PRESTARIANG

PRESTARIANG BERHAD
7th Annual General Meeting

22 May 2017

by
Abu Hasan Ismail; PhD.
President & Group CEO

TRANSFORMING LIVES
Technology & Talent thriving in a digital economy

Contents

Transforming Lives

Key Highlights

Recognitions 2016

a Constituent of

FTSE4Good
BURSA MALAYSIA INDEX
updated 6 December 2016

SHARIAH - COMPLIANT

a Constituent of
FTSE Bursa Malaysia
EMAS Shariah index

FTSE Bursa Malaysia
Small Cap Shariah index

MSWG **TOP 100**
MALAYSIA-ASEAN
Corporate Governance Transparency
Index, Findings and Recognition 2016

FY16 Best Performing Autodesk
Education Partner ASEAN Region
Prestariang Systems Sdn Bhd

**FY16 Best Performing
Autodesk Education
Partner ASEAN Region**

**EC-Council Circle of
Excellence Award 2016**

**ISO 9001:2015 Certification for
Microsoft Business Solution
(MLA 2.0)**

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Performance Overview

Financial Highlights FY2016

MARKET CAPITALISATION

> RM1.0 BILLION

MINIMUM OF

50%

PROFIT PAYOUT
DIVIDEND POLICY

3.00 sen

Total Dividend Per Share

↑ **Revenue (RM Million)**

+14.4% **132.1**

FY2015: 115.5mil

↓ **Shareholders' Fund (RM Million)**

-4.8% **161.5**

FY2015: 169.6 mil

↓ **Profit Before Tax (RM Million)**

-48.7% **11.5**

FY2015: 22.4mil

↓ **Total Assets (RM Million)**

-3.2% **198.4**

FY2015: 205.0 mil

↓ **Profit After Tax (RM Million)**

-47.0% **9.0**

FY2015: 17.0 mil

↓ **Earnings Per Share (sen)**

-48.3% **1.84**

FY2015: 3.56 sen

The Ministry of Finance has granted Prestariang Systems Sdn Bhd (PSSB) **30% income tax exemption** under a customized incentive for **5 years commencing 1 Jan 2017.**

Financial Position as at 31 Dec 2016

Deferred & Current Tax Assets
RM2.3 mil (1.2%)

Trade & Other Receivables
RM64.8 mil (32.7%)

Cash & Bank Balances and Short Term Investments
RM109.4 mil (55.1%)

Total Assets RM198.4 mil

Fixed Assets
RM12.1 mil (6.1%)

Development Costs
RM7.3 mil (3.7%)

Inventories
RM2.5 mil (1.3%)

Deferred & Current Tax Liabilities
RM1.2 mil (0.6%)

Trade & Other Payables
RM35.3 mil (17.8%)

Total Equity & Liabilities RM198.4 mil

Shareholders' Fund
RM161.5 mil (81.4%)

Borrowings
RM0.4 mil (0.2%)

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Group's Performance Since Listing
(2011 - 2016)

Total Revenue

2011	2012	2013	2014	2015	2016
111.7	110.0	119.6	78.8	115.4	132.1

RM**668** Million

Total PAT

2011	2012	2013	2014	2015	2016
33.6	37.2	42.1	20.2	17.0	9.0
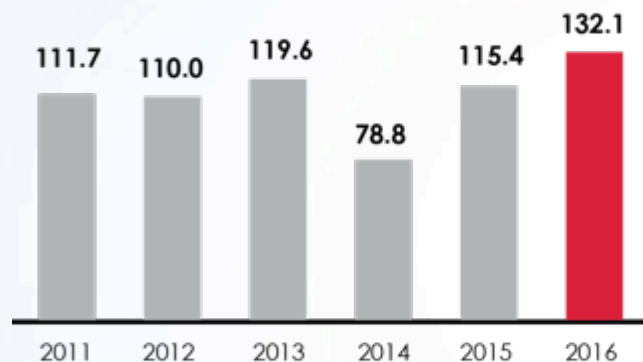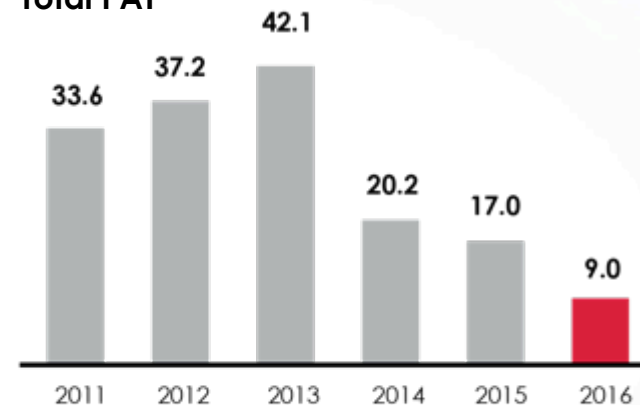
RM**159** Million

