



PRESTARIANG BERHAD
(922260-K)
ANNUAL REPORT

2011

Training Young Minds Certifying A Future



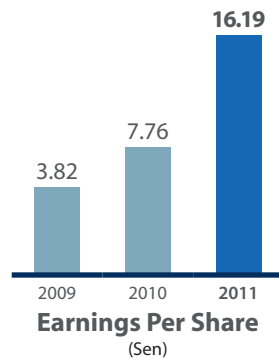
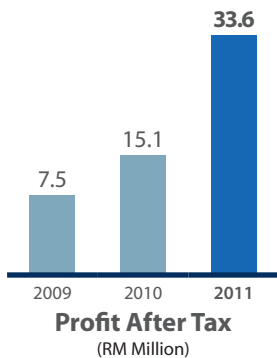
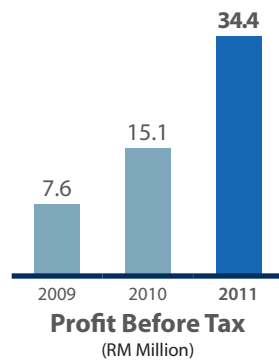
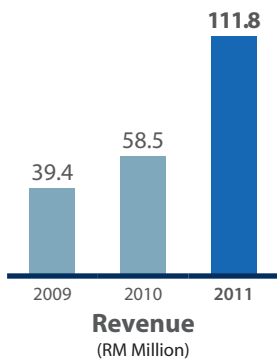
Contents



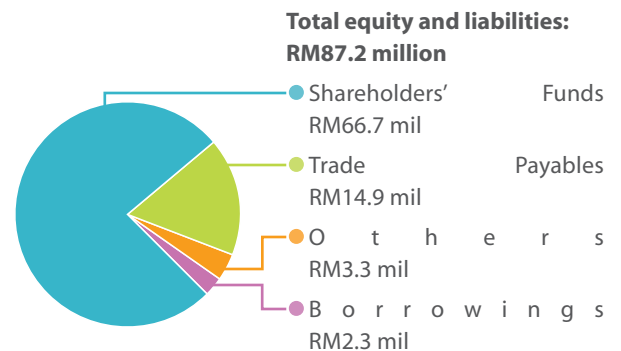
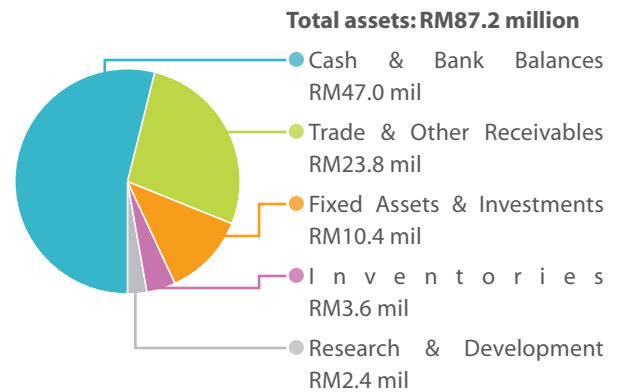
Financial Highlights	1	Statement of Corporate Governance	26
Milestone	2	Audit Committee Report	31
Our Business	3	Statement of Internal Control	34
Our Home Grown Intellectual Property	5	Other Compliance Information	37
Our Major Projects	5	Directors' Responsibility Statement	38
Corporate Structure	6	Financial Statements	39
Corporate Information	7	List of Properties	94
Board of Directors	8	Analysis of Shareholdings	95
Directors' Profile	9	Notice of Annual General Meeting	98
The People	12	Form of Proxy	
Chairman's Statement	13		
CEO's Review of Operations	16		
Corporate Social Responsibility Statement	20		
Calendar of Events	22		
Awards & Accolades	24		

Financial Highlights

Financial Year ended 31 December	2009	2010	2011
Revenue (RM mil)	39.4	58.5	111.8
Profit Before Tax (RM mil)	7.6	15.1	34.4
Profit After Tax (RM mil)	7.5	15.1	33.6
Earnings Per Share (Sen)	3.82	7.76	16.19



Balance Sheet as at 31 December 2011



A Monumental Milestone for Prestariang

Being the leading Information Communications Technology (ICT) training and certification service provider in the country, Prestariang Berhad ("Prestariang" or "the Company") achieved a monumental milestone when the Company was successfully listed on the Main Market of Bursa Malaysia on 27 July 2011. The successful listing of the Company is a testament and recognition of the Company's achievement in its chosen field of business. The listing has also provided a stronger foundation for the Company in realising its vision to train and certify lifelong learners to become professionals.



Our Business

Prestariang's goal is to train and certify lifelong learners to become professionals. Through the training courses and certification by the Company, it hopes to impart knowledge, skill and attitude to help a person gain initial employment, maintain it and obtain new ones with globally benchmarked accreditation.

Prestariang is principally involved in two highly synergistic core business activities namely **ICT Training & Certification** and **Software Licence Distribution & Management**. The Company commonly provides ICT training and certification together with the supply of licences for the software that the Company is training and certifying.

ICT Training & Certification

As a certified partner for various technology and software vendors and organisations, Prestariang has the capability to provide both basic and professional ICT training & certification encompassing instructor-led courses and certification examination at the end of the course.

Prestariang provides professional ICT training & certification encompassing over 40 types of courses from internationally recognised technology and software vendors and organisations, such as Microsoft, Autodesk, CompTIA, IBM, Oracle, EC Council and others. The focus is on internationally recognised industry driven certifications to address the gap between competency levels of graduates to improve employability. In addition of training, Prestariang is also an authorised provider of testing and assessment centre by Prometric Premier Test Center and Pearson Vue Authorised Test Centre to conduct examinations for professional certification.



Our Business

Working in collaboration with the Ministry of Higher Education (“MOHE”), Prestariang has embarked on an industry-based certification initiative known as “Program Pentauliahah Profesional” (3P), which is targeted at IT and IT-related final year students at higher learning institutions. To date, 3P has trained close to 25,200 participants from 16 public universities, 21 polytechnics and 16 community colleges.

Prestariang also offers both third party certification and home grown certification under the basic ICT training & certification. The training covers a broad range of courses including elementary ICT competency skills and knowledge, as well as technical subjects. Prestariang’s home grown proprietary training and certification programme is developed to meet market needs and has the flexibility to undertake modification, customisation and updates of existing modules. One of Prestariang’s most recognisable home grown programmes is IC CITIZEN, a training and certification programme successfully developed and marketed by Prestariang for the local and global market. The certification programme aims to impart basic understanding and rules of acceptable behaviour when using the internet, so that individuals can be responsible citizen in online communities.

Software Licence Distribution & Management

The second core business of Prestariang is software licence distribution and management which is highly synergistic with the first core business of ICT training & certification. Being partners with many of the global technology and software vendors and organisations for the provision of training and certification of their products, it is a natural extension to also distribute and manage their product licences.

Prestariang distributes primarily proprietary software licences such as Microsoft Campus Agreement or School Agreement (CASA) for the schools and higher learning institutions, Microsoft Master Licensing Agreement (MLA) for government entities, Microsoft SELECT for organisations with more than 250 desktop personal computers and Autodesk Education Suite Licensing for educators in multi-disciplinary learning. The software licences are sold through a volume licensing method.

Prestariang offers software licence management services to streamline the process of software inventory, software upgrade and licence management to increase efficiency and improve the ability to promote IT governance through software IP compliance. To date, Prestariang has managed and distributed more than 900,000 Microsoft licences and 15,000 Autodesk licences to various government bodies in Malaysia.



Our Home Grown Intellectual Property

In the pipeline



IC CITIZEN Certification

This certification is the first of its kind in the world that is specially developed and designed to produce digitally literate and responsible net citizens.



Proficiency in Enterprise Communication Certification

PEC is to certify university graduates' English competency level for employment purposes in the area of ICT. It emphasises on 4 critical skills; Speaking, Listening, Language & Reading, and Writing.



Islamic Finance Certification

Islamic Finance Certification is to certify Islamic Finance banking and finance personnel, through understanding on set of rules that comply with the Shariah or the body of Islamic Law.



Smart Green Certification & Training Programme

A programme towards certifying individuals through Green IT Foundation Certification. It certifies sustainability officer and IT personnel of an organisation that demonstrate knowledge in implementing and managing efficient Green Office solutions best practices, as well as products and services.

Our Major Projects



BIMBINGAN PERGURUAN PROFESIONAL DALAM TEKNOLOGI MAKLUMAT DAN KOMUNIKASI

Bimbingan Perguruan Profesional dalam Teknologi Maklumat dan Komunikasi (BPPT)

A joint-programme with Ministry of Education (MOE) to train teachers on when, when not and how to integrate ICT in teaching and learning in the classroom.



INDUSTRY-BASED Certification Programme (Program Pentauliahan Profesional)

Program Pentauliahan Profesional (3P)

A programme to provide professional ICT training and certification to final year students of ICT and ICT related fields in public higher education institutions in Malaysia.



Managing University Software as an Enterprise (MUSE)

A joint-collaboration with MOHE involving distribution and management of Microsoft and Autodesk software licenses to public higher education institutions in Malaysia.



Integrated Campus Management System (ICMS)

A pilot project awarded by Ministry of Health (MOH) for implementation at Bahagian Pengurusan Latihan, Kuala Lumpur; Kolej Jururawat Masyarakat Port Dickson, Negeri Sembilan and Kolej Pembantu Perubatan Alor Setar, Kedah.



FlyingStart Malaysia

A business start-up programme for graduates across all disciplines to become new entrepreneurs.



Role-based Training For Civil Servant (RBTCs)

Appointed by Microsoft (Malaysia) Sdn Bhd to provide ICT literacy to civil servants in Malaysia.



1CiTiZEN

A special training programme developed to foster national unity via appropriate use of technology. It inspires Netizen to become critical thinkers that understand ethical consequences of online behaviour.

Corporate Structure



**PRESTARIANG[®]
BERHAD**
(922260-K)

100%

**PRESTARIANG SYSTEMS
SDN BHD**
(630804-K)

100%

**PRESTARIANG EDUCATION
SDN BHD**
(674842-U)

100%

**LOGISYS
SDN BHD**
(544324-T)

100%

**PRESTARIANG R&D
SDN BHD**
(652573-X)

Corporate Information

Board of Directors

Dato' Mohamed Yunus Ramli Bin Abbas
Non-Independent Non-Executive Chairman

Dato' Jaffar Indot
Independent Non-Executive Director

Dato' Loy Teik Ngan
Independent Non-Executive Director

Chan Wan Siew
Independent Non-Executive Director

Dato' Gan Nyap Liou @ Gan Nyap Liow
Independent Non-Executive Director

Dr Abu Hasan Bin Ismail
Non-Independent Executive Director

Raja Azmi Bin Adam Nadarajan*
Non-Independent Executive Director

* Resigned w.e.f. 16 April 2012

Board Committees

Audit Committee

Chan Wan Siew (*Chairman*)
Dato' Loy Teik Ngan
Dato' Gan Nyap Liou @ Gan Nyap Liow

Nomination Committee

Dato' Gan Nyap Liou @ Gan Nyap Liow (*Chairman*)
Dato' Jaffar Indot
Chan Wan Siew

Remuneration Committee

Dato' Loy Teik Ngan (*Chairman*)
Dato' Jaffar Indot
Chan Wan Siew
Dr Abu Hasan Bin Ismail

Risk Management Committee

Dato' Jaffar Indot (*Chairman*)
Dato' Loy Teik Ngan
Dato' Gan Nyap Liou @ Gan Nyap Liow
Dr Abu Hasan Bin Ismail

Head Office

70-73, NeoCyber, Lingkaran Cyber Point Barat
63000 Cyberjaya, Selangor Darul Ehsan
Tel: (03) 8314 8400
Fax: (03) 8318 9280
Website: www.prestariang.com.my

Registered Office

Level 7, Menara Milenium
Jalan Damanlela, Pusat Bandar Damansara
Damansara Heights, 50490 Kuala Lumpur
Tel: (03) 2084 9000
Fax: (03) 2094 9940

Principal Banker

Bank Muamalat Malaysia Berhad

Stock Exchange Listing

Main Market,
Bursa Malaysia Securities Berhad

Investor Relation

RAPR Mileage Communications Sdn Bhd
inquiry@prestariang.com.my

Company Secretaries

Chua Siew Chuan (MAICSA 0777689)
Tan Mee Lian (MAICSA 0869665)

Auditors

Messrs. Crowe Horwath (AF 1018)
Level 16 Tower C, Megan Avenue II
12, Jalan Yap Kwan Seng
50450 Kuala Lumpur

Solicitors

Messrs. Abdullah Chan
31st Floor, UBN Tower
10, Jalan P Ramlee
50250 Kuala Lumpur

Share Registrar

Symphony Share Registrars Sdn Bhd
Level 6, Symphony House
Pusat Dagangan Dana 1
Jalan PJU 1A/46
47301 Petaling Jaya
Selangor Darul Ehsan
Tel: (03) 7841 0000
Fax: (03) 7841 8151

Board of Directors



L-R: Dato' Jaffar Indot, Raja Azmi bin Adam Nadarajan*, Dato' Gan Nyap Liou @ Gan Nyap Liow, Dato' Mohamed Yunus Ramli Bin Abbas, Dato' Loy Teik Ngan, Chan Wan Siew and Dr Abu Hasan Ismail.

**Note: Raja Azmi bin Adam Nadarajan resigned from the Board of Directors w.e.f. 16 April 2012.*

Directors' Profile



Dato' Mohamed Yunus Ramli Bin Abbas

Non-Independent Non-Executive Chairman

Dato' Mohamed Yunus Ramli Bin Abbas, a Malaysian aged 62, was appointed as a Non-Independent Non-Executive Chairman of our Company on 18 November 2010. He is an Economics graduate from the University of Malaya. He received his MBA from Nova South Eastern University in Fort Lauderdale, Florida. He also attended an Executive Programme in Business Management, University of Michigan, US.

He started his career at Motorola, Penang in 1978 until 1980. He assisted in the start-up of the Motorola-Penang plant from ground level zero. He then moved on to be the Director of Human Resource of Motorola South Asia where he was responsible for Motorola plants in Malaysia, Singapore, Philippines, Indonesia, Thailand and Vietnam. In 1980-1985 he held the post of Director of Training and Development for Asia Pacific during which time he managed the activities in several countries including Japan, China, Hong Kong, Taiwan, Korea, India, South East Asia, Australia and New Zealand. Subsequently, in 1989 he became the first Malaysian to hold a Vice President position in Florida, US. He held the post till 1995 before becoming the Country Manager for Motorola Malaysia in 1996 until 2001.

Following his 25 years of service at Motorola, he became the Chief Executive Officer for CELCOM (Malaysia) Berhad. Prior to joining CELCOM, he was the Executive Officer for Encorp Group responsible for restructuring the management and direction of the Group, as well as its subsidiaries namely Encorp Media, NTV7 and Encorp Property. On 15 December 2003, he was appointed by the Ministry of Education as the Chairman for Board of Directors of Universiti Malaysia Perlis (formerly known as Northern Malaysia University College Of Engineering).

From his vast experience in the telecommunication industry, he established NuSuara Technologies Sdn Bhd in 2006, a company that develops voice recognition software. He is now the Executive Director of NuSuara Technologies Sdn Bhd, a post held since January 2006. Dato' Ramli was also appointed by the Government of Malaysia as Non-Executive Chairman for Board of Directors of Kumpulan Modal Perdana Sdn Bhd.



Dato' Jaffar Indot

Independent Non-Executive Director

Dato' Jaffar Indot, a Malaysian aged 77, was appointed as an Independent Non-Executive Director of our Company on 18 November 2010. He was educated at Victoria Institution, Kuala Lumpur and the Malay College, Kuala Kangsar. He also attended the Harvard Business School International Senior Manager's Programme, Vevey, Switzerland in 1983.

He started his career in 1953, when he joined the Rural Industrial Development Authority as an Assistant Rural Development Officer. In 1956 he joined Shell and retired in 1989 after 33 years of service. During this time, he worked for Shell in Tokyo, Japan and London, U.K, where he served in various capacities in international oil trading, business development and public affairs. In 1980, he returned to Malaysia as Executive Director and Director of Public Affairs for Shell Malaysia and in 1983 was appointed Managing Director of Shell Malaysia Trading Sdn Bhd and Shell Timur Sdn Bhd. Dato' Jaffar Indot was the Non-Executive Chairman of Shell Timur Sdn Bhd from August 1989 to December 1997.

He is currently an Independent Non-Executive Director of two (2) public listed companies in Malaysia i.e. Sycal Ventures Berhad and Melewar Industrial Group Berhad. He had previously served as a director on the Boards of several PLCs, notable of which are Shell Refining Company (FOM) Bhd, Guinness Anchor Berhad, Malaysian Merchant Marine Bhd, M3nergy Bhd and FSBM Holdings Bhd. He is the Chairman of the Risk Management Committee and Member of the Nomination, Audit and Remuneration Committees of Melewar Industrial Group Berhad; the Chairman of the Audit and member of the Nomination Committees of Sycal Ventures Berhad. He is also a director of several private companies involved in hire purchase financing as well as fire protection and oil & gas. He is the Founding Member and President and CEO of the Malaysian Alliance of Corporate Directors, a not-for-profit company limited by guarantee.

He is the Chairman of the Risk Management Committee and member of the Nomination Committee and Remuneration Committee.

Directors' Profile



Dato' Loy Teik Ngan

Independent Non-Executive Director

Dato' Loy Teik Ngan, a Malaysian aged 50, was appointed as an Independent Non-Executive Director of our Company on 18 November 2010. He obtained his Bachelor of Arts Degree in Economics from McMaster University, Ontario, Canada.

Dato' Loy is an entrepreneur who has been involved in various businesses. In 2003, he took over the reins of the Taylor's Education Group and in the ensuing years, built it into the largest private education group in Malaysia with investments in schools, college & university. Today, the Taylor's Education Group is also widely regarded as the premier education group in the country.

He is an active member of the Young Presidents' Organization having held various officer positions including that of Chapter Chair. Furthermore, he has served as the Deputy President of Malaysia Amateur Volleyball Association and also as the President for Kuala Lumpur Amateur Volleyball Association. He is passionate about helping children in rural communities get an education and builds school hostels that enable children to go to school.

Dato' Loy holds directorship in Leisure Holidays Berhad and Group, MBF Corporation Berhad and Group and MBF Unit Trust Management Berhad.

He is the Chairman of the Remuneration Committee and member of the Audit Committee and Risk Management Committee.



Chan Wan Siew

Independent Non-Executive Director

Chan Wan Siew, a Malaysian aged 60, was appointed as an Independent Non-Executive Director of our Company on 18 November 2010. His professional and business experience spans over 30 years in Accounting, Auditing, Corporate, Financial and Business Advisory services, assisting clients to manage their corporate and personal financial resources.

He is qualified as, and a Member of Chartered Accountants Malaysia, a Fellow Member of Association of Chartered Certified Accountants (UK), CPA Australia (Certified Practising Accountant), and Institute of Chartered Secretaries & Administrators (UK). He is also an active member of National

Association of Corporate Directors (NACD) US and International Corporate Governance Network (ICGN) UK. He has previously served as President of ACCA Malaysia (Association of Chartered Certified Accountants); President of MAICSA (Malaysian Institute of Chartered Secretaries and Administrators); EXCO Member of MIA (Malaysian Institute of Accountants); International Council Member of Institute of Chartered Secretaries and Administrators (UK) and Secretary General of MICG (Malaysian Institute of Corporate Governance). An active contributor to the corporate and professional sectors, he currently serves as the Founding Board Member and Deputy President of MACD (Malaysian Alliance of Corporate Directors); EXCO Member of FPLC (Federation of Public Listed Companies); MIA Council Member and the FMM (Federation of Malaysian Manufacturers) Ethics & Governance Committee.

He is currently an Independent Non-Executive Director of three (3) other public listed companies in Malaysia i.e. Mycron Steel Berhad, Luxchem Corporation Berhad and Integrax Berhad, serving in various capacities as the Chairman of the Risk Management Committee, Chairman of the Audit Committee, a Member of the Audit, Nomination and Remuneration Committees, and a Senior Independent Director. He is currently also the President of Business Transitions Asia Sdn Bhd that offers business advisory services to businesses in transition.

He is the Chairman of the Audit Committee and member of the Nomination Committee and Remuneration Committee.



Dato' Gan Nyap Liou @ Gan Nyap Liow

Independent Non-Executive Director

Dato' Gan Nyap Liou @ Gan Nyap Liow, a Malaysian aged 56, was appointed as an Independent Non-Executive Director of our Company on 24 November 2010. He is a chartered accountant and a certified management consultant.

He spent 26 years with Accenture, the world's leading consulting firm, during which time he held many global leadership roles, consulted on strategic projects for multinational corporations, and worked with innovative technologies around the world. He was the Managing Partner for ASIA, and between 1999 to 2003 he managed the firm's multi-billion dollar Venture Fund in Asia Pacific and concluded investments in China, Japan, Australia and Singapore.

He served as Chairman of the Association of Computer Industry Malaysia (PIKOM) and the Vice-President of the Association of Asian Oceania Computer Industry Organization, and as a Member of the Minister of Science & Technology Think Tank, Copyright Tribunal, Labuan International Financial Exchange Committee, MIMOS Berhad (Government Technology Research) and the Malaysia US Business Council.

Presently, he is Chairman of Cuscapi Berhad, Catcha Media Berhad and Diversified Gateway Solutions Berhad, and a Board Member of Tanjong Plc, AmBank (M) Berhad, AmIslamic Bank Berhad, Amcorp Properties Berhad, Saujana Resort (M) Berhad and Tien Wah Press Holdings Berhad.

He is also Chairman of the British Malaysian Chamber of Commerce and Board Member of the Minority Shareholder Watchdog Group.

He is active in Malaysian heritage conservation and serves as Trustee of the Yayasan Tuanku Nur Zahirah (the Queen's Foundation dedicated to improving lives through heritage).

He is the Chairman of the Nomination Committee and member of the Audit Committee and Risk Management Committee.



Dr Abu Hasan Ismail

Non-Independent Executive Director

Dr Abu Hasan Ismail, a Malaysian aged 51, holds a Diploma in Architecture from Universiti Teknologi Malaysia, a Bachelor of Science (BSc) and Bachelor of Architecture (BArch) from University of Strathclyde, Glasgow, and Master of Philosophy (MPhil), and Doctor of Philosophy (PhD) from University of Sheffield, United Kingdom.

He is currently the Chief Executive Officer and founder of Prestariang Berhad. Since its inception in 2003, Dr Abu has overseen the financial and strategic growth of the company and has formed successful partnerships with global ICT organisations such as Microsoft, Autodesk, IBM, Oracle and CompTIA,

Certiport, Prometric, ASIC and others. Dr. Abu listed the Company on the Main Market of Bursa Malaysia on 27 July 2011.

Prior to his industry experience, Dr. Abu was one of the founders of the Multimedia University, the first private University in the country and instrumental in developing the country's first Multimedia Degree programme. He was subsequently appointed as the Professor and Dean at the newly created Faculty of Creative Multimedia of the University in 1997.

He continues to teach voluntarily and is currently an Adjunct Professor at Universiti Teknologi Malaysia and a Visiting Professor at Universiti Teknologi MARA. He is also a Council member at Taylor's University and sits in numerous academic organisations and National Committees disbursing Research and Development (R&D) grants in the country.

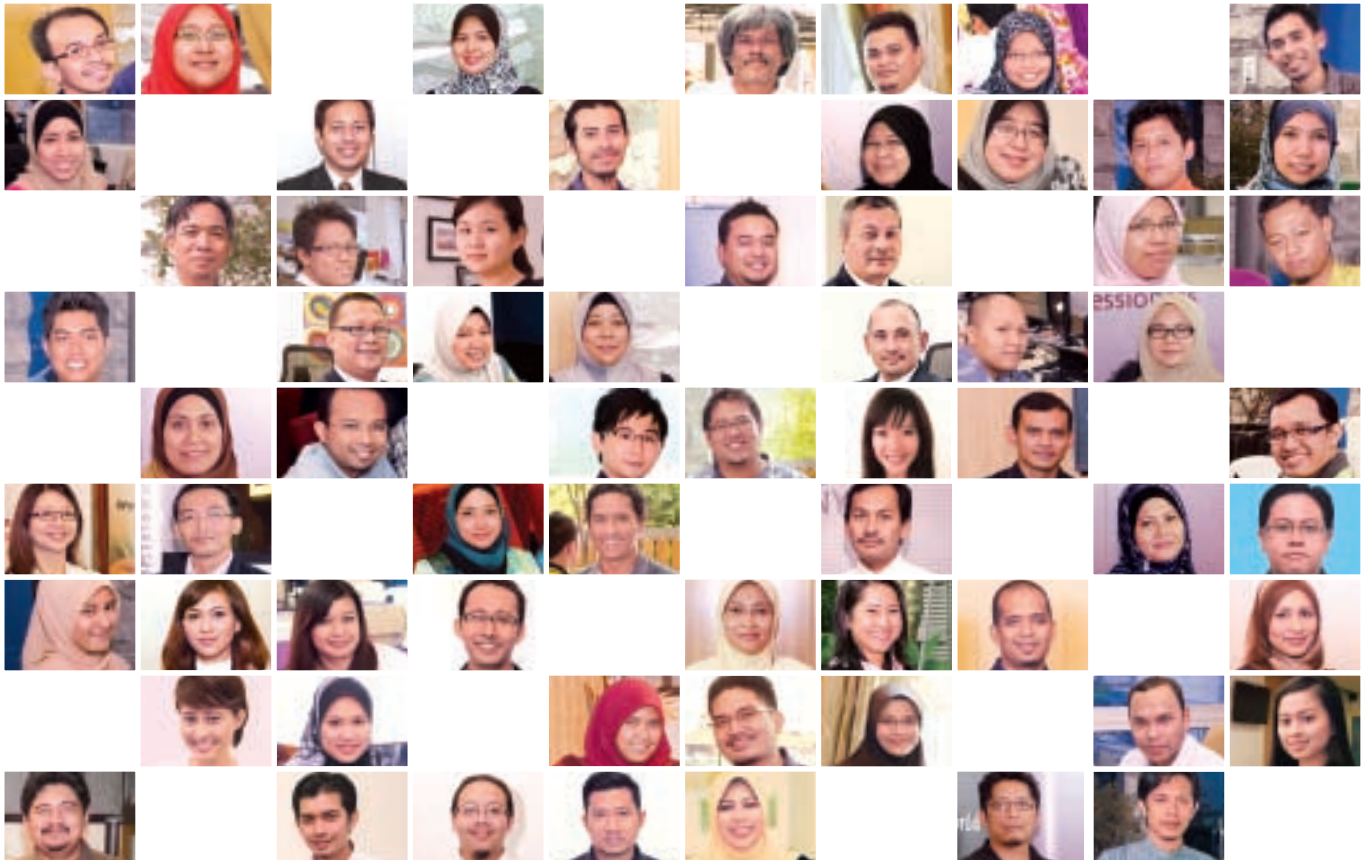
Dr Abu also sits in the International Advisory Board of Computer Trade Industry Association (CompTIA) based in the USA. He is also appointed as the Advisory Panel for International Business School (IBS) in Universiti Teknologi Malaysia (UTM). In addition, he was recently appointed as a Trustee Member of Yayasan Sukarelawan Siswa (YSS) under the Ministry of Higher Education, Malaysia.

