



SASBADI HOLDINGS BERHAD
 201201038178 (1022660-T)
 Incorporated in Malaysia
 FIRST QUARTER REPORT ENDED 30 NOVEMBER 2024

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE FIRST QUARTER ENDED 30 NOVEMBER 2024 ⁽¹⁾

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year Quarter 30.11.2024 RM'000	Preceding Year Quarter 30.11.2023 RM'000	Current Year-To-Date 30.11.2024 RM'000	Preceding Year-To-Date 30.11.2023 RM'000
Revenue	34,060	15,253	34,060	15,253
Cost of sales	(19,626)	(10,725)	(19,626)	(10,725)
Gross profit	14,434	4,528	14,434	4,528
Other operating income	337	253	337	253
Distribution expenses	(1,599)	(1,466)	(1,599)	(1,466)
Administrative expenses	(4,291)	(3,669)	(4,291)	(3,669)
Other operating expenses	(762)	(691)	(762)	(691)
Results from operating activities	8,119	(1,045)	8,119	(1,045)
Finance income	10	18	10	18
Finance costs	(285)	(159)	(285)	(159)
Profit/(Loss) before tax	7,844	(1,186)	7,844	(1,186)
Taxation	(2,039)	193	(2,039)	193
Net profit/(loss) for the financial period	5,805	(993)	5,805	(993)
Other comprehensive income for the financial period, net of tax	-	-	-	-
Total comprehensive income/(loss) for the financial period	5,805	(993)	5,805	(993)
Net profit/(loss) for the financial period attributable to:				
- Owners of the Company	5,805	(993)	5,805	(993)
- Non-controlling interests	-	-	-	-
	5,805	(993)	5,805	(993)
Total comprehensive profit/(loss) for the financial period attributable to:				
- Owners of the Company	5,805	(993)	5,805	(993)
- Non-controlling interests	-	-	-	-
	5,805	(993)	5,805	(993)
Profit/(Loss) per share (sen) attributable to owners of the Company:				
- Basic	1.33	(0.23)	1.33	(0.23)
- Diluted	1.33	(0.23)	1.33	(0.23)

Notes:

(1) The Unaudited Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the Audited Financial Statements of Sasbadi Holdings Berhad ("the Company") for the financial year ended 31 August 2024 and the accompanying explanatory notes attached to these interim financial statements.



UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 NOVEMBER 2024 ⁽¹⁾

	Unaudited As at 30.11.2024 RM'000	Audited As at 31.08.2024 RM'000
ASSETS		
Property, plant and equipment	43,758	43,736
Rights-of-use assets	1,673	1,823
Investment properties	2,202	2,215
Intangible assets	17,105	17,433
Other investments	1,448	1,448
Deferred tax assets	652	770
Trade and other receivables	2,608	2,608
Total non-current assets	69,446	70,033
Inventories	67,562	59,993
Rights to recover returned goods	1,918	2,542
Contract costs	38	65
Trade and other receivables	50,745	40,980
Prepayments	977	986
Current tax assets	6,725	7,440
Cash and cash equivalents	11,959	10,980
Total current assets	139,924	122,986
Total assets	209,370	193,019
EQUITY		
Share capital	110,768	110,768
Treasury shares	(1)	(1)
Reserves	46,294	41,579
Total equity	157,061	152,346
LIABILITIES		
Loans and borrowings	1,702	1,682
Lease liabilities	700	994
Deferred tax liabilities	7,653	7,682
Total non-current liabilities	10,055	10,358
Loans and borrowings	13,978	5,755
Lease liabilities	994	844
Refund liabilities	3,636	5,142
Trade and other payables	23,515	18,350
Contract liabilities	131	224
Total current liabilities	42,254	30,315
Total liabilities	52,309	40,673
Total equity and liabilities	209,370	193,019
Net assets per share attributable to owners of the Company (RM)	0.36	0.35

Notes:

- (1) The Unaudited Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements of the Company for the financial year ended 31 August 2024 and the accompanying explanatory notes attached to these interim financial statements.



UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE THREE (3) MONTHS ENDED 30 NOVEMBER 2024 ⁽¹⁾

	<----- Non-distributable ----->						Distributable	Total equity RM'000
	Share capital RM'000	Treasury shares RM'000	Share Options reserve RM'000	Merger deficit RM'000	Fair value reserve RM'000	Revaluation reserve RM'000	Retained earnings RM'000	
At 1 September 2024	110,768	(1)	-	(50,500)	(64)	23,332	68,811	152,346
Total comprehensive income for the financial period	-	-	-	-	-	-	5,805	5,805
Transaction with owners of the Company								
Dividends to owners of the Company	-	-	-	-	-	-	(1,090)	(1,090)
At 30 November 2024	<u>110,768</u>	<u>(1)</u>	<u>-</u>	<u>(50,500)</u>	<u>(64)</u>	<u>23,332</u>	<u>73,526</u>	<u>157,061</u>
As at 1 September 2023	110,379	(1)	134	(50,500)	(64)	23,332	69,846	153,126
Total comprehensive loss for the financial period	-	-	-	-	-	-	(993)	(993)
Transaction with owners of the Company								
Ordinary shares issued pursuant to ESOS	49	-	(17)	-	-	-	2	34
Total transactions with owners of the Company	<u>49</u>	<u>-</u>	<u>(17)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2</u>	<u>34</u>
At 30 November 2023	<u>110,428</u>	<u>(1)</u>	<u>117</u>	<u>(50,500)</u>	<u>(64)</u>	<u>23,332</u>	<u>68,855</u>	<u>152,167</u>

Notes:

(1) The Unaudited Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Financial Statements of the Company for the financial year ended 31 August 2024 and the accompanying explanatory notes attached to these interim financial statements.



UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE THREE (3) MONTHS ENDED 30 NOVEMBER 2024 ⁽¹⁾

	Current Year-To-Date 30.11.2024 RM'000	Preceding Year-To-Date 30.11.2023 RM'000
Cash flows from operating activities		
Profit/(Loss) before tax	7,844	(1,186)
Adjustments for:		
Amortisation of intangible assets	328	355
Depreciation of property, plant and equipment	580	496
Depreciation of investment properties	13	14
Depreciation of rights-of-use assets	196	104
Write-off of property, plant and equipment	1	-
Impairment/(Reversal) of impairment loss on trade receivables	62	(41)
Gain on disposal of property, plant and equipment	(70)	-
Unrealised foreign exchange gain	(5)	(26)
Finance costs	285	159
Finance income	(10)	(18)
Operating profit/(loss) before changes in working capital	9,224	(143)
Changes in inventories	(7,569)	(10,599)
Changes in rights to recover returned goods	624	822
Changes in contract costs	27	22
Changes in trade and other receivables and prepayments	(9,818)	4,956
Changes in refund liabilities	(1,506)	(1,515)
Changes in trade and other payables	5,170	7,059
Changes in contract liabilities	(93)	(74)
Cash generated (used in)/from operations	(3,941)	528
Tax paid	(1,235)	(1,077)
Interest paid	(228)	(126)
Interest received	10	18
Net cash used in operating activities	(5,394)	(657)
Cash flows from investing activities		
Proceeds from disposal of property, plant and equipment	81	-
Acquisition of property, plant and equipment	(166)	(119)
Net cash used in investing activities	(85)	(119)

Notes:

- (1) The Unaudited Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Audited Financial Statements of the Company for the financial year ended 31 August 2024 and the accompanying explanatory notes attached to these interim financial statements.



UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE THREE (3) MONTHS ENDED 30 NOVEMBER 2024 ⁽¹⁾ (CONT'D)

	Current Year-To-Date 30.11.2024 RM'000	Preceding Year-To-Date 30.11.2023 RM'000
Cash flows from financing activities		
Net drawdown/(repayment) of bankers' acceptances	5,890	(1,021)
Net repayment of finance lease liabilities	(117)	(37)
Net repayment of term loans	(111)	(104)
Net repayment of lease liabilities	(209)	(116)
Proceeds from issuance of shares pursuant to ESOS	-	34
Dividends paid	(1,090)	-
Interest paid	(38)	(28)
Net cash generated from/(used in) financing activities	4,325	(1,272)
Net decrease in cash and cash equivalents	(1,154)	(2,048)
Cash and cash equivalents at beginning of the financial period	10,157	11,079
Cash and cash equivalents at end of the financial period	9,003	9,031

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

	Current Year-To-Date 30.11.2024 RM'000	Preceding Year-To-Date 30.11.2023 RM'000
Cash and bank balances	11,148	8,886
Deposit placed with a licensed bank	811	676
	11,959	9,562
Less : Deposits pledged	(665)	(528)
Bank overdrafts	(2,291)	(3)
	9,003	9,031

Notes:

- (1) The Unaudited Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Audited Financial Statements of the Company for the financial year ended 31 August 2024 and the accompanying explanatory notes attached to these interim financial statements.



