

PRESTARIANG BERHAD (922260-K)
UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE FIRST QUARTER ENDED 31 MARCH 2017

| | Note | Individual Quarter | | Cumulative Period | |
|---|------|-------------------------------------|-------------------------------------|-------------------------------------|-------------------------------------|
| | | Current | Preceding | Current | Preceding |
| | | Year Quarter 31/3/2017 RM'000 | Year Quarter 31/3/2016 RM'000 | Year To Date 31/3/2017 RM'000 | Year To Date 31/3/2016 RM'000 |
| Revenue | | 43,894 | 40,692 | 43,894 | 40,692 |
| Cost of sales | | (35,285) | (32,162) | (35,285) | (32,162) |
| Gross profit | | 8,609 | 8,530 | 8,609 | 8,530 |
| Other income | | 672 | 1,236 | 672 | 1,236 |
| | | 9,281 | 9,766 | 9,281 | 9,766 |
| Administrative expenses | | (4,900) | (5,240) | (4,900) | (5,240) |
| Other expenses | | (424) | (418) | (424) | (418) |
| Finance costs | | (136) | (57) | (136) | (57) |
| Profit before taxation | B5 | 3,821 | 4,051 | 3,821 | 4,051 |
| Income tax expense | B6 | (605) | (1,015) | (605) | (1,015) |
| Profit after taxation | | 3,216 | 3,036 | 3,216 | 3,036 |
| Other comprehensive income | | - | - | - | - |
| Total comprehensive income for the financial period | | 3,216 | 3,036 | 3,216 | 3,036 |
| Profit after taxation attributable to:- | | | | | |
| - Owners of the Company | | 3,216 | 3,036 | 3,216 | 3,036 |
| - Non-controlling interest | | - | - | - | - |
| | | 3,216 | 3,036 | 3,216 | 3,036 |
| Total comprehensive income attributable to: | | | | | |
| - Owners of the Company | | 3,216 | 3,036 | 3,216 | 3,036 |
| - Non-controlling interest | | - | - | - | - |
| | | 3,216 | 3,036 | 3,216 | 3,036 |
| Earnings Per Share attributable to owners of the Company (Sen) | | | | | |
| - Basic | B13 | 0.66 | 0.63 | 0.66 | 0.63 |
| - Diluted | | N/A | N/A | N/A | N/A |

The above Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2016 and the accompanying notes attached to the interim financial statements.

PRESTARIANG BERHAD (922260-K)
UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
AS AT 31 MARCH 2017

| | Note | Unaudited As at 31/3/2017 RM'000 | Audited As at 31/12/2016 RM'000 |
|---|------|---|--|
| ASSETS | | | |
| NON-CURRENT ASSETS | | | |
| Property and equipment | | 12,330 | 12,086 |
| Development costs | | 7,547 | 7,341 |
| Deferred tax assets | | 1,154 | 1,154 |
| | | <u>21,031</u> | <u>20,581</u> |
| CURRENT ASSETS | | | |
| Inventories | | 1,464 | 2,512 |
| Trade receivables | | 63,342 | 31,730 |
| Amount owing by contract customer | | 26,138 | 24,515 |
| Other receivables, deposits and prepayments | | 8,014 | 8,538 |
| Short-term investments | | 51,868 | 51,496 |
| Cash and bank balances | | 38,576 | 57,868 |
| Current tax assets | | 1,257 | 1,162 |
| | | <u>190,659</u> | <u>177,821</u> |
| TOTAL ASSETS | | <u>211,690</u> | <u>198,402</u> |
| LIABILITIES AND EQUITY | | | |
| CURRENT LIABILITIES | | | |
| Trade payables | | 30,401 | 12,902 |
| Other payables and accruals | | 18,656 | 22,445 |
| Borrowings | B8 | 74 | 73 |
| | | <u>49,131</u> | <u>35,420</u> |
| NET CURRENT ASSETS | | <u>141,528</u> | <u>142,401</u> |
| NON-CURRENT LIABILITIES | | | |
| Borrowings | B8 | 290 | 309 |
| Deferred tax liabilities | | 1,173 | 1,173 |
| | | <u>1,463</u> | <u>1,482</u> |
| TOTAL LIABILITIES | | <u>50,594</u> | <u>36,902</u> |
| NET ASSETS | | <u>161,096</u> | <u>161,500</u> |
| EQUITY | | | |
| Share capital | | 123,112 | 48,400 |
| Share premium | | - | 74,712 |
| Treasury Shares | | (2,608) | (2,608) |
| Merger deficit | | (14,212) | (14,212) |
| Non-controlling interest | | 459 | 459 |
| Retained profits | B10 | 54,345 | 54,749 |
| TOTAL EQUITY | | <u>161,096</u> | <u>161,500</u> |
| TOTAL LIABILITIES & EQUITY | | <u>211,690</u> | <u>198,402</u> |
| NET ASSETS PER SHARE ATTRIBUTABLE TO OWNERS OF THE COMPANY (SEN) | | | |
| | | 33.28 | 33.37 |