He is a member of the Remuneration Committee and Risk Management Committee.

Notes:

- (i) Except for Dr Abu Hasan Ismail whose spouse and sibling are also substantial shareholders of the Company, none of the Directors has any family relationship with each other and with any substantial shareholders of the Company.
- (ii) None of the Directors has any conviction for offences, other than traffic offences, within the past 10 years.
- (iii) Other than the related party transactions disclosed in Note 35 of the Financial Statements, none of the Directors has conflict of interest with the Company.
- (iv) Except as disclosed above, none of the Directors holds any directorship in other public companies.
- (v) The Directors' holdings in shares of the Company are disclosed in the Analysis of Shareholdings section of this Annual Report.

The People



As a knowledge-based organisation, we continuously invest in people and ideas. Our people are equipped with various qualification and skills to ensure the smooth operation and continuous growth of the Company. We have a team of professionals in the following areas of specialty:

- Autodesk AutoCAD 2010 Associate and Professional
- Autodesk Revit Architecture 2010 Associate and Professional
- Certified Training Professionals (CTP)
- MCAD, CISCO and CompTIA certified engineers and specialists
- Microsoft Certified Professional – Licensing Solutions
- Microsoft Certified Technology Specialist
- Project Management Professional (PMP)
- Graphic, Web & Multimedia Designers

More importantly, the management team led by **Dr Abu Hasan Ismail, Chief Executive Officer; Abdul Razak Bakrun, Chief Financial Officer; Abdul Hamid Abdul Rahman, Chief Knowledge Officer; Aris Mohd Zainal, Chief Marketing Officer and Rohaizam Isahak, Vice President (Services)** has cultivated a work culture that encourages creativity and drives motivation. We believe innovation and the right attitude, anchored by the necessary qualification and experience, are the key factors behind the continued success of the Company.

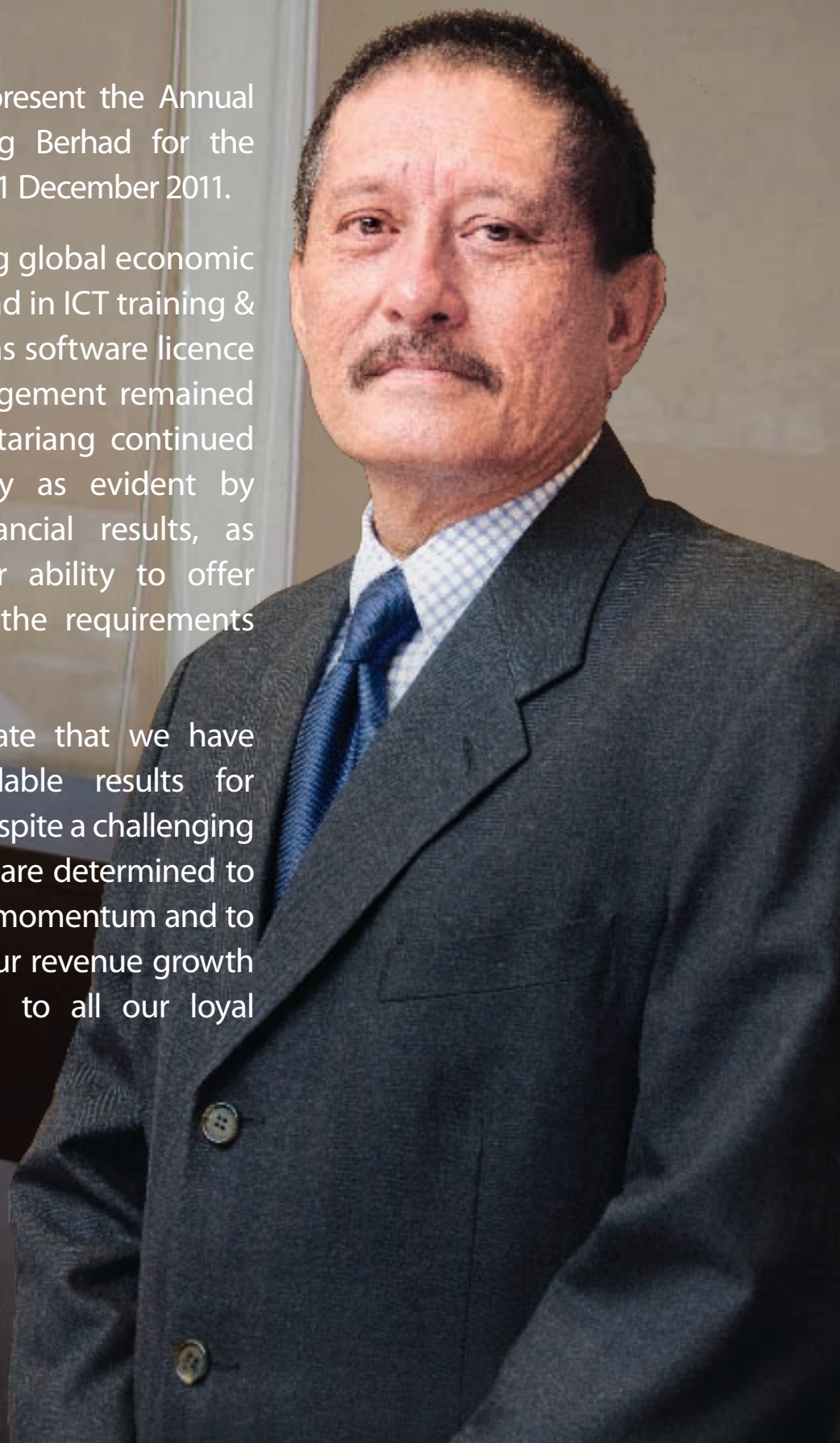
Chairman's Statement

Dear Shareholders,

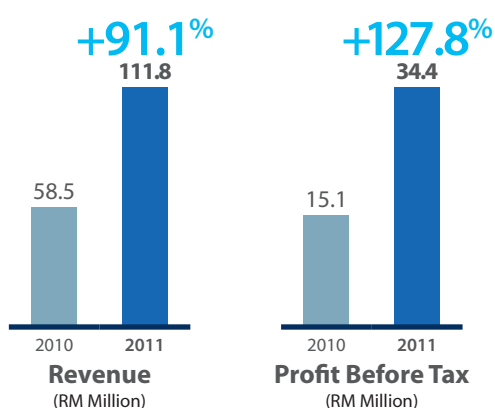
It is my honour to present the Annual Report of Prestariang Berhad for the financial year ended 31 December 2011.

Against a challenging global economic environment, demand in ICT training & certification as well as software licence distribution & management remained strong in 2011. Prestariang continued to perform strongly as evident by our impressive financial results, as a testament of our ability to offer services that meet the requirements of the market.

I am pleased to state that we have achieved commendable results for financial year 2011 despite a challenging global economy. We are determined to build on the upbeat momentum and to further strengthen our revenue growth and healthy returns to all our loyal stakeholders.



Chairman's Statement



Review of Financial Performance

For the financial year ended 31 December 2011, Prestariang posted profit before tax ("PBT") of RM34.4 million, representing a significant increase of 127.8% compared with our last financial year's RM15.1 million. The significant improved PBT was achieved on the back of a significant growth of revenue to RM111.8 million, 91.1% from our last financial year's RM58.5 million. The contribution to the improved financial results derived from our two core business segments; ICT training & certification and software licence distribution & management. The software licence distribution & management contributed a revenue of RM86.3 million (2010: RM35.5 million) while ICT training & certification of RM25.5 million (2010: RM23.0 million). The software licence distribution & management contributed better growth in the current year, nevertheless ICT training & certification segment continued to contribute a higher profit margin as a result of improvement in continuous work efficiency.

Dividends

In view of Prestariang's strong financial performance for financial year ended 2011, the Board of Directors proposes a single-tier final dividend of 4.00 sen per share in relations to FY2011. The Board seeks the approval of the shareholders for this total net dividend payout of RM8.8 million. On 19 December 2011, a single tier interim dividend of 4.00 sen per share totalling RM8.8 million was declared and paid. The total dividend payout for the whole of FY2011 will amount to 8.00 sen per share or RM17.6 million, represents an annualised dividend yield of over 11.0% per share. The commendable dividend payout in 2011 reflects the objective of the Company to share the benefits with the shareholders.

Successful Listing and Utilisation of the IPO Proceeds

On 27 July 2011, Prestariang was successfully listed on the Main Market of Bursa Malaysia. The Initial Public Offering ("IPO") raised a total proceeds of RM19.8 million for the Company from the Public Issue of 22.0 million new Prestariang shares of 10.00 sen each at an issue price of 90.00 sen per share. The status of utilisation of the IPO proceeds as at 31 March 2012 is as follows:

Purpose	Proposed Utilisation (RM mil)	Actual Utilisation (RM mil)
Capital expenditure	2.5	-
R&D expenditure	6.5	1.4
Working capital	6.2	0.4
Repayment of term loan	1.6	1.7
Listing expenses	3.0	3.4
Total	19.8	6.9

Business Outlook and Prospects

Prestariang has over the years, developed a reputation as an established provider of ICT training & certification as well as software licence distribution & management in Malaysia. Our primary business is underpinned by medium to long term contracts mainly from the Government of Malaysia’s ministries and agencies such as Ministry of Education (“MOE”), Ministry of Higher Education (“MOHE”) and Malaysian Communications and Multimedia Commission (“MCMC”) which provides a continuous stable revenue streams. The Government contracts serve a large group of users or organisations in the form of Government departments or ministries with a higher aggregate contract value compared to contracts with the private sector.

The commendable growth and operational improvement in 2011 reflects the successful execution of the strategic plan as well as effective implementation of continual value creation initiatives resulting to better economies of scale in getting large number of individuals trained, optimise the utilisation of resources hence, to record lower per-unit cost of servicing end-customers. This translates into higher profit margins for all the contracts undertaken by Prestariang.

To leverage our competencies in providing ICT training & certification, we have also developed our home grown training and certification programmes that are tailor-made to meet the requirements of the market. The IC CITIZEN is one of the successful home grown certifications that cater for both local and global markets. The development of this home grown certification also enabled us to gain access to the large global market.

With the growth strategies in place, I am confident that Prestariang is on the right track to scale greater heights in the near future.

Corporate Governance

The Board of Prestariang intends to adhere to corporate governance best practices as an important step to achieve business sustainability. High standards of corporate governance will be maintained to uphold integrity, transparency and accountability to safeguard the interest of all stakeholders.

Corporate Social Responsibility

We recognise the importance of having an appropriate corporate social responsibility (CSR) framework. As such, our CSR philosophy has been intended to focus on community, environment and employees. We have in place a robust CSR programme as one of our basic tenets of operations. Kindly refer to the Statement of CSR in the annual report for more information on the CSR initiatives carried out by us.

Appreciation

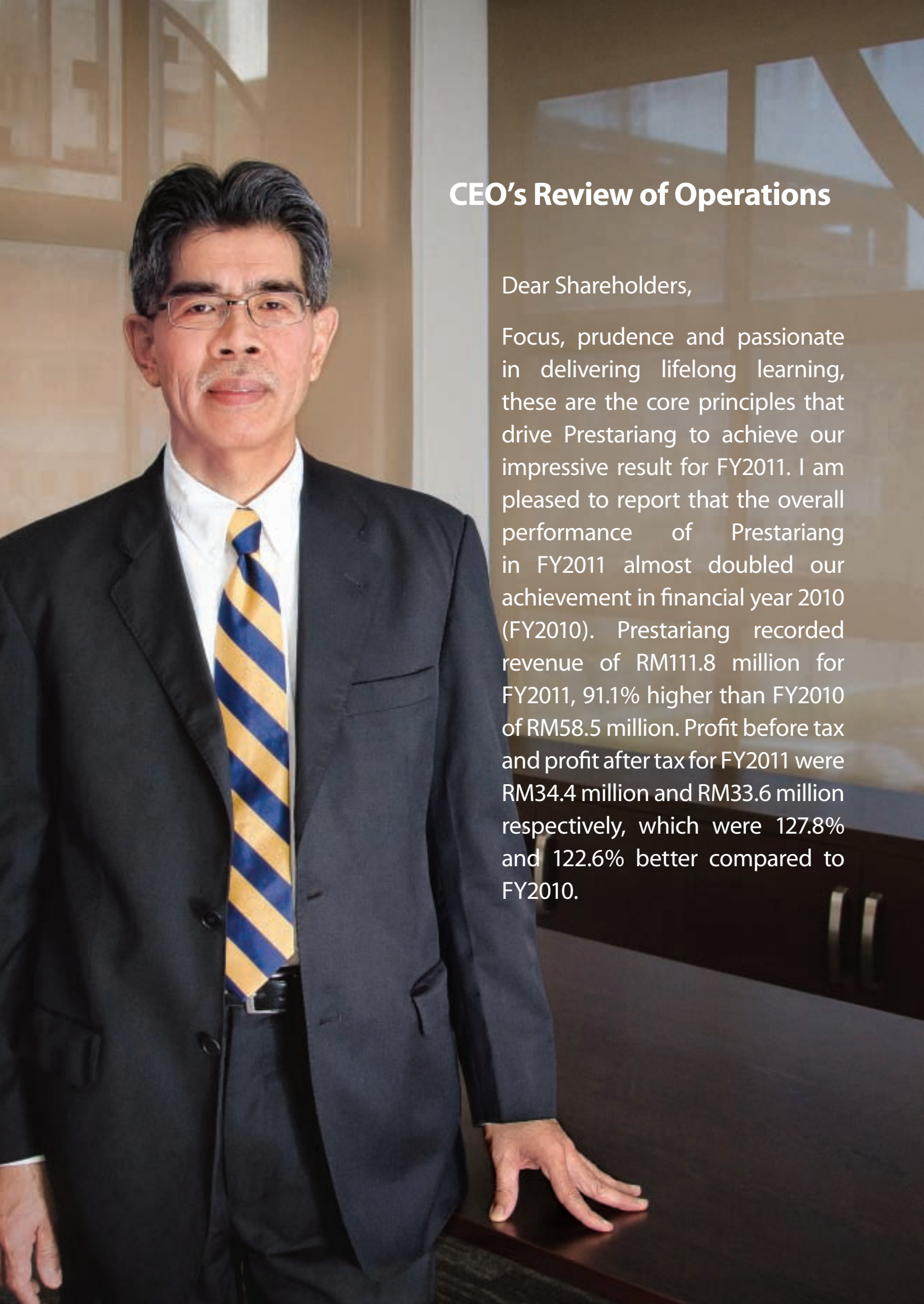
On behalf of the Board of Directors, I would like to record our sincere appreciation to all our stakeholders; from shareholders, customers, business partners, bankers, the Government, relevant regulatory authorities and to our employees for fruitful cooperation in 2011. Let me also take this opportunity to extend the Company’s appreciation to Encik Raja Azmi Bin Adam Nadarajan who resigned as the Executive Director and Chief Operating Officer on 16 April 2012. We thank him for his invaluable contributions and his crucial roles in the management of our Company.

We will not rest in the laurels and we are enthusiastic to set out strategic plans 2012 and beyond and translate into future concrete results.

Dato’ Mohamed Yunus Ramli Bin Abbas

Chairman





CEO's Review of Operations

Dear Shareholders,

Focus, prudence and passionate in delivering lifelong learning, these are the core principles that drive Prestariang to achieve our impressive result for FY2011. I am pleased to report that the overall performance of Prestariang in FY2011 almost doubled our achievement in financial year 2010 (FY2010). Prestariang recorded revenue of RM111.8 million for FY2011, 91.1% higher than FY2010 of RM58.5 million. Profit before tax and profit after tax for FY2011 were RM34.4 million and RM33.6 million respectively, which were 127.8% and 122.6% better compared to FY2010.

Business Overview

Prestariang continues to operate in a unique business space synergistically marrying ICT training and certification with software licence distribution and management. Focused on training and certifying adults and lifelong learners to become professionals, the Company has trained and certified more than 120,000 participants since our inception in 2003. As the preferred ICT training provider in Malaysia, Prestariang offers over 40 certification courses nationwide in partnership with Microsoft, Autodesk, IBM, Oracle, CompTIA, EC-Council, Adobe and others.

During the year in review, ICT training & certification business has contributed 22.8% of Prestariang's total revenue while contribution from our software licence distribution & management business stood at 77.2%. Both businesses continue to enjoy encouraging growth in the ICT industry. The better performance in FY2011 compared to FY2010, was also contributed by higher profit margin mainly derived from our training and certification business and our own IP certification programmes. ICT training & certification business enjoyed a much higher profit margin of approximately 51.6% while our software licence distribution & management business achieved an average profit margin of approximately 40.3%.

ICT Training & Certification

We continued to drive our revenue through many of our established ICT training and certification programmes, such as industry-based certification programme known as "Program Pentauliahan Profesional" (3P), of which remained as one of our key revenue drivers. Targeted at IT and IT-related final year students from higher learning institutions, 3P is a joint initiative with the Ministry of Higher Education ("MOHE") in 2006 and has generated more than RM20.0 million revenues for Prestariang in FY2011.

Home Grown IP Certification

One of the key strategies to grow our business internationally is to develop our own certification where we own the IP rights. We invested in a concerted research and development effort and rolled out our first home grown certification for the global market called IC CITIZEN; the first of its kind on Internet etiquette. Launched in late 2010, IC CITIZEN is globally marketed in partnership with US-based Certiport Inc. to a network of approximately 10,000 centres in 152 countries. In June 2011, we achieved our first sale from the Authority for Info-communications Technology Industry (AITI) of Brunei Darussalam to kick off the pilot of IC CITIZEN training and certification programme in the country.

To capitalise on the success of IC CITIZEN, we have successfully introduced 1CITIZEN programme under a national initiative to provide training on digital literacy and Internet etiquette. The first programme was implemented for 80,000 students in 20 public institutions of higher learning including universities, polytechnics and community colleges in Malaysia, as well as selected private institutions of higher learning. 1CITIZEN programme secured a RM28.0 million contract for the Company.

Prestariang continues to soar with our 1CITIZEN Programme and in January 2012, the Company was awarded a RM14.0 million contract from the Ministry of Information, Communications and Culture to implement the training targeted at the community-at-large with 40,000 participants.

The multiplier effects of our home grown certification was further realised in October 2011, when Prestariang clinched the first Middle East contract; worth USD750,000 (RM2.4 million) for a period of implementation over 3 years. It was with Knowledge Point Educational Consultant, LLC; an education and consulting firm based in Abu Dhabi, United Arab Emirates (UAE) to implement the Project-based Cyber Ethics Program in the UAE market. We believe that with our ability to localise and adapt our products for any markets will enable us to gain a stronger foothold in other region in the global market. Our home grown certifications are developed with the global market in mind. We carefully research and work closely with global partners to develop titles which are well demanded in a global perspective. We believe this is our cutting edge in our overseas expansion plan.

CEO's Review of Operations

Most recently in April 2012, we signed a Memorandum of Understanding (MoU) with Accreditation Service for International Colleges ("ASIC"), an accreditation body for schools, colleges and universities worldwide, to do training, assessment and certification as well as to market the Digital Etiquette Certification Programme, designed to assess and confirm the knowledge and understanding of how to use the Internet technology appropriately. We believe this will position us well globally and launch our expansion into the United Kingdom, India and China within the next few years.

Our growth momentum continues through the development of our home grown programmes. We anticipated to complete rollout two other home grown certifications in Vocational English and Green IT by the second half of 2012. This will propel us further in delivering better profit margins for the year.

Software Licence Distribution & Management

The software licence distribution & management business is a natural extension to the ICT training & certification business as Prestariang distributes and manages product licences from global technology and software vendors used in the training courses.

Under the Managing University Software as an Enterprise (MUSE) programme, we distribute and manage primarily proprietary software licences from Microsoft and Autodesk to the public higher education institutions in Malaysia. Besides the MUSE programme, we also distribute and manage Microsoft software for various government ministries and agencies including the Malaysian Communication and Multimedia Commission ("MCMC").

In FY2011, approximately 1.0 million new licences were added for the software licence distribution and management business. While software licence distribution & management contributed 77.2% of revenue in 2011, we foresee ICT training & certification closing in at 40.0% in 2012. In terms of net profit contribution, we expected to see close to 40:60 contributions between our two core divisions.

Well Placed for Further Growth

Prestariang continued to record strong balance sheet as a solid foundation for its future growth. As at 31 December 2011, Prestariang has a cash balance of RM47.0 million and very low borrowings, while its shareholders' funds shot up more than 130.0% to RM66.7 million since our IPO.

Going forward, we have identified several areas as the catalyst for our future growth. We will continue to focus on our core business of ICT training and certification while looking into the development of Proprietary Test & Assessment Centre. We will also add more home grown certification titles to drive our bottom line.

Besides local organic growth, we are also looking into geographical expansion to other world markets having successfully ventured into UAE market. With our IC CITIZEN making inroads in the UAE, our plan is to secure more ICT training & certification business in other Middle East regions. Setting up regional sales offices and training centres will be the first step towards marketing training and certification programmes in the region it aims to penetrate.



We have mapped out a future that includes substantial contribution of recurring income. As announced in April 2012, a new subsidiary in education has been incorporated and the company will soon take on a new course of direction in providing lifelong learning education business besides training. With our strong cash holding, we are also in a good position to explore potential corporate activities to further grow our business.

Acknowledgement

The IPO was certainly a monumental milestone for Prestariang. The fact that the Company achieved listing status in a relatively short period of time since our incorporation in 2003 is a testament to our success and achievement. I want to thank our valued customers, business partners, the Board of Directors, the management team and all our dedicated employees for their continuous support rendered to Prestariang. I believe the IPO will be the platform for Prestariang to achieve greater heights and an exciting future awaits all of us at Prestariang!

Dr Abu Hasan Bin Ismail

Chief Executive Officer



Corporate Social Responsibility Statement

Prestariang believes in conducting business in a socially responsible manner. Since inception, Corporate Social Responsibility (CSR) practices have been an integral part of the Company's mission, to enhance human potential through lifelong learning. The Company's commitment towards CSR activities are being reinforced by its syariah compliancy where 2.5% of its yearly profits will go towards contributions in support of good causes including orphanages.

The Company's CSR encompasses contribution to the communities in which it operates, as well as showing respect and working towards meeting the needs of employees, investors, customers, suppliers, regulators and other stakeholders.

The Company is committed to integrate CSR practice into its day-to-day operations anchored on the following CSR initiatives:

ENDOWMENT & SCHOLARSHIPS FOR EDUCATION – Facilitate education development through endowment fund contributed to selected public educational institutions. Also in support of building young minds to encourage lifelong learning. Some significant education initiatives carried out by the Company in the financial year ended 31 December 2011 includes:

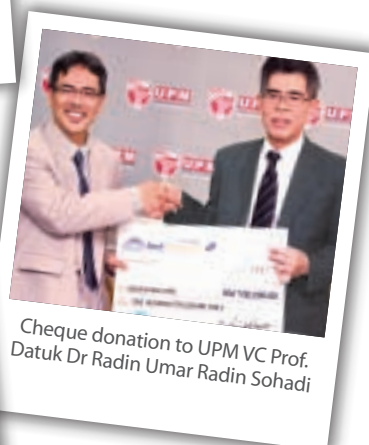
- Provided Endowment Fund for Universiti Teknologi Malaysia (UTM).
- Sponsored Malaysia Imagine Cup 2011, the world's premier student technology competition hosted by Microsoft.
- Donation to Yayasan Sekolah Pengajian Siswazah, (GSM), Universiti Putra Malaysia (UPM).
- Donation to the poor students of Universiti Teknikal Malaysia Melaka (UTeM).



