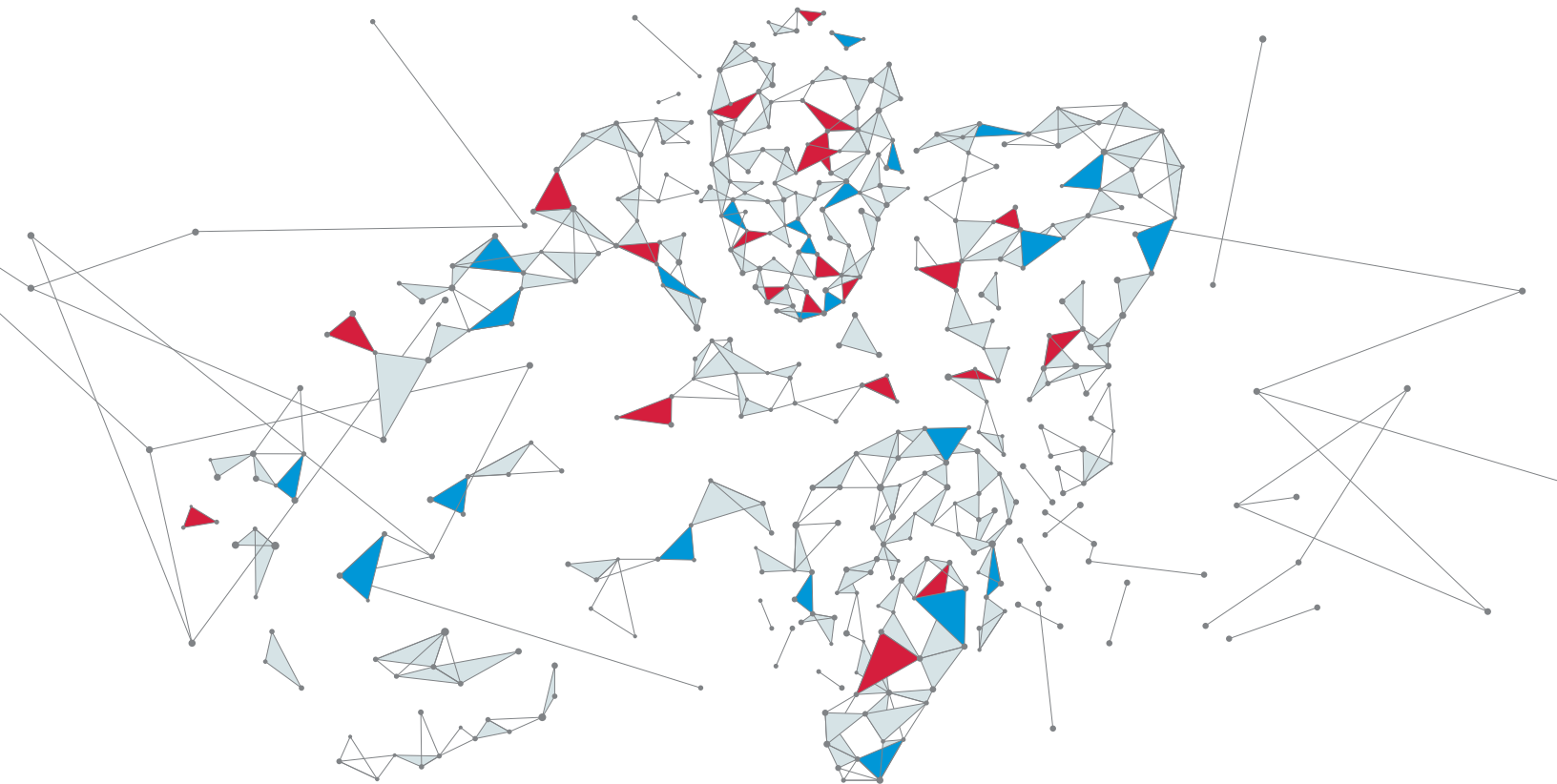


PRESTARIANG®

ANNUAL REPORT 2019



STAYING AGILE

Technology & Talent
Driving The Digital Economy

STAYING AGILE

By its very nature, the digital industry thrives on technological disruption and business revolution. To stay relevant and competitive, digital players are compelled to constantly and consistently adapt to and through innovation.

As a business forged at the heart of Malaysia's digital economy, Prestariang is subject to the same ebb and flow of risks and opportunities. Some are influenced and dictated by market demand, others by forces beyond our direct control.

This being the case, we accept and understand that agility and adaptability are the key commodities for sustainability in this industry and economy. As such, we will continue to evolve as a nimble business entity, transforming with the times in order to help shape a productive future for all our stakeholders.



9TH ANNUAL GENERAL MEETING

- 27 November 2019, Wednesday
- 10:00 a.m.
- Auditorium,
University Malaysia of Computer Science and Engineering
(UNIMY)
3410, Jalan Teknokrat 3, Cyberjaya 4
63000 Cyberjaya, Selangor Darul Ehsan, Malaysia

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VISION, MISSION AND SHARED VALUES

VISION

A Global Company that Provides
21st Century Talent and Technology Services
 Platform to Transform Lives

MISSION

To Drive Sustainable Recurring Profit through
Digital Transformation

SHARED VALUES

Collaboration

We listen and work collaboratively in the best interest of Prestariang and our customers. We leverage on our people's experiences and expertise to derive solutions by engaging in open and effective communication of processes, decisions and results.

Innovation

Innovations in our business are vital to our goals of providing customers with the highest level of services, value, reliability and speed. We bring together world-class capabilities and innovation to help our customers realise their visions. The compelling reasons to believe in Prestariang's future accomplishments are the strength of our team, the quality of our strategy and the scope of opportunities that are open to us.

Quality

We demand service excellence with added value through our understanding of customers' needs and drivers. We are results driven and it is extremely important to us that we deliver on our promise. We are geared towards managing our resources effectively and boosting productivity levels by ensuring that skills, knowledge and talents are proactively identified and developed. Our people are encouraged to challenge boundaries by applying industry best practices, leading edge technologies, as well as operational and technical expertise to propel Prestariang further ahead.

Customers as Our Focus

Our over-riding focus is on achieving successful long-lasting relationships with our customers, which are built on a strong foundation of understanding, trust and credibility. Focused on value creating efforts, we are constantly forging ahead, fully committed in providing the best value and innovative fit-for-purpose solutions to our customers.

Integrity

Our culture demands that our people have the capability and empowerment to take ownership of actions and issues, and to deal with them with urgency and confidence. With integrity as our core strength, we can further boost our growth opportunities, improve our work systems and processes and maintain mutually rewarding partnerships with our customers.



AT A GLANCE

Incorporated in **2003**

Listed
Main Market Bursa Malaysia
Securities Berhad
27 July 2011



Headquarters
CYBERJAYA

ISO 9001:2015

Certified for
Prestariang Systems Sdn Bhd
Microsoft Business Solution

More than
256,000

Trained & Certified
Individuals

A Constituent of



FTSE4Good

**BURSA MALAYSIA
INDEX**

Since December 2014

More than
60

Globally Recognised
Certification Courses

Over **5.81 million**

Distributed & Managed
Software Licenses

177

Total Number of Employees



SHARIAH-COMPLIANT

A Constituent of
FTSE Bursa Malaysia EMAS Shariah index
FTSE Bursa Malaysia Small Cap Shariah index

MSWG



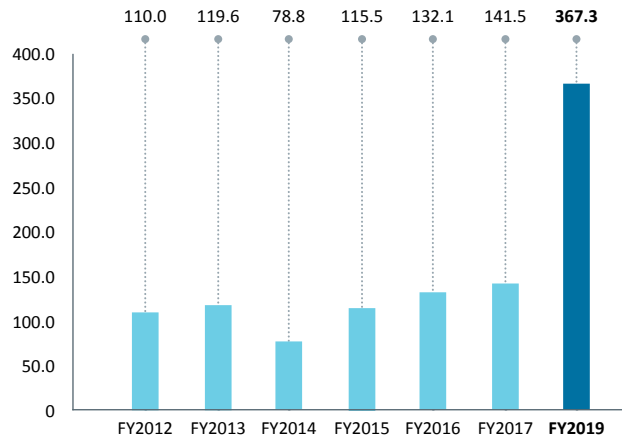
**MSWG-ASEAN CORPORATE
GOVERNANCE 2018 AWARD
WINNER-TECHNOLOGY INDUSTRY**

- MSWG-ASEAN Top 100 Companies for Corporate Governance Disclosures
- MSWG-ASEAN Top 100 Companies for Overall Corporate Governance and Performance

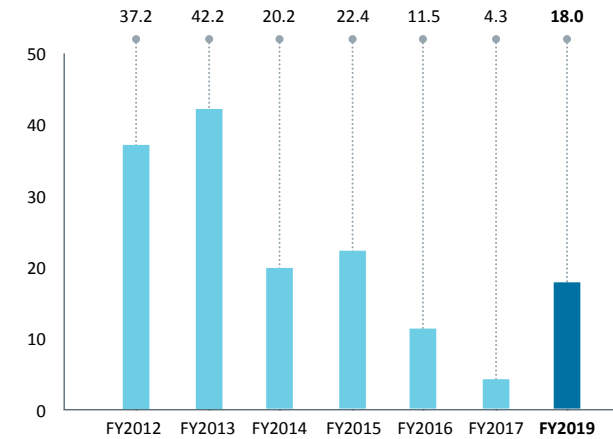
AT A GLANCE

GROUP'S PERFORMANCE SINCE LISTING FROM 2012 TO 2019 (RM Million)

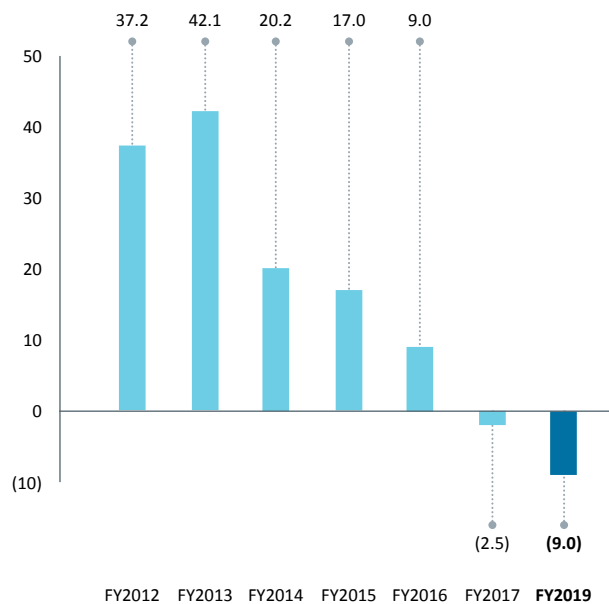
Revenue

**RM367.3**

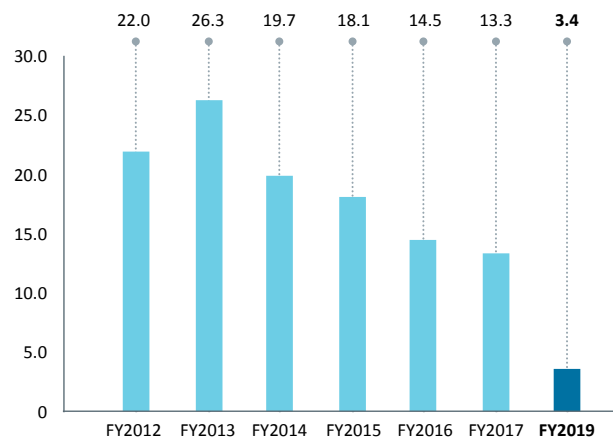
Profit/(Loss) Before Tax

**RM18.0**

Profit/(Loss) After Tax

**(RM9.0)**

Dividend Payout

**RM3.4**

WHO WE ARE

PRESTARIANG IS A TECHNOLOGY AND TALENT PIONEER THAT HAS EVOLVED FROM BEING MALAYSIA'S LARGEST INFORMATION AND COMMUNICATIONS TECHNOLOGY (ICT) SOFTWARE AND TRAINING SERVICE PROVIDER TO A LEADING TECHNOLOGY AND TALENT INNOVATOR

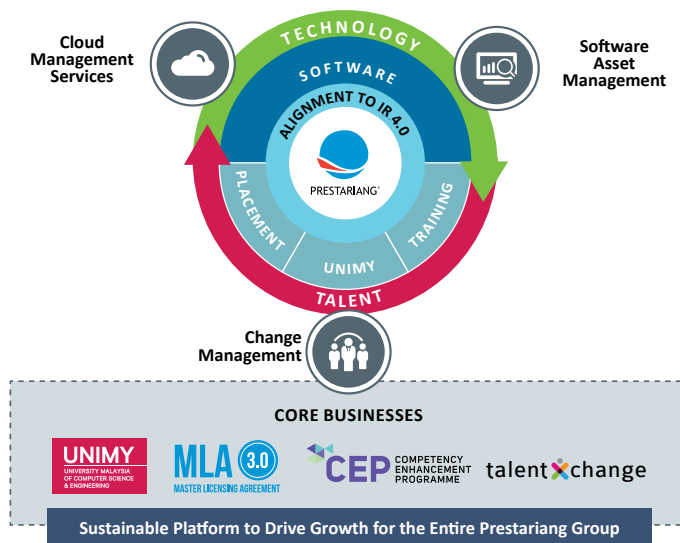
Our technology division's core business is software asset management; which has been the sustenance of the Group's business. Its talent division primarily offers and conducts training, job placement and education, focusing on upskilling and reskilling talents in the sectors of ICT, oil & gas and other industries.

Headquartered in Cyberjaya, we are committed to drive the technology industry in Malaysia towards and beyond the new digital economy via our proven competencies and expertise in the markets where we serve.

In the financial period under review, we redefined our Mission in rebuilding and enhancing our core businesses, in line with our transformation of Prestariang 5.1. This reflects our agility and adaptability in facing the ebb and flow of Malaysia's digital economy.

We source for products and services for both our operations and capital expenditure, such as advertising, consultation services, technology services, hardware, software and building management services in supporting our day-to-day operations.

Operating in the heart of Malaysia's digital economy, we take cognisance of our responsibility towards driving the local economy. In this aspect, majority of our suppliers were local vendors as at 30 June 2019. There were no notable changes to our supply chain during the financial period under review.



Our Services:

- **Technology**
 - Software and Services
- **Talent**
 - Talent Management Services (Talent Acquisition and Talent Placement)
 - Academy
 - Education

Our Supply Chain

As a Technology and Talent Innovator, our supply chain of products and services under the technology division are in most cases, procured for Government agencies and public training institutes in Malaysia. As for our talent division, our products and services are typically intended to nurture, optimise and supply talents through all input channels in delivering quality talents to meet the human capital needs of industries.

MAJOR PROJECTS



MLA is an initiative by the Ministry of Finance (MoF) that is aligned to the strategic ICT thrust of the Government.

Prestariang as the appointed Microsoft Licensing Solution Partner (LSP), provides Microsoft software licences, products and services via a centralised procurement contract to all Government Agencies and Institut Latihan Awam (ILA) in Malaysia.

MoF has awarded an extension of contract under MLA 3.0 until January 2021.

For more details, visit <https://www.mlatreasury.gov.my/>



MUSE is a joint initiative with the Ministry of Higher Education (MoHE), which involves distributing and managing Microsoft and Autodesk software licenses to public higher education institutions in Malaysia since 2006.

Prestariang has distributed over 45,000 and 30,000 Microsoft & Autodesk software licenses respectively.

Over 4,000 students have been trained in Autodesk as part of our value-added after-sales service.



Based in Pengerang, Johor Bahru, PSTI is a training institute dedicated to the construction, manufacturing, engineering and oil & gas industries. It is accredited by the Department of Skills Development, Ministry of Human Resource (DSD MoHR).

PSTI offers the Malaysian Skills Certification programme (Sijil Kemahiran Malaysia), short technical courses as well as soft skills to equip students with related employability skills in the construction and oil & gas industries.

For more details, visit <http://www.psti.edu.my/>



TalentXchange is an online recruitment website which manages talents for employability.

TalentXchange offers:

- Talent Acquisition and Placement Services
- Training & Certification
- Talent Management for Employability

For more details, visit <http://www.talentxchange.my>



This programme is a unique value proposition under MLA 3.0 in collaboration with the Government of Malaysia.

With every transaction on software purchases, both Government Agencies and Institut Latihan Awam (ILA) can each redeem 11% and 5% of their total purchase respectively on the following, among others:

- Hands-on product training conducted by certified trainers
- Microsoft devices
- Premier Services for end-to-end support solutions

PAST PROJECTS



HOMEGROWN INTELLECTUAL PROPERTIES



MESSAGE FROM OUR CHAIRMAN



“ Our resolute performance in this critical situation was the result of our corrective action in realigning our current business model to ascertain our business continuity. ”

DATO' MAZNAH BINTI ABDUL JALIL
Independent Non-Executive Chairman

Dear Valued Shareholders,

The new financial period from 1 January 2018 to 30 June 2019 has been a challenging time for Prestariang Berhad (Prestariang or the Group) in our transformation journey as a technology and talent pioneer in Malaysia.

The unilateral termination of our 15-year Government Concession Agreement for the implementation of 'Sistem Kawalan Imigresen Nasional' (SKIN) in December 2018, after only 8 months into its tenure, dismantled a key platform of our current and future business.

Despite the setback, we managed to mitigate the negative impact of SKIN's termination on our financial results underpinned by consistent revenue contribution from our traditional business of Software & Services over the past 18 months.

Our Annual Report theme, Staying Agile, aptly describes our resilience in riding the ebb and flow of risks and opportunities inherent in a digital industry. We are not spared the consequences of technology disruption and forces beyond our control. It has severely affected us which applied downward pressure on the company's net profit margin.

While this has suppressed the Group's development and growth, we worked quickly on solutions to reduce negative exposure to our business risk. Therefore, we have identified areas which require our full attention with measures being taken to aggressively plan and embark on several initiatives to improve operational efficiency. Details on our approaches are outlined in the Management Discussion and Analysis on pages 12 to 19 of this Annual Report.

MESSAGE FROM OUR CHAIRMAN

In light of the volatile environment, we shall remain prudent and remedy our circumstances by bouncing back with strategic, long-term business oriented plans, protecting our assets including our human capital and sustaining the continuity of our operations.

As such, I am confident that Prestariang will maintain its momentum, staying agile in order to capitalise on existing and new opportunities while sustaining financial performance and shaping a more rewarding future for all our stakeholders.

FINANCIAL PERFORMANCE

The Group achieved Revenue of RM367.3 million during the 18-month period-to-date ended 30 June 2019 (PTD 2019) as compared with RM141.5 million in the restated 12-month period to date ended 31 December 2017 (PTD 2017). The significant increase in Revenue follows the reinstatement of revenue from SKIN with the adoption of Malaysian Financial Reporting Standards (MFRS) 15, which also resulted in a restatement of PTD 2017 Revenue (previously reported as RM219.5 million).

With the reinstatement, revenue recognition from SKIN was the highest contributor to Group Revenue at RM175.5 million. The Software & Services business was a close second with 28.6% growth in revenue to RM161.1 million (PTD 2017: RM125.3 million). Our emerging Talent Management business grew by more than three times to RM17.4 million (PTD 2017: RM5.4 million) while revenue from the Education segment also increased by 50.0% to RM9.3 million (PTD 2017: RM6.2 million). Segmental revenue from our Academy business, however, dropped by 13.0% to RM4.0 million from RM4.6 million recorded in the previous period.

Profit Before Tax (PBT) increased to RM18.0 million in PTD 2019, up by 4.2 times the restated PBT of RM4.3 million (previously reported as RM38.0 million) for PTD 2017. While significantly higher, the PBT for the period in review was nonetheless impacted by the material provision of impairment on trade receivables, development costs, fixed assets and other provisions in compliance with the respective MFRS.



MESSAGE FROM OUR CHAIRMAN



The Group incurred a Loss After Tax (LAT) of -RM9.0 million in PTD 2019 as a result of income tax amounting to RM26.9 million, of which RM16.9 million was deferred tax, RM5.8 million was due to under taxation in prior years and RM4.2 million for the current year. The restatement of financials also led to an LAT of -RM2.5 million in the previous period.

The loss resulted in a negative Earnings Per Share (EPS) of -4.51 sen as compared against a restated EPS of -0.16 sen in the previous financial period (previously reported as 3.77 sen). Meanwhile, the Group's Total Assets grew by 33.7% to RM297.5 million for the period in review (PTD 2017: restated RM222.5 million). However, Net Assets dipped by 16.7% to RM120.1 million (PTD 2017: restated RM144.2 million), resulting in Net Assets Per Share falling by 16.7% to 24.81 sen in PTD 2019 from a restated 29.79 sen the period before.

- **Dividend**

Prestariang has a track record of sharing profits with our loyal and supportive shareholders, having in place a Dividend Policy to distribute a minimum 50% of our PAT. Since listing in July 2011, we have paid out a total of 27.88 sen per share amounting to RM134.9 million.

The Group paid out a total dividend of 0.7 sen per share amounting to RM3.4 million in respect to the period in review (PTD 2017: 2.75 sen amounting to RM13.3 million). The payment of interim dividend was made at a point when the Group had sufficient retained profits and cash flow.

Given the unexpected turn of events during PTD 2019, the Board of Directors (Board) is recommending financial prudence to retain sufficient capital resources in order to drive and sustain our current core businesses.

I am confident the Group will again issue dividends once Prestariang is on firmer footing in the near future.

CORPORATE DEVELOPMENTS & OTHER EVENTS

- **Change in Financial Period**

During the period in review, Prestariang changed its financial year end from 31 December to 31 March and subsequently to 30 June. The changes were intended to attain clarity on the accounts and financial position of the Group while the necessary steps were being taken to address our legal position following SKIN's termination.

- **Legal Proceedings on SKIN**

On April 15 2019, the Group subsidiary Prestariang SKIN Sdn Bhd (PSKIN) initiated legal proceedings against the Government for compensation amounting to RM732.86 million based on the contractual formula for unilateral contract termination by way of expropriation via a letter dated 11 December 2018. The law suit is the fiduciary duty of the Board to protect shareholders' interests.

- **Change in Shareholding**

President and Group Chief Executive Officer (Group CEO) Dr Abu Hasan Ismail relinquished his entire stake of 117.20 million shares (24.2% shareholding) in Prestariang held by his private companies, Ekohati Sdn Bhd, Sigma Dedikasi Sdn Bhd and Anjakan Evolusi Sdn Bhd following a margin call on 14 December 2018. Dr Abu retains his position as Group CEO.

Subsequent to the sale, Maybank Trustees Berhad Areca Dynamic Growth Fund became Prestariang's single largest shareholder with a 16.01% stake followed by CIMB Islamic Trustee Berhad - Affin Hwang Multi-Asset Fund with an 8.3% stake.

MESSAGE FROM OUR CHAIRMAN

• BOD Appointments

Prestariang has appointed two new directors to the Board: Ginny Yeow Mei Ying as an Independent Non-Executive Director and Baldesh Singh a/l Manmohan Singh as a Non-Independent Executive Director and Chief Operating Officer of the Company.

• Industry Recognition

I am delighted to note that Prestariang was awarded the Corporate Governance Industry Excellence Award (Technology) at the Minority Shareholders Watch Group (MSWG) ASEAN Corporate Governance Award 2018, a recognition of the Group's high level of transparency and corporate governance practices. In addition, Prestariang also remained a proud constituent of the FTSE4Good Bursa Malaysia Index throughout the financial period under review.

PROSPECTS

The global shift towards Industry 4.0 and Malaysia's version of Industry4WRD is a clear pathway on which Prestariang can play a critical role in bringing together technology and talent for the country's manufacturing sector.

The Group is ideally placed to address issues in accelerating Industry4WRD such as the tripartite focus areas of technology, talent and training inclusive of change management to condition the minds of the next generation towards Industry 4.0.

In addition, we are committed towards providing end-to-end solutions in terms of talent management encompassing talent acquisition, profiling, training and placement, particularly in digital and other technological areas. At the same time, the Group is on hand to offer cloud-based services via our software asset management business.

ACKNOWLEDGMENTS

On behalf of my fellow Board members, I would like to state our confidence in the stewardship of Dr Abu Hasan. The foundation he has built as the founder of this company has provided the resolve and resilience to weather any setbacks and challenges, foreseen and unforeseen. I am confident that under his leadership and support from the capable management team and all employees, we will continue to sustain the Group's business life cycle by adapting to the changing business environment.

The invaluable service and wise counsel of previous Chairman Dato' Mohamed Yunus Ramli Abbas has indeed been a driving force behind the Group's successes over the years. We would like to wish him the best in all his future undertakings.

I would also like to welcome our new Board Members, Ms Ginny Yeow Mei Ying and Mr Baldesh Singh a/l Manmohan Singh. With their impressive corporate credentials, I look forward to their input and contributions to enhance the development and strength of the Board.

My gratitude goes out to each and every valued shareholder for your patience and understanding during this difficult period. Your continuous support and confidence in the Group certainly encourages us to remain vigilant in our efforts. To the management and employees of Prestariang, your ability to stay focused and diligent throughout the past year is truly commendable.

Together, let us pledge our continued dedication to re-establish our foundation for long-term shareholder value as we face challenges ahead to re-align our business and translate our efforts into operating success.

DATO' MAZNAH BINTI ABDUL JALIL

Chairman

MANAGEMENT DISCUSSION AND ANALYSIS



“ Prestariang Berhad (Prestariang or the Group) is a unique business entity borne out of Malaysia’s aspiration to develop a digital economy as part of the final thrust towards becoming a fully-developed nation. ”

DR ABU HASAN BIN ISMAIL
President/Group CEO

BUSINESS OVERVIEW AND OBJECTIVES **STAYING AGILE, CREATING OPPORTUNITIES**

At the outset, it was clear that a key driver of the digital economy is the capacity for technology innovation, while a critical enabler would be the availability of talents fitted to the ever-shifting trends and demands of the digital landscape.

On both fronts, agility emerged as a defining requirement: Flexibility in business in order to create and capitalise on opportunities via digital innovation or technology integration; and adaptability of human resources to upskill and reskill according to the fluid needs of industry.

From the beginning, Prestariang straddled these two major components of the digital economy, focusing on technology and talent as our core businesses by distributing and managing software licences, and training and certifying talents in ICT.

Our original twin businesses provided an initial platform for recurring income, from which we continued to drive business transformation in response to as well as to tap into emerging technologies rapidly reshaping business and industry.

The Group leveraged on the synergy offered by *Software Licence Distribution & Management* and *Training & Certification* to develop a value chain encompassing the career life cycle of human capital.

MANAGEMENT DISCUSSION AND ANALYSIS

In this progressive iteration of our business model, we added the business segments of *Education*, via Prestariang's University of Computer Science & Engineering Malaysia (UNIMY), and *Talent Management* involving the acquisition of talents for further lifelong learning and training followed by their job placements. We referred to this iteration as 'Prestariang 2.0'.

Subsequently, we expanded our offerings in the Technology segment by complementing software management with value-added services coupled with the development of new digital solutions.

In this regard, the Group's Government Concession to develop a comprehensive core immigration system known as 'Sistem Kawalan Imigresen Nasional' (SKIN) was intended to be the catalyst for such capabilities as cloud services, change management, analytics & business intelligence, cyber & information security, e-commerce and others, as captured by our maturing models of 'Prestariang 3.0' through to 'Prestariang 5.0'.

