



# AwanBiru Technology Berhad

## Annual General Meeting

24 November 2021

**Accelerating  
Digitalisation**  
*Progressing with Purpose*



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# REPORT CARD 2021

ACCELERATING DIGITALISATION – PROGRESSING WITH PURPOSE

OUR **FOCUS ON 4 CORE STRATEGIES** HAVE YIELDED **POSITIVE OUTCOMES**, ACHIEVING MOST OF OUR SHORT TERM OBJECTIVES.

**WE ARE REBUILDING OUR BUSINESS...**

# 4 Core Strategies

1

## Rationalisation Plan

Completed cost cutting measures and divested most of our non-core assets with total proceeds of RM10.3m (from Open Learning and UNIMY)

2

## Stabilise The Group As A Going Concern and Build Reserve

Strengthened our capital structure and improved our cash position with the completion of our corporate fund-raising exercises which has raised a total of RM77.7m and disposal of loss making businesses like UNIMY

3

## Re-Boot, Pivot & Rebuild

Pivot to digitalisation and shift our strategic horizon towards cloud computing

- Awarded by Menteri Besar Selangor to develop and implement the Selangor Kerjaya Programme in Nov 2020
- Nominated by Google and appointed by MAMPU as MSP to support Malaysia's public sector digital transformation initiatives in Feb 2021
- Awarded by Ministry of Education to supply G Suite Enterprise for Education software for schools under the ministry's purview in July 2021

4

## Establish New Collaboration & Partnership

Google, SAP, Huawei, Zoom and other Cloud-based products and services

# Key Achievements

- i. **Rebuilding our business through reinventing and rebranding** to capitalise on new opportunities in the digital space
- ii. **Strong cash position** from fund-raising exercises, monetisation of non-core assets and reducing operating costs
- iii. Offering **multiple cloud services and products** as well as change management to improve customers' operational processes and drive innovations in their digital transformation journey in both **public & private sectors**
- iv. **Expanded our talent business** to include profiling, training & certification, job placement as well as upskilling and reskilling
- v. Consolidated our efforts in “**Doing Well by Doing Good**” and committed in adhering to our sustainability policy in **ESG**



**01. KEY HIGHLIGHTS**

**02. PERFORMANCE OVERVIEW**

**03. BUSINESS OUTLOOK**

**04. ESG**

**05. SUMMARY**

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# Key Highlights



**Dec 2019 & June 2020**  
Completed disposal of 9.8% interest in OLL for **RM7.8m**

**22 June 2020**  
Completed 10% private placement raising **RM14.3m**

**UNIMY**  
**16 Nov 2020**  
Completed disposal of entire equity interest in PESB for **RM2.5m**

**30 Nov 2020**  
Completed private placement and rights issue raising **RM63.2m**



**19 Feb 2021**  
Letter of Appointment from MAMPU as a Managed Service Provider for Cloud Services to the public sector for 3 years as a partner of Google Cloud



**27 July 2021**  
Celebrated the 10<sup>th</sup> IPO anniversary

2020



**3 Nov 2020**  
Letter of Award from MBI to develop/ implement Selangor Kerjaya Program to train and place 10,000 Selangorians over 3 years with estimated contract value of **RM50.5m**



**29 Dec 2020**  
New trading name and rebranding exercise - **Awantec**



**31 Jan 2021**  
Expiry of Master Licencing Agreement

**9 July 2021**  
Secured **RM22.8 million** contract from the Ministry of Education, to supply G Suite Enterprise for Education software for schools under the ministry's purview.



