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AWANTEC 2022 FULL YEAR RESULT SHOWS CORE BUSINESS IN SOFTWARE & SERVICES AND TALENT SEGMENTS STRENGTHENING OPERATIONAL PROFITABILITY

Cyberjaya, 29 Aug 2022 – AwanBiru Technology Berhad (**Awantec** or the Group), a leading Technology and Talent Digitalization Enabler, today reported its fourth quarter (Q4) results for the financial year ended 30 June 2022 (FY2022) to Bursa Malaysia Securities Berhad, recording higher revenue from both Software & Services and Talent segments.

The Group Q4FY2022 revenue increased RM9.4 million, to RM12.2 million from RM2.8 million recorded in Q4FY2021. A healthy Profit Before Taxation of RM266,000 was also recorded for Q4FY2022 against a loss before taxation of RM1.8 million in Q4 FY2021.

For the 12 months period under review, the Group managed to significantly strengthen its financial performance by recording a Gross Profit of RM27.6 million in FY2022, a huge jump from RM19.8 million recorded in FY2021. This was underpinned by improved margins from higher value-added products and service offerings. While revenue shrunk from RM104.9 million in FY2021 to RM90.4 million in FY2022, mainly attributable to the rebuilding stage of its pivot to the cloud following the expiry of the MLA for Software & Services segment, ***the Group recorded a turnaround in its core business from a loss before tax of RM6.5 million in FY2021 to a profit before tax of RM5.2 million in FY2022.***

Good Growth Seeding New Opportunities

The two significant contracts from Ministry of Education (“MOE”) and Pernec Integrated Network Systems Sdn. Bhd. (“Pernec”) announced in 1H FY2022 have accelerated the Group’s working capital requirements for FY2022. Nevertheless, the ensuing revenue stream over the term of these contracts will replenish cashflow and see less reliance on cash reserves to fund operations.

“We remain confident that our year-on-year revenue and core operating profits since our pivot to the cloud will continue to show improvements. We will leverage our recent success and inroads with clients to build on our deal pipeline and focus on its conversion into our orderbook.”, said Dato’ Syed Naqiz Shahabuddin, Chairman of Awantec.

“Recently, with Malaysia being included as 12th Google Cloud Region in APAC (i.e 3rd in SEA), we are confident that Google Cloud expansion will strengthen our proposition as a Managed Service Provider (MSP) to the Government of Malaysia, as well as a Google Cloud



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Authorised Training Partner (ATP) in Malaysia. ***This buildout will enhance Awantec's capabilities in terms of delivering better customer experiences, in a quick and secure manner.*** We are cautiously optimistic as our contribution from new business including but not limited to our partnership with Google and existing opportunities in the Talent segment have demonstrated good growth from FY2021 to this FY2022 while we continue to seed new opportunities.”, added Dato' Syed Naqiz.

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

Awantec is a leading Technology and Talent Digitalisation Enabler 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, 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), Platforms as a Service (PaaS), Software as a Service (SaaS) and Anything as a Service (XaaS). While under its Talent business, Awantec provides 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 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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