However, the unilateral termination of SKIN during the period in review has put the brakes on our business transformation, requiring the Group to take stock and recalibrate our future direction.

The termination was informed in a letter sent by the Home Ministry to Prestariang SKIN Sdn Bhd on 11 December 2018 and took effect on 22 January 2019, approximately 8 months since the commencement of the project.

Pursuant to this, PSKIN filed a law suit on 15 April 2019 against the Government to claim RM732.86 million as compensation for the termination by expropriation. We remain positive on our claim and the compensation amount based on the contractual formula stipulated in the Concession Agreement.

Although SKIN's termination represents a significant setback, we have to take the necessary action to remain resilient and effectively reconfigure our strategy, structure, processes, people and technology to protect our businesses.

Accordingly, our focus areas now will be on our traditional businesses to keep our momentum going, which is the synergistic axis formed by our traditional sectors of Technology spearheaded by *Software & Services* and Talent revolving around a *Talent Management* ecosystem incorporating *Education and Academy*.



We have taken the necessary measures to drastically reduce or eliminate the identified risks and will continue to do so. Our concentration will be on taking control of our finances and shifting our focus to get through this difficult period.

REVIEW OF FINANCIALS

In an announcement to Bursa Malaysia on 28 February 2019, the Board of Directors approved to change the financial year end to 30 June 2019 to mainly address the impact of SKIN and to attain clarity on the accounts and financial position of the Group. Resulting from this, the Group's current financial period in review is 18 months from 1 January 2018 to 30 June 2019.

The Group achieved below-par results for the period ended 30 June 2019 (PTD 2019). During the period, we adopted the Malaysian Financial Reporting Standards (MFRS) 15, which led to the reinstatement of revenue recognition from SKIN and a restatement of financial results after a reconciliation of Profit and Loss for the previous period ended 30 December 2017 (PTD 2017).

Revenue for PTD 2019 was considerably as compared with PTD 2017 higher but the bottom line was impacted by a host of factors including the material provision of impairment on trade receivables, development costs, fixed assets and other provisions taken to comply with the MFRS.

MANAGEMENT DISCUSSION AND ANALYSIS

Revenue

The Group achieved Revenue of RM367.3 million in the 18-month PTD 2019 as compared with a restated RM141.5 million (previously reported as RM219.5 million) in the 12-month PTD 2017. This represents an increase by 2.6 times.

Revenue recognition from SKIN was the highest contributor to Group Revenue at RM175.5 million. The Software & Services business was a close second with 28.6% growth in revenue to RM161.1 million (PTD 2017: RM125.3 million). Prestariang's Talent Management business grew by more than three times to RM17.4 million (PTD 2017: RM5.4 million) while revenue from the Education segment also increased by 50.0% to RM9.3 million (PTD 2017: RM6.2 million). Segmental revenue from our Academy business, however, dropped by 13.0% to RM4.0 million from RM4.6 million recorded in the previous period.

In terms of share of Revenue, SKIN contributed 47.8%, followed by Software & Services with 43.9%, Talent Management (4.7%), Education (2.5%) and Academy (1.1%). Taking SKIN out of the equation, the Software & Services segment accounted for 84.0% of Group revenue and now represents the dominant component of Prestariang's business.

Profits and Losses

Profit Before Tax (PBT) for the Group increased to RM18.0 million in PTD 2019 or 4.2 times the restated PBT of RM4.3 million (previously reported as RM38.0 million) for PTD 2017.

SKIN and Talent Management were the two business segments to register positive PBTs of RM59.4 million (PTD 2017: restated -RM6.2 million) and RM0.9 million (PTD 2017: RM0.3 million) respectively. On the other hand, the Education business continued to incur a Loss Before Tax (LBT) of RM21.3 million against -RM4.6 million the period before while the amalgamated LBT for Software & Services and Academy amounted to -RM9.3 million as compared with a PBT of RM18.5 million in PTD 2017.

SUMMARY OF GROUP'S KEY FINANCIAL INDICATORS

(RM Million)

	FPE2019	FYE2017	%
Revenue	367.3	141.5	+160.0
Profit/(Loss) Before Tax	18.0	4.3	+318.6
Profit/(Loss) After Tax	(9.0)	(2.5)	-260.0
Shareholders' Funds	120.1	144.2	-16.7
Earnings/(Loss) Per Share (sen)	(4.51)	(0.16)	-2,178.8
Total Assets	297.5	222.5	+33.7
Dividend (sen)	0.7	2.75	-60.0
Dividend Payout	3.4	13.3	-74.4

The Group incurred a Loss After Tax (LAT) of -RM9.0 million in PTD 2019 as a result of income tax amounting to RM26.9 million, of which RM16.9 million was deferred tax, RM5.8 million was due to under taxation in prior years and RM4.2 million for the current year. The restatement of financials also led to an LAT of -RM2.5 million in the previous period.

Consequently, Earnings Per Share (EPS) was a negative -4.51 sen as compared against a restated EPS of -0.16 sen the previous financial period (previously reported as 3.77 sen).

Dividend

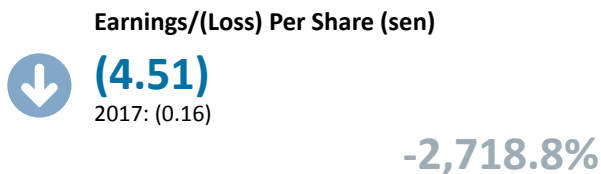
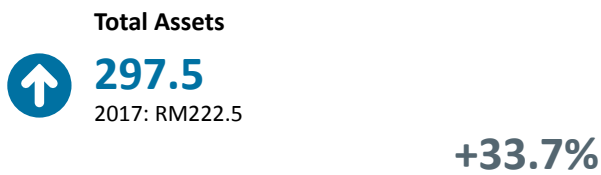
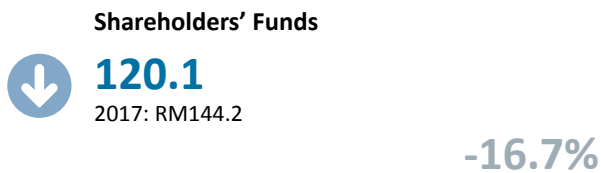
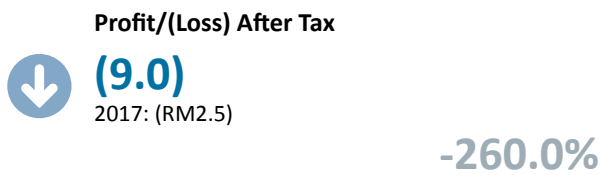
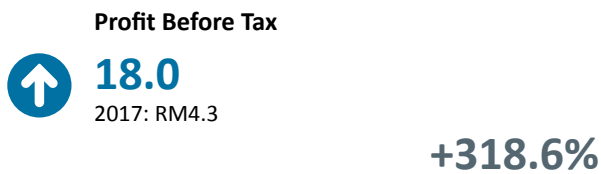
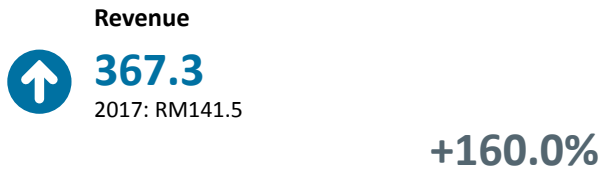
The Group paid out a total dividend of 0.7 sen per share amounting to RM3.4 million in respect to the period in review (PTD 2017: 2.75 sen amounting to RM13.3 million). The payment of interim dividends was made at a point when the Group had sufficient retained profits and cash flow.

The reduced dividend is consistent with the unexpected turn of events during PTD 2019, giving rise to the need to retain sufficient capital resources in order to drive our current core businesses and prepare for the financial year ahead.

Our Dividend Policy to distribute a minimum 50% of our PAT has resulted in a cumulative issuance of 27.88 sen per share amounting to an aggregate payout of RM134.9 million since listing.

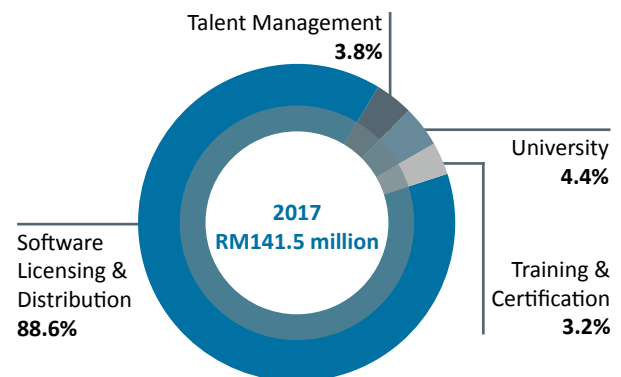
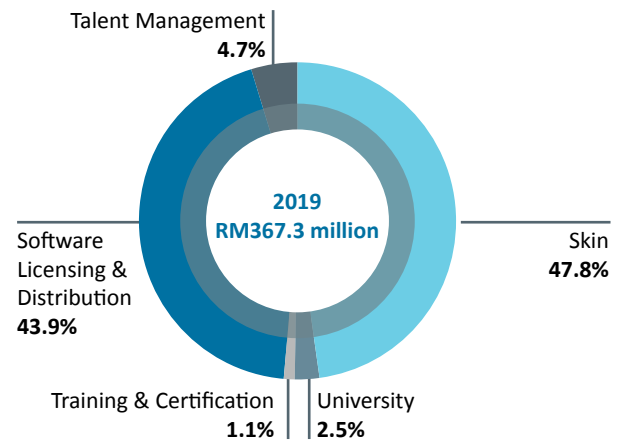
MANAGEMENT DISCUSSION AND ANALYSIS

FINANCIAL PERFORMANCE
(RM Million)



CONTRIBUTION TO REVENUE BY DIVISION
(RM Million)

	2019	2017
SKIN	175.5	-
University	9.3	6.2
Training & Certification	4.0	4.6
Software Licensing & Distribution	161.1	125.3
Talent Management	17.4	5.4
Total	367.3	141.5



MANAGEMENT DISCUSSION AND ANALYSIS

Shareholders' Equity and Group Total Assets

The Shareholders' Equity dropped by -16.7% to RM120.1 million in PTD 2019 from a restated RM144.2 million (previously reported as RM171.3 million) the period before.

The Group's Total Assets grew by 33.7% to RM297.5 million for the period in review (PTD 2017: restated RM222.5 million). However, Net Assets dipped by 16.7% to RM120.1 million (PTD 2017: restated RM144.2 million), resulting in Net Assets Per Share falling by 23.9% to 24.82 sen in PTD 2019 from a restated 29.79 sen the previous financial period.

Taxation

The Group incurred taxation amounting to RM26.9 million in PTD 2019 as compared with a restated RM6.8 million in PTD 2017. The taxation amount consisted of RM16.9 million for deferred tax, RM5.8 million for under taxation in prior years following a tax audit by the Inland Revenue Board (IRB) for the period 2011 to 2016 and RM4.2 million for the current year.

Gearing & Finance Costs

Our aggregate borrowings to fund the development of SKIN and other business activities grew to RM63.5 million by the end of the new financial period, which was 2.8 times more than RM22.9 million in PTD 2017. As a result, our gearing ratio reached 0.53 in PTD 2019. In line with the need for greater prudence in financial management, we will endeavour to pare down this ratio to a more palatable level.

The higher borrowings also led to finance costs increasing by more than 10 fold to RM5.4 million as compared with RM0.5 million the previous financial period.

Capital Management

The Group's cash and bank balances dipped to RM7.2 million at the end of the financial period in review from RM44.8 million in PTD 2017.

There is material uncertainty to continue as a going concern mainly due to the following:

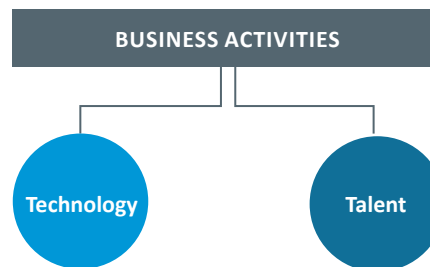
- a. the Group's legal suit against the Government of Malaysia to recover the sums due under the SKIN project;
- b. During the financial period in review, the Group and the Company recorded:
 - i. negative operating cash flows of RM72,253,000 and RM12,365,000 respectively; and
 - ii. loss after taxation of RM8,957,000 and RM53,312,000 respectively.
- c. The Group had accepted advances of RM1,500,000 and RM5,000,000 from a director and a former director respectively for working capital.

The material uncertainty may cast significant doubt on the Group's ability to continue as a going concern and whether the Group and Company have sufficient cash flow to meet their obligations as and when they fall due. Following an assessment on its working capital and cash flow projection, the management has concluded that the Group and the Company have sufficient working capital to finance their operations and to meet financial obligations as and when they fall due.

This being the case and coupled with our relatively-high gearing ratio, we are determined to effectively manage our capital resources by optimising the current infrastructure while also looking to improve our liquidity by disposing assets deemed redundant.

REVIEW OF OPERATIONS Leveraging on Core Activities

Over and above SKIN, Prestariang's business activities were underpinned by our synergistic pairing of Technology and Talent, as follows:



- Software & Services
- Talent Management Services (Talent Acquisition, Talent Placement)
- Academy
- Education

MANAGEMENT DISCUSSION AND ANALYSIS

Software & Services

This business emerged as the mainstay for Prestariang during the period in review following the termination of the SKIN contract. The segment contributed an increased RM161.1 million, accounting for 43.9% of Group Revenue over 18 months (84.0% if SKIN is not taken into consideration).

Over the years, this business segment has evolved from its original distribution and management of software licences to encompass software asset management as well as the provision of cloud management and other services.

In 2018, wholly-owned subsidiary Prestariang Systems Sdn Bhd (PSSB) formalised the Master Licensing Agreement (MLA) 3.0 with the Government to be the sole Microsoft Licensing Solutions Provider (LSP) for all public sector agencies and a new set of customers in public training institutes (ILA). PSSB has been a Microsoft LSP since 2006 and the latest three-year agreement is an extension and renewal of the previous MLA 2.0. The MLA 3.0 contract worth RM222.6 million runs from 1 February 2018 to 31 January 2021, or an average of approximately RM74.0 million per annum.

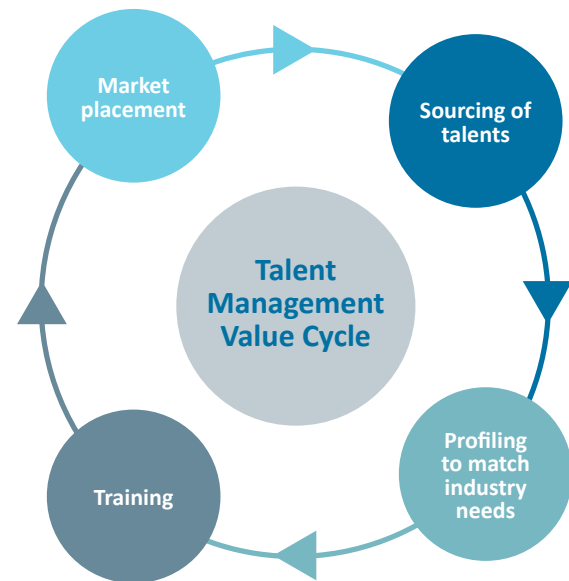
Beyond the public sector, the Group is poised to extend software asset management to the private sector, which remains largely untapped and offers significant opportunities in the areas of licensing compliance and subscription for management services.

In the case of cloud management, we are prioritising partnerships with global tech players instead of putting our chips in competency development. Such collaboration is expected to provide us with leverage in the commercial market and open doors for consultancy and also subscription-based for the delivery of services.

Going forward, we will continue to lean on Software & Services as the main income earner even as we seek to revitalise our Academy segment and grow the Talent Management Services and Education businesses.

Talent Management Services

Originally intended as a complement and feeder to the Academy business, this segment is gradually maturing into a promising revenue stream for the future. During PTD 2019, the Talent Management business more than tripled its revenue to RM17.4 million with the added bonus of a marginal profit amounting to RM0.9 million.



We intend to offer end-to-end solutions to address prevailing issues with human resources by injecting talent profiling in our value chain. With this latest addition, Prestariang's Talent Management business will incorporate the following: talent acquisition; profiling; training; and job placement.

On this score, our Talent Xchange is ideally-placed to offer subscription-based profiling to a wide customer base such as universities, corporations, associations and other training agencies. Thus, talent profiling will become an additional revenue stream.

Academy

Once the largest contributor to Group Revenue, our Academy business has subsided markedly in recent times with other segments such as Software & Services, Education and also SKIN receiving the bulk of the development focus and resources. In PTD 2019, revenue from training activities dipped to RM4.0 million, the lowest amount in Prestariang's corporate history.

Nevertheless, we will strive to push the performance of this sector within the Group by cultivating the demand for training from our complementary business of Talent Management.

MANAGEMENT DISCUSSION AND ANALYSIS

According to our own market study carried out during the period in review, only 21% of local graduates are aligned to industry requirements. This leaves a substantial 79% in need of training to enhance their employability, representing a significant market for our Academy business. Added to their numbers are school leavers and unemployed or under-employed youths.

In addition, the demand for change management is rapidly growing given the increasing need for talents to constantly adapt to the shifting business and industry trends and practices in the digital age. The Group plans to introduce change management as a service to tap this opportunity.

Education

This segment, spearheaded by UNIMY, continued to operate in the red with an LBT of -RM21.3 million despite an encouraging increase in revenue to RM9.3 million in the period under review. The Education segment remained weak due to lower student enrolment and higher operating expenditure as a result of operating at a new and bigger campus since December 2018. The losses were compounded by various material provision for impairments such as receivables and fixed assets.

Despite the slow pace of financial progress, however, we remain positive over UNIMY’s outlook. We are diversifying its revenue stream by offering short courses such as with CompTIA and Microsoft while continuing with aggressive marketing to attract local and international students.

UNIMY has collaborated with various international universities as part of our initiative to attract new students:

UNIMY has inked collaboration with four companies to launch a University-Industry Media Lab with the aim of providing students with real life working experience while also offering the corporations with a pool of ready talents for their respective pilot projects. They are:

- 1 Teamwork AllGain Sdn Bhd, which specialises in automotive and TVET’s education development industry.
- 2 Knowledge Link Sdn Bhd, one of the fastest-growing IT solution providers.
- 3 Time Brain Sdn Bhd, a creative house that elevates and empowers organisations by linking the Internet of Things (IoT) and Internet of People.
- 4 Invinity Group Bhd, a fast-growing FinTech company that supports sustainable growth with artificial intelligence-enabled solutions.
- 5 Eclimo Sdn Bhd, a green technology research and development company that launched Malaysia’s first electronic scooter.

UNIVERSITIES	INDUSTRY PARTNERS	
<ul style="list-style-type: none"> • The University of Melbourne • University of the West of England, Bristol • University of Hertfordshire; • Teesside University; • University of Hawai’i, Manda • Digital Hollywood University 	<ul style="list-style-type: none"> • Microsoft • Salesforce • Skillsoft • Huawei • Autodesk • Iverson 	<ul style="list-style-type: none"> • CompTIA • Fusionex • EC-Council • Cybersecurity Malaysia • OpenLearning • Adobe

MANAGEMENT DISCUSSION AND ANALYSIS

RISKS & EXPOSURE

Managing Risks Prudently

Sustaining and growing a business in the digital economy is arguably more challenging compared to companies in the traditional brick and mortar sectors, given the unpredictability of technology disruption.

More than most, opportunities and risks in the digital realm are so closely aligned with one another that they are often indistinguishable. In effect, they often appear to be two sides of the same coin.

One factor is the limited life span of digital technologies and platforms. Unlike conventional products or services, what would be considered emerging solutions today could well be obsolete in mere years down the line; and with them, the respective skillsets to develop, integrate or use those solutions in business and industry.

As such, Prestariang is at all times vigilant of trends in the digital space and the relatively short window period to develop and monetise such prospects. For this reason, we intend to stay agile in order to maximise opportunities and at the same time mitigate any risks.

Going forward, the Group is committed towards identifying key areas with potential risks in order to sustain our business and secure the financial and other interests of our stakeholders. We have in place a risk management framework and internal controls which are detailed in the Statement of Risk Management and Internal Controls on pages 119 to 122 of this Annual Report.

MOVING FORWARD

Bridging the Gaps to Accelerate Industry4WRD

Industry4WRD, Malaysia's blueprint for Industry 4.0, is intended to be a platform for the assimilation of the national economy with the 4th Industrial Revolution (4IR) which envisions a holistic integration of the physical, digital and biological realms.

Launched on 31 October 2018, Industry4WRD is poised to revolutionise the nation's industries and in particular the manufacturing sector by moving it towards greater autonomy in practices and processes.

However, the pressing issue affecting the local as well as global landscape is the capacity of talent to first accept, then apply and harness Industry 4.0 applications in business and industry. At this stage, this is a significant gap that needs to be addressed in a comprehensive manner.

As a technology and talent company, Prestariang is singularly positioned to capitalise on the task of matching Industry4WRD's imperative to align talent with technology. Our synergistic businesses of cloud-based and talent management services augmented by education and training offers an ideal platform to meet these requirements.

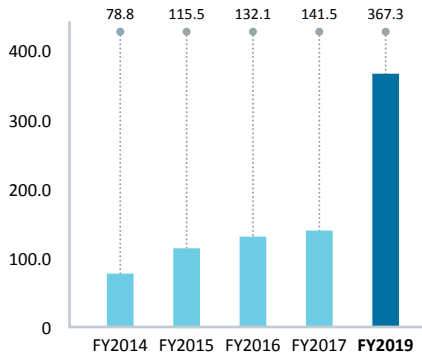
We stand poised to impart the virtues of learning and working agility, a characteristic which has helped us to adapt and stay above water in challenging times.

DR ABU HASAN BIN ISMAIL

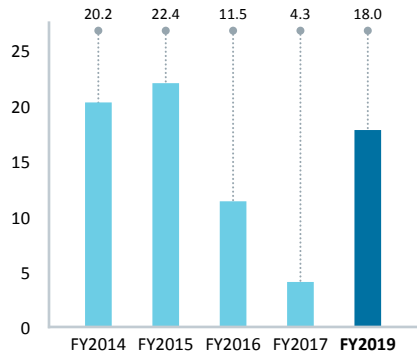
President/Group CEO

FINANCIAL HIGHLIGHTS (RM MILLION)

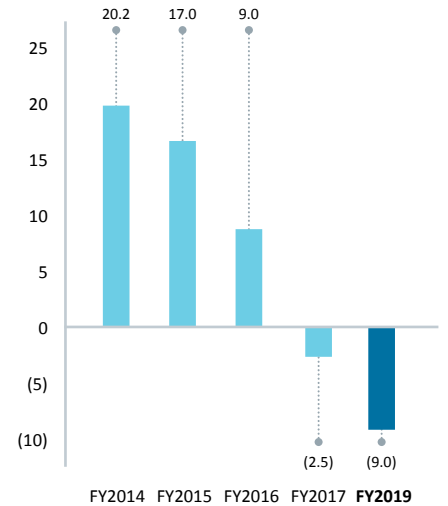
Revenue



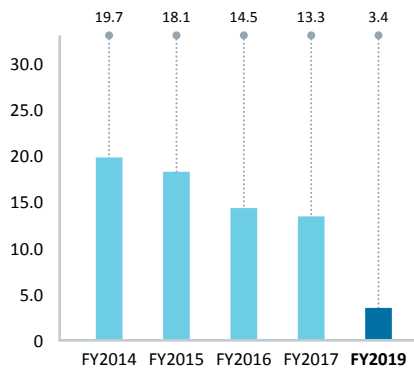
Profit/(Loss) Before Tax



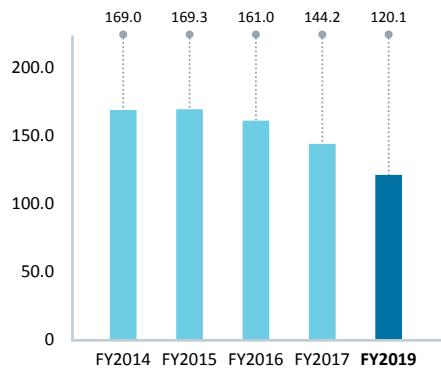
Profit/(Loss) After Tax



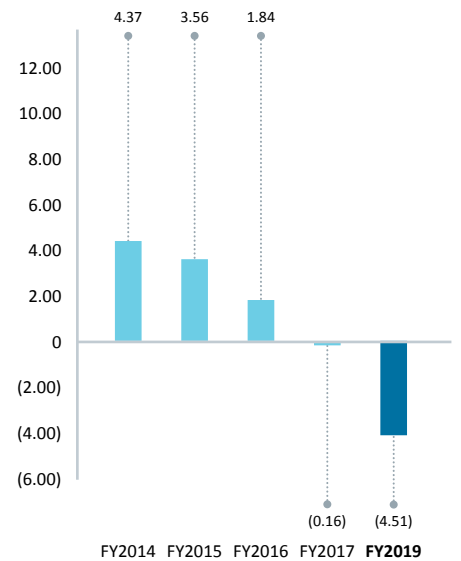
Dividend Payout



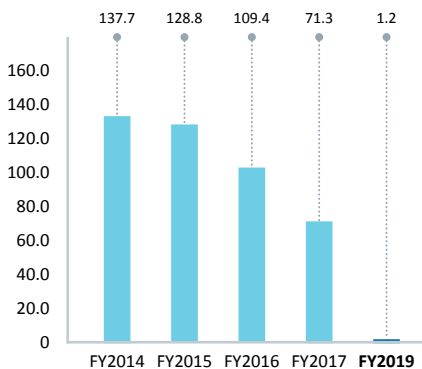
Shareholders' Funds



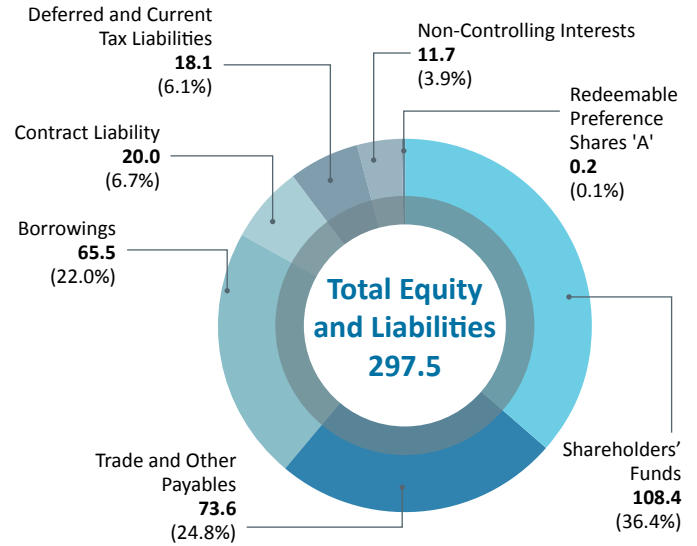
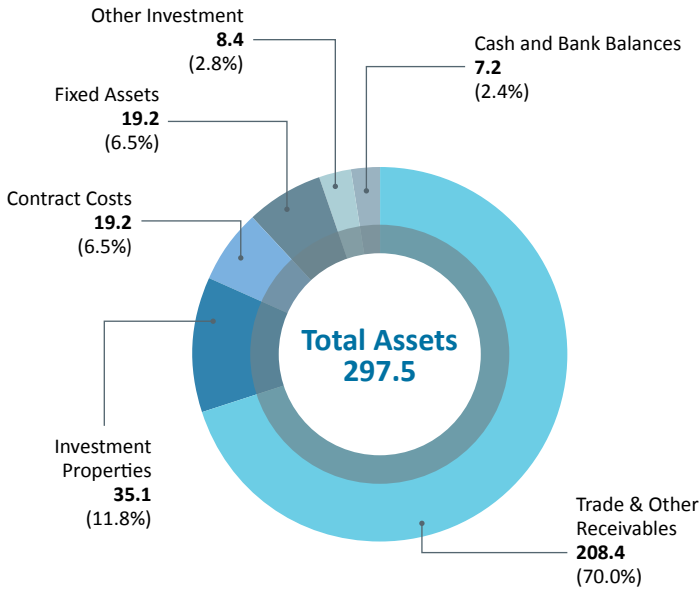
Earnings/(Loss) Per Share (sen)