**AWANTEC PIVOTING TOWARDS DIGITALISATION VIA CLOUD**

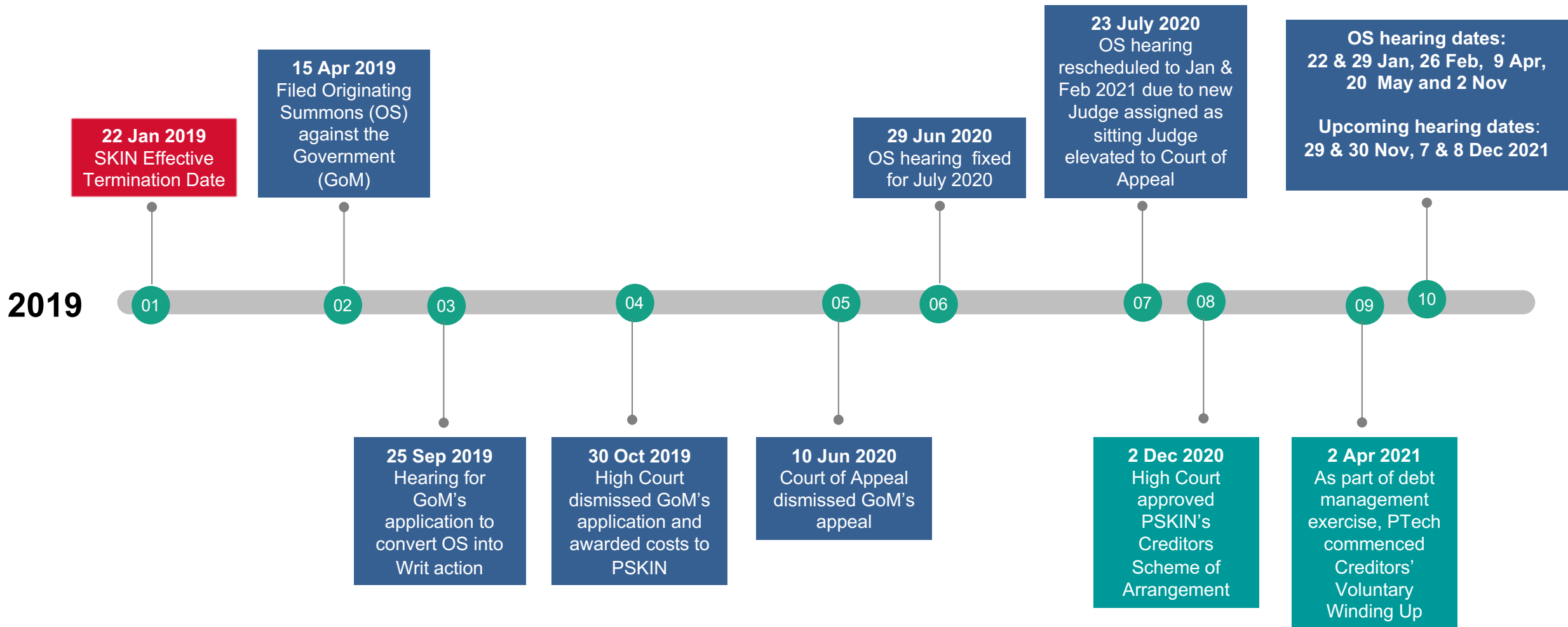


**28 July 2021**  
Inked Partnership with Zoom



# SKIN Updates

PSKIN claiming for contractual payment of RM733m from GoM due to expropriation

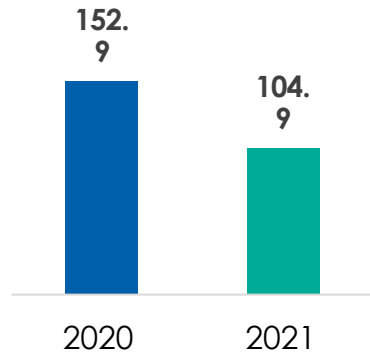


A white rounded rectangular box containing the text "PERFORMANCE OVERVIEW". The background of the slide features a series of white, curved lines that sweep across the page from left to right, creating a sense of motion and flow.

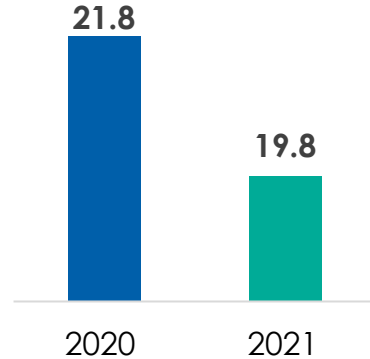
## PERFORMANCE OVERVIEW

# Financial Highlights

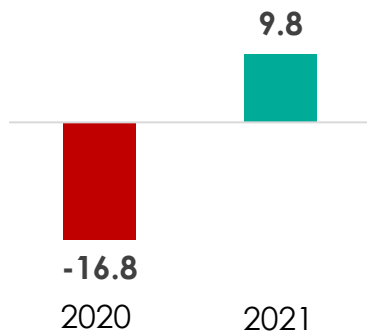
REVENUE (mil)



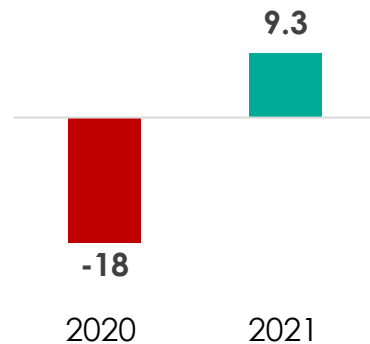
GROSS PROFIT (mil)



