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## **AWANTEC PROGRESSES FROM RATIONALISATION TO REBUILDING REFLECTED IN Q1 FY 2022 RESULTS**

### **REVENUE GREW BY 300% FROM PRECEDING QUARTER**

**Cyberjaya, 25 Nov 2021** – AwanBiru Technology Berhad (**Awantec** or the Group) has made substantial progress in its rationalisation plan to monetise non-core assets and reduce operating cost in FY2020 and FY2021. FTSE Russell has also ranked Awantec in the top 25% for its ESG Ratings, amongst public listed companies in FBM EMAS. Today, the Company reported its first quarter (Q1) results for financial year ended 30 June 2022 (FY2022) to Bursa Malaysia Securities Berhad.

Revenue in total grew by over 300% from RM2.8 million in the preceding quarter ended 30 June 2021 (Q4FY2021) to RM11.8 million in current Q1FY2022. There was an increase in revenue for both the Talent and Technology segments which indicated positive traction in Awantec's transition into the cloud space, recording good growth on its new and wider range of products and services. Revenue in the Talent segment grew from RM1.5 million in Q4 FY2021 to RM3.1 million in Q1 FY2022. While new businesses in the Technology segment, which is now underpinned by Google in place of Microsoft, expanded from RM1.3 million in Q4 FY2021 to RM8.7 million in Q1 FY2022. Key revenue drivers were Awantec's appointment as the exclusive Managed Service Provider (MSP) to Google for the Government of Malaysia, higher uptake for online training and digital learning, the Selangor Kerjaya Project, and the Ministry of Education contract for supply of G Suite Enterprise for Education SaaS for all public schools in Malaysia. Other revenue contributors include ongoing projects such as the Competency Enhancement Programme (CEP) training programme, Adobe and Autodesk software distribution and management services.

The Group recorded a lower loss before tax of RM1.4 million in Q1FY2022 demonstrating an improvement in its core operating results as compared to loss before tax of RM1.8 million in Q4FY2021 which included a one-off gain on disposal of subsidiary, following the deconsolidation of Prestariang Tech Services Sdn. Bhd. ("PTSSB") resulting from Creditors' voluntary winding up in Q4FY2021. The significant jump in revenue resulted in a profit before tax of RM255,000 for Q1FY2022 compared to a loss of RM1.7 million for Q4FY2021 for the technology segment.

The Company's strong cash position from the fund-raising exercises, which raised a total of RM77.7m in FY2020 and FY2021 as well as the monetisation of non-core assets supplemented by cash from operations, will continue to provide resilience to the Group's ongoing business rebuilding plan. In addition to Google, Awantec continues to build on the strengths of its partners like SAP, Huawei, Zoom, and others to offer other Cloud-based products and services to its customers. The Company expects that these new product lines and services,



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which will be offered in the coming quarters, will further strengthen its pipeline and operating performance.

### **Outlook**

The Company expects that while this growth trajectory may see some marginal fluctuation in the near term, it will stabilise on the back of the recurring income from renewals and continuing managed services revenue in the medium to long term, which is typical for cloud-based businesses. The Company has laid all the groundwork to be a key player in tapping the vast opportunities in the national digitalisation process, which is aligned to the MyDIGITAL Initiative and Malaysia Digital Economy Blueprint. The Board is of the view that the Group is in a good position to capitalise on the task of meeting the market requirement for technology and talent services to spearhead Awantec's business growth.

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**About AwanBiru Technology Berhad (AWANTEC)** [www.awantec.my](http://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, 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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