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

A1. Accounting Policies and Basis of Preparation

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

These interim financial statements should be read in conjunction with the Audited Financial Statements of the Company for the financial year ended 31 August 2024 and the accompanying explanatory notes attached to these interim financial statements.

These interim financial statements provide an explanation of significant events and transactions that contributed to the changes in the financial position and performance of the Company and its subsidiaries (“the Group”) since the financial year ended 31 August 2024.

The significant accounting policies and methods of computation applied in these unaudited condensed interim financial statements are consistent with those adopted for the Audited Financial Statements of the Company for the financial year ended 31 August 2024, except for the following accounting standards, amendments and interpretations that have been issued by the MASB but have not been adopted by the Group:

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

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

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

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

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

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

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

- Amendments to MFRS 10, *Consolidated Financial Statements* and MFRS 128, *Investments in Associates and Joint Ventures - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*

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



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

A2. Auditors’ Report on Preceding Annual Financial Statements

The Auditors’ Reports on the financial statements of the Company and its subsidiaries for the financial year ended 31 August 2024 were not qualified.

A3. Seasonality or Cyclicity of Operations

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

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

A4. Unusual Items Affecting the Financial Statements

The deferment of the new academic year from January to March since 2022 has affected the Group’s business operations, delaying book orders from the first quarter to the second quarter of the financial year, impacting our usual seasonality pattern. Going forward, this is expected to change as the Ministry of Education (“MOE”) has announced that the academic year will gradually revert to January. The forthcoming academic year is scheduled to commence in February 2025, with a full transition to the January academic year expected to be by 2026.

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

A5. Changes in Estimates

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

A6. Debt and Equity Securities

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

No dividend was paid by the Company in the current financial quarter. Subsequent to the financial quarter, on 18 December 2024, the Company paid a second interim single tier dividend of RM0.0025 per ordinary share in respect of the financial year ended 31 August 2024.



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/year-to-date ended 30 November 2024

	Print Publishing RM'000	Digital Solutions & Network Marketing * RM'000	ALP & STEM Education ^ RM'000	Inter- segment elimination RM'000	Total RM'000
Revenue	34,969	790	873	(2,572)	34,060
Cost of sales	(21,298)	(113)	(310)	2,095	(19,626)
Gross profit	13,671	677	563	(477)	14,434
Add/(Less):					
Other operating income					337
Distribution expenses					(1,599)
Administrative expenses					(4,291)
Other operating expenses					(762)
Results from operating activities					8,119

Preceding financial year's corresponding quarter/year-to-date ended 30 November 2023

	Print Publishing RM'000	Digital Solutions & Network Marketing * RM'000	ALP & STEM Education ^ RM'000	Inter- segment elimination RM'000	Total RM'000
Revenue	12,658	1,630	2,174	(1,209)	15,253
Cost of sales	(9,869)	(932)	(962)	1,038	(10,725)
Gross profit	2,789	698	1,212	(171)	4,528
Add/(Less):					
Other operating income					253
Distribution expenses					(1,466)
Administrative expenses					(3,669)
Other operating expenses					(691)
Results from operating activities					(1,045)

Notes:

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

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



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

A9. Valuation of Property, Plant and Equipment

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

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

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

A11. Effects of Changes in Composition of the Group

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

A12. Capital Commitments

There were no material capital commitments for the Group at the end of the current financial quarter.

A13. Changes in Contingent Liabilities and Contingent Assets

Contingent Liabilities

There were no material changes in the Group's contingent liabilities since the last audited statement of financial position as at 31 August 2024.

Contingent Assets

The Group does not have any material contingent assets as at 30 November 2024.



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

B1. Review of Performance

Current Quarter ended 30 November 2024 against Preceding Financial Year's Corresponding Quarter ended 30 November 2023

The Group recorded a revenue of RM34.060 million for the current financial quarter as compared to RM15.253 million for the preceding financial year's corresponding quarter. This represents an increase of RM18.807 million (equivalent to 123.30%).

The increase was mainly attributed to higher sales, arising from the introduction of Madani Book Voucher, launched by the Prime Minister Datuk Seri Anwar Ibrahim's administration on 30 May 2024 which ended on 31 December 2024.