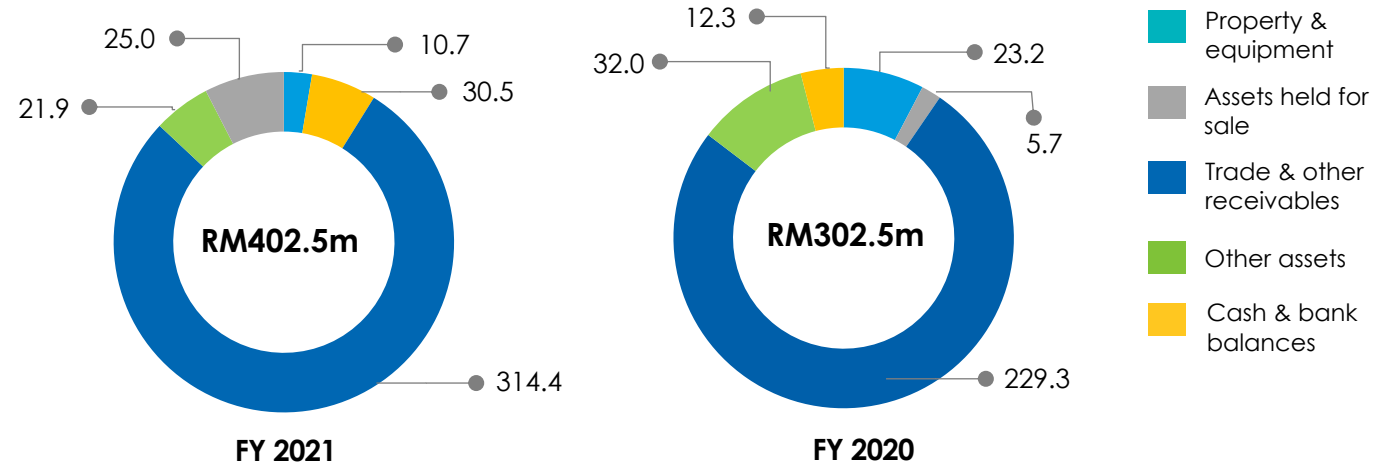
PROFIT BEFORE TAX (mil)



PROFIT AFTER TAX (mil)

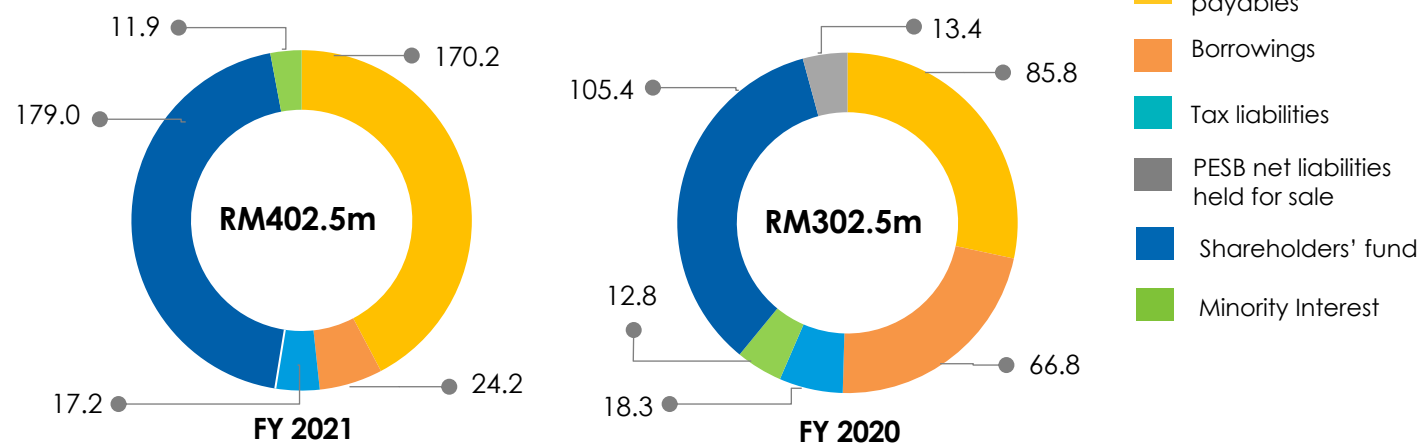


TOTAL ASSETS (mil)



Included in FY 2021 were Other Receivables of RM124.5m owing by PTech and Other Payables of RM149.4m owing to PTech, a subsidiary which has been deconsolidated.