Capital Appreciation

2011	2012	2013	2014	2015	2016
1.0	1.11	2.88	1.44	2.97	2.06

> 200%

Note:
During FYE 2014, the issued and paid up capital was increased by way of:-
(a)   a bonus issue of 220 mil; 1 to 1 basis
(b)   a private placement of 44 mil at an issue price of RM1.74 each

Dividend Paid

2011	2012	2013	2014	2015	2016
17.6	22.0	26.3	19.7	18.1	14.5
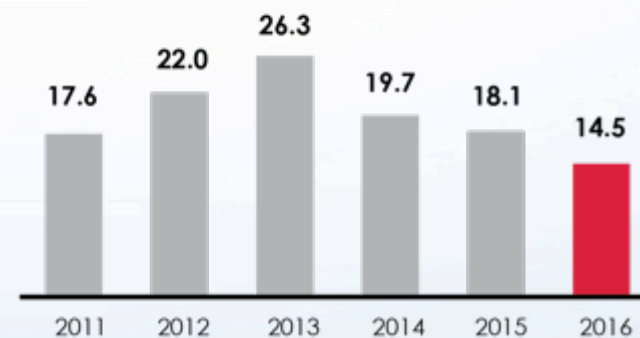
RM**118** Million (74% PAT)

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Strong Institution Investors

- Number of Holders: 2,144
- Top 30 Shareholders: 75.09%
- Substantial Shareholders:
  - KWAP
  - AIA Berhad
  - Credor

TOP 30 HOLDERS BY BENEFICIARY

TOP 10 LOCAL INSTITUTIONS, 41.17%

MAJOR SHAREHOLDER, 27.41%

TOP FOREIGN INSTITUTIONS, 3.98%

OTHER INSTITUTIONS & RETAILERS, 27.44%
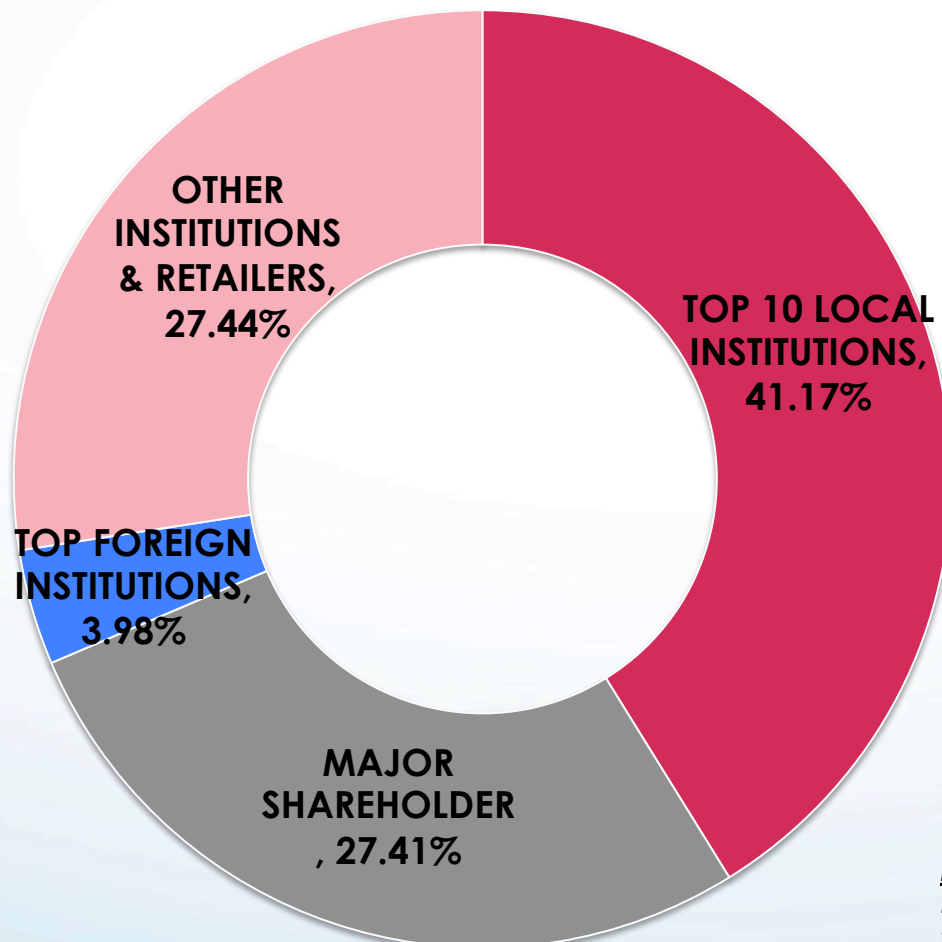
Major Shareholder:
Dr Abu's deemed interest in Prestariang through his interest in EkoHati, Sigma Dedikasi and Anjakan Evolusi at 27.41%

