

PRESTARIANG BERHAD (922260-K)
UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE SECOND QUARTER ENDED 30 JUNE 2016

| | Note | Individual Quarter | | Cumulative Period | |
|---|------|-------------------------------------|-------------------------------------|-------------------------------------|-------------------------------------|
| | | Current | Preceding | Current | Preceding |
| | | Year Quarter 30/6/2016 RM'000 | Year Quarter 30/6/2015 RM'000 | Year To Date 30/6/2016 RM'000 | Year To Date 30/6/2015 RM'000 |
| Revenue | | 48,824 | 35,000 | 89,516 | 75,030 |
| Cost of sales | | (37,696) | (25,191) | (69,858) | (57,511) |
| Gross profit | | 11,128 | 9,809 | 19,658 | 17,519 |
| Other income | | 829 | 1,228 | 2,065 | 2,240 |
| Administrative expenses | | 11,957 | 11,037 | 21,723 | 19,759 |
| Other expenses | | (6,511) | (5,483) | (11,751) | (9,647) |
| Finance costs | | (417) | (459) | (835) | (904) |
| | | (1) | (3) | (58) | (108) |
| Profit before taxation | B5 | 5,028 | 5,092 | 9,079 | 9,100 |
| Income tax expense | B6 | (1,320) | - | (2,335) | - |
| Profit after taxation | | 3,708 | 5,092 | 6,744 | 9,100 |
| Other comprehensive income | | - | - | - | - |
| Total comprehensive income for the financial period | | 3,708 | 5,092 | 6,744 | 9,100 |
| Profit after taxation attributable to:- | | | | | |
| - Owners of the Company | | 3,708 | 5,092 | 6,744 | 9,100 |
| - Non-controlling interest | | - | - | - | - |
| | | 3,708 | 5,092 | 6,744 | 9,100 |
| Total comprehensive income attributable to: | | | | | |
| - Owners of the Company | | 3,708 | 5,092 | 6,744 | 9,100 |
| - Non-controlling interest | | - | - | - | - |
| | | 3,708 | 5,092 | 6,744 | 9,100 |
| Earnings Per Share attributable to owners of the Company (Sen) | | | | | |
| - Basic | B12 | 0.77 | 1.05 | 1.39 | 1.88 |
| - Diluted | | N/A | N/A | N/A | N/A |

The above Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2015 and the accompanying notes attached to the interim financial statements.

PRESTARIANG BERHAD (922260-K)
UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
AS AT 30 JUNE 2016

| | Note | Unaudited As at 30/6/2016 RM'000 | Audited As at 31/12/2015 RM'000 |
|---|------------|---|--|
| ASSETS | | | |
| NON-CURRENT ASSETS | | | |
| Property and equipment | | 12,321 | 12,964 |
| Development costs | | 5,771 | 5,221 |
| Deferred tax assets | | 1,154 | 1,154 |
| | | 19,246 | 19,339 |
| CURRENT ASSETS | | | |
| Inventories | | 1,808 | 1,755 |
| Trade receivables | | 68,797 | 31,452 |
| Amount owing by contract customer | | 18,689 | 15,747 |
| Other receivables, deposits and prepayments | | 5,902 | 6,654 |
| Short-term investments | | 46,615 | 40,977 |
| Cash and bank balances | | 44,203 | 87,797 |
| Current tax assets | | 1,213 | 636 |
| | | 187,227 | 185,018 |
| TOTAL ASSETS | | 206,473 | 204,357 |
| LIABILITIES AND EQUITY | | | |
| CURRENT LIABILITIES | | | |
| Trade payables | | 23,513 | 15,723 |
| Other payables and accruals | | 12,698 | 15,925 |
| Borrowings | | - | 92 |
| Current tax liabilities | | 2,335 | 1,267 |
| | | 38,546 | 33,007 |
| NET CURRENT ASSETS | | 148,681 | 152,011 |
| NON-CURRENT LIABILITIES | | | |
| Borrowings | | - | 623 |
| Deferred tax liabilities | | 1,173 | 1,173 |
| | | 1,173 | 1,796 |
| TOTAL LIABILITIES | | 39,719 | 34,803 |
| NET ASSETS | | 166,754 | 169,554 |
| EQUITY | | | |
| Share capital | | 48,400 | 48,400 |
| Share premium | | 74,712 | 74,712 |
| Treasury Shares | | (2,291) | (1,203) |
| Merger deficit | | (14,212) | (14,212) |
| Non-controlling interest | | 295 | 295 |
| Retained profits | B11 | 59,850 | 61,562 |
| TOTAL EQUITY | | 166,754 | 169,554 |
| TOTAL LIABILITIES & EQUITY | | 206,473 | 204,357 |
| NET ASSETS PER SHARE ATTRIBUTABLE TO OWNERS OF THE COMPANY (SEN) | | | |
| | | 34.45 | 35.03 |