The above Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2016 and the accompanying notes attached to the interim financial statements.

PRESTARIANG BERHAD (922260-K)
UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CHANGE IN EQUITY
FOR THE FIRST QUARTER ENDED 31 MARCH 2017

| | ←-----Non-distributable -----→ | | | | Distributable | | | |
|---|--------------------------------|-------------------------|---------------------------|--------------------------|----------------------------|---|------------------------------------|------------------------|
| | Share Capital RM'000 | Share Premium RM'000 | Treasury shares RM'000 | Merger Deficit RM'000 | Retained Profits RM'000 | Attributable to owners of the Company RM'000 | Non-controlling Interest RM'000 | Total Equity RM'000 |
| At 31 December 2015/1 January 2016 | 48,400 | 74,712 | (1,203) | (14,212) | 61,562 | 169,259 | 295 | 169,554 |
| Profit after taxation / Total comprehensive income | - | - | - | - | 8,884 | 8,884 | 164 | 9,048 |
| Transaction with owners of the Company:- | | | | | | | | |
| -Purchase of treasury shares | - | - | (1,405) | - | - | (1,405) | - | (1,405) |
| -Dividends paid | - | - | - | - | (15,697) | (15,697) | - | (15,697) |
| Changes in ownership interest in subsidiary that do not result in loss of control | - | - | (1,405) | - | (15,697) | (17,102) | - | (17,102) |
| Total transaction with owners of the Company | - | - | (1,405) | - | (15,697) | (17,102) | - | (17,102) |
| At 31 December 2016 / 1 January 2017 | 48,400 | 74,712 | (2,608) | (14,212) | 54,749 | 161,041 | 459 | 161,500 |
| Adjustment for effects of Companies Act 2016 (Note a) | 74,712 | (74,712) | - | - | - | - | - | - |
| Profit after taxation / Total comprehensive income | - | - | - | - | 3,216 | 3,216 | - | 3,216 |
| Transaction with owners of the Company:- | | | | | | | | |
| -Dividend paid | - | - | - | - | (3,620) | (3,620) | - | (3,620) |
| Total transaction with owners of the Company | - | - | - | - | (3,620) | (3,620) | - | (3,620) |
| At 31 March 2017 | 123,112 | - | (2,608) | (14,212) | 54,345 | 160,637 | 459 | 161,096 |

Note a: Pursuant to Section 618(2) of the Companies Act 2016 ("CA2016"), any amount standing to the credit of the share premium account shall become part of the share capital. Notwithstanding this, the Group may within 24 months upon commencement of the CA2016, use the amount standing to the credit of the share premium account of RM74,712,000 for the purpose set out in Section 618(3) of the CA2016.

The above Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2016 and the accompanying notes attached to the interim financial statements.

