

All terms and abbreviations used herein shall have the same meanings as those defined in the "Definitions" section of this Abridged Prospectus unless stated otherwise.

No securities will be allotted or issued based on this Abridged Prospectus after 6 months from the date of this Abridged Prospectus.

THIS ABRIDGED PROSPECTUS IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. YOU ARE ADVISED TO READ AND UNDERSTAND THE CONTENTS OF THIS ABRIDGED PROSPECTUS. IF YOU ARE IN ANY DOUBT AS TO THE ACTION YOU SHOULD TAKE, PLEASE CONSULT A PROFESSIONAL ADVISER IMMEDIATELY.

All enquiries concerning the Rights Issue with Warrants should be addressed to our Share Registrar, Boardroom Share Registrars Sdn Bhd at 11th Floor, Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan, Malaysia (Tel. No. +603-7890 4700).

This Abridged Prospectus has been registered by the SC. The registration of this Abridged Prospectus should not be taken to indicate that the SC recommends the Rights Issue with Warrants or assumes responsibility for the correctness of any statement made, opinion expressed or report contained in this Abridged Prospectus. The SC has not, in any way, considered the merits of the Rights Issue with Warrants. A copy of this Abridged Prospectus together with the NPA and the RSF (collectively, the "Documents") have also been lodged with the Registrar of Companies who takes no responsibility for the contents of these documents.

The approval from our shareholders for the Rights Issue with Warrants was obtained at our EGM held on 15 September 2020. The approval from Bursa Securities has also been obtained via its letter dated 19 August 2020 for the admission of the Warrants to the Official List of Bursa Securities, and the listing of and quotation for the Rights Shares, the Warrants and the new Prestariang Shares to be issued arising from the exercise of the Warrants on the Main Market of Bursa Securities. The admission of the Warrants to the Official List and the listing of and quotation for all the said new securities on the Main Market of Bursa Securities are in no way reflective of the merits of the Rights Issue with Warrants. Bursa Securities does not take any responsibility for the correctness of statements made or opinions expressed in this Abridged Prospectus. The admission of the Warrants to the Official List and the listing of and quotation for all the said new securities will commence after the receipt of confirmation from Bursa Depository that all the CDS Accounts of the successful Entitled Shareholders and/ or their renounee(s) (if applicable) have been duly credited and notices of allotment have been despatched to them.

The Documents are only despatched to our Entitled Shareholders whose names appear in our Record of Depositors and who have provided our Share Registrar with a registered address in Malaysia not later than 5.00 p.m. on Friday, 30 October 2020. The Documents are not intended to be (and will not be) issued, circulated or distributed in countries or jurisdictions other than Malaysia and no action has been or will be taken to ensure that the Rights Issue with Warrants complies with the laws of any countries or jurisdiction other than the laws of Malaysia. Entitled Shareholders and/ or their renounee(s) and/ or transferee(s) (if applicable) who are residents in countries or jurisdiction other than Malaysia should therefore immediately consult their legal advisers and/ or other professional advisers as to whether the acceptance and/ or renunciation (as the case may be) of all or any part of their entitlements to the Rights Shares and the Warrants would result in a contravention of any laws of such countries or jurisdictions. Such Entitled Shareholders and/ or their renounee(s) and/ or transferee(s) (if applicable) should note the additional terms and restrictions as set out in Section 10.11 of this Abridged Prospectus. Neither we, UOBKH nor any other professional advisers shall accept any responsibility or liability in the event that any acceptance and/ or renunciation (as the case may be) of the entitlements to the Rights Shares and the Warrants made by the Entitled Shareholders and/ or their renounee(s) and/ or transferee(s) (if applicable) is or shall become illegal, unenforceable, voidable or void in such countries or jurisdictions.

The SC is not liable for any non-disclosure on our part and takes no responsibility for the contents of this Abridged Prospectus, makes no representation as to its accuracy or completeness, and expressly disclaims any liability for any loss you may suffer arising from or in reliance upon the whole or any part of the contents of this Abridged Prospectus.

FOR INFORMATION CONCERNING RISK FACTORS WHICH YOU SHOULD CONSIDER, PLEASE REFER TO SECTION 6 OF THIS ABRIDGED PROSPECTUS.



PRESTARIANG BERHAD

Registration No. 201001038336 (922260-K))

(Incorporated in Malaysia under the Companies Act 1965 and deemed registered under the Companies Act 2016)

RENOUNCEABLE RIGHTS ISSUE OF UP TO 176,843,866 NEW ORDINARY SHARES IN PRESTARIANG BERHAD ("PRESTARIANG" OR THE "COMPANY") ("PRESTARIANG SHARE(S)" OR "SHARE(S)") ("RIGHTS SHARE(S)") AT AN ISSUE PRICE OF RM 0.200 PER RIGHTS SHARE, ON THE BASIS OF 1 RIGHTS SHARE FOR EVERY 3 EXISTING PRESTARIANG SHARES HELD, TOGETHER WITH UP TO 176,843,866 FREE DETACHABLE WARRANTS ("WARRANT(S)") ON THE BASIS OF 1 WARRANT FOR EVERY 1 RIGHTS SHARE SUBSCRIBED FOR, AS AT 5.00 P.M. ON FRIDAY, 30 OCTOBER 2020 ("RIGHTS ISSUE WITH WARRANTS")

Adviser

UOBKayHian

UOB Kay Hian Securities (M) Sdn Bhd

Registration No. 199001003423 (194990-K)

(A Participating Organisation of Bursa Malaysia Securities Berhad)

IMPORTANT RELEVANT DATES AND TIME:-

Entitlement Date	: Friday, 30 October 2020 at 5.00 p.m.
Last date and time for sale of provisional allotment of rights	: Friday, 6 November 2020 at 5.00 p.m.
Last date and time for transfer of provisional allotment of rights	: Tuesday, 10 November 2020 at 4.30 p.m.
Last date and time for acceptance and payment	: Monday, 16 November 2020 at 5.00 p.m.
Last date and time for excess application and payment	: Monday, 16 November 2020 5.00 p.m.

This Abridged Prospectus is dated 30 October 2020

All terms and abbreviations used herein shall have the same meanings as those defined in the "Definitions" section of this Abridged Prospectus unless stated otherwise.

RESPONSIBILITY STATEMENTS

OUR DIRECTORS HAVE SEEN AND APPROVED ALL THE DOCUMENTATION RELATING TO THE RIGHTS ISSUE WITH WARRANTS. THEY COLLECTIVELY AND INDIVIDUALLY ACCEPT FULL RESPONSIBILITY FOR THE ACCURACY OF THE INFORMATION. HAVING MADE ALL REASONABLE ENQUIRIES, AND TO THE BEST OF THEIR KNOWLEDGE AND BELIEF, THEY CONFIRM THERE ARE NO FALSE OR MISLEADING STATEMENTS OR OTHER FACTS WHICH, IF OMITTED, WOULD MAKE ANY STATEMENT IN THIS ABRIDGED PROSPECTUS FALSE OR MISLEADING.

UOBKH, BEING OUR ADVISER FOR THE RIGHTS ISSUE WITH WARRANTS, ACKNOWLEDGES THAT, BASED ON ALL AVAILABLE INFORMATION AND TO THE BEST OF ITS KNOWLEDGE AND BELIEF, THIS ABRIDGED PROSPECTUS CONSTITUTES A FULL AND TRUE DISCLOSURE OF ALL MATERIAL FACTS CONCERNING THE RIGHTS ISSUE WITH WARRANTS.

OTHER STATEMENTS

YOU SHOULD NOTE THAT YOU MAY SEEK RECOURSE UNDER SECTIONS 248, 249 AND 357 OF THE CMSA FOR BREACHES OF SECURITIES LAWS INCLUDING ANY STATEMENT IN THIS ABRIDGED PROSPECTUS THAT IS FALSE, MISLEADING, OR FROM WHICH THERE IS A MATERIAL OMISSION; OR FOR ANY MISLEADING OR DECEPTIVE ACT IN RELATION TO THIS ABRIDGED PROSPECTUS OR THE CONDUCT OF ANY OTHER PERSON IN RELATION TO OUR COMPANY.

SECURITIES LISTED ON BURSA SECURITIES ARE OFFERED TO THE PUBLIC PREMISED ON FULL AND ACCURATE DISCLOSURE OF ALL MATERIAL INFORMATION CONCERNING THE RIGHTS ISSUE WITH WARRANTS FOR WHICH ANY OF THE PERSONS SET OUT IN SECTION 236 OF THE CMSA, E.G. DIRECTORS AND ADVISERS, ARE RESPONSIBLE.

THE DISTRIBUTION OF THE DOCUMENTS IS SUBJECT TO MALAYSIAN LAWS. WE AND OUR ADVISERS ARE NOT RESPONSIBLE FOR THE DISTRIBUTION OF THE DOCUMENTS OUTSIDE MALAYSIA. WE AND OUR ADVISERS HAVE NOT TAKEN ANY ACTION TO PERMIT AN OFFERING OF OUR SECURITIES BASED ON THE DOCUMENTS OR THE DISTRIBUTION OF THE DOCUMENTS OUTSIDE OF MALAYSIA. THE DOCUMENTS MAY NOT BE USED FOR AN OFFER TO SELL OR AN INVITATION TO BUY OUR SECURITIES IN ANY COUNTRY OR JURISDICTION OTHER THAN MALAYSIA. WE AND OUR ADVISERS REQUIRE YOU TO INFORM YOURSELF OF SUCH RESTRICTIONS AND TO OBSERVE THEM.

THE DOCUMENTS HAVE BEEN PREPARED AND PUBLISHED SOLELY FOR THE RIGHTS ISSUE WITH WARRANTS UNDER THE LAWS OF MALAYSIA. WE AND OUR ADVISERS HAVE NOT AUTHORISED ANYONE TO PROVIDE YOU WITH INFORMATION WHICH IS NOT CONTAINED IN THESE DOCUMENTS.

DEFINITIONS

Except where the context otherwise requires, the following definitions shall apply throughout this Abridged Prospectus:-

Abridged Prospectus	: This abridged prospectus dated 30 October 2020 in relation to the Rights Issue with Warrants
Act	: The Companies Act 2016, as amended from time to time and all regulations made thereunder and any re-enactment thereof
Affin Hwang Multi-Asset Fund	: CIMB Islamic Trustee Berhad – Affin Hwang Multi-Asset Fund
Affin Hwang Multi-Asset Fund 3	: CIMB Commerce Trustee Berhad – Affin Hwang Multi-Asset Fund 3
Announcement LPD	: 20 July 2020, being the latest practicable date prior to our Company's announcement dated 23 July 2020 in relation to the Corporate Exercises, which is also the last full trading day preceding the date of execution of the heads of agreement dated 21 July 2020 entered into between our Company and Dr. Abu, for the subscription by Dr. Abu of 79,579,740 new Prestariang Shares at an agreed subscription price of RM0.350 per Share
Areca Dynamic Growth Fund	: Maybank Trustees Berhad Areca Dynamic Growth Fund
Board	: Our Board of Directors
Bursa Depository	: Bursa Malaysia Depository Sdn Bhd (Registration No. 198701006854 (165570-W))
Bursa Securities	: Bursa Malaysia Securities Berhad (Registration No. 200301033577 (635998-W))
Business Day	: Any day other than a Saturday, Sunday or any other day which is a public holiday, and on which banks are open for normal banking business in the Federal Territory of Kuala Lumpur, Malaysia
CDS	: Central Depository System, the system established and operated by Bursa Depository for the central handling of securities deposited with Bursa Depository
CDS Account(s)	: Securities account established by Bursa Depository for a depositor pursuant to the SICDA and the Rules of Bursa Depository for the recording of deposits of securities and dealings in such securities by the depositor
Closing Date	: Monday, 16 November 2020 at 5.00 p.m., being the last date and time for the acceptance of and payment for the Provisional Rights Shares with Warrants and the application and payment for the Excess Rights Shares with Warrants
CMSA	: Capital Markets and Services Act 2007, as amended from time to time and all regulations made thereunder and any re-enactment thereof
Corporate Exercises	: The Rights Issue with Warrants, the Private Placement with Warrants and the LTIP, collectively
COVID-19	: Coronavirus disease 2019

DEFINITIONS (CONT'D)

Deed Poll	: The deed poll dated 15 October 2020 constituting the Warrants executed by our Company, as may be supplemented from time to time, in which details of the salient terms of the Warrants are set out in Section 2.5 of this Abridged Prospectus
Director(s)	: Director(s) for the time being of Prestariang and shall have the meaning given in Section 2(1) of the CMSA
Documents	: This Abridged Prospectus together with the NPA and RSF, collectively
Dr. Abu	: Dr. Abu Hasan Bin Ismail, the Non-Independent Executive Director, President/ Group Chief Executive Officer of our Company
EGM	: Extraordinary general meeting
Electronic Application	: Application for the Rights Issue with Warrants and/ or Excess Rights Share(s) with Warrants through the ATMs or internet financial services website of Participating Financial Institutions
Entitled Shareholders	: Our shareholders whose names appear in the Record of Depositors of our Company as at the close of business on the Entitlement Date
Entitlement Date	: 30 October 2020, being the date on which the names of our shareholders must appear in the Record of Depositors of our Company as at 5.00 p.m. in order to be entitled to participate in the Rights Issue with Warrants
EPS/ (LPS)	: Earnings per share/ (Loss) per share
ESOS	: Employees' share option scheme
Excess Application(s)	: Application(s) for Excess Rights Share(s) with Warrants in excess of the Entitled Shareholders' entitlement in accordance with Section 10.9 of this Abridged Prospectus
Excess Rights Shares with Warrants	: Rights Share(s) with Warrants which are not taken up or not validly taken up by the Entitled Shareholders, their renounees and/or their transferees (if applicable) prior to the Excess Application
FPE	: Financial period ended/ ending
Fund Raising Exercises	: The Private Placement with Warrants and the Rights Issue with Warrants, collectively, which are inter-conditional upon each other
FYE	: Financial year ended/ ending
Government	: Government of Malaysia
ICT	: Information and Communications Technology
Listing Requirements	: Main Market Listing Requirements of Bursa Securities
LPD	: 2 October 2020, being the latest practicable date prior to the registration of this Abridged Prospectus by the SC

DEFINITIONS (CONT'D)

LTIP	:	Long term incentive plan comprising the ESOS and the SGP of up to 15% of the total number of issued shares of our Company (excluding treasury shares, if any) at any point in time during the tenure of the LTIP for eligible Directors and employees of our Group (excluding subsidiaries which are dormant)
Market Day(s)	:	Any day from Mondays to Fridays (inclusive of both days) which is not a public holiday and on which Bursa Securities is open for trading of securities
Maximum Scenario	:	Assuming the Rights Issue with Warrants is fully subscribed by all the Entitled Shareholders and/ or their renounee(s)
MCO	:	Movement Control Order implemented by the Government due to the outbreak of the COVID-19 pandemic pursuant to the Prevention and Control of Infectious Diseases Act 1988 and the Police Act 1987
MFRS	:	Malaysian Financial Reporting Standards
Microsoft	:	Microsoft Regional Sales Pte Ltd
Microsoft Products	:	Software licences, products and services of Microsoft
Minimum Scenario	:	Assuming the Rights Issue with Warrants is undertaken on a Minimum Subscription Level basis
Minimum Subscription Level	:	Minimum level of subscription of 50,732,133 Rights Shares by the Undertaking Shareholders based on the minimum level of funds that our Company wishes to raise from the Rights Issue with Warrants amounting to RM10,146,427 based on the issue price of RM0.200 per Rights Share
MLA	:	Master Licensing Agreement
NA	:	Net assets
NPA	:	Notice of provisional allotment of Right Shares pursuant to the Rights Issue with Warrants
NRS	:	Nominee Rights Subscription service offered by Bursa Depository, at the request of our Company, to Authorised Nominees for electronic subscription of Rights Issue with Warrants through Bursa Depository's existing network facility with the Authorised Nominees
Official List	:	A list specifying all securities listed on the Main Market of Bursa Securities
Option Price	:	The price at which an ESOS Participant shall be entitled to subscribe for Prestariang Shares from our Company upon the exercise of the ESOS Options, as initially determined and as may be adjusted pursuant thereto in accordance with the provisions of the By-Laws
Participating Financial Institutions	:	Participating financial institutions for Electronic Applications as referred to in Section 10.5.2 of this Abridged Prospectus
PAT/ (LAT)	:	Profit/ (Loss) after taxation
PBT/ (LBT)	:	Profit/ (Loss) before taxation

DEFINITIONS (CONT'D)

Placement Share(s)	:	79,579,740 new Prestariang Shares pursuant to the Private Placement with Warrants at an issue price of RM0.350 per Placement Share
Prestariang Company	or our	Prestariang Berhad (Registration No. 201001038336 (922260-K))
Prestariang Group	or our Group	Prestariang Berhad and its subsidiaries, collectively
Prestariang Share(s)	or Share(s)	Ordinary share(s) in Prestariang
Private Placement with Warrants	:	Private placement of 79,579,740 Placement Shares to Dr. Abu pursuant to the subscription agreement dated 23 July 2020, at an issue price of RM0.350 per Placement Share together with 79,579,740 Warrants on the basis of 1 Warrant for every 1 Placement Share issued. The rights and obligations of Dr. Abu under the subscription agreement was subsequently novated to Eco Cloud Assets Sdn Bhd via a letter of novation dated 8 September 2020
Proposed Disposal	:	Proposed disposal of 20,000,000 ordinary shares, representing 100% equity interest held in Prestariang Education Sdn Bhd, a wholly-owned subsidiary of our Company, to Serba Dinamik Group Berhad for a cash consideration of RM2,500,000. For avoidance of doubt, Prestariang Education Sdn Bhd wholly owns UNIMY. Upon completion of the Proposed Disposal, Prestariang Education Sdn Bhd shall cease to be a wholly-owned subsidiary of our Company. As at the LPD, the Proposed Disposal is pending the approval of the Ministry of Higher Education in respect of the change of shareholder and shareholding structure in Prestariang Education Sdn Bhd. The Proposed Disposal is expected to be completed by December 2020
Provisional Shares with Warrants	Rights	Shares with Warrants provisionally allotted to the Entitled Shareholders
RAPID	:	The Refinery and Petrochemical Integrated Development project in Pengerang, Johor
Record of Depositors	:	A record consisting of names of depositors established and maintained by Bursa Depository under the Rules of Bursa Depository
Rights Issue with Warrants	:	Renounceable rights issue of up to 176,843,866 Rights Shares at an issue price of RM 0.200 per Rights Share, on the basis of 1 Rights Share for every 3 existing Shares held, together with up to 176,843,866 Warrants on the basis of 1 Warrant for every 1 Rights Share subscribed for, on the Entitlement Date
Rights Share(s)	:	Up to 176,843,866 new Prestariang Shares to be issued at an issue price of RM0.200 per Rights Share, on the basis of 1 Rights Share for every 3 existing Shares held, pursuant to the Rights Issue with Warrants
Rights Entitlement File	Shares	: An electronic file forwarded by Bursa Depository to an Authorised Nominee who has subscribed for NRS, containing information of such Authorised Nominee's entitlement under the Rights Issue with Warrants as at the Entitlement Date

DEFINITIONS (CONT'D)

Rights Shares Subscription File	:	An electronic file submitted by an Authorised Nominee who has subscribed for NRS, to Bursa Depository containing information pertaining to such Authorised Nominee's subscription of the Rights Shares with Warrants
RM and sen	:	Ringgit Malaysia and sen, respectively
RSF	:	Rights Subscription Form for the Rights Issue with Warrants
RSLs	:	Redeemable Secured Loan Stocks issued by Prestariang System Sdn Bhd, a wholly owned subsidiary of our Company in May 2019 at a subscription price of RM1.000 each
Rules of Bursa Depository	:	The rules of Bursa Depository as issued pursuant to the SICDA, including any amendments thereof as may be made from time to time
SC	:	Securities Commission Malaysia
SGP	:	The share grant plan
Share Registrar	:	Boardroom Share Registrars Sdn Bhd (Registration No. 199601006647 (378993-D))
SICDA	:	Securities Industry (Central Depositories) Act 1991, as amended from time to time and all regulations made thereunder and any re-enactment thereof
SKIN	:	Sistem Kawalan Imigresen Nasional
Software & Talent Services	:	The distribution and management of software licenses as well as the provision of basic and professional ICT training and certification by our Group
TERP	:	Theoretical ex-rights price
Undertakings	:	The irrevocable and unconditional undertakings of the Undertaking Shareholders, vide their letters dated 11 August 2020, to collectively subscribe for 50,732,133 Rights Shares at an issue price of RM0.200 each pursuant to the Rights Issue with Warrants, in order to achieve the Minimum Subscription Level
Undertaking Shareholders	:	Areca Dynamic Growth Fund and Affin Hwang Multi-Asset Fund, collectively have provided their respective irrevocable undertakings for the purpose of meeting the Minimum Subscription Level
UNIMY	:	University Malaysia of Computer Science and Engineering
UOBKH or the Adviser	:	UOB Kay Hian Securities (M) Sdn Bhd (Registration No. 199001003423 (194990-K))
VWAMP	:	Volume weighted average market price

DEFINITIONS (CONT'D)

Warrant(s) : Up to 256,423,606 free detachable warrants to be issued at an exercise price of RM0.385 per Warrant (i.e. 79,579,740 Warrants to be issued on the basis of 1 Warrant for every 1 Placement Share pursuant to the Private Placement with Warrants and up to 176,843,866 Warrants to be issued on the basis of 1 Warrant for every 1 Rights Share pursuant to the Rights Issue with Warrants)

All references to the "Company" and "Prestariang" in this Abridged Prospectus are made to Prestariang Berhad (Registration No. 201001038336 (922260-K)) and references to the "Group" are made to the Prestariang Group and its subsidiary companies.

All references to "we", "us", "our" and "ourselves" are made to our Company, or where the context requires, shall include our subsidiaries.

All references to "you" in this Abridged Prospectus are made to our Entitled Shareholders and/ or, where the context otherwise requires, their renouncee(s) and/ or transferee(s) (if applicable).

Unless specifically referred to, words denoting the singular shall include the plural and vice versa and words denoting the masculine gender shall include the feminine and neuter genders and vice versa. Reference to persons shall include corporations.

Words incorporating the singular shall, where applicable, include the plural and vice versa and words incorporating the masculine gender shall, where applicable, include the feminine and neuter genders and vice versa. Reference to persons shall include corporations, unless otherwise specified.

Any reference in this Abridged Prospectus to any legislation, statute, guidelines, rules or regulations is a reference to that legislation, statute, guidelines, rules or regulations as for the time being amended or re-enacted.

Any reference to time of day or date in this Abridged Prospectus shall be a reference to Malaysian time of day and date respectively, unless otherwise specified. Any discrepancies in the tables included in this Abridged Prospectus between the amounts listed, actual figures and the totals thereof are due to rounding.

Certain statements in this Abridged Prospectus may be forward-looking in nature, which are subject to uncertainties and contingencies. Forward-looking statements may contain estimates and assumptions made by our Board after due enquiry, which are nevertheless subject to known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements to differ materially from the anticipated results, performance or achievements expressed or implied in such forward-looking statements. In light of these and other uncertainties, the inclusion of a forward-looking statement in this Abridged Prospectus should not be regarded as a representation or warranty that our Group's plans and objectives will be achieved. Our shareholders should not place undue reliance on such forward-looking statement, and we do not undertake any obligation to update publicly or revise any forward-looking statements.

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ADVISERS' DIRECTORY

- COMPANY SECRETARIES** : Chua Siew Chuan
(SSM PC No. 201908002648) (MAICSA 0777689)
- Lim Lih Chau
(SSM PC No. 201908001454) (LS 0010105)
- Level 7, Menara Milenium
Jalan Damanlela
Pusat Bandar Damansara
Damansara Heights
50490 Kuala Lumpur
- Tel. No.: +603 2084 9000
Fax. No.: +603 2094 9940
- ADVISER** : UOB Kay Hian Securities (M) Sdn Bhd
- Suite 19-03, 19th Floor
Menara Keck Seng
203 Jalan Bukit Bintang
55100 Kuala Lumpur
- Tel. No.: 03-2147 1875
Fax. No.: 03-2147 1950
- DUE DILIGENCE SOLICITORS** : Zaid Ibrahim & Co.
- Level 19, Menara Milenium
Jalan Damanlela
Pusat Bandar Damansara
50490 Kuala Lumpur
- Tel. No.: 03-2087 9999
Fax. No.: 03-2094 4888
- SHARE REGISTRAR** : Boardroom Share Registrars Sdn Bhd
- 11th Floor, Menara Symphony
No. 5, Jalan Prof. Khoo Kay Kim
Seksyen 13
46200 Petaling Jaya
- Tel. No.: 03-7890 4700
Fax. No.: 03-7890 4670
- STOCK EXCHANGE LISTING** : Main Market of Bursa Securities

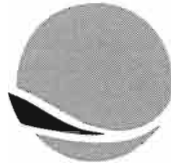
SUMMARY OF THE RIGHTS ISSUE WITH WARRANTS

THIS SUMMARY OF THE RIGHTS ISSUE WITH WARRANTS ONLY HIGHLIGHTS THE KEY INFORMATION FROM OTHER PARTS OF THIS ABRIDGED PROSPECTUS. IT DOES NOT CONTAIN ALL INFORMATION THAT MAY BE IMPORTANT TO YOU. YOU SHOULD READ AND UNDERSTAND THE CONTENTS OF THE WHOLE ABRIDGED PROSPECTUS.

