

AUTOMATED ANNOUNCES 2022 ANNUAL RESULTS

Industry Focused, Continuous Innovation
PAAS Model Drives DevSecOps Service Integration
The Group's Core Business Performance Reaches a Ten-Year High

(Hong Kong, 29 March 2023) – **Automated Systems Holdings Limited** (“ASL” or “the Group”) (HKEX stock code: 771), a professional and trustworthy global unified technology services partner, announced its annual results for the year ended 31st December 2022 (the “Review Year”). The revenue of the Group’s core businesses (namely businesses in Hong Kong and the other Asia Pacific regions) was HK\$2,215.5 million, representing a 8.1% increase from last year. Adjusted EBITDA and adjusted net profit recorded HK\$128.1 million and HK\$83.7 million respectively, representing an increase of 15.8% and 15.0% respectively, as compared to last year.

During the Review Year, the Group recorded a profit for the year attributable to the Company’s equity holders of HK\$101.6 million, representing an increase of 2,358.5% compared to last year of HK\$4.1 million. The increase was primarily attributable to the increase in gains from interest in an associate for non-recurring items, and the increase in Adjusted EBITDA driven by growth in orders newly secured as compared to last year. The Group’s basic earnings per share was 12.19 HK Cents, representing an increase of 2,338.0% from the basic earnings per share of 0.50 HK cents in 2021. The board of directors has resolved to recommend a final dividend of 3.0 HK Cents per share for the year ended 31st December 2022 (2021: final dividend of 3.0 HK Cents and special dividend of 24.0 HK Cents per share).

For the year ended 31st December 2022, the Group’s gross profit was HK\$257.6 million (factoring out the government grants for wage subsidies), an increase of HK\$26.7 million or 11.5% compared to last year. The increases were primarily attributable to the growth in orders newly secured in Hong Kong and other Asia Pacific regions, as compared to last year.

During the year under review, orders newly secured by the Group amounted to approximately HK\$2,422.7 million. The Group’s order book balance was approximately HK\$1,395.6 million. The Group’s net cash stood at approximately HK\$547.6 million with a working capital ratio of 1.8 : 1. The Group maintained a healthy financial position. As at 31st December 2022, the outstanding borrowings amounted to HK\$56.3 million.

As the society moves towards normal, the Group's core performance reached a 10-year high. Apart from the three DevSecOps businesses (see detailed description below), the Group was also involved in system integration.

In terms of the **Innovative Solutions Business (Application Development — Enhance customer experience with innovative applications; Dev)**, service orders newly secured recorded an increase as compared to last year. Service revenue reached HK\$460.6 million, an increase from last year. The main growth drivers came from orders for professional services and application development. This year, the Group delivered outstanding results particularly in the government, healthcare, and financial sectors, continuing support the government’s fight against the pandemic and improving its services through information technology, and achieved significant breakthroughs in the financial sector. Meanwhile, the Group has effectively utilized the resources of its Offshore Delivery Excellence Center (ODEC), continually expanding its pool of talent, successfully maintaining stable delivery capabilities.

In regard to **Intelligent Cybersecurity Services Business (Cybersecurity — Protect your assets with intelligent security technology; Sec)**, the service orders newly secured by the Group recorded double-digit growth compared to last year, with service revenue reaching HK\$168.8 million during the year. The growth momentum

was mainly fueled by the digital transformation trend, strong demand for network security and new managed security services in the wake of the pandemic. Throughout the year, the Group remained steadfast in providing quality services to clients across various industries, including schools, hospitals, and financial technology company. The Group has successfully satisfied the market's demand for hybrid cloud platforms and new network security solutions, providing multinational network security managed services with high technical thresholds. In addition, the third Security Operation Center (SOC) was established outside of Hong Kong and Macau.

In respect of **Integrated Managed Services Business (Omni-channel Managed Services — Simplify your IT operations to increase efficiency; Ops)**, the service orders newly secured presented growth compared to last year, with service revenue recorded HK\$457.5 million during the year. The key growth engine was driven by Information Technology Service Management (ITSM) and orders benefiting from government policies, in which the orders from the government, financial and aviation sectors have accounted for more than half of the overall service orders. Furthermore, the Group has also launched automation services to complete its service desk services for uninterrupted business operations, so as to optimize the customer experience.