The above Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2015 and the accompanying notes attached to the interim financial statements.

PRESTARIANG BERHAD (922260-K)
UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CHANGE IN EQUITY
FOR THE SECOND QUARTER ENDED 30 JUNE 2016

| | Non-distributable | | | | Distributable | | Non- | Total |
|---|-------------------|---------------|----------------|-----------------|---------------|----------------|-------------|----------------|
| | Share | Share | Treasury | Merger | Retained | Attributable | controlling | Equity |
| | Capital | Premium | shares | Deficit | Profits | to owners of | Interest | RM'000 |
| | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | the Company | RM'000 | RM'000 |
| At 31 December 2014/1 January 2015 | 48,400 | 74,712 | - | (14,212) | 60,053 | 168,953 | - | 168,953 |
| Profit after taxation / Total comprehensive income | - | - | - | - | 17,226 | 17,226 | (195) | 17,031 |
| Transaction with owners of the Company:- | | | | | | | | |
| -Purchase of treasury shares | - | - | (1,203) | - | - | (1,203) | - | (1,203) |
| -Dividends paid | - | - | - | - | (15,717) | (15,717) | - | (15,717) |
| Changes in ownership interest in subsidiary that do not result in loss of control | - | - | (1,203) | - | (15,717) | (16,920) | - | (16,920) |
| Total transaction with owners of the Company | - | - | (1,203) | - | (15,717) | (16,920) | 490 | 490 |
| At 31 December 2015 | 48,400 | 74,712 | (1,203) | (14,212) | 61,562 | 169,259 | 295 | 169,554 |
| Profit after taxation / Total comprehensive income | - | - | - | - | 6,744 | 6,744 | - | 6,744 |
| Transaction with owners of the Company:- | | | | | | | | |
| -Dividends paid | - | - | - | - | (8,456) | (8,456) | - | (8,456) |
| -Purchase of treasury shares | - | - | (1,088) | - | - | (1,088) | - | (1,088) |
| Total transaction with owners of the Company | - | - | (1,088) | - | (8,456) | (9,544) | - | (9,544) |
| At 30 June 2016 | 48,400 | 74,712 | (2,291) | (14,212) | 59,850 | 166,459 | 295 | 166,754 |

The above Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2015 and the accompanying notes attached to the interim financial statements.