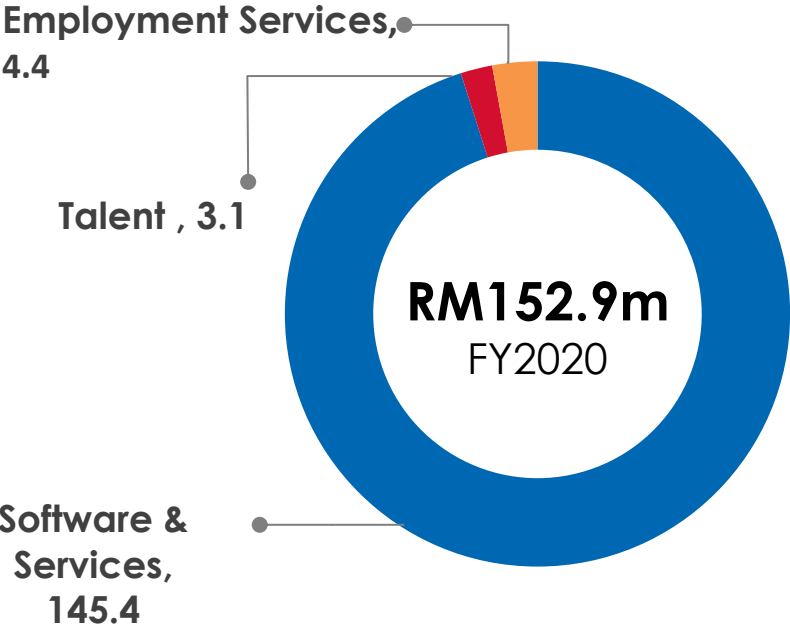
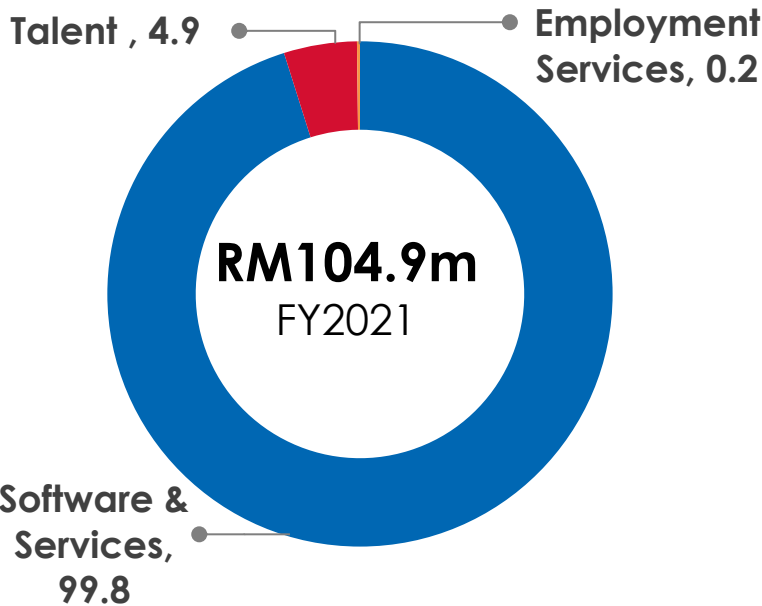
TOTAL EQUITY & LIABILITY (mil)



# Revenue Contribution by Division FY 2021



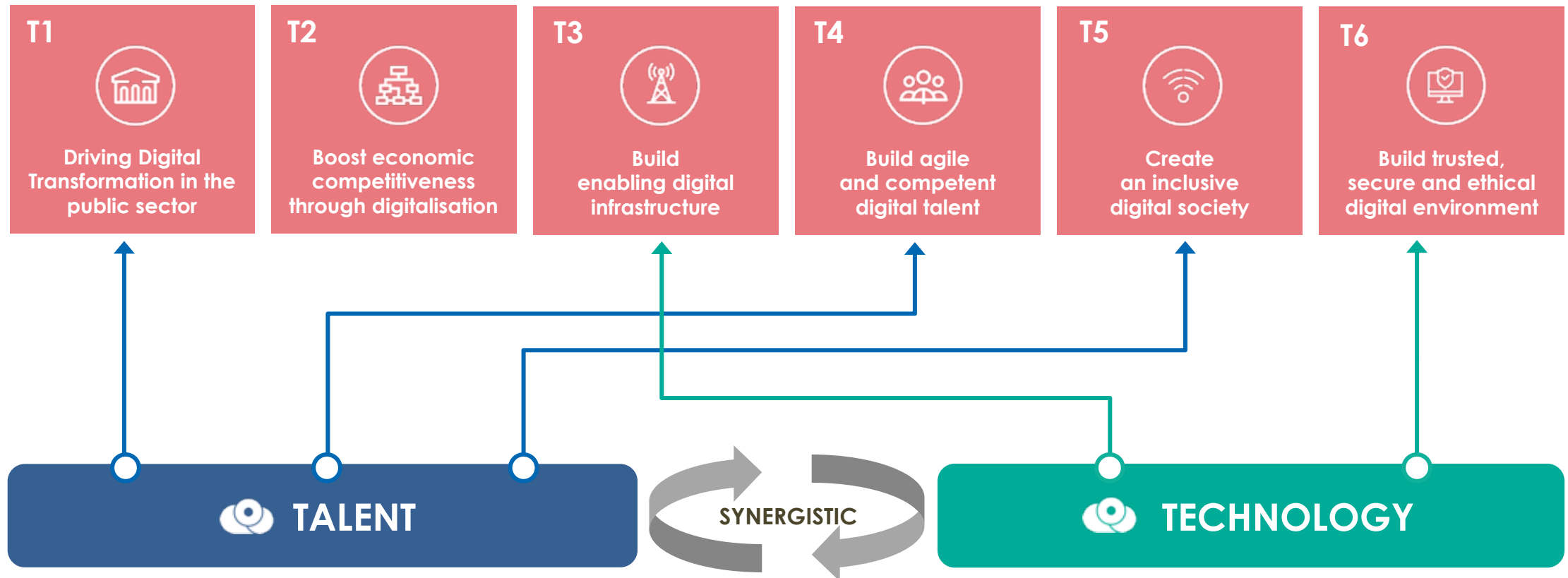
(RM million)