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Share Performance

Prestariang Berhad Share Price Performance Chart
4 Jan 2016 to 15 May 2017)

Closing price: RM2.35
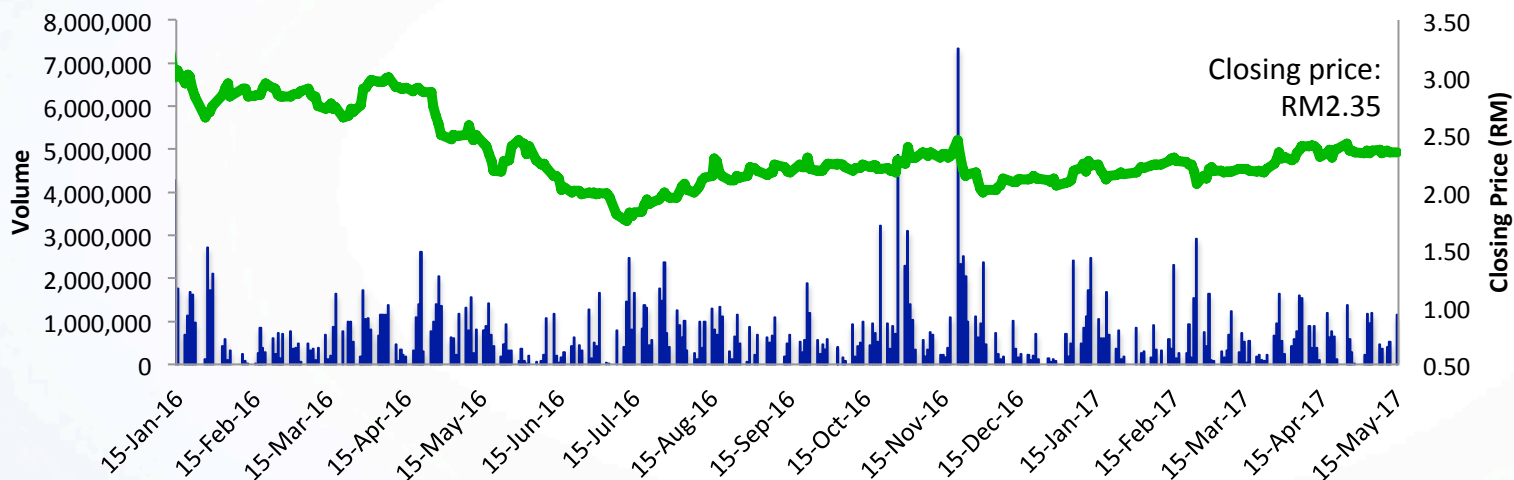
Total returns since IPO		> 400%
	FY2017	**FY2016**
Total returns	14%	(31%)
Highest traded price	RM2.43 (25 Apr)	3.27 (13 Jan)
Lowest traded price	RM2.05 (24 Feb)	1.69 (12 Jul)
Annual average trading volume per day	~ 700,000	~ 850,000

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2017 Focus Areas

- **Execution, Execution, Execution**

- **Transforming** Prestariang to be a **Platform-Based Services** company

  A. **Consolidating our Business to 2 Services Based Platform**

    1. **TECHNOLOGY PLATFORM**
       - Services
       - Software
    2. **TALENT PLATFORM**
       - University
       - Training
       - Cloud

