



**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE FIRST QUARTER ENDED 30 NOVEMBER 2023<sup>(1)</sup>**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year Quarter 30.11.2023 RM'000	Preceding Year Quarter 30.11.2022 RM'000	Current Year-To-Date 30.11.2023 RM'000	Preceding Year-To-Date 30.11.2022 RM'000
<b>Revenue</b>	15,253	18,490	15,253	18,490
Cost of sales	(10,725)	(11,170)	(10,725)	(11,170)
<b>Gross profit</b>	4,528	7,320	4,528	7,320
Other operating income	253	301	253	301
Distribution expenses	(1,466)	(1,625)	(1,466)	(1,625)
Administrative expenses	(3,669)	(3,274)	(3,669)	(3,274)
Other operating expenses	(691)	(577)	(691)	(577)
<b>Results from operating activities</b>	(1,045)	2,145	(1,045)	2,145
Finance income	18	3	18	3
Finance costs	(159)	(273)	(159)	(273)
<b>(Loss)/Profit before tax</b>	(1,186)	1,875	(1,186)	1,875
Taxation	193	(573)	193	(573)
<b>Net (loss)/profit for the financial period</b>	(993)	1,302	(993)	1,302
<b>Other comprehensive income for the financial period, net of tax</b>	-	-	-	-
<b>Total comprehensive (loss)/income for the financial period</b>	(993)	1,302	(993)	1,302
<b>Net (loss)/profit for the financial period attributable to:</b>				
- Owners of the Company	(993)	1,302	(993)	1,302
- Non-controlling interests	-	-	-	-
	(993)	1,302	(993)	1,302
<b>Total comprehensive (loss)/profit for the financial period attributable to:</b>				
- Owners of the Company	(993)	1,302	(993)	1,302
- Non-controlling interests	-	-	-	-
	(993)	1,302	(993)	1,302
<b>(Loss)/Profit per share (sen) attributable to owners of the Company:</b>				
- Basic	(0.23)	0.31	(0.23)	0.31
- Diluted	(0.23)	0.31	(0.23)	0.31

**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 2023 and the accompanying explanatory notes attached to these interim financial statements.



**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 NOVEMBER 2023 <sup>(1)</sup>**

	Unaudited As at 30.11.2023 RM'000	Audited As at 31.08.2023 RM'000
<b>ASSETS</b>		
Property, plant and equipment	43,817	44,194
Rights-of-use assets	398	405
Investment properties	2,254	2,268
Intangible assets	18,498	18,853
Other investments	37	37
Deferred tax assets	614	401
<b>Total non-current assets</b>	<b>65,618</b>	<b>66,158</b>
Inventories	71,620	61,021
Rights to recover returned goods	781	1,603
Contract costs	82	104
Trade and other receivables	33,025	37,429
Current tax assets	5,039	4,395
Prepayments	4,479	4,990
Cash and cash equivalents	9,562	11,640
<b>Total current assets</b>	<b>124,588</b>	<b>121,182</b>
<b>Total assets</b>	<b>190,206</b>	<b>187,340</b>
<b>EQUITY</b>		
Share capital	110,428	110,379
Treasury shares	(1)	(1)
Reserves	41,740	42,748
<b>Total equity</b>	<b>152,167</b>	<b>153,126</b>
<b>LIABILITIES</b>		
Loans and borrowings	1,103	1,342
Lease liabilities	155	77
Deferred tax liabilities	8,206	8,619
<b>Total non-current liabilities</b>	<b>9,464</b>	<b>10,038</b>
Loans and borrowings	6,331	7,284
Lease liabilities	273	365
Refund liabilities	1,382	2,897
Trade and other payables	20,316	13,283
Contract liabilities	273	347
<b>Total current liabilities</b>	<b>28,575</b>	<b>24,176</b>
<b>Total liabilities</b>	<b>38,039</b>	<b>34,214</b>
<b>Total equity and liabilities</b>	<b>190,206</b>	<b>187,340</b>
<b>Net assets per share attributable to owners of the Company (RM)</b>	<b>0.35</b>	<b>0.35</b>

**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 2023 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 2023 <sup>(1)</sup>**