PRESTARIANG BERHAD (922260-K)
UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE SECOND QUARTER ENDED 30 JUNE 2016

| | Current Year To Date 30/6/2016 RM'000 | Preceding Year To Date 30/6/2015 RM'000 |
|--|--|--|
| CASH FLOWS FROM OPERATING ACTIVITIES | | |
| Profit before taxation | 9,079 | 9,100 |
| Adjustments for: | | |
| Depreciation of property and equipment | 834 | 904 |
| Fair value on short term investment | (637) | - |
| Profit income received from deposits with licensed islamic banks | (11) | - |
| Interest expense | - | 10 |
| Interest income | (1,536) | (1,880) |
| Operating profit before working capital changes | 7,729 | 8,134 |
| Operating profit before working capital changes:- | | |
| Changes in inventories | (53) | 34 |
| Changes in trade and other receivables | (36,594) | (67,910) |
| Amount owing by contract customers | (2,942) | (5,169) |
| Changes in trade and other payables | 4,564 | 24,532 |
| CASH USED IN OPERATING ACTIVITIES | (27,296) | (40,379) |
| Interest paid | - | (10) |
| Income tax paid | (1,844) | 41 |
| NET CASH USED IN OPERATING ACTIVITIES | (29,140) | (40,348) |
| CASH FLOWS FOR INVESTING ACTIVITIES | | |
| Purchase of property and equipment | (191) | (863) |
| Profit income received from deposits with licensed islamic banks | 11 | - |
| Interest received | 1,536 | 1,880 |
| Development costs paid | (551) | (421) |
| Purchase of short term investments | (5,000) | 25,000 |
| NET CASH (USED IN)/GENERATED FROM INVESTING ACTIVITIES | (4,195) | 25,596 |
| CASH FLOWS FROM FINANCING ACTIVITIES | | |
| Repayment of hire purchase obligation | - | (86) |
| Repayment of term loan | (715) | (106) |
| Dividends paid | (8,456) | (6,050) |
| Acquisition of treasury shares by the Company | (1,088) | - |
| NET CASH USED IN FINANCING ACTIVITIES | (10,259) | (6,242) |
| Net decrease in cash and cash equivalents | (43,594) | (20,994) |
| Cash and cash equivalents at beginning of the financial period | 85,099 | 106,431 |
| CASH AND CASH EQUIVALENT AT END OF THE FINANCIAL PERIOD | 41,505 | 85,437 |
| CASH AND CASH EQUIVALENT AT END OF THE FINANCIAL PERIOD COMPRISES THE FOLLOWING:- | | |
| Cash and bank balances | 2,705 | 6,018 |
| Deposits with licensed banks | 41,498 | 82,034 |
| | 44,203 | 88,052 |
| Less: Deposits pledged with licensed banks | (2,698) | (2,615) |
| | 41,505 | 85,437 |

Statements for the financial year ended 31 December 2015 and the accompanying notes attached to the interim financial statements.

PRESTARIANG BERHAD (922260-K)
UNAUDITED INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 30 JUNE 2016

NOTES TO THE INTERIM FINANCIAL REPORT

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

A1. BASIS OF PREPARATION

The unaudited interim financial statements (Report) have been prepared in accordance with the requirements of MFRS 134: *Interim Financial Reporting* and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad for the Main Board. This Report also complies with IAS 34: *Interim Financial Reporting* issued by the International Accounting Standards Board (IASB).

The interim financial statements should be read in conjunction with the audited financial statements of the Group for the financial period ended 31 December 2015. The explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the year ended 31 December 2015.

A2. CHANGES IN ACCOUNTING POLICIES

The accounting policies adopted in the preparation of the Condensed Report are consistent with those followed in the preparation of the Group’s audited financial statements for the financial year ended 31 December 2015, except for the adoption of the following Amendments to Standards during the current year period:

MFRSs, Interpretations and amendments effective for annual periods beginning on or after 1 January 2016

| | |
|------------------------|--|
| MFRS 14 | Regulatory Deferral Accounts |
| Amendments to MFRS 5 | Non-current Assets Held for Sale and Discontinued Operations (Annual Improvements 2012-2014 Cycle) |
| Amendments to MFRS 7 | Financial Instruments: Disclosures (Annual Improvements 2012-2014 Cycle) |
| Amendments to MFRS 10 | Consolidated Financial Statements, MFRS 12, Disclosure of Interests in Other Entities and MFRS 128, Investments in Associates and Joint Ventures – Investment Entities: Applying the Consolidation Exception |
| Amendments to MFRS 11 | Joint Arrangements – Accounting for Acquisitions of Interests in Joint Operations |
| Amendments to MFRS 101 | Presentation of Financial Statements – Disclosure Initiative |
| Amendments to MFRS 116 | Property, Plant and Equipment and MFRS 138, Intangible Assets – Clarification of acceptable Methods of Depreciation and Amortisation |

PRESTARIANG BERHAD (922260-K)
UNAUDITED INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 30 JUNE 2016

A2. CHANGES IN ACCOUNTING POLICIES (CONT'D)

MFRSs, Interpretations and amendments effective for annual periods beginning on or after 1 January 2016 (Cont'd)

| | |
|------------------------|--|
| Amendments to MFRS 119 | Employee Benefits (Annual Improvements 2012-2014 Cycle) |
| Amendments to MFRS 127 | Separate Financial Statements – Equity Method in Separate Financial Statements |
| Amendments to MFRS 134 | Interim Financial Reporting (Annual Improvements 2012-2014 Cycle) |