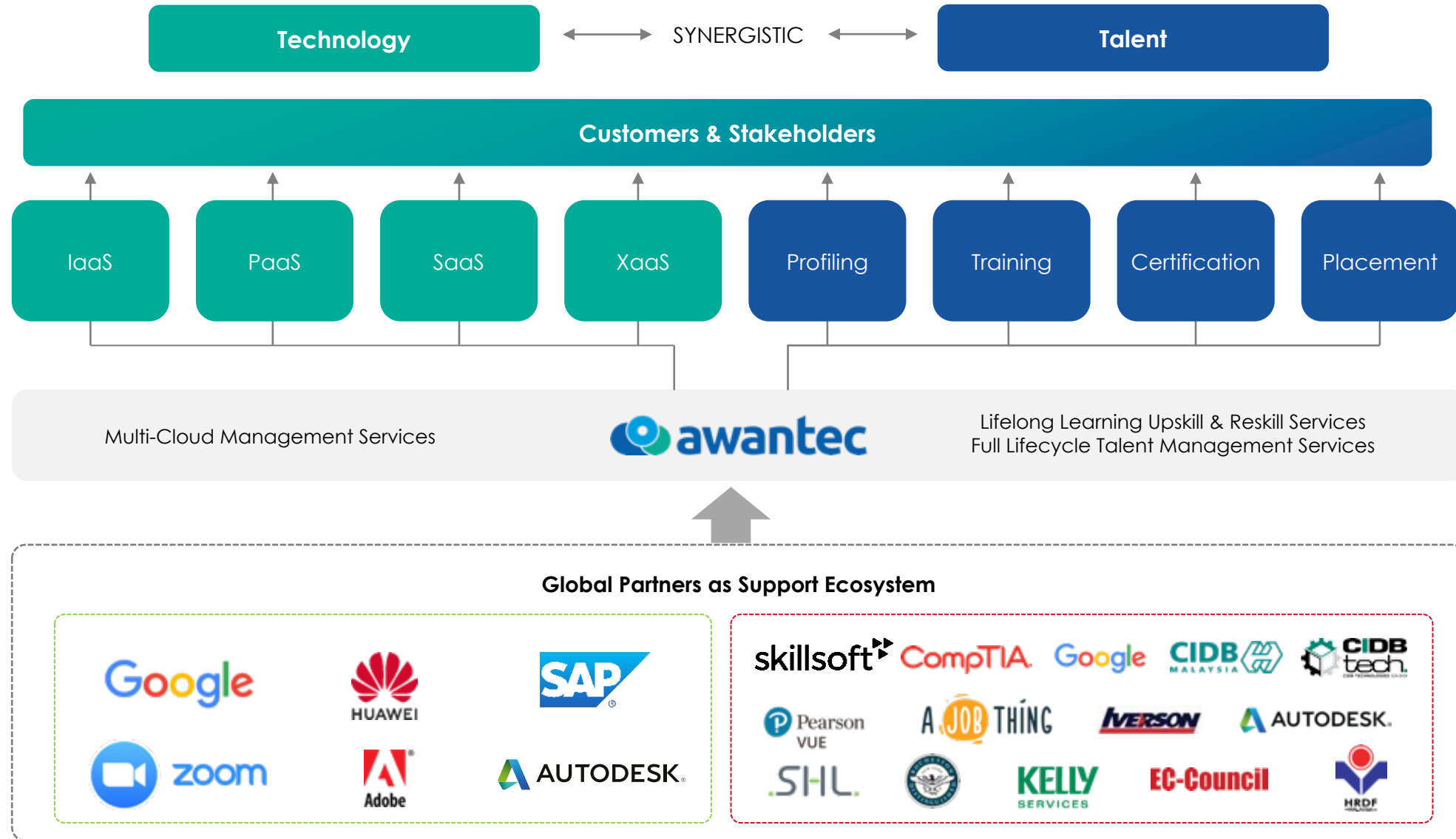
	FY 2021	FY 2020
Software & Services	99.8	145.4
Talent	4.9	3.1
Employment Services	0.2	4.4
<b>TOTAL</b>	<b>104.9</b>	<b>152.9</b>

