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The digital version of PPG Annual Report 2020 is available from our corporate website.
Visit www.PelangiPublishing.com or scan the QR code to view.



Corporate Information

BOARD OF DIRECTORS

- DATUK SUM KOWN CHEEK**
(Executive Chairman and Group Managing Director)
- SUM LIH KANG**
(Executive Director)
- KOH SIEW SHERN**
(Executive Director)
- VINCENT WONG SOON CHOY**
(Senior Independent Non-Executive Director)
- SYAHRIZA BINTI SENAN**
(Independent Non-Executive Director)
- DATIN DR. NORRIZAN BINTI RAZALI**
(Independent Non-Executive Director)
- WONG TUCK CHEONG**
(Non-Independent Non-Executive Director)

SECRETARIES

- LEONG SIEW FOONG**
(MAICSA NO. 7007572)
(CCM PC No.: 202008001117)
- HUAN CHUAN SEN @ AH LOY**
(MACS 01519)
(CCM PC. No.: 201908000132)
- SANTHI A/P SUMINATHAN**
(MAICSA NO. 7069709)
(CCM PC No.: 201908002933)

AUDITORS

GRANT THORNTON MALAYSIA PLT
(Member Firm of Grant Thornton International Ltd)
Chartered Accountants
LEVEL 11, SHERATON IMPERIAL COURT, JALAN SULTAN ISMAIL, 50250 KUALA LUMPUR

AUDIT COMMITTEE

- VINCENT WONG SOON CHOY**
Chairman
- SYAHRIZA BINTI SENAN**
Member
- DATIN DR. NORRIZAN BINTI RAZALI**
Member
- WONG TUCK CHEONG**
Member

REGISTERED OFFICE

SUITE 9D, LEVEL 9,
MENARA ANSAR,
65 JALAN TRUS,
80000 JOHOR BAHRU,
JOHOR, MALAYSIA
TEL: 07 - 224 1035
FAX: 07 - 221 0891

NOMINATION COMMITTEE

- VINCENT WONG SOON CHOY**
Chairman
- SYAHRIZA BINTI SENAN**
Member
- DATIN DR. NORRIZAN BINTI RAZALI**
Member

SHARE REGISTRAR

BOARDROOM SHARE REGISTRARS SDN BHD 199601006647 (378993-D)

11TH FLOOR, MENARA SYMPHONY,
NO. 5, JALAN PROFESSOR KHOO KAY KIM
SEKSYEN 13, 46200 PETALING JAYA,
SELANGOR, MALAYSIA
TEL: 03 - 7890 4700
FAX: 03 - 7890 4670

REMUNERATION COMMITTEE

- SYAHRIZA BINTI SENAN**
Chairman
- VINCENT WONG SOON CHOY**
Member
- DATIN DR. NORRIZAN BINTI RAZALI**
Member

