

NOTES TO THE REPORT

PART A – EXPLANATORY NOTES IN COMPLIANCE WITH FINANCIAL REPORTING STANDARDS (“FRS”) 134, INTERIM FINANCIAL REPORTING

A1. Basis Of Preparation

The interim financial report is unaudited and has been prepared in accordance with FRS 134: Interim Financial Reporting and Appendix 9B Part A of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”). This is the second interim financial report on the proforma consolidated results for the second quarter ended 30 June 2011 announced by the Company in compliance with the Main Market Listing Requirements and as such, there are no comparative figures for the preceding year’s corresponding period.

The interim financial report should be read in conjunction with the proforma consolidated financial statements for the financial year ended 31 December 2010 as disclosed in Prospectus of the Company dated 28 June 2011 and the accompanying explanatory notes attached to this interim financial report.

The interim financial report contains condensed proforma consolidated financial statements and selected explanatory notes. The notes include an explanation of events and transactions that are significant to an understanding of the changes in financial position and performance of the Group. The interim proforma consolidated financial report and notes thereon do not include all the information required for a full set of financial statements prepared in accordance with FRSS.

A2. Changes In Accounting Policies

The significant accounting policies adopted are consistent with those of the audited financial statements for the financial year ended 31 December 2010 except for the adoption of the following new accounting standards and interpretations (including the consequential amendments) effective for annual periods beginning on or after 1 January 2011 as disclosed below:-

FRSs and IC Interpretations (including the Consequential Amendments)

- Amendments to FRS 1 (Revised): Limited Exemption from Comparative FRS 7 Disclosures for First-time Adopters
- Amendments to FRS 1: Additional Exemptions for First-time Adopters
- Amendments to FRS 2: Group Cash-settled Share-based Payment Transactions
- Amendments to FRS 7: Improving Disclosures about Financial Instruments
- IC Interpretation 4 Determining Whether An Arrangement Contains a Lease
- IC Interpretation 18 Transfers of Assets from Customers
- Annual Improvements to FRSS (2010)

The adoption of the above revised FRSs, Amendments to FRSs and IC Interpretation do not have any significant financial impact on the Group.

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A3. Auditors' Report On Preceding Annual Financial Statements

There was no qualification to the audited financial statements of the Company and its subsidiaries for the financial year ended 31 December 2010.

A4. Seasonal Or Cyclical Factors

The business operations of the Group during the current financial quarter are affected by seasonal and cyclical factor.

A5. Item Of Unusual Nature

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

A6. Material Changes In Estimates

There were no changes in estimates of amounts reported in prior financial years that have had 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. Dividend Paid

During the current financial quarter but prior to the Acquisitions (as detailed in Note B8(ii)), Prestariang Systems Sdn. Bhd. ("PSSB") had, on 13 May 2011, declared and paid to their shareholders a final tax-exempt dividend of RM8.0 million as part of the listing scheme in respect of the financial year ended 31 December 2010.

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A9. Segmental Information

The group is organized into the following reporting segments:-

	Information and Communications Technology ("ICT") Training and Certification RM'000	Software License Distribution and Management RM'000	Elimination RM'000	Consolidated RM'000
Revenue				
External revenue	5,865	40,123	-	45,988
Inter-segment revenue	-	-	-	-
Total Revenue	<u>5,865</u>	<u>40,123</u>	<u>-</u>	<u>45,988</u>
RESULTS				
Segmental results	3,108	14,759	-	17,867
Other operating income				496
Administrative expenses				(4,754)
Other expenses				(432)
Finance costs				<u>(192)</u>
Profit before tax				12,985
Income tax expense				-
Total Comprehensive Income				<u>12,985</u>

A10. Valuation Of Property And Equipment

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

A11. Capital Commitments

Capital commitment for property and equipment not provided for as at 30 June 2011 are as follows:-

	As at 30 June 2011 RM'000
Approved and contracted for	<u><u>20</u></u>

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A12. Material Events Subsequent To The End Of Interim Period

Saved as disclosed in Section B8 the Status of Corporate Proposals, there were no material events subsequent to the end of the current financial quarter that have not been reflected in this quarterly report as at the date of this report. The Group was listed on the Main Market of Bursa Securities on 27 July 2011.