MFRSs, Interpretations and amendments effective for annual periods beginning on or after 1 January 2017

| | |
|------------------------|---|
| Amendments to MFRS 107 | Statement of Cash Flows – Disclosure Initiative |
| Amendments to MFRS 112 | Income Taxes – Recognition of Deferred Tax Assets for Unrealised Losses |

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

| | |
|---------|---------------------------------------|
| MFRS 9 | Financial Instruments (2014) |
| MFRS 15 | Revenue from Contracts with Customers |

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

| | |
|---------|--------|
| MFRS 16 | Leases |
|---------|--------|

The adoption of the above standards and amendments are not expected to have any material financial impact to the Group upon their first.

A3. AUDITORS' REPORT ON PRECEDING ANNUAL FINANCIAL STATEMENTS

The auditors' report on the audited annual financial statements for the financial year ended 31 December 2015 was not qualified.

A4. SEASONAL OR CYCLICAL FACTORS

The Academy segment in particular *Program Pentauliahan Profesional (3P)* and Roles Based Training Civil Servant on ICT (RBTCS) for participating Malaysia public higher institutions and civil servants respectively. The delivery of the programmes in particular 3P was based on the pre agreed schedules of the participating institutions and may experience high in activities during the semester breaks.

A5. UNUSUAL NATURE

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

PRESTARIANG BERHAD (922260-K)
UNAUDITED INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 30 JUNE 2016

A6. CHANGES IN ESTIMATES

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

A7. CHANGES IN DEBT AND EQUITY SECURITIES

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

During the current quarter, the Company has purchased its own shares as follows: -

| Month | No of share purchased Unit | Purchase price per unit | | Average cost per share RM | Total cost RM'000 |
|-------------|----------------------------|-------------------------|------------|---------------------------|-------------------|
| | | Lowest RM | Highest RM | | |
| Balance b/f | 655,000 | | | 1.84 | 1,203 |
| May 2016 | 300,000 | 2.18 | 2.30 | 2.23 | 670 |
| June 2016 | 200,000 | 1.90 | 2.20 | 2.09 | 418 |
| Balance c/f | 1,155,000 | | | 1.98 | 2,291 |

These shares were retained as treasury shares and there is no resale or cancellation of the treasury shares.

A8. VALUATION OF PROPERTY AND EQUIPMENT

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

A9. CAPITAL COMMITMENT

Capital commitment for development costs not provided for in the condensed report as at the end of the financial period was as follows:

| | |
|-------------------|---|
| | Approved but not contracted for RM'000 |
| Development costs | <u>5,000</u> |

PRESTARIANG BERHAD (922260-K)
UNAUDITED INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 30 JUNE 2016

A10. DIVIDENDS PAID

| | 6 months ended | |
|---|----------------|-----------|
| | 30/6/2016 | 30/6/2015 |
| | RM'000 | RM'000 |
| In respect of the financial year ended 31 December 2014: | | |
| - declared a fourth interim tax-exempt dividend of 0.5 sen per ordinary share | - | 2,420 |
| In respect of the financial year ended 31 December 2015: | | |
| - declared as first interim tax-exempt dividend of 0.75 sen per ordinary share | - | 3,630 |
| - declared as fourth interim tax-exempt dividend of 1.0 sen per ordinary share | 4,833 | - |
| In respect of the financial year ended 31 December 2016: | | |
| - declared a first interim tax-exempt dividend of 0.75 sen per ordinary share | 3,623 | - |
| Total dividends paid | 8,456 | 6,050 |

A11. SEGMENTAL INFORMATION

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

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

**PRESTARIANG BERHAD (922260-K)
UNAUDITED INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 30 JUNE 2016**

A11. SEGMENTAL INFORMATION (CONT'D)

