preceding quarter

The Group recorded revenue of RM32.113 million in the current quarter compared to the immediate preceding quarter’s revenue of RM16.323 million, an increase of RM15.790 million or 96.7%. On the other hand, the Group’s PBT for the current quarter increased by RM9.179 million or 401.5% to RM11.465 million compared to RM2.286 million in the immediate preceding quarter.

The Group recorded the significant increase in revenue and PBT in the current quarter vis-à-vis the immediate preceding quarter due to the start of the academic year for national schools in January 2015.

B3. Group’s Prospects for the financial year ending (“FYE”) 31 August 2015

The Group will focus on the expansion of our conventional publishing business which we expect to experience organic growth from new products launched/to be launched in FYE 31 August 2015. In addition, the Group will continue to look for growth opportunities via acquisitions of suitable targets/intellectual properties within the industry.

Another area for future growth is the digital learning sector which has the potential to revolutionise education. We are well prepared for the shift as we already have an extensive content portfolio in place, as evidenced by our presence in the digital learning solutions market since 2011 via Sasbadi Online Sdn Bhd, and are working actively to increase the content progressively. In March 2015, Sasbadi Online Sdn Bhd



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rolled out our latest product known as “Interactive Bookmark” to the market. The Interactive Bookmark is an application running on mobile devices to deliver learning materials to primary and secondary school children via interactive quiz games and tutorial videos.

With the implementation of the Goods and Services Tax regime effective 1 April 2015, we may see a temporary slowdown in consumer spending in the next few months. Nevertheless, it is to be noted that books are zero-rated products.

Premised on the above and barring any unforeseen circumstances, we are cautiously optimistic that the Group’s prospects for the second half of FYE 31 August 2015 will remain positive.

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 28.02.2015 RM'000	Preceding Year Quarter 28.02.2014 ⁽¹⁾ RM'000	Current Year- To-Date 28.02.2015 RM'000	Preceding Year- To-Date 28.02.2014 ⁽¹⁾ RM'000
Amortisation of intangible assets	155	N/A	292	N/A
Depreciation on property, plant and equipment	527	N/A	1,061	N/A
Gain on disposal of property, plant and equipment	-	N/A	(63)	N/A
Interest expense	105	N/A	196	N/A
Interest income	(109)	N/A	(222)	N/A
Inventories write-down	819	N/A	1,492	N/A
Realised foreign exchange loss	7	N/A	88	N/A
Provision for sales returns	2,437	N/A	1,851	N/A

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.

Notes:

N/A Not applicable

(1) No comparative figures for the preceding financial year’s corresponding quarter and preceding financial year’s corresponding period-to-date are available as these are the fourth interim financial statements being announced by the Company in compliance with the Main Market Listing Requirements of Bursa Securities, pursuant to its listing on 23 July 2014. The first interim financial statements announced by the Company were for the financial quarter ended 31 May 2014.



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B6. Income Tax Expense

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year Quarter	Preceding Year Quarter	Current Year- To-Date	Preceding Year- To-Date
	28.02.2015	28.02.2014 ⁽¹⁾	28.02.2015	28.02.2014 ⁽¹⁾
	RM'000	RM'000	RM'000	RM'000
Current tax expense				
- current period	3,662	N/A	4,221	N/A
- prior period	-	N/A	-	N/A
	3,662	N/A	4,221	N/A
Deferred tax expense				
- current period	(534)	N/A	(455)	N/A
- prior period	-	N/A	-	N/A
	(534)	N/A	(455)	N/A
Total income tax expense	3,128	N/A	3,766	N/A

Notes:

N/A Not applicable

(1) No comparative figures for the preceding financial year's corresponding quarter and preceding financial year's corresponding period-to-date are available as these are the fourth interim financial statements being announced by the Company in compliance with the Main Market Listing Requirements of Bursa Securities, pursuant to its listing on 23 July 2014. The first interim financial statements announced by the Company were for the financial quarter ended 31 May 2014.

The effective tax rate for the current quarter and financial year-to-date is higher than the statutory tax rate of 25% mainly due to non-deductible expenses.



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B7. Status of Corporate Proposals and Utilisation of Proceeds

(i) Status of Corporate Proposals

There are no corporate proposals announced but not completed at the date of this report.

