



PRESTARIANG BERHAD

(922260-K)

(Incorporated in Malaysia)

**Unaudited Interim Financial Report
For the First Quarter Ended 31 March 2018**

PRESTARIANG BERHAD (922260-K)
UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
AS AT 31 MARCH 2018

	Note	Unaudited As at 31/3/2018 RM'000	Audited As at 31/12/2017 RM'000
ASSETS			
NON-CURRENT ASSETS			
Property and equipment		39,680	37,246
Other investment		16,057	9,885
Development costs		6,575	6,051
Long term receivables		104,793	78,053
		<u>167,105</u>	<u>131,235</u>
CURRENT ASSETS			
Inventories		1,579	840
Trade and other receivables		86,886	52,857
Short-term investments		7,602	26,504
Cash and bank balances		20,332	44,782
		<u>116,399</u>	<u>124,983</u>
TOTAL ASSETS		<u>283,504</u>	<u>256,218</u>
LIABILITIES AND EQUITY			
CURRENT LIABILITIES			
Trade and other payables		69,643	54,424
Borrowings	B8	879	878
Current tax liabilities		6,946	6,499
		<u>77,468</u>	<u>61,801</u>
NET CURRENT ASSETS		<u>38,931</u>	<u>63,182</u>
NON-CURRENT LIABILITIES			
Borrowings	B8	22,117	21,976
Deferred tax liabilities		3,752	1,138
		<u>25,869</u>	<u>23,114</u>
TOTAL LIABILITIES		<u>103,337</u>	<u>84,915</u>
NET ASSETS		<u>180,167</u>	<u>171,303</u>
EQUITY			
Share capital		119,700	119,700
Other reserve		(14,166)	(14,166)
Retained profits		64,994	58,482
Total equity attributable to owners of the Company		<u>170,528</u>	<u>164,016</u>
Redeemable convertible preference shares		85	237
Non-controlling interest		9,554	7,050
TOTAL EQUITY		<u>180,167</u>	<u>171,303</u>
TOTAL LIABILITIES & EQUITY		<u>283,504</u>	<u>256,218</u>
NET ASSETS PER SHARE ATTRIBUTABLE TO OWNERS OF THE COMPANY (SEN)		35.23	33.89

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 2017 and the accompanying notes attached to the interim financial statements.

PRESTARIANG BERHAD (922260-K)

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2018

	Note	Individual Quarter		Cumulative Period	
		Current Year Quarter 31/3/2018 RM'000	Preceding Year Quarter 31/3/2017 RM'000	Current Year To Date 31/3/2018 RM'000	Preceding Year To Date 31/3/2017 RM'000
Revenue		72,751	43,894	72,751	43,894
Cost of sales		(51,454)	(35,285)	(51,454)	(35,285)
Gross profit		21,297	8,609	21,297	8,609
Other income		682	672	682	672
		21,979	9,281	21,979	9,281
Administrative expenses		(7,657)	(4,900)	(7,657)	(4,900)
Other expenses		(640)	(424)	(640)	(424)
Finance costs		(593)	(136)	(593)	(136)
Profit before taxation	B5	13,089	3,821	13,089	3,821
Income tax expense	B6	(4,073)	(605)	(4,073)	(605)
Profit after taxation		9,016	3,216	9,016	3,216
Other comprehensive income		-	-	-	-
Total comprehensive income for the financial period		9,016	3,216	9,016	3,216
Profit after taxation attributable to:-					
- Owners of the Company		6,512	3,216	6,512	3,216
- Non-controlling interest		2,504	-	2,504	-
		9,016	3,216	9,016	3,216
Total comprehensive income attributable to:					
- Owners of the Company		6,512	3,216	6,512	3,216
- Non-controlling interest		2,504	-	2,504	-
		9,016	3,216	9,016	3,216
Earnings Per Share attributable to owners of the Company (Sen)					
- Basic	B12	1.35	0.66	1.35	0.66

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 2017 and the accompanying notes attached to the interim financial statements.

