



AwanBiru Technology Berhad
(Formerly known as Prestariang Berhad)

[Registration No. 201001038336]
(Incorporated in Malaysia)

Unaudited Interim Financial Report
For the Quarter and Year Ended 30 June 2021

AWANBIRU TECHNOLOGY BERHAD(Formerly known as Prestariang Berhad)

(Registration No.201001038336)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE QUARTER AND YEAR ENDED 30 JUNE 2021**

	Note	Individual Quarter		Cumulative Period	
		Current Year Quarter 30/6/2021 RM'000	Preceding Year Quarter 30/6/2020 RM'000 (Restated)	Current Year To Date 12 months 30/6/2021 RM'000	Preceding Year To Date 12 months 30/6/2020 RM'000 (Restated)
CONTINUING OPERATIONS					
Revenue		2,808	61,269	104,909	152,905
Cost of sales		(3,643)	(55,190)	(85,123)	(131,139)
Gross profit		(835)	6,079	19,786	21,766
Other income		5,125	476	23,799	545
Administrative expenses		4,290	6,555	43,585	22,311
Other expenses		(5,154)	(6,867)	(20,957)	(21,690)
Finance costs		(479)	(1,694)	(8,520)	(3,712)
		(458)	(1,189)	(2,992)	(4,863)
(Loss)/profit before taxation	B6	(1,801)	(3,195)	11,116	(7,954)
Income tax expense	B7	1,418	(247)	(496)	(1,215)
(Loss)/profit after taxation from continuing operations		(383)	(3,442)	10,620	(9,169)
DISCONTINUED OPERATIONS					
Loss after taxation from discontinued operations		-	(4,243)	(1,271)	(8,858)
(Loss)/profit after taxation		(383)	(7,685)	9,349	(18,027)
Other comprehensive expense		-	(144)	-	(694)
Total comprehensive (expenses)/income for the financial period		(383)	(7,829)	9,349	(18,721)
(Loss)/profit after taxation attributable to:-					
Owners of the Company:					
Continuing operations		(547)	(3,903)	11,149	(9,446)
Discontinued operations		-	(4,243)	(1,271)	(8,858)
		(547)	(8,146)	9,878	(18,304)
Non-controlling interest:		164	461	(529)	277
		(383)	(7,685)	9,349	(18,027)
Total comprehensive (expenses)/income attributable to:					
Owners of the Company:					
Continuing operations		(547)	(4,047)	11,149	(10,140)
Discontinued operations		-	(4,243)	(1,271)	(8,858)
		(547)	(8,290)	9,878	(18,998)
Non-controlling interest:		164	461	(529)	277
		(383)	(7,829)	9,349	(18,721)
(Loss)/earnings Per Share attributable to owners of the Company (Sen)					
Basic:	B13				
Continuing operations		(0.04)	(0.81)	1.68	(1.95)
Discontinued operations		-	(0.88)	(0.19)	(1.83)

The unaudited Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the Audited Financial Statements for the financial period from 1 July 2019 to 30 June 2020 and the accompanying explanatory notes attached to these interim financial statements.

AWANBIRU TECHNOLOGY BERHAD (Formerly known as Prestariang Berhad)
(Registration No.201001038336)
UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
AS AT 30 June 2021

	Note	Unaudited As at 30/6/2021 RM'000	Audited As at 30/6/2020 RM'000 Restated
ASSETS			
NON-CURRENT ASSETS			
Property and equipment		11,484	23,194
Investment properties		11,430	27,510
Development cost		32	43
		22,946	50,747
CURRENT ASSETS			
Contract costs		356	4,297
Trade and other receivables	B3	314,852	229,273
Short-term investment		40	40
Cash and bank balances		40,554	12,347
Current tax assets		69	69
		355,871	246,026
Assets of disposal group classified as held for sale		24,200	5,695
		380,071	251,721
TOTAL ASSETS		403,017	302,468
LIABILITIES AND EQUITY			
CURRENT LIABILITIES			
Trade and other payables	B3	162,243	72,127
Borrowings	B9	3,864	39,884
Current tax liabilities		288	1,421
Contract liabilities		8,100	16,161
		174,495	129,593
Liabilities of disposal group classified as held for sale		-	13,422
		174,495	143,015
NON-CURRENT LIABILITIES			
Borrowings	B9	20,435	24,315
Deferred tax liabilities		16,869	16,869
		37,304	41,184
TOTAL LIABILITIES		211,799	184,199
NET ASSETS		191,218	118,269
EQUITY			
Share capital		176,641	133,803
Other reserve		(3,366)	(3,366)
Warrant reserve		19,842	-
Employee share reserve		920	-
Accumulated losses		(15,112)	(24,990)
Total equity attributable to owners of the Company		178,925	105,447
Non-controlling interest		12,293	12,822
TOTAL EQUITY		191,218	118,269
TOTAL LIABILITIES & EQUITY		403,017	302,468
NET ASSETS PER SHARE ATTRIBUTABLE TO OWNERS OF THE COMPANY (SEN)		22.69	21.79

The unaudited Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the financial period from 1 July 2019 to 30 June 2020 and the accompanying explanatory notes attached to these interim financial statements.

