

Company Name : Sasbadi Holdings Berhad
Date : 20 March 2017
Source : The Edge Weekly

Sasbadi Holdings Bhd

Target price: **RM1.63 BUY**



HONG LEONG IB RESEARCH (MARCH 14): Sasbadi Sdn Bhd has entered into two agreements with Majlis Peperiksaan Malaysia in relation to the publishing, printing, distributing, marketing and sales of past-year question papers for the Sijil Tinggi Persekolahan Malaysia (STPM) examination and Malaysian University English Test.

We are positive on the agreements because they expand Sasbadi's offerings. We deem them to be synergistic as the group also offers the STPM syllabus through its purchase of Pearson's STPM titles, which were rebranded under Malaysian Book Promotions, a subsidiary of Sasbadi. We expect positive top and bottom-line contributions to kick in as soon as 3QFY17 despite a minimal quantum.

We reiterate our positive outlook for Sasbadi as it grows more solid through its fervent effort to cement its position as a sought-after educational publishing company as well as an education solutions provider for LEGO Education robotic products and STEM education.