B. Strengthening our core competencies and operations to drive recurring income

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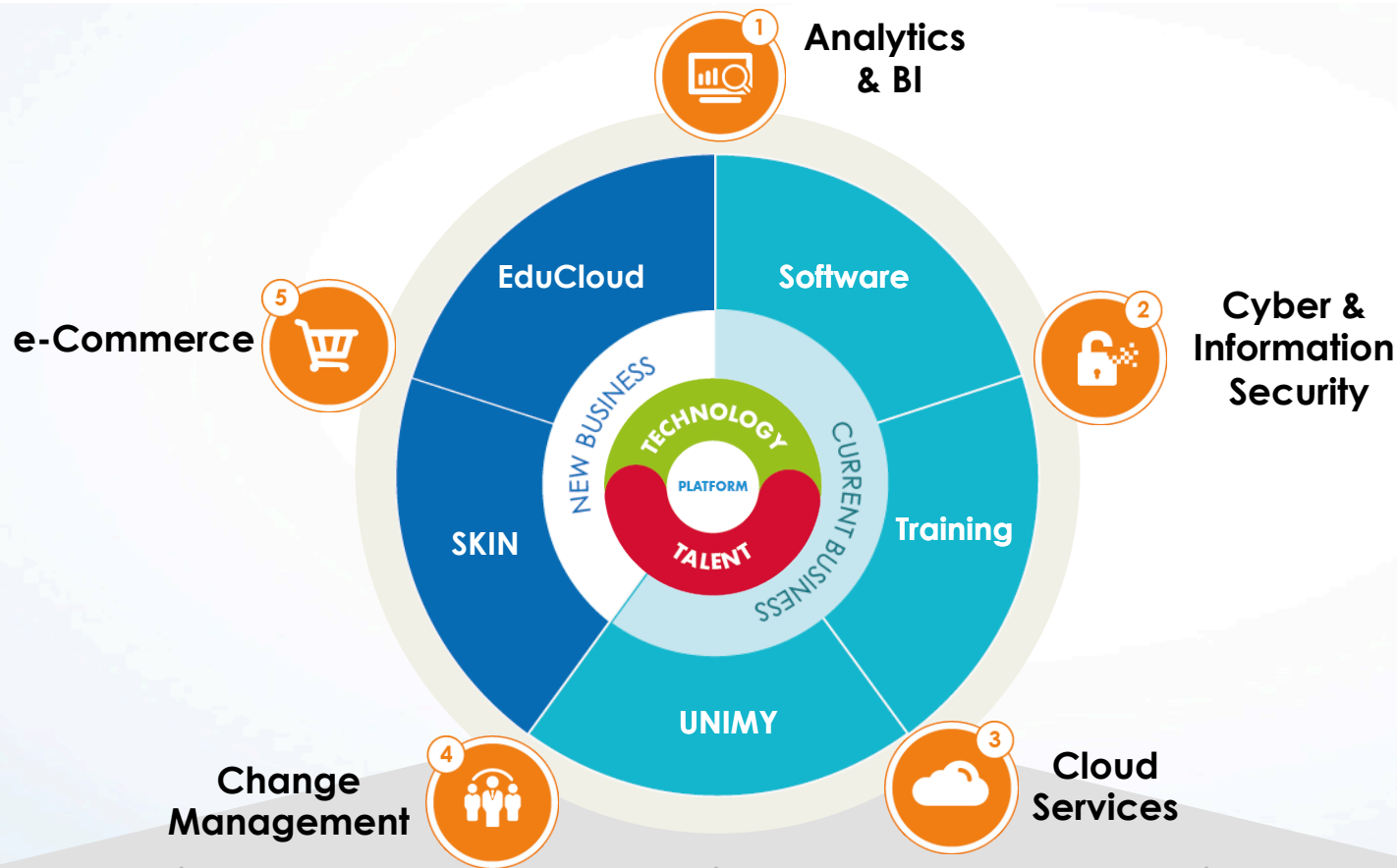
Transformation of Prestariang