AWANBIRU TECHNOLOGY BERHAD(Formerly known as Prestariang Berhad)
(Registration No.201001038336)
UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CHANGE IN EQUITY
FOR THE QUARTER AND YEAR ENDED 30 JUNE 2021

	←-----Non-distributable-----→						Distributable (Accumulated Losses)/ Retained Profits	Attributable to owners of the Company	Non- controlling Interest	Total Equity
	Share Capital RM'000	Warrant Reserve RM'000	Employee share Option Reserve RM'000	Treasury Shares RM'000	Fair Value Reserve RM'000	Merger Deficit RM'000	RM'000	RM'000	RM'000	RM'000
At 30 June 2019 /1 July 2019										
- As previously reported	119,700	-	-	(3,366)	(7,630)	(10,800)	10,534	108,438	11,711	120,149
- Prior year adjustments	-	-	-	-	-	10,800	(8,896)	1,904	834	2,738
- As restated	119,700	-	-	(3,366)	(7,630)	-	1,638	110,342	12,545	122,887
Loss after taxation	-	-	-	-	-	-	(18,304)	(18,304)	277	(18,027)
Transaction with owners of the Company:-										
- Fair value changes of equity instrument	-	-	-	-	(694)	-	-	(694)	-	(694)
- Issuance of ordinary shares	14,103	-	-	-	-	-	-	14,103	-	14,103
- Disposal of other investment	-	-	-	-	8,324	-	(8,324)	-	-	-
	14,103	-	-	-	7,630	-	(8,324)	13,409	-	13,409
At 30 June 2020	133,803	-	-	(3,366)	-	-	(24,990)	105,447	12,822	118,269
Transaction with owners of the Company:-										
Profit/(loss) after taxation	-	-	-	-	-	-	9,878	9,878	(529)	9,349
Transaction with owners of the Company:-										
- Share options to employees	-	-	920	-	-	-	-	920	-	920
- Issuance of ordinary shares	42,838	19,842	-	-	-	-	-	62,680	-	62,680
At 30 June 2021	176,641	19,842	920	(3,366)	-	-	(15,112)	178,925	12,293	191,218

The unaudited Condensed Consolidated Statement of Change in Equity should be read in conjunction with the Audited Financial Statements for the financial period from 1 July 2019 to 30 June 2020 and the accompanying explanatory notes attached to these interim financial statements.

AWANBIRU TECHNOLOGY BERHAD(Formerly known as Prestariang Berhad)
(Registration No.201001038336)
UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE QUARTER AND YEAR ENDED 30 JUNE 2021

	Current 12 months 30/6/2021 RM'000	Preceding 12 months 30/6/2020 RM'000
CASH FLOWS (FOR)/FROM OPERATING ACTIVITIES		
Profit/(loss) before taxation		
Continuing operations	11,116	(5,997)
Discontinued operations	(1,271)	(9,003)
Adjustments for:		
Depreciation of property and equipment	2,405	2,576
Fair value gain on investment properties	(981)	-
Gain on disposal of a subsidiary company	(21,244)	(20)
Provision for Long Term Incentive Plan	920	-
Impairment loss of property and equipment	3,041	-
Impairment loss of trade and other receivables	1,428	3,042
Impairment loss of contract costs	1,628	-
Interest income	(545)	(96)
Interest expense	2,992	4,701
Operating loss before working capital changes	(511)	(4,797)
Working capital changes:-		
Changes in contract costs	2,313	14,182
Changes in trade and other receivables	(62,398)	(29,884)
Changes in contract liabilities	(8,061)	2,868
Changes in trade and other payables	76,692	3,796
CASH FLOW FROM/(FOR) OPERATING ACTIVITIES	8,035	(13,835)
Interest paid	(2,992)	(4,701)
Income tax paid	(1,795)	(54)
NET CASH FLOW FROM/(FOR) OPERATING ACTIVITIES	3,248	(18,590)
CASH FLOWS (FOR)/FROM INVESTING ACTIVITIES		
Proceed from disposal of equity interest in other investment	-	7,732
Proceed from disposal of property and equipment	-	90
Purchase of property and equipment	(865)	(267)
Interest received	545	96
Proceed from disposal of a subsidiary company	2,500	-
Withdrawal of deposit	1,008	(1,796)
NET CASH FLOW FROM INVESTING ACTIVITIES	3,188	5,855
CASH FLOWS FROM/(FOR) FINANCING ACTIVITIES		
Repayment of hire purchase obligations	-	(96)
Repayment of bank overdraft	(7,950)	-
Repayment of redeemable secured loan stock	(10,000)	-
Repayment of term loans	(2,789)	(2,650)
Repayment of revolving credits	(19,161)	-
Proceed from bank borrowing	-	4,766
Proceed from issuance of shares	62,680	14,102
NET CASH FLOW FROM FINANCING ACTIVITIES	22,780	16,122
Net increase in cash and cash equivalents	29,216	3,387
Cash and cash equivalents at beginning of the financial year	6,403	2,950
CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL YEAR	35,619	6,337
CASH AND CASH EQUIVALENT AT END OF THE FINANCIAL YEAR COMPRISES THE FOLLOWING:-		
Cash and bank balances	35,619	6,337
Deposits with licensed banks	4,935	5,945
	40,554	12,282
Less: Deposits pledged with licensed banks	(4,935)	(5,945)
	35,619	6,337

The unaudited Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Audited Financial Statements for the financial period from 1 July 2019 to 30 June 2020 and the accompanying explanatory notes attached to these interim financial statements.

NOTES TO THE INTERIM FINANCIAL REPORT

PART A – EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARDS 134 (“MFRS 134”)

A1. BASIS OF PREPARATION

These condensed consolidated interim financial statements have been prepared in accordance with the requirement of Malaysian Financial Reporting Standards (“MFRSs”) 134, Interim Financial Reporting and paragraph 9.22 of the Main Market Listing Requirement of Bursa Malaysia Securities Berhad. They do not include all of the information required for full annual financial statements and should be read in conjunction with the consolidated financial statements of the Group for the year ended 30 June 2020.

The accounting policies and methods of computation by the Group in this interim financial statement are consistent with those adopted in the financial statements for the period ended 30 June 2020 excepts for those standards, amendments and interpretations which are effective from the annual period beginning on or after 1 January 2020.