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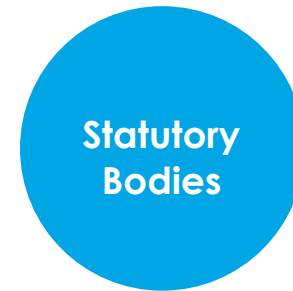
# How AWANTEC aligned ourselves to MyDigital blueprint



# Our Core Business



# Our Strategic Positioning



Integrated Platform for comprehensive administration, coordination & engagement

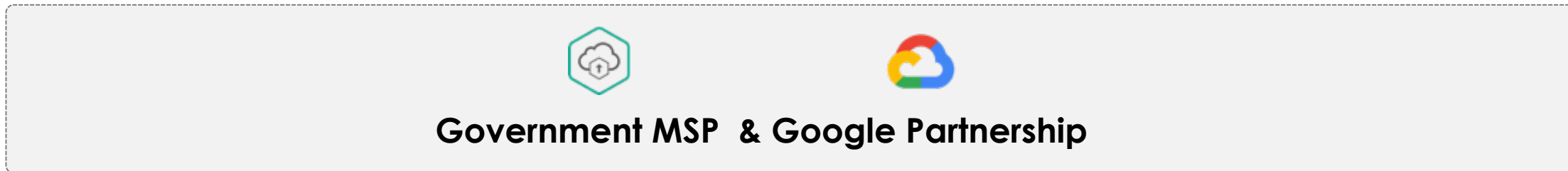
Driving awareness, adoption & migration strategies across customer segments



Competency & Professional Development

Workforce & Collaboration Services

Efficiency & Service Delivery on IR4.0

Infrastructure Modernisation



**Government MSP & Google Partnership**



# Our Resources & Competencies

## Awantec Employee Breakdown



PhD & Masters



Degree



Diploma & Others

- ✓ Account Management
- ✓ Enterprise Practice Team
- ✓ Marketing & Programme Management
- ✓ Business Operations
- ✓ Training & Talent Development



## Specialisation Area



Professional



Certification



- Google Sell and Service Partner & Government MyDigital MSP
- Google Authorised Training Partner (ATP) Status

# Technology – Statistics & Numbers

2003 → to-date

Rolled out:



>6.3 million  
Software licences



## Major Projects & Products

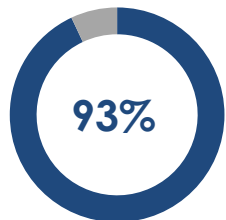
Secured  
RM22.8m contract



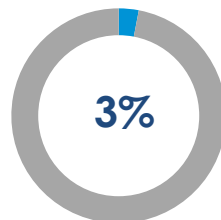
Google Cloud

## Market Segmentation

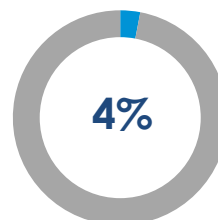
Govt/GLC/  
Statutory Body



Education



Commercial

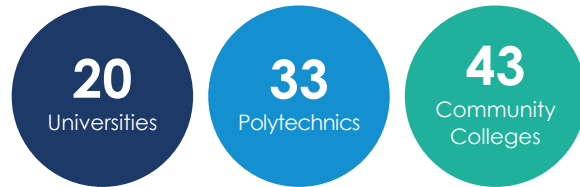


# Talent – Statistics and Numbers



2004 to-date

Rolled out:



>100,000  
Teachers nationwide

>260,000  
Trained and certified individuals

93% STUDENTS      7% LECTURERS/STAFF

Up-skilling and Re-skilling talent pool through **training & certification**

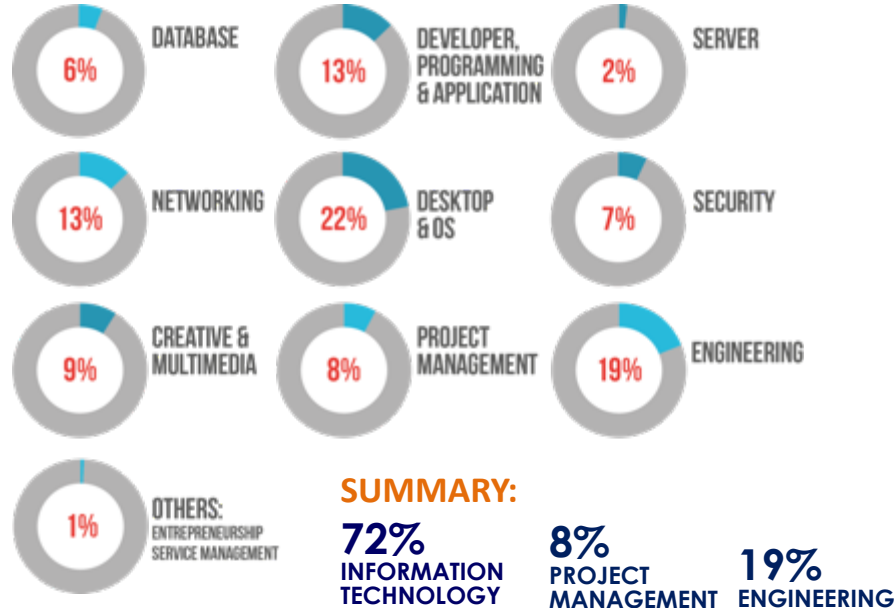


Secured **RM50.5m** contract

**RM13m** funds available till 2023



## Database by Specialisation



## Distribution by Employment



# Public Sector Cloud Business Outlook



## Cloud Readiness Index - Asia 2020

- 1 Hong Kong
- 2 Singapore
- 3 New Zealand
- 4 Taiwan
- 5 South Korea
- 6 Japan
- 8 Malaysia
- 9 Thailand
- 10 India
- 11 Philippines
- 12 Indonesia
- 13 China
- 12 Vietnam

Source ; Asia Cloud Computing Association

Source Fitch Report on Cloud Computing 2020

## ASIA CLOUD DEMAND IN USD Millions

Total Country	2019	2020e	2021f	2022f	2023f	2024f
China	15,134	23,185	32,192	43,752	60,461	76,485
South Korea	2,820	3,883	5,150	6,770	8,696	11,691
Singapore	1,626	2,035	2,378	2,964	3,363	3,605
Malaysia	570	728	952	1,279	1,650	1,955

Est Public Sector Spend	2019	2020e	2021f	2022f	2023f	2024f
China	6,508	9,970	13,843	18,813	25,998	32,889
South Korea	1,213	1,670	2,215	2,911	3,739	5,027
Singapore	699	875	1,023	1,275	1,446	1,550
Malaysia	245	313	409	550	710	841
Malaysia in RM	980	1,252	1,637	2,200	2,838	3,363

Source Frost & Sullivan Estimates Public Sector Spend as % of Total Cloud Spend 43%

**1** MyDigital Targets **80%** of addressable workloads shifted to Cloud by 2022

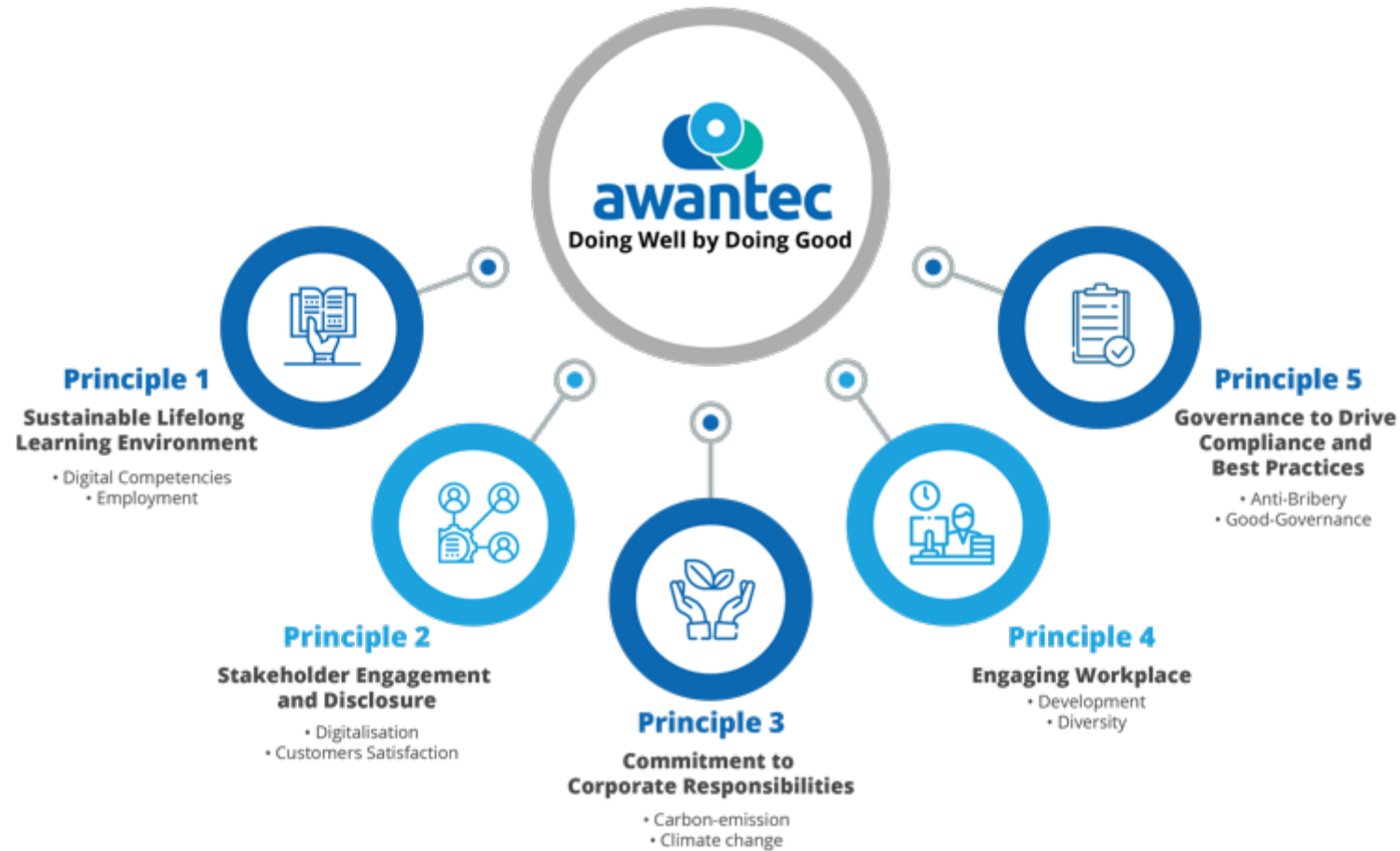
**2** Estimated Public Sector Spend (for mature markets) = **43% of total country cloud spend**

