

**AUTOMATED ANNOUNCES 2016 INTERIM RESULTS**

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*Continues to Enhance IT Infrastructure*  
*Optimizes Customers' Operation through Innovations*  
*Grasps Emerging Opportunities Arising from the Regional IT Trends*

(Hong Kong, 17 August 2016) – **Automated Systems Holdings Limited** (“ASL” or “the Group”) (HKEX stock code: 771), a trustworthy and professional information technology (“IT”) partner in the region, announced its interim results for the six months ended 30 June 2016 (the “Review Period”). During the Review Period, total revenue of the Group was HK\$776.5 million, representing a 0.9% increase from the corresponding period last year.

Profit attributable to the Group’s equity holders during the period under review rose by 124.3% to HK\$18.3 million (2015 Interim: HK\$8.1 million). The positive momentum was mainly driven by an increase in the order book and a decrease in operating costs. Upon the ongoing implementation of various measures relating to human resources integration, effectiveness of operational efficiency and marketing promotion, gross profit margin increased to 10.7% and gross profit increased by 26.7%. During the Review Period, basic earnings per share and diluted earnings per share both increased to 5.21 HK cents (2015 Interim: 2.36 HK cents and 2.34 HK cents).

The Group maintained a healthy financial position during the Review Period. As at 30 June 2016, the Group’s net cash stood at approximately HK\$219.0 million with a working capital ratio of 1.86:1. During the Review Period, orders newly secured by the Group amounted to approximately HK\$761.9 million. As at 30 June 2016, the order book balance was approximately HK\$867.8 million, an increase of HK\$92.4 million compared to the corresponding period last year, while outstanding borrowings amounted to HK\$20.0 million.

As compared with the corresponding period last year, service revenue increased by 7.8% to HK\$340.2 million while product sales decreased by 3.9% to HK\$436.3 million, contributing 43.8% and 56.2% to total revenue respectively. (2015 Interim: 41.0% and 59.0%). Commercial and public sector sales contributed 42.5% and 57.5% to total revenue respectively (2015 Interim: 41.7% and 58.3%).

The Group has been consistent in its development strategy by continuously focusing on five key solutions and services pillars (i.e. Infrastructure, Security, Data Intelligence, Mobile and Cloud) in 2016, and has made remarkable progress during the Review Period. The result was particularly impressive in respect of the managed service business. As there is an increasing demand for enhancing operational efficiency from the public and private sectors in Hong Kong and the Greater China region, the Group has successfully introduced a “customer-oriented” concept to various locally-based enterprises through providing long-term IT managed services and those enterprises may outsource their IT support and management operations from their internal IT departments. This has considerably increased the business flexibility of those enterprises and further increased their support service standard and coverage riding on the performance pledge made by the Group.

Following the establishment of Automated Center of Excellence (“ACoE”) and Security Operation Center *Plus* (“SOC+”) last year, the Group has expanded its Service Center and improved its IT infrastructure to meet customers’ buoyant demand for IT Service Management (“ITSM”), resulting in the provision of

one-stop IT managed service support for customers during the Review Period. Running 24 hours a day throughout the year, the Service Center is not only providing clients with a more convenient and reliable central service platform, but also swifts support for different IT problems. The Center is highly scalable and capable of responding promptly to the fast-changing market. Moreover, the Center has been accredited with the ISO 20000-1:2011 International Standard for IT Service Management System certification and the ISO 9001:2008 Quality Management System certification, thus highlighting the Group's competence in delivering IT services that meet the international standards. The establishment of the Service Center further shows the Group's competency to conduct more large-scale and sophisticated projects, as well as offer a wide spectrum of extensive services and support. The Center also helps to underscore the Group's determination to grasp the aforementioned emerging opportunities in managed services.

In addition, the Group has long identified the South China region as a market with enormous development potential. Correspondingly, the Group has expanded its Offshore Delivery Excellence Center ("ODEC") in Guangzhou in the first half year. This arrangement has further broadened the talent pool for application development and substantially enhanced the cost effectiveness of projects and quality of service delivery.

The rapid growth of Cloud and big data is being followed by rising cases of cyber attacks and hacker invasions, which have already caused enterprises to incur tremendous losses and brought widespread concerns to society. International Data Corporation ("IDC") expects that 55% of enterprises in the Asia Pacific region (excluding Japan) will rely on third parties to manage their internal security infrastructure by the end of 2017. It is therefore expected that SOC+, with provision of comprehensive managed security solution services which was set up in July last year, would continue to benefit from this trend. Moreover, to raise the level of cybersecurity of banks in Hong Kong, the Hong Kong Monetary Authority launched the "Cybersecurity Fortification Initiative" in May this year. The Initiative is a supervisory requirement, under which banks in Hong Kong have to implement IT security-related measures to protect themselves from unexpected cyber attacks. With its well-established reputation in the security market, a loyal customer base, the well-equipped SOC+, and a professional security team comprising over 100 certified staff, the Group is one of the few competent managed security services providers in the market. The Group is fully capable of offering flexible and reliable local services regarding system security assessment, security infrastructure, network surveillance, issues management and security strategy formulation consultancy, etc. The Group is confident it can assist corporations in developing a regulated and safe IT environment which meets international standards.

As an IT company with substantial techniques, the Group is continuously searching for opportunities to advance IT development. The Group has entered into an agreement with a leading new-energy vehicle integrated service provider in Mainland China in mid-2016 for setting up a joint venture. A research and development center will be established and the Group expect both parties will benefit from the synergies generated by sharing and complementing of the resources. Through the new corporation, it will not only provide stable and high-standard technical support to each other, but also further expand the ODEC's talent pool by enhancing its service delivery level and capacity. The cooperation will potentially help opening up business opportunities in Mainland China, particularly in the South China region, for the long-term development of the Group.

Looking ahead, the Group will strenuously consolidate its leading position in the IT industry and leverage its competitiveness through the development of innovative technologies and grasping new opportunities for its development in the future.

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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>.

**For Press Enquiries**

**Strategic Financial Relations Limited**

Vicky Lee	(852) 2864 4834	<a href="mailto:vicky.lee@sprg.com.hk">vicky.lee@sprg.com.hk</a>
Janet Fong	(852) 2864 4817	<a href="mailto:janet.fong@sprg.com.hk">janet.fong@sprg.com.hk</a>
Lolo Yu	(852) 2114 4955	<a href="mailto:lolo.yu@sprg.com.hk">lolo.yu@sprg.com.hk</a>
Fax	(852) 2804 2789/ 2527 1196	
Website	<a href="http://www.sprg.com.hk">http://www.sprg.com.hk</a>	