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## **AUTOMATED SYSTEMS HOLDINGS LIMITED**

*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 771)**

### **PROFIT ALERT**

This announcement is made by Automated Systems Holdings Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09(2)(a) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the Inside Information Provisions (as defined in the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (the “**Inside Information Provisions**”).

#### **Core Business**

The board of directors of the Company (the “**Board**”) anticipates that the Group will record an increase of approximately 15.8% in the adjusted EBITDA<sup>(Note)</sup> for the year ended 31st December 2022 as compared to last year, which is driven by a nearly 6.9% growth in orders newly secured in Hong Kong, Macau and Asia Pacific as compared to last year.

#### **Non-operating Factors**

Simultaneously, the Group also anticipates to record a net profit of approximately HK\$101.6 million for the year ended 31st December 2022, an increase by approximately 23.8 times as compared with the net profit of approximately HK\$4.1 million in the corresponding period last year, which is mainly attributable to the following two non-operating items:

- (1a) the Group’s associate company, Grid Dynamics Holdings, Inc. (“**GDH**”), issued new shares by public offering in 2022 at a price higher than the net asset value per share of GDH held by the Group, resulting an increase of the Group’s share of net assets of associate in GDH;
- (1b) the dilution effects in the interests of the Group in GDH are less than the corresponding period last year upon vesting of shares and exercising of share options under the incentive plan of GDH adopted in 2020. Moreover, it was recorded dilution effects in the interests of the Group in GDH upon exercising of warrants in the corresponding period last year; and

The above items (1a) and (1b) will be recorded of approximately HK\$64.1 million in total as net gain on deemed disposal of partial interests in associates for the year of 2022 (it was recorded of approximately HK\$176.5 million as loss on deemed disposal of partial interests in associates in the corresponding period last year ).

- (2) it was recorded a one-off gain after tax (approximately HK\$142.7 million) in the corresponding period last year arising from the disposal of partial interests in GDH.

*Note:* The adjusted EBITDA is a financial indicator other than Hong Kong Financial Reporting Standards ("HKFRSs"), save for the gain or loss arising from non-core businesses, one-off project (such as investment gain.) and non-cash income or expenses arising from the non-recurring events (such as share-based payment expenses, etc.). The management of the Company considers that such indicator can provide investors with more reliable evaluation to the core businesses of the Group, enable the investors to have a better understanding of the operational performance on the Group's core businesses in addition to the financial information prepared based on HKFRSs, and have a consistent comparison with the previous performance.

The information contained in this announcement is only based on a preliminary review by the management of the unaudited consolidated management accounts of the Group for the year ended 31st December 2022 and the information currently available to the Board, which have not been audited by the Company's auditor nor confirmed or reviewed by the audit committee of the Company. The Company is still in the process of preparing and finalizing the annual results of the Group for the year ended 31st December 2022 of which may be affected by a number of other factors, including but not limited to the share of results of associates, and therefore the actual results of the Group may be subject to amendments and adjustments where necessary. Shareholders and potential investors are advised to read carefully the annual results announcement for the year ended 31st December 2022 of the Company, which is expected to be published by the end of March 2023.

**Shareholders and potential investors are advised to exercise caution when dealing in the shares of the Company.**

By Order of the Board  
**Automated Systems Holdings Limited**  
Ngan Wai Hing    Lau Nga Ting  
*Joint Company Secretary*

Hong Kong, 10th March 2023

*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.*