Key information	Summary																								
Basis of allotment and number of Rights Shares and Warrants to be issued pursuant to the Rights Issue with Warrants	<p>The Rights Issue with Warrants entails a renounceable rights issue of up to 176,843,866 Rights Shares at an issue price of RM0.200 per Rights Share, on the basis of 1 Rights Share for every 3 existing Shares held, together with up to 176,843,866 Warrants on the basis of 1 Warrant for every 1 Rights Share subscribed for, by the Entitled Shareholders. In addition, a total of up to 176,843,866 new Prestariang Shares will be issued upon full exercise of the Warrants from the Rights Issue with Warrants over the tenure of the Warrants. The actual number of Rights Shares and Warrants to be issued would depend on the total issued shares of Prestariang as at the Entitlement Date and the eventual subscription rate.</p> <p>Please refer to Section 2.1 of this Abridged Prospectus for further details.</p>																								
Issue price of the Rights Shares	<p>RM0.200 per Rights Share. Please refer to Section 2.2 of this Abridged Prospectus for further details.</p>																								
Exercise price of the Warrants	<p>RM0.385 per Warrant. Please refer to Section 2.3 of this Abridged Prospectus for further details.</p>																								
Tenure of the Warrants	<p>Within 5 years commencing on and including the date of issuance of the Warrants.</p>																								
Shareholder's undertaking and underwriting arrangement	<p>In order to meet the Minimum Subscription Level, the Undertaking Shareholders, namely Areca Dynamic Growth Fund and Affin Hwang Multi-Asset Fund, have provided their respective Undertakings to collectively subscribe for 50,732,133 Rights Shares at an issue price of RM0.200 each pursuant to the Rights Issue with Warrants, such that the aggregate subscription proceeds arising from the subscription of Rights Shares amount to RM10,146,427. As the Rights Issue with Warrants has been structured on a Minimum Subscription Level basis, we will not procure any underwriting arrangement for the remaining portion of the Rights Shares which are not subscribed for by other Entitled Shareholders.</p> <p>Please refer to Section 3 of this Abridged Prospectus for further details.</p>																								
Utilisation of proceeds	<p>The details of the utilisation of proceeds under the Minimum Scenario and Maximum Scenario are as follows:-</p> <table border="0" style="width: 100%; margin-left: 40px;"> <thead> <tr> <th style="width: 50%;"></th> <th style="text-align: center;">Timeframe for utilisation from completion of the Fund Raising Exercises</th> <th style="text-align: center;">Minimum Scenario RM'000</th> <th style="text-align: center;">Maximum Scenario RM'000</th> </tr> </thead> <tbody> <tr> <td>Working capital for expansion of existing business</td> <td style="text-align: center;">Within 12 months</td> <td style="text-align: center;">30,599</td> <td style="text-align: center;">28,309</td> </tr> <tr> <td>Business expansion for new product offerings and services</td> <td style="text-align: center;">Within 24 months</td> <td style="text-align: center;">-</td> <td style="text-align: center;">17,513</td> </tr> <tr> <td>Full repayment of advances from Directors as well as redemption of the RSLs</td> <td style="text-align: center;">Within 3 months</td> <td style="text-align: center;">6,500</td> <td style="text-align: center;">16,500</td> </tr> <tr> <td>Estimated expenses in relation to the Corporate Exercises</td> <td style="text-align: center;">Upon completion</td> <td style="text-align: center;">900</td> <td style="text-align: center;">900</td> </tr> <tr> <td>Total gross proceeds</td> <td></td> <td style="text-align: center; border-top: 1px solid black;">37,999</td> <td style="text-align: center; border-top: 1px solid black;">63,222</td> </tr> </tbody> </table> <p>Please refer to Section 4 of this Abridged Prospectus for further details.</p>		Timeframe for utilisation from completion of the Fund Raising Exercises	Minimum Scenario RM'000	Maximum Scenario RM'000	Working capital for expansion of existing business	Within 12 months	30,599	28,309	Business expansion for new product offerings and services	Within 24 months	-	17,513	Full repayment of advances from Directors as well as redemption of the RSLs	Within 3 months	6,500	16,500	Estimated expenses in relation to the Corporate Exercises	Upon completion	900	900	Total gross proceeds		37,999	63,222
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Material litigation	<p>Prestariang Skin Sdn Bhd, had on 15 April 2019, commenced legal proceedings against the Government by way of an Originating Summons in relation to the termination of a concession agreement dated 9 August 2017 entered into with the Government pertaining to the implementation of the SKIN project by way of expropriation. The termination took effect on 22 January 2019. The dispute is referred to a court-annexed mediation conducted by the Kuala Lumpur Court Mediation Centre.</p> <p>Please refer to Section 6 of Appendix I of this Abridged Prospectus for further details.</p>																								

SUMMARY OF THE RIGHTS ISSUE WITH WARRANTS (CONT'D)

Key information	Summary
Rationale	<p>i. The Rights Issue with Warrants will provide the Entitled Shareholders with an opportunity to participate in an equity offering in our Company on a pro rata basis and ultimately, participate in the prospects and future growth of our Group by subscribing to the Rights Shares.</p> <p>ii. The Rights Issue with Warrants will strengthen our Group's financial position with enhanced shareholders' funds and reduced gearing level as compared to bank borrowings which are expected to facilitate the continuous long-term growth and expansion plans of our Group.</p> <p>iii. The Warrants to be issued pursuant to the Rights Issue with Warrants are expected to provide an incentive to the Entitled Shareholders to subscribe for the Rights Shares. The Warrants will potentially allow the Entitled Shareholders who subscribe for the Rights Shares to benefit from the possible capital appreciation of the Warrants and increase their equity participation in our Company at a pre-determined price over the tenure of the Warrants. Our Company would also be able to raise additional proceeds as and when the Warrants are exercised.</p> <p>Please refer to Section 5 of this Abridged Prospectus for further details.</p>
Risk factors	<p>You should consider, amongst others, the following risk factors before subscribing for or investing in the Rights Issue with Warrants:-</p> <p>i. Our Group is dependent on Microsoft (our major supplier) for the distribution of Microsoft Products and the expected termination of the Channel Partner Agreement with Microsoft is expected to have a material effect on our Group's business operations and financial performance for the FYE 30 June 2021. During the past 4 financial years/ period up to the FYE 30 June 2020, the revenue contributed from the sale of Microsoft Products accounted for approximately 79.48%, 74.24%, 42.30% and 90.87% of our Group's total revenue from continuing operations, respectively.</p> <p>ii. Our Group is dependent on our major customers, namely government agencies, statutory bodies and state governments in Malaysia which contributed more than 90% of our Group's total revenue during the past 4 financial years/ period up to the FYE 30 June 2020. This revenue was generated mainly from MLA and the renewal of MLA 3.0 (which is due on 31 January 2021) is subject to the Government's decision. The discontinuation of the Channel Partner Agreement is expected to materially affect the ability for our Group to continue to participate in future Government procurement of Microsoft Products and services from 1 February 2021 onwards. Accordingly, this may affect our ability to participate in any extension or renewal of MLA 3.0 which will expire on 31 January 2021.</p> <p>iii. Our Group is subject to certain risks inherent in the ICT industry and if we are unable to introduce competitive products and services in a timely manner, our ability to remain relevant could be adversely affected.</p> <p>iv. Our Group's business model require us to secure medium-term and long term contracts to ensure we could generate recurring and sustainable revenue.</p> <p>Please refer to Section 6 of this Abridged Prospectus for further details.</p>
Procedures for acceptance and payment	<p>Acceptance of and payment for the Provisional Rights Shares with Warrants and application for the Excess Rights Shares with Warrants must be made by way of the RSF enclosed with this Abridged Prospectus and must be completed in accordance with the notes and instructions contained in the RSF. The last day, date and time for acceptance of and payment for the Provisional Rights Shares with Warrants and the application and payment for the Excess Rights Shares with Warrants is on Monday, 16 November 2020 5.00 p.m.</p> <p>The Rights Issue with Warrants is renounceable in full or in part. Accordingly, the Entitled Shareholders can subscribe for and/ or renounce their entitlements to the Rights Shares in full or in part. Only Entitled Shareholders and/ or their renounee(s) who successfully subscribe for the Rights Shares will be entitled to the Warrants. The Entitled Shareholders who renounce all or any part of their entitlements to the Rights Shares provisionally allotted to them under the Rights Issue with Warrants will simultaneously relinquish their corresponding entitlements to the Warrants.</p> <p>Please refer to Section 10 of this Abridged Prospectus for further details.</p>



PRESTARIANG BERHAD

Registration No. 201001038336 (922260-K)

(Incorporated in Malaysia under the Companies Act 1965 and deemed registered under the Companies Act 2016)

Registered Office

Level 7, Menara Milenium
Jalan Damanlela
Pusat Bandar Damansara
Damansara Heights
50490 Kuala Lumpur

30 October 2020

Board of Directors

Paul Chan Wan Siew (*Interim Chairman, Senior Independent Non-Executive Director*)
Dr. Abu Hasan Bin Ismail (*Non-Independent Executive Director, President/ Group Chief Executive Officer*)
Ramanathan A/L Sathiamutty (*Independent Non-Executive Director*)
Ginny Yeow Mei Ying (*Independent Non-Executive Director*)
Baladesh Singh A/L Manmohan Singh (*Non-Independent Executive Director, Chief Operating Officer*)
Professor Emeritus Dato' Dr. Hassan Bin Said (*Independent Non-Executive Director*)
Hafidah Aman Binti Hashim (*Independent Non-Executive Director*)

To: Our Entitled Shareholders

Dear Sir/ Madam,

RENOUNCEABLE RIGHTS ISSUE OF UP TO 176,843,866 RIGHTS SHARES AT AN ISSUE PRICE OF RM 0.200 PER RIGHTS SHARE, ON THE BASIS OF 1 RIGHTS SHARE FOR EVERY 3 EXISTING PRESTARIANG SHARES HELD, TOGETHER WITH UP TO 176,843,866 WARRANTS ON THE BASIS OF 1 WARRANT FOR EVERY 1 RIGHTS SHARE SUBSCRIBED FOR, AS AT 5.00 P.M. ON FRIDAY, 30 OCTOBER 2020

1. INTRODUCTION

On 23 July 2020, UOBKH had, on behalf of our Board, announced that we proposed to undertake the following:-

- i. a private placement of 79,579,740 new Placement Shares at an issue price of RM0.350 per Placement Share together with 79,579,740 Warrants on the basis of 1 Warrant for every 1 Placement Share issued;
- ii. a renounceable rights issue of up to 176,843,866 new Prestariang Shares at an issue price of RM 0.200 per Rights Share, on the basis of 1 Rights Share for every 3 existing Prestariang Shares held, together with up to 176,843,866 Warrants on the basis of 1 Warrant for every 1 Rights Share subscribed for, on the Entitlement Date; and

- iii. the establishment of a LTIP, which comprises the employee share option scheme and the share grant plan, of up to 15% of the issued share capital of our Company (excluding treasury shares, if any) at any point in time during the tenure of the LTIP for the eligible Directors and employees of Prestariang Group (excluding subsidiary companies which are dormant), who meet the criteria of eligibility for participation in the LTIP as set out in the by-laws of our Company. For clarification purposes, our Company has yet to implement the LTIP as at the LPD. The tenure of the LTIP, when implemented, shall be in force for a period of 5 years from the effective date of implementation. Our Company may, if our Board deems fit and upon the recommendation of the LTIP committee, extend the LTIP for a period of up to another 5 years immediately from the expiry of the first 5 years, and shall not in aggregate exceed 10 years from the effective date of LTIP or such longer period as may be permitted by Bursa Securities or any other relevant authorities.

On 19 August 2020, UOBKH had, on behalf of our Board, announced that Bursa Securities had, vide its letter dated 19 August 2020, resolved to approve the following:-

- i. Admission to the Official List and the initial listing and quotation of up to 256,423,606 Warrants to be issued pursuant to the Fund Raising Exercises;
- ii. Listing of:-
 - a. Up to 79,579,740 Placement Shares to be issued pursuant to the Private Placement with Warrants;
 - b. Up to 176,843,866 Rights Shares to be issued pursuant to the Rights Issue with Warrants;
 - c. Up to 256,423,606 new Prestariang Shares to be issued pursuant to the exercise of the Warrants; and
 - d. such number of additional new Prestariang Shares representing up to 15% of the total number of issued shares (excluding treasury shares, if any) of Prestariang to be issued under the LTIP.

on the Main Market of Bursa Securities, subject to the conditions set out below:-

	Conditions	Status of compliance
i.	Prestariang and UOBKH must fully comply with the relevant provisions under the Listing Requirements pertaining to the implementation of the Fund Raising Exercises	To be complied
ii.	Prestariang and UOBKH to inform Bursa Securities upon the completion of the Fund Raising Exercises	To be complied
iii.	Prestariang to furnish Bursa Securities with a written confirmation of its compliance with the terms and conditions of Bursa Securities' approval once the Fund Raising Exercises are completed	To be complied
iv.	Prestariang to furnish Bursa Securities on a quarterly basis a summary of the total number of shares listed pursuant to the exercise of Warrants as at the end of each quarter together with a detailed computation of listing fees payable	To be complied

On 15 September 2020, our shareholders had approved the Corporate Exercises at our EGM.

On 15 September 2020, our Company had announced that Prestariang Systems Sdn Bhd, a wholly-owned subsidiary of our Company, had been informed on 14 September 2020 by Microsoft that it will discontinue Prestariang Systems Sdn Bhd's role as its Channel Partner effective 31 January 2021. The formal notice of termination of our agreement with Microsoft ("**Channel Partner Agreement**") will only be served on Prestariang Systems Sdn Bhd sometime end December 2020 and will take effect from 31 January 2021. As for business operations dealing with Microsoft licensing, it will be business as usual from 15 September 2020 until 31 January 2021.

For clarification purposes, Microsoft has indicated that the termination is to be done without cause. However, the formal notice of termination may include additional information including the reason(s) of the termination. Our Company will make the relevant announcement on Bursa Securities in relation to formal notice of termination and the details, if any, upon the receipt of the aforesaid notice.

Pursuant to Paragraph 8.03A(2)(a)(i) of the Listing Requirements, a listed issuer may not have a level of operations that is adequate to warrant continued trading or listing on the Official List of Bursa Securities, if the said listed issuer has, amongst others, suspended or ceased its major business which contributes 70% or more of the listed issuer's revenue on a consolidated basis based on its latest annual audited or unaudited financial statement. Accordingly, the aforesaid termination of the Channel Partner Agreement may result in our Group triggering the criteria of an Affected Listed Issuer pursuant to Paragraph 8.03A(2)(a)(i) of the Listing Requirements given that Microsoft Products contributes more than 70% of our Group's revenue on a consolidated basis during the past 4 financial years/ period up to the FYE 30 June 2020 (save for the FPE 30 June 2019).

Further details on the Channel Partner Agreement and the impact of the expected termination of the Channel Partner Agreement to our Group are set out below:-

Background information on Channel Partner Agreement

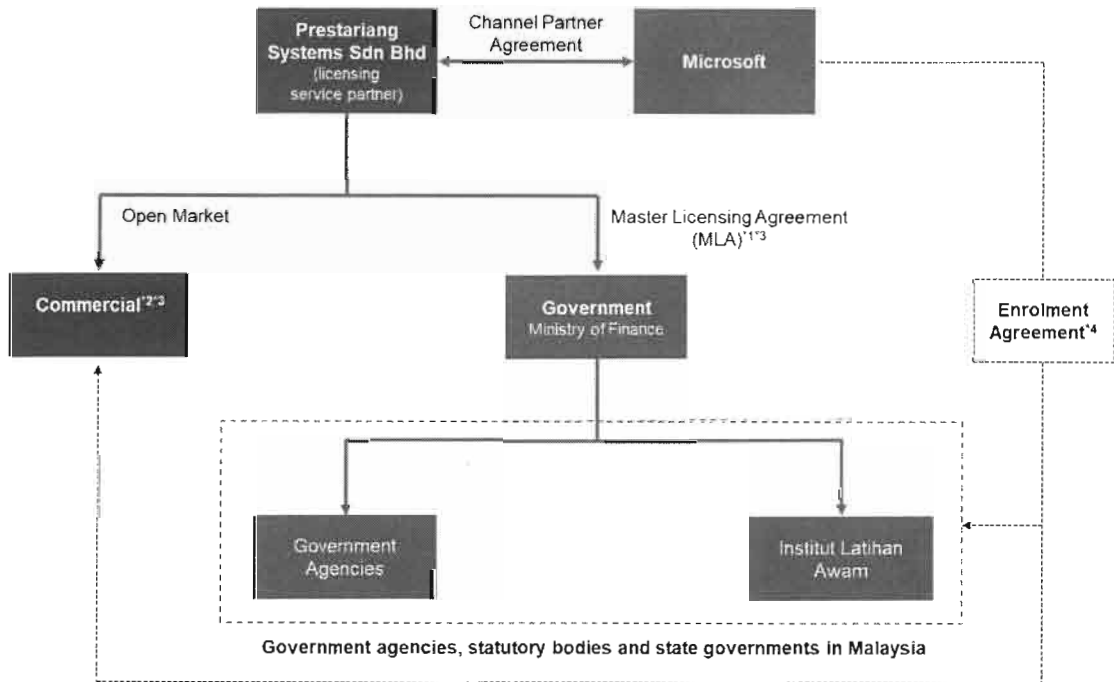
For shareholders' information purposes, our relationship with Microsoft as one of its distribution partners started in 2006. The current Channel Partner Agreement was renewed on 1 October 2019 with no expiry date. However, either party may terminate the said agreement by giving the other party 30-day notice.

The purpose of the Channel Partner Agreement is to allow Prestariang Systems Sdn Bhd to act as the licensing service partner of Microsoft to procure Microsoft Products directly from Microsoft, to be the fulfilment agent for our customers in Malaysia, namely all government agencies, statutory bodies and state governments in Malaysia as well as the commercial market.

For clarification purposes, aside from Prestariang Systems Sdn Bhd, there are other licensing service partners who have entered into the Channel Partner Agreement with Microsoft that serves the commercial market. Nevertheless, Prestariang Systems Sdn Bhd is the only licensing service partner of Microsoft that provides Microsoft Products via the MLA to all government agencies, statutory bodies and state governments in Malaysia.

Further details of the Microsoft engagement model with Prestariang Systems Sdn Bhd are as illustrated in Diagram A below:-

(Diagram A: Microsoft Engagement Model)



Notes:-

- *1 We have a MLA with the Government for the provision of software licences, products and services via a centralised procurement framework to all government agencies, statutory bodies and state governments in Malaysia. Our working relationship with the Government started since 2006. The current MLA 3.0 was awarded to Prestariang Systems Sdn Bhd on 29 January 2018 for which it commenced on 1 February 2018 and will expire on 31 January 2021.
- *2 The commercial segment involves private sector customers of various industries with focus on medium, large corporates and Government-Linked Companies (GLC) with sizeable orders.
- *3 For avoidance of doubt, based on the latest audited financial results for the FYE 30 June 2020 whereby out of the total sale of Microsoft Products which contributes to approximately 90% of our Group's revenue, approximately 87% is derived from the Government segment whilst the remaining balance of approximately 3% is derived from the commercial segment.
- *4 The enrolment agreement is signed between our customers and Microsoft and it covers Microsoft terms and conditions governing the rights to use Microsoft Products.

Dependency on major supplier (i.e. Microsoft)

During the past 4 financial years/ period up to the FYE 30 June 2020, the revenue contributed from the sale of Microsoft Products accounted for approximately 79.48%, 74.24%, 42.30% and 90.87% of our Group's total revenue from continuing operations, respectively. Further details on the revenue contribution from Microsoft Products are as follows:-

	-----Audited-----							
	12-month FYE		Restated 12-month FYE		Restated 18-month FPE		12-month FYE	
	31 December 2016		31 December 2017 ^{*1}		30 June 2019 ^{*2}		30 June 2020	
	RM'000	%	RM'000	%	RM'000	%	RM'000	%
Microsoft Products	104,968	79.48	105,018	74.24	156,187	42.30	139,978	90.87

	-----Audited----->							
	12-month FYE		Restated 12-month FYE		Restated 18-month FPE		12-month FYE	
	31 December 2016 RM'000	%	31 December 2017 ^{*1} RM'000	%	30 June 2019 ^{*2} RM'000	%	30 June 2020 RM'000	%
Non-Microsoft Products ^{*4}	20,238	15.32	24,849	17.57	12,864	3.48	9,620	6.25
Others ^{*5}	6,865	5.20	11,586	8.19	200,201	54.22	4,440	2.88
Total revenue	132,071	100.00	141,453	100.00	369,252^{*3}	100.00	154,038	100.00

Notes:-

- *1 During the FPE 30 June 2019, our Company has adopted MFRS 15 and restated our accounts for the FYE 31 December 2017. The impact on the accounts for the FYE 31 December 2017 are as follows:-
- i. The revenue recognition in respect the SKIN project in FYE 31 December 2017 of RM78.05 million was deferred to FPE 30 June 2019 based on the SKIN agreement effective date; and
 - ii. the cost incurred in relation to the revenue mentioned in item i. above of RM44.3 million was also correspondingly deferred from FYE 31 December 2017 and recognised in FPE 30 June 2019.
- *2 Our Group has changed its financial year-end from 31 December to 31 March on 3 Dec 2018 and from 31 March to 30 June on 28 February 2019 effective from the FPE 30 June 2019. The change in financial year end was in line with the ongoing negotiations for compensation arising from the SKIN project. Please refer to Section 6 of Appendix I of this Abridged Prospectus for further information on our Group's material litigation in relation to the SKIN project.
- *3 Our Group's revenue for the FPE 30 June 2019 increased by RM227.80 million or 161.05% from RM141.45 million to RM369.25 million, mainly due to revenue recognition in respect of the SKIN project in FYE 31 December 2017 to FPE 30 June 2019, based on the SKIN project commencement date on 25 April 2018. There was no revenue contribution from the SKIN project in the FYE 30 June 2020 following the termination of the SKIN project from January 2019 onwards by the Government. Please refer to Section 7 of Appendix I of this Abridged Prospectus for further information on our Group's historical financial performance.
- *4 Non-Microsoft Products include, amongst others, Adobe software, Autodesk software, Symantec antivirus, Logitech and Jabra hardware.
- *5 Others include revenue contribution from the provision of education services, provision of human resource services and revenue from the SKIN project.

Based on the table above, it is evident that our Group is dependent on Microsoft during the past 4 financial years/ period up to the FYE 30 June 2020. As such, the expected termination of the Channel Partner Agreement with effect from 31 January 2021 is expected to have a material effect on our Group's business operations and financial performance for the FYE 30 June 2021 arising from the expected loss of income from the sale of Microsoft Products during the period from 1 February 2021 to 30 June 2021. As highlighted above, Prestariang Systems Sdn Bhd was informed by Microsoft on 14 September 2020 that there is an intention to terminate the Channel Partner Agreement without cause by notice as provided under the Channel Partner Agreement. Microsoft has also advised that the formal notice of termination without cause will only be served on Prestariang Systems Sdn Bhd sometime end December 2020 and will take effect from 31 January 2021. Notwithstanding that Microsoft has indicated that the termination is to be done without cause, the formal notice of termination may include additional information including the reason(s) of the termination. Our Company will make the relevant announcement on Bursa Securities in relation to formal notice of termination and the details, if any, upon the receipt of the aforesaid notice.

Based on our management's internal estimation, in the event that we are not able to generate higher revenue from other non-Microsoft products, the discontinuation of the Channel Partner Agreement is expected to result in estimated loss of revenue of more than 90% of our Group's total revenue from 1 February 2021 onwards, calculated based on the actual revenue contributed from the sale of Microsoft Products for the latest FYE 30 June 2020 of approximately 90.87%.

Impact on MLA (Master Licensing Agreement)

As set out in Diagram A in Section 1 of this Abridged Prospectus, pursuant to the Channel Partner Agreement, we in turn have a MLA with the Government for the provision of software licences, products and services via a centralised procurement framework to all government agencies, statutory bodies and state governments in Malaysia. Our working relationship with the Government started since 2006. The current MLA 3.0 was awarded to Prestariang Systems Sdn Bhd on 29 January 2018 for which it commenced on 1 February 2018 and will expire on 31 January 2021. Although, we have a proven delivery track record to the Government, the renewal of MLA 3.0 is subject to the Government's decision. For clarification purposes, the discontinuation of the Channel Partner Agreement is expected to materially affect the ability for our Group to continue to participate in future Government procurement of Microsoft Products and services from 1 February 2021 onwards. Accordingly, this may affect our ability to participate in any extension or renewal of MLA 3.0 which will expire on 31 January 2021.

For the avoidance of doubt, MLA 3.0 only allows our Group to provide the sale and services of Microsoft Products to all government agencies, statutory bodies and state governments in Malaysia. As such, in the event that the Government requires our Group to continue to provide the sale and services of Microsoft Products as a condition for the renewal of MLA 3.0, our Group will not be able to renew MLA 3.0 with the Government due to the discontinuation of the Channel Partner Agreement with Microsoft. Notwithstanding the foregoing, our Group intends to discuss with the Government on the terms for the renewal of MLA 3.0, including the possibility of providing the similar and complimentary software licences, products and services but via different key product principals/ platform providers besides Microsoft, as a remedial effort to secure the renewal of MLA 3.0 and ensure the sustainability of our business.

Nevertheless, in the event that MLA 3.0 is terminated by the Government or we do not secure the renewal for MLA, our Group's revenue, profitability, long term sustainability and business growth may be adversely impacted. As set out in the table above, during the past 4 financial years/ period up to the FYE 30 June 2020, the revenue contributed from the sale of Microsoft Products accounted for approximately 79.48%, 74.24%, 42.30% and 90.87% of our Group's total revenue, respectively.

Our Group may be classified as Affected Listed Issuer

For shareholders' information purposes, pursuant to Paragraph 8.03A(1) of the Listing Requirements, a listed issuer must maintain an adequate level of operations to warrant continued trading or listing on the official list of Bursa Securities.

Further, pursuant to Paragraph 8.03A(2) of the Listing Requirements, the following are circumstances which indicate that a listed issuer may not have a level of operations that is adequate to warrant continued trading or listing on the Official List of Bursa Securities:-

- a. the listed issuer has suspended or ceased –
 - i. all of its business or its major^{*1} business; or
 - ii. its entire or major^{*1} operations,

for any reason whatsoever including, amongst others, due to or as a result of –

- aa. the cancellation, loss or non-renewal of a licence, concession or such other rights necessary to conduct its business activities;
 - bb. the disposal of the listed issuer's business or major^{*1} business; or
 - cc. a court order or judgment obtained against the listed issuer prohibiting the listed issuer from conducting its major operations on grounds of infringement of copyright of products etc; or
- b. the listed issuer has an insignificant business or operations^{*2}.

Notes:-

*1 "major" means such proportion that contributes or generates 70% or more of the listed issuer's revenue on a consolidated basis based on its latest annual audited or unaudited financial statements.

*2 "insignificant business or operations" means business or operations which generates revenue on a consolidated basis that represents 5% or less of the share capital (excluding any redeemable preference shares and treasury shares) or the unit holder capital of the listed issuer based on its latest annual audited or unaudited financial statements.

Based on the above, the expected termination of the Channel Partner Agreement with effect from 31 January 2021 may result in our Group triggering Paragraph 8.03A(2)(a)(i) of the Listing Requirements as a result of cancellation of a major contract, given that Microsoft Products contributes more than 70% of our Group's revenue on a consolidated basis during the past 4 financial years/ period up to the FYE 30 June 2020 (save for the FPE 30 June 2019).

In the event our Group triggers subparagraphs 8.03A(2)(a) or (2)(b) of the Listing Requirements, we are required to comply with the following requirements, failing which Bursa Securities may suspend the trading of our Shares or de-list our Company, or both:-

- a. immediately announce to Bursa Securities of our condition and provide such information from time to time for public release in accordance with the disclosure obligations set out in paragraph 4.0^{*1} of Practice Note 17 of the Listing Requirements, with the necessary modifications;
- b. regularise its condition by complying with the requirements set out in paragraph 8.04(3) and paragraph 5.0^{*2} of Practice Note 17 of the Listing Requirements, with the necessary modifications; and
- c. comply with such other requirements or do such other acts or things as may be prescribed or required by Bursa Securities.

Notes:-

*1 Paragraph 4.0 of Practice Note 17 of the Listing Requirements is in relation to the disclosure obligations of a listed issuer that triggers any of the criteria in relation to the financial condition of the listed issuer ("**PN17 Issuer**") ("**Prescribed Criteria**"), which specifies, amongst others, the following:-

1.1 A PN17 Issuer must announce to Bursa Securities –

- a. on an immediate basis ("**First Announcement**") upon the PN17 Issuer triggering one or more of the Prescribed Criteria –
 - i. that the listed issuer is a PN17 Issuer pursuant to this Practice Note;
 - ii. the listed issuer's obligations pursuant to this Practice Note;

- iii. the consequences of non-compliance with such obligations; and
 - iv. the status of the listed issuer's regularisation plan or the status of its endeavours to formulate such a plan, whichever is applicable, or where neither a plan nor any endeavour to formulate such a plan has been undertaken, an appropriate negative statement to such effect;
- b. within 3 months from the First Announcement, on whether the regularisation plan will result in a significant change in the business direction or policy of the PN17 Issuer;
 - c. the status of its regularisation plan and the number of months to the end of the relevant timeframes as may be applicable, on a monthly basis ("**Monthly Announcement**") until further notice from Bursa Securities;
 - d. its compliance or non-compliance with a particular obligation imposed pursuant to this Practice Note, on an immediate basis;
 - e. details of the regularisation plan which announcement must fulfill the requirements set out in paragraph 1.2 below ("**Requisite Announcement**"); and
 - f. where the PN17 Issuer fails to regularise its condition, the dates of suspension and de-listing of its listed securities, immediately upon notification of suspension and delisting by Bursa Securities.

1.2 The Requisite Announcement must –

- a. contain details of the regularisation plan and sufficient information to demonstrate that the PN17 Issuer is able to comply with all the requirements after implementation of the regularisation plan;
- b. include a timeline for the complete implementation of the regularisation plan; and
- c. be announced by the PN17 Issuer's Principal Adviser.

1.3 Before a PN17 Issuer makes the Requisite Announcement, it must ensure that–

- a. all agreements to be entered into with third parties as part of the regularisation plan, have been duly executed by all parties to such agreements; and
- b. where the regularisation plan involves a compromise or arrangement with the PN17 Issuer's creditors, the PN17 Issuer has taken reasonable steps to procure the agreement-in-principle of such creditors.

1.4 The Monthly Announcements must be made on the first market day of each month beginning with the month following the date of the First Announcement.

*2 Paragraph 5.0 of Practice Note 17 of the Listing Requirements is in relation to the obligation to regularise, which specifies, amongst others, the following:-

2.1 If a PN17 Issuer undertakes a regularisation plan which will result in a significant change in the business direction or policy of the PN17 Issuer, it must –

- a. submit the plan to the SC for approval, within 12 months from the date of the First Announcement; and
- b. complete the implementation of the plan within such timeframe as may be prescribed by the SC.

- 2.2 If a PN17 Issuer undertakes a regularisation plan which will not result in a significant change in the business direction or policy of the PN17 Issuer, it must –
- a. submit to Bursa Securities the plan and obtain Bursa Securities' approval to implement the plan within 12 months from the date of the First Announcement;
 - b. complete the implementation of the plan within 6 months from the date the plan is approved by Bursa Securities. However, for cases which involve court proceedings, a PN17 Issuer has up to 12 months from the date the plan is approved by Bursa Securities, to complete the implementation of the plan; and
 - c. record a net profit in 2 consecutive quarterly results immediately after the completion of the implementation of the plan. In this regard, the PN17 Issuer must ensure that the relevant quarterly results are subjected to a limited review by an external auditor before they are announced to Bursa Securities.

For clarification purposes, notwithstanding the expected termination of the Channel Partner Agreement, our Group will continue to leverage on our experience and market knowledge to focus on growing the Software & Services and Talent business segment. Please refer to Section 7.3 of this Abridged Prospectus for further details on the future prospects of our Group. Further, the expected termination of the Channel Partner Agreement will not result in a variation to the utilisation of proceeds to be raised from the Fund Raising Exercises as set out in Section 4 of this Abridged Prospectus. In the event our Board wishes to vary the utilisation of proceeds as allocated in Section 4 of this Abridged Prospectus, we will first make the relevant announcement on Bursa Securities, and procure shareholders' approval for the variation of the use of funds if the variance of the utilisation of proceeds is equal to or more than 25.00% from the intended purpose of utilisation of proceeds.