With regard to the **new business**, the Group combines its holistic service delivery with Unified Operation Center (UOC) and Security Operation Center *Plus* (SOC+), to promote integrated and platform-driven DevSecOps information technology services, increase delivery speed, and accelerate digital transformation for clients through utilizing innovative technologies and compliance approaches. At the same time, the Group continued to obtain UOC orders. In addition, the Group has further extended its presence in focused industries through partnership with Finastra, a leading global financial technology provider, to deploy industry-specific solutions. Besides, the Group launched “ASL Marketplace”, an integrated cloud-native online platform for a year. During the year, we have rolled out two new products, LearnIoTaaS (IoT Learning as-a-Service) and VEventaaS (Virtual Event Management as-a-Service), expanding the cloud-native “as-a-Service” covering DevSecOps.

As for the **business of associates**, GDH, an associate with business in Europe and the U.S., has successfully withstood the impact of the Russia-Ukraine war by terminating its offshore delivery operations in Russia and relocating most of its Ukrainian delivery resources to neighbouring countries and South America. The annual total revenue of GDH reached US\$310.5 million (equivalent to approximately HK\$2,431.8 million), a year-on-year increase of 47.0%. The business of i-Sprint, one of the major associates in Asia Pacific, recorded increased revenue of HK\$115.4 million (2021: HK\$119.5 million), with EBITDA increased to HK\$24.6 million.

Looking ahead, the Group will continue to closely monitor the business opportunities brought about by the gradual return to normalcy in Hong Kong, Mainland China, and the rest of the world, and fully leverage Hong Kong's role as a bridge to seize opportunities in the Greater Bay Area. In terms of **core business development**, the Group will continue to optimize its partner ecosystem, provide innovative solutions to meet different customer's needs, promote DevSecOps professional information technology services which is industry-specific and high-value-added, as well as support the dual-line development of suppliers from mainland China and the rest of the world.

The Group will cultivate our focused business by providing one-stop managed services and platform-driven DevSecOps services in the future. Moreover, the Group will make greater efforts to adjust its human resources strategy and resources, and leverage international-level services and innovative technologies to act as a bridge for customers in building the application scenarios, thereby further strengthening its market position as a Unified Technology Services Provider. Also, regarding the **development of new business**, the Group will continue to enrich ASL Marketplace's as-a-Service, actively invest in the launch of hybrid cloud services, and optimize its platforms so that customer can access to data faster and use data to support decision-making, thus enhancing customer experience and customer loyalty.

2023 marks the milestone for the 50th anniversary of the Group. We will continue to expand our business and pivot towards a customer-centric approach, striving to become a trustworthy **unified technology services partner** which provides technology and professional services to customers.

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**Please refer to the 2022 annual results announcement published on 29 March 2023 for more details.*

About Automated Systems Holdings Limited

Automated Systems Holdings Limited (“ASL” or “The Group”) was listed on the Stock Exchange of Hong Kong Limited in 1997 (Stock Code: 771). The ASL Group, consists of Automated Systems (H.K.) Limited, ELM Computer Technologies Limited, CSA Automated (Macau) Limited, Guangzhou Automated Systems Limited, ASL Automated (Thailand) Limited. In addition, Grid Dynamics Holdings Inc. and i-Sprint Innovations Pte Ltd are the associates of the Group. 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 information technology (“IT”) services to corporate clients around the world.

The Group’s core businesses are Innovative Solutions, Intelligent Cybersecurity Services and Integrated Managed Services. Innovative Solutions business is offering holistic business solutions to accelerate customers’ digital transformation. Intelligent Cybersecurity business is specialized in digital asset protection & risks prevention. Integrated Managed Services business is to manage clients’ IT infrastructure to cloud platform in entire IT lifecycle with its worldclass, industry-specific and end-to-end services.

With ASL's 17 research and development centers worldwide, over a thousand of high-caliber experts, and 50 years of experience in providing professional IT services to global users, ASL provides the best practices for customers’ IT management and is definitely customers’ professional and trustworthy unified technology services partner.

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

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