**3** MY Estimated Public Sector Cloud Spend (When Mature) in 2022 should be **RM2.2b**

**4** At 80% adoption Estimated at **RM1.76b**

**5** These numbers exclude necessary investment in training, upskilling and other related Services like Change Management etc

**ENVIRONMENTAL  
SOCIAL  
GOVERNANCE  
(ESG)**



**5 Sustainability Principles** aligned to **FIVE (5) of the SEVENTEEN (17) United Nation Sustainable Development Goals (“UNSDGs”)**, across all 4 of our ESG themes: Climate Change, Human Rights and Community, Labour Standards and Corporate Governance

# OUR ESG Rating

**FTSE Russell has also ranked Awantec in the top 25% for its ESG Ratings, amongst public listed companies in FBM EMAS.**

## Environment



**Maintained low scope 2 carbon intensity**

of 1.77 MT CO<sub>2</sub>-eq/employee

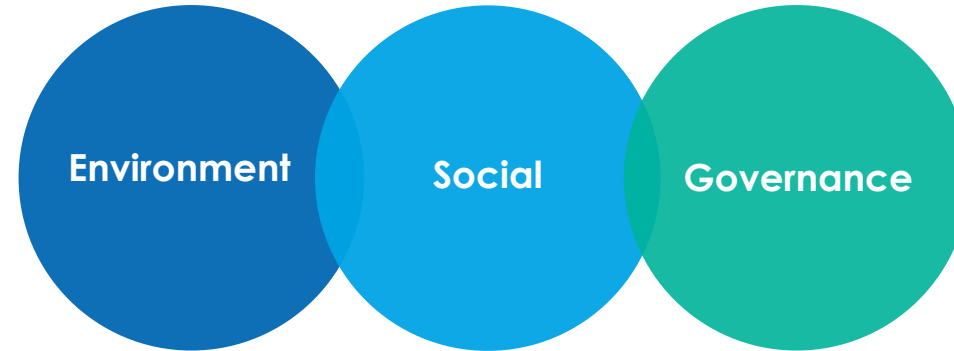
**FY2020: 1.76 MT CO<sub>2</sub>-eq/employee**



**Reduced paper usage by 4.4%**

or 2.63 reams/employee

**FY2020: 2.75 reams/employee**



## Social



**Reduced customer complaints by 100%**

or 0 (zero) official complaints

**FY2020: 2 official complaints**



**Increased average training man days by 167%**

or 7.6 average training man days

**FY2020: 2.85 average training man days**



**Awarded share option scheme for employees**

as part of our long term incentive plan to reward employees for their contributions and to promote performance



**Won Excellence Award for CG Disclosure**

for market cap below RM100 million category in the MSWG Award 2020



**Listed on the MSWG's Top 100 Companies for CG Disclosure 2020**

rank: 75th



FTSE4Good

**Remained a Constituent for FTSE4Good Bursa Malaysia Index**

since our inclusion in 2014

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## SUMMARY



# Summary

- **Strong cash position** provides resilience for our Group to **rebuild our business and sales pipeline** with new services and products
- **Technology business** in the digital space has gained traction with multi-cloud management services and products that are aligned to the **MyDigital Blueprint to drive digitalisation** both in the **Public & Private Sectors**
- **Talent business** remains our **core business activity** that is **synergistic** and complementary to our technology business by providing a sustainable income stream
- **Competent talent** to lead and steer our Group towards new business streams and to achieve new heights
- Continue to **invest and attract new talents** by venturing deeper into the employability market with full life cycle talent management in profiling, training, certification and placement services
- On-going court litigation process with GOM on SKIN legal suit with next **hearing dates in end of Nov and early Dec 2021**
- Emphasise on **compliance and ESG** while remaining as a **FTSE4Good** and a **shariah compliant** stock



# THANK YOU

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