Cash & Bank Balance and Short Term Investment

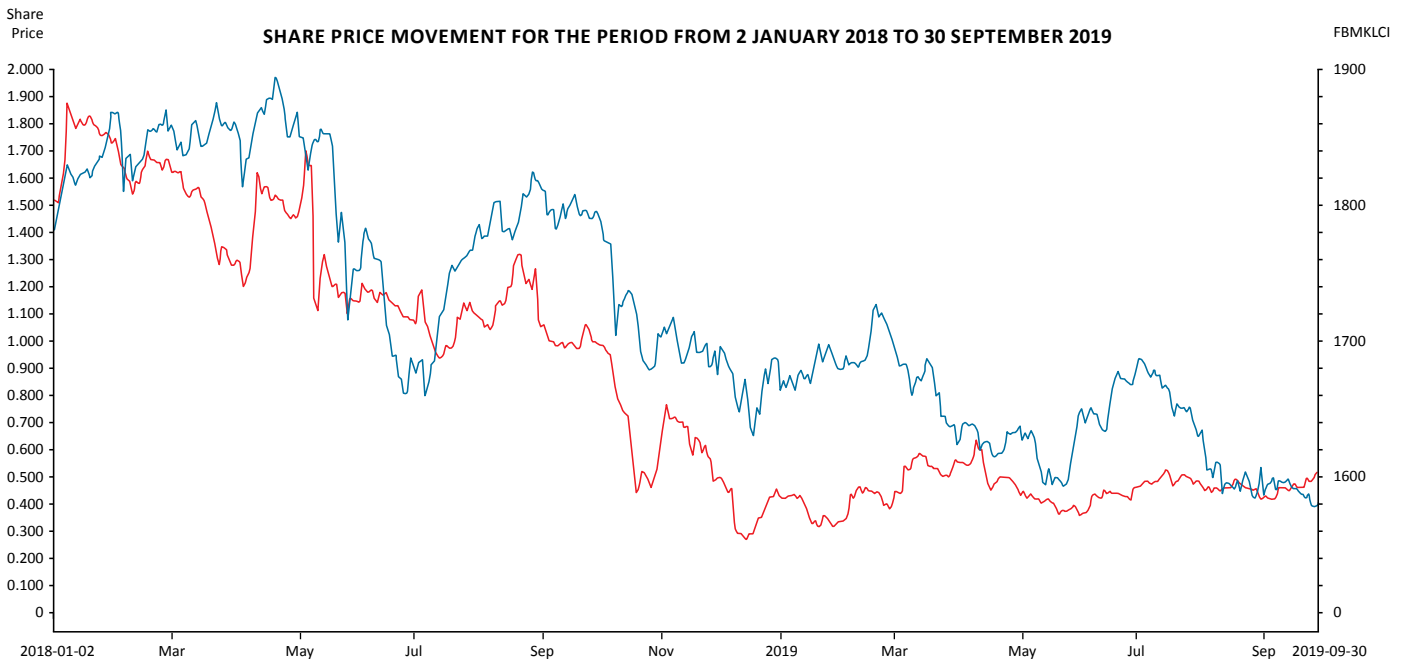


FINANCIAL POSITION (RM MILLION)



SHARE PERFORMANCE CHART

SHARE PRICE MOVEMENT FOR THE PERIOD FROM 2 JANUARY 2018 TO 30 SEPTEMBER 2019



— Prestariang
— FBMKLCI

(Source: ShareInvestor)

Price	2018/2019	Date
Highest	RM1.910	9 January 2018
Lowest	RM0.255	14 December 2018

Average daily volume traded within the period: **11.6 millions** shares.

FINANCIAL CALENDAR

ANNUAL GENERAL MEETING

29 OCTOBER 2019

- Notice of the 9th Annual General Meeting
- Issuance of 2019 Annual Report

27 NOVEMBER 2019

9th Annual General Meeting

16 MAY 2018

8th Annual General Meeting

BOARD OF DIRECTORS' MEETINGS

2019

29 AUGUST

Q6 FYE 30 June 2019

Unaudited consolidated 6th quarter results ended 30 June 2019

30 MAY

Q5 FYE 30 June 2019

Unaudited consolidated 5th quarter results ended 31 March 2019

27 FEBRUARY

Q4 FYE 30 June 2019

Unaudited consolidated 4th quarter results ended 31 December 2018

12 APRIL

Special Board of Directors' Meeting

18 JANUARY

Special Board of Directors' Meeting

2018

12 DECEMBER

Special Board of Directors' Meeting

17 OCTOBER

Special Board of Directors' Meeting

15 MAY

Q1 FYE 30 June 2019

Unaudited consolidated 1st quarter results ended 31 March 2018

28 NOVEMBER

Q3 FYE 30 June 2019

Unaudited consolidated 3rd quarter results ended 30 September 2018

12 OCTOBER

Special Board of Directors' Meeting

29 AUGUST

Q2 FYE 30 June 2019

Unaudited consolidated 2nd quarter results ended 30 June 2018

27 FEBRUARY

Q4 FYE 31 December 2017

Unaudited consolidated 4th quarter results ended 31 December 2017

DIVIDENDS

2018

29 AUGUST

Declaration of Interim Single-Tier Dividend of 0.2 sen for the FYE 30 June 2019

Announcement Date: 29 August 2018

Entitlement Date: 19 September 2018

Payment Date: 17 October 2018

16 MAY

Declaration of Interim Single-Tier Dividend of 0.5 sen for the FYE 30 June 2019

Announcement Date: 16 May 2018

Entitlement Date: 6 June 2018

Payment Date: 4 July 2018

27 FEBRUARY

Declaration of Interim Single-Tier Dividend of 0.5 sen for the FYE 31 December 2017

Announcement Date: 27 February 2018

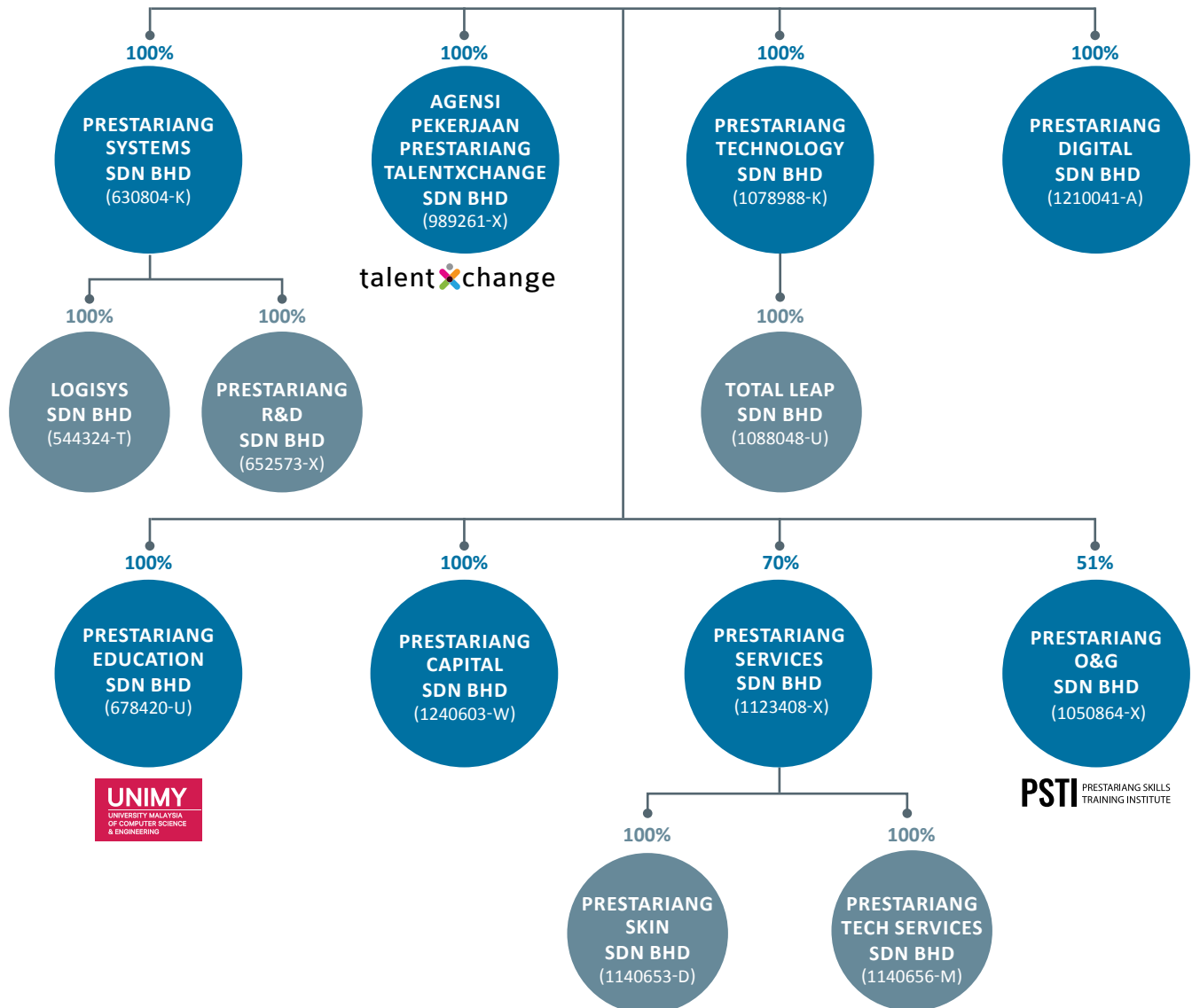
Entitlement Date: 14 March 2018

Payment Date: 5 April 2018

CORPORATE STRUCTURE



**PRESTARIANG[®]
BERHAD**
(922260-K)



CORPORATE INFORMATION

BOARD OF DIRECTORS

Dato' Maznah Binti Abdul Jalil

Independent Non-Executive Chairman

Dr Abu Hasan Bin Ismail

Non-Independent Executive Director,
President/Group Chief Executive Officer

Paul Chan Wan Siew

Senior Independent Non-Executive Director

Ramanathan A/L Sathiamutty

Independent Non-Executive Director

Ginny Yeow Mei Ying

Independent Non-Executive Director

Baldesh Singh A/L Manmohan Singh

Non-Independent Executive Director,
Chief Operating Officer

BOARD COMMITTEES

NOMINATION COMMITTEE

Paul Chan Wan Siew (Chairman)
Ramanathan A/L Sathiamutty
Ginny Yeow Mei Ying

REMUNERATION COMMITTEE

Ramanathan A/L Sathiamutty (Chairman)
Paul Chan Wan Siew
Ginny Yeow Mei Ying

AUDIT COMMITTEE

Paul Chan Wan Siew (Chairman)
Ramanathan A/L Sathiamutty
Ginny Yeow Mei Ying

RISK MANAGEMENT COMMITTEE

Ramanathan A/L Sathiamutty (Chairman)
Dr Abu Hasan Bin Ismail
Paul Chan Wan Siew
Baldesh Singh A/L Manmohan Singh
Ginny Yeow Mei Ying

FINANCE AND INVESTMENT COMMITTEE

Paul Chan Wan Siew (Chairman)
Ramanathan A/L Sathiamutty
Dr Abu Hasan Bin Ismail
Baldesh Singh A/L Manmohan Singh
Ginny Yeow Mei Ying

TENDER COMMITTEE

Ramanathan A/L Sathiamutty (Chairman)
Dr Abu Hasan Bin Ismail
Paul Chan Wan Siew
Raja Azmi Bin Adam Nadarajan
Abdul Razak Bin Bakrun

COMPANY SECRETARIES

Chua Siew Chuan

(MAICSA 0777689)

Lim Lih Chau

(LS 0010105)

HEAD OFFICE

70-73, NeoCyber
Lingkaran Cyber Point Barat
63000 Cyberjaya
Selangor Darul Ehsan
Tel : +603 8314 8400
Fax : +603 8318 9280
Website : www.prestariang.com.my

REGISTERED OFFICE

Level 7, Menara Milenium
Jalan Damanlela
Pusat Bandar Damansara
Damansara Heights
50490 Kuala Lumpur
Tel : +603 2084 9000
Fax : +603 2094 9940

PRINCIPAL BANKERS

Ambank Islamic Bank Bhd

STOCK EXCHANGE LISTING

Main Market,
Bursa Malaysia Securities Berhad

INVESTOR RELATIONS

**SLIY Consultancy and
Communications Sdn Bhd**
E-mail : ir@prestariang.com.my

EXTERNAL AUDITORS

Crowe Malaysia PLT

LLP018817-LCA & AF 1018
Level 16, Tower C, Megan Avenue II
12, Jalan Yap Kwan Seng
50450 Kuala Lumpur

INTERNAL AUDITORS

**KPMG Management and Risk Consulting
Sdn Bhd**

Level 10, KPMG Tower
No. 8, First Avenue
47800 Petaling Jaya
Selangor Darul Ehsan

SOLICITORS

Messrs. Albar & Partners

Suite 14-3 Level 14
Wisma UOA Damansara II
No. 6, Changkat Semantan
Bukit Damansara
50490 Kuala Lumpur

SHARE REGISTRAR

Boardroom Share Registrars Sdn Bhd
(Formerly known as Symphony Share
Registrars Sdn Bhd)

11th Floor, Menara Symphony
No. 5, Jalan Prof. Khoo Kay Kim
Seksyen 13, 46200 Petaling Jaya
Selangor Darul Ehsan
Tel : +603 7890 4700
Fax : +603 7890 4670

BOARD OF DIRECTORS

Paul Chan Wan Siew
Senior Independent
Non-Executive Director

Dr Abu Hasan Bin Ismail
Non-Independent Executive Director,
President/Group Chief Executive Officer

Baldesh Singh A/L Manmohan Singh
Non-Independent Executive Director,
Chief Operating Officer



Ginny Yeow Mei Ying
Independent
Non-Executive Director

Dato' Maznah Binti Abdul Jalil
Independent Non-Executive Chairman

Ramanathan A/L Sathiamutty
Independent Non-Executive Director

BOARD OF DIRECTORS' PROFILE



**DATO' MAZNAH
BINTI ABDUL JALIL**
Independent Non-Executive Chairman

Nationality	Malaysian
Age/Gender	66/Female
Date of Appointment	2 July 2012
Length of Tenure	7 years
Number of Meetings Attended for the Financial Year	11/11

Membership of Board Committees

None

Qualifications

- Bachelor of Science in Business Administration from Northern Illinois University, United States of America (USA).
- Masters of Science in Business Administration (Finance) from Central Michigan University, USA.

Membership of Associations

- Life Member of the Women's Institute of Management.
- Member of Asian Strategy and Leadership Institute (ASLI) and Member of Corporate Malaysian Roundtable, ASLI.
- Member of the Board of Governors, University Malaysia of Computer Science and Engineering (UNIMY).

Working Experience and Occupation

2011 - Present	: Chairman of SCS Global Advisory (M) Sdn Bhd.
2012 - April 2019	: Appointed as Executive Director and Chief Financial Officer, Sona Petroleum Berhad.
2009 - 2011	: Appointed as Executive Vice President, Corporate Finance Advisory at Kenanga Investment Bank Berhad.
2007 - 2008	: Appointed as Head, Corporate Finance and Principal Investment at Hong Leong Financial Group Berhad.
2006 - 2007	: Appointed to the board of United Overseas Bank (Malaysia) Berhad.
1997	: Joined Diversified Resources Berhad (DRB) (now known as DRB-HICOM Berhad) as Vice President and was elected to the board of DRB-HICOM Berhad. She was also appointed to the boards of the various subsidiaries and associated companies of DRB-HICOM till 2005.
1992 - 1995	: Appointed as Executive Director of Corporate Affairs at Master Carriage (Malaysia) Sdn. Bhd.
1979 - 1992	: Joined Amanah Merchant Bank Berhad and served as the Manager of Corporate Finance & Advisory.

Directorship of Other Public Companies and Listed Issuers

Pavilion Real Estate Investment Trust, Felcra Berhad, InNature Berhad and Boustead Heavy Industries Corporation Berhad.



DR ABU HASAN BIN ISMAIL
Non-Independent Executive Director,
President/Group Chief Executive Officer

Nationality	Malaysian
Age/Gender	58/Male
Date of Appointment	18 November 2010
Length of Tenure	9 years
Number of Meetings Attended for the Financial Year	11/11

Membership of Board Committees

Member of the Risk Management Committee, Finance & Investment Committee and Tender Committee.

Qualifications

- Diploma in Architecture from Universiti Teknologi Malaysia (UTM).
- Bachelor of Science (BSc) and Bachelor of Architecture (BArch) from the University of Strathclyde, Glasgow.
- Master of Philosophy (MPhil) and Doctor of Philosophy (PhD) from the University of Sheffield, UK.

Membership of Associations

- International Advisory Board of Computer Trade Industry Association (CompTIA) based in the USA.
- Council member at Taylor's University.
- Advisory Panel for International Business School (IBS) in Universiti Teknologi Malaysia (UTM).
- Adjunct Professor at Universiti Teknologi Malaysia and Universiti Sultan Zainal Abidin.
- Visiting Professor at Universiti Teknologi MARA.
- Member of the Board of Governors, University Malaysia of Computer Science & Engineering (UNIMY).

Working Experience and Occupation

Founder and President/Group Chief Executive Officer of Prestariang Berhad

2015 - Present	: Appointed into the CEO faculty programme by the Ministry of Education, Malaysia under the Malaysian Higher Education Blueprint.
2003 - Present	: Since the inception of Prestariang in 2003, he has overseen the financial and strategic growth of the Company and has formed successful partnerships with global ICT organisations, which include Microsoft, Autodesk, IBM, Oracle, CompTIA, Certiport, Prometric, ASIC and others.
2000 - 2002	: Joined FSBM Holdings Berhad. Appointed as an Executive Director.
1997 - 2000	: One of the founders of the Multimedia University. Appointed as the Professor and Dean at the newly created Faculty of Creative Multimedia.

Directorship of Other Public Companies and Listed Issuers

Institute Sultan Iskandar of Urban Habitat and High Rise and Yayasan Universiti Malaysia.

BOARD OF DIRECTORS' PROFILE

**PAUL CHAN WAN SIEW**

Senior Independent
Non-Executive Director

Nationality	Malaysian
Age/Gender	68/Male
Date of Appointment	18 November 2010
Length of Tenure	9 years
Number of Meetings Attended for the Financial Year	10/11

Membership of Board Committees

- Chairman of the Nomination Committee, Audit Committee and Finance & Investment Committee.
- Member of the Remuneration Committee, Risk Management Committee and Tender Committee.

Qualifications

- Chartered Accountant, Malaysian Institute of Accountants (MIA).
- Chartered Certified Accountant, Association of Chartered Certified Accountants (UK).
- Chartered Secretary, Institute of Chartered Secretaries and Administrators (UK).
- Certified Practising Accountant, CPA Australia.
- Certified Financial Planner and Chartered Financial Consultant (USA).

Membership of Associations

- Chartered Accountant, Malaysian Institute of Accountants.
- Fellow Member, Association of Chartered Certified Accountants (UK).
- Fellow Member, Institute of Chartered Secretaries and Administrators (UK).
- Fellow Member, CPA Australia.
- Founding Board Member and President, Malaysian Alliance of Corporate Directors (MACD).
- NACD Governance Fellow, National Association of Corporate Directors, USA.
- NACD Board Leadership Fellow, National Association of Corporate Directors, USA.
- Vice President II, Federation of Public Listed Companies (FPLC).
- Founding & Executive Committee Member, Global Network of Director Institutes (GNDI).
- IIRC Ambassador, International Integrated Reporting Council, UK.

Working Experience and Occupation

- 2008 - Present : Appointed to the Board of Luxchem Corporation Berhad; Senior Independent Director, Chairman of Nomination Committee.
- 2007 - Present : President of Business Transitions Asia Sdn. Bhd.
- 1975 - Present : Professional and business experience spans four decades in accounting, auditing, corporate, financial and business advisory services.
- 2013 - 2016 : Appointed to the Board of Prudential Assurance Malaysia Berhad.
- 2012 - 2013 : Appointed to the Board of Melewar Industrial Group Berhad; Chairman of Risk Management Committee.
- 2011 - 2015 : Appointed to the Board of Integrax Berhad; Senior Independent Director, Chairman of Audit Committee.
- 2004 - 2012 : Appointed to the Board of Mycron Steel Berhad; Chairman of Risk Management Committee.

Directorship of Other Public Companies and Listed Issuers

Luxchem Corporation Berhad, Federation of Public Listed Companies Berhad and Malaysian Alliance of Corporate Directors.

**RAMANATHAN
A/L SATHIAMUTTY**

Independent Non-Executive Director

Nationality	Malaysian
Age/Gender	55/Male
Date of Appointment	16 April 2014
Length of Tenure	5 years
Number of Meetings Attended for the Financial Year	11/11

Membership of Board Committees

- Chairman of the Risk Management Committee, Remuneration Committee and Tender Committee.
- Member of the Audit Committee, Nomination Committee and Finance & Investment Committee.

Qualifications

- Bachelor of Engineering (Honours) Degree in Electrical & Electronic Engineering from University Kebangsaan Malaysia.
- Master of Business Administration (MBA) from Universiti Putra Malaysia.
- Executive Management Programme from the Harvard Business School and INSEAD.

Membership of Associations

- Member of the Board of Governors, University Malaysia of Computer Science & Engineering.
- Adjunct professor at Taylor's University.

Working Experience and Occupation

- 2014 - Present : In 2014, he joined Celcom Axiata Berhad as a Chief Technology Officer and later in 2016, he commenced his new role for Celcom Axiata Berhad as its Chief Transformation Officer. He was further appointed as an Advisor to Celcom Axiata Berhad's Chief Executive Officer in early 2019, holding the position to date.
- 1998 - 2013 : Began his career as a system engineer at IBM Corporation Malaysia and was subsequently appointed as the Managing Director for IBM Malaysia in January 2010. His career at IBM spanned 24 years and he was involved in the telecommunications, utilities, media and entertainment sectors. Throughout his tenure at IBM, he managed the venture capital portfolio, where he was based in Japan. He also led a team to develop strategies on software acquisitions in the USA and served as the project executive for delivery at one of the largest telecommunications companies in India. He subsequently took on assignments in Korea as part of IBM Korea's senior leadership team after which he went to Singapore to be part of the ASEAN leadership team. He is a sought-after speaker and was engaged to speak at the ASEAN Leadership Exchange, 9th ASLI Leadership Forum and the 16th Malaysian Banking Summit.

Directorship of Other Public Companies and Listed Issuers

Malaysia Airports Holdings Berhad.

BOARD OF DIRECTORS' PROFILE



GINNY YEOW MEI YING

Independent Non-Executive Director

Nationality	Malaysian
Age/Gender	37/Female
Date of Appointment	28 February 2019
Length of Tenure	Less than a year
Number of Meetings Attended for the Financial Year	2/2



BALDESH SINGH A/L MANMOHAN SINGH

Non-Independent Executive Director,
Chief Operating Officer

Nationality	Malaysian
Age/Gender	50/Male
Date of Appointment	28 February 2019
Length of Tenure	Less than a year
Number of Meetings Attended for the Financial Year	2/2

Membership of Board Committees

Member of Nomination Committee, Remuneration Committee, Audit Committee, Risk Management Committee, Finance & Investment Committee.

Qualifications

- English Literature (BA) Hons degree (American and Spanish literature) from University of Warwick, Coventry, England.
- Graduate Diploma in Marketing from Marketing Institute of Singapore.

Memberships of Associations

None

Working Experience and Occupation

2009 - Present	: Director of Kaginic Corporation Sdn Bhd.
2011 - 2017	: Joined Kencana Capital Sdn Bhd as an Investment Manager.
2007	: Joined Kuala Lumpur Regional Centre for Arbitration as Senior Marketing Executive.
2005 - 2007	: Joined F3 Strategies (Foundation for the Future) and served as the Corporate Communications Executive.
2003 - 2005	: Joined Zenith Media Malaysia and served as a Media Planner.

Directorship of Other Public Companies and Listed Issuers

None

Notes:

- None of the Directors has any family relationship with each other or with any substantial shareholders of the Company and does not have any conflict of interest with the Company.
- None of the Directors has any conviction for offences, other than traffic offences, within the past 5 years.
- Except as disclosed above, none of the Directors holds any directorship in other public companies and listed issuer.
- The Directors' holdings in shares of the Company are disclosed in the Analysis of Shareholdings section of this Annual Report.
- None of the Directors has any public sanction or penalty imposed by the relevant regulatory bodies during the financial year.

Membership of Board Committees

Member of Risk Management Committee and Finance & Investment Committee.

Qualifications

- Chartered Certified Accountant, Chartered Institute of Management Accountants (CIMA).

Memberships of Associations

- Associate Member, Chartered Institute of Management Accountants (CIMA).

Working Experience and Occupation

March 2019 - Present	: Appointed to the Board and later as the Chief Operating Officer of Prestariang Berhad.
2016 - 2019	: Appointed as Chief Financial Officer and Head of Strategy at Liannex Corporation Pte Ltd, later appointed as Executive Director and Chief Operating Officer at Eduspec Holdings Berhad until May 2018.
2014 - 2016	: Joined Kencana Capital Sdn Bhd as Head of Strategy.
2011 - 2014	: Joined Sapura Kencana Petroleum Bhd as Vice President, Office of the Executive Vice Chairman.
2008 - 2011	: Joined Richfield Brands & Services Pte Ltd (SG) as Executive Director of Finance.
2002 - 2007	: Joined The Works Partnership Pte Ltd based in Hong Kong as Chief Financial Officer.
1998 - 2001	: Joined Tajo Berhad as Group Financial Controller, Turnaround Management Team.
1995 - 1998	: Joined Melewar Equities as Vice President Small & Medium Industries.
1994 - 1995	: Joined Rofia Group as an Accountant.
1992 - 1994	: Joined Bumiputra Merchant Bankers Berhad as Officer Corporate Banking.
1991 - 1992	: Joined Sunrise Berhad as Management Trainee.

Directorship of Other Public Companies and Listed Issuers

None

SENIOR MANAGEMENT PROFILE

DR ABU HASAN BIN ISMAIL

Non-Independent Executive Director,
President/Group Chief Executive Officer

Nationality Malaysian

Age/Gender 58/Male

Note:

Please refer to page 26 for Dr Abu Hasan Bin Ismail's complete profile.

BALDESH SINGH A/L MANMOHAN SINGH

Non-Independent Executive Director,
Chief Operating Officer

Nationality Malaysian

Age/Gender 50/Male

Note:

Please refer to page 28 for Baldesh Singh A/L Manmohan Singh's complete profile.