At the beginning of the current financial year, the Group adopted new MFRSs, Amendments to MFRSs and an IC Interpretation (collectively referred to as "pronouncements") that have been issued by the MASB and are applicable as listed below: -

- Amendments to MFRS 3, Business Combinations – Definition of a Business
- Amendments to MFRS 101, Presentation of Financial Statements and MFRS 108, Accounting Policies, Changes in Accounting Estimates and Errors – Definition of Material Amendments to MFRS 11, Joint Arrangements
- Amendments to MFRS 9 Financial Instruments, MFRS 139 Financial Instruments: Recognition and Measurement and MFRS 7 Financial Instruments: Disclosure – Interest Rate Benchmark Reform
- Amendment to MFRS 16, Leases – Covid-19 – Related Rent Concessions

The Group expect that the adoption of the above standards and interpretations will have no material impact on the financial statements in the year of initial application.

A2. CHANGES IN ACCOUNTING POLICIES

At the date of authorisation of these interim financial statements, the following MFRSs, Amendments to MFRSs and Issues Committee (“IC”) Interpretations were issued but not yet effective and have not been applied by the Group:-

MFRSs and/or IC Interpretations (Including The Consequential Amendments)	Effective Date
• MFRS 17, Insurance Contracts	1 January 2021
• Amendments to MFRS 3: Definition of a Business	1 January 2022
• Amendments to MFRS 3: Reference to the Conceptual Framework	1 January 2022
• Amendments to MFRS 4: Extension of the Temporary Exemption from Applying MFRS 9	17 August 2020
• Amendments to MFRS 9, MFRS 139 and MFRS 7: Interest Rate Benchmark Reform	1 January 2020
• Amendments to MFRS 10 and MFRS 128: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred
• Amendment to MFRS 17 Insurance Contracts	1 January 2023
• Amendment to MFRS 101 and MFRS 108: Definition of Material	1 January 2020
• Amendments MFRS 101: Classification of Liabilities as Current or Non-Current	1 January 2023
• Amendments to MFRS 116: Property, Plant and Equipment-Proceed before Intended Use	1 January 2022
• Amendments to MFRS 137: Onerous Contracts-Cost of Fulfilling a Contract	1 January 2022
• Amendments to References to the Conceptual Framework in MFRS Standards	1 January 2020
• Annual Improvement to MFRS Standards 2018-2020	1 January 2022

The adoption of the above standards and amendments are not expected to have any material financial impact to the Group upon their first adoption.

A3. AUDITORS' REPORT ON PRECEDING ANNUAL FINANCIAL STATEMENTS

The auditors' report on the audited annual financial statements for the financial year ended 30 June 2020 was not qualified.

A4. SEASONAL OR CYCLICAL FACTORS

The business operations of the Group for the quarter ended 30 June 2021 have not been affected by any seasonal or cyclical factors.

A5. ITEMS OF UNUSUAL NATURE, SIZE OR INCIDENT

There were no material unusual items or events affecting the assets, liabilities, equity, net income or cash flow during the current financial quarter ended 30 June 2021.

A6. CHANGES IN ESTIMATES

There were no material changes in estimates of amounts reported in prior financial years that have a material effect to this interim financial report.

A7. CHANGES IN DEBT AND EQUITY SECURITIES

There was no issuance, cancellation, repurchase, resale and repayment of debt and equity securities during the current financial quarter.

A8. VALUATION OF PROPERTY AND EQUIPMENT

There was no revaluation of the property and equipment in the current financial quarter.

A9. DIVIDENDS PAID

There was no dividend paid during the current financial quarter.

A10. SEGMENTAL INFORMATION

The Group's business segments reflect the internal reporting structure as follow:

- a) **Software & Services and Talent** - distribution and managing software licensing and providing ICT and O&G training and certification.
- b) **Education** - provide specialised computer science and engineering education. It offers computer studies ranging from foundation, diploma, degree, post graduate masters and PhD.
- c) **Employment services** - Human resource management services for foreign workers' recruitment and documentation services.
- d) **Concession** - delivery of total solution for the integrated and comprehensive core immigration system which includes design, customise, install, configure, test, commission and maintenance throughout the concession period.
- e) **Others** - Comprise of the holding company which is involved in investment holding and its inactive subsidiary companies.

AWANBIRU TECHNOLOGY BERHAD (FORMERLY KNOWN AS PRESTARIANG BERHAD)
(Registration No. 201001038336)
UNAUDITED INTERIM FINANCIAL REPORT FOR THE QUARTER AND YEAR ENDED 30 JUNE 2021

A10. SEGMENTAL INFORMATION (CONT'D)

	RESULTS FOR 3 MONTHS ENDED 30 JUNE 2021 (UNAUDITED)					RESULTS FOR 3 MONTHS ENDED 30 JUNE 2020 (UNAUDITED)						
	Software & Services and Talent RM'000	Education RM'000	Employment Services RM'000	Concession RM'000	Others RM'000	Total RM'000	Software & Services and Talent RM'000	Education RM'000	Employment Services RM'000	Concession RM'000	Others RM'000	Total RM'000
Continuing Operations												
Revenue						Revenue						
External revenue	2,786	-	22	-	-	2,808	61,035	-	234	-	-	61,269
Inter-segment revenue	-	-	-	-	(2,750)	(2,750)	-	-	-	1,000	-	1,000
Segment revenue	2,786	-	22	-	(2,750)	58	61,035	-	234	-	1,000	62,269
Consolidation adjustments						2,750						(1,000)
Consolidated revenue						2,808						61,269
Results						Results						
Segment profit/(loss)												
before interest and taxation	(1,529)	-	(100)	2,912	(2,626)	(1,343)	1,220	-	(176)	(717)	(1,890)	(1,563)
Finance costs						(458)						(1,189)
Consolidation adjustments						-						(443)
Consolidated loss before taxation						(1,801)						(3,195)
Discontinued Operations						Discontinued Operations						
Segment loss												
before interest and taxation	-	-	-	-	-	-	-	(4,686)	-	-	-	(4,686)
Consolidation adjustments						-						443
before interest and taxation	-	-	-	-	-	-	-	(4,686)	-	-	-	(4,243)
Total profit/(loss) before interest and taxation	(1,529)	-	(100)	2,912	(2,626)	(1,343)	1,220	(4,686)	(176)	(717)	(1,890)	(6,249)
Finance costs						(458)						(1,189)
Consolidation adjustments						-						-
Total Loss Before Taxation						(1,801)						(7,438)