	<----- 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	
<b>At 1 September 2023</b>	110,379	(1)	134	(50,500)	(64)	23,332	69,846	153,126
<b>Total comprehensive loss for the financial period</b>	-	-	-	-	-	-	(993)	(993)
<b>Transaction with owners of the Company</b>								
Ordinary shares issued pursuant to ESOS	49	-	(17)	-	-	-	2	34
<b>Total transactions with owners of the Company</b>	49	-	(17)	-	-	-	2	34
<b>At 30 November 2023</b>	110,428	(1)	117	(50,500)	(64)	23,332	68,855	152,167
<b>As at 1 September 2022</b>	109,138	(1)	705	(50,500)	(64)	18,356	61,616	139,250
<b>Total comprehensive income for the financial period</b>	-	-	-	-	-	-	1,302	1,302
<b>Transaction with owners of the Company</b>								
Ordinary shares issued pursuant to ESOS	7	-	(2)	-	-	-	-	5
<b>Total transactions with owners of the Company</b>	7	-	(2)	-	-	-	-	5
<b>At 30 November 2022</b>	109,145	(1)	703	(50,500)	(64)	18,356	62,918	140,557

**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 2023 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 2023<sup>(1)</sup>**

	Current Year-To-Date 30.11.2023 RM'000	Preceding Year-To-Date 30.11.2022 RM'000
<b>Cash flows from operating activities</b>		
(Loss)/Profit before tax	(1,186)	1,875
Adjustments for:		
Amortisation of intangible assets	355	357
Depreciation of property, plant and equipment	496	411
Depreciation of investment properties	14	13
Depreciation of rights-of-use assets	104	33
Reversal of impairment loss on trade receivables	(41)	(35)
Gain on disposal of property, plant and equipment	-	(21)
Unrealised foreign exchange gain	(26)	-
Finance costs	159	273
Finance income	(18)	(3)
Operating (loss)/profit before changes in working capital	(143)	2,903
Changes in inventories	(10,599)	(2,771)
Changes in rights to recover returned goods	822	936
Changes in contract costs	22	2
Changes in trade and other receivables and prepayments	4,956	(1,266)
Changes in refund liabilities	(1,515)	(1,780)
Changes in trade and other payables	7,059	(4,078)
Changes in contract liabilities	(74)	(28)
Cash generated from/(used in) operations	528	(6,082)
Tax paid	(1,077)	(163)
Interest paid	(126)	(243)
Interest received	18	3
Net cash used in operating activities	(657)	(6,485)
<b>Cash flows from investing activities</b>		
Proceeds from disposal of property, plant and equipment	-	21
Acquisition of property, plant and equipment	(119)	(48)
Net cash used in investing activities	(119)	(27)

**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 2023 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 2023<sup>(1)</sup> (CONT'D)**

	<b>Current Year-To-Date 30.11.2023 RM'000</b>	<b>Preceding Year-To-Date 30.11.2022 RM'000</b>
<b>Cash flows from financing activities</b>		
Net (repayment)/drawdown of bankers' acceptances	(1,021)	3,157
Net repayment of finance lease liabilities	(37)	(94)
Net repayment of term loans	(104)	(98)
Net repayment of lease liabilities	(116)	(39)
Proceeds from issuance of shares pursuant to ESOS	34	5
Interest paid	(28)	(28)
Net cash (used in)/generated from financing activities	<u>(1,272)</u>	<u>2,903</u>
<b>Net decrease in cash and cash equivalents</b>	<b>(2,048)</b>	<b>(3,609)</b>
<b>Cash and cash equivalents at beginning of the financial period</b>	<b>11,079</b>	<b>3,576</b>
<b>Cash and cash equivalents at end of the financial period</b>	<b><u>9,031</u></b>	<b><u>(33)</u></b>

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

	<b>Current Year-To-Date 30.11.2023 RM'000</b>	<b>Preceding Year-To-Date 30.11.2022 RM'000</b>
Cash and bank balances	8,886	10,907
Deposit placed with a licensed bank	676	924
	<u>9,562</u>	<u>11,831</u>
Less : Deposits pledged	(528)	(778)
Bank overdrafts	(3)	(11,086)
	<u>9,031</u>	<u>(33)</u>

**Notes:**

- (1) The Unaudited Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Audited Financial Statements of the Company for the financial year ended 31 August 2023 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 2023 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 2023.