| By operating segment | RESULTS FOR 3 MONTHS ENDED 30 JUNE 2016 | | | | | | | RESULTS FOR 3 MONTHS ENDED 30 JUNE 2015 | | | | | | | | | | |
|----------------------------|---|---------|---------|---------------------|---------|----------|---------------------------|---|--------|---------------------------------|---------|----------|---------------------|---------|--------|---------------------------|---------|---------|
| | Software & Services and Academy | | | Employment Services | | | Inter-Segment Elimination | | | Software & Services and Academy | | | Employment Services | | | Inter-Segment Elimination | | |
| | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 |
| Operating revenue | 46,896 | 515 | 1,413 | 3,623 | (3,623) | 48,824 | 34,433 | 567 | - | 3,630 | (3,630) | 35,000 | 10,604 | (184) | - | 4,247 | (3,630) | 11,037 |
| Other Income | 645 | 6 | - | 178 | - | 829 | 610 | 1 | - | 617 | - | 1,228 | (3,829) | (1,190) | (142) | (784) | - | (5,945) |
| Direct costs | (35,987) | (686) | (1,023) | - | - | (37,696) | (24,439) | (752) | - | - | - | (25,191) | 6,775 | (1,374) | (142) | 3,463 | (3,630) | 5,092 |
| Segment profit | 11,554 | (165) | 390 | 3,801 | (3,623) | 11,957 | 10,604 | (184) | - | 4,247 | (3,630) | 11,037 | (3,829) | (1,190) | (142) | (784) | - | (5,945) |
| Overheads | (4,728) | (1,478) | (181) | (542) | - | (6,929) | (3,829) | (1,190) | (142) | (784) | - | (5,945) | 6,775 | (1,374) | (142) | 3,463 | (3,630) | 5,092 |
| Profit before taxation | 6,826 | (1,643) | 209 | 3,259 | (3,623) | 5,028 | 6,775 | (1,374) | (142) | 3,463 | (3,630) | 5,092 | - | - | - | - | - | - |
| Income tax expense | (1,596) | 276 | - | - | - | (1,320) | - | - | - | - | - | - | - | - | - | - | - | - |
| Profit for the period | 5,230 | (1,367) | 209 | 3,259 | (3,623) | 3,708 | 6,775 | (1,374) | (142) | 3,463 | (3,630) | 5,092 | 6,775 | (1,374) | (142) | 3,463 | (3,630) | 5,092 |
| Attributable to: | | | | | | | | | | | | | | | | | | |
| - Owners of the company | 5,230 | (1,367) | 209 | 3,259 | (3,623) | 3,708 | 6,775 | (1,374) | (142) | 3,463 | (3,630) | 5,092 | 6,775 | (1,374) | (142) | 3,463 | (3,630) | 5,092 |
| - Non-controlling interest | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Profit for the period | 5,230 | (1,367) | 209 | 3,259 | (3,623) | 3,708 | 6,775 | (1,374) | (142) | 3,463 | (3,630) | 5,092 | 6,775 | (1,374) | (142) | 3,463 | (3,630) | 5,092 |

**PRESTARIANG BERHAD (922260-K)
UNAUDITED INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 30 JUNE 2016**

A11. SEGMENTAL INFORMATION (CONT'D)

| | RESULTS FOR 6 MONTHS ENDED 30 JUNE 2016 | | | | | | RESULTS FOR 6 MONTHS ENDED 30 JUNE 2015 | | | | | |
|-----------------------------|---|------------------|----------------------------|---------------|----------------------------|---------------------|---|------------------|----------------------------|---------------|----------------------------|---------------------|
| | Software & Services Academy RM'000 | Education RM'000 | Employment Services RM'000 | Others RM'000 | Segment Elimination RM'000 | Consolidated RM'000 | Software & Services Academy RM'000 | Education RM'000 | Employment Services RM'000 | Others RM'000 | Segment Elimination RM'000 | Consolidated RM'000 |
| By operating segment | | | | | | | | | | | | |
| Operating revenue | 86,606 | 1,136 | 1,774 | 8,456 | (8,456) | 89,516 | 74,019 | 1,011 | - | 6,050 | (6,050) | 75,030 |
| Other income | 1,444 | 24 | - | 597 | - | 2,065 | 956 | 3 | - | 1,281 | - | 2,240 |
| Direct costs | (67,188) | (1,442) | (1,228) | - | - | (69,858) | (55,892) | (1,619) | - | - | - | (57,511) |
| Segment profit | 20,862 | (282) | 546 | 9,053 | (8,456) | 21,723 | 19,083 | (605) | - | 7,331 | (6,050) | 19,759 |
| Overheads | (7,815) | (2,851) | (356) | (1,622) | - | (12,644) | (6,302) | (2,346) | (197) | (1,814) | - | (10,659) |
| Profit before taxation | 13,047 | (3,133) | 190 | 7,431 | (8,456) | 9,079 | 12,781 | (2,951) | (197) | 5,517 | (6,050) | 9,100 |
| Income tax expense | (2,861) | 526 | - | - | - | (2,335) | - | - | - | - | - | - |
| Profit for the period | 10,186 | (2,607) | 190 | 7,431 | (8,456) | 6,744 | 12,781 | (2,951) | (197) | 5,517 | (6,050) | 9,100 |
| Attributable to: | | | | | | | | | | | | |
| - Owners of the company | 10,186 | (2,607) | 190 | 7,376 | (8,456) | 6,744 | 12,781 | (2,951) | (197) | 5,517 | (6,050) | 9,100 |
| - Non-controlling interest | - | - | - | - | - | - | - | - | - | - | - | - |
| Profit for the period | 10,186 | (2,607) | 190 | 7,376 | (8,456) | 6,744 | 12,781 | (2,951) | (197) | 5,517 | (6,050) | 9,100 |