AWANBIRU TECHNOLOGY BERHAD (FORMERLY KNOWN AS PRESTARIANG BERHAD)
(Registration No. 201001038336)
UNAUDITED INTERIM FINANCIAL REPORT FOR THE QUARTER AND YEAR ENDED 30 JUNE 2021

A10. SEGMENTAL INFORMATION (CONT'D)

	RESULTS FOR 12 MONTHS ENDED 30 JUNE 2021 (UNAUDITED)						RESULTS FOR 12 MONTHS ENDED 30 JUNE 2020 (UNAUDITED)					
	Software & Services and Talent RM'000	Education RM'000	Employment Services RM'000	Concession RM'000	Others RM'000	Total RM'000	Software & Services and Talent RM'000	Education RM'000	Employment Services RM'000	Concession RM'000	Others RM'000	Total RM'000
<u>Continuing Operations</u>												
Revenue												
External revenue	104,679	-	230	-	-	104,909	148,465	-	4,440	-	-	152,905
Inter-segment revenue	-	-	-	-	1,000	1,000	-	-	-	-	1,000	1,000
Segment revenue	104,679	-	230	-	1,000	105,909	148,465	-	4,440	-	1,000	153,905
Consolidation adjustments						(1,000)						(1,000)
Consolidated revenue						104,909						152,905
Results												
Segment profit/(loss)						15,184						(2,255)
before interest and taxation	6,469	-	(366)	1,420	7,661	15,184	7,160	-	(58)	(1,516)	(7,841)	(2,255)
Finance costs						(2,992)						(4,863)
Consolidation adjustments						(1,076)						(836)
Consolidated profit before taxation						11,116						(7,954)
<u>Discontinued Operations</u>												
Segment loss						(2,347)						(9,694)
before interest and taxation	-	(2,347)	-	-	-	(2,347)	-	(9,694)	-	-	-	(9,694)
Consolidation adjustments						1,076						836
before interest and taxation	-	(2,347)	-	-	-	(1,271)	-	(9,694)	-	-	-	(8,858)
Total profit/(loss) before interest and taxation	6,469	(2,347)	(366)	1,420	7,661	12,837	7,160	(9,694)	(58)	(1,516)	(7,841)	(11,949)
Finance costs						(2,992)						(4,863)
Consolidation adjustments						-						-
Total Profit Before Taxation						9,845						(16,812)

A11. MATERIAL EVENTS SUBSEQUENT TO THE END OF INTERIM QUARTER

Other than as disclosed under Note [B7], there were no items, transactions or events of a material and unusual nature that have arisen since 30 June 2021 to the date of this announcement which would substantially affect the financial results of the Group for the current financial quarter that have not been reflected in the condensed financial statements.

A12. CHANGES IN COMPOSITION OF THE GROUP

On 2 April 2021, the Company has announced that Prestariang Tech Services Sdn. Bhd. ("PTSSB"), a wholly-owned subsidiary of Prestariang Services Sdn. Bhd., which in turn is a subsidiary of the Company, is undergoing Creditors' Voluntary Winding Up where Mr. Lim Tian Huat and Mr. Chiang Teng Guan of Messrs. Rodgers Reidy & Co. will be appointed as the Joint and Several Interim Liquidators.

Apart from the above, there were no other changes in the composition of the Group during the current financial quarter.

A13. CONTINGENT LIABILITIES OR CONTINGENT ASSETS

There were no contingent assets. Contingent liabilities during the financial year were as follow: -

	<u>RM'000</u>
- Performance guarantee extended by a subsidiary to third party	7,417
- Compensation to a vendor due to project termination	7,291
- Dividend payable on Redeemable Preference Shares ("RPS")	28,800
	<u>43,508</u>

A14. CAPITAL COMMITMENTS

Capital commitments of the Group in respect of property and equipment as at 30 June 2021 are as follows:

	<u>RM'000</u>
- Approved and contracted for	<u>1,678</u>

A15. SIGNIFICANT RELATED PARTY TRANSACTIONS

There were no significant related party transactions for the quarter ended 30 June 2021.

AWANBIRU TECHNOLOGY BERHAD (FORMERLY KNOWN AS PRESTARIANG BERHAD)
(Registration No. 201001038336)
UNAUDITED INTERIM FINANCIAL REPORT FOR THE QUARTER AND YEAR ENDED 30 JUNE 2021

NOTES TO THE INTERIM FINANCIAL REPORT

PART B – ADDITIONAL INFORMATION AS REQUIRED BY MAIN MARKET LISTING REQUIREMENT OF BURSA MALAYSIA SECURITIES BERHAD (PART A OF APPENDIX 9B)

