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## **AUTOMATED SYSTEMS HOLDINGS LIMITED**

*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 771)**

### **MAJOR TRANSACTION IN RELATION TO DISPOSAL OF GDH SHARES**

#### **SUMMARY**

The Board is pleased to announce that GDD, a wholly-owned subsidiary of the Company, had on 30th June 2021 (New York time) entered into the Underwriting Agreement with GDH, the other Selling Stockholders and the Underwriters whereby GDD agreed, among others, to sell the GDD Disposal Shares to the Underwriters pursuant to the Disposal Mandate.

#### **DISPOSAL MANDATE**

Reference is made to the Announcement and the Circular in relation to the Disposal Mandate. By way of written approval by a shareholder (which held approximately 67.85% of the issued share capital of the Company as at the date of 31st March 2021), the Disposal Mandate authorising the Board to effect disposal(s) from time to time during the period of 12 months from 31st March 2021 of up to 7,900,000 GDH Shares (subject to adjustments).

#### **MAJOR TRANSACTION**

As one or more of the applicable percentage ratios (as set out and calculated under Rule 14.07 of the Listing Rules) in respect of the Disposal exceeds 25% but are all less than 75%, the Disposal constitutes a major transaction of the Company under Rule 14.06(3) of the Listing Rules. The Company has obtained written shareholder's approval (namely the Disposal Mandate) under Rule 14.44 of the Listing Rules.

#### **THE DISPOSAL**

Reference is made to the Announcement in respect of the filing of a prospectus supplement with the SEC by GDH for the Offering on 29th June 2021 (New York time), in which GDH filed a preliminary prospectus supplement ("Prospectus Supplement") (to prospectuses dated 13th May 2021) with the SEC for the Offering of GDH Shares by GDH and the Selling Stockholders.

The Board is pleased to announce that GDD, a wholly-owned subsidiary of the Company, had on 30th June 2021 (New York time) entered into the Underwriting Agreement with GDH, the other Selling Stockholders and the Underwriters whereby GDH agreed, among others, to sell the Disposal Shares to the Underwriters at a consideration of US\$15.03 per GDH Share pursuant to the Disposal Mandate.

Upon closing of the Disposal, the percentage shareholding of GDD in GDH would decrease from approximately 35.6% to approximately 25.25%.

## **UNDERWRITING AGREEMENT**

The principal terms of the Underwriting Agreement are summarised as follows:

- Date** : 30th June 2021 (New York Time)
- Parties** : (1) GDH  
(2) the Selling Stockholders, and  
(3) the Underwriters
- Disposal Shares** : An aggregate of 6,100,262 GDH Shares to be sold severally and not jointly by the Selling Stockholders, among which 4,800,000 GDH Shares are sold by GDD.
- Principal Conditions of Underwriters' Obligations** :
1. No stop order with respect to the effectiveness of the Registration Statement shall be in effect and no proceedings for such purpose under the Securities Act shall be pending before or threatened by SEC, the timely filing of prospectus and the compliance with all requests by SEC for additional information;
  2. The delivery to the Underwriters of legal opinions of various counsels for each of the Selling Stockholders, GDH and the Underwriters;
  3. The delivery of certain comfort letters from Grant Thornton LLP, being the independent registered certified public accounting firm with respect to GDH and its subsidiaries, to the Underwriters;
  4. The delivery of certain closing certificates by GDH and each of the Selling Stockholders to the Underwriters;
  5. The officers, directors and shareholders of GDH relating to the sales and certain other dispositions of GDH Shares will provide the Underwriters with executed lock-up agreements at closing.

- Termination** : If any Underwriter or Underwriters shall default in its or their obligations to purchase the GDH shares on any Closing Date and the same is not purchased by any of the non-defaulting Underwriters, and arrangements satisfactory to the representative of the Underwriters and GDH for the purchase of such shares by other persons are not made within thirty six (36) hours after such default, the Underwriting Agreement shall terminate.
- Consideration** : The selling price per GDH Share to the Underwriters is US\$15.03.
- The total consideration for the GDD Disposal Shares (exclusive of relevant estimated expenses) will amount to approximately US\$72.1 million.
- Closing and Payments** : The closing of the transfer and payment of the Disposal Shares shall take place on 6th July 2021 (New York time).

## **INFORMATION ON THE COMPANY AND THE PARTIES**

### **The Company**

The Company is an investment holding company with its subsidiaries principally engaging in the business of information technology (“IT”) and is one of the leading and professional IT service providers in Hong Kong. The Group’s core business is based in Hong Kong and Macau and covers Asia Pacific, Europe and the United States. It is dedicated to offering professional and trustworthy IT services to global corporate clients.

### **GDD**

GDD is an investment holding company incorporated in the State of Delaware of the United States and is an indirect wholly-owned subsidiary of the Company.

### **The Underwriters**

The Underwriters are full service financial institutions engaged in various activities, which may include securities trading, commercial and investment banking, financial advisory, investment management, investment research, principal investment, hedging, financing and brokerage activities.