PRESTARIANG BERHAD (922260-K)
UNAUDITED INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 30 JUNE 2016

A12. MATERIAL EVENTS SUBSEQUENT TO THE END OF INTERIM PERIOD

In the opinion of the Board of Directors, there were no items, transactions or events of a material and unusual nature that have arisen since 30 June 2016 to the date of this announcement which would substantially affect the financial results of the Group for the three months ended that have not been reflected in the condensed financial statements, except as disclosed below.

On 8 July 2016 and 11 July 2016, the Company purchased 100,000 and 50,000 respectively of its own issued ordinary shares of RM0.10 each from the open market at prices ranging from RM1.77 to RM1.93 per share for a total consideration (including transaction costs) of RM281,037.

A13. CHANGES IN COMPOSITION OF THE GROUP

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

A14. CONTINGENT LIABILITIES OR CONTINGENT ASSETS

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

A15. SIGNIFICANT RELATED PARTY TRANSACTIONS

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

PRESTARIANG BERHAD (922260-K)
UNAUDITED INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 30 JUNE 2016

NOTES TO THE INTERIM FINANCIAL REPORT

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

B1. OPERATING SEGMENTS REVIEW
2Q16 vs. 2Q15

| | INDIVIDUAL QUARTER | | | CUMULATIVE QUARTER | | | | |
|---------------------------------|--------------------|------------------------|----------|----------------------|------------------------|----------|---------|-------|
| | Current Quarter | Preceding Year Quarter | Variance | Current Year to Date | Preceding Year to Date | Variance | | |
| | 30/6/2016 | 30/6/2015 | RM'000 | 30/6/2016 | 30/6/2015 | RM'000 | | |
| Segmental Revenue: | | | (%) | | | (%) | | |
| Software & Services and Academy | 45,878 | 26,473 | 19,405 | 73% | 82,583 | 62,259 | 20,324 | 33% |
| - Software & Services | 1,018 | 7,960 | (6,942) | -87% | 4,023 | 11,760 | (7,737) | -66% |
| - Academy | 46,896 | 34,433 | 12,463 | 36% | 86,606 | 74,019 | 12,587 | 17% |
| Education | 515 | 567 | (52) | -9% | 1,136 | 1,011 | 125 | 12% |
| Employment services | 1,413 | - | 1,413 | n/a | 1,774 | - | 1,774 | n/a |
| Others | 3,623 | 3,630 | (7) | 0% | 8,456 | 6,050 | 2,406 | 40% |
| Inter-segment Elimination | 52,447 | 38,630 | 13,817 | 36% | 97,972 | 81,080 | 16,892 | 21% |
| | (3,623) | (3,630) | | | (8,456) | (6,050) | | |
| Group | 48,824 | 35,000 | 13,824 | 39% | 89,516 | 75,030 | 14,486 | 19% |
| Profit Before Taxation | | | | | | | | |
| Software & Services and Academy | 6,826 | 6,775 | 51 | 1% | 13,047 | 12,781 | 266 | 2% |
| Education | (1,643) | (1,374) | (269) | 20% | (3,133) | (2,951) | (182) | 6% |
| Employment Services | 209 | (142) | 351 | -247% | 190 | (197) | 387 | -196% |
| Others | 3,259 | 3,463 | (204) | -6% | 7,431 | 5,517 | 1,914 | 35% |
| Inter-segment Elimination | (3,623) | (3,630) | | | (8,456) | (6,050) | | |
| Group | 5,028 | 5,092 | (64) | -1% | 9,079 | 9,100 | (21) | 0% |

