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AWANTEC REPORTS PROFITS IN QUARTER RESULTS

REBUILDING REVENUE BASE WITH MULTIPLE CLOUD PRODUCTS AND SERVICES

Cyberjaya, 27 May 2021 – AwanBiru Technology Berhad (**Awantec** or the Group), today reported its current quarter results ended 31 March 2021 for financial year ending 31 June 2021 (FYE21) to Bursa Malaysia Securities Berhad.

The Group recorded a revenue of RM28.5 million for the current quarter, which is RM3.3 million higher than the RM25.2 million in the corresponding quarter of the previous year. This was mainly driven by higher revenue contribution from the Software & Services and Talent segment. The Group's profit before tax (PBT) is RM1.0 million for the current reporting quarter or 133% higher than preceding year loss of RM3.0 million.

For the year to date nine [9] months ended 31 March 2021, a substantial portion of the profits reported relate to the exceptional gain arising from the disposal of UNIMY and from the sale of Microsoft products and services which accounted for 94.6% of the Group's total revenue. Both the expiry of the Master Licensing Agreement ("MLA") with the Government of Malaysia and the discontinuation by Microsoft of its wholly owned subsidiary, PSSB's membership in the Microsoft Partner Network effective 31 January 2021 will impact the Group's performance in the immediate term.

However, the Group has shown its capabilities in remaining resilient in trying times, owing to its effective rationalisation plan since 2019 and its transformational plan to pivot to digitalisation.

The strong cash position from the fund-raising exercise, monetisation of non-core assets and cash from operations will enable the Group to continue to remain resilient as it rebuilds its business with new product lines and services in the coming quarters.

Awantec is currently rebuilding its revenue base with more products and service offerings. Positive contribution is seen from its appointment by GOOGLE as their exclusive Managed Service Provider (MSP) to the Government of Malaysia in respect of Infrastructure as a Service (IaaS), Platform as a Service (PaaS), Software as a Service (SaaS) and Anything as a Service (XaaS) for the next three years from 2021 to 2023. The Group have started to roll out implementation to customers and is seeing strong traction from customers towards its new wider range of Cloud-based services. The Company expects to accelerate the transition and



adoption of its offering by clients as they pivot towards digitalization underpinned by the Cloud.

Armed with a wider range of products and services from its principals, the Group is going deeper in its relationship with customers from mostly managing software licenses into providing multiple Cloud products and services and change management to improve the customers' operational process and drive innovations into their digital transformation journey. The Group have also expanded its talent business from training to include job placement and upskilling and reskilling, which drives higher profit margins.

The Board of Awantec is of the view that the Group is in good position to capitalise on the task of meeting the market requirement for technology and talent services to spearhead its business growth. The Board remarked, "We have laid the groundwork in terms of our capability, financial reserves from the recent corporate exercise and partnerships with leading global technology players like Google, SAP, Adobe and others to access products and services to be a key player in tapping the vast opportunities in the digitalisation process in Malaysia. We will provide our customers with innovative and cost-effective solutions by leveraging the latest technology working together with our global technology partners as well as offering the right talent to drive digital adoption, which is aligned to the MyDigital Initiative and Malaysia Digital Economy Blueprint."

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About AwanBiru Technology Berhad (AWANTEC) www.awantec.my
(Formerly known as Prestariang Berhad)

Awantec is a leading Technology and Talent Platform innovator providing multi-cloud management services and lifelong learning talent lifecycle services to achieve the digitalisation of Malaysia. The Company's core business revolves around the convergence of technology and human talent leveraging the latest technology in collaboration with its global partners including Google, SAP, Amazon, Huawei, Autodesk, Adobe, Salesforce, Oracle and more. Under its Technology business, Awantec offers a full-suite of Cloud-based products including Infrastructure as a Service (IaaS), Platforms as a Service (PaaS), Software as a Service (SaaS) and Anything as a Service (XaaS). While under its Talent business, Awantec provides a holistic talent management services with lifelong learning opportunities to reskill and upskill job seekers and employers that include profiling, training, certification and placement services. Founded since 2003 and listed on the Main Market of Bursa Malaysia in 2011, Awantec is a Syariah Compliant stock and a constituent of the Bursa Malaysia FTSE4GOOD Index since 2014 and winner of the MSWG-ASEAN Corporate Governance Award.

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