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 2023, 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 2024***

- Amendments to MFRS 16, *Leases – Lease Liability in a Sale and Leaseback*
- Amendments to MFRS 101, *Presentation of Financial Statements – Non-current Liabilities with Covenants*
- Amendments to MFRS 7, *Financial Instruments: Disclosures* and MFRS 107, *Statement of Cash Flows – Supplier Finance Arrangements*

***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 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 2023 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 have affected the business operations of the Group where the book orders were also delayed from the first quarter to the second quarter of the financial year, impacting our usual seasonality pattern.

Going forward, this may change again as the Ministry of Education (“MoE”) has announced that they are currently working on reverting the commencement of the new academic year to January.

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**

**Employees’ Share Option Scheme (“ESOS”)**

<b>Option Price</b>	<b>Balance as at 1.9.2023</b>	<b>Granted</b>	<b>Exercised/ Lapsed</b>	<b>Balance exercisable as at 30.11.2023</b>
RM0.10	3,330,000	-	(400,000)	2,930,000

On 10 March 2022, the Company offered 12,000,000 options at an exercise price of RM0.10 each to its eligible employees. During the current financial quarter, 350,000 new ordinary shares were issued pursuant to the exercise of this ESOS and 50,000 ESOS lapsed due to resignation of an employee.

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

**A7. Dividend Paid**

No dividend was paid by the Company in the current financial quarter. Subsequent to the financial quarter, on 3 January 2024, the Company paid the second interim single tier dividend of RM0.0025 per ordinary share in respect of the financial year ended 31 August 2023.



**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 2023**

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

**Preceding financial year's corresponding quarter/year-to-date ended 30 November 2022**

	Print Publishing RM'000	Digital Solutions & Network Marketing * RM'000	ALP & STEM Education ^ RM'000	Inter- segment elimination RM'000	Total RM'000
<b>Revenue</b>	17,026	2,755	635	(1,926)	18,490
Cost of sales	(11,721)	(853)	(186)	1,590	(11,170)
Gross profit	<u>5,305</u>	<u>1,902</u>	<u>449</u>	<u>(336)</u>	<u>7,320</u>
<b>Add/(Less):</b>					
Other operating income					301
Distribution expenses					(1,625)
Administrative expenses					(3,274)
Other operating expenses					(577)
<b>Results from operating activities</b>					<u>2,145</u>

**Notes:**

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

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





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

**A9. Valuation of Property, Plant and Equipment**

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

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

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 2023.

**Contingent Assets**

The Group does not have any material contingent assets as at 30 November 2023.



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

**B1. Review of Performance**

**Current Quarter ended 30 November 2023 against Preceding Financial Year's Corresponding Quarter ended 30 November 2022**

The Group recorded a revenue of RM15.253 million for the current financial quarter as compared to RM18.490 million for the preceding financial year's corresponding quarter. This represents a decrease of RM3.237 million (equivalent to 17.51%).

The decrease was mainly attributed to the absence of the delivery of textbook contracts in the current financial quarter as compared to RM5.909 million recorded in the preceding financial year's corresponding quarter and lower contribution from the service of supplying & delivering market-ready digital solutions to the schools under the MoE in the current financial quarter of RM0.459 million as compared RM2.111 million recorded in the preceding financial year's corresponding quarter.

After taking into consideration the impact of lower government contracts contribution, the Print Publishing and Digital Solutions & Network Marketing divisions have shown improvement and recorded RM12.658 million and RM1.171 million in the current financial quarter respectively as compared to RM11.117 million and RM0.644 million respectively in the preceding financial year's corresponding quarter.

The Group recorded a loss before tax ("LBT") of RM1.186 million for the current financial quarter vis-à-vis a profit before tax ("PBT") of RM1.875 million for the preceding financial year's corresponding quarter mainly due to lower revenue achieved coupled with fixed costs incurred.

**B2. Variation of Results for the Current Financial Quarter ended 30 November 2023 against the Immediate Preceding Financial Quarter**

	<b>Current Quarter 30.11.2023 RM'000</b>	<b>Preceding Quarter 31.08.2023 RM'000</b>	<b>Change RM'000</b>
Revenue	15,253	16,792	(1,539)
Loss Before Tax	<u>(1,186)</u>	<u>(3,303)</u>	2,117

The Group recorded a revenue of RM15.253 million for the current financial quarter as compared to RM16.792 million for the immediate preceding financial quarter, representing a decrease of RM1.539 million (equivalent to 9.17%).

