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AWANTEC REPORTS Q2 FY2023 RESULTS

LOWER REVENUE IN SOFTWARE & SERVICES; TALENT SEGMENT THRIVES

Cyberjaya, 23 February 2023 – AwanBiru Technology Berhad (**Awantec** or the Group), a leading technology and talent digitalisation enabler, today reported its second quarter (Q2) results for the financial year ended 30 June 2023 (FY2023) to Bursa Malaysia Securities Berhad.

During the reporting quarter, the Group's revenue declined by RM45.2 million to RM8.0 million, compared to RM53.2 million in Q2 FY2022. This was primarily due to the revenue recognition from a project in the Software & Services segment in Q2 FY2022. This segment felt the effects of a slowdown in customers' procurement decision making leading up to GE15. Additionally, the Group incurred a loss before taxation of RM2.8 million in Q2 FY2023, a decline from the profit before taxation of RM6.1 million recorded in Q2 FY2022.

Despite these challenges, the talent segment of the Group saw a significant improvement in Q2 FY2023. This segment recorded a profit before taxation of RM0.09 million, compared to a loss before taxation of RM0.18 million in Q2 FY2022. The improvement was primarily due to a substantial increase in revenue from RM1.4 million to RM3.6 million in Q2 FY2023, which was mainly attributed to a higher number of placements under the Selangor Kerjaya Program.

"Our continued investments in the 3Ps - People, Partners, and Products & Services may cause fluctuations in the earnings trajectory from quarter to quarter. Although these fluctuations have created near-term headwinds, we will continue to improve the performance of all segments by diversifying our products and services and enhancing demand. With our track record as a trusted partner for technology and talent services, we remain resilient and vigilant in addressing current fluctuations.

Based on our overview and outlook of the industry, as well as the Government's plans to accelerate Malaysia's progress as a technologically-advanced economy, we are cautiously optimistic about the future prospects of the Group, despite the challenges that may arise," said Dato' Syed Naqiz Shahabuddin, Chairman of Awantec.

Awantec is a shariah-compliant stock under the technology sector and a constituent of the Bursa Malaysia FTSE4GOOD Index. The company has recently climbed to the 38th spot out of 100 ranked companies in the Corporate Governance Disclosure of the MSWG-ASEAN Corporate Governance Award 2021. Additionally, Awantec has received the APAC Partner of



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the Year 2022 award from Skillsoft and won the Silver Award in the technology category at the inaugural The Edge ESG Awards 2022.

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About AwanBiru Technology Berhad (AWANTEC) www.awantec.my

Awantec is a leading technology and talent digitalisation enabler that provides 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 global partners such as Google, Zoom, Skillsoft, SAP, Adobe, and more. Under its technology business, Awantec offers a full suite of cloud-based products, including Infrastructure as a Service (IaaS), Platform as a Service (PaaS), Software as a Service (SaaS), and Anything as a Service (XaaS). Meanwhile, under its talent business, Awantec provides holistic talent management services with lifelong learning opportunities to reskill and upskill job seekers and employers, which include profiling, training, certification, and placement services. Founded in 2003 and listed on the Main Market of Bursa Malaysia in 2011, Awantec is a Syariah-compliant stock under the technology sector and a constituent of the Bursa Malaysia FTSE4GOOD Index since 2014. The company is a winner of the MSWG-ASEAN Corporate Governance Award and is recognised as the 2021 Google Cloud Public Sector Partner of the Year Award for the APAC Region.

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