PRESTARIANG BERHAD (922260-K)
UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CHANGE IN EQUITY
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2018

	←-----Non-distributable-----→				Distributable		Attributable to owners of the Company RM'000	Redeemable Convertible Preference Shares RM'000	Non-controlling Interest RM'000	Total Equity RM'000
	Share Capital RM'000	Share Premium RM'000	Treasury shares RM'000	Merger Deficit RM'000	Retained Profits RM'000					
At 31 December 2016/1 January 2017	48,400	74,712	(2,608)	(14,212)	54,749	161,041	-	459	161,500	
Profit after taxation / Total comprehensive income	-	-	-	-	18,208	18,208	-	6,362	24,570	
Transaction with owners of the Company:-										
- Purchase of treasury shares	-	-	(758)	-	-	(758)	-	-	(758)	
- Incorporation of subsidiaries	-	-	-	-	-	-	-	229	229	
- Transfer to share capital upon implementation of the Company Act 2016	71,300	(74,712)	-	3,412	-	-	-	-	-	
- Dividends paid	-	-	-	-	(14,475)	(14,475)	-	-	(14,475)	
Total transaction with owners of the Company	71,300	(74,712)	(758)	3,412	(14,475)	(15,233)	-	229	(15,004)	
Subscription of shares in a subsidiary company by non-controlling interest	-	-	-	-	-	-	237	-	237	
At 31 December 2017 / 1 January 2018	119,700	-	(3,366)	(10,800)	58,482	164,016	237	7,050	171,303	
Profit after taxation / Total comprehensive income	-	-	-	-	6,512	6,512	-	2,504	9,016	
Transaction with owners of the Company:-										
-Purchase of treasury shares	-	-	-	-	-	-	-	-	-	
-Dividends paid	-	-	-	-	-	-	-	-	-	
Total transaction with owners of the Company	-	-	-	-	-	-	-	-	-	
Conversion of Redeemable Convertible Preference Shares to Redeemable Preference Shares	-	-	-	-	-	-	(152)	-	(152)	
At 31 March 2018	119,700	-	(3,366)	(10,800)	64,994	170,528	85	9,554	180,167	

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

The above Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2017 and the accompanying notes attached to the interim financial statements.

PRESTARIANG BERHAD (922260-K)
UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2018

	Current Year To Date 31/3/2018 RM'000	Preceding Year To Date 31/3/2017 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	13,089	3,821
Adjustments for:		
Depreciation of property and equipment	562	424
Profit income received from deposits with licensed islamic banks	(14)	(3)
Interest expense	2	5
Allowance for doubtful debts	78	-
Interest income	(175)	(635)
Operating profit before working capital changes	13,542	3,612
Operating profit before working capital changes:-		
Changes in inventories	(738)	1,049
Changes in trade and other receivables	(60,848)	(32,712)
Changes in trade and other payables	17,630	17,330
CASH USED IN OPERATING ACTIVITIES	(30,414)	(10,721)
Interest paid	(2)	(5)
Income tax paid	(1,012)	(700)
NET CASH USED IN OPERATING ACTIVITIES	(31,428)	(11,426)
CASH FLOWS FOR INVESTING ACTIVITIES		
Acquisition of equity interest in other investment	(6,172)	-
Purchase of property and equipment	(2,996)	(668)
Profit income received from deposits with licensed islamic banks	14	3
Interest received	175	635
Development costs paid	(524)	(206)
Net decrease/(increase) in short term investments	18,902	(372)
NET CASH GENERATED FROM/(USED IN) INVESTING ACTIVITIES	9,399	(608)
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of hire purchase obligation	(9)	(18)
Dividends paid	(2,412)	(7,240)
NET CASH USED IN FINANCING ACTIVITIES	(2,421)	(7,258)
Net decrease in cash and cash equivalents	(24,450)	(19,292)
Cash and cash equivalents at beginning of the financial period	41,884	55,170
CASH AND CASH EQUIVALENT AT END OF THE FINANCIAL PERIOD	17,434	35,878
CASH AND CASH EQUIVALENT AT END OF THE FINANCIAL PERIOD COMPRISES THE FOLLOWING:-		
Cash and bank balances	12,283	7,197
Deposits with licensed banks	8,049	31,379
	20,332	38,576
Less: Deposits pledged with licensed banks	(2,898)	(2,698)
	17,434	35,878

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 2017 and the accompanying notes attached to the interim financial statements.