Endowment Fund to UTM



Imagine Cup 2011 cheque presentation to UTeM VC Prof. Datuk Dr. Ahmad Yusoff Hassan



Cheque donation to UPM VC Prof. Datuk Dr Radin Umar Radin Sohadi



CompTIA and Prestariang Tech & Cert In-Trend Talks 2011



Teens playing "Digital Etiquette Board Game" during KJL1M 2011



Prestariang trainer guiding KEMAS teacher on how to intergrate ICT in the classroom



The VIPs reviewing students' portfolio during AMDC 2011 Launching



Students said YES to 1CITIZEN during KJL1M 2011

COMMUNITY – Develop and support humanitarian causes through donations as well as sponsorship on community activities in relations to core business. Some significant community initiatives carried out by the Company in the financial year ended 31 December 2011 includes:

- Organised Tech & Cert In-Trend Talks 2011 together with CompTIA.
- Organised and conducted "1 Komuniti IT Anda (1KITA)" Programme which provided ICT training to KEMAS teachers from Kuala Langat, Selangor.
- Sponsored computers and other ICT-related equipment to school resource centres in Pasir Gudang under the "Ilmu Megubah Destini 2011" Programme through Universiti Teknologi MARA (UiTM)'s Tun Abdul Razak Library.
- Organised and sponsored Autodesk Malaysia Design Competition 2011 (AMDC 2011) together with Autodesk Malaysia, Institute of Sultan Iskandar, Universiti Teknologi Malaysia (ISI, UTM) and Ministry of Higher Education (MoHE). Offering up to RM80,000 worth of cash and prizes, AMDC 2011 aimed to inspire design innovation among educators and their students.
- Donation to Maahad Tahfiz Istiqomatuddin, Klang, Selangor to encourage students to read and learn the Quran.
- Sponsored Karnival Jalur Lebar 1Malaysia (KJL1M) 2011 and participated in three sites namely, Sibul, Sarawak, Tawau, Sabah and Kota Tinggi, Johor.

As part of the CSR programme, Prestariang now allocates and distributes more than RM1.0 million per year in the form of scholarships to under-privileged students.

Calendar of Events

23 May 2011

Fund Manager Briefing in relation to the Initial Public Offering (IPO) of Prestariang Berhad.



28 Jun 2011

Launch of Prestariang Berhad's Prospectus for the IPO, followed by Analyst Briefing.



23 Jun 2011

IC Citizen Contract Signing Ceremony between AITI Brunei & Prestariang Systems Sdn Bhd.

30 Jun 2011

MOU Signing Ceremony between IIUM Institute of Banking & Finance & Prestariang Systems Sdn Bhd for Islamic Finance Certification.



13 Jun 2011

Signing of Underwriting Agreement between Prestariang Berhad & AmlInvestment Bank Berhad in relation to the IPO.

3 Aug 2011

Contract Signing Ceremony between Prestariang Systems Sdn Bhd and Prometric Inc., US on Development of English Language Testing and Certification.



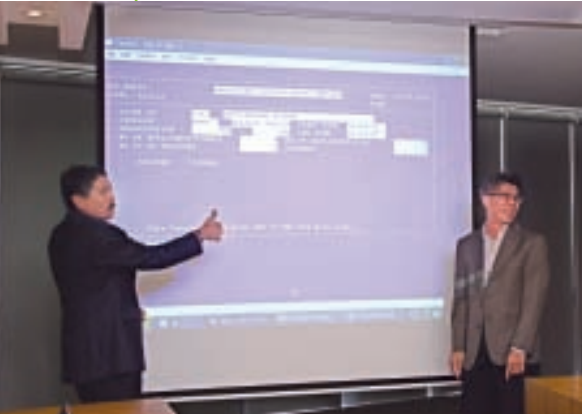
21 Dec 2011

A visit from Delegates of Ministry of Information & Communication, Vietnam to Prestariang's Headquarter, Cyberjaya.



19 Jul 2011

Balloting for Prestariang Berhad's IPO.



14 Oct 2011

A visit from Knowledge Point Education Consultant to one of 1CITIZEN training sessions in UiTM.



17 Oct 2011

Contract Signing Ceremony between Prestariang Systems Sdn Bhd and Knowledge Point Education Consultant, LLC on Cyber Ethics Programme in the UAE market.

27 Jul 2011

Listing of Prestariang Berhad on Bursa Malaysia.





Awards & Accolades

2011

Microsoft Learning Solution Partner of the Year 2011

Certiport Champion of Digital Literacy 2011

Autodesk Best Performing Partner in Asia Pacific 2011

Autodesk High Achiever Education Authorisation 2011

Microsoft Partner Network Gold Volume Licensing 2011

EC Council ATC of Year 2011

2010

Microsoft Learning Solution Partner of the Year 2010

CompTIA Authorised Platinum Partner 2010–2011

Microsoft Gold Certified Partner 2010–2011

Microsoft Certified Partner 2010–2011

Recognition Award for Innovative Venture Capital Backed Companies 2010 by the Malaysian Venture Capital and Private Equity Association

EC-Council Circle of Excellence Authorised Training Centre 2010

2009

Microsoft Certified Partner for Learning Solution (CPLS) Partner Excellence 2009

Microsoft Gold Certified Partner 2009–2010

Prometric Most Valued Partner – Most Comprehensive Global IT Certification Programme in Asia

EC-Council Authorised Training Centre of The Year 2009

Best Performance for Career Education In IBM Software (CEIS) Programme

Highest Certification Achievement and Commitment in Producing Globally-benchmarked Graduates

Member in Good Standing and Afforded All The Privileges and Benefits of this Designation 2009–2010

Member in Good Standing of CompTIA (Computing Technology Industry Association) 2009

2008

Microsoft Gold Certified Partner 2008–2009

Microsoft Certified Partner Learning Solution (CPLS) 2008–2009

Asia Pacific Regional Best Practices in Advancing Industry Growth through Innovation in Education 2008

Certificate of Acknowledgement for Prestariang Systems Sdn Bhd, IBM Malaysia Sdn Bhd and Universiti Teknologi Mara (UiTM) working together under the Career Education in IBM Software (CEIS) 2008

2007

Microsoft Certified Partner for Learning Solution (CPLS) 2007–2008

2004

Apple Key Account Win FY2004

Corporate Statements

Statement of Corporate Governance	26
Audit Committee Report	31
Statement on Internal Control	34
Other Compliance Information	37
Directors' Responsibility Statement	38

Statement of Corporate Governance

The Board of Directors ("Board") of Prestariang Berhad appreciates the importance of embedding the highest standards of corporate governance best practices in the business and affairs of the Company and the Group and views corporate governance as synonymous with transparency, accountability, integrity and corporate performance as the prerequisites of a responsible corporate citizen.

The Board is also fully committed to sustaining its high standards of corporate governance with the goal of ensuring that the Group is in the forefront of good governance and implementing the guidelines of the Principles and Best Practices set out in the Malaysian Code on Corporate Governance ("Code"). The code has served as a fundamental guide to the Board in discharging its principal duty to act in the best interest of the Company as well as managing the business and affairs of the Group efficiently.

In the attainment of this purpose, the Board is pleased to share the manner in which the Principles of the Code have been applied in the Group in respect of the financial year ended 31 December 2011 and the extent to which the Company has complied with the Best Practices of the Code. The Board believes that the Principles and the Best Practices set out in the Code have, in all material respects, been adhered to and complied with.

STATEMENT OF PRINCIPLES

The following sets out the manner in which the Principles in Part 1 of the Code have been applied by the company and are under the headings of Board of Directors, Directors' Remuneration, Shareholders and Investors, and Accountability and Audit.

A. BOARD OF DIRECTORS

Board Responsibilities

The Company is led and controlled by an effective Board comprising members drawn from various professional backgrounds, bringing depth and diversity in experience, expertise and perspectives to the Group's business operations. The Group recognises the pivotal role played by the Board of Directors in the stewardship of its strategic business direction and ultimately in the enhancement of its long-term shareholder value.

The Board remains resolute and upholds its responsibility in governing, guiding and monitoring the direction of the Company with the eventual objective of enhancing long term sustainable value creation aligned with shareholders' interests whilst taking into account the long-term interests of all stakeholders, including shareholders, employees, customers, business associates and the communities in which the Group conducts its business

The Board reserves to itself responsibility for the following matters:

- Reviewing and adopting corporate strategies and direction for the Group.
- The approval of all investment and divestment proposals.
- The review and approval of all corporate plans, budgets and other significant matters of a financial nature.
- Human resource policies and processes involving the planning, appointing, training including succession planning for top management.
- Developing and implementing an effective public communications programme for the Group.
- Reviewing the adequacy and integrity of the Group's internal control systems and management information systems, including system for compliance with applicable laws, regulations, rules, directives and guidelines.
- Developing an effective framework for identifying and monitoring significant business risks.

Board Committees

The Board of Directors delegates certain responsibilities to the Board Committees, namely the Audit Committee, Nomination Committee, Risk Management Committee and Remuneration Committee in order to enhance business and operational efficiencies as well as efficacies.

All Board Committees have written terms of reference and charters and the Board receives all minutes and reports of their proceedings and deliberations, where relevant. The Chairmen of the various Committees report to the Board on the outcome of Committee meetings. Such reports are usually incorporated in the minutes of the full Board meetings.

Board Composition and Balance

The Board consists of a total of six (6) Directors and the status of their directorship is as follows:

Directors	Status
Dato' Mohamed Yunus Ramli Bin Abbas	Non-Independent Non-Executive Chairman
Dato' Jaffar Indot	Independent Non-Executive Director
Dato' Loy Teik Ngan	Independent Non-Executive Director
Chan Wan Siew	Independent Non-Executive Director
Dato' Gan Nyap Liou @ Gan Nyap Liow	Independent Non-Executive Director
Dr. Abu Hasan Bin Ismail	Non-Independent Executive Director
Raja Azmi Bin Adam Nadarajan (Resigned on 16 April 2012)	Non-Independent Executive Director

Prestariang Berhad complies with the Bursa Malaysia Securities Berhad Listing Requirements with regards to Board composition and the required ratio of Independent Directors. The profiles of the Directors are set out on pages 9 to 11 of this Annual Report.

The roles of the Chairman and the Chief Executive Officer are segregated and clearly defined by their individual position descriptions. The Chairman is responsible for running the Board and ensures that all Directors receive sufficient and relevant information on financial and non-financial matters to enable them to participate actively in Board decisions. The Chief Executive Officer is responsible for the day-to-day management of the business as well as the implementation of Board policies and decisions.

The Board will, from time to time, review its composition and size to ensure it fairly reflects the investments of the shareholders of the Company.

Re-election of Directors

In accordance with the Company's Articles of Association, one-third (1/3) of the Directors are subject to retirement by rotation by every Annual General Meeting (AGM) and provided always that all Directors shall retire from office at least once every three (3) years but shall be eligible for re-election. Directors who are appointed by the Board are subject to re-election by the shareholders at the annual general meeting held following their appointments.

Directors of or over 70 years of age are required to submit themselves for re-appointment annually in accordance with Section 129(6) of the Companies Act, 1965.

Meetings

During the financial year ended 31 December 2011, the Board met on four (4) occasions, deliberating upon and considering a variety of matters including the Group's financial results, major investments, strategic decisions and the overall direction of the Group.

Agenda and matters for discussion are prepared and circulated in advance of each meeting. All proceedings from Board meetings are recorded and the minutes maintained by the Company Secretary.

Details of Directors attendance at meetings of the Board during the financial year under review are as follows:

Name of Directors	No. of Meetings Attended
Dato' Mohamed Yunus Ramli Bin Abbas	4/4
Dato' Jaffar Indot	4/4
Dato' Loy Teik Ngan	4/4
Chan Wan Siew	4/4
Dato' Gan Nyap Liou @ Gan Nyap Liow	3/4
Dr. Abu Hasan Bin Ismail	4/4
Raja Azmi Bin Adam Nadarajan (Resigned on 16 April 2012)	3/4

Statement of Corporate Governance

Supply of Information

All members of the Board are supplied with information in a timely manner. Board reports and papers are circulated prior to Board meetings to enable Directors to obtain further information and explanations, where required, before the meetings.

Each Director has unhindered access to information pertaining to the Group's business and affairs to enable them to discharge their duties. In addition, certain matters are reserved specifically for the Board's decision. These include approval of material acquisitions and disposals of assets, major corporate plans, financial results, and Board appointments.

The Directors also have direct access to the advice of the Company Secretary, independent professional advisors and internal and external auditors, as and when appropriate, at the Company's expense.

Appointments to the Board

Nomination Committee

The Nomination Committee is responsible for identifying and recommending to the Board suitable nominees for Board appointments. Ultimate responsibility and final decisions on all matters, however, lies with the Board.

The Nomination Committee comprised the following members in the financial year under review:

Members
Dato' Gan Nyap Liou @ Gan Nyap Liow (Chairman)
Dato' Jaffar Indot
Chan Wan Siew

Directors' Training

The Board, through the Nomination Committee, ensures that it recruits to the Board only individuals of sufficient calibre, knowledge, and experience to appropriately perform the duties of Director. As at the end of the financial year under review, all Directors have successfully completed the Mandatory Accreditation Programme. In addition, Directors undergo continuous training to equip themselves with the necessary knowledge and to keep abreast with developments to effectively discharge their duties as a Director.

B. DIRECTORS' REMUNERATION

Remuneration Committee

The Remuneration Committee comprised the following members in the financial year under review:

Members
Dato' Loy Teik Ngan (Chairman)
Dato' Jaffar Indot
Chan Wan Siew
Dr. Abu Hasan Bin Ismail

The Committee is responsible for recommending the compensation and remuneration package for Executive Directors and Senior Management staff. In formulating the recommended remuneration package, the Committee has considered information prepared by the Management and independent consultants and survey data on the remuneration practices of comparable companies.

The Board, as a whole, determines the remuneration of Non-Executive Directors, with each Director concerned abstaining from any decision with regards to his remuneration. The Company pays its Non-Executive Directors an annual fee which is subject to the approval of the shareholders of the Company at AGM.

Details of the nature and amount of each major element of the remuneration of Directors of the Company, during the financial year, are as follows:

	Executive Directors (RM)	Non-Executive Directors (RM)	Total (RM)
Emoluments and Allowance	269,807	34,000	303,807
Fees	–	505,285	505,285
Benefit-in-kind	50,000	–	50,000
Total	319,807	539,285	859,092

The number of Directors whose remuneration fell within the respective bands is as follows:

Remuneration Band (RM)	Executive Directors	Non-Executive Directors
50,000 and below	–	–
100,001 – 150,000	–	5
150,001 - 200,000	–	–
200,001 – 250,000	–	–
250,001 - 300,000	1	–

C. SHAREHOLDERS AND INVESTORS

Communication

The Company recognises the importance of communicating with its shareholders and other stakeholders and does this through the annual reports, AGMs and the various disclosures and announcements made to Bursa Malaysia Securities Berhad. At the AGM, the shareholders are encouraged to ask questions both about the resolutions being proposed or about the Group's operations in general.

In addition, the Company makes various announcements through Bursa Malaysia Securities Berhad, in particular, the timely release of the quarterly results within two (2) months from the close of a particular quarter. Summaries of the quarterly and full year results and copies of the full announcements are supplied to shareholders and members of the public upon request. Members of the public can also obtain the full financial results and Company announcements from the Bursa Malaysia Securities Berhad's website.

Investor Relations

Along with good corporate governance practices, the Company has embarked on appropriate corporate policies to provide greater disclosure and transparency through all its communications with its shareholders, investors and the general public.

The Company strives to promote and encourage bilateral communications with its shareholders through participation at its general meetings and also ensures timely dissemination of any information to investors, analysts and the general public.

The Group maintains the following website that allows all shareholders and investors access to information about the Group: www.prestariang.com.my. Any further information regarding the Prestariang Group may also be obtained from the following persons:

Senior Manager, Corporate Governance Telephone: (03) 8314 8400 Facsimile: (03) 8318 9280 inquiry@prestariang.com.my	Manager, Corporate Communications Telephone: (03) 8314 8400 Facsimile: (03) 8318 9280 inquiry@prestariang.com.my
--	---

Statement of Corporate Governance

D. ACCOUNTABILITY AND AUDIT

Financial Reporting

The Board aims to provide a balanced and meaningful assessment of the Group's financial performance and prospects at the end of the financial year, primarily through the annual financial statements, quarterly announcements of results to shareholders and the Chairman's Statement in the Annual Report. The Board is assisted by the Audit Committee in overseeing the Group's financial reporting processes and the quality of its financial reporting.

Internal Control

The Board has overall responsibility for maintaining a system of internal control and risk management that provides a reasonable assurance of effective and efficient operations and compliance with laws and regulations, as well as with internal procedures and guidelines.

The Statement on Internal Control furnished on pages 34 to 36 of this Annual Report provides an overview of the internal control within the Group during the financial year under review.

Relationship with the Auditors

The Company has established a transparent arrangement with the Auditors to meet their professional requirement. Key features underlying the relationship of the Audit Committee with the Internal and External Auditors are included in the Audit Committee Report on pages 31 to 33 of this Annual Report.

Internal Audit

In the pursuit of greater independence in the internal audit function, the Internal Audit activity continued to be outsourced during the financial year under review to KPMG Business Advisory Sdn Bhd to provide internal audit services.

A summary of the activities of the Audit Committee and the Internal Auditors during the financial year under review is set out in the Audit Committee Report on pages 31 to 33 of this Annual Report.

Audit Committee Report

The Board of Directors of Prestariang Berhad is pleased to present the Audit Committee Report for the financial year ended 31 December 2011.

OBJECTIVES

The objective of the Audit Committee is responsible for:

- reviewing reports from internal and external auditors to validate scope, evaluate existing policies, establish audit quality and ensure compliance with the company's policies.
- ensuring that proper processes and procedures are in place to comply with applicable laws, rules and regulations, directives and guidelines established by the relevant regulatory bodies.

1. TERMS OF REFERENCE OF THE AUDIT COMMITTEE

COMPOSITION

The Audit Committee comprises at least three Directors, all of whom are independent. The members of the Audit Committee shall elect a Chairman from amongst themselves who shall be an Independent Director. The Audit Committee comprises only of Non-Executive Directors.

MEMBERSHIP

The present members of the Audit Committee comprise of the following Independent Non-Executive Directors:

Chan Wan Siew – Chairman

Dato' Loy Teik Ngan

Dato' Gan Nyap Liou @ Gan Nyap Liow

DUTIES AND RESPONSIBILITIES

1. To review the quarterly and annual financial statements of the Company.
2. To review any related party transaction and conflict of interest situation that may arise within the Company including any transaction, procedure or course of conduct that raises questions of Management integrity.
3. To consider annually the Risk Management Framework adopted within the Company and to be satisfied that the methodology employed allows the identification, analysis, assessment, monitoring and communication of risks in a regular and timely manner that will allow the Group to minimise losses and maximise opportunities.
4. To ensure that the system of internal control is soundly conceived and in place, effectively administered and regularly monitored.
5. To cause reviews to be made of the extent of compliance with established internal policies, standards, plans and procedures including for example, the Company's Code of Business Conduct.
6. To obtain assurance that proper plans for control have been developed, prior to the commencement of major areas of change within the organisation.
7. To be satisfied that the strategies, plans, manning and organisation for internal auditing are communicated down through the Company.
8. To review with the external auditors the nature and scope of their audit plan and report.
9. To review any matters concerning the appointment and re-appointment, audit fee and any questions of resignation or dismissal of the external auditors.
10. To review and evaluate factors related to the independence of the external auditors and assist them in preserving their independence.

Audit Committee Report

11. To be advised of significant use of the external auditors in performing non-audit services within the Group, considering both the types of services rendered and the fees, such that the position as auditors are not deemed to be compromised.
12. To review the external auditors' findings arising from audits, particularly any comments and responses in management letters as well as the assistance given by the employees of the Group in order to be satisfied that appropriate action is being taken.
13. To recommend to the Board steps to improve the system of internal control derived from the findings of the internal and external auditors and from the consultations of the Audit Committee itself.
14. To review with the external auditors the Statement of Internal Controls of the Group for inclusion in the annual report.
15. To prepare the annual Audit Committee report to the Board which includes the composition of the Audit Committee, its terms of reference, number of meetings held, a summary of its activities and the existence of an internal, audit function and summary of the activities of that function for inclusion in the annual report.
16. To review the Board's statements on compliance with the Malaysian Code of Corporate Governance for inclusion in the annual report.
17. To review ordinary and extraordinary dividend payments.
18. To act on any other matters as may be directed by the Board.

RIGHTS OF THE AUDIT COMMITTEE

The Audit Committee is authorised by the Board:

1. to review any activity within the Audit Committee's terms of reference. It is authorised to seek any information it requires from any Director or member of management and has full and unrestricted access to any information pertaining to the Company and the management, and all employees of the Group are required to comply with the requests made by the Audit Committee.
2. to obtain external professional advice and secure the attendance of outsiders with relevant experience and expertise if it considers this necessary. In the event that any member of the Audit Committee shall need to seek external professional advice in furtherance of his duties, he shall first consult with and obtain the prior approval of the Chairman of the Audit Committee.
3. to review any activity within its Terms of Reference, and where it deems necessary, investigate any matter referred to it or that it has come across in respect of a transaction that raises questions of management integrity, possible conflicts of interest, or abuse by a significant or controlling shareholder.
4. shall have direct communication channels and be able to convene meetings with the external auditors excluding the attendance of the non-independent members of the Audit Committee, whenever deemed necessary.

MEETINGS

The Audit Committee shall:

1. meet at least four (4) times annually. A majority of the members in attendance must be Independent Directors in order to form a quorum for the meeting.
2. report to the Board and its minutes will be tabled to and noted by the Board.

2. MEETINGS AND ATTENDANCE

During the financial year, the Audit Committee held two (2) meetings and details of attendance of its members are as follows:

Name	No. of Meetings Attended
Chan Wan Siew – Chairman	2/2
Dato' Loy Teik Ngan	2/2
Dato' Gan Nyap Liou @ Gan Nyap Liow	2/2

Also attended by invitation were the Chief Executive Officer, Chief Financial Officer, Senior Manager Corporate Governance and the internal auditors. Where appropriate, the external auditors were invited to attend and brief the Audit Committee and to provide responses to queries raised by the Audit Committee in respect of the Company's Financial Statements and reporting requirements.

3. SUMMARY OF ACTIVITIES OF THE AUDIT COMMITTEE DURING THE FINANCIAL YEAR UNDER REVIEW

- 3.1 Reviewed the unaudited quarterly financial results of the Group before recommending to the Board of Directors for their approval and release of the Group's financial results to Bursa Malaysia.
- 3.2 Reviewed the Audit Planning Memorandum of the Group for the financial period ended 31 December 2011 with the external auditors.
- 3.3 Reviewed the audited financial statements of the Group, the issues arising from the audit, their resolution and the audit report prior to recommending to the Board of Directors for approval.
- 3.4 Reviewed the role and management of the internal audit function and the continued option to outsource the internal audit function in the financial period ended 31 December 2011.
- 3.5 Reviewed with the internal auditors the internal audit findings and recommendations presented and the manner in which the issues raised by the internal auditor was subsequently resolved by management.
- 3.6 Reviewed other pertinent issues of the Group, which has significant impact on the results of the Group and the statutory audits.

4. INTERNAL AUDIT FUNCTION

It is the responsibility of the internal auditors to provide the Audit Committee with independent and objective reports on the state of internal control of the various operating units within the Group and the extent of compliance of the units with the Group's established policies and procedures.

To this end, the functions of the internal auditors are to:

1. Perform audit work in accordance with the pre-approved internal audit plan
2. Carry out reviews on the systems of internal control of the Group
3. Review and comment on the effectiveness and adequacy of the existing control policies and procedures
4. Provide recommendations, if any, for the improvement of the control policies and procedures.

The Audit Committee and Board of Directors are satisfied with the performance of the internal auditors and have in the interest of continuity and greater independence in the Internal Audit function, taken the decision to continue with the outsource of the Internal Audit function to KPMG Business Advisory Sdn Bhd, in the provision of outsourced internal audit services. The approved audit fee is RM60,000 per annum.

In the year under review, the internal auditors undertook three (3) audit routines as follows:

- Strategic Management
- Financial Management
- Sales and Marketing Activities

Statement on Internal Control

1. INTRODUCTION

The Malaysian Code of Corporate Governance requires listed companies to maintain a sound system of internal controls to safeguard shareholders' investments and Group assets.

The Group in discharging its stewardship responsibilities has recognised and established procedures of internal control that are in accordance with the guidance provided in the "Statement on Internal Control: Guidance for Directors of Public Listed Companies". These procedures, which are subject to continuous review by the Board, provide a systematic and ongoing process for identifying, evaluating and managing significant business risks faced by the Group that may affect the achievement of its business objectives. The Board of Directors of Prestariang Berhad, in recognition of this responsibility, hereby issues the following statement which is prepared in accordance with these requirements.

2. BOARD RESPONSIBILITY

The Board of Directors acknowledges that it is their overall responsibility to maintain a sound system of internal controls to cover all aspects of the Group's business and to safeguard the interests of its shareholders. This responsibility requires Directors to establish procedures, controls and policies and to seek continuous assurance that the system is operating satisfactorily in respect of the strategic direction, financial, operational, compliance and risk management policies and procedures.

The Directors are also aware that a sound internal control system provides reasonable and not absolute assurance that the Company will not be hindered in achieving its business objectives in the ordinary course of business. It should also be appreciated that the whole system of internal control is designed to manage and control risks appropriately rather than a definitive system designed for the total avoidance of risks or for eliminating the risk of failure.

The Board maintains full control over strategic, financial, organisational and compliance issues and has put in place an organisation with formal lines of responsibility, clear segregation of duties and appropriate delegation of authority. The Board has delegated to the executive management the implementation of the system of internal controls within an established framework throughout the Group.

The Board also acknowledges the need to establish an on-going process for identifying, evaluating and managing significant risks faced by the Group and to regularly review this process in conjunction with the Statement on Internal Control: Guidance for Directors of Public Listed Companies.

3. CONTROL STRUCTURE & RISK MANAGEMENT FRAMEWORK

Day to day operations is monitored by the Chief Executive Officer. This control is exercised through Senior Management in respect of commercial, financial and operational aspects of the Company. The Chief Executive Officer and Senior Management meet regularly in respect of such matters.

The Board fully supports the contents of the Statement on Internal Control: Guidance for Directors of Public Companies and through the Audit Committee continually reviews the adequacy and effectiveness of the risk management processes in place within the various operating units with the aim of strengthening the risk management functions across the Group.