RAJA AZMI BIN ADAM NADARAJAN

Chief Executive Officer, Technology Division &
Prestariang SKIN Sdn Bhd

Nationality Malaysian

Age/Gender 47/Male

Date of Appointment March 2017

ABDUL RAZAK BIN BAKRUN

Chief Financial Officer

Nationality Malaysian

Age/Gender 51/Male

Date of Appointment May 2012

Qualifications

- BE (Hons) Electrical Engineering, Universiti Teknologi Malaysia
- Diploma Electrical Engineering, Universiti Teknologi Malaysia

Working Experience and Occupation

2013 - 2016 : Lead Business Consultant and Advisor
| Prestariang Berhad

2010 - 2013 : Chief Operating Officer and Sales SVP
| Prestariang Berhad

2008 - 2010 : Services Sales Director (Services Executive)
| Microsoft Malaysia

2005 - 2007 : Industry Partner Account Manager
| Microsoft Malaysia

2003 - 2005 : Country Manager | ADC KRONE Pte Ltd

2001 - 2003 : Senior Account and Technical Specialist | 3M

1999 - 2001 : Project Manager | SPS Corporation Sdn Bhd

1997 - 1999 : Field Engineer | Maxis Sdn Bhd

Directorship of Other Public Companies and Listed Issuers

Yayasan Universiti Malaysia

Qualifications

- Bachelor's Degree in Accountancy (Hons), Universiti Malaya
- A member of Malaysian Institute of Accountants (CA 22605)

Working Experience and Occupation

2007 - 2012 : General Manager Finance
| Faber Mediserve Sdn Bhd

2004 - 2007 : Head of Finance and Account
| Healthtronics (M) Sdn Bhd

2001 - 2004 : Senior Manager, Finance
| Faber Mediserve Sdn Bhd

2000 - 2001 : Manager, Business Development
| Renong Berhad

1999 - 2000 : Manager, President's Office
| Renong Group, Expressway Division

1997 - 1999 : Manager, Finance | Kinta Kellas PLC

1993 - 1997 : Renong Management Trainee Scheme (RMTS)

Directorship of Other Public Companies and Listed Issuers

None

SENIOR MANAGEMENT PROFILE

HAFIZA ANOM BINTI ABDUL HAMID

Group Director of Sales and Marketing

Nationality	Malaysian
Age/Gender	42/Female
Date of Appointment	February 2015

Qualifications

- BSc (Hons) Degree in Computing, University of Portsmouth, United Kingdom
- Diploma in Computer Science, Universiti Teknologi Malaysia

Working Experience and Occupation

2017 - 2018 :	Director of Sales and Marketing, Software & Services Prestariang System Sdn Bhd
2015 - 2017 :	Head of Sales, MLA 2.0 Prestariang System Sdn Bhd
2013 - 2014 :	Sales Manager CRM Sales Auto – Applications Oracle Corporation Malaysia
2007 - 2013 :	Account Manager, Public Sector Group Microsoft Malaysia
2006 - 2007 :	Inside Account Manager, Public Sector Group Microsoft Malaysia
2003 - 2006 :	Account Manager HeiTech Padu Berhad
1999 - 2003 :	Account Executive Berita Information Systems Sdn Bhd

Directorship of Other Public Companies and Listed Issuers

None

CHOK JOON HENG

Director, Corporate Services, Prestariang SKIN Sdn Bhd

Nationality	Malaysian
Age/Gender	45/Male
Date of Appointment	March 2017

Qualifications

- Association of Chartered Certified Accountants
- A member of Malaysian Institute of Accountants (CA 22358)

Working Experience and Occupation

2015 - 2016 :	Consultant, SKIN Prestariang Technology Sdn Bhd
2005 - 2014 :	Associate Director Crave Capital Sdn Bhd
2004 - 2005 :	Financial Consultant Innovation Associates Outsource Sdn Bhd
2003 - 2004 :	Group Accountant DPS Resources Berhad
2000 - 2003 :	Head of Internal Audit TA Enterprise Berhad
1997 - 2000 :	Senior Auditor TH Law and Co

Directorship of Other Public Companies and Listed Issuers

None

SENIOR MANAGEMENT PROFILE

YASMIN BINTI ABDULLAH

Senior Vice President, Human Resource and Learning & Development

Nationality	Malaysian
Age/Gender	51/Female
Date of Appointment	January 2018

Qualifications

- B Economics (Hons), Universiti Malaya
- Certified Facilitator (HRDF), DISC Profiling, Forte Profiling and Career Transition

Working Experience and Occupation

2018 – 2019	: Senior Vice President, Human Capital and Administration Prestariang Berhad
2016 – 2017	: Consulting Director, Talent Management and Leadership Development Integrated Hospitality Consulting
2015 – 2016	: Consulting Director, Talent Management and Leadership Development BTI Consultants Sdn Bhd
2003 – 2015	: Human Resource and Consulting Director Integrated Hospitality Consulting Sdn Bhd
1998 – 2003	: Director of Human Resource Pelangi Beach Resort and Burau Bay Resort
1997 – 1998	: Human Resource and Training Manager Sheraton Imperial Kuala Lumpur
1994 – 1997	: Human Resource Manager Pelangi Beach Resort and Burau Bay Resort

Directorship of Other Public Companies and Listed Issuers

None

PROF DR MOKHTAR BIN ABDULLAH

Vice Chancellor, University Malaysia of Computer Science and Technology (UNIMY), Prestariang Education Sdn Bhd

Nationality	Malaysian
Age/Gender	63/Male
Date of Appointment	October 2018

Qualifications

- PhD in Statistics, University of Dundee, Scotland, United Kingdom
- MSc in Statistics, University of Kent, Canterbury, United Kingdom
- BSc in Statistics, Universiti Kebangsaan Malaysia

Working Experience and Occupation

2018	: Dean, Faculty of Business & Accountancy UNISEL
2017 - 2018	: Vice President & Chief Executive Officer UNISEL Bangladesh Branch Campus
2016 - 2017	: Deputy Vice Chancellor (Academic, Research & Industrial Engagement) UNISEL
2013 - 2017	: Director of Centre for Business, Research, Industry Linkages and Consultancies UNISEL
2012 - 2018	: Professor of Statistics, Faculty of Business & Accountancy UNISEL
2010 - 2012	: Assistant Vice Chancellor (Research & Innovation) Defense National University of Malaysia (UPNM)
2003 - 2009	: Chief Executive Officer ADMACS Corp. Consultants Sdn Bhd
1997 - 2003	: Deputy Director, Centre for Academic Development Universiti Kebangsaan Malaysian (UKM)

Directorship of Other Public Companies and Listed Issuers

None

SENIOR MANAGEMENT PROFILE

DR PETER LEE FUEI SIONG

Director, Talent Division

Nationality	Malaysian
Age/Gender	50/Male
Date of Appointment	March 2019

Qualifications

- Bachelor of Medicine and Bachelor of Surgery, Manipal Higher Education Academy

Working Experience and Occupation

2017 - 2019	: Change Management Director Prestariang Tech Services Sdn Bhd
2013 - 2016	: Project Consultant and Advisor Brilliance Information Sdn Bhd
2009 - 2013	: Senior Consultant Bloomberg School of Public Health, John Hopkins University
2007 - 2009	: Chief Marketing Officer Brilliance Information Sdn Bhd
1995 - 2005	: Head of Department, Health Office (Kapit Division) Ministry of Health, Malaysia
1996 - 1999	: Medical Officer Ministry of Health, Malaysia
1995 - 1996	: House Officer Ministry of Health, Malaysia

Directorship of Other Public Companies and Listed Issuers

None

Notes:

- (i) None of the Senior Management has any family relationship with each other or with any substantial shareholders of the Company.
- (ii) None of the Senior Management has any conflict of interests with the listed issuer.
- (iii) Other than traffic offences, none of the Senior Management has any convictions for offences within the past 5 years nor any public sanction or penalty imposed by the relevant regulatory bodies during the financial year.

CALENDAR OF EVENTS



1 04 JANUARY 2018

CIMB's 10th Annual Malaysia Corporate Day featured a media briefing and perspectives from experts who presented outlooks on the economy and investment banking sector. The event was held in Mandarin Oriental Kuala Lumpur, Kuala Lumpur.



2 04 JANUARY 2018

A Memorandum of Cooperation (MoC) was signed between University Malaysia of Computer Science & Engineering (UNIMY) and IMEC Education Group. Datuk Dr Khairuddin Ab. Hamid, UNIMY Vice Chancellor and Prof Dr Selvaraj Oyyan Pillay, IMEC Chief Executive Officer, signed the MoC on behalf of their respective organisations.

3 15 JANUARY 2018

Dr Abu Hasan, Prestariang President/Group CEO and the Board of Directors of OpenLearning Global Pte Ltd attended the company's first BOD Open Learning Meeting for 2018. This meeting was held in Singapore.



CALENDAR OF EVENTS

4 18 JANUARY 2018

The Memorandum of Cooperation (MoC) between UNIMY and CyberSecurity Malaysia was attended by Datuk Dr Khairuddin Ab. Hamid, UNIMY Vice Chancellor and representatives from CyberSecurity Malaysia.

5 26 JANUARY 2018

The official release of the book entitled "Faces of Fortune 2" authored by Tee Lin Say. The book portrays Dr Abu Hasan as Nick Fury.

6 28 JANUARY 2018

The Final Presentation and Award Ceremony of the Disrupt-IT Challenge 2017 was held at MaGiC, Cyberjaya. The competition was aimed at facilitating greater technopreneurs to positively disrupt industries and communities alike.



CALENDAR OF EVENTS

**7 22 - 23 FEBRUARY 2018**

Dr Abu Hasan was invited by the Ministry of Higher Education to attend the Higher Education Forum (HEF) 2018 themed Islamic Economies@4IR: Waqf Revival on 22 February 2018 at the Royale Chulan Kuala Lumpur. The event was inaugurated by HRH Paduka Seri Sultan Nazrin Muizzudin Shah Ibni Almarhum Sultan Azlan Muhibbuddin Shah Al-Maghfur-Lah, Sultan of Perak.

**8 23 FEBRUARY 2018**

UNIMY signed a Collaboration Agreement with Robopreneur at UNIMY, Putrajaya. This collaboration was sealed by UNIMY's Acting Vice Chancellor, Robopreneur's Chief Executive Officer and Robopreneur's Chief Technology Officer.

**9 8 MARCH 2018**

The Job Matching PTPTN launch to commemorate the 20th Anniversary of Perbadanan Tabung Pendidikan Tinggi Nasional ("PTPTN") by former Deputy Prime Minister, Dato' Seri Dr Zahid Bin Hamidi.



CALENDAR OF EVENTS

10 17 - 19 MARCH 2018

UNIMY organised the Open Day for its April intake which saw active engagement between prospective students, UNIMY staff and existing students.

11 06 - 07 APRIL 2018

A workshop was conducted for the AMDC competition shortlisted finalists for refinement of their submissions before final event.

12 16 MAY 2018

Prestariang's 8th Annual General Meeting (AGM) was held at Pulse Grande Hotel, Putrajaya.



CALENDAR OF EVENTS



13



13 16 MAY 2018

The Analyst & Fund Managers Briefing was held at Ritz Carlton Hotel, Kuala Lumpur.



14 03 JULY 2018

UNIMY's Trailblazing 3.0 which is an event organised by students for students was the third installment with the theme, Job Security. The panel of speakers were Raja Azmi Adam, CEO of Prestariang SKIN Sdn Bhd, Kenny Ng of the UNIMY Alumni and Siti Rahayu Baharin, Founder of Buku Jalan Chow Kit.



15

15 21 - 22 JULY 2018

Prestariang participated in the Graduan Aspire 2018 which was held at the Kuala Lumpur Convention Centre, Kuala Lumpur. Our main objective in participating in this popular networking and career fair was to showcase the JobMatching PTPTN programme. It was targeted to PTPTN borrowers to offer them a fair chance of employment and at the same time the opportunity to consider PTPTN repayment options.

CALENDAR OF EVENTS



16 26 JULY 2018

Inking the Agreement for JobMatching PTPTN Programme Implementation by Chief Executive of Perbadanan Tabung Pendidikan Tinggi Nasional, En Wan Ahmad Bin Wan Yusuf and President/Group CEO of Prestariang, Dr Abu Hasan.



17 02 AUGUST 2018

Prestariang representatives conducted a presentation to brief Government Agencies in the Northern States of Peninsular Malaysia on MLA. The presentation was held at the Langkawi International Convention Centre (LICC), Langkawi.



18 07 AUGUST 2018

Adura Suhaimi and Emelia Abdul Rahman from Prestariang were recipients of the Certificate of Professional Security Certificate Awareness Manager (CISAM) at the Global ACE Scheme Pre-Launch Ceremony and CyberSecurity Malaysia Appreciation Day which was held at Putrajaya Marriott Hotel.

CALENDAR OF EVENTS

19



19 09 AUGUST 2018

An open interview session was held at Prestariang HQ in conjunction with the Job Matching PTPN.

20 05 SEPTEMBER 2018

Prestariang Systems Sdn Bhd (PSSB) signed a Master Licensing Agreement (MLA) 3.0 with the Government of Malaysia as represented by the Ministry of Finance (MoF) to be the sole Microsoft Licensing Solutions Provider (LSP) for all Government Agencies and Institut Latihan Awam (ILA) in Malaysia. Signing the Agreement at the MoF was the Deputy Secretary General (Management), Datuk Ahmad Badri Bin Mohd Zahir and the President/GCEO of Prestariang, Dr Abu Hasan.

20



21 27 SEPTEMBER 2018

A roadshow was conducted to promote MLA 3.0 to Government Agencies in the East Coast Region.

21



CALENDAR OF EVENTS

22 10 OCTOBER 2018

Students attended an open interview session for the Job Matching PTPTN at Prestariang HQ.

23 11 OCTOBER 2018

Representatives from the state governments and agencies of the Central Region attended the presentation on MLA which was conducted by Prestariang.

24 27 OCTOBER 2018

UNIMY Inaugural Convocation 2018 honoured the pioneering batch of foundation students who received their respective Bachelor's Degrees at the UNIMY New Campus in Cyberjaya.



CALENDAR OF EVENTS

**25 08 NOVEMBER 2018**

Prestariang unveiled the new Microsoft dual-screen Surface device, Surface Go. It is deemed as the hero device for a wave of new dual-screen tablet/laptop hybrids. The private function was launched at Starbucks, Prima 5 in Cyberjaya where majority of the customers were MLA clients.

26 27 NOVEMBER 2018

The Enhance Your Competency Seminars which focussed on digital marketing was organised as one of the initiatives under the CEP programme. Participants from Government Agencies under the Master Licensing Agreement MLA 3.0 attended the seminars which were held at Hotel Bangi and Putrajaya on 11 October 2018 and 27 November 2018 respectively.

27 13 DECEMBER 2018

UNIMY entered into a Memorandum of Understanding (MoU) with Pejabat Pendidikan Daerah Petaling Perdana.

28 13 DECEMBER 2018

Students attended an open interview session for the Job Matching PTPTN which was held at Prestariang HQ.

CALENDAR OF EVENTS



29 22 JANUARY 2019

Prestariang engaged with Ketua Setiausaha Negara in overcoming the shortage of competent and skillful staff in leading the high-impact and people-centric Digital Government for the Digital Government Competency and Capability Readiness (DGCCR) Boardroom Session with Ketua Setiausaha Negara.



30 05 APRIL 2019

Representatives from University of the West of England (UWE Bristol) visited UNIMY to explore future collaboration options between the two industry-oriented varsities.



31 16 APRIL 2019

An initiative by Prestariang to keep its existing base of clients up to date with the latest offerings by Adobe with its array of software and updates.



CALENDAR OF EVENTS



32

32 16 - 17 APRIL 2019

Prestariang Berhad via its subsidiary, Agensi Pekerjaan Prestariang TalentXchange Sdn Bhd (TalentXchange), participated as one of the exhibitors in the UKM Career and Entrepreneurship Expo (CEP) 2019.

33 23 APRIL 2019

Prestariang Berhad via its subsidiary, Agensi Pekerjaan Prestariang TalentXchange Sdn Bhd (TalentXchange), participated as one of the exhibitors in the IIUM Mega Interview Day 2019.



33

34 10 JULY 2019

UNIMY, Cyberjaya played host to representatives of Manchester Metropolitan University (MMU), England during a novelty visit to discuss possible future collaborations between the two industry-oriented varsities.



34



AWARDS AND ACCOLADES

2019

- 1 CompTIA Authorised Platinum Partner 2019
- 2 Remained as a constituent of the FTSE4Good Bursa Malaysia Index

2018

- MSWG-ASEAN Corporate Governance 2018 Award Winner-Technology Industry.
- Listed on MSWG-ASEAN Top 100 Companies for CG Disclosures.
- Listed on MSWG-ASEAN Top 100 Companies for Overall CG & Performance.
- Remained as a constituent of the FTSE4Good Bursa Malaysia Index.
- Attained Microsoft Gold Cloud Productivity Status.

2017

- Listed on MSWG-ASEAN Top 100 Companies for CG Disclosures.
- Listed on MSWG-ASEAN Top 100 Companies for Overall CG & Performance.
- Remained as a constituent of the FTSE4Good Bursa Malaysia Index.

2016

- Dr Abu Hasan Bin Ismail was appointed into of the CEO Faculty Programme Blueprint. The appointment is for the period of September 2015 to September 2017.
- Prestariang Systems Sdn Bhd was awarded the Circle of Excellence ATC Award by the EC-Council.
- Prestariang Systems Sdn Bhd was awarded ISO 9001:2015 certification by SIRIM QAS International Sdn Bhd on 26 August 2016.
- Dr Abu Hasan Bin Ismail was appointed as Adjunct Professor at Universiti Sultan Zainal Abidin on 15 March 2016.
- Prestariang Systems Sdn Bhd was awarded as Best Performing Autodesk Education Partner ASEAN Region 2016.
- Remained as a constituent of the FTSE4Good Bursa Malaysia Index.

2015

- Dr Abu Hasan Bin Ismail received the CEO Award For Business Excellence 2015 by Malaysia Productivity Corporation.
- EC-Council Circle of Excellence Authorised Training Centre 2015.
- Dr Abu Hasan Bin Ismail was appointed into the CEO Faculty Programme by the Ministry of Education Malaysia under the Malaysian Higher Education Blueprint.
- Proficiency in Enterprise Communication (PEC) received the Gold Medal and The Best Award at the Malaysia Technology Expo 2015 (MTE).
- Prestariang was recognised for its contributions towards BIM knowledge sharing & collaboration with Construction IT Department, Construction Industry Development Board Malaysia.
- Prestariang was declared the winner under the E-Agreement Adoption & Partner Quote Adoption by Microsoft (SEA + NZ) category.
- Dr Abu Hasan Bin Ismail was awarded with the Anugerah Ikon Usahawan Bumiputera Controlled Public Listed Companies (BCPLC) 2014-2015.
- Remained as a constituent of the FTSE4Good Bursa Malaysia Index.

2014

- Anugerah Kecemerlangan Industri 2014 from MITI Services Sector: ICT Category Award.
- Forbes: Asia's 200 Best Under A Billion 2013/2014.
- Autodesk Authorised Training Centre 2014.
- A Member of FTSE4Good Bursa Malaysia Index 2014.
- Inclusion in the Minority Shareholder Watchdog Group (MSWG) Top100 ASEAN Corporate Governance Scorecard for 2014.
- Microsoft Partner Network 2014 (Gold Partner).
- Microsoft Authorised Education Reseller 2014 (Gold Partner).
- EC-Council Training Centre of The Year Award (Enterprise) 2014.

AWARDS AND ACCOLADES

2013

- Best of e-Inclusion & e-Community MSC Malaysia APICTA 2013.
- Autodesk Best Performing Reseller in Asia Pacific 2013. Deal of the Year.
- 24th International Invention, Innovation & Technology Exhibition (ITEX) 2013. Prestariang's home grown certification, Proficiency in Enterprise Communication (PEC) won the Gold Medal under the Educational category.
- Invention, Innovation & Design Expo - IDEX 2013. PEC won the Diamond Award (Invention) & Gold Medal.
- IC CITIZEN Outstanding Performance - Global Partner Summit 2013.
- APAC Partner Performance Awards 2013 - IC3 Exam Growth Rate Exceptional Performance for IC CITIZEN.
- EC-Council Circle of Excellence Authorised Training Centre 2013.
- Microsoft Partner Network 2013 (Gold Learning, Silver Volume Licensing).
- CompTIA Excellence Award 2013.

2012

- EC-Council Circle of Excellence Authorised Training Centre 2012.
- Malaysia Venture Capital Awards 2012.
- Innovation in Workforce Enablement 2012 by Prometric.
- Microsoft Partner Network 2012 (Gold Learning, Gold Volume Licensing, Silver Learning & Silver Volume Licensing).
- OSK Small Cap Day 2012 (OSK Top 5 Malaysian Small Cap Companies 2012).

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 2004.



SUSTAINABILITY COMMITMENT

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SUSTAINABILITY COMMITMENT

REPORT OVERVIEW

2019 marks the 4th year of highlighting the progress made by Prestariang Berhad and its Group of Companies (the Group) towards targets set in our sustainability practices. We began our journey in 2015 where we have continuously strived to balance our business operations with achieving the objectives of our Sustainable Policy, which was approved and introduced within the same year. Since then, we have steadily been improving the quality of our reporting and disclosures and have effectively embedded sustainability into our corporate culture.

This report has been prepared by the Working Committee which is responsible for analysing data and comparing the targets against actual progress, which are based on the measurable objectives via an established checking mechanism to report our progress.

During the year in review, we conducted a materiality assessment with our internal and external stakeholders and have identified key material aspects deemed important to the Group, based on the Global Reporting Initiative (GRI) Sustainability Reporting Standards Guidelines: Core Option. We have also identified five United Nations Sustainable Development Goals (UNSDGs) which are most aligned to our business and operations.

Another substantial disclosure is the Key Performance Indicators of the Sustainability Goals with defined long term and short terms targets in achieving them.

SCOPE OF THE REPORT

Reporting Period

This Sustainability Statement covers The Group's performance from 1 January 2018 to 30 June 2019 (18 months), unless stated otherwise. The report is aligned with the change of the Group's financial year from 31 December 2018 to 30 June 2019 as announced on 28 February 2019.

SUSTAINABILITY PERFORMANCE RECOGNITIONS

2018

- Ranked 43rd in MSWG's list of Top 100 Companies for CG Disclosure.
- Ranked 67th in MSWG's list of Top 100 Companies for Overall CG and Performance.
- Remains as a constituent for FTSE4Good Bursa Malaysia Index.
- Industry Excellence Award - Technology : MSWG - ASEAN Corporate Governance Award 2018.

2019

- Remains as a constituent for FTSE4Good Bursa Malaysia Index.

For comparison, our data and performance were measured from 1 January 2018 to 31 December 2018 (i.e.12-months). While the data from 1 January 2019 to 30 June 2019 was collated and disclosed in this statement, the performance was not measured.

For the following year's report, the Group will refer to the 12-months' data collated and shall measure the performance from 1 July 2019 to 30 June 2020 against the period from 1 July 2018 to 30 June 2019.

Reporting Cycle

This Sustainability Statement is reported annually following The Group's financial year.

Scope of Reporting

This Sustainability Statement covers Prestariang Berhad and its wholly-owned subsidiaries which include:

- Prestariang Systems Sdn Bhd; and
- Prestariang O&G Sdn Bhd.

SUSTAINABILITY COMMITMENT

These significant subsidiaries contributed more than 49.7% to the Group's business revenue for the reporting period and were therefore assessed. All these subsidiaries are geographically located at the corporate headquarters in NeoCyber, Cyberjaya, Selangor Darul Ehsan, Malaysia.

Prestariang's Sustainability Committee has agreed to omit Star Central, despite the contribution of 47.8% by Sistem Kawalan Imigresen Nasional (SKIN) project to the Group's business revenue. The building was our operation centre for SKIN. This was in light of the Cabinet's decision to terminate the SKIN Project by way of expropriation, which took effect in January 2019. This report does not include data on UNIMY due to its relocation activity which has occurred during the financial year under review. This has contributed to information gaps pertaining to UNIMY's sustainability performance and we are committed to improve on our disclosure within the next report.

GUIDELINES

- Bursa Malaysia Sustainability Reporting Guidelines.
- FTSE4Good Bursa Malaysia Index Rating Guide.
Refer to the FTSE4Good Content Index on pages 253 to 258.
- GRI Standards: Core option of the Global Reporting Initiative (GRI) Standards Sustainability Reporting Guidelines.
- Bursa Malaysia Corporate Governance Guide.

COMMITMENTS

- Prestariang Sustainability Policy.
- Sustainable Development Goals (SDGs).

Reference and Guidelines

This report has been prepared in accordance with the following guidelines and frameworks with the objective to deliver a transparent and comprehensive disclosure of Environmental, Social and Governance (ESG) performance to our stakeholders.

Assurance

During the current period, Prestariang has not sought for external assurance for this report. We will continue to improve both our data collection and reporting processes. Consideration of external assurance will be done as our reporting matures.

FEEDBACK

We welcome feedback on our sustainability report, including any reports of unlawful or unethical behaviour that conflict with our sustainability report and practices. For enquiries, please contact:

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Corporate Communications Department
Prestariang Berhad

Email : ir@prestariang.com.my

Tel : (+603) 8314 8400

SUSTAINABILITY COMMITMENT

ADVANCING SUSTAINABILITY

SUSTAINABILITY POLICY

Sustainable management has always been central in our business. Our Sustainability Policy was approved and introduced in 2015 with five (5) principles related to ESG areas, which were aligned to our capability and capacity of the business. This was done to further improve our ESG performance and reduce our impact to the environment.

Mission

Effectively communicating our sustainable business to employees, customers, distributors and other stakeholders on our commitment in promoting good sustainability practices.

Objective

- To support stakeholder value creation as key to sustainability;
- To promote and adopt the best ESG practices and to continuously integrate sustainable practices into our management culture, working environment and business process; and
- To embrace accountability and transparency as the foundation for business performance.

**PRINCIPLE 1 : Sustainable Lifelong Learning Environment**

Develop talent through technology. Drive IT compliance through the management and distribution of original software while making software licences affordable.

**PRINCIPLE 2 : Stakeholder Engagement & Disclosures**

Support stakeholder value creation as key to sustainability with continuous efforts to build professional relationships with our employees, Government authorities and agencies, the media, fund managers & analysts, and the public at large via planned and targeted programmes and activities.

**PRINCIPLE 3 : Commitment to Corporate Responsibilities**

Safeguard human rights within our sphere of influence and contribute to community needs.

**PRINCIPLE 4 : Engaging Workplace**

Create an engaging and supportive work culture, provide for a knowledge based organisation while supporting diversity across the workplace and the Boardroom.

**PRINCIPLE 5 : Governance to Drive Compliance & Best Practices**

Observe and comply with all relevant legislations, regulations and codes of practice while integrating sustainability into the operations through implementing transparent, effective, ethical and sustainable processes across the business supply chain.

This policy is reviewed on a regular basis. As of the reporting period, the Sustainability Policy is deemed relevant and will continue to be practiced.