NOTES TO THE INTERIM FINANCIAL REPORT

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

A1. BASIS OF PREPARATION

These condensed consolidated interim financial statements have been prepared in accordance with the requirement of Malaysian Financial Reporting Standards (“MFRSs”) 134, Interim Financial Reporting and paragraph 9.22 of the Main Market Listing Requirement of Bursa Malaysia Securities Berhad. They do not include all of the information required for full annual financial statements, and should be read in conjunction with the consolidated financial statements of the Group for the year ended 31 December 2017.

The accounting policies and methods of computation by the Group in this interim financial statement are consistent with those adopted in the financial statements for the year ended 31 December 2017 excepts for those standards, amendments and interpretations which are effective from the annual period beginning on or after 1 January 2018.

At the beginning of the current financial year, the Group adopted new MFRSs, Amendments to MFRSs and an IC Interpretation (collectively referred to as “pronouncements”) that have been issued by the MASB and are applicable as listed below:-

- MFRS 9 Financial Instruments
- MFRS 15 Revenue from Contracts with Customers
- IC Interpretation 22 Foreign Currency Transactions and Advance Consideration
- Amendments to MFRS 2 Classification and Measurement of Share-based Payment Transactions
- Amendments to MFRS 140 Transfer of Investment Property
- Annual Improvements to MFRSs 2014-2016 Cycle
 - Amendments to MFRS 1 Deletion of Short-term Exemption for First-time Adopters
 - Amendments to MFRS 128 Measuring an Associates or Joint Venture at Fair Value
- Amendments to MFRS 15 Effective Date of MFRS 15
- Amendments to MFRS 15 Clarifications to MFRS 15 “Revenue from Contract Customers”

The Group expect that the adoption of the above standards and interpretations will have no material impact on the financial statements in the period of initial application except as discussed below:

MFRS 15 Revenue from Contracts with Customers

This Standard establishes a five-step model that will apply to recognition of revenue arising from contracts with customers, and provide a more structured approach in measuring and recognising revenue. Under this Standard, revenue will be recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer.

A1. BASIS OF PREPARATION (Cont'd)

MFRS 15 Revenue from Contracts with Customers (Cont'd)

The adoption of this Standard results in changes in accounting policies for revenue recognition, and has no impact other than the disclosures in the Group's financial statements.

MFRS 9 Financial Instruments

MFRS 9 replaces the guidance in MFRS 139, Financial Instruments: Recognition and Measurement on the classification and measurement of financial assets and financial liabilities, impairment of financial assets and on hedge accounting.

The adoption of this Standard has no impact other than the disclosures in the Group's financial statements.

A2. CHANGES IN ACCOUNTING POLICIES

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

MFRSs, interpretations and amendments effective for annual periods beginning on or after 1 January 2019 :-

- MFRS 16 Leases
- IC Interpretation 23 Uncertainty over Income Tax Treatments
- Amendments to MFRS 128 Long-term Interests in Associates and Joint Ventures
- Amendments to MFRS 9 Prepayment Features with Negative Compensation
- Amendments to MFRS 119 Plan Amendment, Curtailment or Settlement
- Annual Improvements to MFRSs 2015-2017 Cycle
- Amendments to MFRS 10 and MFRS 128 Sale of Contribution of assets between an Investor and its associate or Joint Venture (Deferred)

The adoption of the above standards and amendments are not expected to have any material financial impact to the Group upon their first adoption other than MFRS 16, Leases which the Group is currently assessing the financial impact.