The Management also acknowledges its responsibility for the management of risks, for developing, operating and monitoring the system of internal control and for providing assurance to the Board that it has done so in accordance with the policies adopted by the Board. Further assurance is provided by the Internal Audit function which operates across the Group with emphasis on key operating units within the Group. Acknowledging the need for an effective and independent Internal Audit function as an integral part of the control structure and risk management framework of the Group, the decision was taken to outsource the Internal Audit activity to a third party service provider.

The Board of Directors and the Management also recognise and acknowledge that the development of an effective internal control system is an on-going process and to this end maintains a continuous commitment to strengthen the existing internal control environment of the Group.

4. INTERNAL AUDIT FUNCTION

In a desire to maintain total independence in the management of the internal control environment and remain in compliance with the Bursa Malaysia Securities Berhad Listing requirements, the Company has appointed KPMG Business Advisory Sdn Bhd to manage the Company's internal audit function on an outsourced basis.

KPMG Business Advisory Sdn Bhd reports independently and directly to the Audit Committee in respect of the internal audit function. The Audit Committee together with KPMG Business Advisory Sdn Bhd agrees on the scope and planned internal audit activity annually and all audit findings arising there from are reported to the Audit Committee.

KPMG Business Advisory Sdn Bhd is allowed complete and unrestricted access to all documents and records of the Group deemed necessary in the performance of its function and independently reviews the risk identification procedures and control processes implemented by the Management. It also reviews the internal controls in the key activities of the Group's business based on the risk profiles of the business units in the Group. In addition, KPMG Business Advisory Sdn Bhd carry out periodic assignments to ensure the policies and procedures established by the Board are complied with by the Management. All reports and findings arising from these reviews are discussed primarily with the respective process custodians prior to a formal report being presented to the Audit Committee.

As an additional function to the Group, KPMG Business Advisory Sdn Bhd also provide business improvement recommendations for the consideration of the Management and the Board to assist in the continuous development of a more efficient and comprehensive internal control environment.

KPMG Business Advisory Sdn Bhd undertook three (3) audit routines in the year as follows:

- Strategic Management
- Financial Management
- Sales and Marketing Activities

5. OTHER KEY INTERNAL CONTROL ELEMENTS

- Clearly defined terms of reference, authorities and responsibilities of the various committees which include the Audit Committee, Risk Management Committee, Nomination Committee and Remuneration Committee.
- Well defined organisational structure with clear lines for the segregation of duties, accountability and the delegation of responsibilities to Senior Management and the respective division heads including appropriate authority limits to ensure accountability and approval responsibility.
- Budgets are prepared annually for the Business/Operating units and approved by the Board. The budgets include operational and financial requirements and performance monitored on a quarterly basis.
- The Chief Executive Officer meets regularly with Senior Management to discuss issues on the Group's financial performance, business initiatives and other management and corporate issues.
- There are regular Board meetings and Board papers are distributed in advance to all Board members who are entitled to receive and access all necessary and relevant information. Decisions of the Board are only made after the required information is made available and deliberated on by the Board. The Board maintains complete and effective control over the strategies and direction of the Group.
- The Audit Committee reviews the effectiveness of the Group's system of internal control on behalf of the Board. The Audit Committee comprises of Non-Executive members of the Board, who are also Independent Directors. The Audit Committee is not restricted in any way in the conduct of its duties and has unrestricted access to the internal and external auditors of the company and to all employees of the Group. The Audit Committee is also entitled to seek such other third party independent professional advice deemed necessary in the performance of its responsibility.

Statement on Internal Control

- Review by the Audit Committee of internal control issues identified by the external and internal auditors and action taken by the Management in respect of the findings arising there from. The internal audit function reports directly to the Audit Committee. Findings are communicated to the Management and the Audit Committee with recommendations for improvements and follow up to confirm all agreed recommendations are implemented. The internal audit plan is structured on a risk based approach and is reviewed and approved by the Audit Committee.
- Review of all proposals for material capital and investment opportunities by the Management committee and approval for the same by the Board prior to expenditure being committed.
- There are sufficient reports generated in respect of the business and operating units to enable proper review of the operational, financial and regulatory environment. Management Accounts are prepared timely and on a monthly basis and is reviewed by the Chief Executive Officer with the Senior Management.
- The decision of the Board of Directors to the appointment of KPMG Business Advisory Sdn Bhd, a firm specialising in the provision of internal audit services, to manage the internal audit function of the company on an outsourced basis for greater independence and accountability in the internal audit function.

6. WEAKNESSES IN INTERNAL CONTROL RESULTING IN MATERIAL LOSS

The Board of Directors is of the opinion that there is no significant weakness in the system of internal control, contingencies or uncertainties that could result in material loss and adversely affect the Group. The Group continues to take necessary measures to strengthen its internal control structure and the management of risks.

Other Compliance Information

The following information is provided in compliance with paragraph 9.25 of Bursa Malaysia Securities Berhad Main Market Listing Requirements.

A) UTILISATION OF PROCEEDS

The Public Issue raised gross proceeds of RM19.8 million which is accrued to the Company. As at the end of the financial year ended 31 December 2011, the status of actual utilisation of the proceeds as compared to the proposed utilisation is as follows:

Description	Estimated timeframe for utilisation upon listing	Proposed utilisation (RM'000)	Actual utilisation (RM'000)	Variance		Note
				(RM'000)	(%)	
Capital expenditure	Within 12 months	2,500	-	2,500	100.00	1
Research and development expenditure	Within 24 months	6,500	1,389	5,111	78.63	1
Working capital	Within 24 months	6,200	417	5,783	93.27	1
Repayment of term loan	Within 12 months	1,600	1,690	(90)	(5.63)	1
Estimated listing expenses	Immediate	3,000	3,428	(428)	(14.27)	2
Total Gross Proceeds		19,800	6,924	12,876		

The gross proceeds arising from the Offer for Sale, net of the relevant fee, shall accrue entirely to the Offeror and no part of the proceeds will be received by the Company.

Note:

- IPO proceeds will be utilised within the estimated timeframe. The Group does not expect any material variation as at the date of this report.
- The total listing expenses was RM3.43 million of which RM0.97 million was offset against share premium as these transaction costs were directly attributed to the issuance of new shares of the IPO exercise. The variation of RM0.43 million from the estimated listing expenses will be funded from working capital.

B) OPTIONS, WARRANTS OR CONVERTIBLE SECURITIES

The Company did not issue any options, warrants or convertible securities during the financial year ended 31 December 2011.

C) NON-AUDIT FEES

The amount of non-audit fees paid to the external auditors by the Company for the financial year was RM72,000.

D) IMPOSITION OF SANCTIONS AND/OR PENALTIES

In the financial year ended 31 December 2011, the Company was not subject to any sanctions or penalties.

E) PROFIT ESTIMATES, FORECASTS OR PROJECTIONS

There were no significant variances noted between the reported results and the unaudited results announced. The Company did not make any release on the profit estimates, forecasts or projections for the financial year.

F) PROFIT GUARANTEES

There were no profit guarantees given by the Company during the financial year.

G) MATERIAL CONTRACTS

There were no material contracts entered into by the Company and/or its subsidiaries involving the interest of Directors and/or major shareholders, either still subsisting at the end of the financial year or entered into since the end of the previous financial year.

Directors' Responsibility Statement

The Companies Act 1965 (the Act) requires the Directors to present financial statements of Prestariang Berhad (the Company) and its subsidiaries (the Group) which give a true and fair view of the Group and the Company at the end of the financial year. As required by the Act and the Listing requirements of Bursa Malaysia Securities Berhad, the financial statements have been prepared in accordance with the Companies Act 1965 and the Financial Reporting Standards (FRS). The financial statements include the consolidated balance sheet, cash flows and income statements and are made out in accordance with relevant provisions of the Act and applicable accounting standards.

The Directors have placed reliance on the system of internal control within the Company and the Group to form a basis of reasonable grounds that accounting systems and records maintained by the Company and the Group provide a true and fair view of the current state of affairs of the Company and the Group, a true and fair view of the financial year results and that it sufficiently explains the transactions and financial position of the Company and the Group. The Directors also have a general responsibility in taking steps to preserve the interests of stakeholders and to safeguard the assets of the Company and the Group.

The Directors have the further responsibility of ensuring that reasonably proper, accurate, timely and reliable accounting records are kept. The annual audited financial statements have been prepared based on relevant and appropriate accounting policies and with usage of reasonable and prudent judgment and estimates.

The Directors have also a general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Group and to prevent and detect fraud and other irregularities.

In compliance with the several responsibilities of the Directors, the Directors present the financial statements of the Company and the Group for the financial year ended 31 December 2011 as set out on pages 47 to 92 of this annual report.

Financial Statements

Directors' Report	40
Statement by Directors	44
Statutory Declaration	44
Independent Auditors' Report	45
Statements of Financial Position	47
Statements of Comprehensive Income	48
Statements of Changes in Equity	49
Statements of Cash Flows	51
Notes to the Financial Statements	53

Directors' Report

The directors hereby present their report together with the audited financial statements of the Group and of the Company for the financial year ended 31 December 2011.

PRINCIPAL ACTIVITIES

The principal activity of the Company is investment holding. The principal activities of the subsidiaries are described in Note 5 to the financial statements. There have been no significant changes in the nature of the principal activities during the financial year.

RESULTS

	The Group RM'000	The Company RM'000
Profit after taxation for the financial year	33,642	8,825
Attributable to:		
Owners of the Company	33,642	8,825

DIVIDENDS

Since the end of the previous financial period, the Company paid an interim single-tier dividend of 4 sen per ordinary share amounting to RM8,800,000 in respect of the current financial year on 19 December 2011.

At the forthcoming Annual General Meeting, a final single-tier dividend of 4 sen per ordinary share amounting to RM8,800,000 in respect of the financial year ended 31 December 2011 will be proposed for shareholders' approval.

The financial statements for the current financial year do not reflect this proposed dividend. Such dividend, if approved by the shareholders, will be accounted for in equity as an appropriation of retained earnings in the financial year ending 31 December 2012.

RESERVES AND PROVISIONS

All material transfers to or from reserves or provisions during the financial year are disclosed in the financial statements.

ISSUES OF SHARES AND DEBENTURES

During the financial year,

- (a) there were no changes in the authorised share capital of the Company;
- (b) the Company increased its issued and paid-up share capital from RM2 to RM22,000,000 by the issuance of 219,999,980 new ordinary shares of RM0.10 each, as disclosed in Note 20 to the financial statements. The new ordinary shares issued during the year ranked pari passu in all respects with the existing ordinary shares of the Company; and
- (c) there were no issues of debentures by the Company.

OPTIONS GRANTED OVER UNISSUED SHARES

During the financial year, no options were granted by the Company to any person to take up any unissued shares in the Company.

BAD AND DOUBTFUL DEBTS

Before the financial statements of the Group and of the Company were made out, the directors took reasonable steps to ascertain that action had been taken in relation to the writing off of bad debts and the making of allowance for impairment losses on receivables, and satisfied themselves that there are no known bad debts and that adequate allowance had been made for impairment losses on receivables.

At the date of this report, the directors are not aware of any circumstances that would require the writing off of bad debts, or the additional allowance for impairment losses on receivables in the financial statements of the Group and of the Company.

CURRENT ASSETS

Before the financial statements of the Group and of the Company were made out, the directors took reasonable steps to ascertain that any current assets other than debts, which were unlikely to be realised in the ordinary course of business, including their value as shown in the accounting records of the Group and of the Company, have been written down to an amount which they might be expected so to realise.

At the date of this report, the directors are not aware of any circumstances which would render the values attributed to the current assets in the financial statements misleading.

VALUATION METHODS

At the date of this report, the directors are not aware of any circumstances which have arisen which render adherence to the existing methods of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate.

CONTINGENT AND OTHER LIABILITIES

At the date of this report, there does not exist:

- (a) any charge on the assets of the Group and of the Company that has arisen since the end of the financial year which secures the liabilities of any other person; or
- (b) any contingent liability of the Group and of the Company which has arisen since the end of the financial year.

No contingent or other liability of the Group and of the Company has become enforceable or is likely to become enforceable within the period of twelve months after the end of the financial year which, in the opinion of the directors, will or may substantially affect the ability of the Group and of the Company to meet its obligations when they fall due.

CHANGE OF CIRCUMSTANCES

At the date of this report, the directors are not aware of any circumstances not otherwise dealt with in this report or the financial statements of the Group and of the Company which would render any amount stated in the financial statements misleading.

ITEMS OF AN UNUSUAL NATURE

The results of the operations of the Group and of the Company during the financial year were not, in the opinion of the directors, substantially affected by any item, transaction or event of a material and unusual nature.

There has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the directors, to affect substantially the results of the operations of the Group and of the Company for the financial year.

DIRECTORS

The directors who served since the date of the last report are as follows:

Dr. Abu Hasan Bin Ismail

Dato' Mohamed Yunus Ramli Bin Abbas

Dato' Jaffar Indot

Dato' Loy Teik Ngan

Chan Wan Siew

Dato' Gan Nyap Liou @ Gan Nyap Liow

Raja Azmi Bin Adam Nadarajan (Resigned on 16.4.2012)

Directors' Report

DIRECTORS' BENEFITS

Neither at the end of the financial year, nor at any time during that year, did there subsist any arrangement to which the Company was a party, whereby the directors might acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

Since the end of the previous financial year, no director has received or become entitled to receive a benefit (other than benefits included in the aggregate amount of emoluments received or due and receivable by the directors or the fixed salary of a full-time employee of the Company as disclosed in Note 27 and Note 28 to the financial statements) by reason of a contract made by the Company or a related corporation with any director or with a firm of which the director is a member, or with a company in which the director has a substantial financial interest, except as disclosed in Note 35 to the financial statements.

DIRECTORS' INTERESTS

According to the register of directors' shareholdings, the interests of the directors in office at the end of the financial year in shares in the Company and its related corporations during the financial year are as follows:

	Number of Ordinary Shares of RM0.10 Each			
	1.1.2011	Allotted	Sold	31.12.2011
The Company				
Direct Interests:				
Dr. Abu Hasan Bin Ismail	–	77,000,000	(77,000,000)	–
Dato' Mohamed Yunus Ramli Bin Abbas	–	250,000	–	250,000
Dato' Jaffar Indot	–	320,000	–	320,000
Dato' Loy Teik Ngan	–	275,000	–	275,000
Chan Wan Siew	–	250,000	–	250,000
Raja Azmi Bin Adam Nadarajan	–	250,000	–	250,000
Dato' Gan Nyap Liou @ Gan Nyap Liow	–	1,893,000	–	1,893,000
Indirect Interests:				
Dr. Abu Hasan Bin Ismail #	–	90,650,700	–	90,650,700
Dato' Jaffar Indot ##	–	120,000	–	120,000

Notes:

– Deemed interested by virtue of his substantial shareholdings in EkoHati Sdn. Bhd., Sigma Dedikasi Sdn. Bhd. and Anjakan Evolusi Sdn. Bhd. which in turn are substantial shareholders of the Company pursuant to Section 6A of the Companies Act, 1965.

– Deemed interested by virtue of his spouse's shareholdings in the Company pursuant to Section 134(12)(c) of the Companies Act, 1965.

By virtue of his interest in shares in the Company, Dr. Abu Hasan Bin Ismail is deemed to have an interest in shares in its related corporations during the financial year to the extent of the Company's interest, in accordance with Section 6A of the Companies Act, 1965.

SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR AND SUBSEQUENT TO THE END OF THE REPORTING PERIOD

The significant events during the financial year and subsequent to the end of the reporting period are disclosed in Note 37 to the financial statements.

AUDITORS

The auditors, Messrs. Crowe Horwath, have expressed their willingness to continue in office.

SIGNED IN ACCORDANCE WITH A RESOLUTION OF THE DIRECTORS DATED 17 APRIL 2012.

Dr. Abu Hasan Bin Ismail

Dato' Mohamed Yunus Ramli Bin Abbas

Statement by Directors

PURSUANT TO SECTION 169(15) OF THE COMPANIES ACT, 1965

We, Dr. Abu Hasan Bin Ismail and Dato' Mohamed Yunus Ramli Bin Abbas, being two of the directors of Prestariang Berhad, state that, in the opinion of the directors, the accompanying financial statements set out on pages 47 to 92 are drawn up in accordance with Financial Reporting Standards and the Companies Act, 1965 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as at 31 December 2011 and of their financial performance and cash flows for the year then ended.

The supplementary information set out in Note 39, which is not part of the financial statements, is prepared in all material respects, in accordance with the Guidance on Special Matter No 1, Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Malaysia Securities Berhad Listing Requirements, as issued by the Malaysian Institute of Accountants and the directive of Bursa Malaysia Securities Berhad.

SIGNED ON BEHALF OF THE BOARD IN ACCORDANCE WITH A RESOLUTION OF THE DIRECTORS DATED 17 APRIL 2012.

Dr. Abu Hasan Bin Ismail

Dato' Mohamed Yunus Ramli Bin Abbas

Statutory Declaration

PURSUANT TO SECTION 169(16) OF THE COMPANIES ACT, 1965

I, Hazrin Bin Haji Hatim, being the officer primarily responsible for the financial management of Prestariang Berhad, do solemnly and sincerely declare that the financial statements set out on pages 47 to 92 are, to the best of my knowledge and belief, correct, and I make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declarations Act, 1960.

Subscribed and solemnly declared by
the abovenamed Hazrin Bin Haji Hatim
at Kuala Lumpur in the Federal Territory
on 17 April 2012.

Hazrin Bin Haji Hatim

Before me

Yap Lee Chin (W 591)
Commissioner for Oaths

Independent Auditor's Report

TO THE MEMBERS OF PRESTARIANG BERHAD

REPORT ON THE FINANCIAL STATEMENTS

We have audited the financial statements of Prestariang Berhad, which comprise the statements of financial position as at 31 December 2011 of the Group and of the Company, and the statements of comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the financial year then ended, and a summary of significant accounting policies and other explanatory information, as set out on pages 47 to 92.

Directors' Responsibility for the Financial Statements

The directors of the Company are responsible for the preparation of financial statements that give a true and fair view in accordance with Financial Reporting Standards and the Companies Act, 1965 in Malaysia, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with approved standards on auditing in Malaysia. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgement, including the assessment of risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the Company's preparation of financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements have been properly drawn up in accordance with Financial Reporting Standards and the Companies Act, 1965 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as of 31 December 2011 and of their financial performance and cash flows for the financial year then ended.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

In accordance with the requirements of the Companies Act, 1965 in Malaysia, we also report the following:

- (a) In our opinion, the accounting and other records and the registers required by the Act to be kept by the Company and its subsidiaries have been properly kept in accordance with the provisions of the Act.
- (b) We are satisfied that the financial statements of the subsidiaries that have been consolidated with the Company's financial statements are in form and content appropriate and proper for the purposes of the preparation of the financial statements of the Group and we have received satisfactory information and explanations required by us for those purposes.
- (c) Our audit reports on the financial statements of the subsidiaries did not contain any qualification or any adverse comment made under Section 174(3) of the Act.

The supplementary information set out in Note 39 on page 93 is disclosed to meet the requirement of Bursa Malaysia Securities Berhad and is not part of the financial statements. The directors are responsible for the preparation of the supplementary information in accordance with Guidance on Special Matter No. 1, Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Malaysia Securities Berhad Listing Requirements, as issued by the Malaysian Institute of Accountants ("MIA Guidance") and the directive of Bursa Malaysia Securities Berhad. In our opinion, the supplementary information is prepared, in all material respects, in accordance with the MIA Guidance and the directive of Bursa Malaysia Securities Berhad.

Independent Auditor's Report

TO THE MEMBERS OF PRESTARIANG BERHAD

OTHER MATTERS

This report is made solely to the members of the Company, as a body, in accordance with Section 174 of the Companies Act, 1965 in Malaysia and for no other purpose. We do not assume responsibility to any other person for the content of this report.

Crowe Horwath

Firm No: AF 1018

Chartered Accountants

James Chan Kuan Chee

Approval No: 2271/10/13 (J)

Chartered Accountant

Kuala Lumpur

17 April 2012

Statements of Financial Position

AT 31 DECEMBER 2011

	Note	The Group		The Company	
		2011 RM'000	2010 RM'000	2011 RM'000	2010 RM'000
Assets					
Non-current assets					
Investment in subsidiaries	5	–	–	19,800	–
Property and equipment	6	9,325	7,414	–	–
Development costs	7	2,405	1,385	–	–
		11,730	8,799	19,800	–
Current assets					
Inventories	8	3,614	1,549	–	–
Trade receivables	9	22,410	4,154	–	–
Other receivables	10	1,402	2,351	5	–
Amount due from a subsidiary	11	–	–	7,297	–
Short-term investments	12	1,081	1,055	–	–
Cash and bank balances	13	46,975	26,143	12,316	**
		75,482	35,252	19,618	**
Total assets		87,212	44,051	39,418	**
Liabilities and equity					
Current liabilities					
Trade payables	14	14,874	3,224	–	–
Other payables	15	2,258	4,485	63	2
Borrowings	16	381	1,562	–	–
Tax payable		1,110	354	700	–
		18,623	9,625	763	2
Net current assets/(liabilities)		56,859	25,627	18,855	(2)
Non-current liabilities					
Borrowings	16	1,903	3,414	–	–
Redeemable Convertible Preference Shares ("RCPS")	19	–	2,000	–	–
		1,903	5,414	–	–
Total liabilities		20,526	15,039	763	2
Net assets/(liabilities)		66,686	29,012	38,655	(2)
Equity					
Share capital	20	22,000	19,475	22,000	**
Share premium	20	20,044	1,737	16,632	–
Merger deficit	21	(14,212)	(14,212)	–	–
Retained profits	22	38,854	22,012	23	(2)
Total equity		66,686	29,012	38,655	(2)
Total liabilities and equity		87,212	44,051	39,418	**

Note:

** – RM2

The annexed notes form an integral part of these financial statements.

Statements of Comprehensive Income

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2011

	Note	The Group		The Company	
		1.1.2011 to 31.12.2011 RM'000	1.1.2010 to 31.12.2010 RM'000	1.1.2011 to 31.12.2011 RM'000	16.11.2010 [^] to 31.12.2010 RM'000
Revenue	23	111,839	58,520	12,985	-
Cost of sales		(64,063)	(34,709)	-	-
Gross profit		47,776	23,811	12,985	-
Other income	24	1,159	878	4	-
		48,935	24,689	12,989	-
Administrative expenses		(12,535)	(8,309)	(3,463)	(2)
Other expenses		(1,437)	(940)	-	-
Finance costs	25	(520)	(292)	(1)	-
Profit/(Loss) before taxation	26	34,443	15,148	9,525	(2)
Income tax expense	29	(801)	(32)	(700)	-
Profit/(Loss) after taxation		33,642	15,116	8,825	(2)
Other comprehensive income		-	-	-	-
Total comprehensive income/(expenses) for the financial year/period		33,642	15,116	8,825	(2)
Profit/(Loss) after taxation attributable to:					
Owners of the Company		33,642	15,116	8,825	(2)
Total comprehensive income/ (expenses) attributable to:					
Owners of the Company		33,642	15,116	8,825	(2)
Earnings per share attributable to Owners of the Company (sen):					
Basic	30	16.19	7.76		

Note:

[^] - The Company was incorporated on 16 November 2010.

Statements of Changes in Equity

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2011

	Note	Attributable to Owners of the Company				Total Equity RM'000
		Non-distributable		Merger Deficit RM'000	Retained Profits RM'000	
		Share Capital RM'000	Share Premium RM'000			
The Group						
At 1 January 2011		19,475	1,737	(14,212)	22,012	29,012
Transactions with owners of the Company:						
Public issue		2,200	17,600	–	–	19,800
Listing expenses		–	(968)	–	–	(968)
Dividends paid	31	–	–	–	(16,800)	(16,800)
Shares issued pursuant to conversion of RCPS		325	1,675	–	–	2,000
Total transactions with the owners of the Company		2,525	18,307	–	(16,800)	4,032
Profit after taxation/ Total comprehensive income for the financial year		–	–	–	33,642	33,642
At 31 December 2011		22,000	20,044	(14,212)	38,854	66,686

	Note	Attributable to Owners of the Company				Total Equity RM'000
		Non-distributable		Merger Deficit RM'000	Retained Profits RM'000	
		Share Capital RM'000	Share Premium RM'000			
The Group						
At 1 January 2010		19,475	1,737	(14,212)	10,896	17,896
Transaction with owners of the Company:						
Dividend paid	31	–	–	–	(4,000)	(4,000)
Profit after taxation/ Total comprehensive income for the financial year		–	–	–	15,116	15,116
At 31 December 2010		19,475	1,737	(14,212)	22,012	29,012

The annexed notes form an integral part of these financial statements.