On 15 October 2020, UOBKH had, on behalf of our Board, announced the Entitlement Date and other relevant dates pertaining to the Rights Issue with Warrants.

The admission of the Rights Shares with Warrants to the Official List and the listing and quotation for the Rights Shares to be issued pursuant to the Rights Issue with Warrants will commence after, amongst others, receipt of confirmation from Bursa Depository that all the CDS Accounts of the successful applicants have been duly credited and notices of allotment have been despatched to them.

No person is authorised to give any information or to make any representation not contained in this Abridged Prospectus in connection with the Rights Issue with Warrants and if given or made, such information or representation must not be relied upon as having been authorised by us or UOBKH.

IF YOU ARE IN ANY DOUBT AS TO THE ACTION TO BE TAKEN, YOU SHOULD CONSULT A PROFESSIONAL ADVISER IMMEDIATELY.

2. DETAILS OF THE RIGHTS ISSUE WITH WARRANTS

2.1 Basis and number of Rights Shares and Warrants to be issued

The Rights Issue with Warrants entails a renounceable rights issue of up to 176,843,866 Rights Shares at an issue price of RM0.200 per Rights Share, on the basis of 1 Rights Share for every 3 existing Shares held, together with up to 176,843,866 Warrants on the basis of 1 Warrant for every 1 Rights Share subscribed for, by the Entitled Shareholders.

As at the LPD, the total issued shares of Prestariang is 530,531,600 Shares (excluding 1,698,500 treasury shares). For the purpose of implementing the Rights Issue with Warrants, our Board has undertaken to ensure that our Company shall not purchase/ sell/ cancel/ distribute any Prestariang Shares currently held as treasury shares pursuant to our Company's share buy-back program until the completion of the Rights Issue with Warrants.

The Rights Issue with Warrants will be undertaken on a Minimum Subscription Level basis, where the Rights Issue with Warrants would entail a minimum issuance of Rights Shares to raise a minimum gross proceeds of RM10,146,427.

Notwithstanding the above, in the event all the Entitled Shareholders and/ or their renounee(s) fully subscribe for their entitlements under the Rights Issue with Warrants, a total of up to 176,843,866 Rights Shares together with up to 176,843,866 Warrants will be issued, raising a maximum gross proceeds of RM35,368,773. In addition, a total of up to 176,843,866 Shares will be issued upon full exercise of the Warrants from the Rights Issue with Warrants over the tenure of the Warrants. The actual number of Rights Shares and Warrants to be issued would depend on the total issued shares of Prestariang as at the Entitlement Date and the eventual subscription rate.

As set out in Section 4 of this Abridged Prospectus, the gross proceeds to be raised from the Rights Issue with Warrants will be allocated to the working capital for expansion of our Group's existing business, the expansion of our Group's new product and service offerings and to fully repay advances from Directors as well as redemption of RSLs.

The Rights Issue with Warrants is renouneable in full or in part. Accordingly, the Entitled Shareholders can subscribe for and/ or renoune their entitlements to the Rights Shares in full or in part. Only Entitled Shareholders and/ or their renounee(s) who successfully subscribe for the Rights Shares will be entitled to the Warrants.

The Entitled Shareholders who renoune all or any part of their entitlements to the Rights Shares provisionally allotted to them under the Rights Issue with Warrants will simultaneously relinquish their corresponding entitlements to the Warrants. For the avoidance of doubt, the Rights Shares and the Warrants are not separately renouneable. Any unsubscribed Rights Shares together with the Warrants will be made available to other Entitled Shareholders and/ or their renounee(s) via the excess Rights Shares application.

The Warrants will be immediately detached from the Rights Shares upon issuance and will be traded separately. The Warrants (to be issued under the Fund Raising Exercises) will be issued upon in registered form and constituted by the Deed Poll.

In determining the entitlement of the Entitled Shareholders under the Rights Issue with Warrants, fractional entitlements, if any, will be disregarded and dealt with in such manner and on such terms and conditions as our Board in its sole and absolute discretion deem fit or expedient and in our best interests.

The Rights Shares with Warrants which are not taken up or validly taken up shall be made available for Excess Application(s) by the other Entitled Shareholders and/ or their renounee(s). Our Board intends to allocate the Excess Rights Shares with Warrants in a fair and equitable manner on a basis to be determined by our Board, further details of which are set out in Section 10.9.1 of this Abridged Prospectus.

2.2 Basis of determining and justification for the issue price of the Rights Shares

The issue price of RM0.200 per Rights Share was determined by our Board after taking into consideration, amongst others, the following:-

- i. The minimum gross proceeds of RM10,146,427 to be raised from the Rights Issue with Warrants;
- ii. The resultant TERP of Prestariang Shares of RM0.385 computed based on the 5-day VWAMP of Prestariang Shares up to and including the Announcement LPD of RM0.446, whereby the issue price RM0.200 per Rights Share represents a discount of approximately 48.05% to the TERP of RM0.385. In addition, the issue price of RM0.200 per Rights Share represents the following discount to the respective TERP based on the respective VWAMP of Prestariang Shares:-

	VWAMP RM	TERP (adjusted based on VWAMP) RM	Discount (i.e. Issue price – TERP) RM	%
5-day VWAMP of Prestariang Shares up to and including the Announcement LPD	0.446	0.385	(0.185)	(48.05)
1-month VWAMP of Prestariang Shares up to and including the Announcement LPD	0.498	0.424	(0.224)	(52.83)
3-month VWAMP of Prestariang Shares up to and including the Announcement LPD	0.441	0.381	(0.181)	(47.51)
6-month VWAMP of Prestariang Shares up to and including the Announcement LPD	0.412	0.359	(0.159)	(44.29)

(Source: Bloomberg)

- iii. The historical financial performance of Prestariang for the past 3 financial years/ period up to the FPE 30 June 2019 and the 9-month FPE 31 March 2020, where Prestariang has been in a loss making position since the restated FYE 31 December 2017, further details as illustrated in Section 7 of Appendix I of this Abridged Prospectus.

In view that the financial performance of Prestariang has been poor in the recent years, our Company is in its rebuilding and recovery stage following the impact of the SKIN project termination, effective on 22 January 2019 and as such, the proceeds raised from the Rights Issue with Warrants in addition to the Private Placement with Warrants will be instrumental in funding the business plans details of which are summarised in Section 4 of this Abridged Prospectus.

Accordingly, the issue price of RM0.200 per Rights Share which represents a discount of 48.05% to the TERP computed based on the 5-day VWAMP of Prestariang Shares up to and including the Announcement LPD was considered reasonable by our Board in terms of the discounted value and discount percentage of the issue price as it could possibly entice the Entitled Shareholders and/ or their renounee(s) to subscribe for their respective entitlements, and shall accordingly allow Prestariang to raise a maximum gross proceeds of RM35.37 million under the Maximum Scenario that will be channeled towards the intended utilisation as set out in Section 4 of this Abridged Prospectus.

Further, notwithstanding that the Rights Issue with Warrants is undertaken on a Minimum Subscription Level, it is the intention of our Board to achieve full subscription from the Entitled Shareholders to raise a maximum gross proceeds of RM35.37 million under the Maximum Scenario. Accordingly, our Board is of the opinion that the deep discount of 48.05% to the TERP is considered reasonable to entice the Entitled Shareholders and/ or their renounee(s) to subscribe for their respective entitlements.

2.3 Basis of determining and justification for the exercise price of the Warrants

The Warrants (to be issued under to the Rights Issue with Warrants and the Private Placement with Warrants) will be issued at no cost to the Entitled Shareholders who subscribe for the Rights Shares and Eco Cloud Assets Sdn Bhd who subscribes for the Placement Shares.

The exercise price of RM0.385 per Warrants (to be issued under the Rights Issue with Warrants and the Private Placement with Warrants) was determined by our Board after taking into consideration, amongst others, the following:-

- i. the Warrants (to be issued under the Rights Issue with Warrants and the Private Placement with Warrants) will be issued at no cost to the Entitled Shareholders who subscribe for the Rights Shares and Eco Cloud Assets Sdn Bhd who subscribes for the Placement Shares; and
- ii. the TERP of the Shares of RM0.385 computed based on the 5-day VWAMP of Prestariang Shares up to and including the Announcement LPD of RM0.446.

2.4 Ranking of the Rights Shares and new Prestariang Shares to be issued arising from the exercise of the Warrants

The Rights Shares will, upon allotment and issuance, rank equally in all respects with the existing Shares, save and except that the Rights Shares will not be entitled to any dividends, rights, allotments and/ or any other forms of distribution where the entitlement date of such dividends, rights, allotments and/ or any other forms of distribution precedes the relevant date of allotment and issuance of the Rights Shares.

The new Shares to be issued arising from the exercise of the Warrants (to be issued under the Rights Issue with Warrants and the Private Placement with Warrants) will, upon allotment and issuance, rank equally in all respects with the existing Shares, save and except that the new Shares to be issued arising from the exercise of the Warrants will not be entitled to any dividends, rights, allotments and/ or any other forms of distribution where the entitlement date of such dividends, rights, allotments and/ or any other forms of distribution precedes the relevant date of allotment and issuance of the said new Shares.

2.5 Salient terms of the Warrants

- Issue size : 79,579,740 Warrants pursuant to the Private Placement with Warrants and up to 176,843,866 Warrants pursuant to the Rights Issue with Warrants
- Form and constitution : The Warrants will be issued in registered form and constituted by the Deed Poll
- Exercise period : The Warrants may be exercised at any time within 5 years commencing on and including the date of issuance of the Warrants ("**Issue Date**") and ending on a date falling on a market day immediately preceding the date which is the fifth (5th) anniversary from the Issue Date, and if such a day is not a market day, on the immediate preceding market day ("**Expiry Date**"). Warrants not exercised during the exercise period will thereafter lapse and cease to be valid
- Mode of exercise : The registered holder of the Warrant is required to lodge an exercise form, as set out in the Deed Poll, with Prestariang's registrar, duly completed, signed and stamped together with payment of the exercise price by bankers' draft or cashier's order drawn on a bank operating in Malaysia or in any other manner provided in accordance with the Deed Poll
- Exercise price : RM0.385 per Warrant, which is only payable in respect of each new Share to which a Warrant holder will be entitled to subscribe upon exercise of the exercise rights or subject to adjustments in accordance with the provisions of the Deed Poll
- Exercise rights : Each Warrant holder is entitled, at any time during the exercise period, to subscribe for 1 new Shares at the exercise price, subject to adjustments in accordance with the provisions and conditions of the Deed Poll
- Board lot : For the purpose of trading on Bursa Securities and subject to such conditions which the Bursa Securities may impose from time to time, 1 board lot of Warrants shall be 100 Warrants carrying the right at the Issue Date to subscribe for 100 new Shares at any time during the exercise period, or such other denomination as determined by Bursa Securities
- Ranking of New Shares : The new Shares to be issued pursuant to the exercise of the Warrants shall rank equally in all respects with the existing Shares, save and except that the new Shares shall not be entitled to any dividends, rights, allotments and/ or any other forms of distribution where the entitlement date of such dividends, rights, allotments and/ or any other forms of distribution, the entitlement date of which is prior to the date of allotment and issuance of the new Shares
- Participating rights of the holders of Warrants in any distribution and/ or offer of further securities : The Warrant holders are not entitled to voting rights and/ or to participate in any distribution, rights, allotment and/ or offer of further securities in Prestariang until and unless the Warrants holders are issued with the new Shares arising from the exercise of the Warrants and become a shareholder of Prestariang
- Adjustments in the exercise price and/ or number of Warrants : The exercise price of the Shares to which a Warrant holder is entitled to subscribe and/ or the number of Warrants shall from time to time be adjusted by the Directors in consultation with the adviser and certified by the auditors in accordance with the provisions of the Deed Poll. Accordingly, upon and subject to the conditions of the Deed Poll, the exercise price of the Shares to which a Warrant holder is entitled to subscribe and/ or the number of Warrants will be adjusted in all or any of the following cases:-

- i. alteration of share capital of Prestariang through consolidation, subdivision or conversion; or
- ii. an issue by Prestariang of Shares to shareholders by way of capitalisation of profits or reserves (whether of a capital or income nature); or
- iii. a capital distribution to shareholders made by Prestariang whether on a reduction of capital or otherwise (but excluding any cancellation of capital which is lost or unrepresented by available assets); or
- iv. an offer or invitation to shareholders made by Prestariang whereunder they may acquire or subscribe for Shares by way of rights; or
- v. an offer or invitation to shareholders made by Prestariang by way of rights whereunder they acquire or subscribe for securities convertible into, or rights to acquire or subscribe for new Shares; or
- vi. a combination of all or any of the above cases.

Rights in the event of winding-up, liquidation, compromise and/ or arrangement : If a resolution is passed for a members' voluntary winding up of Prestariang, or where there is a compromise or arrangement whether or not for the purpose of or in connection with a scheme for the reconstruction of Prestariang or amalgamation of Prestariang with one or more companies, then:-

- i. for the purpose of such winding up, compromise or arrangement (other than a consolidation, amalgamation or merger in which Prestariang is the continuing corporation) to which the Warrant holder (or some other person designated by them for such purposes by special resolution) shall be a party, the terms of such winding up, compromise or arrangement shall be binding on all the Warrant holders; and
- ii. in any other case, every Warrant holder of the Warrants shall be entitled upon and subject to the conditions of the Deed Poll at any time within 6 weeks after the passing of such resolution for a members' voluntary winding-up of Prestariang or within 6 weeks after the granting of the court order approving the compromise or arrangement, by submitting the Notice(s) of Exercise duly completed, authorising the debiting of his Warrants, to elect to be treated as if he had immediately prior to the commencement of such winding-up, compromise or arrangement exercised the exercise rights represented by such Warrants to the extent specified in the Notice(s) of Exercise and be entitled to receive out of the assets of Prestariang which would be available in liquidation as if he had on such date been the holder of the Shares to which he would have become entitled pursuant to such exercise and the liquidator of Prestariang shall give effect to such election accordingly.

If Prestariang is wound up or an order has been granted for such compromise or arrangement, all the exercise rights which have not been exercised within 6 weeks of the passing of such resolution or the granting of the court order, shall lapse and the Warrants will cease to be valid for any purpose

- Listing status : Warrants shall be listed and quoted on the Main Market of Bursa Securities
- Transferability : The Warrant holder may transfer the Warrants in the manner provided under the SICDA and the Rules of Bursa Depository

- Modifications : All or any of the rights for the time being attached to the Warrants (other than the exercise price and exercise rights on the formulae for the adjustment of the exercise price and exercise rights or other than as specifically provided in the conditions of the Deed Poll) may be altered or abrogated by Prestariang from time to time (whether or not Prestariang is being wound up) and the sanction of a special resolution passed at a meeting of the Warrant holders shall be necessary and sufficient to effect such alteration or abrogation. For the avoidance of doubt, the adjustment of the exercise price or the number of Warrants held by each Warrant holder pursuant to the provisions of the Warrants or the Deed Poll shall not be construed as a modification of any of the Warrants or the Deed Poll. Any of such modification shall however be subject to the approval of the relevant authorities, where necessary
- Governing law : Laws and regulations of Malaysia

2.6 Details of other corporate exercises

On 23 July 2020, UOBKH, had, on behalf of our Board, announced that our Company proposes to undertake, amongst others, the Private Placement with Warrants, which entails the private placement of 79,579,740 Placement Shares at an issue price of RM0.350 per Placement Share together with 79,579,740 Warrants on the basis of 1 Warrant for every 1 Placement Share issued. The Rights Issue with Warrants and the Private Placement with Warrants are to be implemented concurrently and will complete simultaneously.

In addition, UOBKH, had also, on behalf our Board, announced that our Company proposes to undertake the establishment of a LTIP, which comprises the ESOS and the SGP, of up to 15% of the issued share capital of our Company (excluding treasury shares, if any) at any point in time during the tenure of the LTIP, for the eligible Directors and employees of Prestariang Group (excluding subsidiary companies which are dormant), who meet the criteria of eligibility for participation in the LTIP as set out in our by-laws.

Our shareholders have approved the Placement with Warrants and LTIP at our EGM held on 15 September 2020.

In addition, our Company had on 25 February 2020, announced a proposed disposal by our Company of 20,000,000 ordinary shares representing 100% equity interest in Prestariang Education Sdn Bhd to Serba Dinamik Group Berhad for a cash consideration of RM2.50 million. The Proposed Disposal is still pending the approval of the Ministry of Higher Education. The Proposed Disposal is expected to be completed by December 2020.

Save for the Placement with Warrants, Rights Issue with Warrants, LTIP and Proposed Disposal, our Board confirms that there are no other corporate exercises which have been announced and/ or approved by the regulatory authorities but yet to be completed as at the LPD.

3. IRREVOCABLE AND UNCONDITIONAL UNDERTAKINGS AND UNDERWRITING ARRANGEMENTS

Our Board has determined to undertake the Rights Issue with Warrants on the Minimum Subscription Level after taking into consideration the minimum level of funds of approximately RM10.15 million that our Company intends to raise from the Rights Issue with Warrants that will be channeled towards the intended utilisation as set out in Section 4 of this Abridged Prospectus.

In order to meet the Minimum Subscription Level, the Undertaking Shareholders had on 11 August 2020, provided their respective irrevocable undertakings that they will subscribe in full for their respective entitlements based on their shareholdings as at 3 August 2020. In addition, one of the Undertaking Shareholders, namely Affin Hwang Multi-Asset Fund, will subscribe for additional 4,000,000 Rights Shares not taken up by the other Entitled Shareholders and/ or their renounee(s) by way of excess Rights Shares application, after taking into consideration its shareholdings as at 3 August 2020.

As at the LPD, the Undertaking Shareholders collectively hold 117,196,400 Shares representing approximately 22.09% of the issued share capital of Prestariang. A summary of the Undertakings (under the Minimum Scenario) is set out below:-

Undertaking Shareholders	Direct shareholdings as at the LPD		Rights Shares to be subscribed under the Undertakings		Direct shareholdings after the Rights Issue with Warrants		Funding required RM ⁶
	No. of Shares	% ¹	No. of Shares	% ⁴	No. of Shares	% ⁵	
Areca Dynamic Growth Fund	77,196,400	14.55	25,732,133 ²	50.72	102,928,533	15.58	5,146,427
Affin Hwang Multi-Asset Fund	40,000,000	7.54	25,000,000	49.28	65,000,000	9.84	5,000,000
			21,000,000 ²	41.39			
			4,000,000 ³	7.89			
Total	117,196,400	22.09	50,732,133	100.00	167,928,533	25.42	10,146,427

Notes:-

- *1 Based on the total issued share capital of Prestariang as at the LPD amounting to 530,531,600 Prestariang Shares (excluding 1,698,500 treasury shares).
- *2 The Undertaking Shareholders to subscribe in full for their respective entitlements based on their shareholdings as at 3 August 2020. For the avoidance of doubt, in the event the Undertaking Shareholders reduce their shareholdings prior to the Entitlement Date, the Undertaking Shareholders will still undertake to subscribe for these amount of Rights Shares (i.e. Areca Dynamic Growth Fund – 25,732,133 Rights Shares and Affin Hwang Multi-Asset Fund – 21,000,000 Rights Shares) based on their shareholdings as at the Entitlement Date and/ or by way of excess Rights Shares application.
- *3 Affin Hwang Multi-Asset Fund will subscribe for additional 4,000,000 Rights Shares not taken up by the other Entitled Shareholders and/ or their renounee(s) by way of excess Rights Shares application.
- *4 Computed based on 50,732,133 Rights Shares undertaken to be subscribed under the Minimum Scenario.
- *5 Computed based on the enlarged issued shares of Prestariang amounting to 660,843,473 Prestariang Shares upon completion of the Rights Issue with Warrants under the Minimum Scenario.
- *6 Based on the issue price of RM0.200 per Rights Share.

For information purpose, the effects under the Maximum Scenario are not illustrated hereinabove as the Rights Issue with Warrants under this scenario will not have any effect on the percentage of the shareholders' shareholdings pursuant to the Rights Issue with Warrants, as the Rights Shares are assumed to be fully subscribed by all the Entitled Shareholders on a pro-rata basis. The Undertaking Shareholders have respectively confirmed via the Undertakings that they have sufficient financial resources to fulfil their respective Undertakings. The said confirmations have been verified by UOBKH, being the Adviser for the Rights Issue with Warrants. As the Rights Issue with Warrants has been structured on a Minimum Subscription Level basis, we will not procure any underwriting arrangement for the remaining portion of the Rights Shares which are not subscribed for by other Entitled Shareholders.

Pursuant to Paragraphs 3.06(1) and 8.02(1) of the Listing Requirements, our Company must ensure that at least 25% of the total listed Shares are in the hands of a minimum number of 1,000 public shareholders holding not less than 100 Shares each. For information purposes, the public shareholding spread of our Company is not expected to fall below 25% of the enlarged issued share capital of our Company after the completion of the Rights Issue with Warrants, including in the event that the Undertaking Shareholders subscribe for the Rights Shares based on the Undertakings and no other Entitled Shareholders subscribe for the Rights Shares. After taking into consideration the Undertakings, the subscription of the Rights Shares by the Undertaking Shareholders under the Minimum Scenario will not give rise to any mandatory general offer obligation pursuant to the Rules on Take-Overs, Mergers and Compulsory Acquisitions issued by the SC.

For information purposes, the pro forma effects of the Rights Issue with Warrants (under the Minimum Scenario) on our public shareholding spread are as follows:-

	As at the LPD		I After the Private Placement with Warrants		II After I and the Rights Issue with Warrants		III After II and assuming full exercise of Warrants	
	No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%
Share capital ¹	530,531,600	100.00	610,111,340	100.00	660,843,473	100.00	791,155,346	100.00
Less: Directors/ substantial shareholders/ associates' shareholdings	150,611,500	28.39	230,191,240	37.73	280,923,373	42.51	411,235,246	51.98
Public shareholdings	379,920,100	71.61	379,920,100	62.27	379,920,100	57.49	379,920,100	48.02

Note:-

¹ Excluding 1,698,500 treasury shares.

Based on the table above, we will still be in compliance with the minimum public shareholding spread of 25% pursuant to Paragraph 8.02(1) of the Listing Requirements. Upon completion of the Fund Raising Exercises (but before the exercise of Warrants) under the Minimum Scenario, our public shareholding spread may reduce from approximately 71.61% as at the LPD to approximately 57.49% (excluding treasury shares). Thereafter, assuming full exercise of the Warrants held by the Undertaking Shareholders under the Minimum Scenario, our public shareholding spread may further reduce from approximately 57.49% to approximately 48.02% (excluding treasury shares).

For information purpose, the Maximum Scenario will not have any effect on the public shareholding spread as there will not be any effect on the percentage of the shareholders' shareholdings given that the Rights Shares are assumed to be fully subscribed by all the Entitled Shareholders on a pro-rata basis, and accordingly such scenario is not illustrated hereinabove.

4. UTILISATION OF PROCEEDS

Our Company expects to raise gross proceeds of RM27.85 million from the Private Placement with Warrants and up to RM35.37 million from the Rights Issue with Warrants in which details are as follows:-

Proposal	Investor(s)/ subscribers	No. of Placement Shares	Issue price RM	Gross proceeds to be raised		
				Minimum Scenario RM	Maximum Scenario RM	
Private Placement with Warrants	Eco Cloud Assets Sdn Bhd ^{*1}	79,579,740	0.350	27,852,909	27,852,909	
				No. of Rights Shares		
				Minimum Scenario	Maximum Scenario	
Rights Issue with Warrants	Undertaking Shareholders/ Entitled Shareholders	50,732,133	176,843,866	0.200	10,146,427	35,368,773
Total				37,999,336	63,221,682	

The total proceeds to be raised from the Fund Raising Exercises (which are inter-conditional upon each other), will be utilised in the following manner:-

Purpose	Estimated timeframe for the utilisation of proceeds ^{*2}	Minimum Scenario		Maximum Scenario	
		RM'000	%	RM'000	%
Working capital for expansion of existing business ^{*3}	Within 12 months	30,599	80.53	28,309	44.78
Business expansion for new product offerings and services ^{*4}	Within 24 months	-	-	17,513	27.70
Full repayment of advances from Directors as well as redemption of the RSLs ^{*5}	Within 3 months	6,500	17.10	16,500	26.10
Estimated expenses in relation to the Corporate Exercises ^{*6}	Upon completion	900	2.37	900	1.42
Total		37,999	100.00	63,222	100.00

Notes:-

*1 Pursuant to paragraph 2 in the letter of novation executed on 8 September 2020, Dr. Abu had novated and transferred all his rights and obligations under the Subscription Agreement to Eco Cloud Assets Sdn Bhd. For avoidance of doubt, Dr. Abu is the sole director and shareholder of Eco Cloud Assets Sdn Bhd.

*2 From the date of completion of the Fund Raising Exercises.

- *3 Our Group has earmarked approximately RM30.60 million under the Minimum Scenario and RM28.31 million under the Maximum Scenario for the software and services business which involves distribution of software licenses, provision of software support services and software asset management. The working capital are required mainly to pay for the software and services to the principals, third party service providers (e.g. equipment and software suppliers other than the principals, trainers and content providers) and other operating cost (e.g. staff cost, marketing expenses, equipment rental, licence fees for internal software and hardware for internal use, upkeep of properties, finance cost, utilities and other administrative expenses). Notwithstanding the foregoing, our Group is unable to provide a further breakdown on the allocation of proceeds for the distribution of software licenses, provision of software support services and software asset management at this juncture. This is due to the fact that we are still in the midst of conducting our internal discussions and market study to finalise the abovementioned allocation.

Sufficient working capital is important to ensure that our Group is able to source for the software and services and deliver to the customers on timely basis. This will improve the turnaround cycle from the start of customers orders to the delivery of the software and services to the customers and collection of payment from the customers. Such improvement is expected to enable our Group to repeat this cycle faster and generate more sales. The timely payments to suppliers will also allow our Group to enjoy more favorable terms from the principals and third party suppliers which will, in turn, enable our Group to achieve better profit margin.

The actual amount to be utilised for working capital requirements may differ subject to the operating requirements at the time of utilisation. In the event of a surplus/ deficit in the allocated amounts for the aforesaid working capital requirements, such variance will be adjusted to/ from the proceeds allocated for other working capital requirements, depending on the respective funding requirements at that point of utilisation.

- *4 Our Group has earmarked approximately RM17.51 million under the Maximum Scenario (representing approximately 27.70% of the total gross proceeds to be raised under the Maximum Scenario) for its business expansion plan which consists of the expansion of our Group's clientele base and product line and offerings of services to include products and services from new principals such as Amazon, Google and others. In addition, the expansion of our Group's product and service offerings for development will include, amongst others, cloud management platform, business productivity applications, specialised software and talent training and placement, further details of which are set out below:-

New product offerings	Description
Cloud management platform	Multi-Cloud Management Platform (CMP) with integration and orchestration layers that supports multiple technology stacks across a multivendor platform.
Business productivity applications	Provide an integrated solution that's simple to use to assist customers in completing their work efficiently.
Specialised software	Provide specialized software to end users to cultivate standard operating environment, or software that an IT department defines as a standard build. This will assist customers to reduce complexity in their current environment.
Talent training and placement	Supports learners at every stage, whether entering the job market, changing fields, seeking a promotion or exploring new interests. We deliver courses for curious minds on topics ranging from data and computer science to leadership and communication.

For clarification purposes, our Group has the internal expertise for business productivity application and talent and training and placement. As for the cloud management platform, we will need to assemble a technical team and invest in a tool to undertake such activity and we will also hire technical resources to undertake the sale and distribution of specialised software.

Based on the foregoing, our Group's expansion will mainly focus on licensing and software services (including cloud base products and services) which is in line with the current trend of accelerated dependency on digital systems and the ability to work remotely following the implementation of the MCO enforced by the Government to tackle the COVID-19 pandemic. The type of expenses to be incurred include platform development costs which would include license fees, professional services to consultants and IT infrastructure, third party cloud services, staff cost and marketing expenses.

- *5 As at the LPD, our Group's total borrowings stood at approximately RM69.64 million. The proceeds earmarked for the full repayment of advances from Directors as well as redemption of the RSLs will be utilised as set out below:-

	Minimum Scenario RM'000	Maximum Scenario RM'000
Directors' Loan ^{*a}	6,500	6,500
RSLs ^{*b}	-	10,000
Total	6,500	16,500
Estimated interest savings per annum	1,170	2,170

- *a As at the LPD, the loans provided by our Directors are unsecured and stood at approximately RM6.50 million. Our Group has earmarked approximately RM6.50 million under the Minimum Scenario and Maximum Scenario to fully settle the loans provided by our Directors. For information purposes, the loans are provided by the following Directors of our Company (current and past):-

- i. Dr. Abu provided a loan of RM1.50 million, which was drawn down on 31 January 2019; and
- ii. Dato' Mohamed Yunus Ramli Bin Abbas (who has resigned from his position as Independent and Non Executive Chairman of our Company on 31 January 2019) provided a loan of RM 5.00 million, which was drawn down on 24 October 2018.