The decrease in revenue is due to the seasonality of our business as explained in Note A3 and the impact of a lower contribution from government contracts mentioned in B1.

The Group recorded a LBT of RM1.186 million for the current financial quarter as compared to a LBT of RM3.303 million for the immediate preceding financial quarter, where an impairment for inventories of RM3.037 million was made.



**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 2024**

For the first financial quarter ("Q1") of FYE 31 August 2024 ("FYE 2024"), our Group's revenue had, year-on-year ("y-o-y"), decreased by 17.51% whereas our net profit/loss fell from a net profit of RM1.302 million to a net loss of RM0.993 million, largely due to the decrease in contribution of government contracts in Q1 FYE 2024. The decrease in government contracts contribution was due to the absence of the delivery of textbook contracts during the quarter under review (Q1 FYE 2024). After taking into consideration the impact of lower government contracts contribution, revenue from the Print Publishing, Digital Solutions & Network Marketing, and Applied Learning Products ("ALP") and Science, Technology, Engineering and Mathematics ("STEM") Education segments had actually improved, registering RM12.658 million (13.86% increase), RM1.171 million (81.83% increase), and RM2.174 million (237.58% increase) in Q1 FYE 2024 as compared to RM11.117 million, RM0.644 million, and RM0.635 million in Q1 FYE 2023 respectively, indicating robust demand for our Group's products amidst a seasonally challenging quarter. Notably, our ALP and STEM Education segment experienced significant growth due to the full resumption of physical robotics competitions and the increasing focus being placed on STEM education by the MoE.

Looking forward, our Group intends to achieve heightened growth in FYE 2024 through Mergers & Acquisitions ("M&As"). As mentioned previously, by leveraging on our Group's competitive advantages, M&As will help our Group strategically fill niches which we have little or no market presence in, allowing us to swiftly launch into new business segments with a significant market share and capture fresh sources of revenue in a short span of time. Specifically, we are targeting reputable companies in the publishing/education landscape that specialise in non-academic products and/or solutions that cater to a wide age group. As an update, our Group has successfully identified several companies and preliminary discussions for potential M&As are currently underway. We are hopeful that our Group will be able to initiate and complete M&As in the near future as it remains our top priority for FYE 2024.

Besides M&As, our Group will also be focusing on increasing digital revenue contribution for FYE 2024. Our Group believes that the education landscape is experiencing rapid digitalisation in tandem with launch of the Digital Education Policy ("DEP") on 28 November 2023. To illustrate, we have clinched two digital-related contracts from the MoE in Q1 FYE 2024 including the supplying and delivering market-ready digital solutions in line with the Common European Framework of Reference for Languages ("CEFR") Year 5 for the school session usage from 2024 at a contract value of RM0.487 million and another contract from the MoE for the service of testing the English language proficiency level of English teachers for the MoE at a contract value of RM0.285 million. Looking ahead, we are confident that our Group will be able to achieve similar successes in the future, and we are hopeful that our Group will be able to play a pivotal role in the digitalisation of the education sector through the provision of various high-quality digital solutions. We firmly believe that our 39-years track record in academic content creation will prime our Group in an advantageous position to capitalise on such opportunities.

As part of our Group's ESG initiatives and as a testament to our Group's capability in digital content creation, the MoE had accepted our offer via a letter dated 17 January 2024 to provide all Form 4 and Form 5 teachers free access to our i-LEARN Ace portal during the 2024 academic year. The i-LEARN Ace portal contains Form 4 and Form 5 syllabus-based educational resources for 13 subjects under the current national curriculum. The Group will not derive any financial returns from this service package but hope to benefit from the long-term impact of a higher conversion rate of digitally competent educators.

With these strategies in place, we are hopeful that FYE 2024 will be exciting for our Group. We are cognizant that there are plenty of opportunities for growth and we will strive to seize them as we navigate through a rapidly changing education landscape. We will fall back on the trust we have garnered over the past 38 years and uphold the quality synonymous with our brand in our endeavour to expand our product offerings. All things considered, we are cautiously optimistic about the Group's prospects for FYE 2024.