PRESTARIANG BERHAD (922260-K)
UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE FIRST QUARTER ENDED 31 MARCH 2017

| | Current Year To Date 31/3/2017 RM'000 | Preceding Year To Date 31/3/2016 RM'000 |
|--|--|--|
| CASH FLOWS FROM OPERATING ACTIVITIES | | |
| Profit before taxation | 3,821 | 4,051 |
| Adjustments for: | | |
| Depreciation of property and equipment | 424 | 418 |
| Fair value on short term investment | - | (260) |
| Profit income received from deposits with licensed islamic banks | (3) | (6) |
| Interest expense | 5 | - |
| Interest income | (635) | (862) |
| Operating profit before working capital changes | <u>3,612</u> | <u>3,341</u> |
| Operating profit before working capital changes:- | | |
| Changes in inventories | 1,049 | 1,188 |
| Changes in trade and other receivables | (31,089) | (20,883) |
| Changes in amount owing by contract customers | (1,623) | (1,841) |
| Changes in trade and other payables | 17,330 | 6,061 |
| CASH USED IN OPERATING ACTIVITIES | <u>(10,721)</u> | <u>(12,134)</u> |
| Interest paid | (5) | - |
| Income tax paid | (700) | (766) |
| NET CASH USED IN OPERATING ACTIVITIES | <u>(11,426)</u> | <u>(12,900)</u> |
| CASH FLOWS FOR INVESTING ACTIVITIES | | |
| Purchase of property and equipment | (668) | (96) |
| Profit income received from deposits with licensed islamic banks | 3 | 6 |
| Interest received | 635 | 862 |
| Development costs paid | (206) | (303) |
| Purchase of short term investments | (372) | (5,000) |
| NET CASH USED IN FROM INVESTING ACTIVITIES | <u>(608)</u> | <u>(4,531)</u> |
| CASH FLOWS FROM FINANCING ACTIVITIES | | |
| Repayment of hire purchase obligation | (18) | - |
| Repayment of term loan | - | (43) |
| Dividends paid | (7,240) | - |
| NET CASH USED IN FINANCING ACTIVITIES | <u>(7,258)</u> | <u>(43)</u> |
| Net decrease in cash and cash equivalents | (19,292) | (17,474) |
| Cash and cash equivalents at beginning of the financial period | 55,170 | 85,099 |
| CASH AND CASH EQUIVALENT AT END OF THE FINANCIAL PERIOD | <u><u>35,878</u></u> | <u><u>67,625</u></u> |
| CASH AND CASH EQUIVALENT AT END OF THE FINANCIAL PERIOD COMPRISES THE FOLLOWING:- | | |
| Cash and bank balances | 7,197 | 18,529 |
| Deposits with licensed banks | 31,379 | 51,794 |
| | <u>38,576</u> | <u>70,323</u> |
| Less: Deposits pledged with licensed banks | (2,698) | (2,698) |
| | <u><u>35,878</u></u> | <u><u>67,625</u></u> |

Statements for the financial year ended 31 December 2016 and the accompanying notes attached to the interim financial statements.

NOTES TO THE INTERIM FINANCIAL REPORT

PART A – EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARDS 134 (“MFRS 134”)

A1. BASIS OF PREPARATION

These condensed consolidated interim financial statements have been prepared in accordance with the requirement of Malaysian Financial Reporting Standards (“MFRSs”) 134, Interim Financial Reporting and paragraph 9.22 of the Main Market Listing Requirement of Bursa Malaysia Securities Berhad. They do not include all of the information required for full annual financial statements, and should be read in conjunction with the consolidated financial statements of the Group for the year ended 31 December 2016.

The accounting policies and methods of computation by the Group in this interim financial statement are consistent with those adopted in the financial statements for the year ended 31 December 2016 excepts for those standards, amendments and interpretations which are effective from the annual period beginning on or after 1 January 2017. The adoption of these standards, amendments and interpretations has no material impact to these interim financial statements. The explanatory notes attached to the Interim Financial Statements provide an explanation of events and transactions that are significant for an understanding of the changes in the financial position and performance of the Group since the financial year ended 31 December 2016.