A13. Changes In Composition Of The Group

In conjunction with, and as an integral part of the IPO, the Company acquired the entire issued and paid-up share capital of the following subsidiary:

Subsidiary Company	Purchase Consideration RM'000	Basis of arriving at the purchase consideration
Prestariang Systems Sdn. Bhd. *	19,800	Willing-buyer willing-seller; based on a discount of approximately 0.5% of audited consolidated net assets at 31 December 2009

* *Comprising Prestariang Systems Sdn. Bhd. and its wholly-owned subsidiaries, namely, Logisys Sdn. Bhd. and Prestariang R&D Sdn. Bhd.*

The above acquisition was satisfied by the issuance of 197,999,980 new ordinary shares of RM0.10 each in the Company at par value. The acquisition was completed on 2 June 2011.

The acquisition was accounted for under the merger method whereby the difference between the acquisition cost and the nominal value of the share capital of the subsidiary is taken to the merger reserve or deficit. The acquisition has resulted a merger deficit amounted to RM14.21million.

As the business combination involves entities under common control, it is presumed that these entities had always been a part of the Group and the 6 months financial results from 1 January 2011 to 30 June 2011 of the Company and its subsidiaries have been reflected as such in the interim condensed consolidated statements of comprehensive income.

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.

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A15. Significant Related Party Transactions

The Group carried out the following transactions with its related parties during the interim financial quarter:

	<u>Individual Quarter</u>		<u>Cumulative Quarter</u>	
	<u>Current Year Quarter 30 June 2011 RM'000</u>	<u>Preceding Year Quarter 30 June 2010 RM'000</u>	<u>Current Year To Date 30 June 2011 RM'000</u>	<u>Preceding Year To Date 30 June 2010 RM'000</u>
Rental expenses paid/payable to a related party	4	N/A	7	N/A

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

B1. Review Of Performance Of The Group

The Group current revenue is attributed to several multi year contracts ranging from RM12 million to RM 80 million. Quarter to quarter, the revenue are subject to seasonal demand and actual services rendered.

The Group generated revenue of RM8.95 million and profit before tax of RM 1.69 million for the second quarter ended 30 June 2011 and these were mainly derived from the 3P, Autodesk MUSE and Microsoft MLA Programs respectively. The PAT margin is at a respectable 19%. Included in this quarter is also a portion of the listing expenses amounting to RM0.62 million.

B2. Material Changes In The Quarterly Results Compared To The Results Of The Preceding Quarter

In the preceding quarter, the Group recorded revenue, which is cyclical in nature from the supply and management of Microsoft software licenses for participating netbook suppliers for the *Projek Komputer 1Malaysia Fasa 2* by *Suruhanjaya Komunikasi dan Multimedia Malaysia*. The different trend is reflected in the result of the current quarter.

B3. Current Year Prospects

Based on multi-year contracts in hand, the Board of Directors is confident that the Group's performance will improve over the last financial year.

B4. Profit Forecast And Profit Estimate

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

B5. Taxation

There was no taxation for the current financial quarter.

PSSB, the main subsidiary of the Group, has been granted the Multimedia Super Corridor Malaysia Status, which qualifies PSSB for the Pioneer Status incentive under the Promotion of Investments Act 1986. PSSB will enjoy full exemption from income tax on its statutory income from pioneer activities for five years, from 30 June 2005 to 29 June 2010. This incentive has been extended for another 5 years to 29 June 2015.

B6. Profit On Sale Of Unquoted Investments And/Or Properties

There were no sales of unquoted investments and/or properties during the current financial quarter.

B7. Profit Or Disposal Of Quoted Securities

There was no purchase or disposal of quoted securities for the current financial quarter.

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B8. Status Of Corporate Proposals

In conjunction with, and as an integral part of our Listing, we undertook the following Listing Scheme, which involves the following:

i. Dividend Payment

Prior to the Acquisitions (as detailed in note B8 (ii)), PSSB had, on 13 May 2011, declared to their shareholders a final tax-exempt dividend of RM8.0 million as part of the listing scheme, which were paid on 13 May 2011 in respect of the financial year ended 31 December 2010.

ii. Acquisition

Prestariang Berhad acquired the entire issued and paid-up share capital of PSSB comprising 5,588,465 ordinary shares of RM1.00 each ("PSSB Shares") (after conversion of the 2,000,000 redeemable convertible preference shares of RM0.10 each in PSSB ("RCPS") held by Kumpulan Modal Perdana Sdn. Bhd. ("KMP") into 325,307 new PSSB Shares) for a purchase consideration of RM19,799,998 which was wholly satisfied by the issuance of 197,999,980 new ordinary shares of RM0.10 each in Prestariang ("Shares"). The acquisition was completed on 2 June 2011 (hereinafter referred to as the "Acquisition").

