

PRESTARIANG BERHAD (922260-K)
UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2016

	Note	Individual Quarter		Cumulative Period	
		Current Year Quarter 31/12/2016 RM'000	Preceding Year Quarter 31/12/2015 RM'000	Current Year To Date 31/12/2016 RM'000	Preceding Year To Date 31/12/2015 RM'000
Revenue		24,716	24,328	132,072	115,490
Cost of sales		(17,853)	(13,751)	(99,673)	(77,038)
Gross profit		6,863	10,577	32,399	38,452
Other income		513	2,635	2,950	5,911
		7,376	13,212	35,349	44,363
Administrative expenses		(4,681)	(5,072)	(21,625)	(19,794)
Other expenses		(579)	(482)	(1,740)	(1,820)
Finance costs		(395)	(188)	(453)	(321)
Profit before taxation	B5	1,721	7,470	11,531	22,428
Income tax expense	B6	(148)	(4,406)	(2,483)	(5,408)
Profit after taxation		1,573	3,064	9,048	17,020
Other comprehensive income		-	-	-	-
Total comprehensive income for the financial period		1,573	3,064	9,048	17,020
Profit after taxation attributable to:-					
- Owners of the Company		1,409	2,983	8,884	17,103
- Non-controlling interest		164	81	164	(83)
		1,573	3,064	9,048	17,020
Total comprehensive income attributable to:					
- Owners of the Company		1,409	2,983	8,884	17,103
- Non-controlling interest		164	81	164	(83)
		1,573	3,064	9,048	17,020
Earnings Per Share attributable to owners of the Company (Sen)					
- Basic	B13	0.29	0.62	1.84	3.53
- 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 31 DECEMBER 2016

	Note	Unaudited As at 31/12/2016 RM'000	Audited As at 31/12/2015 RM'000
ASSETS			
NON-CURRENT ASSETS			
Property and equipment		12,086	12,964
Development costs		8,115	5,221
Deferred tax assets		1,154	1,154
		<u>21,355</u>	<u>19,339</u>
CURRENT ASSETS			
Inventories		2,512	1,755
Trade receivables		31,730	31,452
Amount owing by contract customer		23,741	15,747
Other receivables, deposits and prepayments		8,541	6,654
Short-term investments		46,413	40,977
Cash and bank balances		61,688	87,797
Current tax assets	B6	1,495	636
		<u>176,120</u>	<u>185,018</u>
TOTAL ASSETS		<u>197,475</u>	<u>204,357</u>
LIABILITIES AND EQUITY			
CURRENT LIABILITIES			
Trade payables		15,388	15,723
Other payables and accruals		19,032	15,925
Borrowings		-	92
Hire Purchase Payables	B8	73	-
Current tax liabilities		-	1,267
		<u>34,493</u>	<u>33,007</u>
NET CURRENT ASSETS		<u>141,627</u>	<u>152,011</u>
NON-CURRENT LIABILITIES			
Borrowings	B8	-	623
Hire Purchase Payables		309	-
Deferred tax liabilities		1,173	1,173
		<u>1,482</u>	<u>1,796</u>
TOTAL LIABILITIES		<u>35,975</u>	<u>34,803</u>
NET ASSETS		<u>161,500</u>	<u>169,554</u>
EQUITY			
Share capital		48,400	48,400
Share premium		74,712	74,712
Treasury Shares		(2,608)	(1,203)
Merger deficit		(14,212)	(14,212)
Non-controlling interest		459	295
Retained profits	B12	54,749	61,562
TOTAL EQUITY		<u>161,500</u>	<u>169,554</u>
TOTAL LIABILITIES & EQUITY		<u>197,475</u>	<u>204,357</u>
NET ASSETS PER SHARE ATTRIBUTABLE TO OWNERS OF THE COMPANY (SEN)		33.37	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 FOURTH QUARTER ENDED 31 DECEMBER 2016