Companies Act 2016

The Companies Act 2016 (“New Act”) was enacted to replace the Companies Act 1965 with the objectives to create a legal and regulatory structure that will facilitate business and promote accountability as well as protection of corporate directors and shareholders, taking into consideration the interest of other stakeholders.

Amongst the key changes introduced in the New Act which will affect the financial statements of the Group upon the commencement of the New Act on 31 January 2017 includes:

- Removal of the authorised share capital
- Shares of the Company will cease to have par or nominal value
- The Company’s share premium account will become part of the Company’s share capital

The adoption of the New Act did not have any financial impact to the financial statements of the Group, if applicable, the effect of adoption mainly will be on disclosure to the annual report and financial statements.

PRESTARIANG BERHAD (922260-K)
UNAUDITED INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 31 MARCH 2017

A2. CHANGES IN ACCOUNTING POLICIES

At the date of authorisation of these interim financial statements, the following MFRSs, Amendments to MFRSs and Issues Committee ("IC") Interpretations were issued but not yet effective and have not been applied by the Group:-

MFRSs, Interpretations and Amendments effective for annual periods beginning on or after 1 January 2018

- Amendments to MFRS 2, Classification and Measurement of Share-based Payment Transactions
- Amendments to MFRS 4, Insurance Contracts: Applying MFRS 9, Financial Instruments with MFRS 4, Insurance Contracts
- MFRS 9, Financial Instruments (2014)
- MFRS 15, Revenue from Contracts with Customers
- Clarifications to MFRS 15, Revenue from Contract with Customers
- IC Interpretation 22, Foreign Currency Transactions and Advance Consideration
- Amendments to MFRS 140, Transfer of Investment Property

MFRSs, Interpretations and Amendments effective for annual periods beginning on or after 1 January 2019

- MFRS 16, Leases

MFRSs, Interpretations and Amendments effective for a date yet to be confirmed

- Amendments to MFRS 10, Consolidated Financial Statements and MFRS 128, Investments in Associates and Joint Ventures – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture

The initial application of the accounting standards, amendments or interpretations are not expected to have any material financial impacts to the financial statements of the Group, excepts MFRS 9 and MFRS 15.

The Group is currently assessing the financial impact that may arise from the adoption of MFRS 15, MFRS 9 and MFRS 16.

PRESTARIANG BERHAD (922260-K)
UNAUDITED INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 31 MARCH 2017

A3. AUDITORS' REPORT ON PRECEDING ANNUAL FINANCIAL STATEMENTS

The auditors' report on the audited annual financial statements for the financial year ended 31 December 2016 was not qualified.

A4. SEASONAL OR CYCLICAL FACTORS

The Academy segment in particular *Program Pentauliahahan Profesional* (3P) and Competency Enhancement Program (CEP) for participating Malaysia public higher institutions and civil servants respectively. The delivery of the programmes in particular 3P was based on the pre agreed schedules of the participating institutions and may experience high in activities during the semester breaks.

A5. UNUSUAL NATURE

There were no material unusual items or events that affecting the assets, liabilities, equity, net income or cash flow during the current financial quarter.

A6. CHANGES IN ESTIMATES

There were no material changes in estimates of amounts reported in prior financial years that have a material effect in the current financial quarter.

A7. CHANGES IN DEBT AND EQUITY SECURITIES

There were no issuance, cancellation, repurchase, resale and repayment of debt and equity securities during the current financial quarter.

A8. VALUATION OF PROPERTY AND EQUIPMENT

There was no valuation of the property and equipment in the current financial quarter.

