



# Message to Shareholders

**Law King Hui**  
*Group Managing Director*

**Dato' Salleh Bin Mohd Husein**  
*Independent Non-Executive Chairman*



## Dear shareholders,

We take great pride in reporting that FYE 31 August 2023 has been our best performing financial year since FYE 31 August 2017 (in terms of net profit). It is also a pivotal financial year as we managed to achieve the highest full-year revenue ever recorded in Sasbadi's history. With that said, we believe there is much more opportunities for the Group to grow and expand, and we will be firmly guided by this as we navigate into FYE 31 August 2024 and beyond.



## EARNINGS PER SHARE

2.38 sen



## DIVIDEND PER SHARE

0.75 sen

On behalf of the Board of Directors ("the Board") of Sasbadi Holdings Berhad ("Sasbadi Holdings", "Sasbadi", or "Group"), it is our pleasure to present to you Sasbadi's Annual Report for the financial year ended ("FYE") 31 August 2023.

### Overview

Since our inception in 1985, Sasbadi Holdings Berhad has been guided by a crystal-clear mission: to be the leading education solutions provider in Malaysia. Throughout our illustrious journey, we have served millions upon millions of customers across two generations, emerging as a household name in the education landscape that resonates fondly with the young and old. We are proud to share that even after close to four (4) decades of operations, our Group continues to reach new heights, firmly guided by our unwavering commitment to our mission; FYE 31 August 2023 is one such pivotal moment, as we have not only fully recovered from the adverse effects of the pandemic but managed to achieve the highest full-year revenue ever recorded since our inception. This outstanding achievement is attributed to our ability to make swift responses even in the face of adversity, further asserting the competitive advantages our Group has garnered over its 38 years of existence.

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For FYE 31 August 2023, our Print Publication Segment continues to be the largest contributor to the Group's financials as our strong suite of product offerings covering Primary, Secondary, and Tertiary levels remain the go-to for teachers and students. Sasbadi's print publications are powered by digital elements, known as hybrid academic publications, that perfectly cater to the academic landscape's shift towards digital, solidifying as some of the most competitive publications in the market. They are up to date with the latest requirements of the national curriculum and possess an unparalleled quality supported by Sasbadi's 38-year-old branding. With increased demand for Sasbadi products, in order not to obstruct the smooth flow of the teaching and learning processes in schools, our Group's robust logistics and supply chain management solutions to turnaround high-volume sales on a timely basis served as a critical success factor to our market share gain. Besides, our Group still assumes an active role in the textbook publication space as we had clinched two (2) contracts (Package 3 – Peninsula Malaysia and Package 5 – Peninsula Malaysia) from the Ministry of Education ("MoE") on 11 October 2022 to supply reprinted textbooks ("BCS") to schools under the MoE for the period from 2022 to 2024 with a total contract value of RM14.363 million.

**FYE 31 August 2023 performance has firmly cemented itself as a significant milestone for Sasbadi, and we are poised to capitalise on future opportunities backed by nearly four decades of experience.**



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On the digital front, a significant portion of revenue was generated through government contracts. Our Group managed to clinch two (2) contracts from the MoE on 11 October 2022 to supply and deliver market-ready digital solutions in line with the Common European Framework of Reference for Languages ("CEFR") Year 1 and Year 3 for the school session usage from 2023 with a total contract value of RM2.238 million, serving as a testament to the Group's completely in-house digital capabilities which we have been developing for over a decade. Our Group remains committed to strengthen our digital expertise to enable us to respond swiftly to rapidly changing digital education needs, and we are proud that our tireless efforts have borne fruit in FYE 31 August 2023.

Overall, our Group's performance for FYE 31 August 2023 has not only showcased Sasbadi's business resilience but also our unrivalled competitiveness within the Malaysian education landscape.

### Prospects

Our Group acknowledges our strong footing in the academic print publication space, and looking ahead, we are cognizant that heightened growth must be achieved through fresh sources of revenue. A key strategy to achieve this for FYE 31

August 2024 and beyond is through Mergers & Acquisitions ("M&As") that strategically fill niches which our Group has little/no market presence in. By acquiring the right companies, our Group can swiftly launch into new business segments with significant market share whilst improving the acquired companies' financial performance by leveraging on our Group's competitive advantages.

On the topic of new business segments, our Group has been setting our sights on the early childhood education ("ECE") segment in FYE 31 August 2023 and will continue to do so for FYE 2024 and beyond. The Group intends to tap into the huge growth potential of Malaysia's ECE segment by offering ECE classroom solutions of the highest standard that provide a form of standardisation across kindergartens whilst ensuring specific learning goals are met. Besides that, our Group has already expanded our repertoire of ECE products suited for the home market ("B2C") in FYE 31 August 2023, forming a strong foundation for our Group to be a formidable player in the ECE segment in Malaysia.

Our Group also anticipates an uptake in digital revenue for FYE 31 August 2024 and onwards. We have won several contracts from the MoE in FYE 31 August 2023 for the supply and delivery of market-ready digital solutions, and we are hopeful that our Group will be able to capitalise on similar opportunities

## Sasbadi Printed Publications



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### Sasbadi Digital Solutions

in tandem with the launch of the Digital Education Policy ("DEP") by the MoE recently. Notably, in the first quarter of FYE 31 August 2024, we have successfully clinched a contract from the MoE on 4 September 2023 for supplying and delivering market-ready digital solutions in line with the CEFR Year 5 for the school session usage from 2024 at a contract value of RM0.487 million, and another contract from the MoE on 29 September 2023 for the service of testing the English language proficiency level of English teachers for the MoE at a contract value of RM0.285 million.

Overall, our Group believes there is still much more room for us to grow and expand. We will focus on diversifying our product offerings to achieve higher growth whilst upholding the quality synonymous with the Sasbadi brand that our customers have come to trust. We will continue to monitor our risk management strategies, including cost reduction and cost optimisation measures, which will benefit the Group as we strengthen our economies of scale and financial position. All things considered, we are cautiously optimistic about the Group's prospects for FYE 31 August 2024 and beyond.

### Offer of Options Under Employees' Share Option Scheme ("ESOS")

During FYE 31 August 2022, in appreciation of our team and as a form of motivation for our employees to strive for greater results, the Group had offered a total of 12,000,000 options at an exercise price of RM0.10 each to its eligible employees under the ESOS. As at the end of the FYE 31 August 2023, a total of 8,470,000 options granted under this scheme have been exercised. The ESOS is exercisable until its expiry on 9 March 2024.

### Appreciation

Our heartfelt thanks to our fellow Board members who have provided us invaluable guidance to tread through difficult times. Without your insight, Sasbadi would not be what it is today. Our sincerest appreciations go to the management team and employees of Sasbadi who have worked tirelessly to keep us at the forefront of our nation's education landscape. To our business associates, we thank you for your continued support and the confidence you place in us. We managed to achieve new heights thanks to all of you, and we will strive to achieve greater success in the years to come.