A3. AUDITORS' REPORT ON PRECEDING ANNUAL FINANCIAL STATEMENTS

The auditors' report on the audited annual financial statements for the financial year ended 31 December 2017 was not qualified.

A4. SEASONAL OR CYCLICAL FACTORS

The business operations of the Group for the period ended 31 March 2018 have not been affected by any seasonal or cyclical factors.

A5. ITEMS OF UNUSUAL NATURE, SIZE OR INCIDENT

There was no material unusual items or events affecting the assets, liabilities, equity, net income or cash flow during the current financial period ended 31 March 2018.

A6. CHANGES IN ESTIMATES

There was no material changes in estimates of amounts reported in prior financial years that have a material effect to this interim financial report.

A7. CHANGES IN DEBT AND EQUITY SECURITIES

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

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

	Contracted but not provided for RM'000
Building	<u>11,407</u>

A10. DIVIDENDS PAID

	3 months ended	
	31/3/2018	31/3/2017
	RM'000	RM'000
In respect of the financial year ended 31 December 2016:		
- declared as fourth interim dividend of 0.75 sen per ordinary share	-	3,620
Total dividends paid	<u>-</u>	<u>3,620</u>

A11. SEGMENTAL INFORMATION

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

- a) **Software & Services and Academy** - distribution and managing the software licensing and providing the ICT and O&G training and certification.
- b) **Concession** – delivery of total solution for the integrated and comprehensive core immigration system includes design, customise, install, configure, test, commission and maintain throughout the concession period.
- c) **Education** – provide specialised computer science and engineering education. It offers computer studies ranges from foundation, diploma, degree, post graduate masters and PhD.
- d) **Employment services** – Human resource management services for foreign workers' recruitment and documentation services.
- e) **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 FINANCIAL YEAR ENDED 31 MARCH 2018

A11. SEGMENTAL INFORMATION (CONT'D)

	RESULTS FOR 3 MONTHS ENDED 31 MARCH 2018						RESULTS FOR 3 MONTHS ENDED 31 MARCH 2017					
	ICT Services and Distribution RM'000	Concession RM'000	Education RM'000	Employment Services RM'000	Other RM'000	Total RM'000	ICT Services and Distribution RM'000	Concession RM'000	Education RM'000	Employment Services RM'000	Other RM'000	Total RM'000
Revenue							Revenue					
External revenue	43,052	26,740	1,338	1,621	-	72,751	41,585	-	726	1,583	-	43,894
Inter-segment revenue	-	-	-	-	-	-	-	-	-	-	3,620	3,620
Segment revenue	43,052	26,740	1,338	1,621	-	72,751	41,585	-	726	1,583	3,620	47,514
Consolidation adjustments						-						(3,620)
Consolidated revenue						72,751						43,894
Results							Results					
Segment profit/(loss) before interest and taxation	5,297	10,892	(1,407)	43	(1,143)	13,682	5,741	-	(1,334)	266	2,904	7,577
Finance costs						(593)						(136)
Consolidation adjustments						-						(3,620)
Consolidated profit before taxation						13,089						3,821

A12. MATERIAL EVENTS SUBSEQUENT TO THE END OF INTERIM PERIOD

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

- a) With regards to the Concession Agreement (“CA”) dated 9 August 2017 entered between Prestariang SKIN Sdn Bhd (“PSKIN”), a wholly-owned subsidiary of Prestariang Services Sdn. Bhd, which in turn is a subsidiary of PRESBHD, and the Government of Malaysia as represented by the Ministry of Home Affairs (“MOHA”) in relation to the implementation of SKIN, on 10 April 2018 PSKIN has received a letter from MOHA which confirmed that PSKIN has fulfilled all the conditions precedent in the CA, and accordingly declares 11 April 2018 as the effective date of the CA (“Effective Date”).

The concession shall be for a period of 15 years commencing from the Effective Date or the date of commencement of the development works, whichever is later and expires on the 15th anniversary of that date, as may be extended or earlier determined in accordance with the terms of the CA.