The purchase consideration of RM19,799,998 was arrived at on a willing buyer-willing seller basis after taking into consideration the following:

	As at 31 Dec 2009 (RM'000)	As at 30 Sep 2010 (RM'000)
Audited consolidated net assets of PSSB and its subsidiaries ("PSSB Group")	17,896	26,945
Additional share capital and share premium arising from the conversion of RCPS	2,000	2,000
Less: Dividend Payment	-	(8,000)
Adjusted consolidated net assets of the PSSB Group	19,896	20,945
Discount of purchase consideration from the adjusted consolidated net assets of the PSSB Group (%)	0.48	5.47

B8. Status Of Corporate Proposals (Cont'd)

ii. Acquisition (Cont'd)

The vendors and their respective equity interests in PSSB acquired by the Company together with the number of new Shares issued to them and their nominees as consideration are as follow:

Name	Shareholding In PSSB		No. Of New Shares Issued As Consideration
	No. Of PSSB Shares Held	% Held	
Dr Abu Hasan Bin Ismail	5,000,000	89.47	77,000,000
EkoHati Sdn Bhd	-	-	50,000,880
Sigma Dedikasi Sdn Bhd	-	-	31,409,800
Anjakan Evolusi Sdn Bhd	-	-	9,240,000
Loet Holding Inc	-	-	9,500,000
KMP	588,465	10.53	20,849,300
Total	5,588,465	100.00	197,999,980

All the new Shares issued pursuant to the Acquisition rank pari passu in all respects with one another and with the existing Shares and carry all rights to receive in full all dividends and other distributions declared and paid subsequent to the allotment thereof.

The Acquisition was completed on 2 June 2011.

iii. Initial Public Offering ("IPO")

a. Public Issue

The Company is undertaking the Public Issue of 22 million Shares at an issue price of RM0.90 per Shares.

b. Offer For Sale

Dr Abu Hasan Bin Ismail ("Offeror") is undertaking the Offer For Sales of 77 million Shares at an offer price of RM0.90 per Shares.

The Company issued its prospectus for its IPO on 28 June 2011.

iv. Listing

Subsequent to the Public Issue and Offer For Sale, the Company proposes to seek the listing of and quotation for its entire enlarged issued and paid-up share capital comprising of 220 million Shares on the Main Market of Bursa Securities.

The admission to the official list and the listing of and quotation for the 220 million Shares on the Main Market of Bursa Securities was completed on 27 July 2011.

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B8. Status Of Corporate Proposals (Cont'd)

v. Utilisation Of Proceeds

The Public Issue is expected to raise gross proceeds of RM19.8 million which will accrue to the Company. The Company proposes to utilize the proceeds raised in the following manner:

Description	Estimated timeframe for utilisation upon listing	Amount (RM'000)	% of total gross proceed
Capital expenditure	Within 12 months	2,500	12.63
Research and development expenditure	Within 24 months	6,500	32.83
Working capital	Within 24 months	6,200	31.31
Repayment of term loan	Within 12 months	1,600	8.08
Estimated listing expenses	Immediate	3,000	15.15
Total Gross Proceed		19,800	100.00

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

B9. Group Borrowing And Debts Securities

The Group's borrowing and debts securities as at 30 June 2011 are as follows:

	As at 30 June 2011 RM'000
Long-term borrowings	
Secured:	
Hire purchase payables	993
Term loans	2,684
	<u>3,677</u>
Short-term borrowings	
Secured:	
Hire purchase payables	303
Term loans	201
	<u>504</u>
	<u>4,181</u>

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B10. Off Statement Of Financial Position Financial Instruments

There were no off statements of financial position financial instruments as at the date of this quarterly report.

B11. Material Litigation

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

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 30 June 2011 RM'000	As at 30 June 2010 RM'000
Total retained earnings		
- Realised	24,985	N/A
- Unrealised	-	N/A
	<u>24,985</u>	<u>N/A</u>
Add: Consolidated adjustments	2,010	N/A
Total Group retained earnings as per consolidated accounts	<u>26,995</u>	<u>N/A</u>

B13. Dividends

No interim dividends have been declared during the current quarter under review.

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B14. Earnings Per Share

	<u>Individual Quarter</u>		<u>Cumulative Quarter</u>	
	<u>Current Year Quarter 30 June 2011</u>	<u>Preceding Year Quarter 30 June 2010</u>	<u>Current Year To Date 30 June 2011</u>	<u>Preceding Year To Date 30 June 2010</u>
BASIC EARNINGS PER SHARE				
Total comprehensive income attributable to owners of the Company (RM'000)	1,697	N/A	12,985	N/A
Weighted average number of ordinary shares in issue ('000)	63,099	N/A	31,549	N/A
Basic earnings per share (sen)	2.69	N/A	41.16	N/A