Statements of Changes in Equity

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2011

	Note	Attributable to Owners of the Company			Total Equity RM'000
		Share Capital RM'000	Share Premium RM'000	Retained Profit/ (Accumulated Loss) RM'000	
The Company					
At 16 November 2010 (Date of incorporation)		**	–	–	**
Loss after taxation/Total comprehensive expenses for the financial period		–	–	(2)	(2)
At 31 December 2010/1 January 2011		**	–	(2)	(2)
Transactions with owners of the Company:					
Shares issued for acquisition of subsidiaries	20	19,800	–	–	19,800
Public issue	20	2,200	17,600	–	19,800
Listing expenses	20	–	(968)	–	(968)
Dividend paid	31	–	–	(8,800)	(8,800)
Total transactions with the owners of the Company		22,000	16,632	(8,800)	29,832
Profit after taxation/Total comprehensive income for the financial year		–	–	8,825	8,825
At 31 December 2011		22,000	16,632	23	38,655

Note:

** – RM 2

Statements of Cash Flows

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2011

	The Group		The Company	
	1.1.2011 to 31.12.2011 RM'000	1.1.2010 to 31.12.2010 RM'000	1.1.2011 to 31.12.2011 RM'000	16.11.2010 [^] to 31.12.2010 RM'000
Cash flows from operating activities				
Profit/(Loss) before taxation	34,443	15,148	9,525	(2)
Adjustments for:				
Allowance for impairment loss of trade receivables	-	219	-	-
Amortisation of development costs	425	-	-	-
Bad debts written off	-	18	-	-
Depreciation of property and equipment	860	572	-	-
Development costs written off	98	-	-	-
Dividend income	(4)	(20)	-	-
Fair value gain on short-term investments	(26)	(419)	-	-
Interest expense	218	208	-	-
Interest income	(411)	(170)	-	-
Inventories written off	-	76	-	-
Listing expenses	1,048	1,412	1,048	-
Loss on disposal of other investment	-	14	-	-
Loss on disposal of property and equipment	32	-	-	-
Unrealised gain on foreign exchange	(108)	(58)	-	-
Operating profit/(loss) before working capital changes	36,575	17,000	10,573	(2)
Increase in inventories	(2,065)	(914)	-	-
Increase in trade and other receivables	(17,307)	(5,190)	(5)	-
Increase/(Decrease) in trade and other payables	9,531	(863)	61	2
Cash generated from operating activities	26,734	10,033	10,629	-
Interest paid	(218)	(208)	-	-
Income tax paid	(45)	(71)	-	-
Net cash generated from operating activities carried forward	26,471	9,754	10,629	-

The annexed notes form an integral part of these financial statements.

Statements of Cash Flows

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2011

	Note	The Group		The Company	
		1.1.2011 to 31.12.2011 RM'000	1.1.2010 to 31.12.2010 RM'000	1.1.2011 to 31.12.2011 RM'000	16.11.2010 [^] to 31.12.2010 RM'000
Net cash generated from operating activities brought forward		26,471	9,754	10,629	–
Cash flow from investing activities					
Advances to a subsidiary		–	–	(7,297)	–
Purchase of property and equipment	32	(2,763)	(661)	–	–
Dividend received		4	20	–	–
Interest received		411	170	–	–
Proceeds from disposal of property and equipment		200	–	–	–
Proceeds from disposal of other investments		–	1,269	–	–
Proceeds from disposal of short-term investments		–	2,135	–	–
Purchase of short-term investments		–	(948)	–	–
Reinvestment fund received		–	6,448	–	–
Reinvestment fund paid		–	(4,430)	–	–
Development costs paid		(1,543)	(1,141)	–	–
Net cash (used in)/generated from investing activities		(3,691)	2,862	(7,297)	–
Cash flows from financing activities					
Proceeds from issuance of shares pursuant to public issue		19,800	–	19,800	–
Payment of listing expenses		(2,016)	(1,412)	(2,016)	–
Drawdown of term loans		343	1,008	–	–
Repayment of hire purchase obligations		(383)	(123)	–	–
Repayment of term loans		(1,849)	(94)	–	–
Dividends paid		(16,800)	(5,700)	(8,800)	–
Net cash (used in)/generated from financing activities		(905)	(6,321)	8,984	–
Net increase in cash and cash equivalents		21,875	6,295	12,316	–
Cash and cash equivalents at beginning of the financial year/period		25,100	18,805	**	–
Cash and cash equivalents at end of financial year/period	13	46,975	25,100	12,316	–

Notes:

** – RM 2

[^] – The Company was incorporated on 16 November 2010.

The annexed notes form an integral part of these financial statements.

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2011

1. GENERAL INFORMATION

The Company is a public company limited by shares and is incorporated under the Companies Act, 1965 in Malaysia. The domicile of the Company is Malaysia. The registered office and principal place of business are as follows:

Registered office : Level 7, Menara Milenium, Jalan Damanlela,
Pusat Bandar Damansara, Damansara Heights,
50490 Kuala Lumpur.

Principal place of business : 70-73, NeoCyber,
Lingkaran Cyber Point Barat,
63000 Cyberjaya, Selangor Darul Ehsan.

The financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors dated 17 April 2012.

2. PRINCIPAL ACTIVITIES

The Company is principally engaged in the business of investment holding. The principal activities of the subsidiaries are described in Note 5 to the financial statements. There have been no significant changes in the nature of these activities during the financial year.

3. BASIS OF PREPARATION

The financial statements of PSSB and its subsidiaries have been consolidated using the merger method of accounting as disclosed in Note 4(b) to the financial statements. Accordingly, the results of the Group incorporated the results of PSSB and its subsidiaries from 1 January 2011 to 31 December 2011.

The financial statements of the Group for the financial year ended 31 December 2010 and 2011 are prepared on the assumption that the Group had been in existence since 1 January 2010.

The financial statements of the Group and of the Company are prepared under the historical cost convention and modified to include other bases of valuation as disclosed in other sections under significant accounting policies, and in compliance with Financial Reporting Standards ("FRS") and the Companies Act, 1965 in Malaysia.

(a) During the current financial year, the Group has adopted the following new accounting standards and interpretations (including the consequential amendments):

FRSs and IC Interpretations (including the Consequential Amendments)

FRS 1 (Revised) First-time Adoption of Financial Reporting Standards

FRS 3 (Revised) Business Combinations

FRS 127 (Revised) Consolidated and Separate Financial Statements

Amendments to FRS 1 (Revised): Limited Exemption from Comparative FRS 7 Disclosures for First-time Adopters

Amendments to FRS 1 (Revised): Additional Exemptions for First-time Adopters

Amendments to FRS 2: Scope of FRS 2 and FRS 3 (Revised)

Amendments to FRS 2: Group Cash-settled Share-based Payment Transactions

Amendments to FRS 5: Plan to Sell the Controlling Interest in a Subsidiary

Amendments to FRS 7: Improving Disclosures about Financial Instruments

Amendments to FRS 138: Consequential Amendments Arising from FRS 3 (Revised)

IC Interpretation 4 Determining Whether An Arrangement Contains a Lease

IC Interpretation 12 Service Concession Arrangements

IC Interpretation 16 Hedges of a Net Investment in a Foreign Operation

IC Interpretation 17 Distributions of Non-cash Assets to Owners

IC Interpretation 18 Transfers of Assets from Customers

Amendments to IC Interpretation 9: Scope of IC Interpretation 9 and FRS 3 (Revised)

Annual Improvement to FRSs (2010)

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2011

3. BASIS OF PREPARATION (CONT'D)

The adoption of the above accounting standards and interpretations (including the consequential amendments) did not have any material impact on the Group's financial statements, other than the following:

- (i) FRS 3 (Revised) introduces significant changes to the accounting for business combinations, both at the acquisition date and post acquisition, and requires greater use of fair values. In addition, all transaction costs, other than share and debt issue costs, will be expensed as incurred.

This revised standard has been applied prospectively and therefore there will be no financial impact on the financial statements of the Group for the current financial year but may impact the accounting for future transactions or arrangements.

- (ii) FRS 127 (Revised) requires accounting for changes in ownership interests by the group in a subsidiary, whilst maintaining control, to be recognised as an equity transaction. When the group loses control of a subsidiary, any interest retained in the former subsidiary will be measured at fair value with the gain or loss recognised in profit or loss. The revised standard also requires all losses attributable to the non-controlling interests to be absorbed by the non-controlling interests instead of by the parent.

The Group has apply the major changes of FRS 127 (Revised) prospectively and therefore there will be no financial impact on the financial statements of the Group for the current financial year but may impact the accounting for future transactions or arrangements.

- (iii) Amendments to FRS 7 expand the disclosure requirements in respect of fair value measurements and liquidity risk. In particular, the amendments require additional disclosure of fair value measurements by level of a fair value measurement hierarchy, as shown in Note 33(c) to the financial statements. Comparatives are not presented by virtue of the exemption given in the amendments.

- (iv) Annual Improvement to FRSs (2010) contain amendments to 11 accounting standards that result in accounting changes for presentation, recognition or measurement purposes. These amendments have no material impact on the financial statements of the Group upon their initial application.

The amendments to FRS 101 (Revised) clarify that an entity may choose to present the analysis of items of other comprehensive income either in the statement of changes in equity or in the notes to the financial statements. The Group has chosen to present the items of other comprehensive income in the statements of changes in equity.

3. BASIS OF PREPARATION (CONT'D)

- (b) The Group have not applied in advance the following accounting standards and interpretations (including the consequential amendments) that have been issued by the Malaysian Accounting Standards Board (MASB) but are not yet effective for the current financial year:

FRSs and IC Interpretations (including the Consequential Amendments)	Effective Date
FRS 9 Financial Instruments	1 January 2015
FRS 10 Consolidated Financial Statements	1 January 2013
FRS 11 Joint Arrangements	1 January 2013
FRS 12 Disclosure of Interests in Other Entities	1 January 2013
FRS 13 Fair Value Measurement	1 January 2013
FRS 119 (Revised) Employee Benefits	1 January 2013
FRS 124 (Revised) Related Party Disclosures	1 January 2012
FRS 127 (2011) Separate Financial Statements	1 January 2013
FRS 128 (2011) Investments in Associates and Joint Ventures	1 January 2013
Amendments to FRS 1 (Revised): Severe Hyperinflation and Removal of Fixed Dates for First-time Adopters	1 January 2012
Amendments to FRS 7: Disclosures – Transfers of Financial Assets	1 January 2012
Amendments to FRS 7: Disclosures – Offsetting Financial Assets and Financial Liabilities	1 January 2013
Amendments to FRS 9: Mandatory Effective Date of FRS 9 and Transition Disclosures	1 January 2015
Amendments to FRS 101 (Revised): Presentation of Items of Other Comprehensive Income	1 July 2012
Amendments to FRS 112: Recovery of Underlying Assets	1 January 2012
Amendments to FRS 132: Offsetting Financial Assets and Financial Liabilities	1 January 2014
IC Interpretation 15 Agreements for the Construction of Real Estate	Withdrawn on 19 November 2011
IC Interpretation 19 Extinguishing Financial Liabilities with Equity Instruments	1 July 2011
IC Interpretation 20 Stripping Costs in the Production Phase of a Surface Mine	1 January 2013
Amendments to IC Interpretation 14: Prepayments of a Minimum Funding Requirement	1 July 2011

The Group's next set of financial statements for the annual period beginning on 1 January 2012 will be prepared in accordance with the Malaysian Financial Reporting Standards ("MFRSs") issued by the MASB that will also comply with International Financial Reporting Standards ("IFRSs"). As a result, the Group will not be adopting the above accounting standards and interpretations (including the consequential amendments) that are effective for annual periods beginning on or after 1 January 2012.

- (c) Following the issuance of MFRSs (equivalent to IFRSs) by the MASB on 19 November 2011, the Group will be adopting these new accounting standards in the next financial year. The possible change of the accounting policies is expected to have no material impact on the financial statements of the Group upon their initial application.

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2011

4. SIGNIFICANT ACCOUNTING POLICIES

(a) Critical Accounting Estimates and Judgements

Estimates and judgements are continually evaluated by the directors and management and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The estimates and judgements that affect the application of the Group's accounting policies and disclosures, and have a significant risk of causing a material adjustment to the carrying amounts of assets, liabilities, income and expenses are discussed below:

(i) Depreciation of Property and Equipment

The estimates for the residual values, useful lives and related depreciation charges for the property and equipment are based on commercial factors which could change significantly as a result of technical innovations and competitors' actions in response to the market conditions.

The Group anticipates that the residual values of its property and equipment will be insignificant. As a result, residual values are not being taken into consideration for the computation of the depreciable amount.

Changes in the expected level of usage and technological development could impact the economic useful lives and the residual values of these assets, therefore future depreciation charges could be revised.

(ii) Income Taxes

There are certain transactions and computations for which the ultimate tax determination may be different from the initial estimate. The Group recognises tax liabilities based on its understanding of the prevailing tax laws and estimates of whether such taxes will be due in the ordinary course of business. Where the final outcome of these matters is different from the amounts that were initially recognised, such difference will impact the income tax and deferred tax provisions in the year in which such determination is made.

(iii) Impairment of Non-financial Assets

When the recoverable amount of an asset is determined based on the estimate of the value-in-use of the cash generating unit to which the asset is allocated, the management is required to make an estimate of the expected future cash flows from the cash-generating unit and also to apply a suitable discount rate in order to determine the present value of those cash flows.

(vi) Amortisation of Development Costs

Changes in the expected level of usage and technical development could impact the economic useful lives and therefore, future amortisation changes could be revised.

(v) Write-down of Inventories

Reviews are made periodically by management on damaged, obsolete and slow-moving inventories. These reviews require judgement and estimates. Possible changes in these estimates could result in revisions to the valuation of inventories.

(vi) Impairment of Trade and Other Receivables

An impairment loss is recognised when there is objective evidence that a financial asset is impaired. Management specifically reviews its loan and receivables financial assets and analyses historical bad debts, customer concentrations, customer creditworthiness, current economic trends and changes in the customer payment terms when making a judgement to evaluate the adequacy of the allowance for impairment losses. Where there is objective evidence of impairment, the amount and timing of future cash flows are estimated based on historical loss experience for assets with similar credit risk characteristics. If the expectation is different from the estimation, such difference will impact the carrying value of receivables.

(vii) Fair Value Estimates for Certain Financial Assets and Liabilities

The Group carries certain financial assets and liabilities at fair value, which requires extensive use of accounting estimates and judgment. While significant components of fair value measurement were determined using verifiable objective evidence, the amount of changes in fair value would differ if the Group uses different valuation methodologies. Any changes in fair value of these assets and liabilities would affect profit and/or equity.

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(b) Basis of Consolidation

The consolidated financial statements include the financial statements of the Company and its subsidiaries made up to 31 December 2011.

A subsidiary is defined as a company in which the parent company has the power, directly or indirectly, to exercise control over its financial and operating policies so as to obtain benefits from its activities.

Subsidiaries are consolidated from the date on which control is transferred to the Group up to the effective date on which control ceases, as appropriate.

Intragroup transactions, balances, income and expenses are eliminated on consolidation. Where necessary, adjustments are made to the financial statements of subsidiaries to ensure consistency of accounting policies with those of the Group.

Non-controlling interests are presented within equity in the consolidated statement of financial position, separately from the Company's shareholders' equity, and are separately disclosed in the consolidated statement of comprehensive income. Transactions with non-controlling interests are accounted for as transactions with owners and are recognised directly in equity. Profit or loss and each component of other comprehensive income are attributed to the owners of the parent and to the non-controlling interests. Total comprehensive income is attributed to non-controlling interests even if this results in the non-controlling interests having a deficit balance.

At the end of each reporting period, the carrying amount of non-controlling interests is the amount of those interests at initial recognition plus the non-controlling interests' share of subsequent changes in equity.

All changes in the parent's ownership interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions. Any difference between the amount by which the non-controlling interest is adjusted and the fair value of consideration paid or received is recognised directly in equity and attributed to owners of the parent.

Upon loss of control of a subsidiary, the profit or loss on disposal is calculated as the difference between:

- (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest in the former subsidiary; and
- (ii) the previous carrying amount of the assets (including goodwill), and liabilities of the former subsidiary and any non-controlling interests.

Amounts previously recognised in other comprehensive income in relation to the former subsidiary are accounted for (i.e. reclassified to profit or loss or transferred directly to retained profits) in the same manner as would be required if the relevant assets or liabilities were disposed of. The fair value of any investments retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under FRS 127.

Business combinations involving entities under common control are accounted for by applying the pooling of interest method. The assets and liabilities of the combining entities are reflected at their carrying amounts reported in the consolidated financial statements of the controlling holding company. Any difference between the consideration paid and the share capital of the "acquired" entity is reflected within equity as merger reserve. The statement of comprehensive income reflects the results of the combining entities for the full year, irrespective of when the combination takes place. Comparatives are presented as if the entities have always been combined since the date the entities had come under common control.

Acquisitions of businesses are accounted for using the acquisition method. Under the acquisition method, the consideration transferred for acquisition of a subsidiary is the fair value of the assets transferred, liabilities incurred and the equity interests issued by the Group at the acquisition date. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Acquisition-related costs, other than the costs to issue debt or equity securities, are recognised in profit or loss when incurred.

In a business combination achieved in stages, previously held equity interests in the acquiree are remeasured to fair value at the acquisition date and any corresponding gain or loss is recognised in profit or loss.

Non-controlling interests in the acquiree may be initially measured either at fair value or at the non-controlling interests' proportionate share of the fair value of the acquiree's identifiable net assets at the date of acquisition. The choice of measurement basis is made on a transaction-by-transaction basis.

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2011

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(c) Functional and Foreign Currencies

(i) Functional and Presentation Currency

The individual financial statements of each entity in the Group are presented in the currency of the primary economic environment in which the entity operates, which is the functional currency.

The consolidated financial statements are presented in Ringgit Malaysia, which is the Company's functional and presentation currency.

(ii) Transactions and Balances

Transactions in foreign currencies are converted into the respective functional currencies on initial recognition, using the exchange rates approximating those ruling at the transaction dates. Monetary assets and liabilities at the end of the reporting period are translated at the rates ruling as of that date. Non-monetary assets and liabilities are translated using exchange rates that existed when the values were determined. All exchange differences are recognised in profit or loss.

(d) Financial Instruments

Financial instruments are recognised in the statements of the financial position when the Group has become a party to the contractual provisions of the instruments.

Financial instruments are classified as liabilities or equity in accordance with the substance of the contractual arrangement. Interest, dividends, gains and losses relating to a financial instrument classified as a liability, are reported as an expense or income. Distributions to holders of financial instruments classified as equity are charged directly to equity.

Financial instruments are offset when the Group has a legally enforceable right to offset and intends to settle either on a net basis or to realise the asset and settle the liability simultaneously.

A financial instrument is recognised initially, at its fair value plus, in the case of financial instrument not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issue of the financial instrument.

Financial instruments recognised in the statements of financial position are disclosed in the individual policy statement associated with each item.

(i) Financial Assets

On initial recognition, financial assets are classified as either financial assets at fair value through profit or loss, held-to-maturity investments, loan and receivables financial assets, or available-for-sale financial assets, as appropriate.

- **Financial Assets at Fair Value through Profit or Loss**

Financial assets are classified as financial assets at fair value through profit or loss when the financial asset is either held for trading or is designated to eliminate or significantly reduce a measurement or recognition inconsistency that would otherwise arise. Derivatives are also classified as held for trading unless they are designated as hedges.

Financial assets at fair value through profit or loss are stated at fair value, with any gains or losses arising on remeasurement recognised in profit or loss. Dividend income from this category of financial assets is recognised in profit or loss when the Group's right to receive payment is established.

- **Held-to-maturity Investments**

Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturities that the management has the positive intention and ability to hold to maturity. Held-to-maturity investments are measured at amortised cost using the effective interest method less any impairment loss, with revenue recognised on an effective yield basis.

- **Loans and Receivables Financial Assets**

Trade and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as loans and receivables financial assets. Loans and receivables financial assets are measured at amortised cost using the effective interest method, less any impairment loss. Interest income is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial.

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(d) Financial Instruments (Cont'd)

(i) Financial Assets (Cont'd)

- **Available-for-sale Financial Assets**

Available-for-sale financial assets are non-derivative financial assets that are designated in this category or are not classified in any of the other categories.

After initial recognition, available-for-sale financial assets are remeasured to their fair values at the end of each reporting period. Gains and losses arising from changes in fair value are recognised in other comprehensive income and accumulated in the fair value reserve, with the exception of impairment losses. On derecognition, the cumulative gain or loss previously accumulated in the fair value reserve is reclassified from equity into profit or loss.

Dividends on available-for-sale equity instruments are recognised in profit or loss when the Group's right to receive payments is established.

Investments in equity instruments whose fair value cannot be reliably measured are measured at cost less accumulated impairment losses, if any.

(ii) Financial Liabilities

All financial liabilities are initially at fair value plus directly attributable transaction costs and subsequently measured at amortised cost using the effective interest method other than those categorised as fair value through profit or loss.

Fair value through profit or loss category comprises financial liabilities that are either held for trading or are designated to eliminate or significantly reduce a measurement or recognition inconsistency that would otherwise arise. Derivatives are also classified as held for trading unless they are designated as hedges.

(iii) Equity Instruments

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from proceeds.

Dividends on ordinary shares are recognised as liabilities when approved for appropriation.

(iv) Redeemable Convertible Preference Shares ("RCPS")

FRS 132 – Financial Instruments: Disclosures and Presentation, requires the Group as an issuer of the financial instrument to classify the instrument either as liability or equity in accordance with the substance of the contractual agreement on initial recognition. Consequently, the RCPS which amongst other conditions, are redeemable at the option of the holder of the RCPS and carry cumulative dividend obligation, are classified as long-term or current liabilities under such circumstances.

(e) Investments in Subsidiaries

Investments in subsidiaries are stated at cost in the statement of financial position of the Company, and are reviewed for impairment at the end of the reporting period if events or changes in circumstances indicate that the carrying values may not be recoverable.

On the disposal of the investments in subsidiaries, the difference between the net disposal proceeds and the carrying amount of the investments is recognised in profit or loss.

(f) Property and Equipment

Property and equipment are stated at cost less accumulated depreciation and impairment losses, if any.

Depreciation is calculated under the straight-line method to write off the depreciable amount of the assets over their estimated useful lives. Depreciation of an asset does not cease when the asset becomes idle or is retired from active use unless the asset is fully depreciated. The principal annual rates used for this purpose are:

Freehold buildings	50 years
Computer systems and equipment	5 years
Furniture and fittings	10 years
Office equipment	5 – 10 years
Office renovation	5 – 10 years
Motor vehicles	5 years

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2011

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(f) Property and Equipment (Cont'd)

The depreciation method, useful lives and residual values are reviewed, and adjusted if appropriate, at the end of each reporting period to ensure that the amounts, method and periods of depreciation are consistent with previous estimates and the expected pattern of consumption of the future economic benefits embodied in the items of the property and equipment.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when the cost is incurred and it is probable that the future economic benefits associated with the asset will flow to the Group and the cost of the asset can be measured reliably. The carrying amount of parts that are replaced is derecognised. The costs of the day-to-day servicing of property and equipment are recognised in profit or loss as incurred. Cost also comprises the initial estimate of dismantling and removing the asset and restoring the site on which it is located for which the Group is obligated to incur when the asset is acquired, if applicable.

An item of property and equipment is derecognised upon disposal or when no future economic benefits are expected from its use. Any gain or loss arising from derecognition of the asset is recognised in profit or loss.

(g) Research and Development Expenditure

Research expenditure is recognised as an expense when it is incurred.

Development expenditure is recognised as an expense except that costs incurred on development projects are capitalised as long-term assets to the extent that such expenditure is expected to generate future economic benefits.

Development expenditure is capitalised if, and only if an entity can demonstrate all of the following:

- (i) its ability to measure reliably the expenditure attributable to the asset under development;
- (ii) the product or process is technically and commercially feasible;
- (iii) its future economic benefits are probable;
- (iv) its ability to use or sell the developed asset; and
- (v) the availability of adequate technical, financial and other resources to complete the asset under development.

Capitalised development expenditure is measured at cost less accumulated amortisation and impairment losses, if any. Development expenditure initially recognised as an expense is not recognised as assets in the subsequent period.

The development expenditure is amortised on a straight-line method over a period of 3 years when the products are ready for sale or use. In the event that the expected future economic benefits are no longer probable of being recovered, the development expenditure is written down to its recoverable amount.

(h) Impairment

(i) Impairment of Financial Assets

All financial assets (other than those categorised at fair value through profit or loss), are assessed at the end of each reporting period whether there is any objective evidence of impairment as a result of one or more events having an impact on the estimated future cash flows of the asset. For an equity instrument, a significant or prolonged decline in the fair value below its cost is considered to be objective evidence of impairment.

An impairment loss in respect of held-to-maturity investments and loans and receivables financial assets is recognised in profit or loss and is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate.

An impairment loss in respect of available-for-sale financial assets is recognised in profit or loss and is measured as the difference between its cost (net of any principal payment and amortisation) and its current fair value, less any impairment loss previously recognised in the fair value reserve. In addition, the cumulative loss recognised in other comprehensive income and accumulated in equity under fair value reserve, is reclassified from equity to profit or loss.

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(h) Impairment (Cont'd)

(i) Impairment of Financial Assets (Cont'd)

With the exception of available-for-sale equity instruments, if, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed through profit or loss to the extent that the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised. In respect of available-for-sale equity instruments, impairment losses previously recognised in profit or loss are not reversed through profit or loss. Any increase in fair value subsequent to an impairment loss made is recognised in other comprehensive income.

(ii) Impairment of Non-Financial Assets

The carrying values of assets, other than those to which FRS 136 – Impairment of Assets does not apply, are reviewed at the end of each reporting period for impairment when there is an indication that the assets might be impaired. Impairment is measured by comparing the carrying values of the assets with their recoverable amounts. The recoverable amount of the assets is the higher of the assets' fair value less costs to sell and their value-in-use, which is measured by reference to discounted future cash flow.

An impairment loss is recognised in profit or loss immediately unless the asset is carried at its revalued amount. Any impairment loss of a revalued asset is treated as a revaluation decrease to the extent of a previously recognised revaluation surplus for the same asset.

In respect of assets other than goodwill, and when there is a change in the estimates used to determine the recoverable amount, a subsequent increase in the recoverable amount of an asset is treated as a reversal of the previous impairment loss and is recognised to the extent of the carrying amount of the asset that would have been determined (net of amortisation and depreciation) had no impairment loss been recognised. The reversal is recognised in profit or loss immediately, unless the asset is carried at its revalued amount. A reversal of an impairment loss on a revalued asset is credited to other comprehensive income. However, to the extent that an impairment loss on the same revalued asset was previously recognised as an expense in the statements of comprehensive income, a reversal of that impairment loss is recognized as income in the statements of comprehensive income.