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 period under review.

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

Q118 vs. Q117

	INDIVIDUAL QUARTER			
	Current	Preceding	Variance	
	Quarter	Year Quarter	RM'000	(%)
	31/3/2018	31/3/2017		
	RM'000	RM'000		
<u>Segmental Revenue:</u>				
Software & Services and Academy				
- Software & Services	41,762	39,129	2,633	7%
- Academy	1,290	2,456	(1,166)	-47%
	<u>43,052</u>	<u>41,585</u>	1,467	4%
Education	1,338	726	612	84%
Employment services	1,621	1,583	38	2%
Concession	26,740	-	26,740	n/a
Others	-	3,620	(3,620)	-100%
	<u>72,751</u>	<u>47,514</u>		
Inter-segment Elimination	-	(3,620)		
Group	<u>72,751</u>	<u>43,894</u>	28,857	66%
<u>Profit Before Taxation</u>				
Software & Services and Academy	4,705	5,679	(974)	-17%
Education	(1,407)	(1,407)	-	0%
Employment Services	43	266	(223)	-84%
Concession	10,892	-	10,892	n/a
Others	(1,144)	2,903	(4,047)	>-100%
Inter-segment Elimination	-	(3,620)		
Group	<u>13,089</u>	<u>3,821</u>	9,268	>100%

The Group registered a higher revenue of RM72.7 million for the current quarter compared to RM43.9 million recorded in previous year corresponding quarter. The higher revenue of RM28.8 million or 66% increase was mainly contributed by Concession revenue of Sistem Kawalan Imigresen Nasional ("SKIN") project. The revenue was recognised based on the stage of completion at the end of the reporting period. The stage of completion is determined by reference to the proportion of costs incurred for work performed to date over the estimated total costs.

The Group's PBT for the current quarter was RM13.1 million, >100% higher than the corresponding quarter of last year, due to flow through of higher revenue generated during the quarter, mainly contributed by the SKIN Project.

B2. COMPARISON WITH IMMEDIATE PRECEDING QUARTER'S RESULTS

Q118 vs. Q417

	CUMULATIVE QUARTER		Variance	
	Current Quarter 31/3/2018 RM'000	Immediate Preceding Quarter 31/12/2017 RM'000		
<u>Segmental Revenue:</u>				
Software & Services and Academy				
- Software & Services	41,762	20,280	21,482	>100%
- Academy	1,290	133	1,157	870%
	<u>43,052</u>	<u>20,413</u>	22,639	111%
Education	1,338	2,160	(822)	-38%
Employment services	1,621	1,296	325	25%
Concession	26,740	48,058	(21,318)	-44%
Others	-	5,712	(5,712)	-100%
	<u>72,751</u>	<u>77,639</u>		
Inter-segment Elimination		<u>(5,712)</u>		
Group	<u>72,751</u>	<u>71,927</u>	824	1%
<u>Profit Before Taxation</u>				
Software & Services and Academy	4,705	1,470	3,235	>100%
Education	(1,407)	(535)	(872)	>-100%
Employment Services	43	(109)	152	>100%
Concession	10,892	19,079	(8,187)	-43%
Others	(1,144)	4,228	(5,372)	>-100%
Inter-segment Elimination	-	(5,712)		
Group	<u>13,089</u>	<u>18,421</u>	(5,332)	-29%

The Group's revenue for the current quarter of RM72.7 million, RM0.8 million or 1% higher than the preceding quarter of RM71.9 million. The higher revenue recorded in the current quarter was due to higher contribution Software & Services and Academy segment.

The Group recorded lower PBT for the current quarter of RM13.1 million, RM5.3 million or 29% lower than the preceding quarter of RM18.4 million. The lower PBT was mainly due to lower revenue contributions from Concession business.

B3. PROSPECTS FOR THE FINANCIAL YEAR ENDING 31 DECEMBER 2018

With SKIN Concession business becomes effective and have officially commenced on 25 April 2018, coupled with all current projects in hands scheduled for execution, the Group is expected to perform better in financial year 2018.