	Share Capital		Share Premium		Treasury shares		Merger Deficit		Distributable		Attributable to owners of the Company		Non-controlling Interest		Total Equity	
	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
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)	-	-	-	-	(1,203)	
-Dividends paid	-	-	-	-	-	(15,717)	(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)	-	-	-	-	(16,920)	
Total transaction with owners of the Company	-	-	(1,203)	-	-	(15,717)	(16,920)	-	-	(16,920)	-	-	-	-	(16,430)	
At 31 December 2015	48,400	74,712	(1,203)	(14,212)	(1,203)	61,562	169,259	295	164	169,554	295	169,554	295	164	169,554	
Profit after taxation / Total comprehensive income	-	-	-	-	-	8,884	8,884	-	-	8,884	-	-	-	-	9,048	
Transaction with owners of the Company:-																
-Dividends paid	-	-	-	-	-	(15,697)	(15,697)	-	-	(15,697)	-	-	-	-	(15,697)	
-Purchase of treasury shares	-	-	(1,405)	-	-	-	(1,405)	-	-	(1,405)	-	-	-	-	(1,405)	
Total transaction with owners of the Company	-	-	(1,405)	-	-	(15,697)	(17,102)	-	-	(17,102)	-	-	-	-	(17,102)	
At 31 December 2016	48,400	74,712	(2,608)	(14,212)	54,749	161,041	459	161,500	459	161,500	459	161,500	459	161,500	161,500	

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 FOURTH QUARTER ENDED 31 DECEMBER 2016

	Current Year To Date 31/12/2016 RM'000	Preceding Year To Date 31/12/2015 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	11,531	22,428
Adjustments for:		
Depreciation of property and equipment	1,739	1,815
Fair value on short term investment	(1,436)	(1,143)
Profit income received from deposits with licensed islamic banks	(19)	-
Gain on disposal of property and equipment	(180)	(75)
Interest expense	60	1
Interest income	(2,703)	(3,108)
Unrealised gain on foreign exchange	-	(843)
Operating profit before working capital changes	<u>8,992</u>	<u>19,075</u>
Operating profit before working capital changes:-		
Changes in inventories	(758)	(748)
Changes in trade and other receivables	(2,165)	(12,277)
Amount owing by contract customers	(7,994)	(11,748)
Changes in trade and other payables	3,875	16,770
CASH GENERATED FROM OPERATING ACTIVITIES	<u>1,950</u>	<u>11,072</u>
Interest paid	(60)	(1)
Income tax paid	(5,311)	(4,446)
NET CASH (USED IN) / GENERATED FROM OPERATING ACTIVITIES	<u>(3,421)</u>	<u>6,625</u>
CASH FLOWS FOR INVESTING ACTIVITIES		
Acquisition of equity interest in a subsidiary by a non-controlling interest	-	490
Purchase of property and equipment	(930)	(1,649)
Profit income received from deposits with licensed islamic banks	19	-
Interest received	2,703	3,108
Proceed from disposal of property, plant and equipment	249	75
Development costs paid	(2,894)	(1,838)
Purchase of short term investments	(7,000)	(35,500)
Short term investment withdrawal	3,000	26,952
NET CASH USED IN INVESTING ACTIVITIES	<u>(4,853)</u>	<u>(8,362)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of hire purchase obligation	(18)	(149)
Repayment of term loan	(715)	(173)
Dividends paid	(15,697)	(15,717)
Proceed from disposal of treasury shares of the Company	(1,405)	(1,203)
NET CASH USED IN FINANCING ACTIVITIES	<u>(17,835)</u>	<u>(17,242)</u>
Net decrease in cash and cash equivalents	(26,109)	(18,979)
Cash and cash equivalents at beginning of the financial period	<u>85,099</u>	<u>106,431</u>
CASH AND CASH EQUIVALENT AT END OF THE FINANCIAL PERIOD	<u><u>58,990</u></u>	<u><u>87,452</u></u>
CASH AND CASH EQUIVALENT AT END OF THE FINANCIAL PERIOD COMPRISES THE FOLLOWING:-		
Cash and bank balances	4,800	5,041
Deposits with licensed banks	56,888	84,830
	<u>61,688</u>	<u>89,871</u>
Less: Deposits pledged with licensed banks	(2,698)	(2,419)
	<u><u>58,990</u></u>	<u><u>87,452</u></u>

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 INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 31 DECEMBER 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 Interest 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 Interest 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 31 DECEMBER 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 Pentauliahah 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 31 DECEMBER 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:

The Company purchased 17,000 of its own issued ordinary shares of RM0.10 each from the open market at prices range from RM2.07 to RM2.10 per share for a total consideration (including transaction costs) of RM35,763.