(i) Assets under Hire Purchase

Assets acquired under hire purchase are capitalised in the financial statements and are depreciated in accordance with the policy set out in Note 4(f) above. Each hire purchase payment is allocated between the liability and finance charges so as to achieve a constant rate on the finance balance outstanding. Finance charges are recognised in profit or loss over the period of the respective hire purchase agreements.

(j) Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined on the first-in-first-out basis and comprises the purchase price and incidentals incurred in bringing the inventories to their present location and condition.

Net realisable value represents the estimated selling price less the estimated costs necessary to make the sale.

Where necessary, due allowance is made for all damaged, obsolete and slow moving items. The Group writes down its obsolete or slow moving inventories based on assessment of the condition and the future demand for the inventories. These inventories are written down when events or changes in circumstances indicate that the carrying amounts may not be recovered.

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2011

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(k) Income Taxes

Income tax for the year comprises current and deferred tax.

Current tax is the expected amount of income taxes payable in respect of the taxable profit for the year and is measured using the tax rates that have been enacted or substantively enacted at the end of the reporting period.

Deferred tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements.

Deferred tax liabilities are recognised for all taxable temporary differences other than those that arise from goodwill or excess of the acquirer's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities over the business combination costs or from the initial recognition of an asset or liability in a transaction which is not a business combination and at the time of the transaction, affects neither accounting profit nor taxable profit.

Deferred tax assets are recognised for all deductible temporary differences, unused tax losses and unused tax credits to the extent that it is probable that future taxable profits will be available against which the deductible temporary differences, unused tax losses and unused tax credits can be utilised. The carrying amounts of deferred tax assets are reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient future taxable profits will be available to allow all or part of the deferred tax assets to be utilised.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the asset is realised or the liability is settled, based on the tax rates that have been enacted or substantively enacted at the end of the reporting period.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when the deferred income taxes relate to the same taxation authority.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transactions either in other comprehensive income or directly in equity and deferred tax arising from a business combination is included in the resulting goodwill or excess of the acquirer's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities over the business combination costs.

(l) Cash and Cash Equivalents

Cash and cash equivalents comprise cash in hand, bank balances, demand deposits, deposits pledged with financial institutions, bank overdrafts and short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

(m) Provisions

Provisions are recognised when the Group has a present obligation as a result of past events, when it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and when a reliable estimate of the amount can be made. Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. Where the effect of the time value of money is material, the provision is the present value of the estimated expenditure required to settle the obligation.

(n) Borrowing Costs

Borrowing costs, directly attributable to the acquisition and construction of property and equipment are capitalised as part of the cost of those assets, until such time as the assets are ready for their intended use or sale. Capitalisation of borrowing costs is suspended during extended periods in which active development is interrupted.

All other borrowing costs are recognised in profit or loss as expenses in the period in which they are incurred.

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(o) Employees Benefits

(i) Short-term Benefits

Wages, salaries, paid annual leave and sick leave, bonuses and non-monetary benefits are recognised in profit or loss in the period in which the associated services are rendered by employees of the Group.

(ii) Defined Contribution Plans

The Group's contributions to defined contribution plans are recognised in profit or loss in the period to which they relate. Once the contributions have been paid, the Group has no further liability in respect of the defined contribution plans.

(p) Related Parties

A party is related to an entity if:

- (i) directly, or indirectly through one or more intermediaries, the party:
 - controls, is controlled by, or is under common control with, the entity (this includes parents, subsidiaries and fellow subsidiaries);
 - has an interest in the entity that gives it significant influence over the entity; or
 - has joint control over the entity;
- (ii) the party is an associate of the entity;
- (iii) the party is a joint venture in which the entity is a venturer;
- (iv) the party is a member of the key management personnel of the entity or its parent;
- (v) the party is a close member of the family of any individual referred to in (i) or (iv);
- (vi) the party is an entity that is controlled, jointly controlled or significantly influenced by, or for which significant voting power in such entity resides with, directly or indirectly, any individual referred to in (iv) or (v); or
- (vii) the party is a post-employment benefit plan for the benefit of employees of the entity, or of any entity that is a related party of the entity.

Close members of the family of an individual are those family members who may be expected to influence, or be influenced by, that individual in their dealings with the entity.

(q) Contingent Liabilities

A contingent liability is a possible obligation that arises from past events and whose existence will only be confirmed by the occurrence of one or more uncertain future events not wholly within the control of the Group. It can also be a present obligation arising from past events that is not recognised because it is not probable that an outflow of economic resources will be required or the amount of obligation cannot be measured reliably.

A contingent liability is not recognised but is disclosed in the notes to the financial statements. When a change in the probability of an outflow occurs so that the outflow is probable, it will then be recognised as a provision.

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2011

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(r) Revenue and Other Income

(i) Sale of Goods

Revenue is recognised upon delivery of goods and customers' acceptance and where applicable, net of returns and trade discounts.

(ii) Services

Revenue is recognised upon the rendering of services and when the outcome of the transaction can be estimated reliably. In the event the outcome of the transaction could not be estimated reliably, revenue is recognised to the extent of the expenses incurred that are recoverable.

(iii) Management Fees

Management fees are recognised as income as and when the services are rendered.

(iv) Interest Income

Interest income is recognised on an accrual basis.

(v) Dividend Income

Dividend income from investment is recognised when the right to receive dividend payment is established.

(v) Rental Income

Rental income is recognised on an accrual basis.

(s) Operating Segments

An operating segment is a component of the Group that engages in business activities from which it may earn revenue and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components. An operating segment's operating results are reviewed regularly by the chief operating decision maker to make decision about resources to be allocated to the segment and assess its performance, and for which discrete financial information is available.

5. INVESTMENT IN SUBSIDIARIES

	The Company	
	2011 RM'000	2010 RM'000
Unquoted shares, at cost	19,800	–

The details of the subsidiaries, which are all incorporated in Malaysia, are as follows:

Name of Company	Effective Interest Held		Principal Activities
	2011 %	2010 %	
Prestariang Systems Sdn. Bhd. ("PSSB")	100	–	Providing Information and Communication Technology ("ICT") training and certification, and software licence distribution and management.
Subsidiaries of PSSB			
Logisys Sdn. Bhd. ("LSB")	100	–	Providing ICT training and software licence distribution and management.
Prestariang R&D Sdn. Bhd. ("PR&D")	100	–	Research and development.

6. PROPERTY AND EQUIPMENT

	Freehold Buildings RM'000	Computer Systems and Equipment RM'000	Furniture and Fittings RM'000	Office Equipment RM'000	Office Renovation RM'000	Motor Vehicles RM'000	Total RM'000
The Group							
At 31 December 2011							
Cost							
At 1 January	3,462	399	659	482	1,455	2,019	8,476
Additions	1,793	123	40	66	637	344	3,003
Disposal	–	–	–	–	–	(497)	(497)
At 31 December	5,255	522	699	548	2,092	1,866	10,982
Accumulated depreciation							
At 1 January	69	289	92	145	133	334	1,062
Charge for the year (Note 26)	96	50	68	53	162	431	860
Disposal	–	–	–	–	–	(265)	(265)
At 31 December	165	339	160	198	295	500	1,657
Net carrying amount							
At 31 December	5,090	183	539	350	1,797	1,366	9,325
At 31 December 2010							
Cost							
At 1 January	3,462	315	650	404	1,326	496	6,653
Additions	–	84	9	78	129	1,523	1,823
At 31 December	3,462	399	659	482	1,455	2,019	8,476
Accumulated depreciation							
At 1 January	–	254	27	102	–	107	490
Charge for the year (Note 26)	69	35	65	43	133	227	572
At 31 December	69	289	92	145	133	334	1,062
Net carrying amount							
At 31 December	3,393	110	567	337	1,322	1,685	7,414

- (a) Included in property and equipment of the Group are motor vehicles with a total net book value of RM1,366,000 (2010: RM1,685,000) held under hire purchase arrangements. The details of the terms and conditions of the hire purchase are disclosed in Note 17 to the financial statements.
- (b) During the financial year, the Group acquired property and equipment with an aggregate amount of RM3,003,000 (2010: RM1,823,000) of which an amount of RM2,137,000 (2010: RM 1,523,000) was acquired by means of hire purchase and term loan agreements.
- (c) The freehold buildings of the Group at the end of the reporting period have been pledged to a licensed bank as security for banking facilities granted to the Group, as disclosed in Note 16 to the financial statements.

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2011

7. DEVELOPMENT COSTS

	The Group	
	2011 RM'000	2010 RM'000
Cost		
At 1 January	1,385	244
Written off	(98)	–
Addition during the financial year	1,543	1,141
At 31 December	2,830	1,385
Accumulated amortisation		
At 1 January	–	–
Amortisation for the year (Note 26)	(425)	–
At 31 December	(425)	–
Net carrying amount		
At 31 December	2,405	1,385
The development costs capitalised during the financial year included the following expenses:		
Directors' non-fee emoluments	116	116
Staff costs	642	571

8. INVENTORIES

	The Group	
	2011 RM'000	2010 RM'000
At cost:		
Finished goods	3,614	1,549

None of the inventories is carried at net realisable value.

9. TRADE RECEIVABLES

	The Group	
	2011 RM'000	2010 RM'000
Trade receivables	22,629	4,373
Less: Impairment losses	(219)	(219)
	22,410	4,154

Trade receivables are non-interest bearing and are generally on 30 to 90 days credit terms. They are recognised at their original invoiced amounts less trade discounts which represent their fair values on initial recognition.

Ageing analysis of trade receivables

	The Group	
	2011 RM'000	2010 RM'000
Neither past due nor impaired:		
1 to 30 days	19,503	3,108
31 to 60 days	801	1,001
	20,304	4,109
Past due but not impaired:		
61 to 90 days	683	–
More than 90 days	1,423	45
	2,106	45
	22,410	4,154
Impaired	219	219
	22,629	4,373

Trade receivables that are neither past due nor impaired

Trade receivables that were neither past due nor impaired relate to customers for whom there were no default.

Trade receivables that are past due but not impaired

Trade receivables that were past due but not impaired relate to customers that have a good track record with the Group. Based on past experience and no adverse information to date, the directors of the Group are of the opinion that no provision for impairment is necessary in respect of these balances as there has been no significant change in the credit quality and the balances are still considered recoverable.

Trade receivables that are impaired

The Group's trade receivables that are impaired as at the end of the reporting period and the movement of the allowance accounts used to record the impairment are as follows:

	The Group Individually Impaired	
	2011 RM'000	2010 RM'000
Trade receivables		
– nominal amounts	219	219
Less: Allowance for impairment losses	(219)	(219)
	–	–

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2011

9. TRADE RECEIVABLES (CONT'D)

Trade receivables that are impaired (Cont'd)

Movement in allowance for impairment losses

	The Group	
	2011 RM'000	2010 RM'000
At 1 January	(219)	–
Addition during the financial year	–	(219)
At 31 December	(219)	(219)

Trade receivables that are individually determined to be impaired at the end of the reporting period relate to debtors that are in significant financial difficulties and have defaulted on payments. These receivables are not secured by any collateral or credit enhancements.

10. OTHER RECEIVABLES

	The Group		The Company	
	2011 RM'000	2010 RM'000	2011 RM'000	2010 RM'000
Sundry receivables	798	1,451	5	–
Deposits for acquisition of properties	–	443	–	–
Other deposits	138	247	–	–
Prepayments	429	185	–	–
Advances	37	25	–	–
	1,402	2,351	5	–

Sundry receivables are non-interest bearing. They are recognised at the amounts which represent their fair values on initial recognition.

11. AMOUNT DUE FROM A SUBSIDIARY

The amount due from a subsidiary is non-trade in nature, unsecured, non-interest bearing and repayable on demand in cash.

12. SHORT-TERM INVESTMENTS

	The Group	
	2011 RM'000	2010 RM'000
Financial assets at fair value through profit or loss:		
Equity funds unit trust, at carrying value		
At 1 January	1,055	1,823
Addition during the financial year	–	948
Disposal during the financial year	–	(2,135)
	1,055	636
Fair value gain	26	419
At 31 December	1,081	1,055
Market value of equity funds unit trust		
At 31 December	1,081	1,055

13. CASH AND BANK BALANCES

	The Group		The Company	
	2011 RM'000	2010 RM'000	2011 RM'000	2010 RM'000
Cash on hand and at bank	34,260	9,895	12,316	**
Deposit with licensed banks	12,715	16,248	-	-
	46,975	26,143	12,316	**

Note:

** – RM 2

The deposits with licensed banks of the Group bore effective interest rates ranging from 3.00% to 3.15% (2010: 2.20% to 2.70%) per annum. The deposits have maturity periods ranging from 60 to 180 days (2010: 30 to 60 days) at the end of the reporting period.

Included in deposits with licensed banks of the Group at the end of the reporting period was an amount of RM7,715,000 (2010: RM5,748,000) which has been pledged to a licensed bank as security for banking facilities granted to the Group.

For the purpose of the statements of cash flows, cash and cash equivalents comprise the following:

	The Group		The Company	
	2011 RM'000	2010 RM'000	2011 RM'000	2010 RM'000
Cash and bank balances	46,975	26,143	12,316	**
Less: Bank overdraft (Note 16)	-	(1,043)	-	-
	46,975	25,100	12,316	**

Note:

** – RM 2

14. TRADE PAYABLES

The normal trade credit term granted to the Group is 60 days.

15. OTHER PAYABLES

	The Group		The Company	
	2011 RM'000	2010 RM'000	2011 RM'000	2010 RM'000
Sundry payables	1,349	611	-	-
Accruals	641	3,247	63	2
Deferred income	268	627	-	-
	2,258	4,485	63	2

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2011

16. BORROWINGS

	The Group	
	2011 RM'000	2010 RM'000
Short Term Borrowings		
Secured		
Hire purchase (Note 17)	270	250
Term loans (Note 18)	111	269
Bank overdraft	-	1,043
	381	1,562
Long Term Borrowings		
Secured		
Hire purchase (Note 17)	790	953
Term loans (Note 18)	1,113	2,461
	1,903	3,414
Total Borrowings		
Secured		
Hire purchase (Note 17)	1,060	1,203
Term loans (Note 18)	1,224	2,730
Bank overdraft	-	1,043
	2,284	4,976

In the previous year, the bank overdraft bore an effective interest rate of 8.30% per annum and was secured by deposits pledged with licensed banks amounting to RM4,350,000.

17. HIRE PURCHASE PAYABLES

	The Group	
	2011 RM'000	2010 RM'000
Minimum hire purchase payments:		
Not later than one year	322	314
Later than one year and not later than two years	322	314
Later than two years and not later than five years	539	736
	1,183	1,364
Less: Future finance charges	(123)	(161)
Present value of hire purchase payables	1,060	1,203
Current portion:		
Not later than one year (Note 16)	270	250
Non-current portion:		
Later than one year and not later than two years	285	266
Later than two years and not later than five years	505	687
Total non-current portion (Note 16)	790	953
	1,060	1,203

The hire purchase payables bore effective interest rates ranging from 4.90% to 6.36% (2010: 5.57% to 6.36%) per annum at the end of the reporting period.

18. TERM LOANS

	The Group	
	2011 RM'000	2010 RM'000
Current portion:		
Repayable within one year (Note 16)	111	269
Non-current portion:		
Later than one year and not later than two years	117	284
Later than two years and not later than five years	389	533
Later than five years	607	1,644
Total non-current portion (Note 16)	1,113	2,461
	1,224	2,730

The details of the repayment terms are as follows:

Term Loan	Number of Monthly Instalment	Monthly Instalment RM	Date of Commencement of Repayment	The Group	
				2011 RM'000	2010 RM'000
1	180	16,968	July 2008	1,224	1,723
2	120	18,406	January 2011	-	1,007
				1,224	2,730

The term loans bore a weighted average effective interest rate of 5.10% (2010: 5.81%) per annum at the end of the reporting period.

The term loan 1 at the end of the reporting period is secured by:

- (a) a general facility agreement of RM4,367,729;
- (b) a Deed of Assignment cum Power of Attorney for RM4,367,729 over six units of buildings of the Group; and
- (c) a personal guarantee of a director of the Group for RM1,760,000.

The term loan 2 in the previous financial year was secured by:

- (a) a general facility agreement of RM1,350,000;
- (b) a Deed of Assignment cum Power of Attorney for RM1,350,000 over two units of buildings of the Group; and
- (c) a personal guarantee of a director of the Group for RM1,350,000.

The term loan 2 was fully settled by the Group in accordance with the utilisation of proceeds received pursuant to the Initial Public Offering ("IPO") which was completed during the financial year.

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2011

19. REDEEMABLE CONVERTIBLE PREFERENCE SHARES ("RCPS")

The RCPS in the previous financial year was issued by PSSB, a wholly-owned subsidiary of the Company, in prior years.

On 18 May 2011, 2,000,000 RCPS of RM0.10 each, which were issued at RM1 each in prior years, were converted into 325,307 ordinary shares of PSSB of RM1 each.

Under the PSSB's Articles of Association, the RCPS carry the following rights:

(a) the subscriber shall have the sole discretion to convert all its RCPS to ordinary shares at any time in accordance with the following events:

(i) if:

- PSSB (or any other entity used for purposes of an initial public offering) has received approval for a public listing and there is an underwriter committed to underwrite the public listing and PSSB proceeds with the listing exercise; or
- PSSB has received a buy proposal in relation to its entire business undertaking or the shares of PSSB pursuant to trade sale and PSSB proceeds with such sales;

the Subscriber shall convert all its RCPS to PSSB's ordinary shares based on the Conversion Ratio.

(ii) if:

- approval for a public listing is not received, or there is no underwriter willing to underwrite the public listing within three (3) years from the date of first allotment of RCPS to the subscriber, or an offer to purchase has not been made to and accepted by the subscriber in respect of its shareholding in PSSB; or
- PSSB has received an approval for a public listing and there is an underwriter committed to underwrite the public listing but PSSB fails and/or refuses to proceed with the public listing for any reason whatsoever; or
- the subscriber exercises any of its co-sale right granted by the promoter;

the Subscriber shall have the right to convert all its RCPS to PSSB's ordinary shares at the Conversion Ratio.

The Subscriber shall have the right to convert its RCPS to PSSB's ordinary shares at any time at the Prevailing Conversion Ratio.

(b) The RCPS holders shall be entitled to request PSSB to redeem the RCPS at any time upon occurrence of any events to be specified and agreed upon, which may include but is not limited to any event of default as set out in the Subscription Agreement.

The RCPS are redeemable in cash and in the event that the right of redemption is exercised, the redemption price shall be equivalent to the subscription price paid for the relevant RCPS plus a 10% annualised internal rate of return.

20. SHARE CAPITAL AND SHARE PREMIUM

Share Capital

	The Company			
	Number of Ordinary Shares of RM0.10 Each		Amount	
	2011 '000	2010 '000	2011 RM'000	2010 RM'000
Authorised				
At 1 January/16 November (date of incorporation)	500,000	1,000	50,000	100
Increase during the year/period	–	499,000	–	49,900
At 31 December	500,000	500,000	50,000	50,000
Issued and Fully Paid-up				
At 1 January/16 November (date of incorporation)	^^	^^	**	**
Issued for acquisition of subsidiaries (Note 37(ii))	198,000	–	19,800	–
Public issue (Note 37 (iii)(a))	22,000	–	2,200	–
Issued during the year/period	220,000	–	22,000	–
At 31 December	220,000	^^	22,000	**

Notes:

^^ – 20 units of ordinary shares

** – RM 2

The holders of the ordinary shares are entitled to receive dividend as declared from time to time and are entitled to one vote per share without restriction at any meeting of the Company. All ordinary shares rank equally with regard to the Company's residual assets.

The new ordinary shares issued during the year ranked pari passu in all respects with the existing ordinary shares of the Company.

Share Premium

	The Group		The Company	
	2011 RM'000	2010 RM'000	2011 RM'000	2010 RM'000
At 1 January	1,737	1,737	–	–
Arising pursuant to public issue	17,600	–	17,600	–
Listing expenses	(968)	–	(968)	–
Arising pursuant to conversion of RCPS in a subsidiary	1,675	–	–	–
At 31 December	20,044	1,737	16,632	–

The total listing expenses for the IPO exercise amounted to RM3,428,000 of which RM968,000 has been written off against share premium. The balance of the listing expenses has been recognised in profit or loss as disclosed in Note 26 to the financial statements.

Included in share premium of the Group is an amount of RM3,412,000 (2010: RM1,737,000) relating to share premium in a subsidiary accounted for in consolidation under the pooling of interest method of accounting.

The share premium is not distributable by way of cash dividends and may be utilised in the manner as set out in Section 60(3) of the Companies Act 1965.

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2011

21. MERGER DEFICIT

The merger deficit arises from the difference between the nominal value of shares issued by the Company and the nominal value of shares of subsidiaries acquired under the pooling interest method of accounting.

22. RETAINED PROFITS

At the end of the reporting period, the Company will be able to distribute dividends out of its entire retained profits under the single tier tax system.

23. REVENUE

	The Group		The Company	
	1.1.2011 to 31.12.2011 RM'000	1.1.2010 to 31.12.2010 RM'000	1.1.2011 to 31.12.2011 RM'000	16.11.2010 [^] to 31.12.2010 RM'000
ICT training and certification	25,530	23,065	–	–
Software licence distribution and management	86,309	35,455	–	–
Gross dividend income	–	–	8,800	–
Management fees	–	–	4,185	–
	111,839	58,520	12,985	–

Note:

[^] – The Company was incorporated on 16 November 2010.

24. OTHER INCOME

	The Group		The Company	
	1.1.2011 to 31.12.2011 RM'000	1.1.2010 to 31.12.2010 RM'000	1.1.2011 to 31.12.2011 RM'000	16.11.2010 [^] to 31.12.2010 RM'000
Dividend income	4	20	–	–
Fair value gain on short-term investments	26	419	–	–
Foreign exchange gain – realised	601	211	–	–
Foreign exchange gain – unrealised	108	58	–	–
Interest income	411	170	4	–
Rental income	8	–	–	–
Others	1	–	–	–
	1,159	878	4	–

Note:

[^] – The Company was incorporated on 16 November 2010.

25. FINANCE COSTS

	The Group		The Company	
	1.1.2011 to 31.12.2011 RM'000	1.1.2010 to 31.12.2010 RM'000	1.1.2011 to 31.12.2011 RM'000	16.11.2010 [^] to 31.12.2010 RM'000
Bank charges	36	21	1	-
Bank overdraft interest	4	75	-	-
Commitment fees	-	63	-	-
Commission charges	266	-	-	-
Hire purchase interest	69	34	-	-
Term loan interest	145	99	-	-
	520	292	1	-

Note:

[^] – The Company was incorporated on 16 November 2010.

26. PROFIT/(LOSS) BEFORE TAXATION

Profit/(Loss) before taxation is arrived at after charging:

	The Group		The Company	
	1.1.2011 to 31.12.2011 RM'000	1.1.2010 to 31.12.2010 RM'000	1.1.2011 to 31.12.2011 RM'000	16.11.2010 [^] to 31.12.2010 RM'000
Allowance for impairment loss on trade receivables	-	219	-	-
Amortisation of development costs (Note 7)	425	-	-	-
Audit fees:				
– for the financial year/period	65	37	20	2
– non-statutory	72	102	72	-
Bad debts written off	-	18	-	-
Car park rental	4	3	-	-
Depreciation of property and equipment (Note 6)	860	572	-	-
Development costs written off	98	-	-	-
Inventories written off	-	76	-	-
Listing expenses	1,048	1,412	1,048	-
Loss on disposal of other investment	-	14	-	-
Loss on disposal of property and equipment	32	-	-	-
Rental of equipment	186	103	9	-
Rental of office	13	13	-	-
Research expenses	-	40	-	-
Staff costs (Note 27)	5,462	2,998	760	-

Note:

[^] – The Company was incorporated on 16 November 2010.

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2011

27. STAFF COSTS

	The Group		The Company	
	1.1.2011 to 31.12.2011 RM'000	1.1.2010 to 31.12.2010 RM'000	1.1.2011 to 31.12.2011 RM'000	16.11.2010 [^] to 31.12.2010 RM'000
Salaries and wages	4,437	2,242	632	–
Pension costs – defined contribution plan	537	251	74	–
Social security costs	27	–	4	–
Other staff related expenses	461	505	50	–
	5,462	2,998	760	–

Included in the staff costs of the Group and the Company are directors' remuneration amounting to RM1,530,000 and RM859,000 (2010: RM815,000 and nil) as further disclosed in Note 28 to the financial statements.

Note:

[^] – The Company was incorporated on 16 November 2010.

28. DIRECTORS' REMUNERATION

	The Group		The Company	
	1.1.2011 to 31.12.2011 RM'000	1.1.2010 to 31.12.2010 RM'000	1.1.2011 to 31.12.2011 RM'000	16.11.2010 [^] to 31.12.2010 RM'000
Directors				
Executive:				
Salaries and other emoluments	967	713	320	–
Fees	–	60	–	–
	967	773	320	–
Non-Executive:				
Fees	563	42	539	–
Total	1,530	815	859	–

Note:

[^] – The Company was incorporated on 16 November 2010.

28. DIRECTORS' REMUNERATION (CONT'D)

The number of directors of the Group and of the Company whose total remuneration during the financial year/period fell within the following bands are analysed below:

	The Group		The Company	
	1.1.2011 to 31.12.2011	1.1.2010 to 31.12.2010	1.1.2011 to 31.12.2011	16.11.2010 [^] to 31.12.2010
Executive directors:				
RM200,001 – RM250,000	–	1	–	–
RM250,001 – RM300,000	–	–	1	–
RM350,001 – RM400,000	–	–	–	–
RM400,001 – RM450,000	1	–	–	–
RM500,001 – RM550,000	–	1	–	–
RM550,001 – RM600,000	1	–	–	–
	2	2	1	–
Non-executive directors				
RM1 – RM50,000	–	1	–	–
RM100,001 – RM150,000	5	–	5	–
	5	–	5	–
	7	3	6	–

Note:

[^] – The Company was incorporated on 16 November 2010.