B4. VARIANCE ON PROFIT FORECAST/PROFIT GUARANTEE

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

B5. PROFIT BEFORE TAXATION

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

	<u>Individual Quarter</u>		<u>Cumulative Quarter</u>	
	<u>Current Year Quarter</u>	<u>Preceding Year Quarter</u>	<u>Current Year To Date</u>	<u>Preceding Year To Date</u>
	<u>31/3/2018</u>	<u>31/3/2017</u>	<u>31/3/2018</u>	<u>31/3/2017</u>
	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>
Interest income	(175)	(635)	(175)	(635)
Interest expense	275	5	275	5
Depreciation and amortisation	562	424	562	424
Provision for doubtful debts	78	-	78	-
Foreign exchange loss/(gain)	(491)	67	(491)	67

B6. INCOME TAX EXPENSE

	<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>31/3/2018</u>	<u>31/3/2017</u>	<u>31/3/2018</u>	<u>31/3/2017</u>
	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>
Malaysia tax:				
- for the current year	1,459	500	1,459	500
- Under provision in prior year	-	105	-	105
Deferred tax:				
- Deferred tax liabilities	2,614	-	2,614	-
	<u>4,073</u>	<u>605</u>	<u>4,073</u>	<u>605</u>

The effective tax rate for the current quarter is higher than the statutory income tax rate due to profit of certain companies.

B7. STATUS OF CORPORATE PROPOSALS

Prestariang Capital Sdn Bhd (“PCapital”), has completed the subscriptions of 5,000,000 “A” Ordinary Shares (“A Shares”) in OGPL and 3,069,578 convertible preference shares (“CPS”) with the total consideration of AUD5,000,001. As a result, PCapital total equity interest in OGPL is 16.67%.

The final equity interest of the PCapital shall be determined based on a performance band that is if OGPL group achieving a consolidated profit after tax of AUD\$ 9,000,000 for the twelve months ending 31 December 2020, the Subscriber will receive an effective shareholding of 14.28%. However, reduction in profits for the twelve months ending 31 December 2020 could see the shareholding in OGPL rising to 24.3%.

B8. BORROWINGS

The Group’s borrowing and debts securities as at 31 March 2018 are as follows:

	Long term borrowing			Short term borrowing			Total (RM'000)
	Secured	Unsecured	Total	Secured	Unsecured	Total	
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	
<u>Borrowings</u>							
- Hire purchase payables	105	-	105	39	-	39	144
- Term Loan	21,860	-	21,860	840	-	840	22,700
<u>Preference Shares</u>							
- RPS	152	-	152	-	-	-	152
Total	22,117	-	22,117	879	-	879	22,996

B9. MATERIAL LITIGATION

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

B10. 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.

B11. PROPOSED DIVIDEND

On 15 May 2018, The Board of Directors declared a first interim single-tier exempt dividend of 0.5 sen per ordinary share amounting to RM2.4 million in respect of the financial year ending 31 December 2018.

PRESTARIANG BERHAD (922260-K)
UNAUDITED INTERIM FINANCIAL REPORT FOR THE FINANCIAL YEAR ENDED 31 MARCH 2018

B12. EARNINGS PER SHARE

	<u>Individual Quarter</u>		<u>Cumulative Quarter</u>	
	Current Year To Date 31/3/2018	Preceding Year To Date 31/3/2017	Current Year To Date 31/3/2018	Preceding Year To Date 31/3/2017
Total comprehensive income attributable to owners of the Company (RM'000)	6,512	3,216	6,512	3,216
Weighted average number of ordinary shares in issue ('000)	484,000	484,000	484,000	484,000
Basic earning per share (sen)	1.35	0.66	1.35	0.66

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 15 May 2018.

BY ORDER OF THE BOARD

CHUA SIEW CHUAN (MAICSA 0777689)
LIM LIH CHAU (LS 0010105)
 Secretaries
Kuala Lumpur
15 May 2018