



NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the Sixteenth Annual General Meeting of **PELANGI PUBLISHING GROUP BHD.** will be held at Palm Resort Berhad, Melati Hall, Jalan Persiaran Golf, Off Jalan Jumbo, 81250 Senai, Johor on Friday, 16 March 2018 at 10.00 a.m. to transact the following businesses:

AGENDA

ORDINARY BUSINESS

- To receive the Audited Financial Statements for the financial year ended 30 September 2017 together with the Directors' and Auditors' Reports thereon.
- To approve the payment of a final single tier dividend of 2.00 sen per ordinary share for the financial year ended 30 September 2017.
- To approve the payment of Directors' fees and benefit for the financial year ended 30 September 2017.
- To approve the payment of Directors' benefit for the financial year ending 30 September 2018.
- To re-elect the following Directors retiring in accordance with the Company's Articles of Association:
 - Datuk Sum Kown Cheek – Article 123
 - Sum Lih Kang – Article 128
 - Koh Siew Shern – Article 128
- To re-appoint Messrs Grant Thornton Malaysia as Auditors of the Company and authorise the Directors to fix their remuneration.

RESOLUTION 1
RESOLUTION 2
RESOLUTION 3
RESOLUTION 4
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RESOLUTION 7

SPECIAL BUSINESS

- To consider and, if thought fit, to pass the following Resolutions:

ORDINARY RESOLUTION 1 AUTHORITY TO ALLOT SHARES – SECTION 76

THAT pursuant to Section 76 of the Companies Act, 2016 and subject to the approval of the relevant authorities, the Directors be and are hereby empowered to issue shares in the Company from time to time and upon such terms and conditions and for such purposes as the Directors may, in their absolute discretion, deem fit provided that the aggregate number of shares issued pursuant to this resolution does not exceed 10% of the total number of issued shares of the Company for the time being and that the Directors be and are also empowered to obtain approval for the listing of and quotation for the additional shares so issued on the Bursa Malaysia Securities Berhad and that such authority shall continue in force until the conclusion of the next Annual General Meeting of the Company.

RESOLUTION 8

ORDINARY RESOLUTION 2 PROPOSED RENEWAL OF AUTHORISATION FOR THE COMPANY TO PURCHASE ITS OWN SHARES OF UP TO TEN PERCENT (10%) OF THE TOTAL NUMBER OF ISSUED SHARES OF THE COMPANY

("Proposed Renewal Of Share Buy-Back Authority")

THAT subject to the provisions of the Companies Act, 2016 ("the Act"), the Articles of Association of the Company, Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities") and other relevant authorities, the Company be and is hereby authorised to purchase such number of ordinary shares in the Company ("Proposed Share Buy-Back Authority") as may be determined by the Directors of the Company from time to time through Bursa Securities upon such terms and conditions as the Directors may deem fit and expedient in the interest of the Company provided that:

- the maximum aggregate number of ordinary shares purchased and/or held by the Company as treasury shares shall not exceed ten percent (10%) of the total number of issued shares of the Company at any point in time;
- the funds allocated by the Company for the purpose of purchasing its shares shall not exceed the total retained profits. The audited retained profits of the Company stood at RM8,412,307 as at 30 September 2017.
- the authority conferred by this resolution shall continue to be in force until:
 - the conclusion of the next Annual General Meeting ("AGM") of the Company following the forthcoming AGM, at which time the said authority will lapse, unless the authority is renewed at that meeting, either unconditionally or subject to conditions; or
 - the expiration of the period within which the next AGM of the Company is required to be held pursuant to Section 340(2) of the Act (but must not extend to such extension as may be allowed pursuant to Section 340(4) of the Act); or
 - revoked or varied by resolution passed by the shareholders in a general meeting,

RESOLUTION 9

whichever occurs first.

THAT the Directors of the Company be and are hereby authorised to deal with the shares purchased at their absolute discretion, either partially or fully, in the following manner:

- cancel all the shares so purchased;
- retain the shares so purchased as treasury shares;
- distribute the treasury shares as share dividends to shareholders;
- resell the treasury shares on Bursa Securities in accordance with the Main Market Listing Requirements of Bursa Securities; and
- any combination of (i), (ii), (iii) and (iv) above.

AND THAT the Directors of the Company be and are hereby authorised to give effect to the Proposed Share Buy-Back Authority with full power to assent for any modifications and/or amendments as may be required by the relevant authorities.

ORDINARY RESOLUTION 3 CONTINUATION OF TERMS OF OFFICE AS INDEPENDENT DIRECTOR

THAT the terms of office of Syahrizta Binti Senan be remained as Independent Director of the Company in accordance with Malaysian Code On Corporate Governance 2017.