29. INCOME TAX EXPENSE

	The Group		The Company	
	1.1.2011 to 31.12.2011 RM'000	1.1.2010 to 31.12.2010 RM'000	1.1.2011 to 31.12.2011 RM'000	16.11.2010 [^] to 31.12.2010 RM'000
Income tax:				
– for the financial year	805	32	700	–
– overprovision in prior years	(4)	–	–	–
	801	32	700	–

The taxation of the Group and of the Company was in respect of interest income and management fees.

During the current financial year, the statutory tax rate remained at 25%.

PSSB, a wholly-owned subsidiary of the Company is not subject to tax as it has been granted the MSC Malaysia Status, which qualifies PSSB for the Pioneer Status incentive under the Promotion of Investments Act 1986. PSSB will enjoy full exemption from income tax on its statutory income from pioneer activities for five years from 30 June 2005 to 29 June 2010. This incentive has been extended for another 5 years to 29 June 2015.

Note:

[^] – The Company was incorporated on 16 November 2010.

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2011

29. INCOME TAX EXPENSE (CONT'D)

A reconciliation of income tax expense applicable to the profit/(loss) before taxation at the statutory tax rate to income tax expense at the effective tax rate of the Group and of the Company is as follows:

	The Group		The Company	
	1.1.2011 to 31.12.2011 RM'000	1.1.2010 to 31.12.2010 RM'000	1.1.2011 to 31.12.2011 RM'000	16.11.2010 [^] to 31.12.2010 RM'000
Profit/(Loss) before taxation	34,443	15,148	9,525	(2)
Taxation at Malaysian statutory tax rate of 25% (2010: 25%)	8,611	3,787	2,381	(1)
Tax effects of:				
Tax-exempt income under the pioneer status	(9,088)	(4,043)	-	-
Non-taxable income	(6)	(101)	(2,200)	-
Non-deductible expenses	1,428	685	519	1
Deferred tax liabilities not recognised during the financial year due to pioneer status	(129)	(296)	-	-
Utilisation of deferred tax asset not recognised in prior years	(11)	-	-	-
Overprovision of current tax in prior years	(4)	-	-	-
Income tax expense for the financial year/period	801	32	700	-

Note:

[^] - The Company was incorporated on 16 November 2010.

The deferred tax asset/(liability) recognised in the statements of financial position are as follows:

	The Group		The Company	
	2011 RM'000	2010 RM'000	2011 RM'000	2010 RM'000
Deferred tax liability:				
Accelerated capital allowances over depreciation	(7)	(11)	-	-
Deferred tax assets:				
Unabsorbed capital allowances	-	11	-	-
Unutilised tax losses	7	-	-	-
	-	-	-	-

No deferred tax asset is recognised in the statements of financial position on the following item:

	The Group		The Company	
	2011 RM'000	2010 RM'000	2011 RM'000	2010 RM'000
Unutilised tax losses	598	641	-	-

30. BASIC EARNINGS PER SHARE

The basic earnings per share is calculated by dividing the Group's profit attributable to owners of the Company for the financial year by the weighted average number of ordinary shares in issue during the financial year, as follows:

	The Group	
	2011	2010
Profit attributable to owners of the Company (RM'000)	33,642	15,116
Weighted average number of ordinary shares in issue ('000)*	207,825	194,750
Basic earnings per share (sen)	16.19	7.76

The weighted average number of ordinary shares in issue is computed as follows:

	The Group	
	2011	2010
	'000	'000
Shares issue pursuant to:		
– incorporation of the Company	^^	^^
– acquisition of a subsidiary	198,000 #	194,750
– effect of Public Issue	9,825	–
	207,825	194,750

Notes:

* – Ordinary shares arising from the acquisition of a subsidiary is assumed to be issued throughout the financial year ended 31 December 2011 and 2010 as the acquisition of a subsidiary was accounted for under common control using the pooling of interest method of consolidation.

– After conversion of the 2,000,000 RCPS in PSSB held by Kumpulan Modal Perdana Sdn. Bhd. into 325,307 new PSSB shares.

^^ – 20 units of ordinary shares.

The diluted earnings per share is not presented as there were no potential dilutive ordinary shares outstanding at the end of the reporting period.

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2011

31. DIVIDENDS

	The Group		The Company	
	1.1.2011 to 31.12.2011 RM'000	1.1.2010 to 31.12.2010 RM'000	1.1.2011 to 31.12.2011 RM'000	16.11.2010 [^] to 31.12.2010 RM'000
In respect of the financial year ended 31 December 2010:				
– declared as first interim tax-exempt dividend of approximately RM0.76 per ordinary share #	–	4,000	–	–
– declared as final tax-exempt dividend of approximately RM1.52 per ordinary share #	8,000	–	–	–
In respect of the financial year ended 31 December 2011:				
– declared as first interim single-tier dividend of approximately RM0.04 per ordinary share	8,800	–	8,800	–
	16,800	4,000	8,800	–

Note:

– These dividends were paid by PSSB to its shareholders prior to the acquisition of the subsidiaries by the Company.

^ – The Company was incorporated on 16 November 2010.

At the forthcoming Annual General Meeting, a final single-tier dividend of 4 sen per ordinary share amounting to RM8,800,000 in respect of the financial year ended 31 December 2011 will be proposed for shareholders' approval.

The financial statements for the current financial year do not reflect this proposed dividend. Such dividend, if approved by the shareholders, will be accounted for in equity as an appropriation of retained earnings in the financial year ending 31 December 2012.

32. PURCHASE OF PROPERTY AND EQUIPMENT

	The Group	
	2011 RM'000	2010 RM'000
Cost of property and equipment purchased	3,003	1,823
Amount financed through hire purchase	(240)	(1,162)
Cash disbursed for purchase of property and equipment	2,763	661

33. FINANCIAL INSTRUMENTS

The Group's activities are exposed to a variety of market risk (including foreign currency risk, interest rate risk and equity price risk), credit risk, liquidity risk, and capital risk management. The Group's overall financial risk management policy focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Company's financial performance.

(a) Financial Risk Management Policies

The Group's policies in respect of the major areas of treasury activity are as follows:

(i) Market Risk

(i) Foreign Currency Risk

The Group is exposed to foreign currency risk on sales and purchases that are primarily denominated in United States Dollar. Foreign currency risk is monitored closely and managed to an acceptable level. The Group did not enter into any forward currency contracts during the financial year ended 31 December 2011 and 2010 respectively.

The Group's exposure to foreign currency is as follows:

	← The Group →		
	United States Dollar RM'000	Ringgit Malaysia RM'000	Total RM'000
At 31 December 2011			
<u>Financial assets</u>			
Trade receivables	4,396	18,014	22,410
Other receivables	–	936	936
Short-term investments	–	1,081	1,081
Cash and bank balances	1,770	45,205	46,975
Total financial assets	6,166	65,236	71,402
<u>Financial liabilities</u>			
Trade payables	14,836	38	14,874
Other payables	1,045	1,213	2,258
Borrowings	–	2,284	2,284
Total financial liabilities	15,881	3,535	19,416
Net financial (liabilities)/assets	(9,715)	61,701	51,986
At 31 December 2010			
<u>Financial assets</u>			
Trade receivables	1,361	2,793	4,154
Other receivables	–	1,698	1,698
Short-term investments	–	1,055	1,055
Cash and bank balances	–	26,143	26,143
Total financial assets	1,361	31,689	33,050
<u>Financial liabilities</u>			
Trade payables	3,198	26	3,224
Other payables	–	4,485	4,485
Borrowings	–	4,976	4,976
RCPS	–	2,000	2,000
Total financial liabilities	3,198	11,487	14,685
Net financial (liabilities)/assets	(1,837)	20,202	18,365

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2011

33. FINANCIAL INSTRUMENTS (CONT'D)

(a) Financial Risk Management Policies (Cont'd)

(i) Market Risk (Cont'd)

(i) Foreign Currency Risk (Cont'd)

Foreign Currency Sensitivity Analysis

The following table details the sensitivity of the Group's profit after taxation and equity to a reasonably possible change in the foreign currencies as at the end of the reporting period, with all other variables held constant:

	← The Group →			
	Effect on Profit After Taxation 2011 RM'000	Effect on Equity 2011 RM'000	Effect on Profit After Taxation 2010 RM'000	Effect on Equity 2010 RM'000
Increase/(Decrease)				
United States Dollar:				
– strengthened by 5%	(486)	(486)	(92)	(92)
– weakened by 5%	486	486	92	92

(ii) Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to interest rate risk arises mainly from interest-bearing financial assets and liabilities.

The Group's policy is to obtain the most favourable interest rates available. Any surplus funds of the Group will be placed with licensed financial institutions to generate interest income. Information relating to the Group's bank borrowings is disclosed in their respective notes.

The Group's interest rate profile as monitored by management is set out below:

	The Group	
	2011 RM'000	2010 RM'000
<u>Fixed rate</u>		
Hire purchase payables	1,060	1,203
<u>Floating rates</u>		
Term loans	1,224	2,730
Bank overdraft	–	1,043
	1,224	3,773

Interests on financial instruments which are subjected to floating interest rates are repriced regularly. Interests on financial instruments at fixed rates are fixed until the maturity of the instruments. The other financial instruments of the Group that are not included in the above table are not subject to interest rate risks.

33. FINANCIAL INSTRUMENTS (CONT'D)

(a) Financial Risk Management Policies (Cont'd)

(i) Market Risk (Cont'd)

(ii) Interest Rate Risk (Cont'd)

Interest Rate Sensitivity Analysis

As at the end of the reporting period, a change of 100 basis points (bp) would have a financial impact on the Group's profit after taxation and equity by the amounts shown below, with all other variables held constant:

	←———— The Group —————→			
	Effect on Profit After Taxation 2011 RM'000	Effect on Equity 2011 RM'000	Effect on Profit After Taxation 2010 RM'000	Effect on Equity 2010 RM'000
Increase of 100 bp	(12)	(12)	(38)	(38)
Decrease of 100 bp	12	12	38	38

The sensitivity analysis above has been determined assuming that the change in interest rates had occurred at the end of the reporting period and had been applied to the exposure to interest rate risk for non-derivative financial instruments in existence at that date. The 100 basis point increase or decrease represents management's assessment of a reasonably possible change in interest rates over the period until the next annual reporting period.

(iii) Equity Price Risk

The Group's principal exposure to equity price risk arises mainly from changes in quoted securities prices. The Group manages its exposure to price risks by maintaining a portfolio of equities with different risk profiles.

Equity Price Risk Sensitivity Analysis

If prices for quoted equity securities as at the end of the reporting period strengthened by 5% with all other variables being held constant, the Group's profit after taxation and equity would have increased by RM54,000 (2010: RM53,000). A 5% weakening in the quoted prices would have had an equal but opposite effect on the profit after taxation and equity respectively.

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2011

33. FINANCIAL INSTRUMENTS (CONT'D)

(a) Financial Risk Management Policies (Cont'd)

(ii) Credit Risk

Credit risk is the risk of loss that may arise on the outstanding financial instruments should a counterparty default on its obligations. The Group's exposure to credit risk arises primarily from trade and other receivables. For cash and bank balances, the Group minimises credit risk by dealing exclusively with high credit rating financial institutions.

The Group's objective is to seek continual revenue growth whilst minimising losses incurred due to increased credit risk exposure. The Group's revenue from customers is predominantly on a cash basis. For trade on credit terms, the Group trades only with recognised and creditworthy third parties. It is the Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivables balances are monitored on an ongoing basis with the result that the Group's exposure to bad debts is not significant.

Exposure to Credit Risk

At the end of the reporting period, the Group's maximum exposure to credit risk is represented by the carrying amount of each class of financial assets recognised in the statement of financial position.

There is a concentration of credit risk in the form of receivables from five customers which constituted approximately 46% (2010: 88%) of its trade receivables at the end of the reporting period.

The exposure of credit risk for trade receivables by geographical region is as follows:

	The Group	
	2011	2010
	RM'000	RM'000
Singapore	4,173	792
Malaysia	18,237	3,362
	22,410	4,154

Financial Assets that are neither past due nor Impaired

A significant portion of trade receivables that are neither past due nor impaired are regular customers that have been transacting with the Group as disclosed in Note 9 to the financial statements. The Group uses ageing analysis to monitor the credit quality of the trade receivables. Deposit with banks and other financial institutions that are neither past due nor impaired are placed with or entered into with reputable financial institutions with high credit ratings and no history of default.

Financial Assets that are past due but not Impaired

Information regarding the financial assets that are either past due or impaired is disclosed in Note 9 to the financial statements.

33. FINANCIAL INSTRUMENTS (CONT'D)

(a) Financial Risk Management Policies (Cont'd)

(iii) Liquidity Risk

Liquidity risk arises mainly from general funding and business activities. The Group practises prudent risk management by maintaining sufficient cash balances and the availability of funding through certain committed credit facilities.

The following table detailed the remaining contractual maturities at the end of the reporting period of the Group and of the Company's derivative and non-derivative financial liabilities, which are based on contractual undiscounted cash flows (including interest payments computed using contractual rates or, if floating, based on rates current at the end of the reporting period) and the earliest date the Group and the Company are required to pay:

	Effective Interest Rate (%)	Carrying Amount RM'000	Contractual Undiscounted Cash Flows RM'000	Within one Year or on Demand RM'000	One to two Years RM'000	Two to Five Years RM'000	More than Five Years RM'000
The Group							
At 31 December 2011							
Financial liabilities:							
Trade payables	-	14,874	14,874	14,874	-	-	-
Other payables	-	2,258	2,258	2,258	-	-	-
Borrowings	4.90% – 6.60%	2,284	2,663	494	494	1,055	620
		19,416	19,795	17,626	494	1,055	620
At 31 December 2010							
Financial liabilities:							
Trade payables	-	3,224	3,224	3,224	-	-	-
Other payables	-	4,485	4,485	4,485	-	-	-
Borrowings	5.57% – 8.30%	4,976	6,584	1,781	738	2,011	2,054
		12,685	14,293	9,490	738	2,011	2,054
The Company							
At 31 December 2011							
Financial liability:							
Other payables	-	63	63	63	-	-	-
At 31 December 2010							
Financial liability:							
Other payables	-	2	2	2	-	-	-

(b) Capital Risk Management

The primary objective of the Group's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximise shareholders value. The Group manages its capital structure and makes adjustments to it, in the light of changes in economic condition. To maintain or adjust capital structure, the Group may adjust the dividend payment to shareholders. There were no changes in the Group's approach to capital management during the financial year.

The debt-to-equity ratio of the Group at the end of the reporting period is not presented as its cash and cash equivalents exceeded the total debts.

Under the requirement of Bursa Malaysia Practice Note No.17/2005, the Company is required to maintain a consolidated shareholders' equity (total equity attributable to owners of the Company) equal to or not less than 25% of the issued and paid-up share capital and such shareholders' equity is not less than RM40 million. The Company has complied with this requirement.

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2011

33. FINANCIAL INSTRUMENTS (CONT'D)

(c) Fair Values of Financial Instruments

The fair values of financial instruments are the amounts at which the instruments could be exchanged for or settled between knowledgeable parties at an arm's length transaction, other than a forced sale or liquidation.

The Group's financial instruments consist of cash and cash equivalents, trade and other receivables and trade and other payables, quoted investments and borrowings.

The carrying values of the financial assets and liabilities are reasonable approximation of fair values, either due to their short-term nature or that they are floating rate instruments that are repriced to market interest rate on or near the end of the reporting period, except as follows:

		Carrying Amount 2011 RM'000	Fair Value 2011 RM'000	Carrying Amount 2010 RM'000	Fair Value 2010 RM'000
	Note				
The Group					
Financial liability					
Hire purchase payables	17	1,060	1,038	1,203	1,196

Fair Value Hierarchy

The table below analyses financial instruments carried at fair values, by valuation method. The different levels have been defined as follows:

Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 – Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Total RM'000
The Group				
At 31 December 2011				
Financial assets				
Short-term investments	1,081	–	–	1,081

33. FINANCIAL INSTRUMENTS (CONT'D)

(d) Classification of Financial Instruments

	Note	Loan and Receivables RM'000	Other Financial Liabilities RM'000	Fair Value through Profit or Loss RM'000	Total RM'000
The Group					
31 December 2011					
Assets					
Trade receivables	9	22,410	–	–	22,410
Other receivables	10	936	–	–	936
Short-term investments	12	–	–	1,081	1,081
Cash and bank balances	13	46,975	–	–	46,975
Total financial assets		70,321	–	1,081	71,402
Total non-financial assets					15,810
Total assets					87,212
Liabilities					
Trade payables	14	–	14,874	–	14,874
Other payables	15	–	2,258	–	2,258
Borrowings	16	–	2,284	–	2,284
Total financial liabilities		–	19,416	–	19,416
Total non-financial liabilities					1,110
Total liabilities					20,526
31 December 2010					
Assets					
Trade receivables	9	4,154	–	–	4,154
Other receivables	10	1,698	–	–	1,698
Short-term investments	12	–	–	1,055	1,055
Cash and bank balances	13	26,143	–	–	26,143
Total financial assets		31,995	–	1,055	33,050
Total non-financial assets					11,001
Total assets					44,051
Liabilities					
Trade payables	14	–	3,224	–	3,224
Other payables	15	–	4,485	–	4,485
Borrowings	16	–	4,976	–	4,976
RCPS	19	–	2,000	–	2,000
Total financial liabilities		–	14,685	–	14,685
Total non-financial liabilities					354
Total liabilities					15,039

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2011

33. FINANCIAL INSTRUMENTS (CONT'D)

(d) Classification of Financial Instruments (Cont'd)

	Note	Loan and Receivables RM'000	Other Financial Liabilities RM'000	Fair Value through Profit or Loss RM'000	Total RM'000
The Company					
31 December 2011					
Assets					
Other receivables	10	5	-	-	5
Amount due from a subsidiary	11	7,297	-	-	7,297
Cash and bank balances	13	12,316	-	-	12,316
Total financial assets		<u>19,618</u>	-	-	<u>19,618</u>
Total non-financial assets					<u>19,800</u>
Total assets					<u>39,418</u>
Liabilities					
Other payables	15	-	63	-	63
Total non-financial liabilities					<u>700</u>
Total liabilities					<u>763</u>
31 December 2010					
Assets					
Cash and bank balances	13	**	-	-	**
Total non-financial assets					-
Total assets					<u>**</u>
Liabilities					
Other payables	15	-	2	-	2
Total non-financial liabilities					-
Total liabilities					<u>2</u>

Note:

** - RM 2

34. SEGMENTAL INFORMATION

The Group's business segments can be organised into the following segments reflecting the Group's internal reporting structure:

- a. Information and communications technology ("ICT") training and certification and software licence distribution and management (collectively referred to as the "ICT services and distribution") – provision of both basic and professional ICT training and certification encompassing instructor-led courses and certification examination at the end of the course. At the same time distributing and managing the software licences.
- b. Other – The holding company is involved in activity of investment holding.

Management monitors the operating results of its business units separately for the purpose of making decision about resource allocation and performance assessment. Segment performance is evaluated based on operating profit or loss which, in certain respects as explained in the table below, is measured differently from operating profit or loss in the consolidated financial statements.

Group financing (including finance costs) and income taxes are managed on a group basis and are not allocated to operating segments.

Assets, liabilities and expenses which are common and cannot be meaningfully allocated to the operating segments are presented under unallocated items. Unallocated items comprise mainly investments and related income, loans and borrowings and related expenses, corporate assets (primarily the Company's headquarters) and head office expenses.

(a) Business Segments

	ICT Services and Distribution RM'000	Other RM'000	Inter- Segment Elimination RM'000	Total RM'000
The Group				
At 31 December 2011				
Revenue				
External revenue	111,839	–	–	111,839
Inter-segment revenue	–	12,985	(12,985)	–
Segment revenue	<u>111,839</u>	<u>12,985</u>	<u>(12,985)</u>	<u>111,839</u>
Results				
Segment results	<u>34,237</u>	<u>9,526</u>	<u>(8,800)</u>	<u>34,963</u>
Finance costs				(520)
Profit before tax				<u>34,443</u>
Income tax expense				(801)
Profit after taxation				<u>33,642</u>
Assets				
Segment assets	<u>74,891</u>	<u>12,321</u>	–	<u>87,212</u>
Liabilities				
Segment liabilities	<u>19,353</u>	<u>63</u>	–	<u>19,416</u>
Provision for taxation	<u>409</u>	<u>701</u>	–	<u>1,110</u>
	<u>19,762</u>	<u>764</u>	–	<u>20,526</u>
Other information				
Depreciation and amortisation	1,285	–	–	1,285
Capital expenditure: – Property and equipment	<u>3,003</u>	–	–	<u>3,003</u>

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2011

34. SEGMENTAL INFORMATION (CONT'D)

(a) Business Segments (Cont'd)

	ICT Services and Distribution RM'000	Other RM'000	Inter- Segment Elimination RM'000	Total RM'000
The Group				
At 31 December 2010				
External revenue	58,520	–	–	58,520
Inter-segment revenue	–	–	–	–
Segment revenue	58,520	–	–	58,520
Results				
Segment results	15,440	–	–	15,440
Finance costs				(292)
Profit before tax				15,148
Income tax expense				(32)
Profit after taxation				15,116
Assets				
Segment assets	44,051	–	–	44,051
Liabilities				
Segment liabilities	14,683	2	–	14,685
Provision for taxation	354	–	–	354
	15,037	2	–	15,039
Other information				
Depreciation and amortisation	572	–	–	572
Capital expenditure: – Property and equipment	1,823	–	–	1,823

(b) Geographical Segments

In presenting information on the basis of geographical segments, segment revenue is based on geographical location of customers.

Geographical Information

	Malaysia RM'000	Export RM'000	Total RM'000
The Group			
2011			
Revenue	102,491	9,348	111,839
2010			
Revenue	56,939	1,581	58,520

The Group's assets are mainly located in Malaysia and the costs to acquire property and equipment are in Malaysia.

Major Customers

Revenue from two major customers, with revenue equal to or more than 10% of the Group revenue, amounted to RM42,776,000 (2010: RM37,288,000) arising from sales by the ICT services and distribution segment.

35. SIGNIFICANT RELATED PARTY DISCLOSURES

- (a) In addition to the transactions detailed elsewhere in the financial statements, the Group had the following significant transactions with related parties during the financial year:

Company	Relationship
Prestariang Systems Sdn. Bhd. ("PSSB")	A subsidiary.
Plug & Play Technology Holdings Sdn. Bhd. ("PPTHSB")	A company in which a director, Dato' Mohamed Yunus Ramli bin Abbas, has an interest.
AmInvestment Bank Berhad ("ABB")	A company in which a director, Dato' Gan Nyap Liou @ Gan Nyap Liow, has an interest.
Nusuaara Technologies Sdn. Bhd. ("NTSB")	A company in which a director, Dato' Mohamed Yunus Ramli Bin Abbas, has an interest.

	The Group		The Company	
	2011	2010	2011	2010
	RM'000	RM'000	RM'000	RM'000
Rental of office from:				
– PPTHSB	13	13	–	–
Initial Public Offering ("IPO") expenses:0.				
– ABB	1,048	1,412	1,048	–
Sales of Software to:				
– NTSB	–	82	–	–
Management fees received/receivable from:				
– PSSB	–	–	4,185	–
Dividend received from:				
– PSSB	–	–	8,800	–

(b) Compensation of Key Management Personnel

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly and indirectly, including any director of that entity.

The remuneration of directors and other members of key management during the year was as follows:

	The Group		The Company	
	2011	2010	2011	2010
	RM'000	RM'000	RM'000	RM'000
Short-term employee benefits	2,059	1,473	889	–
Post-employment benefits:				
– Defined contribution plan	178	230	42	–
– Others	52	–	50	–
	2,289	1,703	981	–

Included in the total key management personnel compensation are:

	The Group		The Company	
	2011	2010	2011	2010
	RM'000	RM'000	RM'000	RM'000
Directors' remuneration (Note 28)	1,530	815	859	–

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2011

36. CAPITAL COMMITMENT

	The Group	
	2011 RM'000	2010 RM'000
Property and equipment:		
– approved but not contracted for	–	240
– approved and contracted for	–	1,350

37. SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR AND SUBSEQUENT TO THE END OF THE REPORTING PERIOD

- (a) During the financial year, the Company completed its Initial Public Offering and was listed on the Main Market of Bursa Securities Berhad after completing the Listing Scheme as set out below.

i. Dividend Payment

Prior to the Acquisitions, PSSB had, on 13 May 2011, declared to its shareholders a final tax-exempt dividend of RM8.0 million as part of the listing scheme, which was paid on 13 May 2011 in respect of the financial year ended 31 December 2010.

ii. Acquisition of Subsidiaries

On 16 December 2010, the Company entered into Share Sale Agreements with the vendors of PSSB for the acquisition of the entire issued and paid-up share capital of PSSB comprising 5,588,465 ordinary shares of RM1 each ("PSSB Shares") (after conversion of the 2,000,000 redeemable convertible preference shares of RM0.10 each in PSSB ("RCPS") held by Kumpulan Modal Perdana Sdn. Bhd. ("KMP") into 325,307 new PSSB Shares) for a purchase consideration of RM19,799,998 which was wholly satisfied by the issuance of 197,999,980 new ordinary shares of RM0.10 each of the Company. The acquisition was completed on 2 June 2011.

iii. Initial Public Offering ("IPO")

a. Public Issue

In conjunction with the listing of the Company on the Main Market of Bursa Malaysia Securities Berhad during the financial year, the Company has undertaken a public issue of 22,000,000 new ordinary shares of RM0.10 each at an issue price of RM0.90 per share.

b. Offer For Sale

The offeror, Dr. Abu Hasan Bin Ismail, made an offer for sale of 77,000,000 new ordinary shares of RM0.10 each, representing 35% of the enlarged issued and paid-up share capital of the Company, at an issue price of RM0.90 per share.

iv. Listing

The Company's entire enlarged issued and paid-up share capital after the initial public offering, comprising 220,000,000 ordinary shares of RM0.10 each was listed on the Main Market of Bursa Malaysia Securities Berhad on 27 July 2011.