PRINCIPAL BANKERS

- ALLIANCE BANK MALAYSIA BERHAD
- PUBLIC BANK BERHAD
- MALAYAN BANKING BERHAD
- RHB INVESTMENT BANK BERHAD

BOARD RISK MANAGEMENT COMMITTEE

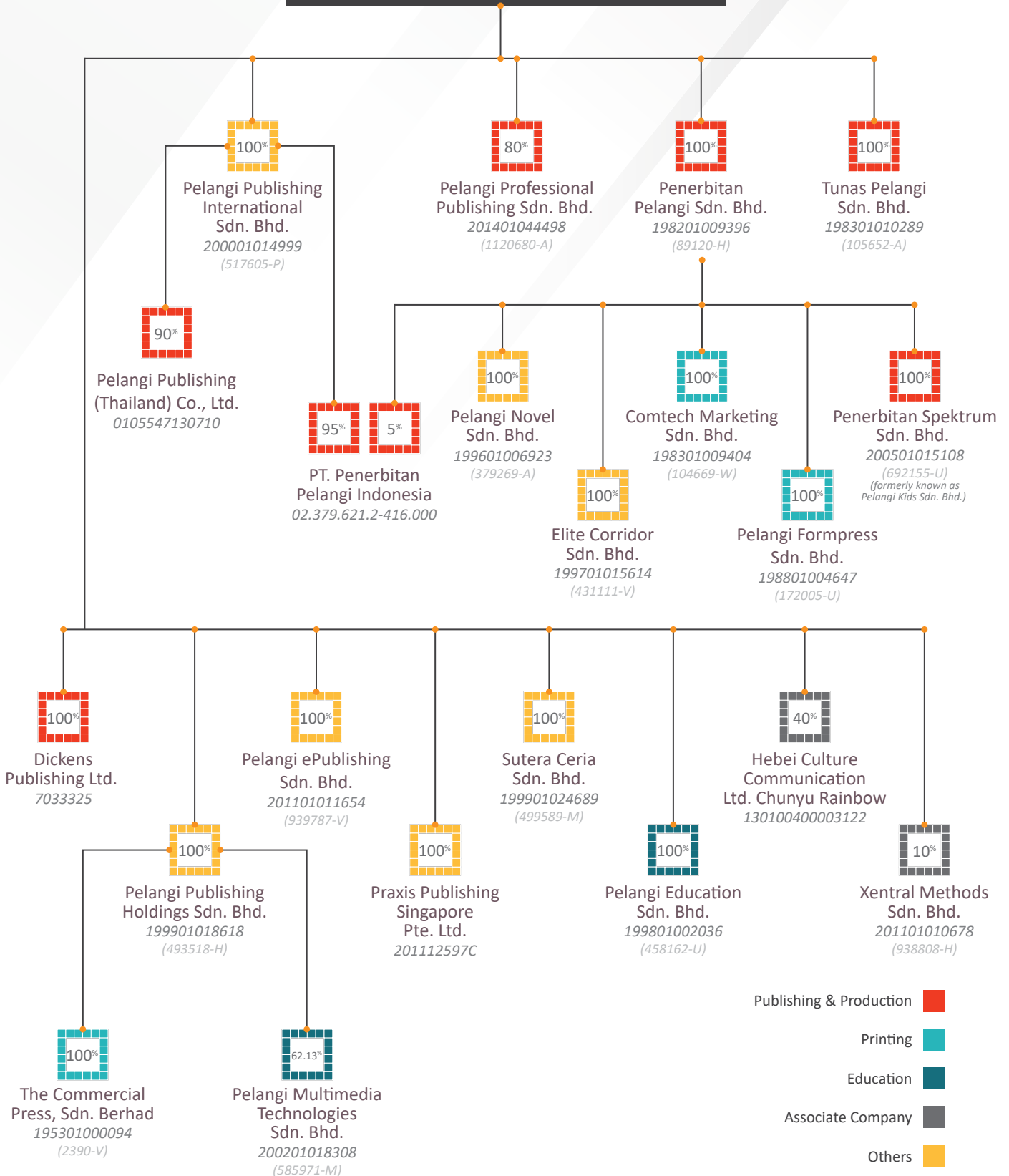
- SYAHRIZA BINTI SENAN**
Chairman
- VINCENT WONG SOON CHOY**
Member
- SUM LIH KANG**
Member

STOCK EXCHANGE

MAIN MARKET OF THE BURSA MALAYSIA SECURITIES BERHAD
Bursa Stock Code: 7190
WEBSITE: www.PelangiPublishing.com

Corporate Structure

PELANGI PUBLISHING GROUP BHD



- Publishing & Production ■
- Printing ■
- Education ■
- Associate Company ■
- Others ■

Remark: Percentage calculated based on Ordinary Shares issued

Our Vision

Aspire to be a full-fledged international Education Service Provider adhering closely to its motto

'Quality Books for Quality Education'

- P**ublishing for the Future
- E**ducating the World
- L**earning is Fun
- A**chieve your Dreams
- N**urturing Character & Values
- G**row with Digital Era
- I**nnovative & Creative Ideas

Our Presence



Dickens Publishing Ltd.
(United Kingdom)

Pelangi Publishing
(Thailand) Co., Ltd.
(Thailand)



Pelangi Publishing Group (HQ)
(Johor Bahru, Malaysia)
Pelangi Publishing Group (Sales Office)
(Bangi, Malaysia)



Hebei Culture
Communication Ltd.
Chunyu Rainbow
(China)



Praxis Publishing Singapore Pte. Ltd.
(Singapore)



PT. Penerbitan Pelangi Indonesia
(Indonesia)