SUSTAINABILITY COMMITMENT

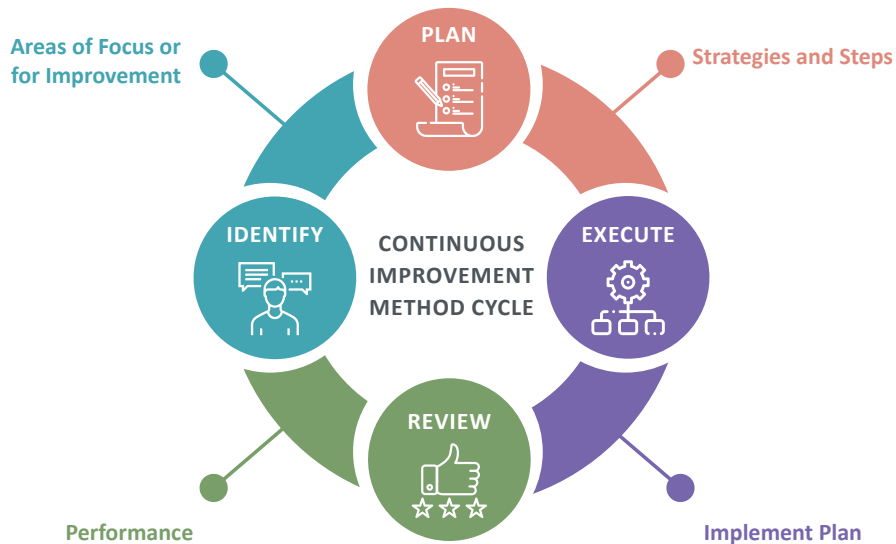
MANAGEMENT APPROACH

Our sustainability efforts and disclosure are centred on a pragmatic approach to:

- Manage the impact of our business on the environment;
- Enrich communities where we serve;
- Build innovative services responsibly while ramping up on operational excellence and customer centricity; and
- Maintain a progressive and healthy working environment.

This approach is based on the five Sustainability Principles of the Sustainability Policy that was introduced in 2015. We have clear, aligned objectives to enable us to achieve both our business goals and the UNSDGs. This commitment is anchored on our ability to remain agile and adapt quickly through challenging business cycles. Resilience has been a key factor in weathering tough situations without compromising our work ethics and productivity.

The policies, practices, goals, execution, monitoring and management is led in a structured manner by the Sustainability Governance Committee through the Continuous Improvement Method Cycle.

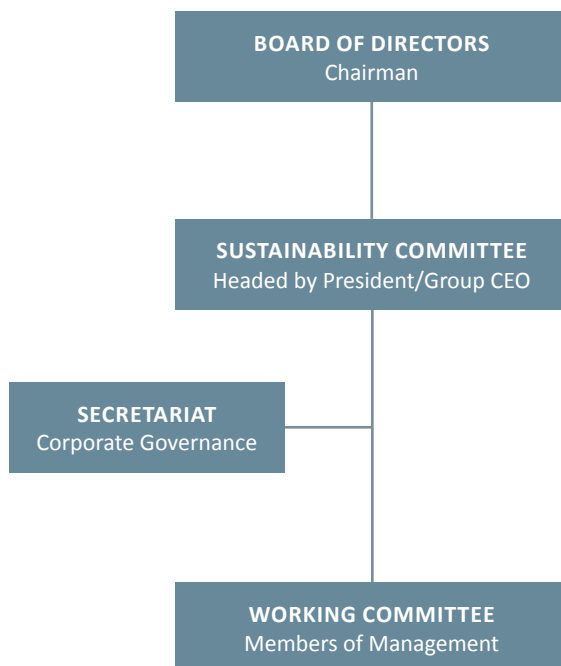


This method allows the Group to systematically execute sustainability plans set by the Sustainability Governance Committee which will be reviewed in the next cycle.

SUSTAINABILITY COMMITMENT

SUSTAINABILITY GOVERNANCE STRUCTURE

Together with the Sustainability Policy, the Sustainability Governance Structure was established to represent and assist the Board in meeting its oversight responsibilities in relation to the sustainability policies, goals and practices. Each committee member has defined roles and responsibilities to promote and coordinate the development and implementation of sustainability initiatives across all areas of our organisation.



The Sustainability Committee is tasked with identifying gaps to appropriately incorporate ESG factors into key business functions. The Committee operationalises the implementation, execution, monitoring and management of the Group's Sustainability Policy via the structured Continuous Improvement Methods Cycle.

Roles in Sustainability Governance Structure

Board of Directors

The Board of Directors, chaired by the Chairman governs the sustainability initiatives of the Group. Matters and issues which arise are presented and discussed at Board Meetings to deliberate and decide on the Group's sustainability direction and to meet its oversight responsibilities in relation to the approval of the Sustainability Policy should there be any additions or amendments. The Board reviews, approves and monitors the strategic plans and goals proposed by the Sustainability Committee to ensure positive progress is made with sustainable long term returns for the Group. The Board is also responsible and accountable in evaluating the Group's sustainability performance on a periodical basis.

Sustainability Committee

The Sustainability Committee (SC) is headed by the President/GCEO and comprises the WC which is assisted by the Secretariat.

The role and responsibility of the President/GCEO is to design the action plan, execute and implement the sustainability strategies. It also includes the planning of activities to achieve the sustainability and business goals, its targets and Key Performance Indicators (KPIs) based on the approval by the Board. In addition to this, the SC is also responsible to assess risks and opportunities of ESG concerns.

The President/GCEO will delegate its authority on ESG concerns to the WC for execution. The President/GCEO is also responsible to approve the annual sustainability statement report.

Working Committee

The Working Committee (WC) comprises members of the Management and Heads of Departments from various subsidiaries and departments. The WC is responsible for:

- Reviewing the Sustainability Policy annually for relevancy, and making recommendations on the Sustainability Policy for the approval of the Board;
- Ensuring the Board receives sufficient and appropriate information for reviews, risk management and decision-making;

SUSTAINABILITY COMMITMENT

- Planning and recommending ESG activities/actions, goals/targets and KPIs for the approval of the Board;
- Executing the approved ESG activities/actions, goals/targets and KPIs with its team members and employees under its supervision;
- Reviewing and endorsing the annual sustainability statement report; and
- Communicating critical ESG concerns to the Board.

Secretariat

The Secretariat is headed by the Corporate Governance and Communication department where members are tasked to:

- Assist the WC in its administrative activities;
- Assist the WC to review the Sustainability Policy;
- Assist the WC for ESG references, guidelines, tracking performance measures and the review of the Sustainability Report;
- Assist the SC to review the effectiveness of risk management processes for ESG topics;
- Coordinate and compile the activity reports generated by members for the purpose of deliberation at Management and Board levels;
- Follow up on Board approved activities/actions for the purpose of reporting to the Board; and
- Monitor and report the consolidated sustainability activities/actions to the Board.

Measurement and Tracking Mechanism

The WC, assisted by the Secretariat, compares targets against actual progress which are based on approved goals. The WC may from time to time propose improvements for the Boards' approval to align and organise various aspects of sustainability. The WC also has to establish a tracking mechanism to indicate data progress for each calendar year.

STAKEHOLDER ENGAGEMENT

The success of sustainability is about listening and responding to the needs and interests of diverse stakeholder groups. We engage with our stakeholders through a multitude of channels. Our mechanisms for two-way dialogue ensure that we are abreast with the latest topics and concerns of our stakeholder representatives.

Our group of stakeholders comprises shareholders and investors, employees, customers, industry groups and strategic partners, students, communities, Non-Governmental Organisations (NGOs), Government Agencies and suppliers which are identified as our major touchpoint stakeholders. We treat all stakeholders with respect. All enquiries, feedback and complaints from stakeholders are taken to priority for resolution and fair judgement.

"Both of our internal and external stakeholders are key in our operations. In ensuring seamless communications between us and our stakeholders, we encourage two-way communication via various tools to ensure their voices are heard."

Dr Abu Hasan

SUSTAINABILITY COMMITMENT

METHODS OF ENGAGEMENT AND KEY TOPICS DISCUSSED

STAKEHOLDER GROUP	KEY TOPICS OR CONCERN/ MATERIALITY AREAS	ENGAGEMENT PLATFORM	FREQUENCY	VALUES CREATED
Shareholders, Investors, Fund Managers and Analysts	<ul style="list-style-type: none"> Economic Performance Sustaining Shareholder Value Sustainable Future Business Risk Management Market Presence, Branding & Reputation 	Annual General Meeting	Annually	<ul style="list-style-type: none"> Sharing financial performance, business direction and strategies, and sustainability initiatives. Rewarding shareholders through dividend payment.
		Financial Report	Quarterly	Sharing financial performance, business direction and strategies, and sustainability initiatives.
		Analyst Briefings	Quarterly	
		Investor Relations Activities	As needed	<ul style="list-style-type: none"> Real time share price, business presentations, annual reports, announcements and press releases. First line of enquiry on products and services.
		Interviews/ Tele-conferences	As needed	
		Website	As needed	
Employees	<ul style="list-style-type: none"> Recruitment, Career, Training & Development Employee Engagement Diversity & Equal Opportunities Health & Safety Human & Labour Rights 	Employee Engagement Survey	Every two (2) years	Understanding Employee's loyalty and grievances.
		Town Hall Meeting/ Forum	At least once a year	Sharing updated business direction and strategies, sustainability and employee performance/updates.
		Events	Based on scheduled plan	<ul style="list-style-type: none"> Upskilling and new knowledge. Improving work efficiency.
		Workshops & Trainings	As needed	
		Internal Communication: Bulletin, Yammer, WhatsApp	As needed	<ul style="list-style-type: none"> Communicating and engaging employees on social, project and business updates. Continuous education and awareness-creation platform. Project team support.
		Employee Performance Appraisal	Yearly	Appreciating and recognising employees' contributions.
		Voluntary Opportunities	As needed	Creating opportunities to contribute to the society.
		Clients/ Customers	<ul style="list-style-type: none"> Customer Satisfaction Promotional /Loyalty Programme Sustainable Customer Service Quality Service Delivery Joint Value Creation Market Presence, Branding & Reputation Ethics & Integrity Innovation/Technology Talent Management 	Satisfaction Survey
Meetings	Based on project scheduled plan			<ul style="list-style-type: none"> Agreement and resolutions for project matters regarding technical and commercial issues, as well as quality management. Updating project delivery and timeline.
Technology Updates	As needed			Up to date information on latest product offerings and technical updates.
Roadshows and Exhibitions	As needed			Introducing products and services as a Technology and Talent Innovator.
Client Audit	As needed			<ul style="list-style-type: none"> Promoting trust on products and services. Ensuring consistent quality and performance of product and service delivery.

SUSTAINABILITY COMMITMENT

STAKEHOLDER GROUP	KEY TOPICS OR CONCERN/ MATERIALITY AREAS	ENGAGEMENT PLATFORM	FREQUENCY	VALUES CREATED
Clients/ Customers <i>(continued)</i>	<ul style="list-style-type: none"> Customer Satisfaction Promotional/Loyalty Programme Sustainable Customer Service Quality Service Delivery Joint Value Creation Market Presence, Branding & Reputation Ethics & Integrity Innovation/ Technology Talent Management 	Events	Based on scheduled plan	<ul style="list-style-type: none"> Promoting and engaging customer relationship. Awareness on products and services. Promoting trust on products and services.
		Site Visits	As needed	<ul style="list-style-type: none"> Promoting and engaging prospective customers and enhancing customer relationship. Promoting trust on products and services to prospective customers and current customers.
Industry Groups, Academic Institutions and Strategic Partners	<ul style="list-style-type: none"> Possible Collaborations Joint Value Creation Ongoing Dialogues Quality Service Delivery Compliance & Regulation Risk Management Market Presence, Branding & Reputation Innovation/ Technology Supply Chain Practices Sustainable Future Business Climate Change Development 	Conference Strategic Sponsorships	As needed	Leveraging, complimenting and supporting partners in the industry in terms of knowledge awareness and product branding.
		Strategic Business Meetings, Visits	As needed	<ul style="list-style-type: none"> Improving business and economic performance. Forging long term bond. Understanding industry updates and demands.
		Collaborations	As needed	Creating business and values to our stakeholders.
		Audit	As needed	<ul style="list-style-type: none"> Promoting trust on products and services. Ensuring consistent quality and performance. Maintaining industry standards and compliance.
Students	<ul style="list-style-type: none"> Social Engagements Talent Development Talent Management Market Presence, Branding & Reputation Customer Satisfaction 	Events & Workshops	Based on scheduled plan	<ul style="list-style-type: none"> Promoting and engaging customer relationship. Awareness on products and services.
		Competitions	Annually to selected students	<ul style="list-style-type: none"> Promoting trust on products and services. Exposing students to the industry
		Internships	As needed	Exposing students to real life challenges and opportunities of the industry.
		Website & Social Media	As needed	<ul style="list-style-type: none"> Promotions and awareness on products and services. Promoting trust on products and services. First line of enquiry on products and services.

SUSTAINABILITY COMMITMENT

STAKEHOLDER GROUP	KEY TOPICS OR CONCERN/ MATERIALITY AREAS	ENGAGEMENT PLATFORM	FREQUENCY	VALUES CREATED
Communities and NGOs	<ul style="list-style-type: none"> Community Investment Local Social Operating Licenses Community Engagement Market Presence, Branding & Reputation 	Donations and Sponsorships	As needed	<ul style="list-style-type: none"> Building positive community relationships and attending to their needs. Upskilling and improving knowledge. Promoting brand trust.
		Fundraising		
		Workshops/ Trainings		
Government Agencies	<ul style="list-style-type: none"> Compliance & Regulation Ethics & Integrity Quality Service Delivery Continuous Improvement of Processes 	Audits, Meetings and Site Visits	As needed	<ul style="list-style-type: none"> Ensuring regulatory standards and compliance. Ensuring integrity and trust with Regulatory Bodies. Ensuring consistent quality and performance.
Vendors/ Suppliers	<ul style="list-style-type: none"> Strategic Partnership Programmes Vendor Performance Review Supply Chain Practices Sustainable Future Business 	Vendor Performance Review	Annually	Reporting Performance and monitoring to improve efficiency throughout the supply chain.
		Tender, Bidding & Quotation	As needed	Sharing and updating ethical procurement values and requirements.
		Procurement Policies		
Media	<ul style="list-style-type: none"> Economic Performance Sustainable Future Business Market Presence, Branding & Reputation 	Press Releases	Quarterly and As needed	<ul style="list-style-type: none"> Sharing financial performance, business direction and strategies, and sustainability initiatives. Promoting the Group through product branding and enhancing reputation. Creating desires or demands of the products and services.
		Interview	As needed	
		Advertising	As needed	

SUSTAINABILITY COMMITMENT

MATERIALITY AND UNSDGS

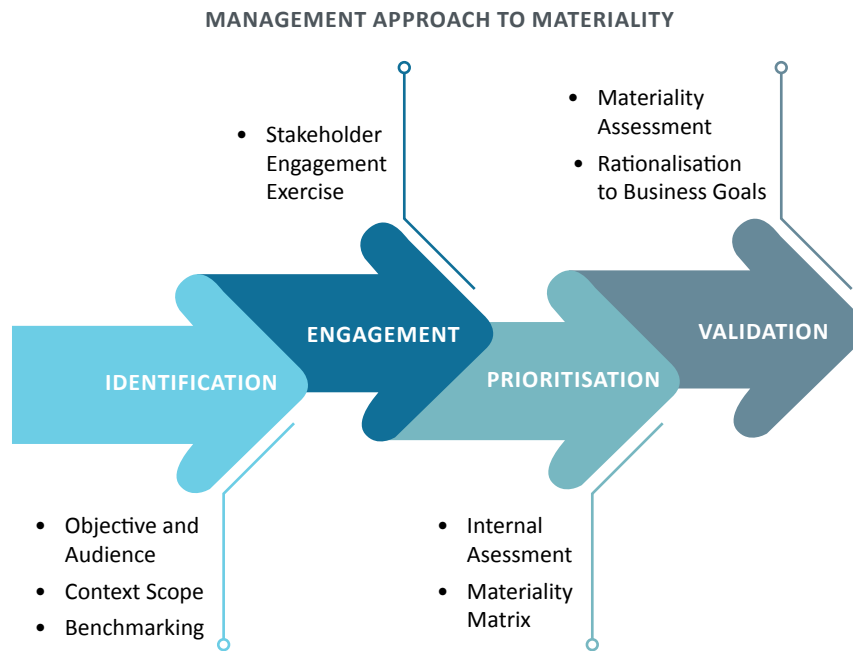
MANAGEMENT APPROACH

In the previous reporting year, we initiated a preliminary material matters matrix in light of positioning ourselves better in exploring opportunities and mitigating risks which are related to ESG aspects in order to effectively manage our sustainability performance.

For this reporting period, the Group has reviewed the current materiality assessment and undertook a new assessment to better reflect current stakeholder concerns and the company's key sustainability risks and opportunities.

The comprehensive materiality assessment has helped to improve our sustainability efforts by establishing a mandate for us to focus and act on issues as well as establish realistic goals and targets that are the highest priority for the business.

In identifying with the material issues, several steps of assessments and engagement sessions took place for the sole purpose of discovering and identifying issues that are material to the organisation, across the five principles of our Sustainability Policy.



Identification

This is where we identify sustainability issues that are important to our internal and external stakeholders. The SC set the appropriate objectives on material sustainability, and identified several of its key stakeholders (internal and external) for this materiality assessment. The SC took into consideration the context of its sustainability issues, internally and externally which is in line with the purpose, vision, mission and business goals related to sustainability.

In addition to the reference of sustainability, it was done by benchmarking Prestariang peers from the Technology industry, both locally and globally. This allowed us to identify sustainability matters that are common to the sector. We then proceeded to benchmark Prestariang's sustainability performance against other multinational sustainability best-practicing organisations to gain a wider insight beyond our sector.

SUSTAINABILITY COMMITMENT

The preliminary sustainability issues set were based on 24 Materiality Matters

MATERIALITY MATTERS	
 ENVIRONMENTAL	<ol style="list-style-type: none"> 1. Environmental Compliance 2. Climate Change Development 3. Energy & Emissions 4. Waste Management 5. Water Management 6. Green IT Practices
 SOCIAL	<ol style="list-style-type: none"> 7. Community Engagement 8. Diversity & Equal Opportunities 9. Employee Engagement 10. Health & Safety 11. Human & Labour Rights 12. Recruitment, Career, Training & Development 13. Security Practices
 ECONOMIC & GOVERNANCE	<ol style="list-style-type: none"> 14. Economic Performance 15. Ethics & Integrity 16. Compliance & Regulation 17. Risk Management 18. Market Presence, Branding & Reputation 19. Innovation/Technology 20. Supply Chain Practices 21. Sustainable Future Business 22. Sustaining Shareholder Value 23. Talent Management 24. Customer Satisfaction

Engagement

With the material matters being identified, we engaged both of our internal and external stakeholders to solicit feedback regarding sustainability issues and their relevance in terms of ESG impacts to the Group and its stakeholders from both points of view. The participants included:

INTERNAL	EXTERNAL
<ul style="list-style-type: none"> • Board of Directors • Management • Heads of Departments • Business Units • General Employees 	<ul style="list-style-type: none"> • Shareholders • Investment Community • Customers • Suppliers • Auditors

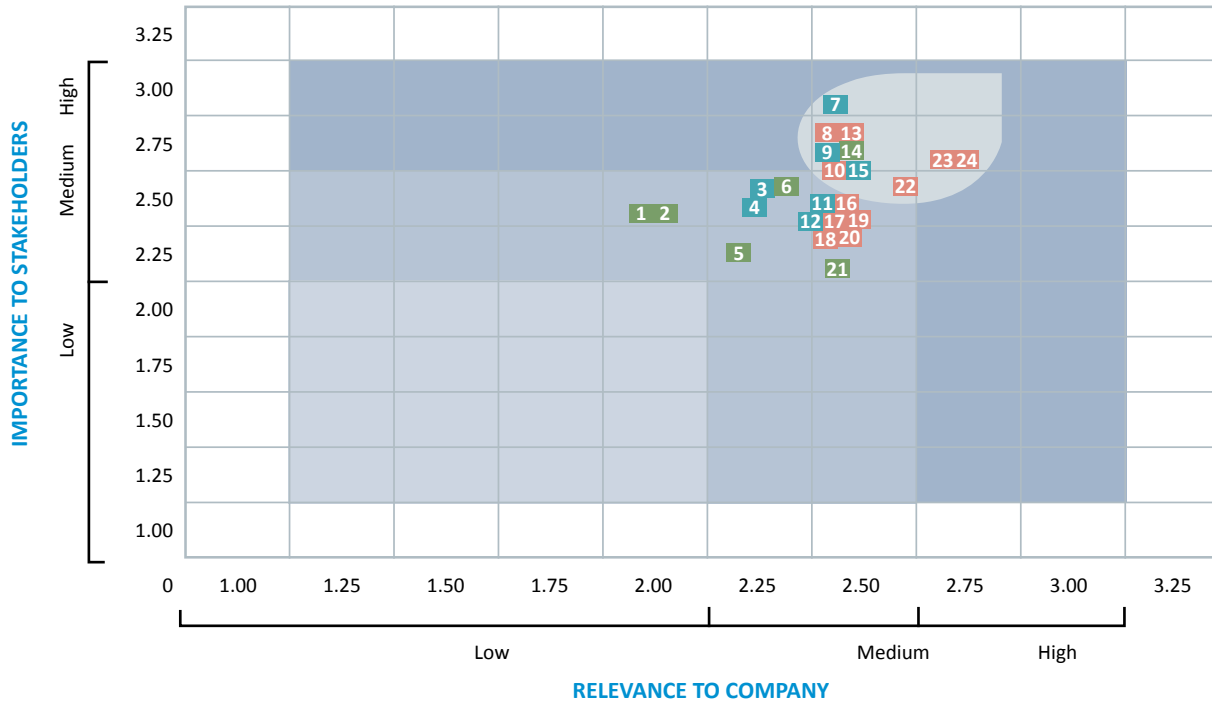
This engagement exercise was conducted over four weeks via three separate surveys, which were conducted in the first half of 2019. Participants were requested to rank the importance of the material matters and to suggest any additional ESG issues that were important in their opinion.

Prioritisation

The results of the survey were sorted and prioritised to reflect the significant ESG impacts which correlate with the direction and business goals of the Company. This involved careful consideration in prioritising the material matters which may influence the risks and opportunities to the Company.

SUSTAINABILITY COMMITMENT

Based on the valid responses from the survey, the Materiality Matrix was developed as shown below:



Using these scores, the importance to stakeholders (represented by the y-axis) of each materiality matter against its relevance to the Group (represented by the x-axis) was plotted on a Materiality Matrix, which is a method to achieve balance between the concerns of stakeholders and priorities of the Company. These 24 Materiality Matters cover all three Sustainability ESG aspects.

From the Materiality Matrix, the plot points of the 'Leader Quadrant' as shown in the chart represent the most material matters to the Group and its stakeholders. With this informed insight, the SC then did an internal assessment to prioritise its significance to the ESG concerns and the business.

Validation

The Group and the SC collectively assessed and reviewed the results of the Materiality Assessment with an independent consultant. Upon review, it was decided to capture five of the highest ranked Materiality Matters from each ESG aspect. These represent the issues of sustainability that is highly relevant and highly emphasised in driving sustainable development performance for Prestariang and its stakeholders.

- | | |
|--|--|
| 1. Climate Change Development | 13. Risk Management |
| 2. Water Management | 14. Green It Practices |
| 3. Health & Safety | 15. Human & Labour Rights |
| 4. Community Engagement | 16. Supply Chain Practices |
| 5. Waste Management | 17. Talent Management |
| 6. Environmental Compliance | 18. Sustaining Shareholder Value |
| 7. Security Practices | 19. Market Presence, Branding & Reputation |
| 8. Innovation/Technology | 20. Sustainable Future Business |
| 9. Recruitment, Career, Training & Development | 21. Energy And Emission |
| 10. Compliance & Regulation | 22. Customer Satisfaction |
| 11. Employee Engagement | 23. Economic Performance |
| 12. Diversity & Equal Opportunities | 24. Ethics & Integrity |
- Environment ■ Social ■ Economic & Governance

SUSTAINABILITY COMMITMENT

The five Materiality Matters highly relevant are:

ENVIRONMENTAL

Green IT Practice

Minimise negative impact of IT and business operations in an environmentally-friendly manner.

SOCIAL

Recruitment, Career, Training and Development

Following Equal Opportunity hiring practices, while nurturing employee career advancement through training and education.

ECONOMIC & GOVERNANCE

Innovation/Technology

Embarking on a journey where the importance of technology as a source of innovation is a critical success factor for increased market competitiveness.

Ethics and Integrity

Business conduct of the Company and its personnel in business dealings and ensuring all transactions are done in a transparent manner, honest and with moral principles.

Customer Satisfaction

Assessing dissatisfaction of customers through official complaints.

Moving forward, the Group is able to focus on sustainability efforts in these areas for the greatest possible impact. The task ahead is to include Risk and Opportunities and set goals for each of the materiality matters, followed by action plans and initiatives to meet these targets.

SUPPORTING THE UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS (UNSDGs)

We continue to move towards aligning our efforts to, and achieving the UNSDGs which are relevant to our operations. To date, we have moved another step forward by specifically focusing on five identified UNSDGs.

During the reporting year, we began the journey in embedding and aligning the UNSDGs into our sustainability initiatives.



Improve the quality of life by having access to quality education which can equip locals with the tools required to develop innovative solutions.



Promote inclusivity, diversity and sustainable economic growth, employment and decent work for all, including youth and persons with disabilities.

Support the eradication of forced labour, child labour and human trafficking by not hiring such individuals as employees. Protect labour rights and promote a safe and secure working environment for all employees.



Promote sustainable management and efficient use of production resources. Reduce waste generation through prevention, reduction, recycling and reuse. Adopt sustainable practices and to integrate our sustainability efforts into a report.

Promote public procurement practices that are sustainable, in accordance with national policies and priorities.



Integrate climate change measures into policies, strategies and planning.



Enhance the global partnership for sustainable development that mobilise and share knowledge, expertise, technology and financial resources.

Support initiatives to develop measurements of progress on sustainable development that complement gross domestic product, and support statistical capacity-building in developing countries.