B1. OPERATING SEGMENTS REVIEW

	INDIVIDUAL QUARTER				CUMULATIVE QUARTER			
	Current Quarter 30/6/2021 RM'000	Preceding Year Quarter 30/6/2020 RM'000	Variance RM'000	(%)	12 MONTHS Current Year to Date 30/6/2021 RM'000	12 MONTHS Preceding Year to Date 30/6/2020 RM'000	Variance RM'000	(%)
Segmental Revenue:								
Continuing Operations								
Software & Services and Talent								
- Software & Services	1,291	60,568	(59,277)	-98%	99,777	145,318	(45,541)	-31%
- Talent	1,495	467	1,028	220%	4,902	3,147	1,755	56%
	<u>2,786</u>	<u>61,035</u>	<u>(58,249)</u>	<u>-95%</u>	<u>104,679</u>	<u>148,465</u>	<u>(43,786)</u>	<u>-29%</u>
Employment services	22	234	(212)	-91%	230	4,440	(4,210)	-95%
Others	(2,750)	1,000	(3,750)	-375%	1,000	1,000	-	0%
	<u>58</u>	<u>62,269</u>	<u>(62,211)</u>	<u>-100%</u>	<u>105,909</u>	<u>153,905</u>	<u>(47,996)</u>	<u>-31%</u>
Inter-segment Elimination	2,750	(1,000)			(1,000)	(1,000)		
Group	<u>2,808</u>	<u>61,269</u>	<u>(58,461)</u>	<u>-95%</u>	<u>104,909</u>	<u>152,905</u>	<u>(47,996)</u>	<u>-31%</u>
Profit/(Loss) Before Taxation								
Software & Services and Talent	(1,715)	59	(1,774)	-3007%	5,378	5,904	(526)	-9%
Employment Services	(100)	(176)	76	43%	(366)	(58)	(308)	531%
Concession	2,912	(717)	3,629	506%	1,420	(1,516)	2,936	194%
Others	(2,898)	(1,918)	(980)	-51%	5,760	(11,448)	17,208	150%
	<u>(1,801)</u>	<u>(2,752)</u>	<u>951</u>	<u>35%</u>	<u>12,192</u>	<u>(7,118)</u>	<u>19,310</u>	<u>271%</u>
Inter-segment Elimination	-	(443)			(1,076)	(836)		
	<u>(1,801)</u>	<u>(3,195)</u>	<u>1,394</u>	<u>44%</u>	<u>11,116</u>	<u>(7,954)</u>	<u>19,070</u>	<u>240%</u>
Discontinued Operations								
Education	-	(4,686)	4,686	100%	(2,347)	(9,694)	7,347	76%
Inter-segment Elimination	-	443			1,076	836	240	29%
	<u>-</u>	<u>(4,243)</u>	<u>4,243</u>	<u>100%</u>	<u>(1,271)</u>	<u>(8,858)</u>	<u>7,587</u>	<u>86%</u>
Group	<u>(1,801)</u>	<u>(7,438)</u>	<u>5,637</u>	<u>76%</u>	<u>9,845</u>	<u>(16,812)</u>	<u>26,657</u>	<u>159%</u>

B1. OPERATING SEGMENTS REVIEW (CONT'D)

B1.(I) THREE (3) MONTHS RESULTS (Q4FY2021 vs Q4FY2020)

The Group revenue for the three (3) months period under review decreased from RM61.3 million to RM2.8 million in Q4FY2021, which is RM58.5 million lower than Q4FY2020 mainly attributable to the lower revenue from Software & Services and Talent segment.

The Group recorded loss before interest and tax of RM1.8 million in Q4FY2021 as compared to loss of RM7.4 million in Q4FY2020. Factors affecting the results for this quarter were as follows:

- i. Decrease in Software & Services and Talent revenue from RM61.0 million in Q4FY2020 to RM2.8 million Q4FY2021 (further explanation in note B1 (ii)).

This resulted in the loss before tax for this segment of RM1.7 million as compared to profit before tax of RM0.1 million in Q4FY2020.

- ii. Decrease in Employment services revenue from RM234,000 in Q4FY2020 to RM22,000 in Q4FY2021 mainly due to the discontinuation of its manpower management services for a project in Pengerang as the project has been completed. The segment recorded a loss before tax of RM100,000 in Q4FY2021 as compared to loss before interest and tax of RM176,000 in Q4FY2020.

- iii. The Concession segment has ceased operation in January 2019 and has stopped incurring operational cost since the end the financial period ended 30 June 2019. This segment recorded profit before tax of RM2.9 million in Q4FY2021 as compared to loss of RM0.7 million in Q4FY2020 mainly due to one-off gain on disposal of subsidiary, following the deconsolidation of a subsidiary Prestariang Tech Services Sdn.Bhd ("PTSSB") resulting from Creditors' voluntary winding up (as explained in note A12).

B1. OPERATING SEGMENTS REVIEW (CONT'D)

B1(ii) Current year vs Corresponding preceding year (FY2021 vs FY2020)

The Group revenue for the year under review decreased from RM152.9 million to RM104.9 million, which is lower by RM48.0 million mainly attributable to the lower revenue from Software & Services and Talent segment.

The Group recorded profit before tax of RM9.8 million for the year under review as compared to a loss of RM16.8 million in FY2020 mainly due to the following:

- i. Software & Services and Talent segment recorded revenue of RM104.7 million in FY2021, a decrease of RM43.8 million or 29% from FY2020 of RM148.5 million. This segment's revenue was impacted due to the dual effect of the expiry of the Master Licensing Agreement ("MLA") with the Government of Malaysia and the discontinuation by Microsoft of our wholly owned subsidiary, Prestariang Systems Sdn Bhd ("PSSB")'s membership in the Microsoft Partner Network effective 31 January 2021.

The profit before tax for this segment was lower by 9% as compared to FY2020 mainly due to lower revenue earned in FY2021.

- ii. Employment services recorded lower revenue of RM0.2 million in FY2021 as compared to RM4.4 million in FY2020 mainly due to the discontinuation of its manpower management services for a project in Pengerang as the project has been completed. The segment recorded a loss before tax of RM366,000 compared to a loss before tax of RM58,000 in FY2020.
- iii. The Concession segment has ceased operation in January 2019 and has stopped incurring operational cost since the end of the financial period ended 30 June 2019. This segment recorded profit before tax of RM1.4 million in FY2021 as compared to a loss of RM1.5 million in FY2020 mainly due to one-off gain on disposal of subsidiary, following the deconsolidation of a subsidiary Prestariang Tech Services Sdn.Bhd ("PTSSB") resulting from Creditors' voluntary winding up (as explained in note A12) offset with operating expense mainly from legal and professional services cost relating to the claim against The Government of Malaysia ("GOM") as well as statutory and compliance cost.
- iv. Others recorded a revenue of RM1.0 million from the holding company charging subsidiaries management fees for the Group shared services cost. The substantial profit before tax of RM5.8 million for this segment compared to a loss of RM11.4 million in FY2020 is mainly due to the net impact of a one-off gain from disposal of PESB of RM17.6 million less one-off provision of impairment loss for property and equipment amounting to RM3.0 million.