A9. CAPITAL COMMITMENT

Capital commitment for purchase of property and equipment not provided for in the condensed report as at the end of the financial period was as follows:

| | Approved but not provided for RM'000 |
|----------|---|
| Building | <u>25,452</u> |

PRESTARIANG BERHAD (922260-K)
UNAUDITED INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 31 MARCH 2017

A10. DIVIDENDS PAID

| | 3 months ended | |
|--|-----------------------|------------------|
| | 31/3/2017 | 31/3/2016 |
| | RM'000 | RM'000 |
| In respect of the financial year ended 31 December 2015: | | |
| - declared as fourth interim tax-exempt dividend of 1.0 sen per ordinary share | - | 4,833 |
| In respect of the financial year ended 31 December 2016: | | |
| - declared as fourth interim tax-exempt dividend of 0.75 sen per ordinary share | 3,620 | - |
| Total dividends paid | <u>3,620</u> | <u>4,833</u> |

A11. SEGMENTAL INFORMATION

The Group's business segments are reflecting the Group's internal reporting structure as follow:

- a) Software & Services and Academy - distribution and managing the software licensing and providing the ICT and O&G training and certification.
- b) Education – devoted to provide specialised computer science and engineering education. It offers computer studies ranges from foundation, diploma, degree and post graduate masters and PHD.
- c) Employment services – Human resource management services for foreign workers' recruitment and documentation services.
- d) Others – Comprise the holding company which involved in activity of investment holding and its subsidiary companies.

**PRESTARIANG BERHAD (922260-K)
UNAUDITED INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 31 MARCH 2017**

A11. SEGMENTAL INFORMATION (CONT'D)

| | RESULTS FOR 3 MONTHS ENDED 31 MARCH 2017 | | | | | RESULTS FOR 3 MONTHS ENDED 31 MARCH 2016 | | | | | |
|-----------------------------|--|------------------|----------------------------|---------------|----------------------------------|--|------------------|----------------------------|---------------|----------------------------------|---------------------|
| | Software & Services and Academy RM'000 | Education RM'000 | Employment Services RM'000 | Others RM'000 | Inter-Segment Elimination RM'000 | Software & Services and Academy RM'000 | Education RM'000 | Employment Services RM'000 | Others RM'000 | Inter-Segment Elimination RM'000 | Consolidated RM'000 |
| By operating segment | | | | | | | | | | | |
| Operating revenue | 41,585 | 726 | 1,583 | 3,620 | (3,620) | 39,710 | 621 | 361 | 4,833 | (4,833) | 40,692 |
| Other Income | 534 | 3 | - | 135 | - | 799 | 18 | - | 419 | - | 1,236 |
| Direct costs | (33,737) | (499) | (1,049) | - | - | (31,201) | (756) | (205) | - | - | (32,162) |
| Segment profit | 8,382 | 230 | 534 | 3,755 | (3,620) | 9,308 | (117) | 156 | 5,252 | (4,833) | 9,766 |
| Overheads | (2,703) | (1,637) | (268) | (852) | - | (3,087) | (1,373) | (175) | (1,080) | - | (5,715) |
| Profit before taxation | 5,679 | (1,407) | 266 | 2,903 | (3,620) | 6,221 | (1,490) | (19) | 4,172 | (4,833) | 4,051 |
| Income tax expense | (500) | - | (105) | - | - | (1,265) | 250 | - | - | - | (1,015) |
| Profit for the period | 5,179 | (1,407) | 161 | 2,903 | (3,620) | 4,956 | (1,240) | (19) | 4,172 | (4,833) | 3,036 |
| Attributable to: | | | | | | | | | | | |
| - Owners of the company | 5,179 | (1,407) | 161 | 2,903 | (3,620) | 4,956 | (1,240) | (19) | 4,172 | (4,833) | 3,036 |
| - Non-controlling interest | - | - | - | - | - | - | - | - | - | - | - |
| Profit for the period | 5,179 | (1,407) | 161 | 2,903 | (3,620) | 4,956 | (1,240) | (19) | 4,172 | (4,833) | 3,036 |

PRESTARIANG BERHAD (922260-K)
UNAUDITED INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 31 MARCH 2017

A12. MATERIAL EVENTS SUBSEQUENT TO THE END OF INTERIM PERIOD

In the opinion of the Board of Directors, there were no items, transactions or events of a material and unusual nature that have arisen since 31 March 2017 to the date of this announcement which would substantially affect the financial results of the Group for the three months ended that have not been reflected in the condensed financial statements.