PRESTARIANG BERHAD (922260-K)
UNAUDITED INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 30 JUNE 2016

B1. OPERATING SEGMENTS REVIEW (CONT'D)

2Q16 vs. 2Q15 (cont'd)

The Group's revenue for the current quarter of RM48.8 million was 39% or RM13.8 million higher than the corresponding quarter last year of RM35.0 million. Higher revenue was mainly due to higher contribution from Software & Services segment particularly from MLA 2.0 licenses.

The Group's PBT for the current quarter of RM5.0 million lower by RM0.1 million as compared to RM5.1 million in the corresponding quarter last year.

YTD16 vs. YTD15

The Group's revenue for YTD16 was RM89.5 million, higher by RM14.5 million or 19% compared to RM75.0 million in YTD15. The revenue for YTD16 was higher mainly due to higher contribution for Software & Services segment as explained above.

The Group's PBT recorded for YTD16 was insignificantly lower than YTD15 of RM9.1 million. Lower PBT was mainly due to flow through of higher revenue contribution from lower margin Software & Services segment.

PRESTARIANG BERHAD (922260-K)
UNAUDITED INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 30 JUNE 2016

B2. COMPARISON WITH IMMEDIATE PRECEDING QUARTER'S RESULTS

2Q16 vs. 1Q16

| | Current Quarter 30/6/2016 RM'000 | Immediate Preceding Quarter 31/3/2016 RM'000 | Variance RM'000 (%) | |
|--------------------------------------|---|--|------------------------|-------------|
| <u>Segmental Revenue:</u> | | | | |
| Software & Services and Academy | | | | |
| - Software & Services | 45,878 | 36,705 | 9,173 | 25% |
| - Academy | 1,018 | 3,005 | (1,987) | -66% |
| | <u>46,896</u> | <u>39,710</u> | <u>7,186</u> | <u>18%</u> |
| Education | 515 | 621 | (106) | -17% |
| Employment services | 1,413 | 361 | 1,052 | 291% |
| Others | <u>3,623</u> | <u>4,833</u> | <u>(1,210)</u> | <u>-25%</u> |
| | 52,447 | 45,525 | 6,922 | 15% |
| Inter-segment Elimination | <u>(3,623)</u> | <u>(4,833)</u> | | |
| Group | <u>48,824</u> | <u>40,692</u> | <u>8,132</u> | <u>20%</u> |
| <u>Profit Before Taxation</u> | | | | |
| Software & Services and Academy | 6,826 | 6,221 | 605 | 10% |
| Education | (1,643) | (1,490) | (153) | 10% |
| Employment services | 209 | (19) | 228 | -1200% |
| Others | 3,259 | 4,172 | (913) | -22% |
| Inter-segment Elimination | <u>(3,623)</u> | <u>(4,833)</u> | | |
| Group | <u>5,028</u> | <u>4,051</u> | <u>977</u> | <u>24%</u> |

The Group's revenue for the current quarter of RM48.8 million was 20% or RM8.1 million higher than the preceding quarter of RM40.7 million. Higher revenue was mainly due to higher contribution from Software & Services segment.

The Group recorded higher PBT for the current quarter of RM5.0 million, 24% higher than the preceding quarter. The higher PBT was due to net effect of higher revenue contribution from Software & Services segment.

PRESTARIANG BERHAD (922260-K)
UNAUDITED INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 30 JUNE 2016

B3. PROSPECTS

With the continuous investment made to realise the strategic projects to transform the business, the Group is expected to continue its growth performance. The Board of Directors is confident that for the financial year ending 2016, the Group will remain profitable.