Business Outlook
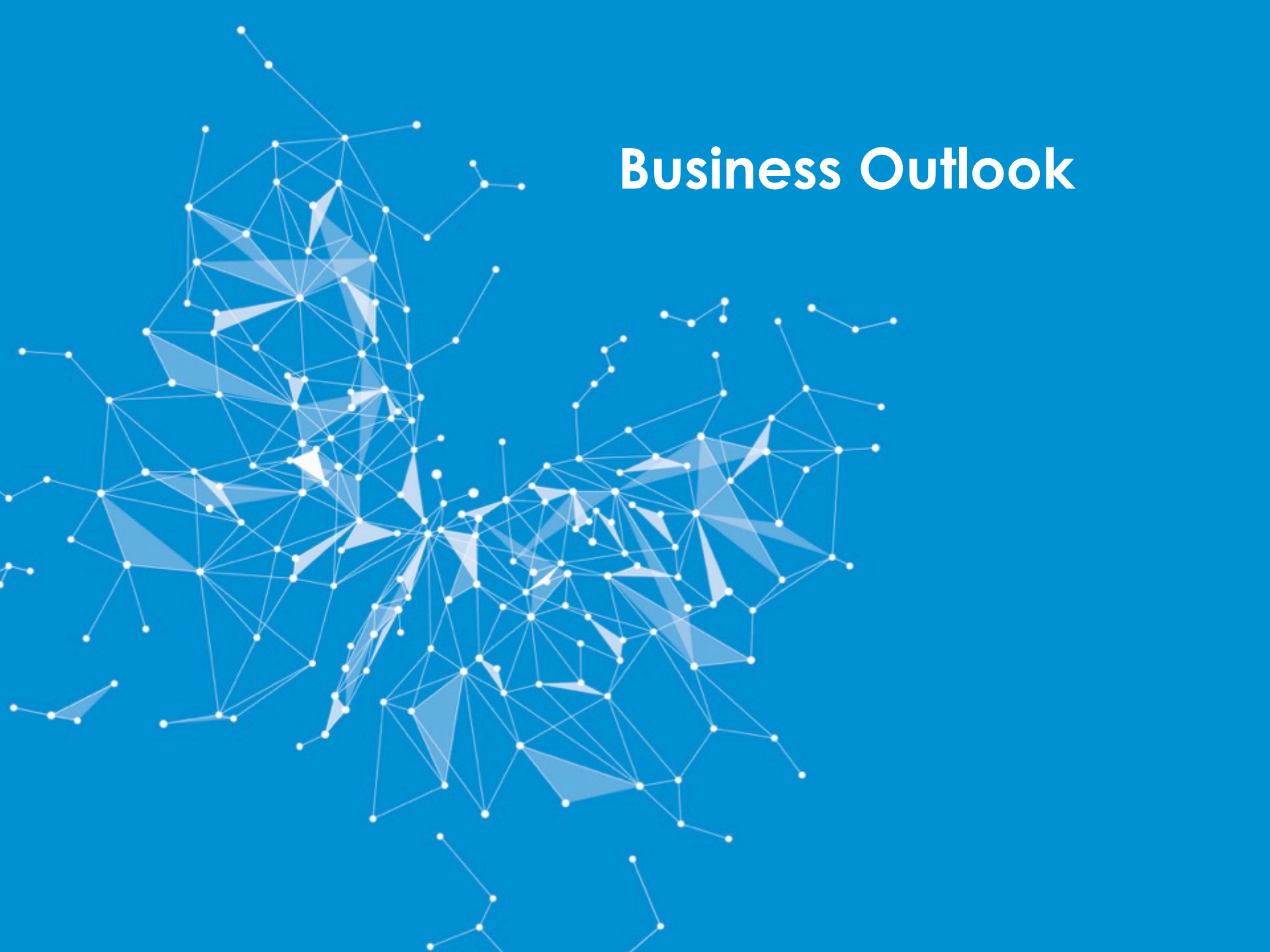
TALENT PLATFORM

UNIMY

by

Prof Datuk Dr Khairuddin Ab Hamid

Vice Chancellor

Transformation of Prestariang

KEY FOCUS

1. Analytics & BI
2. Cyber & Information Security
3. Cloud Services
4. Change Management
5. e-Commerce

REVENUE MIX

CURRENT BUSINESS

- Ongoing contracts renewal
- UNIMY target to breakeven in 2017

REGIONAL STRATEGY

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Rebooting UNIMY

New Idea

New Creative

New Website

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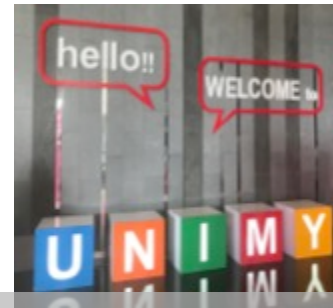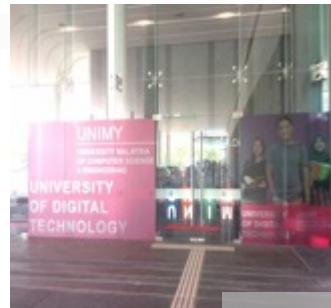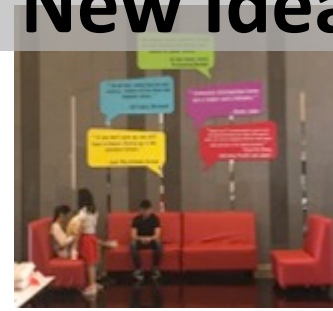
UNIMY Brand Promise

Complete Ecosystem Providing End-to-End Student Experience

Career Path	Job Maker Techno-prenuer / Start-up Funds	Job Seeker Top jobs global IT brands / Employment at Prestariang

Academic MELBOURNE SCHOOL OF ENGINEERING THE UNIVERSITY OF MELBOURNE University of Melbourne as Academic Partner for Quality Assurance	Undergraduate & Postgraduate Programs	Short Courses

THREE KEY FOCUS AREAS

Cyber Security	Big Data	Coding

Industry Linkages	Certification	Embedded industry certification as part of the curriculum
	Star Power ▪ Brand leverage via brand association ▪ Quotes and opinions from leaders of select IT brands and successful Techno-prenuers	**Final Year Project Portfolio** **Academic Supervisory Panel** THALES Alibaba Cloud aliyun.com MAKE SCHOOL

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April 2017 Intake

- Highest recruitment in April 2017 intake: **200 students**

- Total students population as at May 2017: **400 students**

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House Visits

- UNIMY Academic team visited the home of **5 selected SPM's scholars (10As and 11As)**

- Scholarships were offered to **Top Achievers** who performed well in both Academic and Extra-Curricular activities

Industrial Relations

- Partnering with global brands in **THREE** focus areas - **Cyber Security, Data Analytics and Coding**
- Over 200 participants attended short courses and seminars conducted by **Alibaba Cloud, Thales and KPMG**

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Star Power Event

Grooming future tech leaders

> UNIMY students rub shoulders with top tech executives

BY NUR SHAHIRAH MOHD

STUDENTS of University Malaysia of Computer Science and Engineering (UNIMY) had their first-hand experience meeting tech professionals recently in a pilot student initiative themed 'Trailblazing the world through digital economy'. The event featured top executives such as Ramanathan Sathiamutty, Chief Transformation Officer of Celcom Axiata, Adam Brimo, CEO of OpenLearning.com, Australia and Dr Abu Hasan Ismail, President/Group Chief Executive Officer of Prestariang Berhad.