The Group recorded a profit before tax ("PBT") of RM7.844 million for the current financial quarter vis-à-vis a loss before tax ("LBT") of RM1.186 million for the preceding financial year's corresponding quarter representing an increase of RM9.030 million (equivalent to 761.38%) mainly due to higher revenue achieved as mentioned above.

B2. Variation of Results for the Current Financial Quarter ended 30 November 2024 against the Immediate Preceding Financial Quarter

	Current Quarter 30.11.2024 RM'000	Preceding Quarter 31.08.2024 RM'000	Change RM'000
Revenue	34,060	23,817	10,243
Profit/(Loss) Before Tax	<u>7,844</u>	<u>(6,692)</u>	14,536

The Group recorded a revenue of RM34.060 million for the current financial quarter as compared to RM23.817 million for the immediate preceding financial quarter, representing an increase of RM10.243 million (equivalent to 43.01%).

The increase in revenue, despite being adversely impacted by the seasonality of our business as explained in Note A3, is due to the full impact of the Madani Book Voucher which created a higher demand for our products in the current quarter. The lower sales in the previous quarter was attributed to a lower redemption rate of the vouchers due to lower awareness.

The Group recorded a PBT of RM7.844 million for the current financial quarter as compared to a LBT of RM6.692 million for the immediate preceding financial quarter, representing an increase of RM14.536 million (equivalent to 217.21%) where an impairment for inventories of RM9.950 million was made and the higher revenue achieved in the current quarter.



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

B3. Group's Prospects for the financial year ending ("FYE") 31 August 2025

For the first financial quarter ("Q1") of FYE 31 August 2025 ("FYE 2025"), our Group had performed favourably with revenue increasing significantly as compared to Q1 FYE 2024, rising from RM15.253 million to RM34.060 million (equivalent to 123.30%), solidifying itself as the second-highest quarterly revenue ever recorded by Sasbadi Group. In terms of profit after tax ("PAT"), our Group had also improved from a loss after tax of RM0.993 million in Q1 FYE 2024 to a PAT of RM5.805 million in Q1 FYE 2025 (an increase of RM6.796 million). This significant growth was driven by strong demand for Sasbadi Group's academic publications due to the MADANI Book Voucher initiative as outlined in Note B1. Sasbadi was awarded the *Anugerah Jualan Tertinggi: Penerbit* category by *Perbadanan Kota Buku*, underscoring our Group's unparalleled strength in the academic publication space even as we celebrate our 40th year of incorporation.

Looking ahead, one of our Group's core strategies for FYE 2025 is to align with the objectives of the Ministry of Education Malaysia's ("MOE's") Digital Education Policy ("DEP"). This includes offering our digital education solutions bundled with electronic devices provided by solutions integrators for teachers and students. Since the launch of the DEP in November 2023, the increasing digitalisation of the education sector – particularly in the distribution of electronic devices – has been evident. Our Group aims to play a pivotal role as a digital education content provider by leveraging on our expertise in developing high-quality, educational software that meet the MOE's requirements. Besides, Sasbadi Group is also exploring advanced digital technologies, including Artificial Intelligence ("AI"), to transform the education sector. Having been engaged in the digital space since 2010, the Group sees these innovative tools as a natural progression to enhance its offerings and align with modern digital trends. Specifically, Large Language Models ("LLMs") that understand the local context are viewed as a potential disruptor in Malaysia's education system, making this an area of focus for the Group in FYE 2025 and beyond.

Finally, diversifying revenue streams is a central strategy for FYE 2025. To support this goal, the Group has, in late 2024, acquired the intellectual property rights of Kohwai & Young Publications (Malaysia) Sdn Bhd, a prominent early childhood education publisher, and announced the proposed acquisition of a 60% equity stake in Edu Paper and Stationery Sdn Bhd, a producer of paper-based products like notebooks and exercise books. These acquisitions not only broaden the Group's product range but also create opportunities to enhance the financial performance of the acquired companies. By leveraging Sasbadi Group's strengths – such as efficient supply chains, economies of scale, extensive customer networks, and a skilled workforce – these strategic moves aim to expand the Group's market presence in the non-academic segment and to enter a new market segment, i.e. paper-based products, to drive growth.

As we move forward into FYE 2025 and beyond, we anticipate an exciting phase of growth with substantial opportunities to enhance both revenue and profitability. Building on 40 years of trust and a strong reputation for quality, we remain committed to broadening our product portfolio and strengthening our market position. While remaining vigilant of potential challenges, we approach the future with measured optimism and a clear focus on achieving sustainable success.