The loans obtained from our abovementioned Directors were given as interim funding to our Company to cover for shortfall in cash flow at the time and were used to provide working capital to our Group. This include working capital to pay for software and services to principals and vendors as part of our Group's cost of sales and for operating cost. The loans were intended to be for a short-term period of not more than 1 year. However, due to continued cash flow shortage faced by our Group, the period of both loans have been extended and remain outstanding. Our Group has prioritised the repayment of Directors' loan over other form of outstanding borrowings, in view of the nature of the Director's loan which were intended to be for a short-term period and after taking into consideration the interest rate of such loan. Accordingly, the repayment of these loans will result in cost savings of RM1.17 million per annum based on the interest rate of 18% per annum.

*b As at the LPD, the RSLs stood at approximately RM10.00 million. Our Group has earmarked approximately RM10.00 million under the Maximum Scenario to fully redeem all the RSLs at RM1.000 per RSL. The RSL was issued in May 2019 for a maturity period of 2 years, expiring in May 2021. The RSL was issued to raise funds to provide working capital for our Group's operations. This include working capital to pay for software and services to principals and vendors as part of our Group's cost of sales and for operating cost. The redemption of the RSL is expected to result in interest savings of RM1.00 million per annum based on the coupon rate of 10% per annum.

*6 The estimated expenses in relation to the Corporate Exercises amount to approximately RM0.90 million. The proceeds earmarked for estimated expenses will be utilised as set out below:-

	RM'000
Professional fees (i.e. adviser, lawyer and placement agent) and placement fees	540
Regulatory fees (i.e. fees payable to Bursa Securities, SC and Companies Commission of Malaysia)	140
Other incidental expenses in relation to the Corporate Exercises	220
Total	900

If the actual expenses are higher than budgeted, the deficit will be funded out of the portion allocated for working capital. Conversely, if the actual expenses are lower than budgeted, the excess will be utilised for working capital purposes.

The actual gross proceeds to be raised from the Rights Issue with Warrants is dependent on the total number of issued shares of our Company on the Entitlement Date and the eventual subscription rate of the Rights Shares.

Pending utilisation of proceeds from the Fund Raising Exercises for the above purposes, the proceeds will be placed in deposits with licensed financial institutions or short-term money market instruments. The interests derived from the deposits with financial institutions or any gains arising from the short-term money market instruments will be used to fund our Group's working capital requirement. Any variance to the total gross proceeds raised from the Rights Issue with Warrants will be adjusted against the proceeds earmarked for working capital.

The exact quantum of proceeds that may be raised from the exercise of the Warrants will depend upon the actual number of Warrants as and when exercised during the tenure of the Warrants as well as the exercise price of the Warrants to be fixed. As such, the exact timeframe for utilisation of such proceeds arising from the exercise of the Warrants is not determinable at this juncture. Such proceeds raised shall be utilised to fund our Group's working capital requirements, which include mainly payment for the software and services to the principals, third party service providers (e.g. equipment and software suppliers other than the principals and content providers), training program costs such as trainers fees and tools, staff cost such as salaries, statutory contributions and benefits, finance costs and other operating costs (e.g. marketing expenses, equipment rental, licence fees for software and hardware for internal use, fees for professional services, upkeep of properties, utilities and other administrative expenses). As highlighted above, the exact allocation of proceeds to be utilised to pay for these expenses can only be determined at a later stage.

5. RATIONALE AND JUSTIFICATION FOR THE RIGHTS ISSUE WITH WARRANTS

The Rights Issue with Warrants is undertaken to raise proceeds to be utilised in the manner as set out in Section 4 of this Abridged Prospectus. After due consideration of the various options available as well as the capital structure of our Company, our Board is of the opinion that the Rights Issue with Warrants is the most appropriate means of raising funds for the following reasons:-

- i. The Rights Issue with Warrants will provide the Entitled Shareholders with an opportunity to participate in an equity offering in our Company on a pro rata basis and ultimately, participate in the prospects and future growth of our Group by subscribing to the Rights Shares; and
- ii. The Rights Issue with Warrants will strengthen our Group's financial position with enhanced shareholders' funds and reduced gearing level as compared to bank borrowings which are expected to facilitate the continuous long-term growth and expansion plans of our Group.

Further, the Warrants to be issued pursuant to the Rights Issue with Warrants are expected to provide an incentive to the Entitled Shareholders to subscribe for the Rights Shares. The Warrants will potentially allow the Entitled Shareholders who subscribe for the Rights Shares to benefit from the possible capital appreciation of the Warrants and increase their equity participation in our Company at a pre-determined price over the tenure of the Warrants. Our Company would also be able to raise additional proceeds as and when the Warrants are exercised.

6. RISK FACTORS

In addition to other information contained elsewhere in this Abridged Prospectus, you and/ or your renoucees (if applicable) should consider carefully the following risk factors which may have an impact on the future performance of our Group before subscribing for or investing in the Rights Issue with Warrants.

6.1 Risks relating to our Group

6.1.1 Dependency on major supplier

Our Group is dependent on our major supplier, namely Microsoft, for the distribution of Microsoft Products during the past 4 financial years/ period up to the FYE 30 June 2020 where the revenue contributed from the sale of Microsoft Products accounted for approximately 79.48%, 74.24%, 42.30% and 90.87% of our Group's total revenue, respectively.

Our working relationship with our major supplier started since 2006 as one of Microsoft's licensed distribution partners in Malaysia. This allows us to procure software licences, products and services directly from Microsoft, to be the fulfilment agent for customers in Malaysia. Our partnership with our major supplier is subject to review by our major supplier.

On 15 September 2020, our Company had announced that Prestariang Systems Sdn Bhd had been informed on 14 September 2020 by Microsoft that it will discontinue Prestariang Systems Sdn Bhd's role as its Channel Partner effective 31 January 2021. The formal notice of termination will only be served on Prestariang Systems Sdn Bhd sometime end December 2020 and will take effect from 31 January 2021.

As for business operations dealing with Microsoft licensing, it will be business as usual from 15 September 2020 until 31 January 2021. The termination of the Channel Partner Agreement with effect from 31 January 2021 is expected to have a material effect on our Group's business operations and financial performance for the FYE 30 June 2021 due to the expected loss of income from the sale of Microsoft Products during the period from 1 February 2021 to 30 June 2021.

Based on our management's internal estimation, in the event that we are not able to generate higher revenue from other non-Microsoft products, the discontinuation of the Channel Partner Agreement is expected to result in estimated loss of revenue of more than 90% of our Group's total revenue from 1 February 2021 onwards, calculated based on the actual revenue contributed from the sale of Microsoft Products for the latest FYE 30 June 2020 of approximately 90.87%.

6.1.2 Dependency on major customers and Government contracts

During the past 4 financial years/ period up to the FYE 30 June 2020, our major customers namely, government agencies, statutory bodies and state governments in Malaysia, contributed more than 90% of our Group's total revenue. This revenue was generated mainly from the MLA between Prestariang Systems Sdn Bhd and the Ministry of Finance Malaysia where we provide software licences, products and services via a centralised procurement framework to all government agencies, statutory bodies and state governments in Malaysia. The current MLA 3.0 contract will expire on 31 January 2021.

Our working relationship with our major customers started since 2006. Since then, our business with our major customers have grown and led us to secure the centralised MLA 2.0 procurement framework in 2015, which was renewed in 2018 as MLA 3.0. Although, we have a proven delivery track record to the Government, the renewal of MLA 3.0 (which is due on 31 January 2021) is subject to the Government's decision.

As highlighted in Section 1 of this Abridged Prospectus, the discontinuation of the Channel Partner Agreement is expected to materially affect the ability for our Group to continue to participate in future Government procurement of Microsoft Products and services from 1 February 2021 onwards. Due to the foregoing and in the event that MLA 3.0 is terminated by the Government or we do not secure the renewal for MLA, our Group's revenue, profitability, long term sustainability and business growth may be adversely impacted.

6.1.3 Risk of becoming an Affected Listed Issuer

As highlighted in Section 1 of this Abridged Prospectus, the expected termination of the Channel Partner Agreement with effect from 31 January 2021 may result in our Group triggering the criteria of an Affected Listed Issuer pursuant to Paragraph 8.03A(2)(a)(i) of the Listing Requirements as a result of cancellation of a major contract, given that Microsoft Products contributes more than 70% of our Group's revenue on a consolidated basis during the past 4 financial years/ period up to the FYE 30 June 2020 (save for the FPE 30 June 2019).

In the event our Group triggers subparagraphs 8.03A(2)(a) or (2)(b) of the Listing Requirements, we are required to comply with the following requirements, failing which Bursa Securities may suspend the trading of our Shares or de-list our Company, or both:-

- a. immediately announce to Bursa Securities of our condition and provide such information from time to time for public release in accordance with the disclosure obligations set out in paragraph 4.0 of Practice Note 17 of the Listing Requirements, with the necessary modifications;
- b. regularise its condition by complying with the requirements set out in paragraph 8.04(3) and paragraph 5.0 of Practice Note 17 of the Listing Requirements, with the necessary modifications; and
- c. comply with such other requirements or do such other acts or things as may be prescribed or required by Bursa Securities.

Further details on paragraph 4.0 and 5.0 of Practice Note 17 of the Listing Requirements are set out in Section 1 of this Abridged Prospectus.

Obligation of an Affected Listed Issuer

As an Affected Listed Issuer, our Company is required to comply with the following:-

- i. Regularise its condition within 12 months from the date of the First Announcement in the following manner:-
 - a. Submit a regularisation plan to the SC if the regularisation plan will result in a significant change in the business direction or policy of our Company; or
 - b. Submit a regularisation plan to Bursa Securities if the plan will not result in a significant change in the business direction or policy of our Company, and to obtain Bursa Securities' approval to implement the regularisation plan;
- ii. Provide such information as may be prescribed by Bursa Securities from time to time for public release;
- iii. Do such other acts of things as may be required by Bursa Securities;
- iv. Implement the plan within the timeframe stipulated by the SC or Bursa Securities, as the case may be;
- v. Announce within 3 months from the First Announcement, on whether the regularisation plan will result in a significant change in the business direction or policy of our Company;
- vi. Announce the status of the regularisation plan and the number of months to the end of the relevant timeframes on a monthly basis until further notice from Bursa Securities;
- vii. Announce our Company's compliance or non-compliance with a particular obligation imposed pursuant to Practice Note 17 on an immediate basis;
- viii. Announce the details of the regularisation plan; and
- ix. Where our Company fails to regularise its condition, announce the dates of suspension and de-listing of its listed securities, immediately upon notification of suspension and de-listing by Bursa Securities.

Consequences of Non-Compliance

Bursa Securities may suspend the trading of the listed securities of our Company and de-list our Company in the event:-

- i. Our Company fails to submit a regularisation plan to the regulatory authorities within 12 months from the date of the First Announcement;
- ii. Our Company fails to obtain the approval from any of the regulatory authorities necessary for the implementation of its regularisation plan; and
- iii. Our Company fails to implement its regularisation plan within the time frame or extended time frame stipulated by any of the regulatory authorities.

6.1.4 Dependency on securing new contracts

Our business model require us to secure medium-term and long-term contracts to ensure that we could generate recurring and sustainable revenue. It is generally very difficult to predict whether and when we will be awarded such contracts as they frequently involve lengthy and complex processes including the following:-

- i. Undertaking a preliminary needs analysis of each division as well as the overall organisation for scoping of project;
- ii. Preliminary solution to meet the potential customers' needs and expectations;
- iii. Preparation of proposal and quotation documents such as detailed costing, program delivery and schedule and logistics of training and test centres;
- iv. Preparation of user requirements analysis and evaluation plan; and
- v. Negotiation and finalising of contracts.

As highlighted in Section 1 of this Abridged Prospectus, on 15 September 2020, our Company had announced that Prestariang Systems Sdn Bhd had been informed on 14 September 2020 by Microsoft that it will discontinue Prestariang Systems Sdn Bhd's role as its Channel Partner effective 31 January 2021. The formal notice of termination of the Channel Partner Agreement will only be served on Prestariang Systems Sdn Bhd sometime end December 2020 and will take effect from 31 January 2021.

In the event of the termination of the Channel Partner Agreement with effect from 31 January 2021, we may face a situation of inability to secure new contracts which in turn may result in an adverse impact on the financial performance of our Group.

6.1.5 Dependence on key management and skilled personnel

We are a service-based company providing ICT training and certification services and software license distribution and management. To a large extent, the continuous growth and success of our Group is dependent on the expertise and capabilities of our key management, which include our Executive Directors and skilled personnel. The loss of the services of our key management and skilled personnel without suitable and timely replacement of any such key management or personnel may adversely affect our Group's business and operations.

Our Group's success also depends on our ability to hire, train and retain qualified and competent personnel. The process of identifying personnel with the combination of experience, capabilities and characteristics required to carry out our Group's strategies and business direction can be difficult, time consuming and expensive.

There may be a material adverse impact on our Group's business and financial performance in the event we are unable to successfully retain our Group's key management and qualified personnel and/ or recruit suitable candidates to replace any such key management or qualified personnel in the future.

6.1.6 Political and economic risks

Our Group's operations and profitability may be affected by new development in political situation and economic conditions in Malaysia because of our dependency to our major customer which is the Government. Such uncertainties include but are not limited to changes in the political leadership, slowdown in economy, changes in the Government's policies, the conduct of business, changes in interest and taxation rates as well as changes in labour law and other regulatory changes that may affect all players in the ICT industry.

Whilst our Group strives to continue to take effective measures such as prudent financial management and efficient operating procedures, there is no assurance that any adverse developments in the political, economic and regulatory conditions in Malaysia and/ or other countries, which are beyond our control, will not adversely affect our Group's business and financial performance.

6.1.7 Impact of COVID-19 on the business and operations of our Group

The Government has imposed the MCO effective from 18 March 2020 onwards till 30 April 2020 via a series of extension to contain the COVID-19 outbreak following the declaration of COVID-19 outbreak as the global pandemic made by the World Health Organisation on 11 March 2020. As a result of the MCO, the normal operations of our Group and of our customers have been disrupted due to the closure of office premises for the purpose of complying with the MCO during the earlier phases of MCO.

On 1 May 2020, the Government announced the transition into conditional MCO, thereby allowing the resumption of several economic sectors and businesses effective from 4 May 2020 onwards, subject to compliance with certain standard operating procedures ("**SOPs**"). Subsequently on 7 June 2020, the conditional MCO has further been transitioned into a recovery MCO with effect from 10 June 2020 until 31 August 2020 and further extended to 31 December 2020, which allows the opening up of almost all economic sectors and businesses subject to adherence with the SOPs.

Our business operations have been negatively affected as a result of the MCO as our Group's operations which primarily involved active engagement with our customers to generate sales and collect payments were disrupted during the MCO. Our talent segment was affected by the deferment of trainings starting February 2020 following the onset of COVID-19 and the ensuing MCO.

During the MCO period and up to the recovery MCO period, our Group's revenue for the individual quarter ended 30 June 2020 was RM63.0 million, which was 2.5 times higher than the preceding quarter ended 31 March 2020 of RM25.2 million. This is driven by surge in revenue for the software component in the Software & Services and Talent business segment. The significant increase was achieved as customers' orders, which were delayed during the MCO started to flow again following the transition to the recovery MCO in early May 2020 which allowed most business activities to resume. The full effect of surge in sales following the delay in placing orders was seen in the last few weeks in June 2020.

However, our Group's LBT for the individual quarter ended 30 June 2020 was RM5.6 million or 87% more than preceding quarter of RM3.0 million, mainly due to higher loss from the Education segment (a discontinuing operations pending the Proposed Disposal). Our Group also experienced significant postponement of training activities as a result of the onset of COVID 19. These activities typically yield much higher profit margins and their absence has contributed to the margin erosion in this segment despite the increased revenue from software sales. In terms of cash flows, our Group was affected during the quarter ended 30 June 2020 where we reported negative cash flow for operating activities of RM13.8 million due to the disruption of sales and payment collection coupled with the surge in customer orders in June 2020 which were delayed during the MCO period. For the avoidance of doubt, as at the LPD, there are no consequential penalties that have been incurred arising from the disruption of our business operations. Based on all currently available information, we do not foresee any significant impact on our Group arising from the conditional MCO (i.e. commencing on 21 October 2020), save for the cancellations/ rescheduling of trainings.

In view of the above and as part of our Group's contingency plan to improve our talent segment during the COVID-19 pandemic, we have been actively engaging with clients to transition to E-learning solutions, Virtual Instructor Lead Trainings (VILT) and Blended Learning to overcome this challenge which has been gaining traction. Further, we have also implemented remote working, encouraged virtual meetings and engaged our customer and suppliers via online platforms to ensure the continuation and sustainability of our overall business operations.

The outbreak of COVID-19 is an event of force majeure that is beyond the control of our Group. As highlighted in Section 7.1 of this Abridged prospectus, the Government has introduced large countercyclical policy measures to mitigate the economic impact due to the COVID-19 pandemic. Nevertheless, the success of the aforesaid measures or any future measures which may be introduced by the Government cannot be ascertained at this juncture, and no assurance can be given that the COVID-19 outbreak will not have any material adverse impact on our business and operations in the long run.

6.2 Risks relating to the ICT industry

6.2.1 Business, technology and operational risks

Our Group is subject to certain risks inherent in the ICT industry that include, amongst others, competition from existing players, entry of new players, availability of skilled workforce, introduction of new technological products and services, increase in staff cost, increase in cost of raw materials, as well as changes in Government policies and/ or rules and regulations which may affect the industries we operate in and changes in general economic, business and credit conditions.

Our main revenue driver currently is in the software distribution and management segment where we fulfil software licenses, products and services to our customers. The market in the software distribution and management segment is very competitive with the presence of several major software license distributors and many resellers representing various product principals and brands. Competition among operators in the services segment for example in the ICT training and certification industry is moderate based on various consideration factors including number of service providers for ICT training and certification, classroom-based training environment and winning Government contracts to service a large number of participants.

Amongst the notable business and operational risks inherent to our Group are the competition risk and the introduction of new technological products and services in view that our business growth depends mainly on our ability to compete successfully and to continue introducing new or enhanced products and services in a timely manner to the market. As a result, we commit substantial amount of our investment, time and effort in packaging and marketing competitive software solutions and partnering new technology vendors to meet our customers' requirement.

If we are unable to introduce competitive products and services in a timely manner, our ability to remain relevant could be adversely affected. We face competition from companies that may develop designs/ products, features or services that are similar to/ better than our offerings or that can achieve greater market acceptance, and this may result in our customers switching to use other competitors' products and services.

To achieve market acceptance for our products, we must effectively anticipate and offer product or service offerings that meet the customers' demand in a timely manner. Furthermore, we must continuously improve or enhance our products and services and also be able to offer new products and services which are in line with new technological advances. Our newer range of product offerings such as IT cloud solution and services, may not satisfy our customer preference, or that our customers may require features and functionality that our products and services do not have. As such, the occurrence of any of these circumstances may hinder our business growth.

However, there can be no assurance that we will be able to successfully anticipate technological changes and to develop new products and services in a timely manner and/ or cost effectively. Such circumstances may in turn adversely affect our business operations and financial performance. In addition, there can be no assurance that our research and development activities will be successful. Unsuccessful research and development activities may have a negative impact on our financial performance as the expenses incurred may be substantial vis-à-vis our revenue for the relevant financial years.

6.2.2 Competition risk

The ICT industry is competitive in nature and characterised by rapid technological changes. We face competition from existing competitors and new entrants both locally and internationally, who vary in size and in scope and breadth of the products and services offered by them. Our competitors may develop designs/ products, features or services that are similar to our offerings or that can achieve greater market acceptance, may undertake more far-reaching and successful product development and/ or marketing efforts or may adopt more aggressive pricing policies. Our success is therefore dependent on our capability to continuously introduce products and service offerings with new or better features to the market at a competitive price. Nevertheless, there can be no assurance that our Group will be able to sustain our competitiveness against current and future competitors.

6.2.2 Rapid technological changes

Our Group operates in the ICT market where the products and services are prone to evolving industry standards and frequent new product introductions and enhancements. Our Group's future growth and success would depend on, amongst others, our ability to develop new products and services to meet the needs of our customers. There is no assurance that we would be able to develop new products and services in a timely manner and cost-effective basis, and such circumstances may in turn adversely affect our business operations and financial performance.

The development of new or enhanced products and services is a complex and uncertain process. Furthermore, we may also experience design, marketing and other difficulties that could delay or prevent the development of existing products and services and the introduction or marketing of new or enhanced products and services. Our businesses, operating results and financial conditions may be adversely affected if our competitors are able to develop new or enhanced products and services, in a timely manner and cost-effective basis that meet or best suit our customers' needs.

6.3 Risks relating to the Rights Issue with Warrants

6.3.1 No prior market for the Warrants

The Warrants are new instruments issued by our Company, for which there is currently no public market. No assurance can be given that an active market for these new instruments will develop upon or subsequent to the listing of and quotation for this instrument on the Main Market of Bursa Securities or, if developed, that such a market will be sustainable or adequately liquid during the tenure of the Warrants.

The market price of the Warrants, like other securities trade on Bursa Securities, is subject to fluctuations and will be influenced by, amongst others, prevailing market sentiments, volatility of the share market, economic and political condition in Malaysia and overseas, the market price of the underlying Shares, interest rate movements, trades of substantial amounts of the Warrants on Bursa Securities in the future, corporate developments as well as the future prospects of the industries in which our Group operates.

6.3.2 Investment risk

The market price of the Rights Shares, like all other listed securities trade on Bursa Securities is influenced by, amongst others, changes in market sentiments, the volatility of equity markets, the liquidity of Prestariang Shares, the outlook of the industries, movements in interest rate and our future financial performance. In view of this, there can be no assurance that the Prestariang Shares will be traded at or above their respective issue price or TERP upon or subsequent to the listing of and quotation for the Rights Shares with Warrants on the Main Market of Bursa Securities.

The market price of the Warrants may be influenced by amongst others, the market price of Prestariang Shares, the remaining exercise period of the Warrants and the price volatility of Prestariang Shares. There can be no assurance that the Warrants will be "in-the-money" throughout the exercise period of the Warrants. "In-the-money" refers to a market situation where the trading price of Prestariang Shares is higher than the exercise price of the Warrants. In the event the Warrants are not exercised during the exercise period, the unexercised Warrants will lapse and cannot be exercised.

6.3.3 Delay in or abortion of the Rights Issue with Warrants

The Rights Issue with Warrants is exposed to the risk that it may be aborted or delayed on the occurrence of any material adverse change of events/ circumstances, unfavorable changes in the Governments' policies as well as other force majeure events, which are beyond the control of our Company and UOBKH, arising prior to or during the implementation of the Rights Issue with Warrants.

Nevertheless, our Group will endeavour to ensure the successful listing of the Rights Shares and the Warrants. However, there can be no assurance that the above-mentioned events will not occur and cause a delay in or abortion of the Rights Issue with Warrants. In the event the Rights Issue with Warrants is aborted, our Group will repay without interest all monies received in respect of the accepted application for the subscription of the Rights Shares pursuant to the Rights Issue with Warrants and if such monies are not repaid within 14 days after we become liable to repay, we will repay such monies with interest at the rate of 10% per annum or at such other rate as may be prescribed by the SC in accordance with Section 243(2) of the CMSA.

In the event that the Rights Issue with Warrants is aborted/ terminated, and the Rights Shares and the Warrants have been allotted to the shareholders, a return of monies to all holders of the Rights Shares could only be achieved by way of cancellation of share capital as provided under the Act and its related rules. Such cancellation requires the sanction of our shareholders by special resolution in a general meeting, consent of our creditors (unless dispensation with such consent has been granted by the High Court of Malaya) and the confirmation of the High Court of Malaya. There can be no assurance that such monies can be removed within a short period of time or at all in such circumstances.

6.3.4 Potential dilution

The Entitled Shareholders who do not or are not able to subscribe for their entitlement(s) under the Rights Issue will have their proportionate ownership and voting interest in our Company reduced and the percentage of enlarged issued share capital of our Company represented by their shareholding in our Company will also be reduced accordingly as a result of the issuance of the Rights Shares and the new Shares to be issued upon the exercise of the Warrants. Consequently, their proportionate entitlement to any dividends, rights, allotments and/ or other distributions that our Company may declare, make or pay after completion of the Rights Issue will correspondingly be diluted.

6.4 Forward-looking statements

Certain statements in this Abridged Prospectus are based on historical data, which may not be reflective of the future results and others are forward-looking in nature, which are subject to uncertainties and contingencies.

All forward-looking statements contained in this Abridged Prospectus are based on assumptions made by our Company, unless stated otherwise. Although our Board believes that these forward-looking statements are reasonable, the statements are nevertheless subject to known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements to differ materially from the future results, performance or achievements expressed or implied in such forward-looking statements. Such factors include, inter-alia, the risk factors as set out in this section. In view of these uncertainties, the inclusion of any forward-looking statements in this Abridged Prospectus should not be regarded as a representation or warranty by our Company that the plans and objectives of our Group will be achieved.

7. INDUSTRY OUTLOOK AND FUTURE PROSPECTS OF OUR GROUP

7.1 Overview and outlook of the Malaysian economy

For 2019 as a whole, the Malaysian economy expanded by 4.3% (2018: 4.7%).

(Source: Developments in the Malaysian Economy, Economic and Financial Developments in the Malaysian Economy in the Fourth Quarter of 2019, Bank Negara Malaysia)

The Malaysian economy was confronted by concurrent supply and demand shocks arising from weak external demand conditions and strict containment measures in 2Q 2020. As a result, the economy registered its first contraction since the Global Financial Crisis (2Q 2020: -17.1%; 3Q 2009: -1.1%). On the supply side, this was reflected in negative growth across most sectors. From the expenditure side, domestic demand declined, while exports of goods and services registered a sharper contraction. On a quarter-on-quarter seasonally-adjusted basis, the economy declined by 16.5% (1Q 2020: -2.0%). Weak growth was recorded across most economic sectors amid the imposition of the MCO, followed by the Conditional and Recovery MCO, during 2Q 2020.

Domestic demand declined by 18.7% in 2Q 2020 (1Q 2020: 3.7%), due mainly to weaker private sector expenditure. Spending by the private sector was impacted by lower income, movement restrictions and subdued consumer and business sentiments. While net exports continued to decline, the contribution of the external sector to the economy improved due mainly to the larger contraction in imports vis-a-vis the previous quarter.

Private consumption growth declined by 18.5% in 2Q 2020 (1Q 2020: 6.7%). Household spending was particularly impacted by the strict movement restrictions in the early part of the quarter and income losses amid weak economic conditions. As movement restrictions were gradually relaxed towards the end of the quarter, retail and financing data indicated some improvement in spending, albeit remaining subdued. During this challenging period, stimulus measures such as the disbursement of Bantuan Prihatin Nasional cash transfers, Employees Provident Fund i-Lestari withdrawals and the implementation of the loan moratorium helped to cushion consumption spending. Public consumption continued to expand, albeit at a more moderate pace of 2.3% (1Q 2020: 5.0%). Growth was supported by continued increase in emoluments amid lower spending on supplies and services. Public consumption continued to expand, albeit at a more moderate pace of 2.3% (1Q 2020: 5.0%). Growth was supported by continued increase in emoluments amid lower spending on supplies and services.

(Source: Developments in the Malaysian Economy, Economic and Financial Developments in the Malaysian Economy in the Second Quarter of 2020, Bank Negara Malaysia)

Against a highly challenging global economic outlook, Malaysia's gross domestic product growth is projected to be between -2.0 to 0.5% in 2020. The domestic economy will be impacted by the necessary global and domestic actions taken to contain the COVID-19 outbreak. Of significance, tourism-related sectors are expected to be affected by broad-based travel restrictions and travel risk aversion, while production disruptions in the global supply chain will weigh on the manufacturing sector and exports. The implementation and subsequent extension of the MCO, while critical, will dampen economic activity following the suspension of operations by non-essential service providers and lower operating capacity of manufacturing firms. Beyond the MCO period, reduced social and recreational activities until the pandemic is fully controlled globally and domestically will continue to dampen consumption and investment activity. Apart from the pandemic, the domestic economy will also be affected by the sharp decline and volatile shifts in crude oil prices and continued supply disruption in the commodities sector. Unfavorable weather conditions and maintenance works will weigh on the production of oil palm, crude oil and natural gas.