B2. COMPARISON WITH IMMEDIATE PRECEDING QUARTER'S RESULTS

	Current Quarter 30/6/2021 RM'000	Immediate Preceding Quarter 31/3/2021 RM'000	Variance RM'000	(%)
<u>Segmental Revenue:</u>				
<u>Continuing Operations</u>				
Software & Services and Talent				
- Software & Services	1,291	26,958	(25,667)	-95%
- Talent	1,495	1,495	-	0%
	<u>2,786</u>	<u>28,453</u>	<u>(25,667)</u>	<u>-90%</u>
Employment services	22	54	(32)	-59%
Others	<u>(2,750)</u>	<u>1,250</u>	<u>(4,000)</u>	<u>-320%</u>
	58	29,757	(29,699)	-100%
Inter-segment Elimination	2,750	(1,250)		
Group	<u>2,808</u>	<u>28,507</u>	<u>(25,699)</u>	<u>-90%</u>
<u>(Loss)/Profit Before Taxation</u>				
Software & Services and Talent	(1,715)	2,082	(3,797)	-182%
Employment services	(100)	(63)	(37)	-59%
Concession	2,912	(499)	3,411	684%
Others	<u>(2,898)</u>	<u>(526)</u>	<u>(2,372)</u>	<u>451%</u>
	(1,801)	994	(2,795)	-281%
Inter-segment Elimination	-	-		
Group	<u>(1,801)</u>	<u>994</u>	<u>(2,795)</u>	<u>-281%</u>

The Group recorded a loss before tax of RM1.8 million in Q4FY2021 as compared to a profit before tax of RM1.0 million in Q3FY2021 mainly due to decrease in Software & Services revenue from RM27.0 million in Q3FY2021 to RM1.3 million in Q4FY2021 offset with one-off gain on disposal of subsidiary, following the deconsolidation of a subsidiary Prestariang Tech Services Sdn.Bhd ("PTSSB") resulting from Creditors' voluntary winding up.

B3. DECONSOLIDATION OF A SUBSIDIARY

Included in the Group Consolidated Statements of Financial Position are Trade and Other Receivables of RM123,318,000 due from PTSSB and Trade and Other Payables of RM149,416,000 due to PTSSB previously eliminated on consolidation following the deconsolidation of PTSSB resulting from Creditors' voluntary winding up (as explained in note A12).

B4. PROSPECTS FOR THE FINANCIAL YEAR ENDING 30 JUNE 2021

Strong cash position

We have embarked on and made substantial progress in our rationalisation plan to monetize non-core assets and reduce operating cost since 2019. This is evidenced by disposals of non-core assets and loss-making operations which has improved our overall cashflow.

In November 2020, we concluded the disposal of our entire equity interest in loss making PESB. We have also completed the fund-raising exercise from placement of shares and rights issue of shares in November 2020 where we raised gross proceeds of RM63.2 million. We have announced in February 2021 the disposal of our office building in Cyberjaya for RM24.2 million. When completed, the disposal is expected to result in annual cash saving of RM3.4 million plus surplus cash of approximately RM6.0 million from the sale which will be channeled as working capital for operations. Recently in August 2021, we also completed the sale of our 51% equity interest in loss making Prestariang O&G Sdn Bhd.

We also achieved positive net operating cashflow of RM3.2 million for the financial year ended 30 June 2021.

The strong cash position from the fund-raising exercise, monetization of non-core assets and cash from operations will give us the resilience needed as we rebuild our business with new product lines and services in the coming quarters.

Rebuilding revenue base with more products and service offerings

We have the necessary capital and buffer to remain resilient as we rebuild our business with new products and services. In February 2021, our wholly owned subsidiary PSSB, was appointed by Google as their exclusive Managed Service Provider ("MSP") to the Government of Malaysia in relation to their empanelment by the Malaysian Administrative Modernisation and Management Planning Unit ("MAMPU") to support government agencies with Google Cloud Platform and Google Workspace. The appointment is 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.

On 8th July 2021, PSSB secured a RM22.8 million contract from the Ministry of Education to supply G Suite Enterprise for Education SaaS to public schools in Malaysia for a term of 3 years. This shows the increased acceptance of our products and services by our customers as they move towards the Cloud in their drive towards digital adoption.

B4. PROSPECTS FOR THE FINANCIAL YEAR ENDING 30 JUNE 2021 (CONT'D)

Equipped with a wider range of products and services from our principals, we are going deeper in our relationship with our customers from mostly managing software licenses into providing multiple Cloud products and services and change management to improve the customers' operational process and drive innovation into their digital transformation journey. We have also expanded our talent business from training to include job placement and upskilling and reskilling.

Outlook

For the financial year ended 30 June 2021, a substantial portion of the Profits reported relate to the exceptional gain arising from the disposal of UNIMY. In addition to that, revenue contributed from the sale of Microsoft products and services accounted for more than 90% of our Group's total revenue. As such, we expect that the expiry of the Master Licensing Agreement ("MLA") with the Government of Malaysia and the discontinuation by Microsoft of our wholly owned subsidiary, PSSB's membership in the Microsoft Partner Network effective 31 January 2021 will impact our Group's performance in the immediate term. We recently announced our appointment by GOOGLE as their exclusive MSP to the Government of Malaysia and having seen strong traction from our customers towards our new wider range of Cloud-based services, we expect to accelerate the transition and adoption of our offering by our clients as they pivot towards digitalization underpinned by the Cloud. This is evidenced by the RM22.8 million 3-year contract we recently secured from the Ministry of Education on 8th July 2021 to supply G Suite Enterprise for Education SaaS to public schools in Malaysia.