(ii) Utilisation of proceeds

The Company was listed on the Main Market of Bursa Securities on 23 July 2014. The status of the utilisation of the gross proceeds of RM25.228 million raised from the Public Issue as at 28 February 2015 is as follows:

Purpose	Proposed utilisation	Actual utilisation	Deviation	Balance	Estimated timeframe for utilisation (from the listing date)
	RM'000	RM'000	RM'000	RM'000	
(i) Establishment of applied learning centres	1,000	-	-	1,000	Within two (2) years
(ii) Part-financing of proposed acquisition of publishing businesses	10,500 [^]	-	-	10,500	Within two (2) years
(iii) Financing of the acquisition of intellectual property rights	1,000 [^]	(1,000)	-	-	Within one (1) year
(iv) Financing of proposed acquisition of an office cum warehouse building	7,000	-	-	7,000	Within two (2) years
(v) Working capital	2,728	(2,379)	(349)*	-	Within one (1) year
(vi) Estimated listing expenses	3,000	(3,349)	349*	-	Upon Listing
Total gross proceeds	25,228	(6,728)	-	18,500	

Note: The utilisation of proceeds as disclosed above should be read in conjunction with Section 3.6 of the Prospectus of the Company dated 7 July 2014.

[^] Revised as per the Company's announcement dated 29 October 2014.

* The actual listing expenses incurred were more than the estimated listing expenses by RM0.349 million mainly due to higher than estimated professional fees, underwriting commission and placement fee. In accordance with Section 3.6 of the Prospectus of the Company dated 7 July 2014, the deficit was funded out of the portion allocated for working capital.



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B8. Group Borrowings

Total Group borrowings as at 28 February 2015 were as follows:

	As at 28.02.2015 RM'000	As at 31.08.2014 RM'000
Non-current		
Finance lease liabilities	148	198
	148	198
Current		
Finance lease liabilities	99	99
Bank overdraft - secured	-	5,728
	99	5,827
	247	6,025

The above borrowings are denominated in Ringgit Malaysia.

B9. Material Litigation

The Group is not engaged in any material litigation either as plaintiff or defendant, which has a material effect on the financial position of the Group, and the Directors do not have any knowledge of any proceedings pending or threatened or of any facts likely to give rise to any proceedings which may materially and adversely affect the financial position or business of the Group, as at the date of this report.

B10. Dividend

No dividend has been declared or recommended for payment by the Company for this quarterly announcement.

In the previous quarterly announcement dated 27 January 2015, the Company had declared and approved the payment of an interim single tier dividend of 3 sen per ordinary share of RM0.50 each in respect of the FYE 31 August 2015. The interim dividend was paid on 23 March 2015.



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B11. Earnings Per Share

(a) Basic Earnings Per Share

The basic earnings per share for the current quarter and financial year-to-date are computed as follows:

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year Quarter	Preceding Year Quarter	Current Year- To-Date	Preceding Year- To-Date
	28.02.2015	28.02.2014 ⁽¹⁾	28.02.2015	28.02.2014 ⁽¹⁾
	RM'000	RM'000	RM'000	RM'000
Profit attributable to owners of the Company	8,337	N/A	9,985	N/A
Weighted average number of ordinary shares of RM0.50 each in issue ('000)	127,000	N/A	127,000	N/A
Basic earnings per ordinary share (sen)	6.56	N/A	7.86	N/A

Notes:

N/A Not applicable

(1) No comparative figures for the preceding financial year's corresponding quarter and preceding financial year's corresponding period-to-date are available as these are the fourth interim financial statements being announced by the Company in compliance with the Main Market Listing Requirements of Bursa Securities, pursuant to its listing on 23 July 2014. The first interim financial statements announced by the Company were for the financial quarter ended 31 May 2014.

(b) Diluted Earnings Per Share

Diluted earnings per share were not computed as the Company does not have any dilutive potential ordinary shares in issue for the current quarter and financial year-to-date.



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B12. Realised and Unrealised Profits / Losses Disclosure

The breakdown of the retained earnings of the Group as at the end of the current quarter into realised and unrealised profits / (losses) # is as follows:

	As at 28.02.2015 RM'000	As at 31.08.2014 RM'000
Total retained earnings of the Company and its subsidiaries		
- Realised	67,238	59,667
- Unrealised	(7,411)	(6,015)
	<u>59,827</u>	<u>53,652</u>

Prepared in accordance with Guidance on Special Matter No. 1, Determination of Realised and Unrealised Profits or Losses in the Context of Disclosures Pursuant to Bursa Malaysia Securities Berhad Listing Requirements as issued by the Malaysian Institute of Accountants on 20 December 2010.

By order of the Board
Kuala Lumpur
27 April 2015