#Covid-19 #โควิด19 #Korona



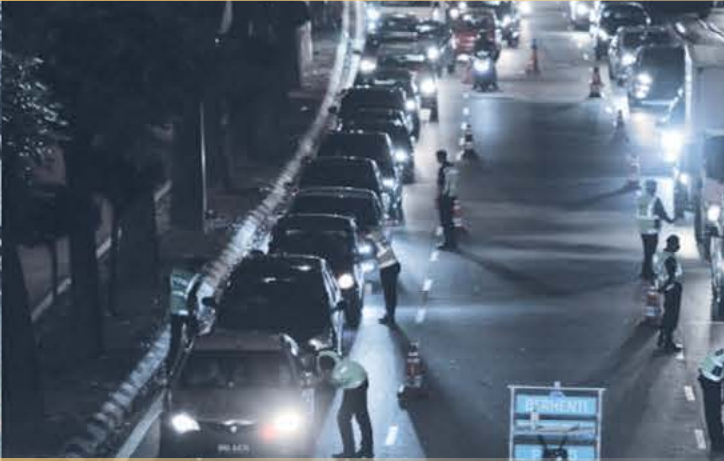
11 MARCH 2020

World Health Organisation (WHO) declared COVID-19 a global pandemic.



18 MARCH 2020

Malaysia officially initiated **Movement Control Order (MCO)** period, followed by **Conditional Movement Control Order (CMCO)** and **Recovery Movement Control Order (RMCO)** until 31 March 2021



Since then...
More and more countries in the world entered into lockdown...





The World is not the same anymore...
Life is not the same anymore...
Workplaces are not the same anymore...

However, life still goes on.....

The world learns to live with **"New Normal"**

New Normal @ New Platform

Education systems have been affected by the COVID-19 pandemic, leading to the closure of kindergartens, schools, colleges and universities.

PELANGI, as an Education Service Provider, responded to the accelerated changes in modes of delivering quality education by supporting the continuation of teaching and learning during pandemic.

We aim to play a part to strengthen the resilience of education systems to respond to the challenges beyond the Covid-19 pandemic.

**Make
Physical
Books
Available**



**Make
Digital
Books
Available**



Facilitate Online Resources

Engage in Remote Learning

Make NEW NORMAL Fun

Events Highlights

In conjunction with its 40th anniversary in 2019, Pelangi organised its first charity carnival namely Pelangi #40cents Carnival in Bangi, Selangor. In collaboration with partners of Pelangi Kindergarten Club ("PKC"), we successfully raised the funds through the #40cents Carnival to support the PINTAR FOUNDATION programme. We truly appreciate the support and participation of all our partners.



Pelangi Trade-in Programme was officially launched at the Pelangi #40cents Carnival 2019. The aim of this programme is to support the recycling of old books and help to establish a culture of environmental responsibility. It is also an opportunity to express our appreciation to Pelangi loyal customers by trading in their old books and purchase new books from the Pelangi Books Gallery.



PELANGI SUB-BRAND NAMING CONTEST

Create a brand name for Bahasa Melayu Publications
To Win RM500 Cash Prize

Brand Name Specification

- Target Age: 7 - 17 years
- Products: Children and Academic publications

Participation Requirement

- Open for Pelangi employees in Malaysia and Indonesia
- Maximum 5 names per staff
- Provide description of the proposed brand name

Interested? Please submit your proposed name to namingcontest@pelangibooks.com
Deadline: 31 March 2020



Penerbitan Spektrum Sdn. Bhd., one of the subsidiaries of Pelangi Publishing Group Bhd. was established to publish Bahasa Malaysia publications. The name "Spektrum" was selected from the naming contest held among the employees of Pelangi Publishing Group Bhd.

CSR Highlights

Sponsored 1800 copies of SPM activity books to 3 selected secondary schools in Bangi namely SMK Bandar Baru Bangi, SMK Jalan Tiga & SMK Jalan Empat.



Flood Relief: Pelangi Donation Drive, with the tremendous support and generosity of Pelangi and its employees, we have successfully helped flood victims and affected Pelangi employees via MPKK Sungai Chua Kajang and Jabatan Amal Malaysia.



