

AUTOMATED ANNOUNCES 2015 ANNUAL RESULTS

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Provides One-stop Innovative Integrated Information Technology Services Helps Customers Make Agile and Innovative Businesses

(Hong Kong, 24 March 2016) – **Automated Systems Holdings Limited** (“ASL” or “the Group”) (stock code: 771), a trustworthy and professional information technology (“IT”) partner in the region, announced its annual results for the year ended 31 December 2015 (the “Review Year”). During the Review Year, total revenue of the Group was HK\$1,506.0 million, representing a 5.0% increase from last year, which was contributed by the increase in both product sales and service revenue.

Profit attributable to equity holders of the Group was HK\$19.7 million (2014: HK\$28.5 million), and basic earnings per share was 6.24 HK cents (2014: 9.15 HK cents), mainly due to the one-off gain on the deemed disposals of the Group’s partial interests in an associate company, i-Sprint Innovations Pte Ltd of HK\$5.3 million in the Review Year, compared to HK\$44.7 million of last year.¹ The Board recommended a Bonus Issue on the basis of one Bonus Share, credited as fully paid, for every ten existing shares held by the shareholders of the Group whose names appear on the register of members on Monday, 30 May 2016. It is believed that the Bonus Issue will enhance the liquidity on the capital level.

Upon the implementation of various measures relating to human resources integration, operational efficiency, business streamlining and ongoing marketing promotion, the Group has achieved a positive momentum by an increase in revenue and a fall in overall operating costs. These measures have resulted in a significant increase in net profit of the Group’s core IT business of 84.9% as compared to last year. The gross profit margin was 9.5%, an increase of 1.5% compared to last year.

The Group maintained a healthy financial position. As at 31 December 2015, the Group’s cash stood at approximately HK\$173.0 million, a 32.6% rise compared to last year with a working capital ratio stood at 1.75:1. During the Review Year, orders newly secured by the Group amounted to approximately HK\$1,606.7 million. As at 31 December 2015, the order book balance was approximately HK\$897.1 million, an increase of 14.5% from last year while outstanding borrowings amounted to HK\$20.0 million.

Product sales was increased by 5.0% to HK\$845.8 million while service revenue was increased by 5.1% to HK\$660.2 million, contributing 56.2% and 43.8% to total revenue respectively, which was the same as last year. Commercial and public sector sales contributed 45.9% and 54.1% to total revenue respectively (2014: 44.4% and 55.6%).

With regard to the core infrastructure business, order book balance and its revenue compared to last year increased 28.1% and 5.0% respectively and its gross profit margin also increased 2.4%. The Group’s infrastructure business was also continuously supported through its business with the Office of the Government Chief Information Officer (“OGCIO”) where the Group supplies network products and server systems and provided related services to various government departments under a standing offer agreement. Those exemplify the Group’s competence in systems integration and its credibility among customers.

¹Details were disclosed in the Group’s announcements dated 28 January 2014, 4 February 2014, 12 February 2014 and 31 March 2015.

For the security business, the Group offered comprehensive security services to various customers in both private and public sectors as usual. As for the public sector supported by OGCIO, the Group has provided services for a Standing Offer Agreement for Quality Professional Services 3 (SOA-QPS3) relating to review of government IT security-related regulations, policies and guidelines for three consecutive times. In the meantime, the Group enhanced its investment in the infrastructure business and established not only the Automated Centre of Excellence (ACoE) in early 2015, but also the Security Operation Centre *Plus* (SOC+) in the second half of the year, for capturing the opportunities in the expanding security market.

In the development of the managed service business, progressive results had been made especially in financial services, entertainment and engineering industries. Various contracts had been entered for long-term managed services with high-value and thereby bring recurring income to the Group. The Group also successfully expanded its managed service solution to a Hong Kong-based full-service commercial bank for supplying sophisticated large-scale managed services.

For the data intelligence business, the Group rode on the trend of big data management, analytics and application development and awarded a project relating to a mass record management system with data as a foundation to provide value-added application solutions. The Group believes that this award may enhance the business portfolio in content management system in sizeable projects and strengthen its competitive advantage in bidding for similar government projects in the future.

This project also shows how data intelligence technologies penetrate different industries and how businesses use big data to create value and optimise decision making processes and thereby further influence corporate views on the value of data, its business models and formulating a development map. As a service provider with 40 plus years' experience in systems integration and one-stop service and solutions, the Group recognises that keeping up with the times to provide service solutions by using big data technology is a must. The Group will continue to react to market changes in a timely and efficient manner, helping customers to achieve business success.

Looking ahead, the Group will continue to ride on five key solutions and services pillars (i.e. Infrastructure, Security, Data Intelligence, Mobile and Cloud) and thereby grasp the business opportunities in the fast-changing market. The Group will keep going on the provision of one-stop innovative integrated IT services in both public and private sectors in Hong Kong and the Greater China region. The Group has planned to enhance the Outsourcing Delivery Excellence Center (ODEC) in Guangzhou. Such arrangement may broaden the talent pool of the Group especially for IT applications development and bring cost effective results to cope with the business challenges arising from increasing labour costs in Hong Kong. ODEC may further enhance the Group's service delivery capability and optimise the solutions business service delivery. This also strengthens the Group's foundation for business development in Mainland China, particularly in the South China region.

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About Automated Systems Holdings Limited

Automated Systems (H.K.) Limited was founded in Hong Kong in 1973 and was listed on the Stock Exchange of Hong Kong Limited under the name of Automated Systems Holdings Limited (“The ASL Group” or “the Group”) (Stock Code: 771) in November 1997. The ASL Group's ultimate controlling shareholder is Beijing Teamsun Technology Co., Ltd. (“Teamsun”) whose shares are listed on the Shanghai Stock Exchange (Stock Code: 600410). The Group is a member of the Teamsun Group which recorded turnover of more than RMB5.0 billion and has more than 5,000 employees. The ASL Group, consisting of Automated Systems (H.K.) Limited, ELM Computer Technologies Limited, CSA Automated (Macau) Limited, Guangzhou Automated Systems Limited, ASL Automated (Thailand) Limited. In addition, i-Sprint Innovations Pte Ltd is our associate company. We offer professional information technology services to corporate clients worldwide, particularly in the Greater China and Asia covering Hong Kong, Mainland China, Taiwan, Macau, Thailand, Singapore, Malaysia, etc. After more than 40 years of success, the ASL Group has established its reputation as a trustworthy and professional IT partner in Asia.

With its strong commitment to quality services, the ASL Group has been winning well-known clients such as government agencies, prestigious universities, telecommunications giants, transportation enterprises, major financial institutions, and leading international corporations.

For more information, please visit our web page at <http://www.asl.com.hk>.

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