Given the significant headwinds to growth arising from COVID-19, the Government and have introduced large countercyclical policy measures to mitigate the economic impact of the pandemic. 2 economic stimulus packages amounting to RM250 billion were introduced to provide immediate relief to affected households and businesses. These packages also include loan guarantees and an automatic 6-month moratorium on loan repayments for individuals and small and medium enterprises. The economic stimulus measures were complemented by 2 consecutive Overnight Policy Rate reductions early this year and measures to provide additional liquidity in the banking system.

Private consumption is expected to be dampened by weak labour market conditions, mobility restrictions and subdued sentiments. Nonetheless, policy measures introduced in the 2 economic stimulus packages, including cash transfers to vulnerable households, flexibility to withdraw from Employees Provident Fund savings and the moratorium on loan repayments will increase disposable income and improve cash flow for households. In addition to supporting household spending, these broad-based measures will facilitate a gradual recovery in private consumption as labour market conditions eventually stabilise following the projected improvement in global and domestic economic activities.

Domestic growth prospects are expected to improve towards the end of the year, in line with the projected recovery in global demand and amid continued support from policy measures. Recovering external demand will lift growth in the export-oriented sectors. Consumer sentiments are also expected to gradually improve following the easing of travel restrictions and resumption of tourism activities as risks from the pandemic subside. In addition, the anticipated recovery from supply disruptions in the commodities sector and higher public sector expenditure will support the gradual improvement in the Malaysian economy in the latter part of the year. Public sector spending will be underpinned by the continuation of large-scale transport-related projects by public corporations and the implementation of more small-scale projects worth RM4 billion by the Federal Government.

Overall risks to the domestic growth outlook are tilted to the downside, mainly due to the risk of a prolonged and wider spread of COVID-19 and its effects on the global and domestic economy. Domestic growth also remains susceptible to a recurrence of commodities supply shocks and continued low commodity prices which could pose additional risks to production in the commodities sector, exports and income growth. In addition, heightened financial market volatility due to ongoing external uncertainties may lead to tighter domestic financial market conditions. The baseline growth projection could, however, be lifted by a stronger-than-expected impact from the various stimulus measures by the Federal Government and additional measures implemented by several state governments.

(Source: Executive Summary, Economic and Monetary Review 2019, Bank Negara Malaysia)

7.2 Overview and outlook of the ICT industry in Malaysia

In the ICT industry, niche areas (comprising of digital content, internet of things, data centres and cloud services, cybersecurity, software development and testing, and big data analytics) will be further promoted and export capabilities enhanced to ensure that Malaysia captures a bigger export market for ICT products and services. Within the identified niche areas, the ICT ecosystem will be strengthened, including the capacity of start-ups, talent, infrastructure, research and development and commercial, and governance.

ICT infrastructure in the public sector, previously managed by individual ministries, was consolidated into 1Gov*Net in 2012, a centrally managed dedicated network connecting 10,552 out of 11,268, nearly 94%, of all Federal Government buildings.

The utilisation of technology, particularly ICT, will be enhanced among services firms through the Embed ICT programme to reduce dependence on low-skilled foreign workers and to boost productivity. In addition, the funding mechanism for R&D and commercialisation (R&D&C) that is mainly supply-driven today will be replaced with a mechanism that is demand-driven and private sector-led.

The Research Incentive Scheme for Enterprises will be expanded to enhance technology absorption and allow companies to hire experienced R&D researchers by partially funding the monthly wages of researchers for a specified period. This incentive is expected to attract technology leaders to set up R&D centres or centres of excellence (CoE) in prioritised technology focus areas, such as big data analytics, cloud computing, and the Internet of Things (IoT).

(Source: 11th Malaysia Plan 2016 – 2020)

The services sector expanded by 6.1% (2018: 6.8%), as growth normalised following a robust performance in 2018, when the tax holiday period encouraged greater consumer spending. Growth in the wholesale and retail trade as well as food, beverages and accommodation subsectors remained firm, lifted by firm household spending amid supportive labour market conditions. The transport and storage subsector benefitted from higher transshipment activity, despite being partially offset by slower global trade activity. Growth in the finance and insurance subsector moderated amid slower loan and deposit growth. However, this was partially mitigated by the rebound in the fee-based income as a result of more IPO offerings during the year. Growth in the information and communication subsector moderated (2019: 6.6%), following the one-off price reduction in fixed broadband prices under the Mandatory Standard Access Pricing regulation in 2018.

(Source: Economic, Monetary and Financial Developments in 2019, Economic and Monetary Review 2019, Bank Negara Malaysia)

In the first quarter of 2020, the services sector expanded 3.1% mainly supported by wholesale and retail trade (2.1%); information and communication (6.7%); as well as finance and insurance (4.9%).

(Source: Malaysian Economy First Quarter 2020, Ministry of Finance Malaysia)

The services sector contracted by 16.2% (1Q 2020: 3.1%) in the second quarter of 2020. The sector was affected by the implementation of a nationwide restrictive MCO, with only essential services such as food-related retail, utilities, banking, transportation as well as information and communication entities allowed to operate with very limited capacity.

The subsequent transition to Conditional MCO in May and Recovery MCO in June provided some relief to businesses in the sector. The lockdown had substantially affected consumer spending and tourism activity, as shown by the significant declines in the wholesale and retail trade, as well as food and beverages and accommodation sub-sectors. The transport and storage sub-sector was impacted by a sudden stop in tourist arrivals due to travel restrictions imposed domestically as well as the international border closures. Growth in the finance and insurance sub-sector was weighed down by lower net interest income, and lower fee-based income amid subdued capital market activity. Meanwhile, growth in the information and communication sub-sector was relatively sustained by the continued high demand for data communication services especially during this period of remote working arrangements.

(Source: Developments in the Malaysian Economy, Economic and Financial Developments in the Malaysian Economy in the Second Quarter of 2020, Bank Negara Malaysia)

7.3 Future prospects of our Group

Since our establishment, our Group has successfully leveraged on the synergy offered by software license distribution & management together with training & certification to develop a value chain encompassing human capital in the industry. In expanding our business model, we have added the business segments of Education, through UNIMY and Talent which we refer to this as 'Prestariang 2.0'. For avoidance of doubt, our Company is in the midst of disposing our 100% equity interest in Prestariang Education Sdn Bhd to Serba Dinamik Group Berhad for a cash consideration of RM2,500,000. Prestariang Education Sdn Bhd wholly owns UNIMY. Upon completion of the Proposed Disposal, Prestariang Education Sdn Bhd shall cease to be a wholly-owned subsidiary of our Company.

Over the years, the software segment has evolved from its original distribution and management of software licences to encompass software asset management as well as the provision of cloud products and related services. Beyond the public sector, our Group is poised to extend the software asset management service offerings to the private sector. This remains largely untapped and offers significant opportunities in the areas of licensing compliance and subscription for managed services. In the case of cloud related products and services, we are prioritising partnerships with global tech players to encourage traction and accelerate adoption by our clients.

In 2017, Prestariang Skin Sdn Bhd entered into a concession agreement with the Government to develop and operate a comprehensive core immigration system (i.e. the SKIN project), over a 15 year concession period. This project was intended to be the catalyst for developing such internal capabilities as cloud services, change management, analytics & business intelligence, cyber & information security, e-commerce and others. However, the unilateral termination of the SKIN project by the Government in December 2018 has negatively impacted business in terms of its development and growth.

Following the above, we have embarked on a rebuilding and recovery business plan since December 2018 encompassing a rationalisation plan that includes among others, cost cutting measures, divestment of non-core assets, and equity fund raising, to further strengthen our capital structure, improve our Group's cash flow and to increase our working capital. Some of the measures taken to reduce operating costs have been implemented, while our plan to divest assets and raise equity funds has made progress with the recent private placement completed on June 2020 and the ongoing Fund Raising Exercises. At this juncture, our Group remains focused on the Software & Services and Talent business segment which have been and continue to remain as the core driver for future revenue and profit growth.

Further, as part of our Group's rationalisation plan to improve our cash flow and increase the working capital for business expansion, our Group, had on 25 February 2020, announced the Proposed Disposal. The Proposed Disposal is still in progress and is expected to be completed by December 2020. In addition, we have disposed our entire equity interest in OpenLearning Limited ("OLL") in December 2019 and June 2020, raising total gross cash proceeds of RM7.80 million. On the other hand, other efforts to monetise our other non-core assets, such as properties, are still ongoing.

In relation to equity fund raising, we have completed a private placement which raised gross proceeds of RM14.30 million in June 2020. These proceeds, together with the proceeds from asset divestments highlighted above, have been mainly utilised as working capital to stabilise our Software & Services and Talent business segment.

On the business front, even though our operating cash flows for the FYE 30 June 2020 showed a negative RM16.99 million, it was attributed to the twin effect of increased trade debtors arising from the surge in sales in the month of June and reduction in trade payables following the improved working capital position of our Group. Nevertheless, our overall net cash flow for the year after including cash flow from operations, investing and financing activities was still positive with an increase in cash and cash equivalent of RM1.89 million. We expect our cash flow position to remain robust as our receivables have started to normalise with a significant portion being collected in July and August 2020. The Software & Services and Talent business segment has been profitable with profit before interest, tax and finance cost of RM9.06 million for the FYE 30 June 2020.

Impact of the expected termination of the Channel Partner Agreement and strategies to improve our Group's financial condition

Nevertheless, the expected termination of the Channel Partner Agreement with effect from 31 January 2021 may have a material effect on our Group's business operations and financial performance for the FYE 30 June 2021 due to the expected loss of income from the sale of Microsoft Products during the period from 1 February 2021 to 30 June 2021.

Based on our management's internal estimation, in the event that we are not able to generate higher revenue from other non-Microsoft products, the discontinuation of the Channel Partner Agreement is expected to result in estimated loss of revenue of more than 90% of our Group's total revenue from 1 February 2021 onwards, calculated based on the actual revenue contributed from the sale of Microsoft Products for the latest FYE 30 June 2020 of approximately 90.87%. The expected termination of the Channel Partner Agreement may result in our Group triggering the criteria of an Affected Listed Issuer pursuant to Paragraph 8.03A(2)(a)(i) of the Listing Requirements. Further details on the Channel Partner Agreement and the impact of the expected termination of the Channel Partner Agreement to our Group are set out Section 1 of this Abridged Prospectus.

Moving forward, we will leverage on our experience and market knowledge to focus on growing the Software & Services and Talent business segment to include wider range of products and scope of services including investing in services platform and software as a service to be our key growth area. We intend to build alliances with more key product principals and platform providers to broaden the range of products and services. We currently have agreements with other global brands besides Microsoft, including Amazon, Google, SAP, Adobe, Dell, VMWare and SAS as their distribution partner in Malaysia. Efforts are being made to strengthen our workforce in terms of product knowledge to market products and services from the wider range of principals to our existing and new customers.

Further, we will put in place strategies to expand our private sector customers. For the FYE 30 June 2020, our revenue for software and services to non-government customers account for 6.14% of total revenue from our Software & Services and Talent business segment. We will have marketing plan that will focus on securing more private sector customers. This will include a structured approach (i.e. engage with customers for multiple products to build recurring long term business whilst ensuring the customers have been assessed for credit worthiness to avoid collection issues) in selecting potential target customers, packaging of products and services to market, and strengthening of our marketing and sales team to cater for private sector customers.

With Malaysia moving towards Industrial Revolution 4.0 and push for higher business productivity solutions, cloud-based services is expected to see robust growth in the medium and long-term. We will leverage on the vast potential of cloud-based services to provide value add services within the software products delivery value chain. This will range from provision of cloud infrastructure services and operational support (as elaborated herein) to customers via advisory and consulting services and as well as outsourcing provider. For clarification purposes, IT infrastructure services mainly consist of compute power, network and storage and this is mostly hosted on premise. Cloud infrastructure services involves the migration of the current on premise set-up into the cloud. Operational support assists the customer in the procurement of cloud services and maintenance.

For information purposes, our Group has 6 employees who have attended the relevant trainings and certification required to provide technical cloud expertise to customers for Google and Amazon Web Services (AWS) products. On this front, we have secured partnerships with cloud service providers (i.e. Google (on 22 April 2020) and Amazon Web Services (AWS) (on 1 November 2019)). We are also identifying potential system integrators and other service providers for partnership or acquisition to provide cloud implementation services to expand our scope of business within the ICT industry. Based on the above, our Board is of the view that our Group is in a good position to capitalise on the task of meeting the market requirement for cloud-based services and talent management services to spearhead our business growth.

(Source: Management of Prestariang)

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8. FINANCIAL EFFECTS OF THE FUND RAISING EXERCISES

The Fund Raising Exercises are intended to be implemented concurrently and as such, the pro forma effects of the Fund Raising Exercises are illustrated together, further details of which are set out in the ensuing sections.

8.1 Issued share capital

The pro forma effects of the Fund Raising Exercises on our issued share capital are set out below:-

	Minimum Scenario		Maximum Scenario	
	No. of Shares	RM	No. of Shares	RM
Issued share capital as at the LPD	532,230,100	133,802,983	532,230,100	133,802,983
Less: Treasury shares, at cost	(1,698,500)	(3,366,345)	(1,698,500)	(3,366,345)
	<u>530,531,600</u>	<u>130,436,638</u>	<u>530,531,600</u>	<u>130,436,638</u>
Placement Shares to be issued pursuant to the Private Placement with Warrants	79,579,740	23,555,603 ^{*1}	79,579,740	23,555,603 ^{*1}
Rights Shares to be issued pursuant to the Rights Issue with Warrants	50,732,133	7,406,892 ^{*2}	176,843,866	25,819,204 ^{*2}
	<u>660,843,473</u>	<u>161,399,133</u>	<u>786,955,206</u>	<u>179,811,445</u>
Assuming full exercise of Warrants	130,311,873	50,170,071 ^{*3}	256,423,606	98,723,088 ^{*3}
Reversal warrants reserve	-	7,036,841 ^{*4}	-	13,846,875 ^{*4}
Enlarged issued share capital	<u>791,155,346</u>	<u>218,606,045</u>	<u>1,043,378,812</u>	<u>292,381,408</u>

Notes:-

- *1 Computed based on the issue price of RM0.350 per Placement Share and adjusted for the apportionment of its allocated fair value for 79,579,740 Warrants at RM0.054 per Warrant.
- *2 Computed based on the issue price of RM0.200 per Rights Share and adjusted for the apportionment of its allocated fair value for 50,732,133 Warrants (Minimum Scenario) and 176,843,866 Warrants (Maximum Scenario) at RM0.054 per Warrant.
- *3 Computed based on the exercise price of RM0.385 per Warrant.
- *4 Computed based on the number of Warrants (issued under the Fund Raising Exercises) multiplied by the allocated fair value of RM0.054 per Warrant.

8.2 NA per Share and gearing

Based on the latest audited consolidated statements of financial position of our Group as at 30 June 2020, the pro forma effects of the Fund Raising Exercises on the NA per Share and gearing of our Group are set out as follows:-

Minimum Scenario

		I	II	III
	Audited as at 30 June 2020 RM'000	After the Private Placement with Warrants RM'000	After I and the Rights Issue with Warrants RM'000	After II and assuming all Warrants are exercised RM'000
Share capital	133,803	157,358 ^{*1}	164,765 ^{*2}	221,972 ^{*4}
Treasury shares	(3,366)	(3,366)	(3,366)	(3,366)
Warrant reserve	-	4,297 ^{*1}	7,037 ^{*2}	- ^{*4}
Accumulated losses	(24,327)	(24,327)	(25,227) ^{*3}	(25,227)
Shareholders' fund/ NA	106,110	133,962	143,209	193,379
Non-controlling interest	12,822	12,822	12,822	12,822
Total equity	118,932	146,784	156,031	206,201
No. of Shares in issue	530,531,600	610,111,340 ^{*1}	660,843,473 ^{*2}	791,155,346 ^{*4}
NA per Share (RM)	0.20	0.22	0.22	0.24
Total borrowings	64,199	64,199	64,199	64,199
Gearing ratio (times)	0.54	0.44	0.41	0.31

Notes:-

- *1 Computed based on 79,579,740 Placement Shares are issued at the issue price of RM0.350 per Placement Share pursuant to the Private Placement with Warrants and adjusted for the apportionment of its allocated fair value for 79,579,740 Warrants at RM0.054 per Warrant based on the trinomial option pricing model as extracted from Bloomberg.
- *2 Computed based on the Undertaking Shareholders' subscription of 50,732,133 Rights Shares at the issue price of RM0.200 per Rights Share under the Minimum Scenario and adjusted for the apportionment of its allocated fair value for 50,732,133 Warrants at RM0.054 per Warrant based on the trinomial option pricing model as extracted from Bloomberg.
- *3 After deducting the estimated expenses of RM0.90 million in relation to the Proposals.
- *4 Assuming all 130,311,873 Warrants (issued under the Fund Raising Exercises) are exercised at the exercise price of RM0.385 per Warrant under the Minimum Scenario and the corresponding reversal of the warrant reserve to share capital.

Maximum Scenario

		I	II	III
	Audited as at 30 June 2020 RM'000	After the Private Placement with Warrants RM'000	After I and the Rights Issue with Warrants RM'000	After II and assuming all Warrants are exercised RM'000
Share capital	133,803	157,358 ^{*1}	183,177 ^{*2}	295,747 ^{*4}
Treasury shares	(3,366)	(3,366)	(3,366)	(3,366)
Warrant reserve	-	4,297 ^{*1}	13,847 ^{*2}	- ^{*4}
Accumulated losses	(24,327)	(24,327)	(25,227) ^{*3}	(25,227)
Shareholders' fund/ NA	106,110	133,962	168,431	267,154
Non-controlling interest	12,822	12,822	12,822	12,822
Total equity	118,932	146,784	181,253	279,976
No. of Shares in issue	530,531,600	610,111,340 ^{*1}	786,955,206 ^{*2}	1,043,378,812 ^{*4}
NA per Share (RM)	0.20	0.22	0.21	0.26
Total borrowings	64,199	64,199	54,199 ^{*5}	54,199
Gearing ratio (times)	0.54	0.44	0.30	0.19

Notes:-

- *1 Computed based on 79,579,740 Placement Shares are issued at the issue price of RM0.350 per Placement Share pursuant to the Private Placement with Warrants and adjusted for the apportionment of its allocated fair value for 79,579,740 Warrants at RM0.054 per Warrant based on the trinomial option pricing model as extracted from Bloomberg.
- *2 Computed based on the Entitled Shareholders' subscription of 176,843,866 Rights Shares at the issue price of RM0.200 per Rights Share under the Maximum Scenario and adjusted for the apportionment of its allocated fair value for 176,843,866 Warrants at RM0.054 per Warrant based on the trinomial option pricing model as extracted from Bloomberg.
- *3 After deducting the estimated expenses of RM0.90 million in relation to the Proposals.
- *4 Assuming all 256,423,606 Warrants (issued under the Fund Raising Exercises) are exercised at the exercise price of RM0.385 per Warrant under the Maximum Scenario and the reversal of the warrant reserve to share capital.
- *5 After deducting the full redemption of the 10,000,000 RSLs at RM1 per RSLs under the Maximum Scenario as highlighted under Section 4 of this Abridged Prospectus.

8.3 Earnings and EPS

The Fund Raising Exercises which are expected to be completed in the fourth quarter of 2020, are not expected to have any material effect on the earnings of our Group for the FYE 30 June 2021. However, there will be a dilutive effect on the EPS of our Group for the FYE 30 June 2021 due to the increase in the number of Shares arising from the Fund Raising Exercises and as and when the Warrants are exercised into new Shares during the tenure of the Warrants. Notwithstanding that, the proceeds from the Fund Raising Exercises is expected to contribute positively to the earnings of our Group for the ensuing financial years, when the benefits of the utilisation of proceeds are realised.

8.4 Convertible securities

As at the LPD, our Company does not have any convertible securities.

9. WORKING CAPITAL, BORROWINGS, CONTINGENT LIABILITIES, MATERIAL COMMITMENTS AND MATERIAL TRANSACTIONS

9.1 Working capital

Our Group's working capital requirements is funded by a combination of internal and external sources of funds. Our internal sources of funds are generated from our operating activities as well as our cash and bank balances, whereas our external sources of funds are derived from credit extended by suppliers and credit facilities from licensed financial institutions as well as advances from Directors.

Our Board is of the opinion that, after taking into consideration the funds generated from our operations, existing cash and bank balances and the banking facilities available to our Group as well as the proceeds to be raised from the Fund Raising Exercises, we will have sufficient working capital for a period of 12 months from the date of this Abridged Prospectus.

9.2 Borrowings

As at the LPD, our Group has total outstanding borrowings of approximately RM69.64 million. All our borrowings are interest-bearing and denominated in RM, further details of which are set out as follows:-

	Purpose of facility	Interest rate %	RM'000
Long term borrowings:-			
Term Loan	Purchase of buildings* ¹	4.30 – 4.82	23,553
			<u>23,553</u>
Short term borrowings:-			
Bank overdraft	Working capital	6.70	5,384
Term loan	Purchase of buildings* ¹	4.30 - 4.82	3,383
Revolving credit	Working capital	5.40 - 5.63	27,319
RSLs* ²	Working capital	10.00	10,000
			<u>46,086</u>
Total			<u><u>69,639</u></u>

Notes:-

*1 The buildings were purchased originally in the FYE 31 December 2017 to be the operation center for the SKIN project and to be utilised as the Group's corporate headquarters. Nevertheless, as part of our Group's efforts to monetise our other non-core assets, such as properties, we are in discussion with several parties to identify prospective buyers for these properties.

*2 As at the LPD, the RSLs stood at approximately RM10.00 million. The key salient terms of the RSLs are as follows:-

Coupon rate Preferential Coupon

- (i) a base coupon of 10% per annum from each Issue Date payable annually in arrears; and
- (ii) an additional "extension premium" coupon (over and above the base coupon) of 2% per annum payable for the Extended Period where applicable

Special Coupon

An additional one-off special coupon (over and above Preferential Coupon) which shall be payable within 30 days after occurrence of either one or both of the following events:-

- (i) 5% of the aggregate subscription price (RM10,000,000) if the compensation sum received by Prestariang Skin Sdn Bhd under the concession agreement is between RM150,000,000 and RM174,900,000; or
- (ii) 10% of the aggregate subscription price (RM10,000,000) if the compensation sum received by Prestariang Skin Sdn Bhd under the concession agreement is more than RM150,000,000.

Maturity date Means the date falling upon the earlier of the following events, or if such date is not a business day, the immediately preceding business day:-

- (i) 24 calendar months from the issue date of the subscription RSLs; or
- (ii) 60 days following occurrence of any of the acceleration events.

Note:-

The issue date of the RSLs is 27 May 2019. It follows that the maturity date of the RSLs shall be whichever the earlier of (i) 26 May 2021; or (ii) 60 days following the occurrence of any of the acceleration events, unless mutually agreed by the parties to be extended for a further period of 6 months.

Extended Maturity date The date of expiry of Extension Period.

Extended Period The extension of maturity date for a period of 6 months as may be mutually agreed by the parties

Redemption Price RM1 per RSLs, together with all coupon accrued and due up until the Maturity Date or the Extended Maturity Date, and any liquidated damages payable if a termination event shall occur.

As at the LPD, our Group does not have any non-interest bearing borrowings.

There has been no default on payments of either interest and/ or principal sums in respect of any borrowings during the FYE 30 June 2020 up to the LPD.

Neither Prestariang nor our subsidiaries are in breach of any terms and conditions or covenants associated with their respective borrowing facility agreements, which could materially affects its financial position, results and/ or business operations.

9.3 Contingent liabilities

Save as disclosed below, as at the LPD, our Board is not aware of any contingent liabilities incurred or known to be incurred by our Group which, upon becoming enforceable, may have a material impact on the financial results/ position of our Group.

	RM'000
Performance guarantee extended by a subsidiary to third party (i.e. bank guarantees provided to Microsoft ¹ and performance bonds provided to customers ² such as Ministry of Finance, Ministry of Education and Inland Revenue Board of Malaysia)	15,171
Compensation to a vendor due to the termination of the SKIN project	7,291
Dividend payable to redeemable preference shares	28,800
Special coupon on RSLs	1,000
	<u>52,262</u>

Notes:-

- *1 For Microsoft, the bank guarantees will be released to our Company at the end of the agreement when all financial obligations have been settled.
- *2 For our customers, the performance bonds will be released to our Company 12 months from the agreement expiry date or the date when all outstanding rights and obligations have been performed.

9.4 Material commitments

As at the LPD, our Board confirms that there are no material commitments for capital expenditure incurred or known to be incurred by our Group that have not been provided for which, upon becoming enforceable, may have a material impact on the financial results/ position of our Group.

9.5 Material transactions

As at the LPD, save for the Placement with Warrants, Rights Issue with Warrants, LTIP and Proposed Disposal, there are no other material transactions which may have a material effect on the operations, financial position and results of our Group since our Group's latest audited consolidated financial statements for the FYE 30 June 2020.

10. INSTRUCTIONS FOR ACCEPTANCE, SALE OR TRANSFER, EXCESS APPLICATION AND PAYMENT

10.1 General

As an Entitled Shareholder, your CDS Account will be duly credited with the number of Provisional Rights Shares with Warrants which you are entitled to subscribe for in full or in part under the terms of the Rights Issue with Warrants. You will find enclosed with this Abridged Prospectus, the NPA notifying you of the crediting of such securities into your CDS Account and the RSF to enable you to subscribe for the Provisional Rights Shares with Warrants provisionally allotted to you, as well as to apply for Excess Rights Shares with Warrants if you choose to do so.

If you are an Authorised Nominee who has subscribed for NRS with Bursa Depository, an electronic copy of this Abridged Prospectus and the Rights Shares Entitlement File will be transmitted to you electronically by Bursa Depository through its existing network facility with the Authorised Nominees. Please refer to Sections 10.5.3 and 10.9.3 of this Abridged Prospectus for the procedures for acceptance as well as to apply for Rights Shares with Warrants, if you choose to do so.

This Abridged Prospectus and RSF are also available on Bursa Securities' website (<http://www.bursamalaysia.com>).

10.2 NPA

The Provisional Rights Shares with Warrants are prescribed securities pursuant to Section 14(5) of the SICDA and therefore, all dealings in the Provisional Rights Shares with Warrants will be by book entries through the CDS Accounts and will be governed by the SICDA and the Rules of Bursa Depository. You and/ or your renounee(s) and/ or transferee(s) (if applicable) are required to have valid and subsisting CDS Accounts when making your applications.

10.3 Last date and time for acceptance and payment

The last date and time for acceptance and payment for the Provisional Rights Shares with Warrants and the Excess Application is the Closing Date.

We shall make an announcement on the outcome of the Rights Issue with Warrants after the Closing Date.

10.4 Methods of acceptance and application

You may subscribe for the Provisional Rights Shares with Warrants as well as apply for Excess Application, if you choose to do so, using either of the following methods:-

Method	Category of Entitled Shareholders
RSF	All Entitled Shareholders
Electronic Application*1	All Entitled Shareholders
NRS	Authorised Nominee who has subscribed for NRS

Note:-

*1 The following surcharge per Electronic Application via ATM will be charged by the Participating Financial Institution:-

- Public Bank Berhad – RM4.00; and
- Affin Bank Berhad – RM4.00.

The following processing fee per Electronic Application via internet financial services website will be charged by the respective Participating Financial Institution:-

- Public Bank Berhad (<http://www.pbebank.com>) – RM4.00; and
- Affin Bank Berhad (<https://www.affinbank.com.my>) – RM4.00.

10.5 Procedure for full acceptance and payment

10.5.1 By way or RSF

Acceptance of and payment for the Provisional Rights Shares with Warrants must be made on the RSF enclosed with this Abridged Prospectus and must be completed in accordance with the notes and instructions contained in the RSF. Acceptances and/ or payments which do not strictly conform to the terms of this Abridged Prospectus, the RSF or the notes and instructions contained therein or which are illegible may not be accepted at the absolute discretion of our Board.

FULL INSTRUCTIONS FOR THE ACCEPTANCE OF AND PAYMENT FOR THE PROVISIONAL RIGHTS SHARES WITH WARRANTS, EXCESS RIGHTS SHARES WITH WARRANTS AND THE PROCEDURES TO BE FOLLOWED SHOULD YOU AND/ OR YOUR RENOUNCEE(S) AND/ OR TRANSFEREE(S) (IF APPLICABLE) WISH TO SELL/ TRANSFER ALL OR ANY PART OF YOUR PROVISIONAL RIGHTS SHARES WITH WARRANTS ARE SET OUT IN THIS ABRIDGED PROSPECTUS AND THE ACCOMPANYING RSF AND THE NOTES AND INSTRUCTIONS CONTAINED THEREIN. IN ACCORDANCE WITH THE CMSA, THE RSF MUST NOT BE CIRCULATED UNLESS ACCOMPANIED BY THE ABRIDGED PROSPECTUS.

YOU AND/ OR YOUR RENOUNCEE(S) AND/ OR TRANSFEREE(S) (IF APPLICABLE) ARE ADVISED TO READ THIS ABRIDGED PROSPECTUS, THE ACCOMPANYING RSF AND THE NOTES AND INSTRUCTIONS THEREIN CAREFULLY.