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. On this premise, our Board is of the view that our Group is in good position to capitalise on the task of meeting the market requirement for technology and talent services to spearhead our business growth.

B5. VARIANCE ON PROFIT FORECAST/PROFIT GUARANTEE

The Group did not issue any profit forecast or profit estimate previously in any public document.

B6. PROFIT/(LOSS) BEFORE TAXATION

Profit/(loss) before taxation is derived after taking into consideration of the following:

	<u>Individual Quarter</u>		<u>Cumulative Quarter</u>	
	<u>Current Year Quarter</u>	<u>Preceding Year Quarter</u>	<u>12 months Current Year To Date</u>	<u>12 months Preceding Year To Date</u>
	<u>30/6/2021</u>	<u>30/6/2020</u>	<u>30/6/2021</u>	<u>30/6/2020</u>
	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>
Interest expense	458	1,189	2,992	4,863
Depreciation and amortisation	518	71	2,405	2,576
Foreign exchange loss/(gain)	244	390	(120)	452
Impairment losses:				
Trade and other receivables	939	3,771	1,428	3,771
Property and equipment	(2,014)	288	3,041	288
Contract cost	1,328	-	1,628	-
Gain from disposal of subsidiary companies	(3,615)	-	(21,244)	-

B7. INCOME TAX EXPENSE

The Group consolidated tax expense was computed based on the respective company's results separately. Certain companies within the Group reported profits before tax and therefore were taxable.

	<u>Individual Quarter</u>		<u>Cumulative Quarter</u>	
	<u>Current Year Quarter</u>	<u>Preceding Year Quarter</u>	<u>12 months Current Year To Date</u>	<u>12 months Preceding Year To Date</u>
	<u>30/6/2021</u>	<u>30/6/2020</u>	<u>30/6/2021</u>	<u>30/6/2020</u>
	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>
Malaysia tax:				
- for the current year	(1,529)	247	-	971
- Under provision in prior year	111	-	496	244
	<u>(1,418)</u>	<u>247</u>	<u>496</u>	<u>1,215</u>

B8. STATUS OF CORPORATE PROPOSALS

The Company is implementing the following proposals that form part of the Group's rationalisation plan:

1. Proposed multi proposals

The status of utilisation of the proceed from the Private Placement and Rights Issue as at 30 June 2021 is as follows:

Description	Estimated timeframe for utilisation upon listing	Proposed utilisation (RM'000)	Actual utilisation (RM'000)	Balance (RM'000)
Working capital for expansion of existing business	Within 12 months	28,309	14,500	13,809
Business expansion for new product offering and services	Within 12 months	17,513	-	17,513
Full repayment of advances from Directors as well as redemption of the RSLs	Within 3 months	16,500	16,500	-
Estimated expenses in relation to the Corporate Exercises	Upon completion	900	900	-
Total Gross Proceed		63,222	31,900	31,322

i. Long term incentive plan ("LTIP")

The Company had, on 25 January 2021, announced that the effective date for the LTIP has been fixed to commence on 25 January 2021. The LTIP comprises the establishment of an employee share option scheme and share grant plan of up to 15% of the issued share capital of the Company at any point in time during the duration of the LTIP for eligible directors and employees of the Company and its subsidiaries.

To that end, the Company announced on 16 April 2021 that it had on 16 April 2021 made the first offer of 3,570,100 options to eligible directors and employees of the Awantec Group and its subsidiary companies (the "LTIP Options") in accordance to the By-Laws of the LTIP at the purchase price of RM1.02. The vesting period of the LTIP Options offered is from 16 May 2021 to 15 May 2022.

B8. STATUS OF CORPORATE PROPOSALS (CONT'D)

2. Proposed scheme of arrangement

On 24 August 2020, Prestariang SKIN Sdn. Bhd. ("PSKIN"), a subsidiary of the Company, made an application pursuant to Section 366 of the Companies Act 2016 (the "Act"), for a proposed scheme of arrangement between PSKIN and its scheme creditors pursuant to Section 366 of the Act, to be put forward to the creditors at court convened meetings (the "Proposed Scheme"). The Proposed Scheme is in relation to PSKIN only. The purpose of the Proposed Scheme is to preserve the going concern of PSKIN while it carries on with negotiations and legal action to seek compensation from the Government of Malaysia for the termination of the SKIN contract. The application, if granted, is not expected to have any material impact on the financial and operational matters of the Company and its subsidiaries. Further, the Proposed Scheme does not involve any lenders of PSKIN or the Prestariang Group.

On 2 December 2020, the High Court of Malaya has granted the approval of the Proposed Scheme today, pursuant to the application filed by PSKIN dated 11 November 2020.

3. Proposed disposal of a property

On 8 February 2021, the company announced that its wholly-owned subsidiary, Prestariang Systems Sdn Bhd ("PSSB"), has entered into conditional sale and purchase agreements ("SPAs") with Serba Dinamik Group Berhad (the "Purchaser"), for the disposal of one Eight (8) Storey stratified corporate office building known as Block 12, Corporate Park, Star Central @ Cyberjaya erected on part of all that piece of freehold land held under Master Title Geran 339485, Lot 111284, Bandar Cyberjaya, Daerah Sepang, Negeri Selangor Darul Ehsan together with its attached fixtures and fittings as listed in the SPA's for a total cash consideration of Ringgit Malaysia Twenty Four Million Two Hundred Thousand (RM24,200,000.00) only (the "Proposed Disposal").

The Purchaser had on 15 July 2021 written to PSSB requesting for an extension of time to pay the Balance Purchase Price (the "Request"). PSSB is currently reviewing and in discussions with the Purchaser on the Request.

The Company will make the necessary announcements once terms have been finalized with the Purchaser.

