



FOR IMMEDIATE RELEASE

PRESTARIANG REPORTS SECOND QUARTER 2020 RESULTS
POSITIVE OUTLOOK WITH IMPROVE CASHFLOW

CYBERJAYA, 25 FEBRUARY 2020 – Technology and Talent Platform Innovator, Prestariang Berhad (Prestariang or the Group) today announced its second-quarter (Q220) results ended on December 2019.

Q220 vs Q120

The Group recorded a revenue of RM31.3 million for the current quarter representing RM6.9 million or 18% lower than the preceding quarter of RM38.2 million. The lower revenue was due mainly to the absence of a lumpy order secured in the Software, Services and Talent division in the preceding quarter. Nevertheless, the revenue for this Software, Services and Talent segment for the 6 months ended 31 December 2019 of RM63.4 million is higher by 47% when compared to the corresponding 6 months period ended 31 December 2018 of RM43.0 million.

The Group recorded Loss Before Tax (LBT) of RM3.5 million or 22% higher than preceding quarter of RM2.8 million due to lower revenue in most business segments, while margin was lower due to higher operating costs in Education segment caused by the step-up monthly rental cost for the Group's university campus, and higher finance cost due to higher utilisation of financing facilities.

PROSPECTS

The Group has embarked on a rationalisation plan that include, among others, cost cutting measures, divestment of assets, and equity fund raising, to further improve its cash flow and increase working capital for further business expansion following the termination of the SKIN Concession in 2019. Some of the measures to reduce operating costs have been implemented, while our plan to divest assets and raise equity fund through private placement of shares are making progress.

The Group's cashflow from operating activities for the period ended 31 December 2019 has turned positive at RM9.9 million, validating the Group's strategy highlighted above. The Software & Services continues to be the core driver in delivering good results for the Group. This segment recorded an increase in revenue by 47% at RM63.4 million as compared to the corresponding 6 months period to 31 December 2018 of RM43.0 million. This segment is expected to continue to grow with on-going sustainable key projects at hand including MLA 3.0 and Adobe. With the termination of the SKIN Concession the Group has stopped its



FOR IMMEDIATE RELEASE

investment in the SKIN project and is now able to focus its resources towards strengthening its profitable Software and Services business.

With regard to equity fund raising, the Group has, on 20 February 2020, announced that it has obtained the approval of Bursa Malaysia to implement a private placement to raise up to RM19.2 million. In respect of divestment of assets, the Group has announced, on 25 February 2020, the proposed disposal of the entire equity interest in Prestariang Education Sdn Bhd (“PESB”). This proposed private placement of shares and the proposed disposal of PESB, when completed, are expected to improve the cashflow and working capital of the Group.

Premised on the above, the Group’s prospect for the year ending 30 June 2020 is expected to continue to improve and the Directors are confident that the outlook of the Group will be positive.

****END****

About Prestariang Berhad (www.prestariang.com.my)

Prestariang, a Technology and Talent pioneer, has evolved from being Malaysia’s largest ICT software and training service provider to a leading Technology and Talent Platform innovator. Prestariang is a strong collaborator and works in partnership with global drivers of the digital economy like Microsoft, Autodesk, Adobe, Salesforce, OpenLearning, Oracle, CompTIA, EC-Council and many others.

For more information, please contact:

Media/Analyst
Liew Siew Leng
Tel: +6017 8875108
Email: siewleng@sliyconsultancy.com