RESOLUTION 10

ORDINARY RESOLUTION 4

PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE ("Proposed RSM")

THAT approval be and is hereby given to the Company and/or its subsidiaries to enter into recurrent related party transactions of a revenue or trading nature with the related parties mentioned under section 2.1.2 of the Circular to Shareholders dated 26 January 2018 which are necessary in the course of business of the Company and/or its subsidiaries for day-to-day operations and on normal commercial terms which are not more favorable to the related parties than those available to the public and not detrimental to the minority shareholders of the Company and such approval shall continue to be in force until:

- the conclusion of the next AGM of the Company following the forthcoming AGM at which such Proposed Renewal of The Existing Shareholders' Mandate for Recurrent Related Party Transaction of a Revenue or Trading Nature was passed, at which time will lapse, unless by ordinary resolution passed at an AGM whereby the authority is renewed, either unconditionally or subject to conditions;
- the expiration of the period within the next AGM of the Company after the date it is required to be held pursuant to Section 340(2) of the Companies Act, 2016, ("Act") (but must not extend to such extension as may be allowed pursuant to Section 340(4) of the Act); or
- revoked or varied by resolution passed by the shareholders in a general meeting;

whichever is earlier.

RESOLUTION 11

ORDINARY RESOLUTION 5

PROPOSED GRANT OF OPTIONS TO SUM LIH KANG PURSUANT TO THE COMPANY'S EMPLOYEES' SHARE OPTION SCHEME

THAT the Options Committee be and is hereby authorised at any time, and from time to time, to offer and grant options to Sum Lih Kang, the Executive Director of the Company, to subscribe for up to 750,000 new ordinary shares in the Company under the Company's Employees' Share Option Scheme ("ESOS"), provided that the allocation of options to a director or employee who either singly or collectively through persons connected with the director or employee, holds 20% or more of the total number of issued shares (excluding treasury shares) of the Company, does not exceed 10% of the shares available under the ESOS and subject always to such terms and conditions and/or any adjustment which may be made in accordance with the provisions of the By-laws of the ESOS, Main Market Listing Requirements of Bursa Malaysia Securities Berhad and any prevailing guidelines issued by Bursa Malaysia Securities Berhad or any other relevant authorities **AND THAT** the Directors be and are hereby authorised to issue and allot from time to time such number of new shares in the Company to Sum Lih Kang pursuant to his exercise of options under the ESOS.

RESOLUTION 12

ORDINARY RESOLUTION 6

PROPOSED GRANT OF OPTIONS TO KOH SIEW SHERN PURSUANT TO THE COMPANY'S EMPLOYEES' SHARE OPTION SCHEME

THAT the Options Committee be and is hereby authorised at any time, and from time to time, to offer and grant options to Koh Siew Shern, the Executive Director of the Company, to subscribe for up to 750,000 new ordinary shares in the Company under the Company's Employees' Share Option Scheme ("ESOS"), provided that the allocation of options to a director or employee who either singly or collectively through persons connected with the director or employee, holds 20% or more of the total number of issued shares (excluding treasury shares) of the Company, does not exceed 10% of the shares available under the ESOS and subject always to such terms and conditions and/or any adjustment which may be made in accordance with the provisions of the By-laws of the ESOS, Main Market Listing Requirements of Bursa Malaysia Securities Berhad and any prevailing guidelines issued by Bursa Malaysia Securities Berhad or any other relevant authorities **AND THAT** the Directors be and are hereby authorised to issue and allot from time to time such number of new shares in the Company to Koh Siew Shern pursuant to his exercise of options under the ESOS.

RESOLUTION 13

- To transact any other business appropriate to an Annual General Meeting, due notice of which shall have been previously given in accordance with the Companies Act, 2016 and the Company's Articles of Association.

NOTICE OF DIVIDEND ENTITLEMENT

FINAL SINGLE TIER DIVIDEND OF 2.00 SEN PER ORDINARY SHARE

NOTICE IS HEREBY GIVEN THAT subject to the approval of the shareholders at the Sixteenth Annual General Meeting, the final single tier dividend of 2.00 sen per ordinary share in respect of the financial year ended 30 September 2017 will be payable on 26 April 2018 to Depositors registered in the Record of Depositors at the close of business on 6 April 2018.

A Depositor shall qualify for entitlement only in respect of:

- Securities transferred into the Depositor's Securities Account before 4.00 p.m. on 6 April 2018 in respect of transfer; and
- Securities bought on the Bursa Malaysia Securities Berhad on a cum entitlement basis according to the Rules of the Bursa Malaysia Securities Berhad.