4. Creditor's Voluntary Liquidation

On 2 April 2021, the Company announced that Prestariang Tech Services Sdn. Bhd. ("PTSSB"), a wholly-owned subsidiary of Prestariang Services Sdn. Bhd., which in turn is a subsidiary of the Company, was undergoing a Creditors' Voluntary Winding Up, where: -

- (i) Mr. Lim Tian Huat and Mr. Chiang Teng Guan of Messrs. Rodgers Reidy & Co. will be appointed as the Joint and Several Interim Liquidators on 2 April 2021 to commence the Creditors' Voluntary Winding Up proceedings pursuant to Section 440(1) of the Companies Act 2016; and

B8. STATUS OF CORPORATE PROPOSALS (CONT'D)

- (ii) the first meeting of PTSSB and its creditors (the “**First Creditor’s Meeting**”) is scheduled to be held within thirty (30) days from 2 April 2021.

Mr. Lim Tian Huat and Mr. Chiang Teng Guan of Messrs. Rodgers Reidy & Co. were appointed as the Joint and Several Liquidators for the Creditors’ Voluntary Winding Up of PTSSB by a resolution of the Company and its Creditors at the First Creditor’s Meeting on 3 May 2021.

The Creditors’ Voluntary Winding Up is part of an overall debt management exercise undertaken by the Company for the wholly-owned subsidiaries of Prestariang Services Sdn. Bhd. (namely PSKIN and PTSSB) following the termination of the SKIN Project. Furthermore, PTSSB cannot by reason of its liabilities continue its business as usual.

B9. BORROWINGS

The Group’s borrowing and debts securities as at 30 June 2021 are as follows:

	Long term borrowing			Short term borrowing			Total (RM'000)
	Secured	Unsecured	Total	Secured	Unsecured	Total	
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	
<u>Borrowings</u>							
- Term Loans	20,283	-	20,283	3,864	-	3,864	24,147
<u>Debts securities</u>							
- RPS "A"	152	-	152	-	-	-	152
Total	20,435	-	20,435	3,864	-	3,864	24,299

B10. MATERIAL LITIGATION

The Group has filed and served its Originating Summons (“OS”) dated 15 April 2019 against the Government of Malaysia (“GOM”) as Defendant claiming the amount of RM733 million in relation to the termination of the Sistem Kawalan Imigresen Nasional (“SKIN”) by expropriation.

On 30 October 2019, the High Court Judge dismissed GOM's application to convert PSKIN's OS to a Writ action and awarded costs to Prestariang SKIN Sdn. Bhd. (“PSKIN”). In dismissing GOM’s application, the Judge held, among others, that the termination of the Concession Agreement by expropriation is not in dispute. The only point for the determination of the Court is the amount to be paid by GOM as a consequence of the expropriation. The Concession Agreement provides for a contractual formula to determine the amount to be paid. As such, there are no disputes of fact to warrant a trial.

B10. MATERIAL LITIGATION (CONT'D)

GOM appealed against the High Court Judge's decision dismissing its application. On 10 June 2020, the Court of Appeal found that there was no merit to GOM's appeal and awarded costs PSKIN. In dismissing GOM's appeal, the Court of Appeal held that GOM would not suffer any prejudice with PSKIN's action continuing by way of OS in light of the directions given by the High Court Judge to allow for the cross-examination of the various deponents as well as for expert evidence to be tendered.

On 23 July 2020, PSKIN's Originating Summons ("OS") was transferred to a new High Court Judge. The OS was heard before the Court on 22 January 2021, 29 January 2021, 26 February 2021, 9 April 2021 and 20 May 2021.

During the case management of the Originating Summons on 6 August 2021 before the High Court (initially fixed for hearing but was converted to a Case Management by the High Court), the High Court directed as follows: -

- (i) vacated the upcoming hearings previously fixed on 18 and 19 August 2021;
- (ii) fixed Case Management on 21 October 2021; and
- (iii) fixed new hearing dates on 2, 3, 29 and 30 November 2021 and 7, 8 and 10 December 2021.

The Group remains positive on the compensation amount based on the formula stipulated under the Concession Agreement. Based on the above, the management is confident that there is no impairment necessary for the period under review.

Separately, PSKIN and GOM have also agreed to refer the dispute in respect of PSKIN's Originating Summons to court-annexed mediation conducted by the Kuala Lumpur Court Mediation Centre ("**Mediation Centre**"). The parties agreed that the mediation process shall proceed concurrently with the court proceedings. On 30 October 2019, representatives from PSKIN and GOM (with parties' respective Counsel) attended the first mediation session. A further mediation session between the parties has yet to be fixed.

B11. FAIR VALUE HIERARCHY

There were no transfers between any levels of the fair value hierarchy took place during the current quarter and the comparative period. There was also no change in the purpose of any financial asset that subsequently resulted in a different classification of that asset.

B12. PROPOSED DIVIDEND

No interim dividend has been declared for the current quarter ended 30 June 2021.

B13. (LOSS)/EARNINGS PER SHARE

	<u>Individual Quarter</u>		<u>Cumulative Quarter</u>	
	Current Year Quarter 30/6/2021	Preceding Year Quarter 30/6/2020	12 months Current Year To Date 30/6/2021	12 months Preceding Year To Date 30/6/2020
Profit/(loss) after taxation attributable to owners of the Company (RM'000)	(547)	(8,146)	9,878	(18,304)
Weighted average number of ordinary shares in issue ('000)	788,652	484,000	677,419	484,000
Basic earning/(loss) per share (sen):				
-Continuing operations	(0.04)	(0.81)	1.68	(1.95)
-Discontinued operations	-	(0.88)	(0.19)	(1.83)

B14. AUTHORISED FOR ISSUE

The interim financial report was authorised for issue by the Board of Directors in accordance with a resolution of the Directors on 27 August 2021.

BY ORDER OF THE BOARD

CHUA SIEW CHUAN (SSM PC No. 201908002648)

LIM LIH CHAU (SSM PC No. 201908001454)

Secretaries

Kuala Lumpur

27 August 2021