Support "Back to School" Programme organised by Members of Parliament Bangi

Book Sponsorship via Programme organised by
Persatuan Kebajikan Kanak-Kanak Terencat Akal



Book Sponsorship via Programme organised
by **Global Peace Foundation Malaysia**



Book Sponsorship to
Orang Asli in Gambang



Book Sponsorship via Programme organised
by **Kementerian Komunikasi dan Multimedia**

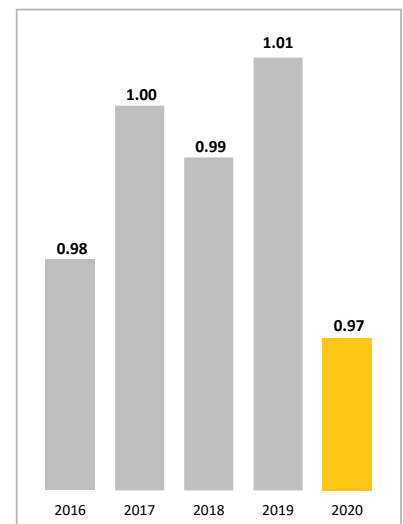
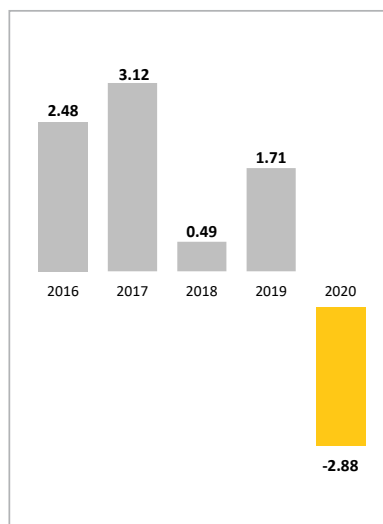
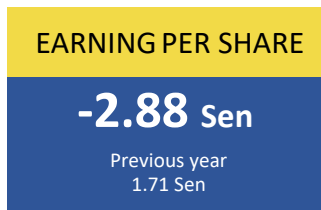
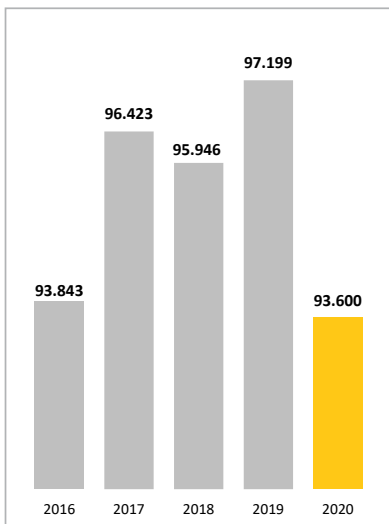
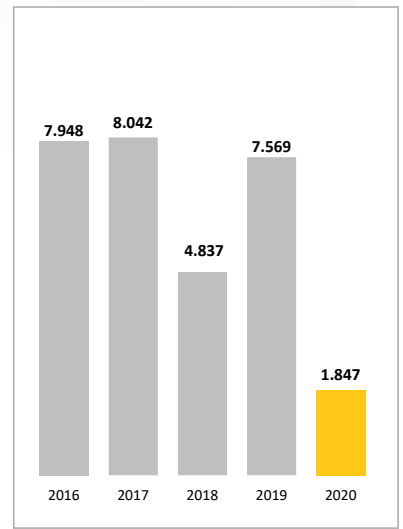
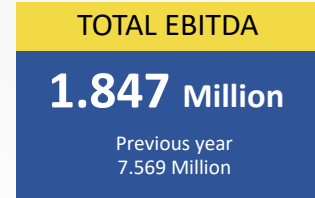
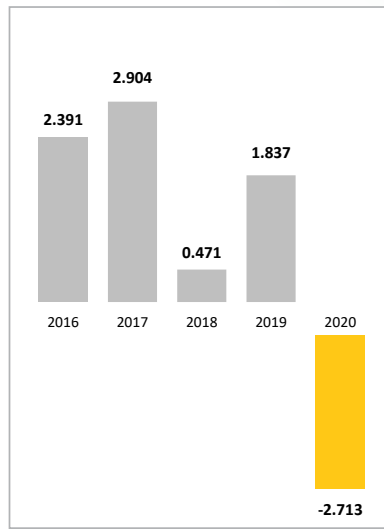
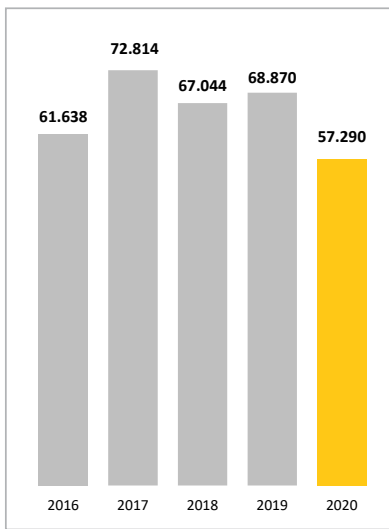