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>4,000</u>

PRESTARIANG BERHAD (922260-K)
UNAUDITED INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 31 DECEMBER 2016

A10. DIVIDENDS PAID

	12 months ended	
	31/12/2016	31/12/2015
	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 second interim tax-exempt dividend of 1.0 sen per ordinary share	-	4,833
- declared as third interim tax-exempt dividend of 1.0 sen per ordinary share	-	4,834
- 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	-
- declared a second interim tax-exempt dividend of 0.75 sen per ordinary share	3,621	-
- declared a third interim tax-exempt dividend of 0.75 sen per ordinary share	3,620	-
Total dividends paid	15,697	15,717

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 for foreign workers' recruitment and documentation 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 31 DECEMBER 2016**

A11. SEGMENTAL INFORMATION (CONT'D)

	RESULTS FOR 3 MONTHS ENDED 31 DECEMBER 2016						RESULTS FOR 3 MONTHS ENDED 31 DECEMBER 2015					
	Software & Services Academy RM'000	Education RM'000	Employment Services RM'000	Others RM'000	Inter-Segment Elimination RM'000	Consolidated RM'000	Software & Services Academy RM'000	Education RM'000	Employment Services RM'000	Others RM'000	Inter-Segment Elimination RM'000	Consolidated RM'000
By operating segment												
Operating revenue	22,759	722	1,235	6,020	(6,020)	24,716	23,358	690	280	6,134	(6,134)	24,328
Other Income	403	(3)	-	113	-	513	2,319	57	-	259	-	2,635
Direct costs	(16,220)	(673)	(960)	-	-	(17,853)	(13,047)	(689)	(30)	15	-	(13,751)
Segment profit	6,942	46	275	6,133	(6,020)	7,376	12,630	58	250	6,408	(6,134)	13,212
Overheads	(3,427)	(1,544)	(237)	(447)	-	(5,655)	(3,470)	(1,471)	(341)	(460)	-	(5,742)
Profit before taxation	3,515	(1,498)	38	5,686	(6,020)	1,721	9,160	(1,413)	(91)	5,948	(6,134)	7,470
Income tax expense	(146)	-	-	(2)	-	(148)	(4,404)	-	-	(2)	-	(4,406)
Profit for the period	3,369	(1,498)	38	5,684	(6,020)	1,573	4,756	(1,413)	(91)	5,946	(6,134)	3,064
Attributable to:												
- Owners of the company	3,369	(1,498)	38	5,520	(6,020)	1,409	4,756	(1,413)	(91)	5,865	(6,134)	2,983
- Non-controlling interest	-	-	-	164	-	164	-	-	-	81	-	81
Profit for the period	3,369	(1,498)	38	5,684	(6,020)	1,573	4,756	(1,413)	(91)	5,946	(6,134)	3,064

**PRESTARIANG BERHAD (922260-K)
UNAUDITED INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 31 DECEMBER 2016**

A11. SEGMENTAL INFORMATION (CONT'D)

	RESULTS FOR 12 MONTHS ENDED 31 DECEMBER 2016					RESULTS FOR 12 MONTHS ENDED 31 DECEMBER 2015						
	Software & Services and Academy RM'000	Education RM'000	Employment Services RM'000	Others RM'000	Inter- Segment Elimination RM'000	Consolidated RM'000	Software & Services and Academy RM'000	Education RM'000	Employment Services RM'000	Others RM'000	Inter- Segment Elimination RM'000	Consolidated RM'000
By operating segment												
Operating revenue	125,207	2,565	4,300	18,097	(18,097)	132,072	112,865	2,307	318	17,017	(17,017)	115,490
Other Income	2,097	26	-	827	-	2,950	3,500	65	-	2,346	-	5,911
Direct costs	(93,779)	(2,728)	(3,166)	-	-	(99,673)	(73,880)	(3,128)	(30)	-	-	(77,038)
Segment profit	33,525	(137)	1,134	18,924	(18,097)	35,349	42,485	(756)	288	19,363	(17,017)	44,363
Overheads	(13,914)	(6,139)	(800)	(2,965)	-	(23,818)	(12,771)	(4,930)	(686)	(3,548)	-	(21,935)
Profit before taxation	19,611	(6,276)	334	15,959	(18,097)	11,531	29,714	(5,686)	(398)	15,815	(17,017)	22,428
Income tax expense	(2,481)	-	-	(2)	-	(2,483)	(5,406)	-	-	(2)	-	(5,408)
Profit for the period	17,130	(6,276)	334	15,957	(18,097)	9,048	24,308	(5,686)	(398)	15,813	(17,017)	17,020
Attributable to:												
- Owners of the company	17,130	(6,276)	334	15,957	(18,097)	8,884	24,308	(5,686)	(398)	15,896	(17,017)	17,103
- Non-controlling interest	-	-	-	164	-	164	-	-	-	(83)	-	(83)
Profit for the period	17,130	(6,276)	334	16,121	(18,097)	9,048	24,308	(5,686)	(398)	15,813	(17,017)	17,020

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 2016 to the date of this announcement which would substantially affect the financial results of the Group for the twelve months ended that have not been reflected in the condensed financial statements except as disclosed below:-

On 12 January 2017, the Company entered into a Memorandum of Understanding (MoU) with Alibaba.com Singapore E-Commerce Private Limited and Conversant Solutions Pte. Ltd. to form a strategic joint collaboration to create an Integrated Education Platform (IEP) known as EduCloud.