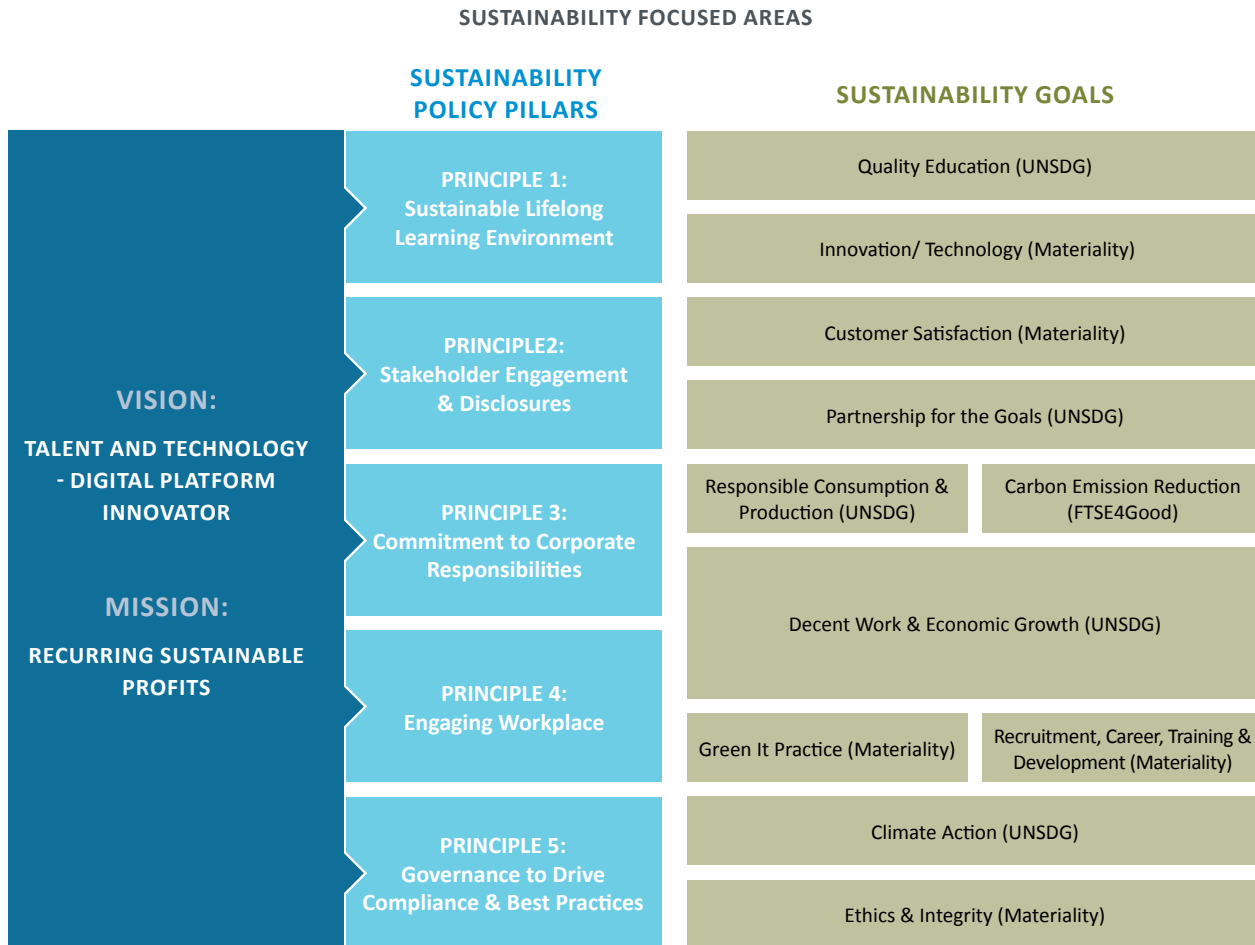
SUSTAINABILITY COMMITMENT

SUSTAINABILITY GOALS

TYING THE GOALS – OUR SUSTAINABILITY FOCUSED AGENDAS

Following the Materiality Assessment, the SC has consolidated all identified goals into meaningful attributes which are aligned to the UNSDGs and the requirements of FTSE4Good on carbon emissions, towards the Group’s sustainability goals. These sustainability goals were then assigned with KPIs, to achieve short and long term targets.

Prestariang is committed to its Sustainability Goals, which evolve and are in relation to the Company’s Vision and Mission. This further correlates with the five (5) sustainability principles, which are derived from the Sustainability Policy as depicted below:

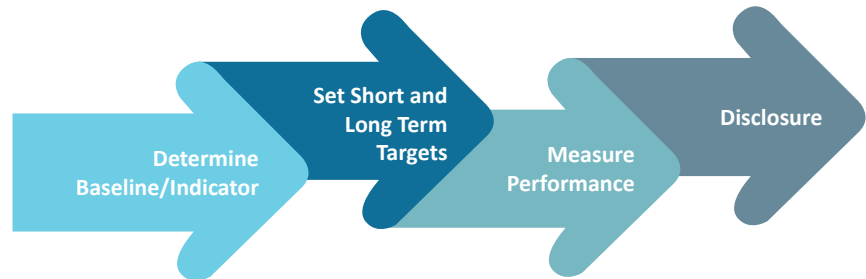


SUSTAINABILITY COMMITMENT

PERFORMANCE INDICATORS & TARGETS

Based on the consolidated Sustainability Goals, we now have a focused direction to peg indicators and targets towards ESG impacts. These identified indicators and targets have been cascaded to the Sustainability WC for enforcement.

Approach in determining performance indicators:



The approved sustainability performances indicators and targets are as follows:

ENVIRONMENT

GOAL	BASELINE/INDICATOR	SHORT TERM TARGETS (< 5 YEARS)	LONG TERM TARGETS (> 5 YEARS)
1. Carbon emission reduction	Emission per employee per year (Average 2.7 MT CO ₂ -eq per employee following average emissions of employees in the United States of America)	Reduce and maintain less than 2.5 MT CO ₂ -eq per employee per year for Scope 2	Maintain less than 2.0 MT CO ₂ -eq per employee per year for Scope 2
2. Waste management and consumption reduction	Paper reams' usage per employee year. (based on 6.9 paper reams' usage per employee in 2017)	Reduce and maintain to less than 5 paper reams' usage per employee per year	Maintain less than 4 paper reams' usage per employee per year
3. Energy management and consumption reduction	Energy use per employee per year (1,733 kWh per employee in 2017)	Reduce and maintain less than 1,700 kWh per employee per year	Maintain less than 1,500 kWh per employee per year
4. Climate change/environment measures placed into all policies, strategies and planning	Number of policies approved	All policies within the Company revised to add climate change impact considerations	New policies take consideration on climate change impact

REFERENCES FTSE4Good: GHG EMISSION REDUCTION

Materiality: GREEN IT PRACTICE

UNSDG: 12. RESPONSIBLE CONSUMPTION & PRODUCTION

UNSDG: 13. CLIMATE ACTION

SUSTAINABILITY COMMITMENT

SOCIAL

GOAL	BASELINE/INDICATOR	SHORT TERM TARGETS (< 5 YEARS)	LONG TERM TARGETS (> 5 YEARS)
5. Inclusive education which equips locals with the tools required to develop innovative solutions	Employability of graduates (96% based on 2017)	<ul style="list-style-type: none"> Achieve and maintain above 100% employability of graduates 100% employability of 105 Protégés by year 2021 	Produce 5% Socially-Conscious Technopreneurs
6. Maintaining high levels of customer satisfaction	Official customer complaints (2 complaints in 2018)	Resolve all complaints in three (3) working days	Towards zero complaints
7. Promote inclusivity, diversity, employment and equal opportunity	Turnover rate (Average turnover rate for technology industry = 11%)	Reduce and maintain an average turnover rate of 5% or less rate per year	Further reduce and maintain our average turnover to 3% or less per year
8. Maintaining decent work and fair income	Minimum wage based on: <ul style="list-style-type: none"> Malaysia's minimum monthly wage Industry benchmark 	All employees are paid above minimum wage and equal to industry benchmark	All employees are paid 20% above market rate
9. Maintaining training and development for employees	Average man days (average 8 training man days)	Fulfill or exceed 8 training man days every year	To ensure every employee is professionally certified. Min = 1
10. Developing and implementing Succession Planning and Career Development	Established sources of successors, both internal and external. Min = 1	To have the first tier successors for all positions	To have up to the second tier of successors for all positions

REFERENCES **UNSDG: 4. QUALITY EDUCATION**

Materiality: **CUSTOMER SATISFACTION**

UNSDG: 8. DECENT WORK & ECONOMIC GROWTH

Materiality: **RECRUITMENT, CAREER, TRAINING & DEVELOPMENT**

ECONOMIC & GOVERNANCE

GOAL	BASELINE/INDICATOR	SHORT TERM TARGETS (< 5 YEARS)	LONG TERM TARGETS (> 5 YEARS)
11. Creating an innovative Talent and Technology Service Delivery Culture by leveraging on a digital platform	Diversification of services via cloud offerings in driving innovation	Towards cloud certification by 2020	N/A
12. Maintaining good governance	FTSE4Good Ranking & Bursa Malaysia Sustainability Disclosure Review	Maintaining 4.0 and above for FTSE4Good Ranking	Achieving tier 1 overall ranking by Bursa Malaysia for sustainability disclosure review by 2030
13. Mobilise and share knowledge, expertise, technology and financial resources	UNIMY collaborations (3 collaborations per year)	Achieve and maintain four (4) collaborations per year	Achieve University Rankings listing by 2030

REFERENCES **Materiality: INNOVATION / TECHNOLOGY**

Materiality: ETHICS & INTEGRITY

UNSDG: PARTNERSHIP FOR THE GOALS

Progress of each goal will be disclosed in the next reporting period. This approach ensures that the Group remains on track with the objectives of the Sustainability Goals, and in creating value for our stakeholders, which are underpinned by the ESG indicators.

SUSTAINABILITY COMMITMENT

SUSTAINABILITY RISKS AND OPPORTUNITIES

The SC has also conducted a review and reassessment of the former risk and opportunities to ensure that these were closely aligned with the Company's Sustainability Goals.

RISK
Technology Evolution

HIGH RISK
Technology is both a key enabler as well as a potential source of significant disruption to our business model in the long run. The rapid rate of technological advances and disruptions in the ICT landscape leads to the shift in market demands.

ACTION/MITIGATION PLAN

- Periodic review on business model.
- Upgrade capabilities to provide better service experiences.
- Continuously exploring and embracing new technological developments.

RISK
Product Relevance

HIGH RISK
The obsolescence of products and services as a result of technological updates e.g. Cloud services.
The shift in market demand.

ACTION/MITIGATION PLAN

- Focus on product development with innovative solutions that can commercialised into winning products and services.
- Conduct reviews and refresh products and services periodically to stay relevant with users and industry expectations.
- Continue to leverage on the strategic partnerships and alliances to create value.

RISK
Project Termination - Building Acquisition Requirements

HIGH RISK
Following the Cabinet's decision to terminate the SKIN project by way of expropriation, the building dedicated for the business has been left to minimum use.

ACTION/MITIGATION PLAN

- Propose to sell the office building due to termination of project.
- Alternatively, to lease the building.

RISK
Talent Retention

MEDIUM RISK
Our Talents being the heart of the Group have the ability and experience to carry out the daily business operations, meet customers' needs and ensure customer satisfaction.
The termination of the SKIN project has resulted in the rationalisation of manpower that led to termination of employees.

ACTION/MITIGATION PLAN

- Develop talents for succession planning.
- Develop quality employee engagements and training programmes, and realign talents' competencies to organisational needs.
- Conduct periodic Employee Engagement Surveys to assess their level of engagement with Prestariang and solicit employees' views.
- Optimising manpower productivity through right-sizing exercises based on business needs.

RISK
Carbon Footprint

MEDIUM RISK
Risk of increasing carbon footprint at Prestariang project sites nationwide. Business travels, and conducting business events are essential, and sometimes are requirements of the project deliverables.

ACTION/MITIGATION PLAN

- For business meetings, employees have opted for online meetings via conference calls or video conferencing as an alternative option where suitable.
- Prestariang engages local vendors to arrange and occasionally conduct events where necessary, in order to reduce employees carbon footprint for outstation events.
- State level business events were reduced to regional business events instead to lower carbon footprint and optimise financial operations.

SUSTAINABILITY COMMITMENT

RISK Financial Management

HIGH RISK

The Cabinet's decision to terminate the SKIN project by way of expropriation has disrupted the plans and the financial projections of the Group.

The Group has filed and served its Originating Summons dated 15 April 2019 against the Government of Malaysia as Defendant claiming the amount of RM733 million in relation to the termination of the SKIN by expropriation.

The Group remains positive on the compensation amount based on the formula stipulated under the Concession Agreement. The management is confident that there will be no impairment for the period under review.

ACTION/MITIGATION PLAN

- Opted to restructure the Company's financing facilities to fund the working capital requirement while making immediate settlement of contractual obligations due to the SKIN project termination.
- Reviewed the business operations and working capital needs, ensuring timely collection of receivables; favourable payment terms from suppliers, minimising inventory and maintaining sufficient bank facilities to support the existing business operations.
- Continuously monitor the extent of its credit risk to an acceptable level.

OPPORTUNITY Investments in Sustainability and Green Processes

Medium Plan Implementation

Factoring ESG matters in all decision making which is embedded throughout the business while reducing wastage that impacts the environment and becoming prudent on operational expenditure.

ACTION PLAN

- Conduct reviews on business operations processes which include sustainability, and green IT processes and policies.

OPPORTUNITY

- Transformational Business
- Dynamic Business Model

Immediate Plan Implementation

Prestariang's business model allows the Group to have a structure yet it is agile to adapt to new technology and talent services.

ACTION PLAN

- Realign existing core businesses subsequent to the SKIN project termination.
- Extending value added products and services to the existing core businesses.
- Develop new businesses which are aligned to Industry 4.0 specifically on growing the Government's digitisation agenda.
- Provide Cloud services, project management, hardware, Software Asset Management (SAM).
- Provide holistic talent management services which includes profiling.

OPPORTUNITY Innovative Learning

Immediate Plan Implementation

Aligning with sustainability activities, the Group is committed to find different and innovative learning environments to lessen the environmental impact, yet provide effective learning experiences to trainer and student.

ACTION PLAN

- Seizing the online learning platform to develop better services and learning experience.
- Digitisation of services leads to reduced consumption of resources – reduced trainers, logistic expenditures, paper usage, less time taken, etc.

SUSTAINABILITY COMMITMENT



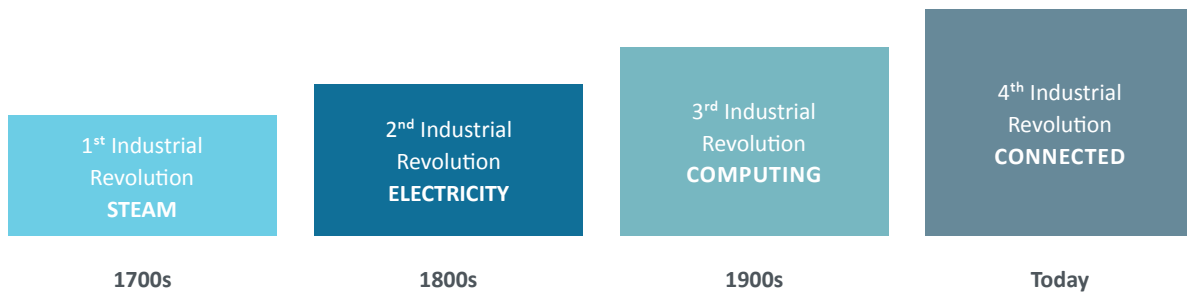
PRINCIPLE 1: SUSTAINABLE LIFELONG LEARNING ENVIRONMENT

PROGRESSIVE AND SUSTAINABLE LIFELONG LEARNING IN INDUSTRY 4.0

The Industry 4.0 (IR 4.0) creates a blurring of boundaries between the physical, digital and biological worlds and ultimately is the collective element behind many products and services that has become indispensable to modern life.

In a nutshell, these revolution through technologies transforms and changes lives radically as it disrupts businesses where everything must be connected and information must be literally at your fingertips at all times.

THE INDUSTRY 4.0 IS ALL ABOUT BEING DIGITALLY CONNECTED



As a Leading Technology and Talent Innovator, we believe that sustainability efforts pairing with IR 4.0 is a lifelong learning of adaptability and innovation. There are always ways and avenues to maximise resources, minimise excess and cultivate technological lifestyle. Given this broad understanding, our approach towards lifelong learning harnesses into the aspect of products and services which the Company delivers sustainably to customers through our stewardship of products & services.

STEWARDSHIP OF PRODUCTS & SERVICES

- Developing ways to empower communities to experience sustainable & inclusive education through technology and talent services that we provide so that they can create innovative solutions.
- Creating an innovative Talent and Technology Service Delivery Culture by leveraging on a digital platform.

Our Alignment:

UNSDG  MATERIALITY Innovation/Technology

SUSTAINABILITY COMMITMENT

Delivering Digital Technology Services for Digital Solutions

The Prestariang 5.1 Business Model represents our commitment in aligning to IR 4.0 in areas such as Internet of Things (IoT) and Cloud computing. Driven by this commitment, we are striving towards Cloud certification by the next reporting period to better position ourselves to serve our customers.

This is where our products and services can be enhanced and at the same time assist customers to achieve their goals for IR 4.0.

- **Prestariang 5.1 Business Model [page 5]**
- **Major Projects [page 6]**

Our SAM projects and programmes such as MLA 3.0, MUSE, Adobe and Autodesk have empowered more than 81 clients, with more than 295,000 software licenses distributed. These have enabled individuals to develop innovative solutions for the future.

Supplying Sustainable and Capable Talents

Prestariang contributes to the critical role in supplying and sustaining capabilities for Malaysia's talent pool that needs to embrace the IR 4.0. The three-pronged activities to raise the skills of talents are through:

- Talent Management Services (Talent Acquisition and Placement);
- Academy; and
- Education.

As the largest ICT Training and Certification player in the country, we offer over 60 globally-recognised certification courses nationwide. We are in partnership with global IT players which includes Microsoft, Adobe, CompTIA, Salesforce, Autodesk and Oracle. Also, through Prestariang Skills Training Institute (PSTI), we have launched our Technical and Vocational Education and Training (TVET) programmes which were exclusively focused on different levels of welding expertise during the year under review.

We have successfully placed many graduates for employment through TalentXchange programmes. Prestariang will increase more programmes on placements as this is vital to our economic sustainability as well as getting talents equipped for IR 4.0.

In the financial period under review, we achieved the following:



Distributed more than
295,000
software licenses



Trained and certified
6,132
individuals for various
software



Obtained
**Gold Certified
Cloud Productivity
Status**
by Microsoft



Enrolled our first batch of
**Sijil Kemahiran
Malaysia 3**
TVET programme



Achieved
100%
graduate placements
under TalentXchange

SUSTAINABILITY COMMITMENT

In Education, University Malaysia of Computer Science & Engineering (UNIMY) held its first Graduate Convocation 2018 where UNIMY churned out 132 graduates that were specialised in Cyber Security, Big Data and Coding and ultimately ready for IR 4.0. 40% of the graduates were females, a testament of UNIMY's commitment towards not only Quality Education, but diversity and inclusivity as well.

We are also honoured that 4 graduates of the first batch of UNIMY became technopreneurs who are on the path of creating noteworthy businesses which are deemed sustainable for their future generations.

TRANSFORMING LIVES WITH INNOVATIVE TECHNOLOGY AND PRODUCTIVE TALENTS

There are limitless possibilities when we apply our products and services portfolios, coupled with the support of our global IT partners to solve complex societal challenges. We aim to harness the power of technology in creating a future that is capable of fully realising talent potential.

We bring more people into the digital economy

We believe that access to technology is a necessity, not a luxury. The future belongs to those who can leverage technology to solve problems and drive human progress.

We exert to address society's most challenging issues

We exert to assist the digital transformation of those who are addressing global issues – increasing efficiency, driving analytics and applying innovative solutions to drive positive sustainable impacts.

We develop technology to equip the global challenges that impact millions

We believe in scaling our products, along with our services to support and innovate our portfolio to drive real progress.



Innovation supported by strong global industry players

Prestariang and UNIMY undoubtedly have established strong relationships with global industry players. UNIMY, especially, has solid partnerships by collaborating with international as well as local industry players which include CompTIA, Cybersecurity Malaysia, EC-Council, Fusionex, KPMG, OpenLearning, Robopreneur, Salesforce, Amazon's AWS Academy and more. These partnerships create quality education and innovation by:

- Exposing students to a variety of technology certification accreditation;
- Learning and exploring Nano Technology, Data Science, Big Data Analytics, Robotics and other disruptive technology; and
- Allowing vast internship opportunities locally and abroad.

SUSTAINABILITY COMMITMENT



PRINCIPLE 2: STAKEHOLDER ENGAGEMENT AND DISCLOSURE

ENGAGING STAKEHOLDERS

We recognise that stakeholder engagement is an ever evolving process. In keeping ourselves abreast, regular interactions are imperative to sustain top-of-mind awareness among our shareholders, customers and other stakeholders within the marketplace. Effective engagement is also necessary to align the Group’s aspirations with the expectations of our stakeholders.

During the year in review, we turned up our pace a notch with more structured engagement activities. This is partly driven by our commitment to continuous improvement in providing the best possible products and services to our customers, complemented by our drive to ensure business sustainability.


While we are committed to our typical interactions of briefings, meetings, tele-conferences and forums to fully understand the needs of investors and customers, we have also expanded our engagement avenues which include site visits as well as client-driven audits. This is a reflection of our commitment in building trust and sustaining relationships with our various stakeholder groups.

COMMITMENT TO CUSTOMERS

We seek to:

- Constantly improve ourselves to provide the best possible solutions to our customers and their eco-system.
- Maintain customer satisfaction.
- Mobilise and share knowledge, expertise, technology and financial resources.

Our Alignment:

UNSDG  MATERIALITY
Customer Satisfaction



The Digital Government Competency and Capability Readiness (DGCCR) Boardroom Session with the Chief Secretary to the Government was held at Malaysia Agro Exposition Park Serdang (MAEPS) Serdang in January 2019.

SUSTAINABILITY COMMITMENT

Focusing on Customer Satisfaction

Customers are key to us. Naturally, customer satisfaction emerged as one of the materiality issues identified. Customer satisfaction is integral as it is a part of the contract requirements for several business projects such as MLA, what is undertaken on a yearly basis. In addition, Prestariang also conducts customer satisfaction surveys beyond project requirements to uncover any shortfalls and takes immediate action for improvement.

In the reporting period, we conducted a Customers' Satisfaction Survey where 147 customers responded. 69% of customers were very satisfied with our services, software ease of use, our responsiveness and likely to recommend Prestariang to others.

The Group is keen to step up efforts in improving our services to our customers. We have already identified our immediate strategies and actions to perform better and deliver better customer experiences.

Providing Channels for Feedback and Complaints

Our streamlined, single-channeled customer service allows our customers to engage with us for complaints and feedback regarding all of our services and subsidiaries. It is vital that every enquiry, feedback, concerns raised and complaints are tracked and managed carefully and expeditiously via a proper metrics to benchmark and monitor customer feedback.



A total of **69%** of our customers were **Very Satisfied** based on Customers' Satisfaction Survey 2018

As a customer-centric organisation, it is pertinent that we have buy-in from every department, including the Management team. By having a systematic approach in place we are able to:

- 1** Track progress against key customer experience and operational targets.
- 2** Understand customer behaviour, identify friction points and prioritise the key drivers of satisfaction.

- 3** Coach teams with data and real-time metrics.
- 4** Predict customer behaviour and drive customer loyalty.

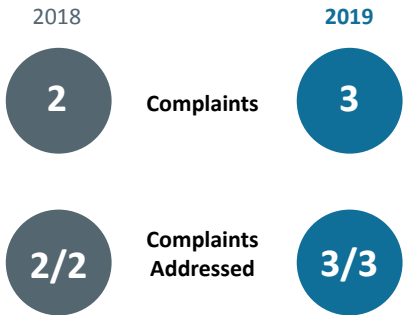
For feedback and enquiries contact:

PRESTARIANG®

+603 8314 8400

+603 8318 9280

As at the reporting period, we have recorded five complaints which were addressed swiftly.



SUSTAINABILITY COMMITMENT

Keeping Customer Privacy Confidential and Safe

For us, data privacy remains as our top priority. We operate with the highest level of confidentiality and security in protecting and safeguarding customers' and employees' information from loss, misuse and unauthorised alteration. We uphold the Personal Data Protection Act (PDPA) 2015 and our stand is translated via our strict data protection policy, which is intended to protect customers' personal information and data gathered or to be gathered throughout any dealings with us.

Our approach to privacy and personal data protection is to respect and protect all personal information. The Group's approach to privacy and personal data protection is outlined in the Personal Data Protection (PDP) Notice. It is displayed on our website and featured on notice of agreements for subscribers of our services.

The notice sets out how we collect and handle personal information in accordance with the PDPA while our document control policy spells out the internal guidelines for employees in handling data, including personal data.

The process of securing privacy is by using technical, logical and procedural measures, such as multi-factor authentication, that are designed to help detect and prevent fraud and misuse of customer information.

We routinely patch our systems with security updates and we work to protect our systems from unauthorised internal or external access using numerous commercially available computer security products, as well as internally developed security procedures and practices.

Prestariang reported zero cyberattacks and incidents during the reporting period and zero breach of data privacy.

ENGAGING SHAREHOLDERS AND THE INVESTMENT COMMUNITY

The Board is also committed to ensure all information on financial results, operational performance business strategies and other corporate matters, which are disseminated are always accurate and timely, and where necessary, filed with regulators in accordance with the relevant legal and regulatory requirements.

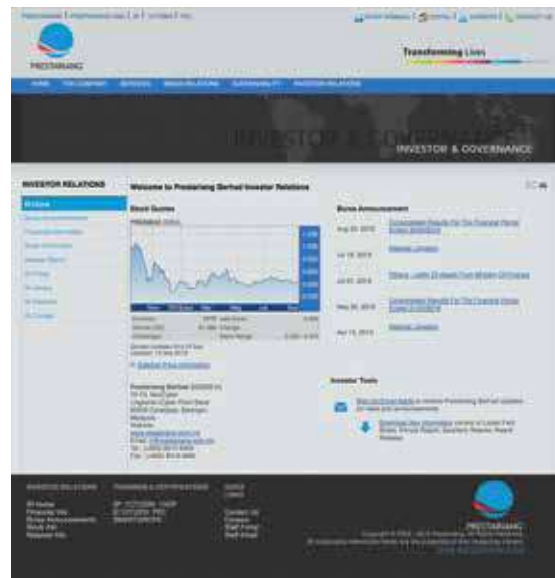
Our Investor Relations Policy includes guidelines on stakeholder engagement which indicate the authorised channels and personnel for the release of information to internal and external stakeholders. The policy also dictates the review and release of information to regulatory authorities to facilitate full disclosure of the Company's material information.

Our engagement in the marketplace has yielded the following benefits:

- Recognition among shareholders;
- Securing new investors; and
- Developing new business opportunities

We have a dedicated investor relations team to engage with stakeholders who are responsible for organising and planning regular meetings, roadshows, conference calls and site visits to keep the investment community updated on our strategic developments, financial performance as well as on ESG matters.

All relevant information, reports, policies and updates are published on our website at www.prestariang.com.my in a timely manner. Stakeholders can also submit enquiries via email at ir@prestariang.com.my.



Prestariang's dedicated Investor Relations section in the company website keeps the investor community abreast with our ongoing developments.

COMMITMENT TO INVESTORS

Our commitment for good investor relations is to consistently build and gain trust among investors with clear communication and direction in order to generate value at both ends of the spectrum.

SUSTAINABILITY COMMITMENT

Disclosure of Financial Results

Our timely release of financial results on a quarterly basis provides shareholders with the latest information on the Group's performance and operations. An analyst briefing is held after the release of each quarter's financial results to Bursa Malaysia Securities Berhad (Bursa Malaysia). Materials presented during these briefing sessions are available to investors upon request and are also featured on the Group's website.

Announcement of Quarterly Results	
4 th Quarter Results FY2017	27 February 2018
1 st Quarter Result FY2018	15 May 2018
2 nd Quarter Result FY2018	29 August 2018
3 rd Quarter Result FY2018	28 November 2018
4 th Quarter Result FY2018	28 February 2019
5 th Quarter Result FY2019	30 May 2019
6 th Quarter Result FY2019	30 August 2019

Shareholder Base and Value as Shariah-Compliant

We have a shareholder base of 6,317 institutional and retail/private shareholders as at 28 June 2019. Maybank Trustees Berhad Areca Dynamic Growth Fund and CIMB Islamic Trustee Berhad - Affin Hwang Multi-Asset Fund are our major shareholders with equity holdings of 16.01% and 8.29% respectively of our total share capital. Foreign shareholding accounted for 2.20% of the total.