A13. CHANGES IN COMPOSITION OF THE GROUP

There were no other changes in the composition of the Group during the current financial quarter.

A14. CONTINGENT LIABILITIES OR CONTINGENT ASSETS

There were no material contingent liabilities or contingent assets to be disclosed as at the date of this report.

A15. SIGNIFICANT RELATED PARTY TRANSACTIONS

The Group has no significant transactions with the related parties during the periods under review.

PRESTARIANG BERHAD (922260-K)
UNAUDITED INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 31 MARCH 2017

NOTES TO THE INTERIM FINANCIAL REPORT

PART B – ADDITIONAL INFORMATION AS REQUIRED BY MAIN MARKET LISTING REQUIREMENT OF BURSA MALAYSIA SECURITIES BERHAD (PART A OF APPENDIX 9B)

B1. OPERATING SEGMENTS REVIEW

1Q17 vs. 1Q16

| | INDIVIDUAL QUARTER | | | |
|--------------------------------------|---|--|--------------|------------|
| | Current Quarter 31/3/2017 RM'000 | Preceding Year Quarter 31/3/2016 RM'000 | Variance | |
| | | | RM'000 | (%) |
| <u>Segmental Revenue:</u> | | | | |
| Software & Services and Academy | | | | |
| - Software & Services | 39,129 | 36,705 | 2,424 | 7% |
| - Academy | 2,456 | 3,005 | (549) | -18% |
| | 41,585 | 39,710 | 1,875 | 5% |
| Education | 726 | 621 | 105 | 17% |
| Employment services | 1,583 | 361 | 1,222 | >100% |
| Others | 3,620 | 4,833 | (1,213) | -25% |
| | 47,514 | 45,525 | | |
| Inter-segment Elimination | (3,620) | (4,833) | | |
| Group | 43,894 | 40,692 | 3,202 | 8% |
| <u>Profit Before Taxation</u> | | | | |
| Software & Services and Academy | 5,679 | 6,221 | (542) | -9% |
| Education | (1,407) | (1,490) | 83 | -6% |
| Employment Services | 266 | (19) | 285 | >-100% |
| Others | 2,903 | 4,172 | (1,269) | -30% |
| Inter-segment Elimination | (3,620) | (4,833) | | |
| Group | 3,821 | 4,051 | (230) | -6% |

The Group's revenue for the current quarter of RM43.9 million was 8% or RM3.2 million higher than the corresponding quarter last year of RM40.7 million. Most of the segments i.e. Software & Services, Education and Employment recorded higher revenue in comparison to same quarter last year.

The Group's PBT for the current quarter of RM3.8 million lower by RM0.2 million as compared to RM4.0 million in the corresponding quarter last year. The lower of PBT mainly due to lower other income.

PRESTARIANG BERHAD (922260-K)
UNAUDITED INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 31 MARCH 2017

B2. COMPARISON WITH IMMEDIATE PRECEDING QUARTER'S RESULTS

1Q17 vs. 4Q16

| | CUMULATIVE QUARTER | | Variance RM'000 (%) | |
|--------------------------------------|---|---|------------------------|-------|
| | Current Quarter 31/3/2017 RM'000 | Immediate Preceding Quarter 31/12/2016 RM'000 | | |
| <u>Segmental Revenue:</u> | | | | |
| Software & Services and Academy | | | | |
| - Software & Services | 39,129 | 22,630 | 16,499 | 73% |
| - Academy | 2,456 | 129 | 2,327 | >100% |
| | <u>41,585</u> | <u>22,759</u> | 18,826 | 83% |
| Education | 726 | 722 | 4 | 1% |
| Employment services | 1,583 | 1,235 | 348 | 28% |
| Others | <u>3,620</u> | <u>6,020</u> | (2,400) | -40% |
| | 47,514 | 30,736 | | |
| Inter-segment Elimination | <u>(3,620)</u> | <u>(6,020)</u> | | |
| Group | <u>43,894</u> | <u>24,716</u> | 19,178 | 78% |
| <u>Profit Before Taxation</u> | | | | |
| Software & Services and Academy | 5,679 | 3,515 | 2,164 | 62% |
| Education | (1,407) | (1,498) | 91 | -6% |
| Employment Services | 266 | 38 | 228 | >100% |
| Others | 2,903 | 5,686 | (2,783) | -49% |
| Inter-segment Elimination | <u>(3,620)</u> | <u>(6,020)</u> | | |
| Group | <u>3,821</u> | <u>1,721</u> | 2,100 | >100% |