**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 30.11.2023 RM'000	Preceding Year Quarter 30.11.2022 RM'000	Current Year-To-Date 30.11.2023 RM'000	Preceding Year-To-Date 30.11.2022 RM'000
Amortisation of intangible assets	355	357	355	357
Depreciation on property, plant and equipment	496	411	496	411
Depreciation on investment properties	14	13	14	13
Depreciation on rights-of-use assets	104	33	104	33
Gain on disposal of property, plant and equipment	-	(21)	-	(21)
Reversal of impairment loss on trade receivables	(41)	(35)	(41)	(35)
Finance costs	159	273	159	273
Finance income	(18)	(3)	(18)	(3)
Realised foreign exchange (gain)/loss	(14)	1	(14)	1
Unrealised foreign exchange gain	(26)	-	(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 30.11.2023 RM'000	Preceding Year Quarter 30.11.2022 RM'000	Current Year-To-Date 30.11.2023 RM'000	Preceding Year-To-Date 30.11.2022 RM'000
<b>Current tax expense</b>				
Current period	433	16	433	16
<b>Deferred tax expense</b>				
Current period	(626)	557	(626)	557
	(193)	573	(193)	573

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 18 April 2023, the Company's wholly-owned subsidiary, Media Distribution Sdn. Bhd. ("MDSB") entered into a binding and effective term sheet ("the Term Sheet") with Integra Creative Media Sdn. Bhd. ("ICMSB") to acquire the sole and exclusive right and license to produce and publish the list of publications and to further license the production and publication of the Works relating to early childhood publications and the mark "Oyez!Books" (collectively referred as the "Intellectual Properties") at the purchase price of RM1,000,000 subject to the terms and conditions contained in the Term Sheet. The purchase consideration was to be settled by way of RM700,000 in cash and 300,000 new shares at RM1.00 per share to be issued in MDSB. These new shares would rank pari passu with other existing shares in MDSB.

On 17 October 2023, MDSB has completed the due diligence review and both parties had, on even date entered into an addendum to the Term Sheet ("Addendum"). This Addendum served to document the parties' agreement in regards to ICMSB's request for the early release of the Deposit, which amounted to RM100,000 pending fulfilment of certain Conditions Precedent and to execute a Master Assignment Agreement within 90 days from the date of the Addendum on terms to be mutually agreed by both parties.

On 16 January 2024, the executed Term Sheet relating to the Proposed Acquisition of intellectual properties of ICMSB was terminated, via a notice given on even date to ICMSB ("Notice") due to non-execution of the Master Assignment Agreement by ICMSB within ninety (90) days period from the date of the Addendum. On 24 January 2024, ICMSB has fully refunded the Deposit.

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 2023 were as follows:

	As at 30.11.2023 RM'000	As at 31.08.2023 RM'000
<b>Non-current</b>		
Finance lease liabilities	318	447
Term loans - secured	785	895
	1,103	1,342
<b>Current</b>		
Finance lease liabilities	234	142
Term loans - secured	433	427
Bank overdrafts - secured	3	33
Bankers' acceptances - secured	5,661	6,682
	6,331	7,284
	7,434	8,626

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**

No dividend has been declared or recommended for payment by the Company for the current financial quarter.

**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 30.11.2023 RM'000	Preceding Year Quarter 30.11.2022 RM'000	Current Year-To-Date 30.11.2023 RM'000	Preceding Year-To-Date 30.11.2022 RM'000
Net (loss)/profit attributable to owners of the Company	(993)	1,302	(993)	1,302
Weighted average number of ordinary shares in issue ('000)	433,705	424,602	433,705	424,602
Basic (loss)/earnings per ordinary share (sen)	(0.23)	0.31	(0.23)	0.31

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 30.11.2023 RM'000	Preceding Year Quarter 30.11.2022 RM'000	Current Year-To-Date 30.11.2023 RM'000	Preceding Year-To-Date 30.11.2022 RM'000
Net (loss)/profit attributable to owners of the Company	(993)	1,302	(993)	1,302
Weighted average number of ordinary shares in issue ('000)	433,705	424,602	433,705	424,602
Effect of dilution due to ESOS ('000)	1,327	431	1,327	431
Adjusted weighted average number of ordinary shares ('000)	435,032	425,033	435,032	425,033
Diluted (loss)/earnings per ordinary share (sen)	(0.23)	0.31	(0.23)	0.31

Diluted EPS is equivalent to the basic EPS for the current financial quarter and year-to-date as the share options had an anti-dilutive effect on the basic EPS and the Group has no other instruments with potential dilutive effects as at the end of the financial period.



**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 2023.

By order of the Board  
Kuala Lumpur  
30 January 2024