As a Shariah-Compliant company, Prestariang is committed to responsible investments that are free from usury, gambling and ambiguity while striving for steady and sustainable profitability.

Share Performance

During the year under review, our share price was on a downward trend due to the uncertainty of the SKIN Project. This has resulted in an all time low share price of RM0.27. However, the share price stabilised at an average of RM 0.42 moving towards the end of June 2019. Prestariang continued to receive support from both institutional and retail investors with total average traded volumes of 11.6 million shares per day. The price opened at RM 1.53 on 2 January 2018 and closed at RM0.41 on 28 June 2019.

Returns to Shareholders

For the financial year ended on 30 June 2019, the Board of Directors have declared and paid three interim, single-tier dividends, totaling 1.20 sen per share, amounting to RM5.8 million.

Dividend Policy

It is our commitment to create value for our shareholders. This is done via our dividend policy, which has been resolved and approved by the Board since February 2016. The policy sets the distribution of dividends at a minimum of 50% of PAT.

However, the recommendation and payments of dividend are dependent on the following factors:

- Availability of adequate distributable reserves and cash flows;
- Operating cash flow requirements and financial commitments;
- Anticipated future operating conditions, as well as future expansion, capital expenditure and investment plans; and
- Any material impact of tax laws and other regulatory requirements.

Actual dividends proposed and declared may vary, depending on financial performance and cash flow, and could be waived if payment of dividend may impact adversely on the cash flow and operations of the Group.

Dividend Payout

Financial Year	2014	2015	2016	2017	2019
Total Gross Dividend per Share (sen)	4.19	3.75	3.00	2.75	0.70
Share Price (RM)	1.44	2.97	2.06	1.52	0.41
Dividend (RM Million)	19.7	18.1	14.5	13.3	3.40
Number of Shares (RM '000)	484,000	484,000	484,000	484,000	484,000

Notes:

During Financial Year 2014, the issued and paid up share capital of the Company was increased by way of:

- a. A bonus issue of 220,000,000 new ordinary shares of RM 0.10 each on the basis of one (1) bonus share for every one (1) existing share in issue; and
- b. A private placement of 44,000,000 new ordinary shares of RM 0.10 each at an issue price of RM 1.74 per ordinary share.

SUSTAINABILITY COMMITMENT



PRINCIPLE 3: COMMITMENT TO CORPORATE RESPONSIBILITIES

EMPOWERING COMMUNITIES

We approach Corporate Social Responsibility (CSR) initiatives by value creation through our sustainability initiatives. Our focus moves beyond merely enhancing our reputation towards improving our ability to address challenges in our society. The objectives of our strategic focus are to raise the employability of individuals through education, the quality of life and living standards as highlighted in our Corporate Citizenship.

Philanthropy for Education

As a Shariah-Compliant counter, we ensure that a part of our annual profits go towards charitable causes where we contribute a pre-determined amount to selected NGOs. In the reporting period, the Group donated approximately RM38,000.00 to the less fortunate in order to support early education and empower these children to have access to education.

We also welcome volunteerism among employees. We also adopt a culture of supporting each other in times of crisis, be it contribution in time, in-kind assistance or financial aid. It is noteworthy to mention that employees participated in numerous voluntary programmes and charitable events, funded personally by the employees themselves.

CORPORATE CITIZENSHIP COMMITMENTS

- We continue to build better lives, especially in enhancing education opportunities and lifelong learning.
- This is our steadfast contribution and definition towards quality sustainable education for the betterment of local communities, their children and society in its entirety.
- We are committed to take responsibility on our environmental consumption and production which may impact the lives of the community that surrounds us.

Our Alignment:



SUSTAINABILITY COMMITMENT



2018 Ramadhan Charity Drive in and around the vicinity of Puchong, Selangor.



Prestariang and UNIMY joined hands during the Blood Donation campaign which was held at UNIMY Putrajaya on 1 October 2018.

PROMOTING THE LEARNING GENERATION

We continue to build better lives in enhancing education opportunities with the objective of a sustainable lifelong learning generation.

School Adoption Programme

Sekolah Kebangsaan Sungai Manggis (SKSM) in Banting, Selangor, has been our adopted school under the Prestariang School Adoption Programme since 2015. Since then, Prestariang has been steadfast in creating and enhancing the school's learning and teaching environment. We have established the concept of a lifelong learning environment, aspiring to develop talent from this school through technology by crafting opportunities for the youth in driving the future digital economy.



Donation of books to Sekolah Kebangsaan Sungai Manggis in 2018.

Yayasan Universiti Malaysia

Yayasan Universiti Malaysia (YUM) has been Prestariang's rendition of support towards quality education. In our effort to nurture Malaysia's pool of industry-ready talents and drive the nation's digital economy, Prestariang has generously supported YUM Foundation through offering deserving Malaysian students from the lower income group to further their tertiary education in information & Communications Technology (ICT) since its inception.



UNIMY Gotcha where YUM sponsored deserving students for their further education.

SUSTAINABILITY COMMITMENT

We appreciate academic achievements and take great pride in celebrating excellence among bright young Malaysians. As part of our appreciation efforts, Prestariang via the YUM Foundation rewards high achievers with scholarships and other types of sponsorships. This has allowed these scholars to pursue their foundation, diploma or bachelor's degrees. The sponsorship amount varies according to their academic achievements, prioritising those with merits e.g. 100% scholarship for tuition fees and resource fees for students with 8As for STPM or 3.70 CGPA for foundation & diploma or its equivalent respectively.

For the financial period under review, we have sponsored RM2,456,000 to support the YUM Foundation and its cause.

BUILDING KNOWLEDGE SOCIETIES

A knowledge society generates and shares knowledge to all members of the society. We are committed to building knowledge societies in line with our business philosophy of 'Transforming Lives'.

CEO @ Faculty Programme 2.0: Coached by the Pros

CEO @ Faculty Programme (CFP) 2.0, with its tagline "Coached by the Pros" is an ingenious initiative by the Ministry of Higher Education (MoHE), which aims to expose youth university lecturers with the rudiments and operations of the industry. Initiated in 2015, CFP has inducted more than 60 senior public servants, C-suite executives from both Government-Linked Companies (GLC) and private industries including Prestariang's very own President/GCEO, Dr Abu Hasan.

This time round, Ts Dr Roslinda Alias, Senior Lecturer, Education Faculty, from Universiti Teknologi MARA was selected for a 6-month placement in Prestariang. Stationed directly under Dr Abu Hasan's mentoring, she was exposed to all the nooks and crannies of the corporate world.

ENABLING YOUTHS THROUGH EMPLOYMENT INITIATIVES

In line with our Corporate Citizenship Statement, supporting youth unemployment is close to our hearts and aligned with our materiality issue, which is to equip our youth with tools required for future employment and industry-ready. Prestariang's approach is through the provision of:

- Internship
- Traineeships via Prestariang Protégé
- Job placements via TalentXchange
- Further education via TalentXchange



Ts Dr Roslinda Binti Alias
Senior Lecturer, Education Faculty
Universiti Teknologi MARA



INTERNSHIP POLICY

1. Equal employment opportunity for the underprivileged groups, which includes those from deprived backgrounds, poor social status or no formal education or qualifications.
2. Placement programme opportunities for unemployed youths, apprenticeships and graduate placements.

Internship Programme and Temporary Employment

We provide industrial training for undergraduates that range from three to six months to final year students of all disciplines with real world experience by streaming them into respective departments within the Group, in line with their education and curricular backgrounds.

The programme is available for deserving students while our temporary employment programme is available for unemployed youths as stated within our Internship Policy. The Internship Policy is reviewed yearly or as and when needed.

SUSTAINABILITY COMMITMENT

Our Interns' and Temporary Employees' allowances are set at:

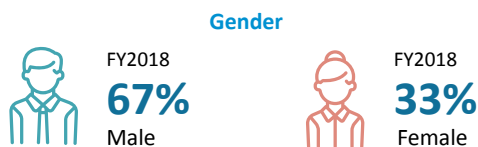


Description	Dec 2016	Dec 2017	Dec 2018	June 2019*
No. of Interns & Temporary Employees	21	48	15	0

* As at 30 June 2019

As most of the interns and temporary employees are from local public universities, Malays make up the majority of this category of employees while 2% are Chinese and another 2% are of other races. The Company is stepping up efforts to encourage the diversity and inclusivity for the underprivileged groups. A total of 15 interns and temporary employees were hired during the reporting period.

Total Number of Interns & Temporary Employees



Age Group



Below 30 years old

protégé

Prestariang Protégé

Professional Training and Education for Growing Entrepreneurs (Protégé) is a continuation of Skim Latihan 1Malaysia (SL1M). It is part of the Government's effort in raising the quality of local graduates, in driving their employability. As a beneficiary of the Government's Procurement Contract, it is Prestariang's fiduciary duty to execute the Protégé programme, in accordance to 1PP/PK 1.2 Order.

Prestariang Protégé is a 12-month programme, primarily targeting unemployed youth. The programme aims to optimise the employability of graduates. This is attained by allowing the protégés to assimilate themselves with the working environment via on-the-job training and developing various core soft-skills via training programmes. A total of 48 Protégés were selected during the reporting period where 65.6% were females. All of our protégés are below the age of 30 years old.

Total Number of Protégés

Gender



Age Group



Below 30 years old

* As at 30 June 2019

SUSTAINABILITY COMMITMENT

Soft-Skills Training

The programme starts with development of key soft-skills via short training sessions. We emphasise on communication skills, critical thinking, organisational adaptability, professionalism and etiquette aside from other optional additional modules that can help to prime the protégés' for a real working environment.

On-The-Job Training

Leveraging on our existing talents as supervisors, each protégé will be assigned to a supervisor. The supervisor then carries out the training by equipping the protégé with knowledge, skills and experiences - boosting their confidence and in turn, increasing their employability to secure a job by the end of the programme. The protégés are also given tasks and KPIs to be achieved, in line with their qualifications. Each supervisor monitors their protégé's development via two appraisal sessions, which are at the 6th and 12th months of the programme.

As at June 2019, Prestariang nurtured 63 protégés, recording a 33.33% employability rate:

- 3 of them were employed by Prestariang;
- 15 of them were employed by other companies within the 12-month training period; and
- The remaining 3 of them were employed after they completed the programme.

The remaining 66.67% (42 protégés) are currently undergoing the programme. It is expected for all 42 of them to be employed by the end of their 12-month training period.

Driven to curb both unemployment and financial distress among the local graduates, we are committed to expanding the programme to reach a bigger audience. Prestariang aspires to obtain 100% employability for a total of 105 protégés by year 2021.

CORPORATE ENVIRONMENTAL RESPONSIBILITY

We are dedicated to serving and improving the communities where we operate. There is no greater community than the planet we all share. It is our strong belief and responsibility to build a sustainable future and help ensure that the planet will remain pristine for generations to come.

As a company, we are focused on managing our own environmental footprint, and have disclosed our environmental consumption since 2014. In this report, we have disclosed the carbon emission for the reporting year and are continuously finding ways to reduce and reuse, to increase our efficiency and sustainability efforts.

COMMITMENT TO THE ENVIRONMENT



Monitor excessive water discharge, electricity usage, paper usage and proper waste disposal.



Instilling a culture that supports a lifelong learning environment in the workplace and the community in which we operate.



Proactively seek to adopt best practices and standards to promote the 3Rs "Reduce, Reuse and Recycle" process.






Creating awareness and encouraging participation of our employees.

SUSTAINABILITY COMMITMENT

Operating Sustainability – Our Environmental Goals

We are committed to reducing our total overall operational greenhouse gas emissions by less than 2.0 MT CO₂ emission per employee per year. Our Goals are as below:

	 CARBON EMISSION	 REDUCE PAPER WASTE	 REDUCE ENERGY CONSUMPTION
SHORT TERM	Reduce and maintain less than 2.5 MT CO ₂ -eq emission per employee per year for Scope 2.	Reduce and maintain to less than 5 paper reams per employee per year.	Reduce and maintain less than 1,500 kWh per employee per year.
LONG TERM	Reduce to less than 2.0 MT CO ₂ -eq emission per employee per year for Scope 2 by 2030.	Maintain less than 4 paper reams per employee by 2030.	Maintain less than 1,000 kWh per employee per year by 2030.

Carbon Emissions

We have reported our collection of Carbon Emission inventory since 2017. This includes indirect emissions associated with the consumption of purchased electricity (Scope 2) and other indirect emissions associated with paper use and employee business travel (Scope 3). We do not produce any direct emissions (Scope 1).

Based on our set goals, we have successfully reduced less than 2.5 MT CO₂-eq per employee per person for Scope 2 emissions. This is contributed by our reduced operation size and manpower, coupled with the effective approach towards our Green ICT Practices which are explained in detail on page 92. We target to maintain less than 2.5 MT CO₂-eq per employee from here onwards.

Total Carbon Emissions

(MT CO ₂ -eq) / Financial Year		Dec 2015	Dec 2016	Dec 2017	Dec 2018	June 2019*
Scope 1		N/A	N/A	N/A	N/A	N/A
Scope 2		207	218	215	190	74.26
Scope 3 :	Paper Use			10.44**	9.02	2.45
	Business Travel: Road Bound			60.10	44.15	35.83
	Business Travel: Local Air Travel				4.32	1.60
Total				285.54	247.49	114.14

Carbon footprint is measured in terms of metric tonnes of carbon dioxide equivalent (MT CO₂-eq).

** Updated carbon emission data for 2017

Scope 2 Carbon Emission per Employee

Financial Year	Dec 2015	Dec 2016	Dec 2017	Dec 2018	June 2019*
Scope 2: Energy Carbon Emission per Employee (MT CO ₂ -eq)	1.45	1.45	1.29	0.79	0.71
Variance		0%	-11.03%	-38.76%	-

* As at 30 June 2019

SUSTAINABILITY COMMITMENT

Internal Carbon Pricing

We set our internal carbon pricing based on United Nations Global Compact recommendation at USD100/MT CO₂-eq to be at par with other Technology peers worldwide.

Amount / Financial Year	Dec 2015	Dec 2016	Dec 2017	Dec 2018	June 2019*
Scope 1			N/A	N/A	N/A
Scope 2			USD21,500	USD19,000	USD7,426
Scope 3			USD7,054	USD5,749	USD3,828
Total USD			USD28,554	USD24,749	USD11,254
Total (RM)**			RM114,216	RM98,996	RM45,016

* As at 30 June 2019

** Assumption that 1 USD = RM4.00

Energy Use

Our energy consumption qualifies as our main indirect source of emission under Scope 2. We have one source of energy through electricity. Our consumption has decreased by more than 5% in 2018. This is a resounding success to our goal of 0.5% reduction made in 2017, mainly driven by our reduced operation size and our commitment towards the Green ICT Practices. We will remain committed to our Green ICT Practices in order to reach our long term goals.

Below is our record of 5 years energy use and carbon emissions in metric tons of carbon dioxide equivalent (MT CO₂-eq):

Financial Year	Dec 2015	Dec 2016	Dec 2017	Dec 2018	June 2019*
Energy Use (kWh)	278,432	293,062	289,471	273,804	107,006
Variance	-	5.25%	-1.23%	-5.41%	-
Energy Use per Employee (kWh)	1,961	1,953	1,733	1,131	1,029
Variance		-0.41%	-11.26%	-34.74%	-
Energy Carbon Emission (MT CO ₂ -eq)	207	218	215	190	74.26
Variance		5.31%	-1.38%	-11.62%	-
Energy Carbon Emission per Employee (MT CO ₂ -eq)	1.45	1.45	1.29	0.79	0.71

* As at 30 June 2019

- The energy use data has not been verified by a third-party nor has there been an adoption of an internal assurance standard.
- Our non-renewable energy consumption comprised grid electricity only.
- All records are compared only for NeoCyber building and employees working in that location.

SUSTAINABILITY COMMITMENT

Water Use

We practice responsible water consumption at our workplace by discouraging, where possible, wasteful practices. The water consumed is obtained from the municipal water supply. For year 2018 and 2019, an estimation was used due to a technical metering problem, which was provided by the Joint Management Body (JMB) of NeoCyber building. Thus, for the financial year under review, accurate measurement of performance and comparison cannot be made. However, our commitment to consistently better our disclosure is not dampened by this development. We will first look into the issue with the JMB and restate the actual data in our future report once it becomes available.

We have also been practicing rainwater harvesting since 2014. The collected rainwater is used for non-potable purposes such as washing corridors, grounds maintenance, irrigating drains and watering plants. We are making efforts towards measuring the collected rainwater in the future.

As to date, the carbon emission by water use remains irrelevant.

Financial Year	Dec 2015	Dec 2016	Dec 2017	Dec 2018	June 2019*
Water Use (m3)	626	492	271	310	120
Variance	-	-21.41%	-44.92%	14.39%	-
Water Use per Employee (m3)	4.41	3.28	1.62	1.28	1.15
Variance	-	-25.62%	-50.61%	-21%	-
Water Carbon Emission (MT CO ₂ -eq)	2.62	2.06	1.14	1.30	0.88
Variance	-	-21.37%	-44.66%	14.04%	-
Energy Carbon Emission per Employee (MT CO ₂ -eq)	0.02	0.01	0	0	0

* As at 30 June 2019

- All records are compared only for NeoCyber building and employees working in that location.

Paper Use

Our Scope 3 emissions are from our paper consumption. The data collected during the year in review represents the baseline performance. We would like to reinstate that the new calculation for carbon emission of paper use was 10.44 MT CO₂ for 2017. The new carbon emission calculator is now based on the Paper Calculator 4.0 available at c.environmentalpaper.org.

We have reduced our consumption to 13% in 2018. Thus, we have achieved the previous goal set (which was at 0.5% carbon emission reduction). Once again, our reduced operational size and adherence towards our Green ICT Practices played a major role in this success. In the future, we intend to maintain our paper use by adhering to our Green ICT Practices.

Financial Year	Dec 2017	Dec 2018	June 2019*
Paper Use (reams)	1,151	995	271
Paper Use (reams) per employee	6.90	4.11	2.61
Paper Use (tonne)	2.87	2.49	0.68
Variance	-	-13.24%	-
Carbon Emission from Paper (MT CO ₂ -eq)	10.44**	9.02	2.45

** Updated carbon emission data for 2017

* As at 30 June 2019

SUSTAINABILITY COMMITMENT

Business Travel

Business Travel forms another source of Scope 3 emissions. For this reporting period, we have added domestic air business travel data for carbon emission calculation. Road-bound business travel is only referenced to the use of cars and motorcycles only. We aim to reduce carbon emissions from road-bound vehicles by 0.5%.

Financial Year	Dec 2017	Dec 2018	June 2019*
Road-bound Business Travel Mileage (KM)	207,114	147,175	119,423
Carbon Emissions from Road-bound Business Travel (MT CO ₂ -eq)	60.10	42.70	34.60
Variance	-	-28.95%	-

Financial Year	Dec 2018	June 2019*
Domestic Air Business Travel (KM)	59,353.47	22,460.07
Carbon Emissions from Air Business Travel (MT CO ₂ -eq)	4.32	1.60

* As at 30 June 2019

Recycling

During the year in review, our recycling activities were less intense compared to the previous years. As the number of employees dropped, less waste was produced and in turn less recycling needed to be done.

Frequency of Recycling 2019

Once every two months



Paper



Plastic

Savings Through the Reuse of Material

During the reporting period, we saved RM87.80 due to recycling of paper, plastic and steel. We intend to increase our recycling activities for the next reporting period.

Paper



RM62.90

Plastic



RM15.40

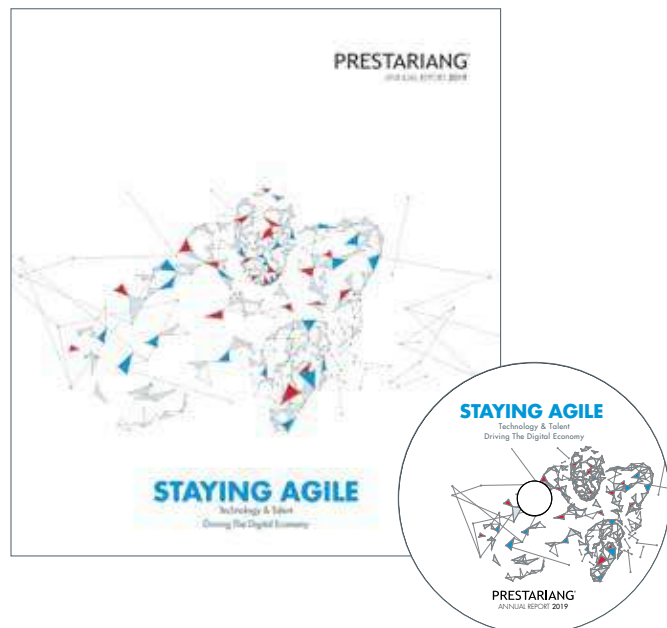
Steel



RM9.80

Paperless Annual Report

We aspire to distribute paperless annual reports in the future. Moving forward, we will be producing our annual reports in interactive Portable Document Format (PDF) which will be available in our corporate website (www.prestariang.com.my) subject to shareholders' approval on the proposed adoption of the new constitution of the company at the forthcoming Annual General Meeting (AGM).



SUSTAINABILITY COMMITMENT



PRINCIPLE 4: ENGAGING WORKPLACE

THE BEST FOR OUR PEOPLE

As a leading Technology and Talent Platform Innovator, we embrace people development and investing in talents to grow our businesses. A robust approach to employees' performance management is the key to sustainable growth and competitiveness. The Company is dedicated to the belief: Commitment to Our Employees, which has been the guiding principles of people management over the years.

This commitment is translated into diverse best practices which encompass education initiatives, employees engagement, performance management processes, compliance through implementation of workplace policies, industrial engagements, along with strategic plans for business transition strategy and career succession planning. As our focus has intensified towards the development of knowledge workers, it is imperative to fulfill both business needs and creating a conducive workplace that meets the rise in employee aspirations and expectations.

Professional Membership

We are a member of the Malaysian Employers Federation (MEF), which provides various services within the areas of human resource and industrial relations, market surveys and employment information, workplace training and development, and occupational health and safety programmes.

We are also a member of the Malaysian Institute of Management (MIM), which provides professional certifications and education programmes in the form of in-house and international training programmes to drive professional career aspirations and organisational growth.

Labour Practice, Compliance, Policies and Human Rights

In attracting talents by providing the best working environment and protecting our employees' rights, we comply with all laws and regulations as stated herein. To date, we have also recorded zero instances of non-compliance to labour standards.

COMMITMENT TO OUR EMPLOYEES

- We are committed to provide our employees with a stable, diversified and innovative work environment where there is equal opportunity for learning and growth.

Our Alignment:

UNSDG



MATERIALITY
Recruitment,
Career, Training
and Development

Equal Opportunity Employer

We are an Equal Opportunity Employer. In line with the Universal Declaration of Human Rights (UDHR), we are committed to practicing equal employment opportunities for all employees based on merit, free from discrimination and providing non-discriminatory, fair employee wages and salary.

All employment decisions at Prestariang are based on business needs, job requirements and qualifications, disregarding race, colour, religion, gender, age, sexual orientations, physical/mental /sensory disabilities, political beliefs and nationality. We practice no child and youth person labour and no forced labour in any kind of work. We respect the rights of employees to practice their religion during their working hours. As stated in our Employee Handbook, we will not tolerate discrimination based on any of these characteristics.

Advocate Freedom of Association

We uphold freedom of association, compliant with the Federal Constitution and other applicable laws in that regard.

SUSTAINABILITY COMMITMENT

Advocate Freedom of Expression

We uphold freedom of expression/association, compliant with the Federal Constitution and other applicable laws in that regard. Our employees have the right to freedom of speech and expression, in line with Prestariang's Employee Code of Conduct and Whistle Blowing Policy.

Discourage Excessive Working Hours

We take work-life balance very seriously. We comply with local labour laws with regards to working hours and public holidays and have yet to record any incidents of non-compliance to labour standards. Committed to keeping the employees' work-life balance, we also allow flexible working hours to accommodate specific needs of our employees as addressed within our Employee Handbook.

Commitment to Exceed Minimum Wage

We not only comply with the Minimum Wage Order 2018 regulations, but we go above and beyond by ensuring that permanent and contract employees are paid a minimum of RM2,000.00 gross salary, which exceeds the local minimum wage of RM1,100.00.

Rights to Trade Union and Collective Bargaining

We open the rights to non-executive, trade workers and/or general workers to participate or form trade unions provided for under the National Union of Commercial Workers (NUCW). As per the reporting period, no trade unions were formed. Therefore, we would like to highlight that we are a non-unionised organisation and rendering the Collective Bargaining as inapplicable without a Trade Union.

Compensation and Benefits

We are committed to provide on-time salary payment to employees, which is above the statutory minimum wage, and pay overtime compensation in accordance with the labour law and regulations. All employees and protégés are provided with Medical Benefits.

COMPLIANCE TO REGULATIONS AND LAWS

LABOUR AND EMPLOYEE MATTERS:

1. Employment Act 1955
2. Child Act 2001
3. Children Youth Persons (Employment) Act 2010
4. Industrial Relations Act 1967
5. Anti-Corruption Commission Act 2009
6. Official Secret Act 1972
7. Minimum Retirement Age (Exemption) Order 2016.
8. Industrial Relation Act 1967
9. Minimum Wage Order 2018
10. Whistle-blower Protection Act 2010
11. Employment Termination and Lay-Off Benefits Regulations 1980
12. Subscribe to Universal Declaration of Human Rights (UNDR)
13. Personal Data Protection Act 2010
14. Employees Provident Fund Act 1991
15. Employees' Social Security Act 1969
16. Employment Insurance System Act 2017
17. Trade Unions Act 1959
18. Occupational Safety and Health 1994
19. Workmen's Compensation Act 1952

SUSTAINABILITY COMMITMENT

GRIEVANCE PROCEDURE

Employee Handbook: On-Board Training and Accessibility

Our Employee Handbook is disseminated to all employees and spells out all the terms and conditions of employment. The Company also pledges to foster safe, inclusive, and respectful workplaces and freedom to association and expression. Our Handbook is reviewed every year and was updated in 2019, incorporating updated laws and regulations as well as the mandate the by the Government.

The Handbook also explicitly states that the we provide all employees and applicants for employment with fair and equal employment opportunities without regard to race, colour, ethnicity, national origin, religion, beliefs, age, sexual orientation, expression, marital status, gender or gender identity, disability and any other legally protected status.

All employment policies and guidelines, including the Handbook are made available and accessible anywhere, locally and internationally, in English (as our official language for online communication) and in Bahasa Malaysia via our internal employee portal.

All new employees are briefed on the Handbook and its contents through on-boarding training sessions.

Incidents, Whistle Blowing and Grievance

We have established a grievance policy within the Company to ensure constructive methods of voicing concerns and proper methods in addressing any issues raised. The Employee Handbook outlines details on filing complaints or reporting dissatisfaction/discontent arising from work related issues, including bullying and harassment. We have recorded zero incidents to date.

Stage 01

Submit notice of grievance to his or her immediate supervisor within six working days from the actual date of incident. Investigation of complaint is to be carried out, if necessary. The grievance will be addressed within ten working days.