The three speakers shared stories of how they went through the ups and downs in carving their path in the constantly evolving industry and what the students should be mindful of when it's their tur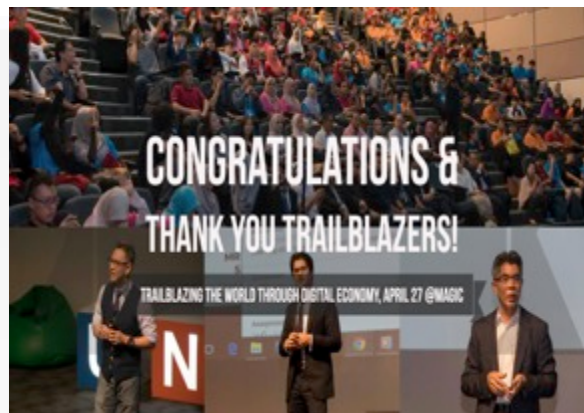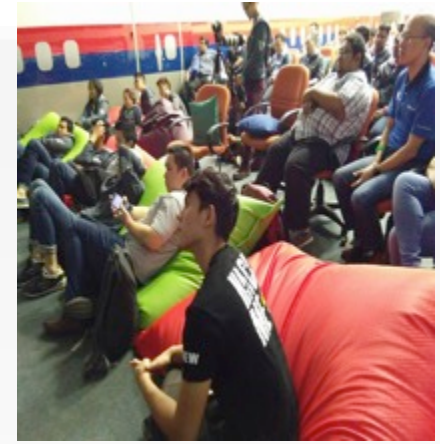n to find a place for themselves in the fast changing industry particularly in cyber security, big data and coding. Sound advice from the executives made the debut student-to-industry meet-up timely and relevant as students had the chance to be in tune with their expectations with that of the market.

"UNIMY has always been working closely with the industry to expose its students to a real life experience on digital technology and current update on the industry. There are things that students cannot learn by just reading the textbook or attending classes. We want to produce students that are ready for the market. And the most direct method is to help them reach out and connect to those experienced folks in the tech industry. Their advice will only help the students"

learning journey that much more meaningful," said Prof Datuk Dr Khairuddin Ab Hamid, vice chancellor of the digital technology university.

The event was held at the Malaysian Global Innovation & Creative Centre (MAGIC), which is also a partner of the university that seeks to provide a platform to nurture and groom the future generation of tech leaders.

During the event, UNIMY also launched their Overseas Internship Scholarship 2018 by Yayasan Universiti Malaysia together with their 2017 scholar recipients Ahmad Naim Mim and Viveekloep Singh, final year students in Bachelor of Software Engineering (Hons) who will be going to Digital Hollywood University (DHU), Tokyo, Japan for their internship this August.

UNIMY is best known as the digital technology university that offers a study pathway to three of the key areas in digital technology: Big Data, Cyber Security, and Coding.

- Promoting leadership and confidence - Over 300 participants in the 1st series of industry to student sharing session – **"Trailblazing the World through Digital Economy"**
- 3 Speakers - Ramanathan Satiamutty, CTO of Celcom Axiata, Adam Brimo of OpenLearning and Dr Abu Hasan of Prestariang Berhad

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Competition & Project Showcase

- UNIMY team competed in **Malaysia Airlines "Hackathon 2017"** and reached **Top 20 at Final**
- Final year students showcased key projects at the **Autodesk Malaysia Design Competition 2016 Award Ceremony**

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Centre for Student Experience

Active Students' Clubs & Associations

- Cultural Day by Student Representative Council for new students
- Volunteerism @ Putrajaya by Eco-Adventure Club
- Selfie competition by Photography Club

CULTURE DAY

Dancing | Singing | Theatre | Many more

AT Ground Floor, UniMy

Performed by Student intake April 2017

13 APRIL 2017
9am-12.30pm

You're all invited! FREE

Organised by:

Transforming Lives

TALENT PLATFORM
EduCloud

Transformation of Prestariang

KEY FOCUS

1. Analytics & BI
2. Cyber & Information Security
3. Cloud Services
4. Change Management
5. e-Commerce

REVENUE MIX

educloud

- Subscription
- Contract Service
- E-Commerce

REGIONAL STRATEGY

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Significant Milestones

Prestariang Signed MoU with Alibaba Cloud &
Conversant Solutions to build EduCLOUD on 22 Jan 2017

Why EduCloud?