### **GDH**

GDH is a company incorporated in Delaware and listed on NASDAQ (ticker symbol: GDYN). As at the Latest Practicable Date, GDH was an associate of the Company. GDH is a digital-native technology services provider that accelerates growth and bolsters competitive advantage for Fortune 1000 companies. GDH provides digital transformation consulting and implementation services in omnichannel customer experience, big data analytics, search, artificial intelligence, cloud migration, and application modernization. GDH achieves high speed-to-market, quality, and efficiency by using technology accelerators, an agile delivery culture, and its pool of global engineering talent. Founded in 2006, GDH is headquartered in Silicon Valley with offices across the United States, Western, Central, and Eastern Europe.

Set out below is the extracted consolidated financial information of GDH for the two financial years ended 31st December 2019 and 31st December 2020 based on the United States Generally Accepted Accounting Principle:

	<b>For the year ended 31 December 2019</b>	<b>For the year ended 31 December 2020</b>
	<i>US\$ '000</i> <i>(Audited)</i>	<i>US\$ '000</i> <i>(Audited)</i>
Net profit/(loss) before taxation	15,449 (approximately HK\$119,730)	(15,212) (approximately HK\$(117,893))
Net profit/(loss) after taxation	10,807 (approximately HK\$83,754)	(12,599) (approximately HK\$(97,642))

The net asset value of GDH was approximately US\$167 million (approximately HK\$1,294 million) as at 31st December 2020.

## **LISTING RULES IMPLICATIONS**

As one or more of the applicable percentage ratios (as set out and calculated under Rule 14.07 of the Listing Rules) in respect of the Disposal exceeds 25% but are all less than 75%, the Disposal constitutes a major transaction of the Company under Rule 14.06(3) of the Listing Rules. The Company has obtained written shareholder's approval (namely the Disposal Mandate) under Rule 14.44 of the Listing Rules.

## **GENERAL**

During the period from the granting of the Disposal Mandate on 31st March 2021 up to the date prior to the Disposal, the Group had not disposed of any GDH Shares pursuant to the Disposal Mandate.

## **DEFINITIONS**

In this announcement, unless the context otherwise requires, the following expressions have the following meanings:

“Announcement”	the announcement made by the Company dated 30th June 2021
“Board”	the board of Directors
“Company”	Automated Systems Holdings Limited, an exempted company incorporated in Bermuda with limited liability, the Shares of which are listed on the Main Board of the Stock Exchange (stock code: 771)
“Directors”	the directors of the Company

“Disposal”	the transaction contemplated under the Underwriting Agreement
“Disposal Shares”	an aggregate of 6,100,262 GDH Shares sold by GDH and the Selling Stockholders pursuant to the Underwriting Agreement, among which 4,800,000 GDH Shares are sold by GDD
“GDD”	GDD International Holding Company, a corporation incorporated in the State of Delaware of the United States, an indirect wholly-owned subsidiary of the Company as at the date of this announcement
“GDD Disposal Share(s)”	4,800,000 GDH Shares sold by GDD pursuant to the Underwriting Agreement
“GDH”	Grid Dynamics Holdings, Inc., a corporation incorporated in the State of Delaware of the United States and listed on Nasdaq (ticker symbol of GDH: GDYN), an associate of the Company as at the date of this announcement
“GDH Share(s)”	common stock in GDH
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollar, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Listing Rules”	The Rules Governing the Listing of Securities on the Stock Exchange, as amended from time to time
“Offering”	The follow-on public offering of GDH common stock as defined in the Announcement
“Registration Statement”	the registration statement filed with the U.S Securities and Exchange Commission on Form S-3 (File Nos. 333-238202 and 333-255732) and other information deemed to be part of the registration statement in respect of the Disposal Shares
“Selling Stockholder(s)”	GDD, Explorer Parent LLC, Alex Vieux and Fletcher Family Living Trust. The term “other Selling Stockholders” shall mean the Selling Stockholders other than GDD
“Shareholder(s)”	shareholders of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

“Underwriters”	J.P. Morgan Securities LLC, William Blair & Company, L.L.C. and Cowen and Company, LLC. The term “Underwriter” shall mean any of them.
“Underwriting Agreement”	an Underwriting agreement dated 30th June 2021 entered into between GDH, GDD, the other Selling Stockholders and Underwriters pursuant to which, among other things, the Selling Stockholders agreed to transfer to the Underwriters, and the Underwriters agreed to receive and hold from the Selling Stockholders, the Disposal Shares
“United States”	the United States of America
“US\$”	United States dollar, the lawful currency of the United States
“U.S. Securities Act”	the U.S. Securities Act of 1933, as amended
“%”	per cent

*For the purposes of this announcement, the exchange rate of US\$1.00 = HK\$7.7508 has been used for the purpose of illustration only and does not constitute a representation that any amount has been, could have been or may be exchanged at any particular rate on the date or dates in question or any other date.*

By Order of the Board  
**Automated Systems Holdings Limited**  
**Ngan Wai Hing**  
*Company Secretary*

Hong Kong, 2nd July 2021

*As at the date of this announcement, the Board comprises Mr. Wang Weihang and Mr. Wang Yueou being Executive Directors; Mr. Cui Yong being Non-Executive Director; and Mr. Pan Xinrong, Mr. Deng Jianxin and Ms. Or Siu Ching, Rerina being Independent Non-Executive Directors.*