Group Segmental Performance

Five Years

Group Financial Highlights

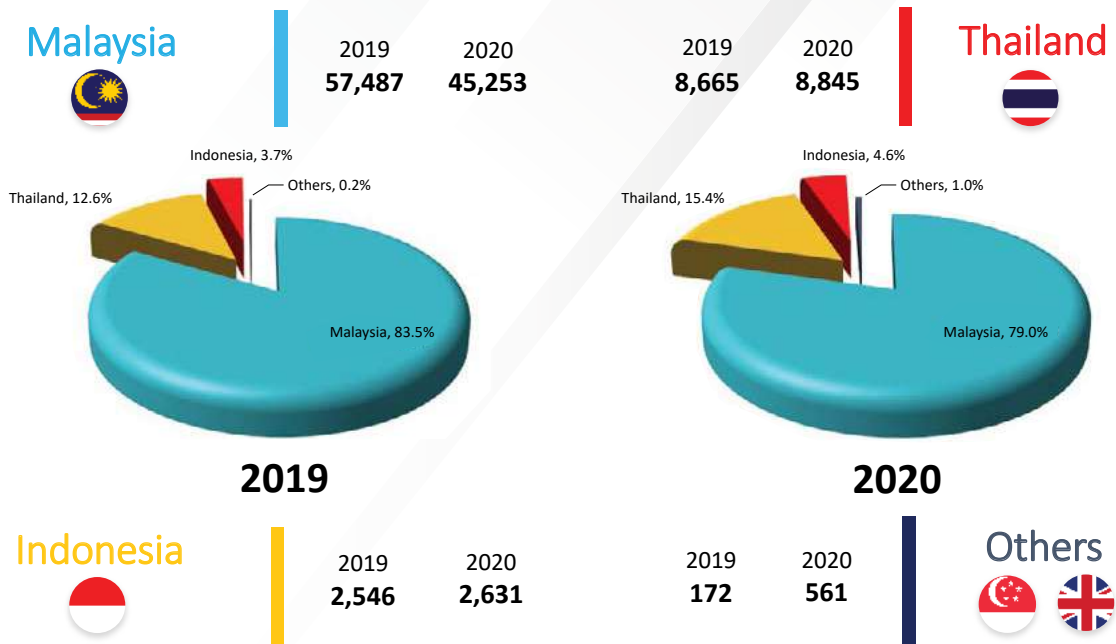
The below data are presented in Ringgit Malaysia.



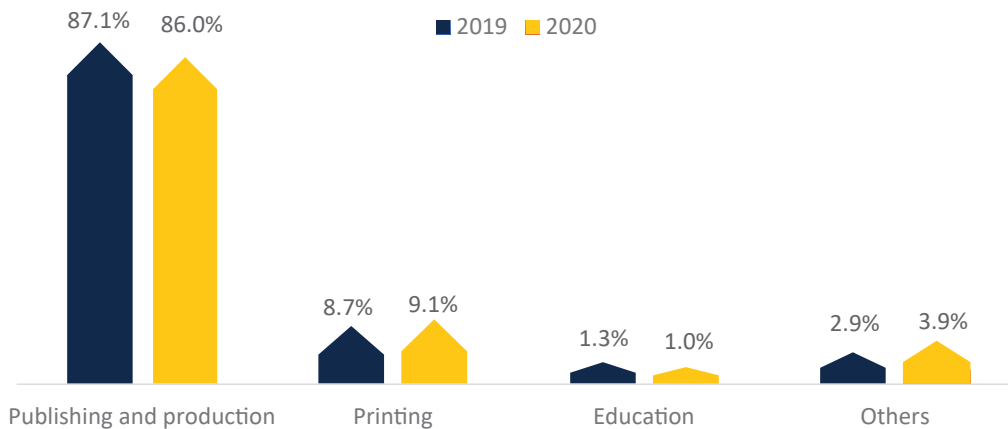
Revenue

The below data are presented in Ringgit Malaysia in million.