If you and/ or your renounee(s) and/ or transferee(s) (if applicable) wish to accept either in full or in part of the Provisional Rights Shares with Warrants of your entitlement, please complete Parts I(A) and II of the RSF in accordance with the notes and instructions contained in the RSF. Each completed and signed RSF together with the relevant payment must be sent to our Share Registrar using the reply envelope provided (at your own risk) by **ORDINARY POST, COURIER or DELIVERY BY HAND** at the address stated below:-

Boardroom Share Registrars Sdn Bhd (Registration No. 199601006647 (378993-D))

11th Floor, Menara Symphony
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so as to arrive **not later than the Closing Date**, being the last date and time for acceptance and payment for the Provisional Rights Shares with Warrants.

If you and/ or your renounee(s) and/ or transferee(s) (if applicable) lose, misplace or for any other reasons require another copy of the RSF, you and/ or your renounee(s) and/ or transferee(s) (if applicable) may obtain additional copies from your stockbroker, our Share Registrar at the address stated above, our registered office or the website of Bursa Securities (<https://www.bursamalaysia.com>).

1 RSF can only be used for acceptance of Provisional Rights Shares with Warrants standing to the credit of 1 CDS Account belonging. Separate RSF(s) must be used for the acceptance of Provisional Rights Shares with Warrants standing to the credit of more than 1 CDS Account(s). If successful, the Rights Shares subscribed for will be credited into your CDS Account(s) as stated in the completed RSF(s).

A reply envelope is enclosed in this Abridged Prospectus. To facilitate the processing of the RSF(s) by our Share Registrar, you are advised to use 1 reply envelope for each completed RSF.

The minimum number of Rights Shares with Warrants that can be subscribed for or accepted is 1 Rights Share with Warrant. However, you and/ or your renounee(s) and/ or transferee(s) (if applicable) should take note that a trading board lot for the Rights Shares and Warrants comprises of 100 Rights Shares and 100 Warrants, respectively. Fractions of Rights Shares and the Warrants, if any, shall be disregarded, and dealt with in such manner as our Board shall in their absolute discretion deem fit and expedient, and to be in the best interest of our Company.

If acceptance of and payment for the Provisional Rights Shares with Warrants allotted to you and/ or your renounee(s) and/ or transferee(s) (if applicable) is not received by our Share Registrar by **the Closing Date**, being the last date and time for acceptance of and payment for the Provisional Rights Shares with Warrants, you and/ or your renounee(s) and/ or transferee(s) (if applicable) will be deemed to have declined the Provisional Rights Shares with Warrants and it will be cancelled. Proof of time of postage shall not constitute proof of time of receipt by our Share Registrar.

In the event that the Provisional Rights Shares with Warrants are not fully taken up by such applicants, our Board will then have the right to allot such Rights Shares with Warrants to the applicants who have applied for the Excess Rights Shares with Warrants in the manner as set out in Section 10.9 of this Abridged Prospectus. Our Board reserves the right to accept any application in full or in part only without assigning any reasons.

EACH COMPLETED RSF MUST BE ACCOMPANIED BY THE APPROPRIATE REMITTANCE MADE IN RM FOR THE FULL AMOUNT PAYABLE FOR THE RIGHTS SHARES WITH WARRANTS ACCEPTED IN THE FORM OF BANKER'S DRAFT(S), CASHIER'S ORDER(S), MONEY ORDER(S) OR POSTAL ORDER(S) DRAWN ON A BANK OR POST OFFICE IN MALAYSIA CROSSED "A/C PAYEE ONLY", MADE PAYABLE TO "PRESTARIANG RIGHTS ISSUE ACCOUNT" AND ENDORSED ON THE REVERSE SIDE WITH YOUR NAME IN BLOCK LETTERS AND CDS ACCOUNT NUMBER SO AS TO BE RECEIVED BY OUR SHARE REGISTRAR BY THE CLOSING DATE.

APPLICATIONS ACCOMPANIED BY PAYMENTS OTHER THAN IN THE MANNER STATED ABOVE OR WITH EXCESS OR INSUFFICIENT REMITTANCES MAY OR MAY NOT BE ACCEPTED AT THE ABSOLUTE DISCRETION OF OUR BOARD. DETAILS OF THE REMITTANCES MUST BE FILLED IN THE APPROPRIATE BOXES PROVIDED IN THE RSF.

NO ACKNOWLEDGEMENT OF RECEIPT OF THE RSF OR APPLICATION MONIES WILL BE MADE BY OUR COMPANY OR OUR SHARE REGISTRAR IN RESPECT OF THE RIGHTS ISSUE WITH WARRANTS. HOWEVER, IF YOUR APPLICATION IS SUCCESSFUL, A NOTICE OF ALLOTMENT WILL BE DESPATCHED TO YOU BY ORDINARY POST TO THE ADDRESS AS SHOWN IN OUR RECORD OF DEPOSITORS PROVIDED BY BURSA DEPOSITORY AT YOUR OWN RISK WITHIN 8 MARKET DAYS FROM THE LAST DATE FOR ACCEPTANCE OF AND PAYMENT FOR THE RIGHTS SHARES OR SUCH OTHER PERIOD AS MAY BE PRESCRIBED BY BURSA SECURITIES.

APPLICATIONS SHALL NOT BE DEEMED TO HAVE BEEN ACCEPTED BY REASON OF THE REMITTANCE BEING PRESENTED FOR PAYMENT.

APPLICANTS SHOULD NOTE THAT THE RSF AND REMITTANCES SO LODGED WITH OUR SHARE REGISTRAR SHALL BE IRREVOCABLE AND CANNOT BE SUBSEQUENTLY WITHDRAWN.

WHERE AN APPLICATION IS NOT ACCEPTED OR IS ACCEPTED IN PART ONLY, THE FULL AMOUNT OR THE BALANCE OF THE APPLICATION MONIES, AS THE CASE MAY BE, SHALL BE REFUNDED WITHOUT INTEREST AND SHALL BE DESPATCHED TO THE APPLICANT BY ORDINARY POST TO THE ADDRESS AS SHOWN IN OUR RECORD OF DEPOSITORS PROVIDED BY BURSA DEPOSITORY AT YOUR OWN RISK WITHIN 15 MARKET DAYS FROM THE CLOSING DATE.

ALL RIGHTS SHARES AND WARRANTS TO BE ISSUED PURSUANT TO THE RIGHTS ISSUE WITH WARRANTS WILL BE ALLOTTED BY WAY OF CREDITING SUCH RIGHTS SHARES AND THE WARRANTS INTO THE CDS ACCOUNTS OF THE ENTITLED SHAREHOLDERS AND/ OR THEIR RENOUNCEE(S) (IF APPLICABLE). NO PHYSICAL SHARE OR WARRANT CERTIFICATES WILL BE ISSUED.

10.5.2 By way of Electronic Application

Only Malaysian individuals who are Entitled Shareholders may apply for the Rights Issue with Warrants by way of Electronic Application.

Please read carefully and follow the terms of this Abridged Prospectus, the procedures, terms and conditions for Electronic Application and the procedures set out at the ATMs and internet financial services website of the Participating Financial Institutions before making an Electronic Application.

The procedures for Electronic Applications at the ATMs and internet financial services website of the Participating Financial Institutions are set out on the ATM screens and internet financial services website of the relevant Participating Financial Institutions ("**Steps**"). For illustration purposes, the procedures for Electronic Applications are set out below. Please read carefully the terms of this Abridged Prospectus, the Steps and the Terms and Conditions of Electronic Applications set out in Section 10.5.2(ii) of this Abridged Prospectus before making an Electronic Application:-

You must have an account with a Participating Financial Institution and an ATM card issued by a Participating Financial Institution or with access to internet financial services with **Public Bank Berhad** at <http://www.pbebank.com> or **Affin Bank Berhad** at <https://www.affinbank.com.my>.

You are advised to read and understand this Abridged Prospectus **BEFORE** making the application.

You shall apply for the Rights Issue with Warrants via the ATM or internet financial services website of the Participating Financial Institutions by choosing the Electronic Application option. Mandatory statements required in the application are as set out in Section 10.5.2(ii) of this Abridged Prospectus "**Terms and Conditions of Electronic Applications**".

Upon the completion of your Electronic Application transaction via ATM, you will receive a computer-generated transaction slip ("**Transaction Record**"), confirming the details of your Electronic Application. The Transaction Record is only a record of the completed transaction at the ATM and not a record of the receipt of the Electronic Application or any data relating to such an Electronic Application by our Company or our Share Registrar. The Transaction Record is for your record and is not required to be submitted with your application.

For application via internet financial services website, a message from the Participating Financial Institution pertaining to the payment status will appear on the screen of the website through which the online payment for the Provisional Rights Shares with Warrants is being made. Subsequently, the Participating Financial Institutions shall confirm that the said application has been completed, via the confirmation screen in respect of your application ("**Confirmation Screen**") on their website. You are advised to print out the Confirmation Screen for your reference and record.

YOU MUST ENSURE THAT YOU USE THE NUMBER OF THE CDS ACCOUNT HELD IN YOUR NAME WHEN MAKING AN ELECTRONIC APPLICATION. IF YOU OPERATE A JOINT BANK ACCOUNT WITH ANY OF THE PARTICIPATING FINANCIAL INSTITUTIONS, YOU MUST ENSURE THAT YOU ENTER THE NUMBER OF THE CDS ACCOUNT HELD IN YOUR NAME WHEN USING AN ATM CARD ISSUED TO YOU IN YOUR NAME. YOUR APPLICATION WILL BE REJECTED IF YOU FAIL TO COMPLY WITH THE FOREGOING.

i. Participating Financial Institutions

Electronic Applications may be made through an ATM or internet financial services websites of the following Participating Financial Institutions and their branches within Malaysia:-

- Public Bank Berhad;
- Affin Bank Berhad

ii. Terms and Conditions of Electronic Applications

The Electronic Application shall be made on, and subject to, the terms of this Abridged Prospectus, as well as the terms and conditions of the Participating Financial Institutions and those appearing herein:-

- (a) You are required to confirm the following statements and undertake that the following information given are true and correct:-
- (i) You have attained 18 years of age as at the Closing Date;
 - (ii) You have read the Abridged Prospectus and understood and agreed with the terms and conditions of the application; and
 - (iii) You give consent to our Company, Bursa Depository, our Share Registrar, the relevant Participating Financial Institutions, their respective agents and any third party involved in facilitating the application/refund, to disclose information pertaining to yourself and your account with the Participating Financial Institutions and Bursa Depository to the relevant authorities and any person as may be necessary or expedient to facilitate the making of the application/refund.

Your application will not be successfully completed and cannot be recorded as a completed transaction unless you complete all the steps required by the Participating Financial Institution. By doing so, you shall have confirmed each of the above statements as well as giving consent in accordance with the relevant laws of Malaysia including Section 134(1)(a) of Financial Services Act, 2013 and Section 45(1)(a) of the SICDA, to the disclosures as described above.

- (b) You confirm that you are not applying for the Provisional Rights Shares with Warrants as a nominee of any other person and that any Electronic Application that you make is made by you as the beneficial owner.
- (c) You must have sufficient funds in your account with the relevant Participating Financial Institutions at the time you make your Electronic Application, failing which your Electronic Application will not be completed. Any Electronic Application, which does not strictly conform to the instructions set out on the ATM or screen of financial services websites of the Participating Financial Institutions through which the Electronic Application is being made, will be rejected.

- (d) You agree and undertake to subscribe for or purchase and to accept the number of Provisional Rights Shares with Warrants applied for as stated on the Transaction Record in respect of your Electronic Application. Your confirmation (by your action of pressing the pre-designated keys (or buttons)) of the number of Provisional Rights Shares with Warrants applied for shall signify, and shall be treated as, your acceptance of the number of Provisional Rights Shares with Warrants that may be allotted to you.

Should you encounter any problems in your Electronic Application, please refer to the Participating Financial Institutions.

- (e) By making and completing your Electronic Application, you, if successful, request and authorise our Company to credit the Provisional Rights Shares with Warrants allotted to you into your CDS Account.
- (f) You acknowledge that your Electronic Application is subject to the risks of electrical, electronic, technical, transmission, communication and computer-related faults and breakdowns, fires and other events beyond the control of our Company, our Share Registrar, the Participating Financial Institutions or Bursa Depository and you irrevocably agree that if:
- (i) Our Company, our Share Registrar or Bursa Depository does not receive your Electronic Application; or
 - (ii) Data relating to your Electronic Application is wholly or partially lost, corrupted or inaccessible, or not transmitted or communicated to our Company, our Share Registrar or Bursa Depository,

you shall be deemed not to have made an Electronic Application and you shall not make any claim whatsoever against our Company, our Share Registrar, the Participating Financial Institutions or Bursa Depository for the Provisional Rights Shares with Warrants applied for or for any compensation, loss or damage relating to the application for the Provisional Rights Shares with Warrants.

- (g) All of your particulars, including your nationality and place of residence, in the records of the relevant Participating Financial Institutions at the time you make your Electronic Application shall be true and correct, and our Company, our Share Registrar, the relevant Participating Financial Institutions and Bursa Depository shall be entitled to rely on the accuracy thereof.
- (h) You shall ensure that your personal particulars as recorded by both Bursa Depository and the relevant Participating Financial Institutions are correct and identical. Otherwise, your Electronic Application will be rejected. You must inform Bursa Depository promptly of any change in address failing which the notification letter of successful allocation will be sent to your correspondence address last maintained with Bursa Depository.

- (i) By making and completing an Electronic Application, you agree that:-
- (i) In consideration of our Company agreeing to allow and accept your application for the Provisional Rights Shares with Warrants via the Electronic Application facility established by the Participating Financial Institutions at their respective ATMs and financial services websites, your Electronic Application is irrevocable and cannot be subsequently withdrawn;
 - (ii) Our Company, the Participating Financial Institutions, Bursa Depository and our Share Registrar shall not be liable for any delays, failures or inaccuracies in the processing of data relating to your Electronic Application due to a breakdown or failure of transmission or communication facilities or any cause beyond our control;
 - (iii) Notwithstanding the receipt of any payment by or on behalf of our Company, the notice of successful allocation for the Provisional Rights Shares with Warrants for which your Electronic Application has been successfully completed is the only confirmation for the acceptance of this offer to subscribe for and purchase the said Provisional Rights Shares with Warrants; and
 - (iv) You agree that in relation to any legal action, proceedings or dispute arising out of or in relation to the Electronic Application and/or any terms herein, all rights, obligations and liabilities shall be construed and determined in accordance with the laws of Malaysia and with all directives, rules, regulations and notices from regulatory bodies and that you irrevocably submit to the jurisdiction of the Courts of Malaysia.
- (j) Our Share Registrar, on the authority of our Company, reserves the right to reject applications which do not conform to these terms/ instructions.
- (k) Notification on the outcome of your application for the Rights Shares with Warrants will be despatched to you by ordinary post to the correspondence address as shown on Bursa Depository's record at your own risk within the timelines as follows:-
- (i) successful application – a notice of allotment will be despatched within 8 Market Days from the Closing Date or such other period as may be prescribed or allowed by Bursa Securities; or
 - (ii) unsuccessful/ partially successful application – the full amount or the surplus application monies, as the case may be, will be refunded without interest within 15 Market Days from the Closing Date.

The refund will be credited directly into your bank account from which your Electronic Application was made. Kindly take note of the terms and conditions as stated in Section 10.5.2(ii) of this Abridged Prospectus and the required consent in making your Electronic Application.

If the crediting of the refund into your bank account from which your Electronic Application was made is unsuccessful, the refund will then be made via cheque which will be despatched to you by ordinary post to the correspondence address as shown on Bursa Depository's record at your own risk.

10.5.3 By way of NRS

Our Company has appointed Bursa Depository to provide NRS to our shareholders who are Authorised Nominees. Only our Entitled Shareholders who are Authorised Nominees and who have subscribed for NRS with Bursa Depository may apply via NRS.

Please read carefully and follow the terms of this Abridged Prospectus, the procedures, terms and conditions for application via NRS and Bursa Depository's terms and conditions for NRS and User Guide for NRS (which are made available to all Authorised Nominees who have subscribed for NRS with Bursa Depository) before making the application.

i. Steps for applications via NRS

- (a) If you are an Entitled Shareholder, and who is an Authorised Nominee who has subscribed for NRS with Bursa Depository, you will not be receiving this Abridged Prospectus, the RSF nor the NPA by post.
- (b) Instead, this Abridged Prospectus and the Rights Shares Entitlement File will be transmitted electronically to you by Bursa Depository through Bursa Depository's existing network facility with the Authorised Nominees in the manner as set out in Bursa Depository's User Guide for NRS, on the next business day after the Entitlement Date.
- (c) A notification of the delivery of the Abridged Prospectus and the Rights Shares Entitlement File will also be sent to you via email using the details you have provided to Bursa Depository when you subscribed for NRS with Bursa Depository.
- (d) You are advised to read carefully, understand and follow the terms of this Abridged Prospectus, **BEFORE** making the application.
- (e) You may accept, on behalf of your client, partially or fully, their respective allocation under the Rights Issue with Warrants.
- (f) To apply for the Provisional Rights Shares with Warrants, you will be required to submit your subscription information via Rights Shares Subscription File which is to be prepared based on the format as set out in Bursa Depository's User Guide for NRS.

- (g) Once completed, you will need to submit the Rights Shares Subscription File to Bursa Depository at any time daily before 5.00 p.m., but in any event no later than the last day and time for acceptance and payment.
- (h) Together with the Rights Shares Subscription File, you will also need to submit a confirmation to Bursa Depository of the following information:-
- (i) Confirmation that you have, prior to making the application via NRS, received and/or had access to the electronic copy of this Abridged Prospectus, the contents of which you have read, understood and agreed; and
- (ii) Consent to the disclosure of your information to facilitate electronic refunds where applicable.
- (i) With regards to payment for the Provisional Rights Shares with Warrants which you have applied for, you must transfer the amount payable directly to our bank account, the details of which are as follows:-

Bank : **MALAYAN BANKING BERHAD**
 Account Name : **PRESTARIANG RIGHTS ISSUE**
ACCOUNT
 Bank Account No : **514012428197**

- (j) Upon completion of the transfer/payment, you may receive a transaction slip ("**Transaction Slip**") from the transacting financial institution confirming the details of your transfer/payment. The Transaction Slip is only a record of the completed transaction and not a record of the receipt of the application via NRS or any data relating to such an application by our Company or Bursa Depository. The Transaction Slip is for your record and is not required to be submitted with your application via NRS.
- (k) You will be notified on the outcome of your application for the Provisional Rights Shares with Warrants electronically within the timelines as stated below. No physical notice of allotment will be mailed to you.
- (i) successful application – an electronic notification will be sent to you within 8 Market Days from the Closing Date or such other period as may be prescribed or allowed by Bursa Securities; or
- (ii) unsuccessful/ partially successful application – the full amount or the surplus application monies, as the case may be, will be refunded without interest within 15 Market Days from the Closing Date.

The refund will be credited directly into your bank account(s) from which payment of your subscription monies were made. Kindly take note of the terms and conditions as stated in this Abridged Prospectus and the required consent in making the application via NRS.

If the crediting of the refund into your bank account(s) (as provided by you in the Rights Shares Subscription File) from which payment of your subscription monies were made is unsuccessful, the refund will then be made via cheque(s) which will be despatched to you by ordinary post to the correspondence address as shown on Bursa Depository's record at your own risk.

- (l) Upon crediting of the Rights Shares allotted to you into your CDS account(s), you will also receive an electronic confirmation of the crediting from Bursa Depository.
- (m) You should note that all applications made for the Provisional Rights Shares with Warrants submitted under NRS will be irrevocable upon submission of the Rights Shares Subscription File to Bursa Depository and cannot be subsequently withdrawn.

ii. **Terms and Conditions for applications via NRS**

The application via NRS shall be made on, and subject to, the terms of this Abridged Prospectus, Bursa Depository's terms and conditions for NRS and Bursa Depository's User Guide for NRS as well as the terms and conditions appearing herein:-

- (a) For purposes of making the electronic refund, you hereby give consent in accordance with the relevant laws of Malaysia, including Section 134(1)(a) of Financial Services Act, 2013 and Section 45(1)(a) of the SICDA, to the disclosure by our Company, Bursa Depository, our Share Registrar, the relevant financial institution, their respective agents and any third party involved in facilitating the payment of refunds to you as the case may be, of information pertaining to yourself and your account with the relevant financial institution and Bursa Depository, to the relevant authorities and any person as may be necessary or expedient to facilitate the making of refunds or for any other purpose in connection with such payments. You will be required to provide confirmation of your consent in the manner prescribed in Bursa Depository's terms and conditions for NRS.
- (b) You agree and undertake to subscribe for or purchase and to accept the number of Provisional Rights Shares with Warrants applied for as stated on your Rights Shares Subscription File in respect of your application via NRS. Your application shall signify, and shall be treated as, your acceptance of the number of Provisional Rights Shares with Warrants that may be allotted to you.
- (c) You acknowledge that by completing and submitting the Rights Shares Subscription File to Bursa Depository, you, if successful, requests and authorises our Company to credit the Provisional Rights Shares with Warrants allotted to you into the respective CDS Account(s) as indicated in the Rights Shares Subscription File.

- (d) You acknowledge that your application via NRS is subject to the risks of electrical, electronic, technical, transmission, communication and computer-related faults and breakdowns, fires and other events beyond the control of our Company, our Share Registrar, the relevant financial institution or Bursa Depository, and irrevocably agree that if -
- (i) our Company, our Share Registrar or Bursa Depository does not receive your application via NRS; or
 - (ii) the data relating to your application via NRS is wholly or partially lost, corrupted or inaccessible, or not transmitted or communicated to our Company, our Share Registrar or Bursa Depository,

you shall be deemed not to have made your application and you shall not make any claim whatsoever against our Company, Bursa Depository, our Share Registrar or the relevant financial institution for the Provisional Rights Shares with Warrants applied for or for any compensation, loss or damage relating to the application for the Provisional Rights Shares with Warrants.

- (e) By completing and submitting the Rights Shares Subscription File to Bursa Depository, you agree that:-
- (i) In consideration of our Company agreeing to allow and accept your application for Rights Shares via the NRS facility established by Bursa Depository, your application via NRS is irrevocable and cannot be subsequently withdrawn;
 - (ii) Our Company, the relevant financial institutions, Bursa Depository and our Share Registrar shall not be liable for any delays, failures or inaccuracies in the processing of data relating to your application via NRS due to a breakdown or failure of transmission or communication facilities or to any cause beyond our control;
 - (iii) Notwithstanding the receipt of any payment by or on behalf of our Company, the electronic notification of allotment in respect of the Provisional Rights Shares with Warrants issued is the only confirmation for the acceptance of this offer to subscribe for and purchase the said Provisional Rights Shares with Warrants; and
 - (iv) You agree that in relation to any legal action, proceedings or dispute arising out of or in relation to with the contract between the parties and/or the application via NRS and/or any terms herein, all rights, obligations and liabilities shall be construed and determined in accordance with the laws of Malaysia and with all directives, rules, regulations and notices from regulatory bodies and that you irrevocably submit to the jurisdiction of the Courts of Malaysia.

Our Share Registrar and Bursa Depository, on the authority of our Company, reserves the right to reject applications which do not conform to these instructions.

10.6 Procedure for part acceptance by Entitled Shareholders

You are entitled to accept part of your Provisional Rights Shares with Warrants provided always that the minimum number of Rights Shares with Warrants that can be subscribed for or accepted is one 1 Rights Share with Warrant. Fractional of a Rights Share with Warrant, if any, shall be disregarded and dealt with in a fair and equitable manner as our Board deems fit and expedient and in the best interests of our Company.

You must complete both Parts I(A) and II of the RSF by specifying the number of Rights Shares with Warrants which you are accepting and deliver the completed and signed RSF together with the relevant payment to our Share Registrar in the manner set out in Section 10.5.1 of this Abridged Prospectus.

YOU ARE ADVISED TO READ AND ADHERE TO THE RSF AND THE NOTES AND INSTRUCTIONS CONTAINED THEREIN.

The portion of the Provisional Rights Shares with Warrants that have not been accepted shall be allotted to any other persons allowed under the law, regulations or rules to accept the transfer of the Provisional Rights Shares with Warrants.

10.7 Procedure for sale or transfer of the Provisional Rights Shares with Warrants

As the Provisional Rights Shares with Warrants are prescribed securities, you may dispose or transfer all or part of your entitlement to the Provisional Rights Shares with Warrants to 1 or more person(s) through your stockbrokers without first having to request for a split of the Provisional Rights Shares with Warrants standing to the credit of your CDS Account. To dispose or transfer all or part of your entitlement to the Provisional Rights Shares with Warrants, you may sell such entitlement on the open market or transfer such entitlement to such persons as may be allowed pursuant to the Rules of Bursa Depository. If you have disposed or transferred only part of the Provisional Rights Shares with Warrants, you may still accept the balance of the Provisional Rights Shares with Warrants by completing Parts I and III of the RSF. Please refer to Sections 10.5 and 10.6 of this Abridged Prospectus for the procedure for acceptance and payment.

In disposing or transferring all or part of your Provisional Rights Shares with Warrants, you need not deliver any document including the RSF, to any stockbroker. However, you must ensure that there is sufficient Provisional Rights Shares with Warrants standing to the credit of your CDS Account that are available for settlement of the sale or transfer.

Purchaser(s) or transferee(s) of the Provisional Rights Shares with Warrants may obtain a copy of this Abridged Prospectus and the RSF from our Share Registrar or at our Registered Office. This Abridged Prospectus and the RSF are also available on the Bursa Securities' website at <http://www.bursamalaysia.com>.

10.8 Procedure for acceptance by renounee(s)/ transferee(s)

Renounee(s) and/ or transferee(s) (if applicable) who wish to accept the Provisional Rights Shares with Warrants must obtain a copy of the RSF from their stockbrokers or our Share Registrar, or at our Registered Office or from Bursa Securities' website at <https://www.bursamalaysia.com>, and complete the RSF and submit the same together with the remittance to our Share Registrar at the above-stated address in accordance with the notes and instructions printed therein.

The procedure for acceptance and payment applicable to the Entitled Shareholders as set out in Sections 10.5 and 10.6 of this Abridged Prospectus also applies to renouncee(s) and/ or transferee(s) (if applicable) who wish to accept the Provisional Rights Shares with Warrants.

RENOUNCEE(S) ARE ADVISED TO READ, UNDERSTAND AND CONSIDER CAREFULLY THE CONTENTS OF THIS ABRIDGED PROSPECTUS AND ADHERE TO THE NOTES AND INSTRUCTIONS CONTAINED IN THIS ABRIDGED PROSPECTUS AND THE RSF.

10.9 Procedure for application of Excess Rights Shares with Warrants

10.9.1 By way of RSF

You and/ or your renouncee(s) and/ or transferee(s) (if applicable) may apply for the Excess Rights Shares with Warrants in excess of your entitlement by completing Part I(B) of the RSF (in addition to Parts I(A) and II) and forward it (together with a **separate remittance made in RM** for the full amount payable in respect of the Excess Rights Shares with Warrants applied for) to our Share Registrar **not later than the Closing Date**, being the last date and time for application and payment for the Excess Rights Shares with Warrants.

PAYMENT FOR THE EXCESS RIGHTS SHARES WITH WARRANTS APPLIED FOR SHOULD BE MADE IN THE SAME MANNER AS DESCRIBED IN SECTION 10.5 OF THIS ABRIDGED PROSPECTUS, AND IN THE FORM OF BANKER'S DRAFT(S)/ CASHIER'S ORDER(S)/ MONEY ORDER(S) OR POSTAL ORDER(S) DRAWN ON A BANK OR POST OFFICE IN MALAYSIA CROSSED "A/C PAYEE ONLY" AND MADE PAYABLE TO "PRESTARIANG EXCESS RIGHTS ISSUE ACCOUNT" AND ENDORSED ON THE REVERSE SIDE WITH YOUR NAME, ADDRESS AND CDS ACCOUNT NUMBER IN BLOCK LETTERS SO AS TO BE RECEIVED BY OUR SHARE REGISTRAR NOT LATER THAN THE LAST DATE AND TIME FOR EXCESS APPLICATION AND PAYMENT AS SET OUT IN THE COVER PAGE OF THIS ABRIDGED PROSPECTUS.

THE PAYMENT MUST BE MADE FOR THE FULL AND EXACT AMOUNT PAYABLE FOR THE EXCESS RIGHTS SHARES WITH WARRANTS APPLIED FOR ANY EXCESS OR INSUFFICIENT MAY BE REJECTED AT THE ABSOLUTE DISCRETION OF OUR BOARD.