B4. VARIANCE ON PROFIT FORECAST/PROFIT GUARANTEE

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

B5. PROFIT BEFORE TAXATION

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

| | <u>Individual Quarter</u> | | <u>Cumulative Quarter</u> | |
|---|---|---|---|---|
| | Current Year Quarter 30/6/2016 RM'000 | Preceding Year Quarter 30/6/2015 RM'000 | Current Year To Date 30/6/2016 RM'000 | Preceding Year To Date 30/6/2015 RM'000 |
| Interest income | (674) | (1,168) | (1,536) | (1,880) |
| Other income including investment income | - | - | - | - |
| Interest expense | - | 2 | - | 10 |
| Depreciation and amortisation | 417 | 457 | 835 | 904 |
| Provision for and write off receivables | - | - | - | - |
| Provision for and write off inventories | - | - | - | - |
| (Gain) or loss on disposal of quoted or unquoted investment or properties | - | - | - | - |
| Impairment of assets | - | - | - | - |
| Foreign exchange loss/(gain) | (149) | 32 | (502) | 210 |
| (Gain) or loss on derivatives | - | - | - | - |
| Exceptional items | - | - | - | - |

PRESTARIANG BERHAD (922260-K)
UNAUDITED INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 30 JUNE 2016

B6. TAXATION

| | <u>Individual Quarter</u> | | <u>Cumulative Quarter</u> | |
|----------------|-----------------------------|-------------------------------|-----------------------------|-------------------------------|
| | <u>Current Year Quarter</u> | <u>Preceding Year Quarter</u> | <u>Current Year To Date</u> | <u>Preceding Year To Date</u> |
| | <u>30/6/2016</u> | <u>30/6/2015</u> | <u>30/6/2016</u> | <u>30/6/2015</u> |
| | <u>RM'000</u> | <u>RM'000</u> | <u>RM'000</u> | <u>RM'000</u> |
| Malaysia tax: | | | | |
| - current year | 1,320 | - | 2,335 | - |
| | <u>1,320</u> | <u>-</u> | <u>2,335</u> | <u>-</u> |

B7. STATUS OF CORPORATE PROPOSAL

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

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

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

During the period under review, the Company is still awaiting the approval by the relevant authorities.

B8. MATERIAL LITIGATION

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

B9. FAIR VALUE HIERARCHY

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

B10. PROPOSED DIVIDEND

On 24 August 2016, The Board of Directors declared a second interim single-tier exempt dividend of 0.75 sen per ordinary share amounting to RM3,623,000 in respect of the financial year ending 31 December 2016.

PRESTARIANG BERHAD (922260-K)
UNAUDITED INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 30 JUNE 2016

B11. REALISED AND UNREALISED PROFITS

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

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

| | As at 30/6/2016 RM'000 | As at 30/6/2015 RM'000 |
|--|---------------------------------------|---------------------------------------|
| Total retained profits | | |
| - Realised | 56,899 | 60,152 |
| - Unrealised | - | - |
| | <u>56,899</u> | <u>60,152</u> |
| Add: Consolidated adjustments | 2,951 | 2,951 |
| | <u>59,850</u> | <u>63,103</u> |
| Total Group retained earnings as per consolidated accounts | | |

B12. EARNINGS PER SHARE

| | Individual Quarter | | Cumulative Quarter | |
|---|---|---|---|---|
| | Current Year Quarter 30/6/2016 | Preceding Year Quarter 30/6/2015 | Current Year To Date 30/6/2016 | Preceding Year To Date 30/6/2015 |
| Total comprehensive income attributable to owners of the Company (RM'000) | 3,708 | 5,092 | 6,744 | 9,100 |
| Weighted average number of ordinary shares in issue ('000) | 484,000 | 484,000 | 484,000 | 484,000 |
| Basic earning per share (sen) | 0.77 | 1.05 | 1.39 | 1.88 |

PRESTARIANG BERHAD (922260-K)
UNAUDITED INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 30 JUNE 2016

B13. AUTHORISED FOR ISSUE

The interim financial report was authorised for issue by the Board of Directors in accordance with a resolution of the Directors on 24 August 2016.

BY ORDER OF THE BOARD

CHUA SIEW CHUAN (MAICSA 0777689)
PAN SENG WEE (MAICSA 7034299)
Secretaries
Kuala Lumpur
24 August 2016