BY ORDER OF THE BOARD

LEONG SIEW FOONG (MAICSA NO. 7007572)
 HUAN CHUAN SEN @ AH LOY (MACS 01519)
 ZARINA BINTI AHMAD (LS NO. 0009964)
 Company Secretaries

Johor Bahru
 Dated: 26 January 2018

NOTES:

- A member of the Company entitled to attend and vote at the Meeting is entitled to appoint a proxy to attend and vote in his stead. The proxy need not be a Member of the Company. There shall be no restriction as to the qualification of the proxy. A proxy appointed to attend and vote at a meeting of a company shall have the same rights as the member to speak at the meeting.
- A member shall be entitled to appoint more than one proxy (subject always to a maximum of two (2) proxies at each meeting) to attend and vote at the same meeting. Where a member appoints more than one (1) proxy (subject always to a maximum of two (2) proxies at each meeting) the appointment shall be invalid unless he specifies the proportions of his holdings to be represented by each proxy.
- Where a member of the Company is an exempt authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991 ("SICDA") which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("omnibus account"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus accounts it holds. Where a member is an authorised nominee as defined under SICDA, it may appoint one (1) proxy in respect of each Securities Account it holds with ordinary shares of the Company standing to the credit of the said Securities Account.
- The instrument appointing a proxy shall be in writing under the hand of the appointer or his attorney duly authorised in writing or if such appointer is a corporation under its common seal or the hand of its officer or attorney.
- The instrument appointing the proxy must be deposited at the Company's Share Registrar, Symphony Share Registrars Sdn Bhd situated at Symphony House Pusat Dagangan Dana, 1, Jalan P1U/1A/46, 47301 Petaling Jaya, Selangor, Malaysia not less than forty-eight hours before the time appointed for holding the Meeting and any adjournment thereof.

EXPLANATORY NOTES ON SPECIAL BUSINESS:

- Ordinary Resolution 1**
 The Ordinary Resolution 1, if passed, is primarily to give flexibility to the Board of Directors to issue and allot shares at any time in their absolute discretion without convening a general meeting. This is a renewal of a general mandate. The Company did not utilise the mandate granted in the preceding year's Annual General Meeting. The authority will, unless revoked or varied by the Company in general meeting, will expire at the next Annual General Meeting. The authority will provide flexibility to the Company for allotment of shares for any possible fund raising activities, including but not limiting to further placing of shares, for the purpose of funding future investment(s), acquisition(s) and/or working capital.
- Ordinary Resolution 2**
 The Ordinary Resolution 2, if passed, will empower the Directors to purchase the Company's shares of up to 10% of the total number of issued shares of the Company at any point of time, by utilising the funds allocated which shall not exceed the total retained profits of the Company. This authority, unless revoked or varied by the Company at a general meeting, will expire at the conclusion of the next Annual General Meeting. Please refer to Statement of Share Buy-Back dated 26 January 2018.
- Ordinary Resolution 3**
 Syahrizta Binti Senan is an Independent Director of the Company who has served the Company for more than twelve years. In line with the Malaysian Code on Corporate Governance 2017, the Nomination Committee has assessed his independence as define in Bursa Securities Listing Requirement which has not been compromised all these while. In fact, she exercises her judgment in an independent and unfettered manner, discharge her duties with reasonable care, skill and diligent; bringing independent thought and experience to board deliberations and decision making process all these while which is valuable to the Company. She would not hesitate to raise doubts over any issues, albeit on audited financial statement or internal audit, until she is satisfied with their explanation or proposed recommendations. To that, the Board recommends Syahrizta Binti Senan to continue her office as an Independent Directors according to the resolution put forth in the forthcoming Annual General Meeting. Ms Syahrizta has met the independence as defined in Bursa Securities Listing Requirements. In addition, the Board assessed her independence annually. Her independence has not been compromised all these while.
- Ordinary Resolution 4**
 The Proposed RSM under Ordinary Resolution 4 was intended to renew the shareholders' mandate granted by the shareholders of the Company at an Annual General Meeting of the Company held on 17 March 2017. The Proposed RSM is to facilitate transactions in the normal course of business of the Company and its subsidiaries ("the Group") which are transacted from time to time with the specified classes of related parties, provided that they are carried out on an arm's length basis and on the Group's normal commercial terms and are not prejudicial to the shareholders on terms not more favorable to the related parties than those generally available to the public and are not to the detriment of the minority shareholders. By obtaining the shareholders' mandate on an annual basis, the necessity to convene separate general meetings from time to time to seek shareholders' approval as and when such recurrent related party transactions occur would not arise. This would reduce substantial administrative time, inconvenience and expenses associated with the convening of such meetings, without compromising the corporate objectives of the Group or adversely affecting the business opportunities available to the Group. Further information on Proposed RSM is set out in the Circular to Shareholders of the Company which is dispatched together with the Annual Report of the Company for the financial year ended 30 September 2017.
- Ordinary Resolutions 5 and 6**
 Employees' Share Option Scheme ("ESOS") has been approved in an Extraordinary General Meeting held on 16 March 2016. Both Sum Lih Kang and Koh Siew Shern are appointed as Executive Directors of the Company on 21 March 2017 and 31 March 2017 respectively, hence they are eligible to the ESOS. Through ESOS, both of them will be motivated towards improved performance through greater productivity and loyalty to the Company.