It is the intention of our Board to allot the Excess Rights Shares with Warrants, if any, on a fair and equitable basis and in the following priority:-

- i. Firstly, to minimise the incidence of odd lots;
- ii. Secondly, for allocation to Entitled Shareholders who have applied for the Excess Rights Shares with Warrants, on a pro-rata basis and in board lot, calculated based on their respective shareholdings in our Company as at the Entitlement Date;
- iii. Thirdly, for allocation to Entitled Shareholders who have applied for the Excess Rights Shares with Warrants, on a pro-rata basis and in board lot, calculated based on the quantum of their respective Excess Rights Shares with Warrants applied for; and
- iv. Finally, for allocation to renouncee(s) and/ or transferee(s) (if applicable) who have applied for the Excess Rights Shares with Warrants, on a pro-rata basis and in board lot, calculated based on the quantum of their respective Excess Rights Shares with Warrants applied for.

In the event there is any remaining balance of the Excess Rights Shares with Warrants applied for by the Entitled Shareholders and/ or renounee(s) and/ or transferee(s) (if applicable) who have applied for the Excess Rights Shares with Warrants after carrying out steps (i) to (iv) as set out above, steps (ii) to (iv) will be repeated again in the same sequence to allocate the remaining balance of the Excess Rights Shares with Warrants to the Entitled Shareholders and/ or renounee(s) and/ or transferee(s) (if applicable) who have applied for the Excess Rights Shares with Warrants until such balance is fully allocated.

Nevertheless, our Board reserves the right to allot any Excess Rights Shares with Warrants applied for in such manner as our Board deems fit and expedient in the best interest of our Company subject always to such allocation being made on a fair and equitable basis, and that the intention of our Board as set out in steps (i)-(iv) above are achieved. Our Board also reserves the rights at its absolute discretion to accept in full or in part any application for the Excess Rights Shares with Warrants without assigning any reason thereof.

NO ACKNOWLEDGEMENT OF RECEIPT OF THE RSF OR EXCESS APPLICATION MONIES WILL BE ISSUED BY OUR COMPANY OR OUR SHARE REGISTRAR IN RESPECT OF THE EXCESS RIGHTS SHARES WITH WARRANTS. HOWEVER, IF YOUR EXCESS APPLICATION IS SUCCESSFUL, THE RIGHTS SHARES WITH WARRANTS WILL BE CREDITED INTO YOUR CDS ACCOUNT AND A NOTICE OF ALLOTMENT WILL BE DESPACHED TO YOU BY ORDINARY POST TO THE ADDRESS AS SHOWN IN OUR RECORD OF DEPOSITORS PROVIDED BY BURSA DEPOSITORY AT YOUR OWN RISK WITHIN 8 MARKET DAYS FROM THE CLOSING DATE OR SUCH OTHER PERIOD AS MAY BE PRESCRIBED OR ALLOWED BY BURSA SECURITIES.

APPLICATIONS FOR THE EXCESS RIGHTS SHARES WITH WARRANTS SHALL NOT BE DEEMED TO HAVE BEEN ACCEPTED BY REASON OF THE REMITTANCE BEING PRESENTED FOR PAYMENT. OUR BOARD RESERVES THE RIGHT NOT TO ACCEPT ANY SUCH APPLICATION OR TO ACCEPT ANY SUCH APPLICATION IN PART ONLY WITHOUT ASSIGNING ANY REASON THEREOF.

WHERE AN APPLICATION FOR THE EXCESS RIGHTS SHARES WITH WARRANTS IS NOT ACCEPTED OR IS ACCEPTED IN PART ONLY, THE FULL AMOUNT OR THE BALANCE OF THE APPLICATION MONIES, AS THE CASE MAY BE, SHALL BE REFUNDED WITHOUT INTEREST AND SHALL BE DESPACHED TO THE APPLICANT BY ORDINARY POST TO THE ADDRESS SHOWN IN OUR RECORD OF DEPOSITORS PROVIDED BY BURSA DEPOSITORY AT YOUR OWN RISK WITHIN 15 MARKET DAYS FROM THE CLOSING DATE.

10.9.2 By way of Electronic Application

You and/ or your renounee(s) and/ or transferee(s) (if applicable) may apply for the Excess Rights Shares with Warrants in excess of your entitlement via Electronic Application in addition to your Provisional Rights Shares with Warrants. If you wish to do so, you may apply for the Excess Rights Shares with Warrants by following the same steps as set out in Section 10.5.2 of this Abridged Prospectus.

The Electronic Application for Excess Rights Shares with Warrants will be made on, subject to, the same terms and conditions appearing in Section 10.5.2 of this Abridges Prospectus.

Any Rights Shares with Warrants which are not taken up or not validly taken up by you and/ or your renounee(s) and/ or transferee(s) (if applicable) shall be made available for Excess Rights Shares with Warrants. It is the intention of the Board to allot the Excess Rights Shares with Warrants, if any, on a fair and equitable basis and in the priority and basis as detailed in Section 10.9.1 above.

10.9.3 By way of NRS

You and/ or your renounee(s) and/ or transferee(s) (if applicable) may apply for the Excess Rights Shares with Warrants in excess of your entitlement via NRS in addition to your Provisional Rights Shares with Warrants. If you wish to do so, you may apply for the Excess Rights Shares with Warrants by following the same steps as set out in Section 10.5.3 of this Abridged Prospectus save and except for the amount payable to be directed to "**PRESTARIANG EXCESS RIGHTS ISSUE ACCOUNT**" (**BANK ACCOUNT NO. 514012428202 WITH MALAYAN BANKING BERHAD**) for the excess Rights Shares with Warrants applied and also that you should complete the details for excess rights application at the designated fields for excess applications in the Rights Shares Subscription File.

The NRS for Excess Rights Shares with Warrants will be made on, subject to, the same terms and conditions appearing in Section 10.5.3 of this Abridges Prospectus.

Any Provisional Rights Shares with Warrants which are not taken up or not validly taken up by you and/ or your renounee(s) and/ or transferee(s) (if applicable) shall be made available for Excess Rights Shares with Warrants. It is the intention of the Board to allot the Excess Rights Shares with Warrants, if any, on a fair and equitable basis and in the priority and basis as detailed in Section 10.9.1 above.

10.10 Form of issuance

Bursa Securities has already prescribed our Shares to be listed on the Main Market of Bursa Securities and to be deposited with Bursa Depository. Accordingly, the Rights Shares and the Warrants are prescribed securities and as such, the SICDA and the Rules of Bursa Depository shall apply to all dealings in the Rights Shares and the Warrants.

Failure to comply with the specific instructions for applications or inaccuracy in the CDS Account number may result in the application being rejected. No physical share or Warrant Certificates shall be issued to you under the Rights Issue with Warrants. Instead, the Rights Shares and the Warrants will be credited directly into your CDS Account.

A notice of allotment will be despatched to you and/ or your renounee(s) and/ or transferee(s) (if applicable) by ordinary post to the address shown in our Record of Depositors provided by Bursa Depository at your own risk within 8 Market Days from the Closing Date or such other period as may be prescribed or allowed by Bursa Securities.

If you are an Authorised Nominee who has subscribed for NRS with Bursa Depository, an electronic notification will be sent to you within 8 Market Days from the Closing Date or such other period as may be prescribed or allowed by Bursa Securities through Bursa Depository's existing network facility with the Authorised Nominees in the manner as set out in Bursa Depository's User Guide for NRS.

Where the Rights Shares and the Warrants are provisionally allotted to the Entitled Shareholders in respect of their existing Prestariang Shares standing to the credit in their CDS Account as at the Entitlement Date, the acceptance by the Entitled Shareholders of the Provisional Rights Shares with Warrants shall mean that they consent to receive such Provisional Rights Shares with Warrants as prescribed or deposited securities which will be credited directly into their CDS Account.

Any person who has purchased the Provisional Rights Shares with Warrants or to whom the Provisional Rights Shares with Warrants has been transferred and intends to subscribe for the Rights Shares must state his or her CDS Account number in the space provided in the RSF. The Rights Shares and the Warrants will be credited directly as prescribed or deposited securities into his or her CDS Account upon allotment and issuance.

The Excess Rights Shares with Warrants, if allotted to the successful applicant who applies for Excess Rights Shares with Warrants, will be credited directly as prescribed securities into his or her CDS Account. The allocation will be made on a fair and equitable basis in such manner as our Board in its absolute discretion deems fit and expedient and in the best interest of our Company, as disclosed in Section 10.9 of this Abridged Prospectus.

10.11 Laws of foreign jurisdiction

This Abridged Prospectus, and the accompanying NPA and RSF have not been (and will not be) made to comply with the laws of any foreign jurisdiction and have not been (and will not be) lodged, registered or approved pursuant to or under any legislation (or with or by any regulatory authorities or other relevant bodies) for subscription of any foreign jurisdiction. The Rights Issue with Warrants will not be made or offered for subscription in any foreign jurisdiction.

Accordingly, this Abridged Prospectus, and the accompanying NPA and RSF will not be sent to the Foreign Entitled Shareholders and/ or their renounee(s) and/ or transferee(s) (if applicable) who do not have a registered address in Malaysia. However, such Foreign Entitled Shareholders and/ or their renounee(s) and/ or transferee(s) (if applicable) may collect this Abridged Prospectus, and the accompanying NPA and RSF from our Share Registrar, in which event our Share Registrar shall be entitled to request for such evidence as it deems necessary to satisfy itself as to the identity and authority of the person collecting these documents relating to the Rights Issue with Warrants.

The Foreign Entitled Shareholders and/ or their renounee(s) and/ or transferee(s) (if applicable) may accept or renounce (as the case may be) all or any part of their entitlements and exercise any other rights in respect of the Rights Issue with Warrants only to the extent that it would be lawful to do so. UOBKH, our Share Registrar, our Company, our Directors and officers and other professional advisers would not, in connection with the Rights Issue with Warrants, be in breach of the laws of any jurisdiction to which the Foreign Entitled Shareholders and/ or their renounee(s) and/ or transferee(s) (if applicable) are or may be subject. Foreign Entitled Shareholders and/ or their renounee(s) and/ or transferee(s) (if applicable) shall solely be responsible to seek advice as to the laws of the jurisdictions to which they are or may be subject to. UOBKH, our Share Registrar, our Company, our Directors and officers and other professional advisers shall not accept any responsibility or liability in the event that any acceptance or renunciation made by any Foreign Entitled Shareholders and/ or renounee(s) and/ or transferee(s) (if applicable), is or shall become unlawful, unenforceable, voidable or void in any such jurisdiction.

The Foreign Entitled Shareholders and/ or their renounee(s) and/ or transferee(s) (if applicable) will be responsible for payment of any issue, transfer or other taxes or other requisite payments due in such jurisdiction and we shall be entitled to be fully indemnified and held harmless by such Foreign Entitled Shareholders and/ or their renounee(s) and/ or transferee(s) (if applicable) for any such issue, transfer or other taxes or other requisite payments. They will have no claims whatsoever against us and/ or UOBKH in respect of their rights and entitlements under the Rights Issue with Warrants. Such Foreign Entitled Shareholders and/ or their renounee(s) and/ or transferee(s) (if applicable) should consult their professional advisers as to whether they require any governmental, exchange control or other consents or need to comply with any other applicable legal requirements to enable them to accept the Rights Issue with Warrants.

By signing the RSF, the Foreign Entitled Shareholders and/ or their renounee(s) and/ or transferee(s) (if applicable) are deemed to have represented, acknowledged and declared in favour of (and which representations, acknowledgements and declarations will be relied upon by) UOBKH, our Share Registrar, our Company, our Directors and officers and other professional advisers that:-

- i. we would not, by acting on the acceptance or renunciation in connection with the Rights Issue with Warrants, be in breach of the laws of any jurisdiction to which the Foreign Entitled Shareholders and/ or renounee(s) (if applicable) are or may be subject to;
- ii. the Foreign Entitled Shareholders and/ or their renounee(s) (if applicable) have complied with the laws to which they are or may be subject to in connection with the acceptance or renunciation of the Provisional Rights Shares with Warrants;
- iii. the Foreign Entitled Shareholders and/ or their renounee(s) (if applicable) are not nominees or agents of a person in respect of whom we would, by acting on the acceptance or renunciation of the Provisional Rights Shares with Warrants, be in breach of the laws of any jurisdiction to which that person is or may be subject to;
- iv. the Foreign Entitled Shareholders and/ or their renounee(s) (if applicable) are aware that the Rights Shares and the Warrants can only be transferred, sold or otherwise disposed of, or charged, hypothecated or pledged in accordance with all applicable laws in Malaysia;
- v. the Foreign Entitled Shareholders and/ or their renounee(s) (if applicable) have received a copy of this Abridged Prospectus, had access to such financial and other information and have been provided the opportunity to ask such questions to our representatives and receive answers thereto as they deem necessary in connection with their decision to subscribe for or purchase the Rights Shares with Warrants; and
- vi. the Foreign Entitled Shareholders and/ or their renounee(s) (if applicable) have sufficient knowledge and experience in financial and business matters to be capable of evaluating the merits and risks of subscribing or purchasing the Rights Shares with Warrants, and are and will be able, and are prepared to bear the economic and financial risks of investing in and holding the Rights Shares and the Warrants.

Persons receiving this Abridged Prospectus, and the accompanying NPA and RSF (including without limitation to custodians, nominees and trustees) must not, in connection with the offer, distribute or send it into any country or jurisdiction, where to do so would or might contravene local securities, exchange control or relevant laws or regulations. If this Abridged Prospectus, and the accompanying NPA and RSF are received by any persons in such country or jurisdiction, or by the agent or nominee of such a person, he must not seek to accept the offer unless he has complied with and observed the laws of the relevant country or jurisdiction in connection herewith.

Any person who does forward this Abridged Prospectus and the accompanying NPA and RSF to any foreign country or jurisdiction, whether pursuant to a contractual or legal obligation or otherwise, should draw the attention of the recipient to the contents of this section and we reserve the right to reject a purported acceptance of the Rights Shares from any such application by Foreign Entitled Shareholders and/ or their renounee(s) and/ or transferee(s) (if applicable) in any jurisdiction other than Malaysia.

We reserve the right, in our absolute discretion, to treat any acceptance of the Rights Shares as invalid if it believes that such acceptance may violate any applicable legal or regulatory requirements.

11. TERMS AND CONDITIONS

The issuance of the Rights Shares and the Warrants pursuant to the Rights Issue with Warrants is governed by the terms and conditions set out in this Abridged Prospectus.

12. FURTHER INFORMATION

You are advised to refer to the attached appendices for further information.

Yours faithfully,
For and on behalf of our Board
PRESTARIANG BERHAD



PAUL CHAN WAN SIEW
Interim Chairman, Senior Independent Non-Executive Director

APPENDIX I - INFORMATION ON OUR COMPANY**1. SHARE CAPITAL**

As at the LPD, our issued share capital is RM133,802,983 comprising 532,230,100 Prestariang Shares.

2. BOARD OF DIRECTORS

The details of our Board as at the LPD are set out as follows:-

Name	Designation	Age	Address	Nationality
Paul Chan Wan Siew	Interim Chairman, Senior Independent Non-Executive Director	69	No. 55, Jalan SS 20/13, Damansara Utama, 47400 Petaling Jaya, Selangor Darul Ehsan, Malaysia	Malaysian
Dr. Abu	Non-Independent Executive Director, President/ Group Chief Executive Officer	59	No. 18, Jalan P10C, Presint 10, 62250 Putrajaya, Wilayah Persekutuan, Malaysia	Malaysian
Ramanathan A/L Sathiamutty	Independent Non- Executive Director	56	No. 17, Jalan Anggerik Vanda, 31/168, Kota Kemuning Hills, 40460 Shah Alam, Selangor Darul Ehsan, Malaysia	Malaysian
Ginny Yeow Mei Ying	Independent Non- Executive Director	38	8, Jalan Pinggiran Tunku, Bukit Tunku, 50480 Kuala Lumpur, Wilayah Persekutuan, Malaysia	Malaysian
Baldesh Singh A/L Manmohan Singh	Non-Independent Executive Director, Chief Operating Officer	51	No. 7, Jalan 12/16, 46200 Petaling Jaya, Selangor Darul Ehsan, Malaysia	Malaysian
Professor Emeritus Dato' Dr. Hassan Bin Said	Independent Non- Executive Director	65	2, Jalan P16B/2, Presint 16, 62150 Putrajaya, Wilayah Persekutuan, Malaysia	Malaysian
Hafidah Aman Binti Hashim	Independent Non- Executive Director	51	No. 44, Jalan Setiabistari, Bukit Damansara, 50490 Kuala Lumpur, Wilayah Persekutuan, Malaysia	Malaysian

APPENDIX I - INFORMATION ON OUR COMPANY (CONT'D)**3. HISTORICAL SHARE PRICES**

The monthly highest and lowest market prices of Prestariang Shares for the past 12 months preceding the date of this Abridged Prospectus are as follows:-

	High RM	Low RM
2019		
October	0.525	0.465
November	0.545	0.425
December	0.445	0.410
2020		
January	0.460	0.355
February	0.440	0.305
March	0.380	0.100
April	0.310	0.150
May	0.335	0.270
June	0.590	0.290
July	0.600	0.395
August	1.210	0.550
September	1.160	0.490

Last transacted market price on 22 July 2020
(being last trading day prior to the announcement on the Corporate Exercises) RM0.505

Last transacted market price of Prestariang Shares as at the LPD RM0.525

Last transacted market price on 27 October 2020
(being the last Market Day prior to the ex-date for the Rights Issue with Warrants) RM0.495

(Source: Bloomberg)

4. OPTION TO SUBSCRIBE FOR PRESTARIANG SHARES

As at the LPD, save for the Provisional Rights Shares with Warrants and Excess Rights Shares with Warrants, no option to subscribe for our Prestariang Shares has been granted or is entitled to be granted to anyone.

5. MATERIAL CONTRACTS

Save as disclosed below, our Group has not entered into any material contracts (not being contracts entered into in the ordinary course of business) within 2 years preceding the date of this Abridged Prospectus.

- i. On 4 November 2019, Prestariang Capital Sdn Bhd, a wholly-owned subsidiary of our Company, entered into a conditional Share Exchange Agreement ("**Share Exchange Agreement**") with OLL, a company listed on the Australian Securities Exchange ("**ASX**"), Magna Intelligent Sdn Bhd ("**Magna**") and other investors for the purpose of exchanging the total of 36.11% of the issued and paid-up share capital of OpenLearning Global Pte Ltd ("**OGPL**") held in aggregate by Prestariang Capital Sdn Bhd, Magna and others to OLL. As a result of the Share Exchange Agreement, Prestariang Capital Sdn Bhd received 13,726,784 shares in OLL, representing 9.83% shareholding of the total issued and paid-up share capital of OLL.

APPENDIX I - INFORMATION ON OUR COMPANY (CONT'D)

On 12 December 2019, Prestariang Capital Sdn Bhd disposed a total of 4,118,035 ordinary shares, representing 2.95% equity interest held in OLL, through an off-market block trade transaction at a price of Australian Dollar ("AUD") 0.20 per share for gross cash proceeds of AUD823,607. On 2 June 2020, Prestariang Capital Sdn Bhd entered into several separate agreements with several investors ("Investors") for the disposal of a total of 9,608,749 ordinary shares, representing the remaining 6.88% equity interest held in OLL to the Investors via an off-market block trade transaction for a cash consideration of AUD0.20 per OLL share or a total of AUD1,921,749.80.

- ii. On 25 February 2020, our Company entered into a conditional Shares Sale Agreement with Serba Dinamik Group Berhad for the proposed disposal of 20,000,000 ordinary shares, representing 100% equity interest held in Prestariang Education Sdn Bhd, a wholly-owned subsidiary of our Company, to Serba Dinamik Group Berhad for a cash consideration of RM2,500,000. Upon completion of the Proposed Disposal, Prestariang Education Sdn Bhd shall cease to be a wholly-owned subsidiary of our Company.

As at the LPD, the Proposed Disposal has not yet been completed, pending the approval of the Ministry of Higher Education in respect of the change of shareholder and shareholding structure in Prestariang Education Sdn Bhd.

- iii. On 21 July 2020, our Company entered into a heads of agreement with Dr. Abu for the subscription by Dr. Abu of 79,579,740 new Prestariang Shares at an agreed subscription price of RM0.350 per Share.

Further to the execution of the heads of agreement, on 23 July 2020, our Company entered into a subscription agreement with Dr. Abu ("**Subscription Agreement**") for the Private Placement with Warrants i.e. the private placement of:-

- a. 79,579,740 Placement Shares, representing approximately 15% of the total issued share capital of 530,531,600 Shares (excluding 1,698,500 treasury shares) as at the Announcement LPD, at an issue price of RM0.350 per Placement Share; with
- b. 79,579,740 Warrants on the basis of 1 Warrant for every 1 Placement Share issued.

Our Company executed a letter of novation on 8 September 2020 pursuant to which Dr. Abu had novated and transferred all his rights and obligations under the Subscription Agreement to Eco Cloud Assets Sdn Bhd. The Warrants will be issued at no cost to Eco Cloud Assets Sdn Bhd.

As at the LPD, the Private Placement with Warrants has not yet been completed.

- iv. The Deed Poll.

6. MATERIAL LITIGATION, CLAIMS OR ARBITRATION

Save as disclosed below, as at the LPD, our Group is not engaged in any material litigation, claims or arbitration, either as plaintiff or defendant, and our Board is not aware and has no knowledge of any proceedings pending or threatened against our Group, or of any facts likely to give rise to any proceedings, which might materially or adversely affect the financial position or business of our Group.

APPENDIX I - INFORMATION ON OUR COMPANY (CONT'D)

- i. **Kuala Lumpur High Court Civil Suit No.: WA24NCVC-2312-11/2019**
Prestariang Skin Sdn BhdPlaintiff
The GovernmentDefendant

Prestariang Skin Sdn Bhd, a wholly owned subsidiary of Prestariang Services Sdn Bhd, which in turn is owned by Prestariang, entered into a concession agreement dated 9 August 2017 ("**Concession Agreement**") with the Government as represented by the Ministry of Home Affairs in relation to the implementation of the SKIN project.

The relevant announcements had been made to Bursa Securities by Prestariang on 20 November 2015, 24 November 2015, 26 November 2015 and 18 November 2016.

On 12 December 2018, Prestariang announced that Prestariang Skin Sdn Bhd received a letter from the Ministry of Home Affairs dated 11 December 2018, confirming the decision to terminate the SKIN project by way of expropriation.

On 22 January 2019, Prestariang announced that in accordance with the terms of the Concession Agreement, Prestariang Skin Sdn Bhd is entitled to compensation in accordance with the formula set out in the Concession Agreement as Prestariang Skin Sdn Bhd is not in default of the Concession Agreement. However, both parties were unable to reach an agreement. On 15 April 2019, Prestariang Skin Sdn Bhd commenced legal proceedings against the Government by way of an Originating Summons in relation to the termination of the Concession Agreement by the Government by way of expropriation pursuant to Clause 31.1 of the Concession Agreement, to seek for, among others, the following orders from the Court:

- a. a declaration that the Defendant, the Government, is under an obligation to pay to the Plaintiff a sum representing the present value of the availability charges for the remaining unexpired concession period discounted at weighted average cost of capital of the Plaintiff as at the termination date of 22 January 2019 ("**Termination Date**"), in accordance with Clause 28.3.1(b)(iii) read together with Appendix 14 of the Concession Agreement and Schedule 1 of the Supplemental Agreement dated 11 April 2018 ("**Supplemental Agreement**");
- b. a declaration that the sum payable by the Defendant to the Plaintiff pursuant to Clauses 28.3.1(b)(iii), 31 and Appendix 14 of the Concession Agreement and Schedule 1 of the Supplemental Agreement is RM732,860,194.00, or any such sum as ordered by the Court; and
- c. an order that the Defendant makes payment to the Plaintiff of the sum of as declared and ordered by the Court in respect of item (b) above, not later than six (6) months after the Termination Date i.e. on or before 22 July 2019, in compliance with Clause 28.3.1(b)(iii) of the Concession Agreement.

The sealed Originating Summons was served on the Government on 25 April 2019. On 19 June 2019, the Court granted a protective order in favour of Prestariang Skin Sdn Bhd's application.

On 12 July 2019, the Government filed an application to convert the Originating Summons into a Writ action, which had been heard by the High Court Judge on 25 September 2019. On 30 October 2019, the High Court Judge dismissed the Government's application and awarded costs to Prestariang Skin Sdn Bhd.

APPENDIX I - INFORMATION ON OUR COMPANY (CONT'D)

The Government appealed against the High Court Judge's decision dismissing its application on 30 October 2019. On 10 June 2020, the Court of Appeal found that there was no merit to Government's appeal and awarded costs Prestariang Skin Sdn Bhd. In dismissing the Government's appeal, the Court of Appeal held that the Government would not suffer any prejudice with Prestariang Skin Sdn Bhd's action continuing by way of Originating Summons in light of the directions given by the High Court Judge to allow for the cross-examination of the various deponents as well as for expert evidence to be tendered.

The hearing of the Originating Summons and cross-examination of the deponents of affidavits have been fixed on 21 January 2021, 22 January 2021, 29 January 2021 and 26 February 2021. A case management has also been fixed on 30 November 2020. Prestariang's solicitors are of the view that Prestariang Skin Sdn Bhd has reasonable prospects of success in its claims against the Government.

Separately, on 26 September 2019, Prestariang Skin Sdn Bhd and the Government have also agreed to refer the dispute in respect of Prestariang Skin Sdn Bhd's Originating Summons to a court-annexed mediation conducted by the Kuala Lumpur Court Mediation Centre. The parties agreed that the mediation process shall proceed concurrently with the court proceedings. A mediation process typically involves the parties in dispute and appointed mediator meeting together in a private and confidential manner at scheduled session(s) as determined by the parties. A resolution agreed between the parties will be formalised in a written agreement. On 30 October 2019, representatives from Prestariang Skin Sdn Bhd and the Government (with parties' respective Counsel) attended the first mediation session. Following from the first mediation session, a further mediation session was fixed on 23 January 2020, but was later vacated. Parties have not attended any further mediation session.

7. KEY FINANCIAL INFORMATION

Our audited consolidated financial information for the past 4 financial years/ period up to the FYE 30 June 2020 together with the relevant notes are disclosed in the following documents which have been published on the website of Bursa Securities at <https://www.bursamalaysia.com>:-

	Pages
Our annual report for the FYE 31 December 2016	
Statements of financial position	99
Statements of profit or loss and other comprehensive income	100
Statements of changes in equity	101
Statements of cash flows	103
Notes to the financial statements	105
Our annual report for the FYE 31 December 2017	
Statements of financial position	130
Statements of profit or loss and other comprehensive income	132
Statements of changes in equity	133
Statements of cash flows	135
Notes to the financial statements	137
Our annual report for the 18-month FPE 30 June 2019	
Statements of financial position	138
Statements of profit or loss and other comprehensive income	140
Statements of changes in equity	141
Statements of cash flows	144
Notes to the financial statements	146
Our annual audited accounts for the FYE 30 June 2020	
Statements of financial position	15
Statements of profit or loss and other comprehensive income	19
Statements of changes in equity	21
Statements of cash flows	26
Notes to the financial statements	29

APPENDIX I - INFORMATION ON OUR COMPANY (CONT'D)

The following table sets out a summary of our Group's key financial information based on our audited consolidated statements of profit or loss and other comprehensive income, statements of financial position and statements of cash flows for the past 4 financial years/ period up to the FYE 30 June 2020:-

7.1 Historical financial performance

	<-----Audited----->			
	12-month FYE 31 December 2016 RM'000	Restated 12-month FYE 31 December 2017 ^{*1} RM'000	Restated 18-month FPE 30 June 2019 ^{*2} RM'000	12-month FYE 30 June 2020 RM'000
Continuing operations				
Revenue	132,071	141,453	369,252	154,038
Cost of sales	(99,673)	(109,338)	(260,257)	(131,139)
Gross profit	32,398	32,115	108,995	22,899
Other income	2,950	2,725	1,427	545
Administrative expenses	(21,625)	(24,136)	(38,553)	(21,690)
Other expenses	(1,739)	(5,315)	(15,107)	(3,182)
Finance costs	(453)	(479)	(5,362)	(4,863)
Net impairment losses on financial assets	-	(650)	(9,725)	(530)
PBT/ (LBT)	11,531	4,260	41,675	(6,821)
Taxation	(2,483)	(6,806)	(26,911)	(1,215)
PAT/ (LAT) from continuing operations	9,048	(2,546)	14,764	(8,036)
(LAT) from discontinued operations	-	-	(21,453)	(8,858)
PAT/ (LAT)	9,048	(2,546)	(6,689)	(16,894)
Profit/ (Loss) attributable to:				
Owners of our Company	8,884	(773)	(20,319)	(17,171)
Non-controlling interests	164	(1,773)	13,630	277
Gross profit margin (%)	24.53	22.70	29.52	14.87
PBT/ (LBT) margin (%)	8.73	3.01	11.29	(4.43)
PAT/ (LAT) margin (%)	6.85	(1.80)	(1.81)	(10.97)
Share capital	48,400	119,700	119,700	133,803
Share premium	74,712	-	-	-
Treasury shares	(2,608)	(3,366)	(3,366)	(3,366)
Fair value reserve	-	(5,941)	(7,630)	-
Retained profits/(Accumulated losses)	40,537	27,275	1,168	(24,327)
Shareholders' funds/ NA	161,041	137,668	109,872	106,110
Non-controlling interests	459	(1,085)	12,545	12,822
Redeemable convertible preference shares	-	237	-	-
Total Equity	161,500	136,820	122,417	118,932
No. of Shares ('000)	482,678	482,302	482,302	530,532
NA per Share (RM)	0.33	0.30	0.23	0.20
Total borrowings	382	22,854	63,521	64,199
Gearing ratio (times)	- ³	0.16	0.52	0.54

Notes:-

*1 During the FPE 30 June 2019, our Company has adopted MFRS 15 and restated our accounts for the FYE 31 December 2017. The impact on the accounts for the FYE 31 December 2017 are as follows:-

- i. The revenue recognition in respect the SKIN project in FYE 31 December 2017 of RM78.05 million was deferred to FPE 30 June 2019 based on the SKIN agreement effective date; and

APPENDIX I - INFORMATION ON OUR COMPANY (CONT'D)

- ii. the cost incurred in relation to the revenue mentioned in item i. above of RM44.3 million was also correspondingly deferred from FYE 31 December 2017 and recognised in FPE 30 June 2019.