OUR ASSETS

SCHOOLS

7772
Primary

2480
Secondary

2,800,000 Students

2,200,000 Students

Total
5,000,000 students

PUBLIC INSTITUTIONS

20
Universities

32
Polytechnics
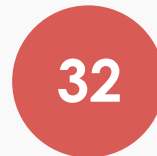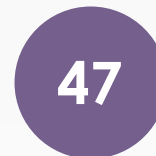
47
Community colleges

673,352 students

Total
1,167,077 students

135,500 Foreign students

PRIVATE INSTITUTIONS
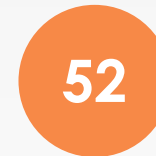
52
Local Universities

10
Foreign Universities

37
College universities

401
colleges

493,725 students

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EduCloud: The Future and Beyond

DIGITAL PLATFORM UNLOCKING NEW OPPORTUNITIES

**MALAYSIAN
MARKET OPPORTUNITY**

- **5 million** primary and secondary school student
- **1.3 million** higher education students
- **600** public and private higher education institutions

**ASEAN
MARKET OPPORTUNITY**

- **600 million** population
- **100 million middle-class** by 2020
- Combined **GDP of USD$2.8 trillion** (2015)

**ASEAN
HIGHER EDUCATION OPPORTUNITY**

- **6,500** Higher Education Institution
- **12 million** students

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What is EduCloud?

A SINGLE SERVICES-BASED PLATFORM
TO EMPOWER
EDUCATION, ENTREPRENEURSHIP AND E-COMMERCE

KEY DRIVERS

A	DATA IS THE NEW ENERGY	**B**	STUDENTS AS LIFELONG PARTNERS

C	MOBILE-FIRST, CLOUD-ENABLED

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EduCloud Ecosystem Extends Beyond Campus

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TECHNOLOGY PLATFORM
Software & Services
SKIN

Transformation of Prestariang

KEY FOCUS

1 — Analytics & BI
2 — Cyber & Information Security
3 — Cloud Services
4 — Change Management
5 — e-Commerce

REVENUE MIX

CURRENT BUSINESS

- Ongoing contracts renewal
- UNIMY target to breakeven in 2017

REGIONAL STRATEGY

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Realigning Current Businesses into Group's Transformational Businesses

- **Software & Services business and new centralized contract** continues to be the **key driver for revenue growth**

- ICT Training & Certification **remains a core business for recurring income;** remodel including **job placement** and change management program

- Accredited Prestariang Skills Training Institute (PSTI) for TVET program

- Current businesses will be placed in the **cloud platform to target mass market**

MLA 2.0
MASTER LICENSING AGREEMENT

Master Licensing Agreement (MLA) 2.0
- An initiative by the Ministry of Finance that is aligned to the strategic ICT thrust of the Government.
- A Microsoft Software Central Contract
- Prestariang as the appointed Microsoft Licensing Solution Partner (LSP) to provide Microsoft software licenses to all Government Agencies in Malaysia.

Competency Enhancement Programme (CEP)
- A unique value proposition under MLA 2.0, endorsed by Microsoft (Malaysia) Sdn. Bhd.
- A continuity from the Role-based Training for Civil Servant (RBTCS) program, an initiative to provide ICT literacy to civil servants in Malaysia.

24 MINISTRIES | 1123 GOVERNMENT AGENCIES
>16,000 CIVIL SERVANTS TRAINED | >90,000 DEVICES COVERED

in collaboration

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Transformation of Prestariang

KEY FOCUS

1. Analytics & BI
2. Cyber & Information Security
3. Cloud Services
4. Change Management
5. e-Commerce

REVENUE MIX

SISTEM
KAWALAN &
IMIGRESEN
NASIONAL
*The Heart
of Our National Security*

- Fixed Concession revenue (3+12 years)
- Construction costs revenue during development (3 years)