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 30.11.2024 RM'000	Preceding Year Quarter 30.11.2023 RM'000	Current Year-To-Date 30.11.2024 RM'000	Preceding Year-To-Date 30.11.2023 RM'000
Amortisation of intangible assets	328	355	328	355
Depreciation on property, plant and equipment	580	496	580	496
Depreciation on investment properties	13	14	13	14
Depreciation on rights-of-use assets	196	104	196	104
Gain on disposal of property, plant and equipment	(70)	-	(70)	-
Write-off of property, plant and equipment	1	-	1	-
Impairment/(Reversal of impairment) loss on trade receivables	62	(41)	62	(41)
Finance costs	285	159	285	159
Finance income	(10)	(18)	(10)	(18)
Realised foreign exchange gain	(13)	(14)	(13)	(14)
Unrealised foreign exchange gain	(5)	(26)	(5)	(26)

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

B6. Income Tax Expense

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year Quarter 30.11.2024 RM'000	Preceding Year Quarter 30.11.2023 RM'000	Current Year-To-Date 30.11.2024 RM'000	Preceding Year-To-Date 30.11.2023 RM'000
Current tax expense				
Current period	1,950	433	1,950	433
Deferred tax expense				
Current period	89	(626)	89	(626)
	2,039	(193)	2,039	(193)

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



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

B7. Status of Corporate Proposals and Utilisation of Proceeds

i) Status of Corporate Proposals

Proposed Acquisition of Intellectual Properties

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

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

Proposed Acquisition of 60% Equity Interest

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

The proposal is currently pending completion of the due diligence review.

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

ii) Utilisation of Proceeds

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

B8. Loans and Borrowings

The Group's loans and borrowings as at 30 November 2024 were as follows:

	As at 30.11.2024 RM'000	As at 31.08.2024 RM'000
Non-current		
Finance lease liabilities	1,378	1,240
Term loans - secured	324	442
	<u>1,702</u>	<u>1,682</u>
Current		
Finance lease liabilities	568	375
Term loans - secured	461	454
Bank overdrafts - secured	2,291	158
Bankers' acceptances - secured	10,658	4,768
	<u>13,978</u>	<u>5,755</u>
	<u>15,680</u>	<u>7,437</u>

The above borrowings are denominated in Ringgit Malaysia.



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

B9. Material Litigation

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

B10. Dividend

On 28 October 2024, the Board of Directors of the Company has declared and approved the payment of a second interim single-tier dividend of RM0.0025 per ordinary share in respect of the financial year ended 31 August 2024. The interim dividend was paid on 18 December 2024 to shareholders registered in the Record of Depositors as at 26 November 2024. This dividend is accounted for as an appropriation of retained earnings in the financial year ending 31 August 2025.

B11. Earnings Per Share ("EPS")

i) Basic Earnings Per Share

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

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year Quarter 30.11.2024 RM'000	Preceding Year Quarter 30.11.2023 RM'000	Current Year-To-Date 30.11.2024 RM'000	Preceding Year-To-Date 30.11.2023 RM'000
Net profit/(loss) attributable to owners of the Company	5,805	(993)	5,805	(993)
Weighted average number of ordinary shares in issue ('000)	436,135	433,705	436,135	433,705
Basic earnings/(loss) per ordinary share (sen)	1.33	(0.23)	1.33	(0.23)

ii) Diluted Earnings Per Share

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

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year Quarter 30.11.2024 RM'000	Preceding Year Quarter 30.11.2023 RM'000	Current Year-To-Date 30.11.2024 RM'000	Preceding Year-To-Date 30.11.2023 RM'000
Net profit/(loss) attributable to owners of the Company	5,805	(993)	5,805	(993)
Weighted average number of ordinary shares in issue ('000)	436,135	433,705	436,135	433,705
Effect of dilution due to ESOS ('000)	-	1,327	-	1,327
Adjusted weighted average number of ordinary shares ('000)	436,135	435,032	436,135	435,032
Diluted earnings/(loss) per ordinary share (sen)	1.33	(0.23)	1.33	(0.23)

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



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

B12. Derivative Financial Instruments

The Group did not enter into any derivative financial instruments which were outstanding as at 30 November 2024.

By order of the Board
Kuala Lumpur
21 January 2025