The Group's revenue for the current quarter of RM43.9 million was 78% or RM19.2million higher than the preceding quarter of RM24.7 million. Higher revenue was mainly due to higher contribution from all the segments.

The Group recorded higher PBT for the current quarter of RM3.8 million, more than 100% higher than the preceding quarter of RM1.7 million. The net effect of higher revenue resulted to higher PBT recorded by the Group in comparison to the preceding quarter.

PRESTARIANG BERHAD (922260-K)
UNAUDITED INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 31 MARCH 2017

B3. PROSPECTS

With the impending closure of investment made in the strategic project and continuous improvement of operational efficiencies of existing businesses, the Group is expected to perform better for the financial year ending 2017.

In line with Prestariang Berhad's strategic direction, the Group will continue to embark into new transformational businesses to drive sustainable growth and profitability.

B4. VARIANCE ON PROFIT FORECAST/PROFIT GUARANTEE

The Group did not issue any profit forecast or profit estimate previously in any public document.

B5. PROFIT BEFORE TAXATION

Profit before taxation is derived after taking into consideration of the following:

| | <u>Individual Quarter</u> | | <u>Cumulative Quarter</u> | |
|---|---------------------------------|------------------------------|-------------------------------------|---------------------------------------|
| | <u>Current Year Quarter</u> | <u>Preceding Quarter</u> | <u>Current Year To Date</u> | <u>Preceding Year To Date</u> |
| | 31/3/2017 | 31/3/2016 | 31/3/2017 | 31/3/2016 |
| | RM'000 | RM'000 | RM'000 | RM'000 |
| Interest income | (635) | (862) | (635) | (862) |
| Other income including investment income | - | - | - | - |
| Interest expense | 5 | - | 5 | - |
| Depreciation and amortisation | 424 | 418 | 424 | 418 |
| Provision for and write off receivables | - | - | - | - |
| Provision for and write off inventories | - | - | - | - |
| (Gain) or loss on disposal of quoted or unquoted investment or properties | - | - | - | - |
| Impairment of assets | - | - | - | - |
| Foreign exchange loss/(gain) | 67 | (353) | 67 | (353) |
| (Gain) or loss on derivatives | - | - | - | - |
| Exceptional items | - | - | - | - |

PRESTARIANG BERHAD (922260-K)
UNAUDITED INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 31 MARCH 2017

B6. INCOME TAX EXPENSE

| | <u>Individual Quarter</u> | | <u>Cumulative Quarter</u> | |
|---|--|--|--|--|
| | <u>Current Year Quarter</u> 31/3/2017 RM'000 | <u>Preceding Year Quarter</u> 31/3/2016 RM'000 | <u>Current Year To Date</u> 31/3/2017 RM'000 | <u>Preceding Year To Date</u> 31/3/2016 RM'000 |
| Malaysia tax: | | | | |
| - for the current year | 500 | 1,015 | 500 | 1,015 |
| - under/(over) provision in the previous financial year | 105 | - | 105 | - |
| | <u>605</u> | <u>1,015</u> | <u>605</u> | <u>1,015</u> |

Prestariang Systems Sdn. Bhd. ("PSSB"), the main subsidiary of the Group has been granted the Customised Incentive for its New MSC Malaysia activities pursuant to the Income Tax (Exemption) (No.11) Order 2006 [PU(A)112/2006]. PSSB will enjoy 30% exemption from income tax on its statutory income from the approved business for five years, from January 2017 to December 2021.

The effective tax rate for the current quarter is lower than the statutory income tax rate mainly due to above exemption.