- (b) On 21 March 2012, the Company acquired 2 ordinary shares of RM1 each representing 100% of the issued and paid-up share capital of Prestariang Education Sdn. Bhd. ("PESB") for a cash consideration of RM2. Consequently, PESB became a wholly-owned subsidiary of the Company.
- (c) On 4 April 2012, the Company subscribed for the additional 19,999,998 ordinary shares of RM1 each of the issued and paid-up share capital of PESB at par for a total cash consideration of RM19,999,998 to retain the equity interest of 100%.

38. COMPARATIVE FIGURES

The comparative figures of the Group were presented based on the financial statements of the subsidiaries which were accounted for using the merger method of accounting, as the subsidiaries were under common control by the same party both before and after the acquisition by the Company, and that control is not transitory.

39. SUPPLEMENTARY INFORMATION – BREAKDOWN OF RETAINED PROFITS INTO REALISED AND UNREALISED

The breakdown of the retained earnings of the Group and of the Company as at 31 December 2011 into realised and unrealised profits is presented in accordance with the directive issued by Bursa Malaysia Securities Berhad dated 25 March 2010 and prepared in accordance with Guidance on Special Matter No. 1, Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Malaysia Securities Berhad Listing Requirements, as issued by the Malaysian Institute of Accountants on 20 December 2010.

	The Group		The Company	
	2011	2010	2011	2010
	RM'000	RM'000	RM'000	RM'000
Total retained earnings/(accumulated losses)				
– Realised	36,736	21,954	23	(2)
– Unrealised	108	58	–	–
	36,844	22,012	23	(2)
Add: Consolidated adjustments	2,010	–	–	–
Retained earnings/(Accumulated losses)	38,854	22,012	23	(2)

List of Properties

No	Location	Registered Owner	Tenure	Built-up Area	Description/ Existing Use	Approximate Age of Building (Years)	Net Book Value as at 31.12.11 (RM'000)	Date of Acquisition
1	70-1, Biz Avenue 2, NeoCyber, 63000 Cyberjaya, Selangor	PSSB	Freehold	1,710 sq. ft.	Office building	3	255	4 Sep 2007
2	71-1, Biz Avenue 2, NeoCyber, 63000 Cyberjaya, Selangor	PSSB	Freehold	1,710 sq. ft.	Office building	3	255	4 Sep 2007
3	72-1, Biz Avenue 2, NeoCyber, 63000 Cyberjaya, Selangor	PSSB	Freehold	1,710 sq. ft.	Office building	3	255	4 Sep 2007
4	73-1, Biz Avenue 2, NeoCyber, 63000 Cyberjaya, Selangor	PSSB	Freehold	1,847 sq. ft.	Office building	3	307	4 Sep 2007
5	72-G, Biz Avenue 2, NeoCyber, 63000 Cyberjaya, Selangor	PSSB	Freehold	1,446 sq. ft.	Office building	3	485	4 Sep 2007
6	73-G, Biz Avenue 2, NeoCyber, 63000 Cyberjaya, Selangor	PSSB	Freehold	2,440 sq. ft.	Office building/ Partially training room	3	767	15 Sep 2007
7	71-G, Biz Avenue 2, NeoCyber, 63000 Cyberjaya, Selangor	PSSB	Freehold	1,446 sq. ft.	Office building	3	500	1 Jul 2009
8	70-G, Biz Avenue 2, NeoCyber, 63000 Cyberjaya, Selangor	PSSB	Freehold	1,446 sq. ft.	Office building	3	500	1 Jul 2009
9	73-A, Biz Avenue 2, NeoCyber, 63000 Cyberjaya, Selangor	PSSB	Freehold	2,440 sq. ft.	Office building/	3	1,765	3 Sep 2010

PSSB – Prestariang Systems Sdn Bhd

Analysis of Shareholdings

AS AT 4 MAY 2012

Authorised share capital : RM50,000,000 comprising 500,000,000 ordinary shares of 10 sen each
 Issued and paid-up share capital : RM22,000,000 comprising 220,000,000 ordinary shares of 10 sen each
 Class of shares : Ordinary shares of 10 sen each
 Voting rights : One vote per ordinary share held

ANALYSIS BY SIZE OF SHAREHOLDINGS

Size of Shareholdings	No. of Shareholders	% of Shareholders	No. of Shares	% of Shares
Less than 100	–	–	–	–
100 – 1,000	110	6.10	92,400	0.04
1,001 – 10,000	956	53.05	6,069,600	2.76
10,001 – 100,000	619	34.35	19,084,400	8.68
100,001 – less than 5% of issued shares	114	6.33	92,493,600	42.04
5% and above of issued shares	3	0.17	102,260,000	46.48
	1,802	100.00	220,000,000	100.00

SUBSTANTIAL SHAREHOLDERS

(As per Register of Substantial Shareholders as at 4 May 2012)

Substantial Shareholders	Direct Interest		Indirect Interest	
	No. of Shares	% of Shares	No. of Shares	% of Shares
Dr Abu Hasan Bin Ismail	–	–	90,650,700 ^(a)	41.20
EkoHati Sdn Bhd	50,000,900	22.73	40,649,800 ^(b)	18.47
Sigma Dedikasi Sdn Bhd	31,409,800	14.27	59,240,900 ^(c)	26.93
Anjakan Evolusi Sdn Bhd	9,240,000	4.20	81,410,700 ^(d)	37.00
Kumpulan Modal Perdana Sdn Bhd	20,849,300	9.48	–	–
Minister of Finance, Incorporated	–	–	20,849,300 ^(e)	9.48
Datuk Ir Dr Ahmad Fikri Bin Hussein	–	–	31,409,800 ^(f)	14.27
Shahirul Azian Binti Abu Bakar	–	–	90,650,700 ^(g)	41.20
Zubaidah Binti Ismail	–	–	90,650,700 ^(h)	41.20

Notes:

- Deemed interest by virtue of his interest in EkoHati Sdn Bhd, Sigma Dedikasi Sdn Bhd and Anjakan Evolusi Sdn Bhd pursuant to Section 6A of the Companies Act, 1965 ("the Act").
- Deemed interest by virtue of Dr Abu Hasan Bin Ismail ("Dr Abu") interest in Sigma Dedikasi Sdn Bhd and Anjakan Evolusi Sdn Bhd pursuant to Section 6A of the Act.
- Deemed interest by virtue of Dr Abu's interest in EkoHati Sdn Bhd and Anjakan Evolusi Sdn Bhd pursuant to Section 6A of the Act.
- Deemed interest by virtue of Dr Abu's interest in EkoHati Sdn Bhd and Sigma Dedikasi Sdn Bhd pursuant to Section 6A of the Act.
- Deemed interest by virtue of its interest in Kumpulan Modal Perdana Sdn Bhd pursuant to Section 6A of the Act.
- Deemed interest by virtue of his interest in Sigma Dedikasi Sdn Bhd pursuant to Section 6A of the Act.
- Deemed interest by virtue of the interest of her spouse, Dr Abu in EkoHati Sdn Bhd, Sigma Dedikasi Sdn Bhd and Anjakan Evolusi Sdn Bhd pursuant to Section 6A of the Act.
- Deemed interest by virtue of the interest of her sibling, Dr Abu in EkoHati Sdn Bhd, Sigma Dedikasi Sdn Bhd and Anjakan Evolusi Sdn Bhd pursuant to Section 6A of the Act.

Analysis of Shareholdings

AS AT 4 MAY 2012

DIRECTORS' SHAREHOLDINGS

(As per Register of Directors' Shareholdings as at 4 May 2012)

Name of Directors	Direct Interest		Indirect Interest	
	No. of Shares	% of Shares	No. of Shares	% of Shares
Dato' Mohamed Yunus Ramli Bin Abbas	250,000	0.11	–	–
Dato' Jaffar Indot	320,000	0.15	120,000 ^(b)	0.05
Dato' Loy Teik Ngan	275,000	0.13	500,000 ^(c)	0.23
Chan Wan Siew	250,000	0.11	–	–
Dato' Gan Nyap Liou @ Gan Nyap Liow	1,893,000	0.86	–	–
Dr Abu Hasan Bin Ismail	–	–	90,650,700 ^(a)	41.20

Notes:

(a) Deemed interest by virtue of his interest in EkoHati Sdn Bhd, Sigma Dedikasi Sdn Bhd and Anjakan Evolusi Sdn Bhd pursuant to Section 6A of the Act.

(b) Interest of his spouse by virtue of Section 134(12)(c) of the Act.

(c) Deemed interest by virtue of his interest in Taylor's Education Sdn Bhd pursuant to Section 6A of the Act.

LIST OF TOP 30 SHAREHOLDERS

No.	Name	No. of Shares	% of Shares
1.	EkoHati Sdn Bhd	50,000,900	22.73
2.	Sigma Dedikasi Sdn Bhd	31,409,800	14.28
3.	Kumpulan Modal Perdana Sdn Bhd	20,849,300	9.48
4.	Loet Holding Inc	9,500,000	4.32
5.	Anjakan Evolusi Sdn Bhd	9,240,000	4.20
6.	UOBM Nominees (Tempatan) Sdn Bhd <i>Exempt An for Areca Capital Sdn Bhd (Client A/C 1)</i>	8,860,000	4.03
7.	AmanahRaya Trustees Berhad <i>Skim Amanah Saham Bumiputera</i>	5,863,400	2.67
8.	HSBC Nominees (Asing) Sdn Bhd <i>Exempt An for Credit Suisse (SG BR-TST-ASING)</i>	5,450,000	2.48
9.	CIMB Group Nominees (Tempatan) Sdn Bhd <i>AmTrustee Berhad for CIMB Islamic Dali Equity Theme Fund</i>	4,758,900	2.16
10.	HSBC Nominees (Tempatan) Sdn Bhd <i>HSBC (M) Trustee Bhd for OSK-UOB Growth And Income Focus Trust (4892)</i>	3,050,000	1.39
11.	Lembaga Tabung Haji	2,698,700	1.23
12.	CIMSEC Nominees (Tempatan) Sdn Bhd <i>CIMB for Chan Hiok Khiang (PB)</i>	2,000,000	0.91
13.	CIMSEC Nominees (Tempatan) Sdn Bhd <i>CIMB for Gan Nyap Liou @ Gan Nyap Liow (PB)</i>	1,893,000	0.86
14.	HSBC Nominees (Tempatan) Sdn Bhd <i>HSBC (M) Trustee Bhd for OSK-UOB Small Cap Opportunity Unit Trust (3548)</i>	1,800,000	0.82
15.	AmanahRaya Trustees Berhad <i>CIMB Islamic Equity Aggressive Fund</i>	1,662,900	0.76

LIST OF TOP 30 SHAREHOLDERS (CONT'D)

No.	Name	No. of Shares	% of Shares
16.	DB (Malaysia) Nominee (Tempatan) Sendirian Berhad <i>Deutsche Trustees Malaysia Berhad for EastSpring Investments Small-Cap Fund</i>	1,600,000	0.73
17.	CIMB Commerce Trustee Berhad <i>Exempt An for Phillip Capital Management Sdn Bhd (2)</i>	1,566,300	0.71
18.	AmanahRaya Trustees Berhad <i>CIMB Principal Equity Aggressive Fund 1</i>	1,466,700	0.67
19.	DB (Malaysia) Nominee (Tempatan) Sendirian Berhad <i>Deutsche Trustees Malaysia Berhad for EastSpring Investments Growth Fund</i>	1,457,500	0.66
20.	Yeoh Eng Hua	1,250,000	0.57
21.	Maybank Nominees (Tempatan) Sdn Bhd <i>Maybank Trustees Berhad for CIMB-Principal Equity Aggressive Fund 3 (980050)</i>	1,121,900	0.51
22.	DB (Malaysia) Nominee (Tempatan) Sendirian Berhad <i>Deutsche Trustees Malaysia Berhad for EastSpring Investments Balanced Fund</i>	1,069,200	0.49
23.	DB (Malaysia) Nominee (Tempatan) Sendirian Berhad <i>Deutsche Trustees Malaysia Berhad for EastSpring Investments Equity Income Fund</i>	1,058,300	0.48
24.	HSBC Nominees (Tempatan) Sdn Bhd <i>HSBC (M) Trustee Bhd for MAAKL Progress Fund (4082)</i>	1,019,600	0.46
25.	UOBM Nominees (Tempatan) Sdn Bhd <i>UOB-OSK Asset Management Sdn Bhd for UNI Aggressive Fund</i>	900,000	0.41
26.	HLG Nominee (Tempatan) Sdn Bhd <i>Pledged Securities Account for Yeoh Eng Hua</i>	870,000	0.40
27.	Maznah Binti Abdul Jalil	804,000	0.37
28.	CIMSEC Nominees (Tempatan) Sdn Bhd <i>CIMB Bank for Chia Ai Seng (M28033)</i>	760,000	0.35
29.	CIMB Commerce Trustee Berhad <i>Exempt An for Employees Provident Fund (PCM)</i>	618,600	0.28
30.	Loong Sze Tung	540,000	0.25
	Total	175,139,000	79.61

Notice of Annual General Meeting

NOTICE IS HEREBY GIVEN that the Second Annual General Meeting of the Company will be held at Banquet Hall, Level 1, Main Lobby, Kuala Lumpur Golf & Country Club (KLGCC), No.10, Jalan 1/70D, Bukit Kiara, 60000 Kuala Lumpur on Wednesday, 20 June 2012 at 10:00 a.m. for the following purposes:

AGENDA

1. To receive the Audited Financial Statements for the financial year ended 31 December 2011 together with the Reports of the Directors and the Auditors thereon. **(Please refer to Note 7)**
2. To approve the declaration and payment of final single tier dividend of 4.0 sen per ordinary share for the financial year ended 31 December 2011. **(Resolution 1)**
3. To approve the payment of Directors' fees of RM505,285 for the financial year ended 31 December 2011. **(Resolution 2)**
4. To re-elect the following Directors who retire by rotation pursuant to Article 95 of the Company's Articles of Association:
 - a) Dato' Mohamed Yunus Ramli Bin Abbas **(Resolution 3)**
 - b) Dr Abu Hasan Bin Ismail **(Resolution 4)**
5. To pass the following resolution in accordance with Section 129(6) of the Companies Act, 1965:

"THAT Dato' Jaffar Indot, retiring pursuant to Section 129(6) of the Companies Act, 1965, be and is hereby re-appointed as Director of the Company and to hold office until the conclusion of the next Annual General Meeting."**(Resolution 5)**
6. To re-appoint Messrs Crowe Horwath as Auditors of the Company until the conclusion of the next Annual General Meeting and to authorise the Directors to fix their remuneration. **(Resolution 6)**

As Special Business

To consider and if thought fit, with or without any modification, to pass the following Ordinary Resolutions:

7. **AUTHORITY TO ISSUE SHARES PURSUANT TO SECTION 132D OF THE COMPANIES ACT, 1965** **(Resolution 7)**

"THAT subject to Section 132D of the Companies Act, 1965 and approvals of the relevant governmental/regulatory authorities, the Directors be and are hereby empowered to issue and allot shares in the Company, at any time to such persons 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 to be issued does not exceed ten per centum (10%) of the issued and paid-up share capital of the Company for the time being and the Directors be and are also empowered to obtain the approval for the listing of and quotation for the additional shares so issued on Bursa Malaysia Securities Berhad.

AND THAT such authority shall commence immediately upon the passing of this Resolution and continue to be in force until the conclusion of the next Annual General Meeting of the Company."

8. PROPOSED AUTHORITY FOR THE COMPANY TO PURCHASE ITS OWN SHARES**(Resolution 8)**

“THAT subject always to the Companies Act, 1965, the provisions of the Memorandum and Articles of Association of the Company, the Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”) and all other applicable laws, guidelines, rules and regulations, if applicable, the Company be and is hereby authorised to purchase such amount of ordinary shares of RM0.10 each in the Company as may be determined by the Directors of the Company from time to time through Bursa Securities as the Directors may deem fit and expedient in the interest of the Company, provided that:

- (i) the aggregate number of shares purchased does not exceed 10% of the total issued and paid-up share capital of the Company as quoted on Bursa Securities as at the point of purchase;
- (ii) an amount not exceeding the Company’s audited retained profit of RM22,662 and/or the share premium account of RM16,632,256 for the financial year ended 31 December 2011 at the time of the purchase(s) will be allocated by the Company for the purchase of own shares; and
- (iii) the Directors of the Company may decide either to retain the shares purchased as treasury shares or cancel the shares or retain part of the shares so purchased as treasury shares and cancel the remainder or to resell the shares or distribute the shares as dividends;

THAT authority conferred by this Resolution shall commence immediately upon the passing of this Resolution and will only continue to be in force until:

- (i) the conclusion of the next annual general meeting of the Company, unless by ordinary resolution passed at that meeting, the authority is renewed, either unconditionally or subject to conditions; or
- (ii) the expiration of the period within which the next annual general meeting after that date is required by law to be held; or
- (iii) revoked or varied by resolution passed by the shareholders of the Company in general meeting, whichever occurs first;

AND THAT authority be and is hereby given to the Directors of the Company to act and take all such steps and do all things as are necessary or expedient to implement, finalise and give full effect to the aforesaid purchase.”

9. To transact any other ordinary business of which due notice shall have been given.

By Order of the Board

CHUA SIEW CHUAN (MAICSA 0777689)

TAN MEE LIAN (MAICSA 0869665)

Company Secretaries

Kuala Lumpur

Dated: 28 May 2012

Notice of Annual General Meeting

NOTICE OF DIVIDEND ENTITLEMENT AND PAYMENT

NOTICE IS HEREBY GIVEN that the final single tier dividend of 4.0 sen per ordinary share for the financial year ended 31 December 2011, if approved by the shareholders at the Second Annual General Meeting, will be payable on 26 June 2012 to shareholders whose names appear in the Record of Depositors on 12 June 2012.

A Depositor shall qualify for entitlement to the dividend only in respect of:

- (a) Shares transferred into the Depositor's securities account before 4.00 p.m. on 12 June 2012 in respect of ordinary transfers; and
- (b) Shares bought on Bursa Malaysia Securities Berhad on a cum entitlement basis according to the Rules of Bursa Malaysia Securities Berhad.

By Order of the Board

CHUA SIEW CHUAN (MAICSA 0777689)

TAN MEE LIAN (MAICSA 0869665)

Company Secretaries

Kuala Lumpur

Dated: 28 May 2012

NOTES:

1. In respect of deposited securities, only members whose names appear in the Record of Depositors on 13 June 2012 shall be eligible to attend the Meeting.
2. A member of the Company entitled to attend and vote at the Meeting is entitled to appoint not more than two (2) proxies to attend and vote in his stead. Where a member appoints more than one (1) proxy to attend and vote at the Meeting, such appointment shall be invalid unless he specifies the proportions of his shareholdings to be represented by each proxy.
3. A proxy may but need not be a member of the Company and the provisions of Section 149(1)(a) and (b) of the Companies Act, 1965 shall not apply to the Company. There shall be no restriction as to the qualification of the proxy. A proxy appointed to attend and vote at the Meeting shall have the same rights as the member to speak at the Meeting.
4. The instrument appointing a proxy shall be in writing under the hand of the appointer or of his attorney duly authorised in writing or, if the appointer is a corporation, either under Seal or under the hand of an officer or attorney duly authorised.
5. 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 account it holds. Where a member is an authorised nominee as defined under SICDA, it may appoint at least 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.
6. The instrument appointing a proxy and the power of attorney or other authority (if any), under which it is signed or a duly notarised certified copy of that power or authority, shall be deposited at the office of the Company's Share Registrar, Symphony Share Registrars Sdn. Bhd., Level 6, Symphony House, Pusat Dagangan Dana 1, Jalan PJU 1A/46, 47301 Petaling Jaya, Selangor Darul Ehsan not less than forty-eight (48) hours before the time appointed for holding the Meeting or any adjournment thereof.
7. This Agenda item is meant for discussion only, as the provision of Section 169(1) of the Companies Act, 1965 does not require a formal approval of the shareholders for the Audited Financial Statements. Hence, this Agenda item is not put forward for voting.
8. Explanatory Note to Special Business:

(i) **Resolution 7 – Authority to Issue Shares**

The above proposed Resolution 7, if passed, will empower the Directors of the Company to issue and allot shares at any time to such persons in their absolute discretion without convening a general meeting provided that the aggregate number of the shares issued does not exceed 10% of the issued share capital of the Company for the time being ("General Mandate"). The General Mandate, unless revoked or varied by the Company in general meeting, will expire at the next Annual General Meeting of the Company.

The General Mandate will enable the Directors to take swift action for allotment of shares for any possible fund raising activities, including but not limited to further placing of shares, for the purpose of funding future investment project(s), working capital and/or acquisition(s) and to avoid delay and cost in convening general meetings to approve such issue of shares.

(ii) **Resolution 8 – Proposed Authority for the Company to Purchase Its Own Shares**

The above proposed Resolution 8, if passed, will allow the Company to purchase its own shares up to 10% of the total issued and paid-up capital of the Company at any time within the time period stipulated in the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

Details of the proposed Resolution 8 are contained in the Circular to Shareholders dated 28 May 2012 accompanying the Company's 2011 Annual Report.



PRESTARIANG®

PRESTARIANG BERHAD

(Company No. 922260-K)

(Incorporated in Malaysia)

Form of Proxy

CDS Account No.

Number of ordinary shares

I/We, (full name) _____

bearing *NRIC No./Passport No./Company No. _____

of (full address) _____

being a *member/members of Prestariang Berhad ("the Company") hereby appoint:

First Proxy "A"

Full Name	NRIC/ Passport No.	Proportion of Shareholdings	
		No. of Shares	%
Full Address			

and/or failing *him/her,

Second Proxy "B"

Full Name	NRIC/ Passport No.	Proportion of Shareholdings	
		No. of Shares	%
Full Address			

to put on a separate sheet where there are more than two (2) proxies

100%

or failing *him/her, the *Chairman of the Meeting as *my/our proxy to vote for *me/us and on *my/our behalf at the Second Annual General Meeting of the Company to be held at Banquet Hall, Level 1, Main Lobby, Kuala Lumpur Golf & Country Club (KLGCC), No. 10, Jalan 1/70D, Bukit Kiara, 60000 Kuala Lumpur on Wednesday, 20 June 2012 at 10:00 a.m. and at any adjournment thereof.

In the case of a vote by a show of hands, my proxy _____ (one only) shall vote on *my/our behalf.

My/our proxy/proxies shall vote as follows:

(Please indicate with an "X" in the spaces provided below as to how you wish your votes to be casted. If no specific direction as to voting is given, the proxy/proxies will vote or abstain from voting at *his/her discretion.)

Item	Agenda	Resolution	For	Against
1.	To receive the Audited Financial Statements for the financial year ended 31 December 2011 together with the Reports of the Directors and the Auditors thereon.			
2.	To approve the declaration and payment of final single tier dividend of 4.0 sen per ordinary share.	1		
3.	To approve the payment of Directors' fees.	2		
4.	To re-elect Dato' Mohamed Yunus Ramli Bin Abbas as Director.	3		
5.	To re-elect Dr Abu Hasan Bin Ismail as Director.	4		
6.	To re-appoint Dato' Jaffar Indot as Director.	5		
7.	To re-appoint Messrs Crowe Horwath as Auditors of the Company and to authorise the Directors to fix their remuneration.	6		
Special Business				
8.	Authority to issue shares pursuant to Section 132D of the Companies Act, 1965.	7		
9.	Proposed authority for the Company to purchase its own shares	8		

As witness my/our hand(s) this day _____ of _____, 2012.

*Strike out whichever not applicable

*Signature of Member/Common Seal

Notes

- In respect of deposited securities, only members whose names appear in the Record of Depositors on 13 June 2012 shall be eligible to attend the Meeting.
- A member of the Company entitled to attend and vote at the Meeting is entitled to appoint not more than two (2) proxies to attend and vote in his stead. Where a member appoints more than one (1) proxy to attend and vote at the Meeting, such appointment shall be invalid unless he specifies the proportions of his shareholdings to be represented by each proxy.
- A proxy may but need not be a member of the Company and the provisions of Section 149(1) (a) and (b) of the Companies Act, 1965 shall not apply to the Company. There shall be no restriction as to the qualification of the proxy. A proxy appointed to attend and vote at the Meeting shall have the same rights as the member to speak at the Meeting.
- The instrument appointing a proxy shall be in writing under the hand of the appointer or of his attorney duly authorised in writing or, if the appointer is a corporation, either under Seal or under the hand of an officer or attorney duly authorised.
- 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 account it holds. Where a member is an authorised nominee as defined under SICDA, it may appoint at least 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 and the power of attorney or other authority (if any), under which it is signed or a duly notarised certified copy of that power or authority, shall be deposited at the office of the Company's Share Registrar, Symphony Share Registrars Sdn. Bhd., Level 6, Symphony House, Pusat Dagangan Dana 1, Jalan PJU 1A/46, 47301 Petaling Jaya, Selangor Darul Ehsan, not less than forty-eight (48) hours before the time appointed for holding the Meeting or any adjournment thereof.

Fold this flap for sealing

Then fold here

To:

Symphony Share Registrars Sdn Bhd

Level 6, Symphony House
Pusat Dagangan Dana 1
Jalan PJU 1A/46
47301 Petaling Jaya
Selangor Darul Ehsan

Stamp

1st fold here