The co-operation is to create EduCloud as a Single Platform to derive innovative ecosystem to deliver all activities linked to education and education-related activities and services including but not limited to campus management, teaching and learning, ICT security, entertainment, digital payment and other activities and/or services undertaken by educational institutions and other online applications.

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 31 DECEMBER 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
4Q16 vs. 4Q15

	INDIVIDUAL QUARTER			CUMULATIVE QUARTER		
	Current Quarter 31/12/2016 RM'000	Preceding Year Quarter 31/12/2015 RM'000	Variance RM'000 (%)	Current Year to Date 31/12/2016 RM'000	Preceding Year to Date 31/12/2015 RM'000	Variance RM'000 (%)
Segmental Revenue:						
Software & Services and Academy						
- Software & Services	22,630	23,358	(728) -3%	117,255	92,587	24,668 27%
- Academy	129	-	129 n/a	7,952	20,278	(12,326) -61%
Education	22,759	23,358	(599) -3%	125,207	112,865	12,342 11%
Employment services	722	690	32 5%	2,565	2,307	258 11%
Others	1,235	280	955 >100%	4,300	318	3,982 >100%
	6,020	6,134		18,097	17,017	
Inter-segment Elimination	30,736	30,462		150,169	132,507	
	(6,020)	(6,134)		(18,097)	(17,017)	
Group	24,716	24,328	388 2%	132,072	115,490	16,582 14%
Profit Before Taxation						
Software & Services and Academy						
Education	3,515	9,160	(5,645) -62%	19,611	29,714	(10,103) -34%
Employment Services	(1,498)	(1,413)	(85) 6%	(6,276)	(5,686)	(590) 10%
Others	38	(91)	129 >-100%	334	(398)	732 >-100%
Inter-segment Elimination	5,686	5,948	(262) -4%	15,959	15,815	144 1%
	(6,020)	(6,134)		(18,097)	(17,017)	
Group	1,721	7,470	(5,749) -77%	11,531	22,428	(10,897) -49%

B1. OPERATING SEGMENTS REVIEW (CONT'D)

4Q16 vs. 4Q15 (cont'd)

The Group's revenue for the current quarter of RM24.7 million was 2% or RM0.4 million higher than the corresponding quarter last year of RM24.3 million. The slightly higher revenue was mainly contributed by lower margin business segment; Software & Services namely MLA 2.0. This has resulted an overall lower Group margin.

The Group's PBT for the current quarter of RM1.7 million, lower by RM5.8 million as compared to RM7.5 million in the corresponding quarter last year. The lower PBT was mainly due to higher contribution from lower margin business segment; Software & Services.

YTD16 vs. YTD15

The Group's revenue for YTD16 was RM132.1 million, higher by RM16.6 million or 14% compared to RM115.5 million in YTD15. The revenue for YTD16 was higher mainly due to higher contribution from Software & Services segment mainly from MLA2.0 project.

The Group's PBT for YTD16 was RM11.5 million, lower by RM10.9 million or 49%. Lower PBT was mainly due to flow through of higher revenue contribution from lower margin segment; Software & Services.

B2. COMPARISON WITH IMMEDIATE PRECEDING QUARTER'S RESULTS

4Q16 vs. 3Q16

	Current Quarter 31/12/2016 RM'000	Immediate Preceding Quarter 30/9/2016 RM'000	Variance	
			RM'000	(%)
<u>Segmental Revenue:</u>				
Software & Services and Academy				
- Software & Services	22,630	12,042	10,588	88%
- Academy	129	3,800	(3,671)	-97%
	<u>22,759</u>	<u>15,842</u>	6,917	44%
Education	722	707	15	2%
Employment services	1,235	-	1,235	n/a
Others	<u>6,020</u>	<u>1,291</u>	4,729	366%
	<u>30,736</u>	<u>17,840</u>	12,896	72%
Inter-segment Elimination	(6,020)	-	(6,020)	n/a
Group	<u>24,716</u>	<u>17,840</u>	6,876	39%
<u>Profit Before Taxation</u>				
Software & Services and Academy	3,515	3,049	466	15%
Education	(1,498)	(1,645)	147	-9%
Employment services	38	106	(68)	-64%
Others	5,686	2,842	2,844	100%
Inter-segment Elimination	<u>(6,020)</u>	<u>(3,621)</u>	(2,399)	66%
Group	<u>1,721</u>	<u>731</u>	990	135%