- *2 Our Group has changed its financial year-end from 31 December to 31 March on 3 Dec 2018 and from 31 March to 30 June on 28 February 2019 effective from the FPE 30 June 2019. The change in financial year end was in line with the ongoing negotiations for compensation arising from the SKIN project.

Based on our annual audited accounts for the FYE 30 June 2020, certain comparative figures for the FPE 30 June 2019 were restated mainly to reflect the reclassification of a subsidiary company, namely Prestariang Education Sdn Bhd, as assets held for sale in the FYE 30 June 2020. The results of Prestariang Education Sdn Bhd for the FYE 30 June 2020 and the comparative for the FPE 30 June 2019 were disclosed as results arising from discontinued operations.

- *3 Negligible.

Financial commentary for the 12-month FYE 31 December 2017 (after restatement)

Based on the restated financial statements for the FYE 31 December 2017, our segmental revenue, cost of sales and gross profit/ (loss) for the financial year under review as compared to the preceding financial year are as follows:-

Business segment	FYE 31 December 2016 (12-month audited)			FYE 31 December 2017 Restated (12-month audited)		
	Revenue RM'000	Cost of sales RM'000	Gross profit/ (Loss) RM'000	Revenue RM'000	Cost of sales RM'000	Gross profit/ (Loss) RM'000
	ICT Services and Distribution	125,206	93,372	31,834	129,867	95,902
Education	2,565	3,172	(607)	6,182	3,903	2,279
Employment services	4,300	3,129	1,171	5,404	4,261	1,143
Concession	-	-	-	-	5,272	(5,272)
Total	132,071	99,673	32,398	141,453	109,338	32,115

For the FYE 31 December 2017, our Group's total revenue increased by RM9.38 million or 7.10% from RM132.07 million to RM141.45 million, mainly due to the following:-

- the ICT Services and Distribution segmental revenue increased by RM4.66 million or 3.72% from RM125.21 million to RM129.87 million, mainly due to the growth in MLA 2.0 projects and the distribution of Autodesk licences to local education institutions. In addition, our Group commenced the distribution of Adobe Creative Cloud Software and Services software via a contract awarded by the Ministry of Higher Education in November 2017.
- the Education segmental revenue increased by RM3.61 million or 140.47% from RM2.57 million to RM6.18 million, mainly due to the operational and branding revamp undertaken for University Malaysia of Computer Science and Engineering that resulted in significantly higher number of new student intake during the financial year under review.
- the Employment Services segmental revenue increased by RM1.10 million or 25.58% from RM4.30 million to RM5.40 million, mainly due to increase in the provision of human resource services for the RAPID project.

APPENDIX I - INFORMATION ON OUR COMPANY (CONT'D)

- d. the Concession segmental revenue was the same at RM nil, mainly due to revenue recognition only began upon the SKIN project commencement date on 25 April 2018.

For the FYE 31 December 2017, our Group's total gross profit decreased by RM0.28 million or 0.86% from RM32.40 million to RM32.12 million, mainly due to the following:-

- a. the ICT Services and Distribution segmental gross profit increased by RM2.14 million or 6.72% from RM31.83 million to RM33.97 million, mainly due to the increase in revenue. The gross profit margin as a percentage of revenue remained consistent at between 25% to 26% for the 2 comparative financial years.
- b. the Education segmental gross profit increased by RM2.89 million or 473.77% from gross loss of RM0.61 million to gross profit of RM2.28 million, mainly due to the significant increase in revenue during the financial year under review.
- c. the Employment Services segmental gross profit decreased by RM0.03 million or 2.56% from gross profit of RM1.17 million to gross profit of RM1.14 million, mainly due to higher cost of sales.
- d. the Concession segmental gross loss increased by RM5.27 million from RM nil to gross loss of RM5.27 million, mainly due to our Group recorded the maiden costs from the SKIN project upon signing the concession agreement on 9 August 2017, which negated the higher gross profit achieved by the other segments during the financial year under review.

For the FYE 31 December 2017, our Group's administrative expenses increased by RM2.51 million or 11.60% from RM21.63 million to RM24.14 million, mainly due to the increase in the number of staff as we began active development work for the SKIN project.

For the FYE 31 December 2017, our Group's other expenses increased by RM3.58 million or 205.75% from RM1.74 million to RM5.32 million, mainly due to impairment loss on development cost for a training program of RM3.50 million.

For the FYE 31 December 2017, our Group's finance costs increased by RM0.03 million or 6.67% from RM0.45 million to RM0.48 million, mainly due to a new term loan for the purchase of building for the SKIN project.

For the FYE 31 December 2017, our Group's net impairment losses increased by RM0.65 million from net impairment losses of RM nil to net impairment losses of RM0.65 million, mainly due to impairment made on trade receivables.

For the FYE 31 December 2017, our Group's PBT decreased by RM7.27 million or 63.05% from PBT of RM11.53 million to PBT of RM4.26 million, mainly due to higher administrative expenses, impairment loss on development cost and other expenses incurred during the financial year under review.

APPENDIX I - INFORMATION ON OUR COMPANY (CONT'D)**Financial commentary for the 18-month FPE 30 June 2019 (after restatement)**

Due to a change in the financial year from 31 December to 30 June, the comparative figures for the 18-month FPE 30 June 2019 and the 12-month FYE 31 December 2017 may not be entirely comparable.

Our segmental revenue, cost of sales and gross profit for the 18-month financial period under review as compared to the preceding 12-month financial year are as follows:-

Business segment	FYE 31 December 2017 Restated (12-month audited)			FPE 30 June 2019 Restated (18-month audited)		
	Revenue RM'000	Cost of sales RM'000	Gross profit/ (Loss) RM'000	Revenue RM'000	Cost of sales RM'000	Gross profit/ (Loss) RM'000
Continuing operations						
ICT Services and Distribution	129,867	95,902	33,965	169,051	135,680	33,371
Education	6,182	3,903	2,279	-	-	-
Employment services	5,404	4,261	1,143	17,403	14,903	2,500
Concession	-	5,272	(5,272)	182,798	109,674	73,124
	141,453	109,338	32,115	369,252	260,257	108,995
Discontinued operations						
Education	-	-	-	9,302	6,249	3,053
Total	141,453	109,338	32,115	378,554	266,506	112,048

For the 18-month FPE 30 June 2019, our Group's total revenue increased by RM237.10 million or 167.62% from RM141.45 million to RM378.55 million, mainly due to the following:-

- a. the ICT Services and Distribution segmental revenue increased by RM39.18 million or 30.17% from RM129.87 million to RM169.05 million, mainly due to higher demand from customers and the longer duration of 18-month period for the FPE 30 June 2019.
- b. the Education segmental revenue increased by RM3.12 million or 50.49% from RM6.18 million to RM9.30 million, mainly due to increase in student enrolment. Following the Proposed Disposal which is pending completion, the net operating results of Prestariang Education Sdn Bhd stated in our annual audited accounts for the FYE 30 June 2020 as well as the comparative figure for the FPE 30 June 2019 were disclosed as results arising from discontinued operations.
- c. the Employment Services segmental revenue increased by RM12.00 million or 222.22% from RM5.40 million to RM17.40 million, mainly due to increase in provision of human resource services for the RAPID project, which reached its peak during the 18-month FPE 30 June 2019.
- d. the Concession segmental revenue increased by RM182.80 million from RM nil to RM182.80 million, mainly due to the deferment of revenue recognition in respect of the SKIN project in FYE 31 December 2017 to FPE 30 June 2019, based on the SKIN project commencement date on 25 April 2018.

APPENDIX I - INFORMATION ON OUR COMPANY (CONT'D)

For the 18-month FPE 30 June 2019, our Group's total gross profit increased by RM79.93 million or 248.85% from RM32.12 million to RM112.05 million, mainly due to the following:-

- a. the ICT Services and Distribution segmental gross profit decreased by RM0.60 million or 1.77% from gross profit of RM33.97 million to gross profit of RM33.37 million, mainly due to lower prices of software products sold during the financial period under review on the back of the lower exchange rate for United States Dollars to Ringgit Malaysia applied in our invoices. The lower gross profit margin was also the effect of the inclusion of a significant customer that yielded lower product profit margin.
- b. the Education segmental gross profit increased by RM0.77 million or 33.77% from gross profit of RM2.28 million to gross profit of RM3.05 million, mainly due to higher student enrolment.
- c. the Employment Services segmental gross profit increased by RM1.36 million or 119.30% from gross profit of RM1.14 million to RM2.50 million, mainly due to increased revenue from the higher number of workers we managed for the RAPID project.
- d. The Concession segmental gross profit increased by RM78.42 million from gross loss of RM5.30 million to gross profit of RM73.12 million, mainly due to recognition of revenue of RM182.80 million from the SKIN project.

For the FPE 30 June 2019, our Group's administrative expenses increased by RM14.41 million or 59.69% from RM24.14 million to RM38.55 million, mainly due to the hiring of more staff in the earlier part of the financial period under review to support the increased activities for the development of the SKIN project. Further, towards the end of the financial period under review, the SKIN contract was terminated causing us to terminate a significant number of staff related to the SKIN project and our Group had to incur redundancy compensation to the affected staff.

For the FPE 30 June 2019, our Group's other expenses increased by RM9.79 million or 184.02% from RM5.32 million to RM15.11 million, mainly due to one-off expenses of RM11.64 million incurred during the financial period under review, further details as follows:-

Description	RM' million
Impairment of software development cost	9.64
Tax penalties arising from tax audit conducted by Lembaga Hasil Dalam Negeri for the financial years 2011 to 2016	2.00
Total	11.64

For the FPE 30 June 2019, our Group's finance costs increased by RM4.88 million or 1,016.67% from RM0.48 million to RM5.36 million, mainly due to increase in borrowings which include term loan, overdraft, revolving credit and RSLs.

For the FPE 30 June 2019, our Group's net impairment losses increased by RM9.08 million or 1,396.92% from net impairment losses of RM0.65 million to net impairment losses of RM9.73 million, mainly due to impairment made on trade and other receivables in compliance with the relevant MFRS in respect of specific and general provisions for doubtful debts.

For the FPE 30 June 2019, our Group's PBT increased by RM37.42 million or 878.40% from PBT of RM4.26 million to PBT of RM41.68 million, mainly due to higher profit contribution from the SKIN project.

APPENDIX I - INFORMATION ON OUR COMPANY (CONT'D)**Financial commentary for the 12-month FYE 30 June 2020**

Due to a change in the financial year from 31 December to 30 June, the comparative figures for the 18-month FPE 30 June 2019 and the 12-month FYE 30 June 2020 may not be entirely comparable.

Our segmental revenue, cost of sales and gross profit for the financial year under review as compared to the preceding financial period are as follows:-

Business segment	FPE 30 June 2019 Restated (18-month audited)			FYE 30 June 2020 (12-month audited)		
	Revenue RM'000	Cost of sales RM'000	Gross profit/ (Loss) RM'000	Revenue RM'000	Cost of sales RM'000	Gross profit/ (Loss) RM'000
Continuing operations						
Software & Services and Talent* ¹	169,051	135,680	33,371	149,598	127,672	21,926
Employment services	17,403	14,903	2,500	4,440	3,467	973
Concession	182,798	109,674	73,124	-	-	-
	369,252	260,257	108,995	154,038	131,139	22,899
Discontinued operations						
Education	9,302	6,249	3,053	4,707	2,852	1,855
Total	378,554	266,506	112,048	158,745	133,991	24,754

Note:-

- *1 During the FYE 30 June 2020, we have changed the name of ICT Distribution and Services segment to Software & Services and Talent business segment.

For the FYE 30 June 2020, our Group's total revenue decreased by RM219.80 million or 58.06% from RM378.55 million to RM158.75 million, mainly due to the following:-

- the Software & Services and Talent segmental revenue decreased by RM19.45 million or 11.51% from RM169.05 million to RM149.60 million, mainly due to the shorter 12-month period for the year as compared to 18-month period for the FPE 30 June 2019. Based on average revenue per month, revenue from software & services segment showed an improvement of 32.80% in the FYE 30 June 2020 (average of RM12.47 million per month) as compared to the FPE 30 June 2019 (average of RM9.39 million per month). However, the talent portion of the segment was lower for the year as it was affected by the deferment of trainings starting February 2020 brought on by the onset of COVID-19 and the ensuing MCO.
- the Education segmental revenue decreased by RM4.59 million or 49.35% from RM9.30 million to RM4.71 million, mainly due to less new student intake as compared to higher number of student who graduated.
- the Employment Services segmental revenue decreased by RM12.96 million or 74.48% from RM17.40 million to RM4.44 million, mainly due to the winding down of the provision of human resource services in the RAPID project.
- the Concession segmental revenue decreased by RM182.80 million or 100% from RM182.80 million to RM nil, mainly due to the cessation of operation in this segment from January 2019 onwards following the termination of the SKIN project by the Government.

APPENDIX I - INFORMATION ON OUR COMPANY (CONT'D)

For the FYE 30 June 2020, our Group's total gross profit decreased by RM87.30 million or 77.91% from RM112.05 million to RM24.75 million, mainly due to the following: -

- a. the Software & Services and Talent segmental gross profit decreased by RM11.44 million or 34.28% from gross profit of RM33.37 million to RM21.93 million in line with the lower revenue due to the shorter 12-month period as compared to the 18-month period for the FPE 30 June 2019. The gross profit margin percentage was also lower for the financial year under review at 14.66% as compared to 19.74% in the previous financial period mainly due to a combination of factors including large orders from a customer in the education sector which carries lower profit margin and higher sales of devices which typically yields lower profit margin. We also experienced significant postponement of training activities because of the onset of COVID 19. These activities typically yield much higher profit margins and their absence has contributed to the margin erosion in this segment despite the increased revenue from software sales. We have been actively engaging with clients to transition to E-learning solutions, Virtual Instructor Lead Trainings (VILT) and Blended Learning to overcome this challenge which has been gaining traction.
- b. the Education segmental gross profit decreased by RM1.19 million or 39.02% from gross profit of RM3.05 million to RM1.86 million, mainly due to lower revenue.
- c. The Employment Services segmental gross profit decreased by RM1.53 million or 61.20% from gross profit of RM2.50 million to gross profit of RM0.97 million, mainly due to lower manpower requirement as the RAPID project where we provide manpower services, has reached its completion.
- d. The Concession segmental gross profit decreased by RM73.12 million or 100% from gross profit of RM73.12 million to RM nil, mainly due to the cessation of operation in this segment from January 2019 onwards following termination of the SKIN project by the Government.

For the FYE 30 June 2020, our Group's administrative expenses decreased by RM16.86 million or 43.74% from RM38.55 million to RM21.69 million, mainly due to reduction in number of staff employed as compared to the preceding financial period. The preceding financial period was also affected by compensation to staff for redundancy exercise carried out in the first half of 2019.

For the FYE 30 June 2020, our Group's other expenses decreased by RM11.93 million or 78.95% from RM15.11 million to RM3.18 million, mainly due to the absence of one-off impairments made in the preceding financial period as explained in the section above. Other expenses for FYE 30 June 2020 comprise mainly depreciation of fixed assets and tax penalty.

For the FYE 30 June 2020, our Group's finance costs decreased by RM0.50 million or 9.33% from RM5.36 million to RM4.86 million, mainly due to decrease in borrowings which include term loan, overdraft, revolving credit and RSLs.

For the FYE 30 June 2020, our Group's net impairment losses decreased by RM9.20 million or 94.55% from net impairment losses of RM9.73 million to RM0.53 million, mainly due to less impairments made during the financial year as compared to the preceding financial period.

For the FYE 30 June 2020, our Group's PBT decreased by RM48.50 million or 116.36% from PBT of RM41.68 million to LBT of RM6.82 million, mainly due to lower gross profit contribution from all segments coupled with termination of the SKIN project.

APPENDIX I - INFORMATION ON OUR COMPANY (CONT'D)

7.2 Historical financial position

	<-----Audited----->			
	12-month FYE 31 December 2016 RM'000	Restated 12-month FYE 31 December 2017 RM'000	Restated 18-month FPE 30 June 2019 RM'000	12-month FYE 30 June 2020 RM'000
Non-current assets	20,581	47,241	61,494	50,747
Current assets	177,821	167,892	244,226	251,721
Total assets	198,402	215,133	305,720	302,468
Share capital	48,400	119,700	119,700	133,803
Share premium	74,712	-	-	-
Treasury shares	(2,608)	(3,366)	(3,366)	(3,366)
Fair value reserve	-	(5,941)	(7,630)	-
Retained profits/(Accumulated losses)	40,537	27,275	1,168	(24,327)
Shareholders' funds/ NA	161,041	137,668	109,872	106,110
Non-controlling interests	459	(1,085)	12,545	12,822
Redeemable convertible preference shares	-	237	-	-
Total Equity	161,500	136,820	122,417	118,932
Non-current liabilities	1,482	21,976	53,368	41,184
Current liabilities	35,420	56,337	129,935	142,352
Total liabilities	36,902	78,313	183,303	183,536
Total liabilities and equity	198,402	215,133	305,720	302,468

7.3 Historical financial cash flows

	<-----Audited----->			
	12-month FYE 31 December 2016 RM'000	Restated 12-month FYE 31 December 2017 RM'000	Restated 18-month FPE 30 June 2019 RM'000	12-month FYE 30 June 2020 RM'000
Net cash generated from/(used in)				
Operating activities	(683)	(7,478)	(73,500)	(16,994)
Investing activities	322	(37,297)	(21,819)	5,680
Financing activities	(19,049)	6,497	23,895	13,201
Net increase/(decrease) in cash and cash equivalents	(19,410)	(38,278)	(71,424)	1,887
Cash and cash equivalents at beginning of the financial year	126,076	106,666	68,388	(3,036)
Cash and cash equivalents at end of the financial year	106,666	68,388	(3,036)	(1,149)

APPENDIX I - INFORMATION ON OUR COMPANY (CONT'D)

8. SUBSTANTIAL SHAREHOLDERS' SHAREHOLDINGS

The pro forma effects of the Fund Raising Exercises on the substantial shareholders' shareholdings of our Company as at the LPD are set out below:-

Substantial shareholders	Shareholdings as at the LPD		I After the Private Placement with Warrants				II After I and the Rights Issue with Warrants				III After II and assuming full exercise of Warrants				
	Direct No. of Shares	Indirect No. of Shares	Direct No. of Shares	Indirect No. of Shares	% ¹	% ²	Direct No. of Shares	Indirect No. of Shares	% ³	% ⁴	Direct No. of Shares	Indirect No. of Shares	% ⁵	% ⁶	
	% ¹	%	% ²	%	%	% ³	%	% ⁴	% ⁵	% ⁶	%	%	%	%	
Areca Dynamic Growth Fund	77,196,400	14.55	-	-	77,196,400	12.65	-	-	102,928,533	15.58	-	-	128,660,666	16.26	-
Affin Hwang Multi-Asset Fund	40,000,000	7.54	-	-	40,000,000	6.56	-	-	65,000,000	9.84	-	-	90,000,000	11.38	-
Affin Hwang Multi-Asset Fund 3	32,315,100	6.09	-	-	32,315,100	5.30	-	-	32,315,100	4.89	-	-	32,315,100	4.08	-
Eco Cloud Assets Sdn Bhd	-	-	-	-	79,579,740 ⁵	13.04	-	-	79,579,740 ⁵	12.04	-	-	159,159,480 ⁶	20.12	-
Dr. Abu	-	-	-	-	-	-	79,579,740 ⁶	13.04	-	-	79,579,740 ⁶	12.04	-	159,159,480 ⁶	20.12

Notes:-

- *1 Based on the total issued shares of 530,531,600 of Prestariang.
- *2 Based on the total issued shares of 610,111,340 of Prestariang.
- *3 Based on the total issued shares of 660,843,473 of Prestariang.
- *4 Based on the total issued shares of 791,155,346 of Prestariang.

*5 Pursuant to the letter of novation executed on 8 September 2020, Dr. Abu had novated and transferred all his rights and obligations under the Subscription Agreement to Eco Cloud Assets Sdn Bhd. For avoidance of doubt, Dr. Abu is the sole director and shareholder of Eco Cloud Assets Sdn Bhd.

*6 Deemed interested pursuant to Section 8 of the Act by virtue of his interest in Eco Cloud Assets Sdn Bhd.

APPENDIX I - INFORMATION ON OUR COMPANY (CONT'D)

Maximum Scenario	Shareholdings as at the LPD		I After the Private Placement with Warrants		II After I and the Rights Issue with Warrants		III After II and assuming full exercise of Warrants											
	Substantial shareholders	% ^{*1}	Direct No. of Shares	Indirect No. of Shares	Direct No. of Shares	Indirect No. of Shares	Direct No. of Shares	Indirect No. of Shares										
Areca Dynamic Growth Fund	77,196,400	14.55	-	-	77,196,400	12.65	-	-	102,928,533	13.08	-	-	128,660,666	12.33	-	-		
Affin Hwang Multi-Asset Fund	40,000,000	7.54	-	-	40,000,000	6.56	-	-	53,333,333	6.78	-	-	66,666,666	6.39	-	-		
Affin Hwang Multi-Asset Fund 3	32,315,100	6.09	-	-	32,315,100	5.30	-	-	43,086,800	5.48	-	-	53,858,500	5.16	-	-		
Eco Cloud Assets Sdn Bhd	-	-	-	-	79,579,740 ^{*5}	13.04	-	-	79,579,740 ^{*5}	10.11	-	-	159,159,480 ^{*5}	15.25	-	-		
Dr. Abu	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	159,159,480 ^{*6}	15.25

Notes:-

*1 Based on the total issued shares of 530,531,600 of Prestariang.

*2 Based on the total issued shares of 610,111,340 of Prestariang.

*3 Based on the total issued shares of 786,955,206 of Prestariang.

*4 Based on the total issued shares of 1,043,378,812 of Prestariang.

*5 Pursuant to the letter of novation executed on 8 September 2020, Dr. Abu had novated and transferred all his rights and obligations under the Subscription Agreement to Eco Cloud Assets Sdn Bhd. For avoidance of doubt, Dr. Abu is the sole director and shareholder of Eco Cloud Assets Sdn Bhd.

*6 Deemed interested pursuant to Section 8 of the Act by virtue of his interest in Eco Cloud Assets Sdn Bhd.

APPENDIX I - INFORMATION ON OUR COMPANY (CONT'D)

9. DIRECTORS' SHAREHOLDINGS

The pro forma effects of the Fund Raising Exercises on the Directors' shareholdings of our Company as at the LPD are set out below:-

Directors	Shareholdings as at the LPD		I After the Private Placement with Warrants				II After I and the Rights Issue with Warrants				III After II and assuming full exercise of Warrants						
	Direct No. of Shares	% ^{*1}	Direct No. of Shares	Indirect No. of Shares	% ^{*2}	Direct No. of Shares	Indirect No. of Shares	% ^{*3}	Direct No. of Shares	Indirect No. of Shares	% ^{*4}	Direct No. of Shares	Indirect No. of Shares	% ^{*5}			
															%	%	%
Paul Chan Siew	950,000	0.18	150,000 ^{*5}	0.03	950,000	0.16	150,000 ^{*5}	0.02	950,000	0.14	150,000 ^{*5}	0.02	950,000	0.12	150,000 ^{*5}	0.02	
Dr. Abu Ramanathan Sathiamutty	-	-	-	-	-	-	79,579,740 ^{*6}	13.04	-	-	-	79,579,740 ^{*6}	12.04	-	-	159,159,480 ^{*6}	20.12
Ginny Yeow Mei Ying	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Baldesh Singh A/L Manmohan Singh	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Professor Emeritus Dato' Dr. Hassan Bin Said	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Hafidah Binti Hashim	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Notes:-

*1 Based on the total issued shares of 530,531,600 of Prestariang.

*2 Based on the total issued shares of 610,111,340 of Prestariang.

*3 Based on the total issued shares of 660,843,473 of Prestariang.

*4 Based on the total issued shares of 791,155,346 of Prestariang.

*5 Deemed interest by virtue of his spouse, Lee Oi Lin's shareholdings.

*6 Deemed interested pursuant to Section 8 of the Act by virtue of his interest in Eco Cloud Assets Sdn Bhd.

APPENDIX I - INFORMATION ON OUR COMPANY (CONT'D)

Directors	Maximum Scenario															
	Shareholdings as at the LPD			I After the Private Placement with Warrants			II After I and the Rights Issue with Warrants			III After II and assuming full exercise of Warrants						
	Direct No. of Shares	% ^{*1}	Indirect No. of Shares	Direct No. of Shares	% ^{*2}	Indirect No. of Shares	Direct No. of Shares	% ^{*3}	Indirect No. of Shares	Direct No. of Shares	% ^{*4}	Indirect No. of Shares	%			
Paul Chan Wan Siew	950,000	0.18	150,000 ^{*5}	0.03	950,000	0.16	150,000 ^{*5}	0.02	1,266,666	0.16	200,000 ^{*5}	0.03	1,583,332	0.15	250,000 ^{*5}	0.02
Dr. Abu Ramanathan A/L Sathiamutty	-	-	-	-	-	79,579,740 ^{*6}	13.04	-	-	-	79,579,740 ^{*6}	10.11	-	-	159,159,480 ^{*6}	15.25
Ginny Yeow Mei Ying	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Baldesh Singh A/L Manmohan Singh	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Professor Emeritus Dato' Dr. Hassan Bin Said	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Hafidah Aman Binti Hashim	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Notes:-

*1 Based on the total issued shares of 530,531,600 of Prestariang.

*2 Based on the total issued shares of 610,111,340 of Prestariang.

*3 Based on the total issued shares of 786,955,206 of Prestariang.

*4 Based on the total issued shares of 1,043,378,812 of Prestariang.

*5 Deemed interest by virtue of his spouse, Lee Oi Lin's shareholdings.

*6 Deemed interested pursuant to Section 8 of the Act by virtue of his interest in Eco Cloud Assets Sdn Bhd.

APPENDIX II – ADDITIONAL INFORMATION

1. CONSENTS

Our Adviser, company secretaries, the due diligence solicitors, our Share Registrar and Bloomberg Finance Singapore L.P. have given and have not subsequently withdrawn their written consents for the inclusion in this Abridged Prospectus of their name and all reference thereto in the form and context in which they appear in this Abridged Prospectus.

2. DOCUMENTS FOR INSPECTION

Copies of the following documents are available for inspection at our registered office at Level 7, Menara Milenium, Jalan Damanlela, Pusat Bandar Damansara, Damansara Heights 50490 Kuala Lumpur during normal business hours from Mondays to Fridays (except public holidays) for a period of 6 months from the date of this Abridged Prospectus:-

- i. material contracts as disclosed in Section 5 of Appendix I of this Abridged Prospectus;
- ii. the irrevocable undertaking letters by the Undertaking Shareholders as referred to in Section 3 of this Abridged Prospectus; and
- iii. letters of consent as referred to in Section 1 of Appendix II of this Abridged Prospectus.

3. RESPONSIBILITY STATEMENT

Our Board has seen and approved this Abridged Prospectus together with the accompanying NPA and RSF. They collectively and individually accept full responsibility for the accuracy of the information given herein and confirm that, after having made all reasonable enquiries and to the best of their knowledge and belief, they confirmed that there is no false or misleading statement or other facts which if omitted, would make any statement in the Documents false or misleading.

UOBKH, being the Adviser for the Rights Issue with Warrants, acknowledges that, based on all available information and to the best of their knowledge and belief, this Abridged Prospectus constitutes a full and true disclosure of all material facts concerning the Rights Issue with Warrants.

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