REGIONAL STRATEGY

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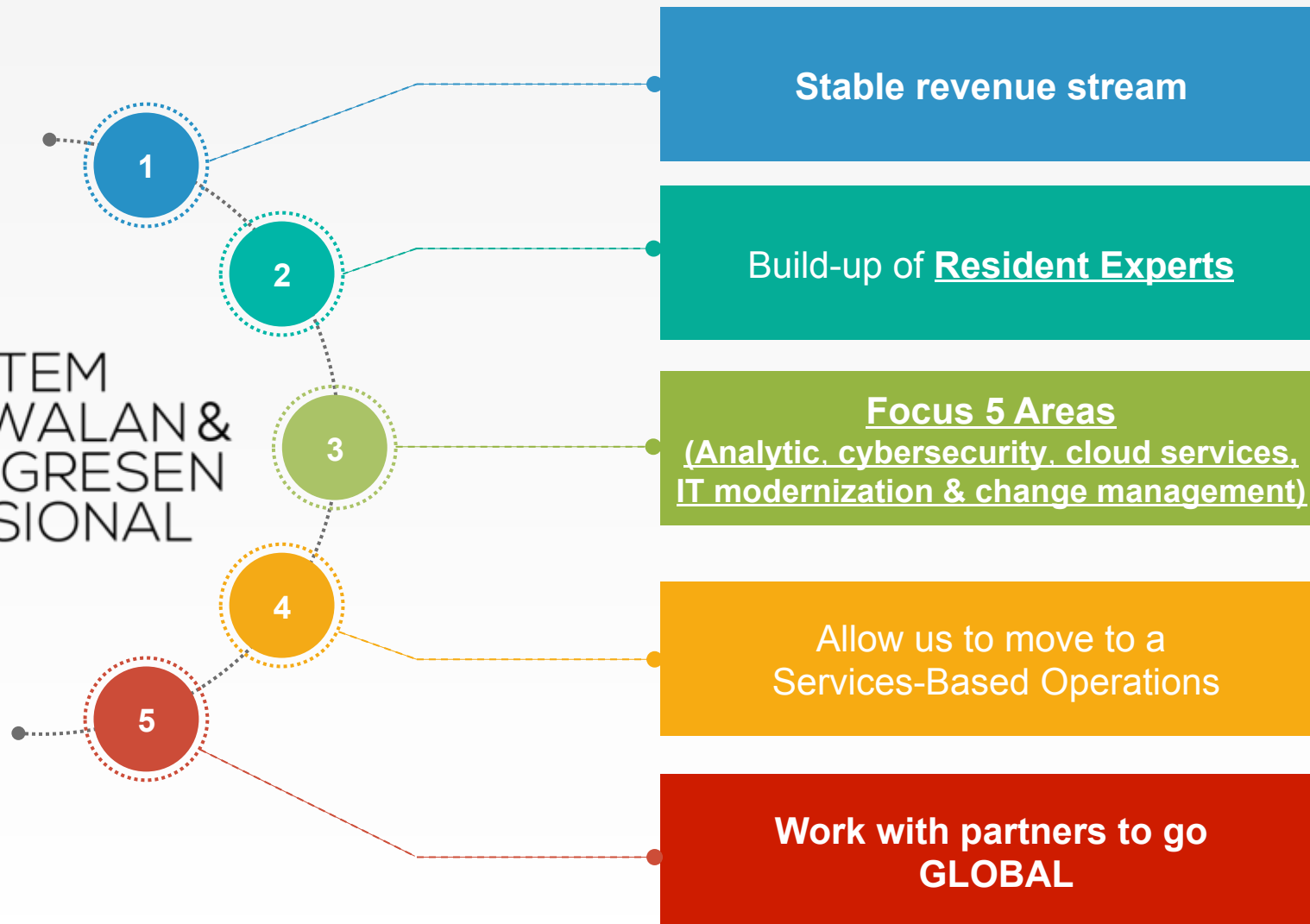
Significant Milestones

Prestariang and Thales signed an agreement for Malaysian border security. In the presence of the President of France, H.E. Francois Hollande, and the Minister of MITI, YB Dato' Sri Mustapa Mohamed on 28 Mar 2017

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Intrinsic Values
Derived While Undertaking SKIN

1 — **Stable revenue stream**

2 — Build-up of **Resident Experts**

3 — **Focus 5 Areas**
(Analytic, cybersecurity, cloud services, IT modernization & change management)

4 — Allow us to move to a Services-Based Operations

5 — **Work with partners to go GLOBAL**

SISTEM
KAWALAN &
IMIGRESEN
NASIONAL

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IT Market Trends

Enterprise Investments: Technology Area Priorities

Highest Spending Technology Areas

- Business Intelligence/Analytics
- Cloud Services/Solutions
- IT Modernization/Digitalization
- Infrastructure & Data Centre
- Mobility & Mobile Application
- Cyber/Information Security
- Enterprise Resource Planning
- Networking, Voice & Data Communication

Market Growth Demand

$400B — Worldwide spending on **Analytics, Cloud Services, IT Modernization & Cyber Security** initiatives will reach $400B, almost **20%** of worldwide IT spending

55% — **Fifty-five percent** of **Malaysian enterprises** report they are part of a **digital ecosystem**

$2B — Malaysia spending on **Analytics, Cloud Services, IT Modernization & Cyber Security** initiatives will reach $2B and **Cloud Services** is the **highest growth (35%)**

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Summary

Key Messages

1. **Execution, execution, execution**

2. Established integrated business structure to provide a **holistic digital ecosystem –** talent and technology to create new platform services

3. **5 Focus Areas** – Analytics & BI, Cyber & Information Security, Cloud Services, Change Management and E-Commerce to **drive stable income, profitability and long-term growth**

4. UniMy **Rebooting has shown results**

5. Remain strong **net cash position**

6. Continue to be a **dividend and syariah-compliant stock**

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Thank You