BY GEOGRAPHICAL AREA



BY SEGMENTAL



2020 Segment	Revenue	Inter-Segment	External Customer	In Percentage
Publishing and production	52,531	(3,282)	49,249	86.0%
Printing	9,682	(4,445)	5,237	9.1%
Education	557	-	557	1.0%
Others	4,875	(2,628)	2,247	3.9%
TOTAL REVENUE	67,645	(10,355)	57,290	100.0%

2019 Segment	Revenue	Inter-Segment	External Customer	In Percentage
Publishing and production	65,727	(5,708)	60,019	87.1%
Printing	10,740	(4,773)	5,967	8.7%
Education	909	-	909	1.3%
Others	5,013	(3,038)	1,975	2.9%
TOTAL REVENUE	82,389	(13,519)	68,870	100.0%



Dear Fellow Shareholders,

“

Year 2019 was a year full of joys for Pelangi Publishing Group Bhd. to have celebrated its 40th anniversary as an educational book publisher. Year 2020 has proven to be a year full of challenges and also a year full of opportunities. The Covid-19 pandemic has truly tested our organisation's agility and resilience to change, as our operation had to be transformed with limited resources. Year 2021 will be a year Pelangi moves ahead with new business models and new operation modes.

On behalf of the Board of Directors of Pelangi Publishing Group Bhd. (“PPG” or “the Group”), it is my honour to present the Annual Report and Financial Statements of the Group for the financial year ended 30 September 2020.

”

FINANCIAL REVIEW

In this financial year, the Group registered a revenue of RM57.29 million and net loss of RM2.71 million. In Malaysia, sales from our publishing segment declined, predominantly contributed by lower retail sales impacted by the pandemic. In overseas markets, our sales have improved slightly through school adoption sales. We foresee contribution from our overseas markets to continue increasing, as we pour more investment into overseas markets. Our cost-saving initiatives have also helped us reduce our operating expenses in 3rd and 4th quarters, thus lessening the negative impact of our financial results.

REVIEW OF OPERATIONS

At the height of the Covid-19 pandemic in March 2020, educational institutions including schools and kindergartens were called to close to stem the spread of the virus. “E-learning” became a buzzword to keep teaching and lessons go on for school teachers and students. Pelangi immediately enhanced its digital contents to make digital learning available. In collaboration with digital partners like Frogasia and e-Sentral, we provided e-learning materials to students learning from home.

Despite the sudden rise of home-based online learning, we noticed that physical educational products still play a fundamental role in our education system. Limitations in infrastructure and digital education resources have hindered the progress of online learning programmes in many parts of our region. We believe that blended learning with both physical and digital products will be the most suitable educational tool for the time being. New business models will have to be created and emerge for education sectors, and time will tell how this develops in the next few years.

In response to the change of purchasing habits during and after MCO, Pelangi has revamped the e-commerce website to provide a better online order service. With that, online orders and sales increased tremendously, also by participating in several e-commerce platforms including Shopee and Lazada. Many of our brick-and-mortar customers, especially bookstores, also experienced an unprecedented slump in sales and began expanding their businesses to online sales platforms. Covid-19 pandemic has truly transformed consumers' shopping behaviour and all our sales operations.

In running our daily operations, we also have to adapt to the “New Normal”, with social distancing and non-essential travelling being prohibited, kicking off major digital transformation projects in our organisation. Work-from-home arrangements have required us to have better mode of communication among our colleagues and better monitoring of work progress. Digital initiatives have also driven down our usage of paper in our daily operations. Local and regional meetings are now being held virtually more frequently than physically. Inability to travel has led to more regional virtual meetings, pulling our regional offices closer to each other. The “New Normal” has not only forced us in making changes in our daily routine, but has certainly made a positive impact to our work efficiency in the long run.