The Group's revenue for the current quarter of RM24.7 million was 39% or RM6.9 million higher than the preceding quarter of RM17.8 million. Higher revenue was mainly due to higher contribution from Software & Services segment.

The Group recorded PBT for the current quarter of RM1.7 million, >100% or RM1.0 million 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 31 DECEMBER 2016

B3. PROSPECTS

With the successful closure of investment made in the strategic project and continuous improvement of operational efficiencies of existing businesses, the Group will perform better for the financial year ending 2017.

In line with Prestariang Berhad's strategic direction, the Group will continue to embark into new transformational businesses to drive sustainable growth and profitability.

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>31/12/2016</u>	<u>31/12/2015</u>	<u>31/12/2016</u>	<u>31/12/2015</u>
	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>
Interest income	(687)	(333)	(2,703)	(3,108)
Other income including investment income	-	-	-	-
Interest expense	60	(11)	60	1
Depreciation and amortisation	579	482	1,740	1,815
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)	1,273	(2,141)	883	(1,881)
(Gain) or loss on derivatives	-	-	-	-
Exceptional items	-	-	-	-

PRESTARIANG BERHAD (922260-K)**UNAUDITED INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 31 DECEMBER 2016****B6. TAXATION**

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter	Preceding Year Quarter	Current Year To Date	Preceding Year To Date
	31/12/2016	31/12/2015	31/12/2016	31/12/2015
	RM'000	RM'000	RM'000	RM'000
Malaysia tax:				
- for the current year	93	4,318	3,035	5,320
- under/(over) provision in the previous financial year	55	88	(552)	88
	148	4,406	2,483	5,408

Included in the taxation of the Group is tax saving amounting to RM1.0 million (2015: nil) due to Group Relief which allow company with tax losses to surrender those losses to profit-making company within the Group in the same year assessment as provided under the taxation law of Malaysia.

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. BORROWINGS

The Group's borrowings as at 31 December 2016 are as follows:

	Long term borrowing			Short term borrowing		
	Secured	Unsecured	Total	Secured	Unsecured	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Borrowings						
Hire Purchase Payables	309	-	309	73	-	73

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 22 February 2017, The Board of Directors declared a fourth interim single-tier exempt dividend of 0.75 sen per ordinary share amounting to RM3,621,000 in respect of the financial year ending 31 December 2016.

B12. REALISED AND UNREALISED PROFITS

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

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

	As at 31/12/2016 RM'000	As at 31/12/2015 RM'000
Total retained profits		
- Realised	52,307	57,645
- Unrealised	-	843
	<u>52,307</u>	<u>58,488</u>
Add: Consolidated adjustments	2,442	2,951
	<u>54,749</u>	<u>61,439</u>
Total Group retained earnings as per consolidated accounts	<u>54,749</u>	<u>61,439</u>

PRESTARIANG BERHAD (922260-K)**UNAUDITED INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 31 DECEMBER 2016****B13. EARNINGS PER SHARE**

	<u>Individual Quarter</u>		<u>Cumulative Quarter</u>	
	<u>Current</u> <u>Year</u> <u>Quarter</u> 31/12/2016	<u>Preceding</u> <u>Year</u> <u>Quarter</u> 31/12/2015	<u>Current</u> <u>Year</u> <u>To Date</u> 31/12/2016	<u>Preceding</u> <u>Year</u> <u>To Date</u> 31/12/2015
Total comprehensive income attributable to owners of the Company (RM'000)	1,409	2,983	8,884	17,103
Weighted average number of ordinary shares in issue ('000)	484,000	484,000	484,000	484,000
Basic earning per share (sen)	0.29	0.62	1.84	3.53

B14. 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 22 February 2017.

BY ORDER OF THE BOARD**CHUA SIEW CHUAN (MAICSA 0777689)****PAN SENG WEE (MAICSA 7034299)**

Secretaries

Kuala Lumpur**22 February 2017**