B7. STATUS OF CORPORATE PROPOSAL

The Group has no significant corporate proposal during the periods under review except as disclosed below:-

Transfer of 30 Percent Shares in Prestariang Education Sdn Bhd ("PESB")

On 19 November 2014, Prestariang had accepted the terms of Letter of Intent ("LOI") from Majlis Amanah Rakyat ("MARA") expressing MARA's intention to acquire thirty percent (30%) interest in Prestariang Education Sdn Bhd (PESB), a wholly owned subsidiary of Prestariang Berhad, the entity that established University Malaysia of Computer Science & Engineering ("UniMy").

During the period under review, the Company is in the midst of finalizing the terms and conditions of the agreement.

B8. BORROWINGS

The Group's borrowing and debts securities as at 31 March 2017 are as follows:

| | <u>Long term borrowing</u> | | | <u>Short term borrowing</u> | | |
|------------------------|----------------------------|----------------------------|------------------------|-----------------------------|----------------------------|------------------------|
| | <u>Secured</u> RM'000 | <u>Unsecured</u> RM'000 | <u>Total</u> RM'000 | <u>Secured</u> RM'000 | <u>Unsecured</u> RM'000 | <u>Total</u> RM'000 |
| Borrowings | | | | | | |
| Hire Purchase Payables | 290 | - | 290 | 74 | - | 74 |

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B9. MATERIAL LITIGATION

There was no material litigation as at the date of issuance of this quarterly report.

B10. FAIR VALUE HIERARCHY

There was no transfer between any levels of the fair value hierarchy took place during the current quarter and the comparative period. There was also no change in the purpose of any financial asset that subsequently resulted in a different classification of that asset.

B11. PROPOSED DIVIDEND

On 22 May 2017, The Board of Directors declared a first interim single-tier exempt dividend of 0.75 sen per ordinary share amounting to RM3,630,000 in respect of the financial year ending 31 December 2017.

B12. REALISED AND UNREALISED PROFITS

The determination of realised and unrealised profits is based on the Guidance of Special Matter No.1, Determination of Realised and Unrealised Profits and Losses in the Context of Disclosure Pursuant to Bursa Malaysia Securities Berhad Listing Requirements, issued by the Malaysian Institute of Accountants on 20 December 2010.

The disclosure of realised and unrealised profits below is solely for complying with the disclosure requirements stipulated in the directive of Bursa Securities.

| | As at 31/3/2017 RM'000 | As at 31/3/2016 RM'000 |
|--|---------------------------------------|---------------------------------------|
| Total retained profits | | |
| - Realised | 52,067 | 57,323 |
| - Unrealised | - | - |
| | <hr/> 52,067 | <hr/> 57,323 |
| Add: Consolidated adjustments | 2,278 | 2,442 |
| | <hr/> 54,345 | <hr/> 59,765 |
| Total Group retained earnings as per consolidated accounts | <u>54,345</u> | <u>59,765</u> |

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B13. EARNINGS PER SHARE

| | <u>Individual Quarter</u> | | <u>Cumulative Quarter</u> | |
|---|---|---|---|---|
| | Current Year Quarter 31/3/2017 | Preceding Year Quarter 31/3/2016 | Current Year To Date 31/3/2017 | Preceding Year To Date 31/3/2016 |
| Total comprehensive income attributable to owners of the Company (RM'000) | 3,216 | 3,036 | 3,216 | 3,036 |
| Weighted average number of ordinary shares in issue ('000) | 484,000 | 484,000 | 484,000 | 484,000 |
| Basic earning per share (sen) | 0.66 | 0.63 | 0.66 | 0.63 |

B14. AUTHORISED FOR ISSUE

The interim financial report was authorised for issue by the Board of Directors in accordance with a resolution of the Directors on 22 May 2017.

BY ORDER OF THE BOARD

**CHUA SIEW CHUAN (MAICSA 0777689)
PAN SENG WEE (MAICSA 7034299)**
Secretaries
Kuala Lumpur
22 May 2017