Stage 02

If the grievance is not resolved, the said immediate supervisor will refer it to the employee's department/business head and discussions will be held with the said employee. The grievance will be addressed within the next six working days.

Stage 03

If the grievance is yet to be resolved, the Head of Department/Business will refer it to the Human Resource Department (HRD) and discussions will be held with the said employee, involving the immediate supervisor and department/business head as well.

Stage 04

If the grievance remains unsolved, the HR Manager will extend the case to the Chief Executive Officer (CEO) or Grievance Panel for them to make a decision within six working days. The employee may appeal on the decision, where the final decision will be made by the CEO.

SUSTAINABILITY COMMITMENT

Employees are also encouraged to raise their concerns with regards to unethical or unlawful behaviour and organisational integrity by leveraging on our Whistle Blowing Policy. The policy is designed to enable an employee of the Company to raise their concerns internally, at a high level and to disclose information which the individual believes shows malpractice or impropriety.

Our Whistle Blowing Policy and Grievance Procedure are presented on page 101 in the Corporate Governance Overview Statement and is also available on our corporate website www.prestariang.com.my.

There were no grievances or incidents from employees recording during the year under review.

CULTIVATING INCLUSION AND EMBRACING DIVERSITY

The Company and its Board of Directors are committed to providing a diverse, inclusive and fair work culture that values and celebrates differences. Diversity is embraced and different perspectives on issues are welcomed as it fosters creativity and innovation to solve business challenges. The HRD plays an important role of cultivating inclusivity and fostering an inclusive workplace through employee engagement activities such as festive celebrations, sports events and recreational activities to strengthen relationship among employees of different levels and backgrounds.

The HRD plans and organises activities for employee engagement every year. To measure the effectiveness of engagement, the HRD conducts an Employee Engagement Survey every year and annual employee performance appraisal. We are mindful about engaging and retaining productive employees and have set the target for employee turnover rate below 10%. For 2018, the employees turnover rate was 6% compared with 10.78% in 2017.

Strategies and principles to maintain employee current and future inclusivity, diversity and active engagement as a virtue to the working culture are as follows:

- Properly balance the needs of the employees and the needs of the Company.
- Provide training and development in areas of leadership and technology enhancement especially digital disruption.
- Hiring the most qualified employees; getting the right talents with the right job fit and skills.
- Obligated to employ and develop local talents as part of our commitment to the community, to drive and sustain the local economy.
- Retaining our valued employees by implementing the following initiatives:
 - o Assuring effective leadership qualities in our managers;
 - o Providing competitive wages and benefits;
 - o Implementing continuous Learning and Development Programmes;
 - o Conducting career development training and coaching;
 - o Conducting exit interviews;
 - o Supplying relevant feedback to management via Employee Satisfaction Survey; and
 - o Enhancing two-way communication between employees and management.
- Emphasis on leadership development programmes specifically for potential successors to ensure future leaders are well equipped for leadership management and are ready to take over the key positions within the organisation.
- Maintaining the procedures of employee grievance, whistle blowing and complaints, and its easy accessibility to employees.
- Allowing employees to perform voluntary work or activities such as charitable work and personal donations for the wellbeing of the community.

SUSTAINABILITY COMMITMENT

Major Employee Engagement Activities 2018/2019



1 21 January 2018
Prestariangites participated and nailed it at Twincity Marathon 2018.

2 23 February 2018
UNIMY's first Chinese New Year celebration organised by the UNIMY Student Representative Council 2017/2018.

3 24 February 2018
Health enthusiasts among our employees headed to Kuala Pilah, Negeri Sembilan for an excursion to conquer the peak of Bukit Senaling on 28 February 2018. This was a novel employee engagement method to encourage camaraderie and a healthy lifestyle among our employees.

27 February 2018
PSKIN kicked-off their Townhall session 2018 where PSKIN CEO Raja Azmi drove the team towards achieving the SKIN Project goals.

4 08 March 2018
Prestariang employees donned purple attire in support of the #pressforprogress to celebrate Women's International Day.

SUSTAINABILITY COMMITMENT

Major Employee Engagement Activities 2018/2019



5 07 May 2018
Celebrating the President/Group CEO, Dr Abu's 57th birthday which fell on 8 May 2018.

6 11 July 2018
Prestariang Annual Hari Raya Aidilfitri celebration. Our clients from the Ministry of Home Affairs joined us in the celebration.

7 13 July 2018
In conjunction with the 2018 FIFA World Cup, football enthusiasts among our employees who were caught up with the World Cup fever madness organised a gathering to celebrate Hari Raya Aidilfitri. Employees donned jerseys of their favourite teams and decorated their workplace with memorabilia while indulging in festive goodies such as rendang, lemang and cookies. The potluck on 13 July 2018 was held at Prestariang HQ in Cyberjaya.

SUSTAINABILITY COMMITMENT

Major Employee Engagement Activities 2018/2019



8 30 August 2018
In the spirit of Merdeka, employees celebrated Malaysia's 61st Independence Day.

9 27 September 2018
Prestariang and UNIMY students and staff participated in the annual Bursa Bull Charge.

10 02 November 2018
Employees gathered together to celebrate Deepavali, the Festival of Lights.

11 09 November 2018
Baking Sessions with The Boys at Prestariang HQ in Cyberjaya.

12 17 June 2019
Prestariang celebrated the annual Hari Raya Aidilfitri celebrations with our clients from the Ministry of Finance.



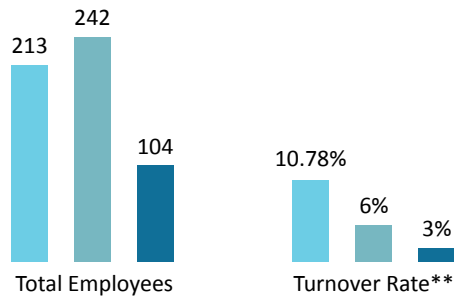
SUSTAINABILITY COMMITMENT

Employee Demographics

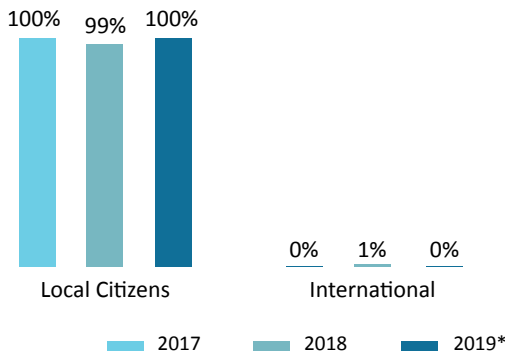
As at 30 June 2019, there were 104 employees, a reduction of 35% compared with 242 employees as at 31 December 2018. The reduction of manpower was mainly contributed by the termination of the SKIN Project on 19 January 2019. The termination was based on Expropriation (Clause 31 of the CA). As such, the Company underwent a business consolidation strategic exercise, triggered by the need to cease operations of the SKIN project which resulted in the inevitable retrenchment of some employees.

While we focused on rationalising our business operations due to the termination of the project, we still maintained our standing as an Equal Opportunity Employer by providing equal opportunity for learning and personal growth. Our effort is evident by the steady increase of our multi-racial workforce over the years.

Total Employees



Employees by Nationality



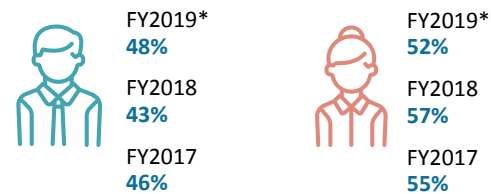
* As at 30 June 2019

** It is noteworthy to disclose that only employees that have resigned and being replaced are calculated into our turnover rate. This excludes talent management processes that have been done under the business consolidation strategy exercises. The total employees in the past five years does not include UNIMY headcount.

In terms of gender diversity across the workplace, Prestariang's female to male ratio was 5:7 for year 2018 and 5:6 for year 2019 (as at 30 June 2019), respectively. As the Company matures, so does the increase of employees within the above 40-year age group.

It is also noteworthy to disclose that the number of employees every year does not include UNIMY's headcount nor its sustainability performance. This is due to having a fair comparison of employee demography and performance.

Employees by Gender




Employees by Race

Malay	Chinese	Indian	Others
FY2019*	FY2019*	FY2019*	FY2019*
84.6%	10.6%	3.8%	1.0%
FY2018	FY2018	FY2018	FY2018
84%	8%	7%	1%
FY2017	FY2017	FY2017	FY2017
87%	8%	5%	0%

Employees by Age

Below 40 years old	40 years old and above
FY2019*	FY2019*
69%	31%
FY2018	FY2018
67%	33%
FY2017	FY2017
68%	32%

Employees by Education



PhD and Master	Degree	Diploma
FY2019*	FY2019*	FY2019*
7%	67%	26%
FY2018	FY2018	FY2018
13%	74%	13%
FY2017	FY2017	FY2017
24%	58%	18%

* As at 30 June 2019

SUSTAINABILITY COMMITMENT

EMPLOYEE TALENT DEVELOPMENT AND GROWTH

Our focus during the period under review was on enhancing employees' skills to meet the Group's operational and business requirements as well as addressing newer challenges in their respective areas of work.

In 2018, the cost of training increased drastically from RM135,261 in 2017 to RM571,882 in 2018, despite the reduction of training man days from 14 days in 2017 to 4 man days in 2018.

This is mainly driven by the higher cost of technical-specific trainings (i.e. Red Hat related trainings).

Majority of the training budget for 2018 was allocated for technical trainings and certifications while the remaining was allocated for leadership, systems and soft-skills training programmes.

Training and Development

Average Man Days	Overall Cost
FY2019*	FY2019*
0.5	RM7,690
FY2018	FY2018
4	RM571,882
FY2017	FY2017
14	RM135,261

Training Programmes

Technical	Non-Technical
FY2019*	FY2019*
0	6
FY2018	FY2018
24	20
FY2017	FY2017
48	6

* As at 30 June 2019

Technical Training

2018

- PRINCE2 Foundation Certification (Class)
- Automation with Ansible I
- Open Shift Administrator 1(OCPA)
- Red Hat Satellite 6 Administration
- Red Hat Certification System Administrator
- Open Shift Administrator 1 (OCPA)
- Certified Information Security Awareness Manager
- ISO/IEC: 2013 Information Security Management System Lead Implementer
- OpenShift Enterprise Development (OCPD1)
- Effective Safety and Health Committee (ESHC)
- Seminar on BCMS & ISMS/ TSMS Certification Schemes
- Microsoft M365/O365
- IREB Certified Professional for Requirements Engineering (CPRE)
- PRINCE2 Foundation Certification (Exam)
- Implementing an Advance Server Infrastructure
- Contractual Risk Management
- Arista CloudVision Test Drive
- SKIN-ITIL Awareness
- Threat Prevention and Traps Workshop
- CISCO ACI Power Workshop
- PMP Certification Preparation Course
- SAP Ariba Innovation Day
- Ingram Microsoft Cloud Marketplace
- Jom Guna Levi

SUSTAINABILITY COMMITMENT

Non-Technical Training

2018

- HRDF Train-the Trainer Certification Programme
- The Art of Public Speaking
- MFRS 15 - Revenue from Contracts with Customers
- Microsoft: Upselling M365/O365 Workshop & Planning
- SKIN-Update on legal matters
- What is the Make Up of a Competent Company Secretary and Secretarial Practice Under Companies Act 2016
- Onboarding Training for Skillsoft Product
- Upsell Briefing: Digital Marketing & Big Data Training
- Top Grooming for Women@Workplace
- Documentation Evidence in Compliance to Risk Management Requirements
- SIRIM STS Customer Day 2018
- Conference for Government ICT Officers of Malaysia
- Gearing Up Corporate Liability
- Integrated Report - Bringing Numbers to Life
- HRDF Briefing
- 2019 Budget Seminar
- Latest Developments on MFRS 16
- Be A Talent Sourcing Pro
- Open Learning Conference 2018
- Digital Talent Report 2017 Sharing Session 2

2019

- Adobe Partners Training Enablement
- ESG Seminar for FTSE4GOOD Bursa Malaysia
- Unlock Shareholder Value with Compelling and Effective Storytelling
- Certified professional In Business Strategy, Finance and Leadership Management
- Soft Skills Training Digital Marketing
- SSM National Conference 2019 Future Proofing Business in the Digital Age

Employee Performance, Growth and Career Development

In accordance with our commitment to equal personal growth, we are committed to the strategic Succession Planning and Employee Competency Development for our employees.

For the latter, the Company conducts an annual employee performance review where employees have opportunities for career development assessment, personal growth assessment, as well as promotion and bonus.

It is in the Human Resource policy to groom employees who are lagging in their performance through specific training or coaching. This has resulted in better employee morale and motivation, and ultimately better retention among our employees. Subsequent to this, we placed priority on retaining internal placements for vacancies before opting for external recruits.

To drive continuous improvements, all employees are assessed via an annual performance evaluation.

In addition to this, we plan to enhance our competency development process via a structured and holistic approach, with the aim of equipping our employees with the necessary skills and competencies to prepare them for the inevitable IR 4.0. We aim to have in place a sustainable talent pipeline across all job levels - to ensure seamless continuity of development for our employees, in tandem with the sustainability of our business and operations as well. We must increase competencies and capabilities of our workforce to improve efficiencies in order to meet the set targets to sustain the Company's future.

SUSTAINABILITY COMMITMENT

Succession Planning

Some of our employees have been promoted within the Group. Currently, we are working on establishing a clear succession planning for all levels of employment. The plan is slated for approval in the next reporting period.

MAINTAINING A SAFE, HEALTHY AND SUSTAINABLE WORKPLACE ENVIRONMENT

We strive to create a conducive physical work environment while ensuring that our employees have the right tools, equipment and facilities to perform their work efficiently and safely. The Health, Safety and Environment (HSE) Policy enforced in 2017 and the Employee Handbook outlines requirements for all employees to adhere to all relevant health, safety and environmental laws and regulations across all business units and working locations. We also allow flexible working hours, where necessary, to accommodate the specific needs of our employees as addressed in the Employee Handbook.

During the reporting period, several HSE programmes were conducted including safety briefings to new employees, emergency preparedness and response, incident reporting and investigation. We also held meetings, workplace inspections and audits on a regular basis to monitor and evaluate the effectiveness of our various programmes so as to ensure continuous improvements in our efforts to promote HSE.

To date, zero HSE incidents were recorded. The HSE policy is set for a review on a need basis. The said policy is deemed relevant and will continue to be practiced.

Green ICT Practice

We have long subscribed to Green ICT Practices in the workplace. Under this practice, we leverage on ICT to conserve natural resources and also actively take precautions to reduce the impact of our operations on the environment. Prestariang's Green ICT Practices adheres to the Personal Data Protection Standard 2015, ISO/IEC 27001:2013, MAMPU ICT Security Policy version 5.3, and Information Technology Infrastructure Library (ITIL). It is also inter-related to our Procurement Policy, Employee Code of Conduct and Employee Handbook.

In January 2018, the Information Technology Security Standards (IITS) policy was formalised to encompass Green ICT Strategies which was laid out as guidelines in reducing the effect of climate change and improving environmental performance through smart ICT usage. This is done by reducing and efficiently using energy and in turn, contributing to a considerable amount of financial savings as well. The IITS will be reviewed yearly.

IITS is in line with the Information Security Management Systems (ISMS) practices and includes:

Device Consolidation

Where possible, to reduce the number of electronic devices used by an individual so as to cut down indirect consumption;

Green Disposal

Ensure proper disposal or resale of equipment that is no longer required; and

Hardware Acquisition

To include 'compliance to relevant green standards' as one of the tender specifications, whenever applicable.

SUSTAINABILITY COMMITMENT

Green ICT Practice



Printing and Printers

- All printers used are to be Energy Star certified.
- Printer consolidation policy: reduce the number of single printers and apply networked multifunction devices (MFDs).
- Encourage employees to print both sides of the paper.



Computers

- Utilise energy efficient chips and disk drives for computers used by our personnel and customers.
- Leverage on cloud computing for personal computers and mobile devices such as tablets and smart phones.
- Reduce energy consumption through active power management on computers (standby/hibernate after 10 minutes of inactivity).
- Turn off computers, lighting and cooling systems when not in use.



Data Centres and Servers

- Reduce the energy consumption of data centres by relocating data onto various cloud services.
- Server Optimisation: implement storage virtualisation and capacity management, and convert existing physical servers to virtual servers.



Data Privacy, Confidentiality and Security

- Reduce the energy consumption of data centres by relocating data onto various cloud services.
- Server Optimisation: implement storage virtualisation and capacity management, and convert existing physical servers to virtual servers.



Energy Consumption

- Energy efficient mechanical and electrical systems to achieve optimal efficiency.
- Replacing conventional lighting to energy saving lighting.
- Make use of natural light, automated energy-efficient cooling systems and other office equipment.



Recycle, Reuse, Reduce

- Utilise recycling bins for paper, plastic and glass waste located within the office premises.
- Utilise used paper for claim submissions and for ancillary uses.
- Minimise general waste and encourage alternatives to conventional waste disposal, such as “Bring Your Own” food containers.
- Make use of natural light, automated energy-efficient cooling systems and other office equipment.
- Encourage employees to sort materials before disposal to help lower GHG emission.



Green Conduct

- Conduct environmentally-conscious and paperless meetings.
- Utilise secured email and thumb drives as alternative means of distribution instead of printed copies.
- Encourage video or voice conferencing in meetings to save time and reduce carbon footprint from traveling.
- Use paper brands that are endorsed for their environmental policies and commitment to zero deforestation.

SUSTAINABILITY COMMITMENT



PRINCIPLE 5: GOVERNANCE TO DRIVE COMPLIANCE AND BEST PRACTICES

INTEGRATING SUSTAINABILITY INTO CORPORATE POLICIES

We have steadily been integrating more and more sustainability practices at all levels of our organisation, which have become more widely accepted by our people. Sustainability practices are ingrained into our corporate strategies, Risk Management systems and Company policies. We have experienced the results of these efforts as it has produced better decision making processes and with continued efforts, it will put Prestariang on firmer footing to improve its profitability.

Several Corporate Plans and Company Policies have incorporated Sustainability concerns as follows:

✓	Code of Conduct
✓	Employee Handbook
✓	Procurement Policy
✓	Health, Safety and Environment Policy
✓	Nomination Policy
✓	Information Technology Security Standards Policy
✓	Diversity
✓	Equal Employment & Gender Equality
✓	Women on Board
✓	Whistle Blowing Policy and Grievance Procedures
✓	Good Risk Management

All policies are reviewed yearly or as and when needed. This is to encourage and adopt more sustainability practices to address concerns which may arise from time to time.

Corporate Governance

The Board acknowledges the importance of promoting sustainability by giving attention to ESG aspects of business which emphasise sustainability. As highlighted in the Board Charter, the Board’s primary commitment is to lead and oversee the business of the Company and to ensure that the conduct of the Group’s operations promotes business sustainability, integrity and complies with the relevant law, rules and regulations.

COMMITMENT TO GOOD GOVERNANCE

- Comply with all relevant legislation, regulations and codes of practice.
- Maintain the highest standards of corporate governance, sustainability governance and best practices in the business and affairs of the Company and its Group of Companies.

Our Alignment:

UNSDG



MATERIALITY
Ethics & Integrity

Corporate Governance Framework

The Corporate Governance Framework has attributes that contribute to effective governance and tools for addressing governance risks. It also promotes smooth interaction between the Board and its stakeholders, which include the Board Sub-Committees, key management personnel and cascaded to all employees in the organisation.

The Group adheres to the following statutory requirements, best practices and guidelines:

- I. Companies Act 2016 (CA 2016)
- II. Bursa Malaysia Securities Berhad (Bursa Malaysia) Main Market Listing Requirements (MMLR)
- III. Malaysian Code of Corporate Governance (the Code)
- IV. Corporate Governance Guide: Moving from Aspiration to Actualisation (CG Guide) 3rd Edition

SUSTAINABILITY COMMITMENT

The Corporate Governance Framework has attributes that contribute to effective governance and tools for addressing risks. It also promotes engagement between the Board and its stakeholders, which include the Board Sub-Committees, key management personnel and cascaded to all employees in the organisation.



Our stakeholders at the 8th Annual General Meeting expect greater transparency, accountability and better governance in business and ESG performance.



Our adherence to Corporate Governance best practices bore fruit when MSWG awarded us with the MSWG-ASEAN Corporate Governance 2018 Award under the Technology Industry - a solid testament of our commitment towards embracing good Corporate Governance in the Company.

QUALITY POLICY (VERSION 3.0)

We are committed to satisfying the needs and exceeding the expectations of our customers and stakeholders and comply with statutory and regulatory requirements in the distribution and management of software licenses.

We are also committed to continually improve the effectiveness of our Quality Management System.

During the year in review, we expanded the coverage of our ISO 9001:2015 certification, encompassing not only the customers under direct business transactions, but those doing renewals and true up transactions as well. This is in line with our commitment for continuous improvement of our processes.



FTSE4Good

Since 2014, we have remained a constituent of the FTSE4Good Bursa Malaysia Index. This reflects our dedication towards addressing ESG risks.

SUSTAINABILITY COMMITMENT

EXCELLENCE IN SERVICE AND DELIVERY, RESPONSIBLE ETHICS AND VALUES

As a part of our shared values, customer focus, quality of service, delivery and integrity are our top priority to best serve the needs of our clients and customers. This virtue also reflects our quality of communication and daily operations delivery to each other as employees.

- [Prestariang Shared Values \[page 2\]](#)

BENCHMARKING

We view benchmarking as a critical process to help us identify our aspirational levels and at the same time, highlight areas where we are lacking. As a Company with global strategic partners, it is pertinent as well as logical that we benchmark against the best practices of our business partners, which we often adopt and apply throughout our value chain to sustain our reputation as a trusted partner, employer of choice and preferred company for investors.

CODE OF CONDUCT

Prestariang strictly enforces ethical conduct that is contained in the Company's Code of Conduct. This Code includes recommendations on professional conduct, code of ethics, guide on giving and receiving gifts, whistle blowing, business amenities and relationship with government employees, use and dissemination of proprietary and confidential information, and conflict of interest as well as copyrights concerns. The Code also suggests that employees refrain from any behaviour which can be construed as anti-competitive practice. The Code of Conduct is communicated to all employees through timely training sessions, which include on-boarding programmes for new hires.

More on whistle blowing and grievance can be found on page 101, also within the Corporate Governance Overview Statement or at our corporate website at www.prestariang.com.my.

QUALITY MANAGEMENT

Through its wholly owned subsidiary, Prestariang Systems Sdn Bhd, Prestariang has been recognised with the ISO 9001:2015 Quality Management System certification by SIRIM QAS International Sdn Bhd since August 2016. The certification covers the distribution and management of Microsoft software licenses to Government Agencies under MLA 2.0 and MLA3.0. SIRIM QAS International has awarded our ISO 9001:2015 with a renewal until year 2022.

During the year in review, we were in the midst of expanding the coverage of ISO 9001:2015 Quality Management System certification, encompassing services beyond direct business transactions. However, due to the Cabinet's decision to terminate the Sistem Kawalan Imigresen Nasional (SKIN) Project by way of expropriation, which took effect in January 2019, Prestariang SKIN Sdn Bhd's (PSKIN) exercise towards attaining ISO certification was discontinued.

ANTI-CORRUPTION

The Group rejects all forms of bribery, corruption or other type of unethical inducement, and will not tolerate such behaviour from our employees and vendors, which are stipulated in the Employee Handbook, Code of Conduct and Procurement Policy. We also comply with the Anti-Corruption Legislation of Malaysia under the Malaysian Anti-Corruption Commission Act 2009 (Act 694).

To ensure all employees are committed to complying with this practice, communication and enforcement through the on-boarding process, and updates are made available and accessible anywhere locally and internationally, in English and Bahasa Malaysia via our internal employee portal.

No incidents of corruption were recorded to this date.

CUSTOMER PRIVACY AND POLICY

We continue to comply with requirements under the Personal Data Protection Act 2015 (PDPA) as stated on page 70. We conduct training programmes for employees on PDPA on a regular basis to instill awareness and to ensure compliance with all applicable laws and regulations related to the PDPA. In accordance with the Personal Data Protection (Class of Data Users) Order 2013, UNIMY is also registered with the Personal Data Protection Commissioner of Malaysia.

PUBLIC POLICY

The Group practices against corruption and does not permit or condone bribes, kickbacks or any other illegal, secret or improper payments, gifts, transfers or receipts when dealing with the Government. Employees are to refrain from giving public statements to members of the public or news media without proper clearance by the President /Group CEO.

SUSTAINABILITY COMMITMENT

SUPPLY CHAIN MANAGEMENT AND PROCUREMENT PRACTICE

We believe in long term and robust relationships with suppliers and contractors (vendors). We believe that long term relationships and collaborations can overcome any risks of non-compliance, as well as any labour, health and safety, environmental and ethical violations, and in return, have a sustainable supply chain management.

Local Suppliers Procurement Practice Policies

Under our Procurement Policy 2017, our vendors are carefully selected through a rigorous process of quality, integrity, service and product value, taking into consideration the ESG concerns. The Company prioritises local vendor sourcing as part of Prestariang's effort to ensure security of supply as well as developing economic growth among the local industries.

Assessments of New and Existing Vendors

Prestariang practices an annual Vendor Performance Review (VPR) where our vendors are rated and evaluated according to these criteria:

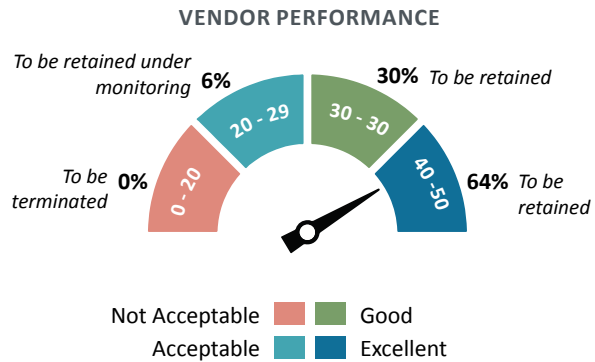
- 1 Quality Meets Specification
- 2 Quantity Meets Specification
- 3 Delivery Timeliness
- 4 Adequate Equipment and Stock
- 5 Technical Competency
- 6 Responsiveness
- 7 Vendor Accessibility
- 8 Working Relationship
- 9 Accuracy and Completeness of Documentation
- 10 Compliance with Contract /LOA /Terms

The ESG impacts will be stipulated specifically in the compliance of contract, LOA and/or term given. This is not limited to the Local Sourcing practice and the Code of Conduct, which ensure the vendors to adhere to relevant local rules and regulations.

New vendors will be assessed based on the value of products and services, also quality and timeline delivery based on the quotations or tender submissions, where addressing ESG will pose an added advantage.

Results of Vendor Performance Review

115 of our vendors (encompassing local and international) have been rated and evaluated through our VPR. For the year in review, we retained all vendors while 6% will be monitored for future evaluations.



BUSINESS CONTINUITY AND FUTURE INNOVATIONS

Business continuity is vital for the Company's business operations to be sustainable and to guarantee recurring profits in many more years to come. Therefore, the Board of Directors and Senior Management conduct annual meetings to strategise and plan which include Risk Management as well.

The use of technology also contributes to the Company business continuity plan. The IT Department oversees the handling of the current system for a smooth and progressive transition into future.

Succession planning is a key element in business continuity where it is explained in further detail on page 91.