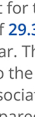


ASL Group (00771.HK)

2023 Annual Results Report



Inheritance of the Spirit A Legacy of Perseverance

01 Group Performance Overview

Summary

- Revenue of the Group's core business (namely in Hong Kong and other Asia Pacific regions) recorded HK\$ 2,360.4 million, up 6.5% compared to last year
- The Group's gross profit was HK\$ 246.0 million
- Adjusted EBITDA of the Group's core business recorded HK\$ 111.9 million
- The Group recorded a profit for the year of HK\$ 131.3 million, an increase of 29.3% compared to HK\$ 101.6 million last year. The increase was primarily attributable to the increase in gains from interest in an associate for non-recurring items as compared to last year

Group's Major Financial Indicators

(HK\$ million)

Orders Newly Secured

↑ 3.0 %
\$ 2,496.4
(2022 : \$ 2,422.7)

Revenue

↑ 6.5 %
\$ 2,360.4
(2022 : \$ 2,215.5)

Profit for The Year

↑ 29.3 %
\$ 131.3
(2022 : \$ 101.6)

Basic Earnings Per Share

(HK Cents)
15.75
(2022 : 12.19)

Final Dividend

(HK Cents)
3.0
(2022 : 3.0)

Core Business Performance

(HK\$ million)

Order
- System Integration & Other Businesses

↓ 1.1 %
\$ 1,252.0
(2022 : \$ 1,266.2)

Order
- Unified Technology Services

↑ 7.6 %
\$ 1,244.4
(2022 : \$ 1,156.5)

Revenue

↑ 6.5 %
\$ 2,360.4
(2022 : \$ 2,215.5)

Adjusted EBITDA*

↓ 12.6 %
\$ 111.9
(2022 : \$ 128.1)

Adjusted Net Profit*

↓ 4.5 %
\$ 79.9
(2022 : \$ 83.7)

Adjusted Operating Cash Flow*

↓ 12.2 %
\$ 60.7
(2022 : \$ 69.1)

Interest in Associates & Non-Operating Items

(HK\$ million)

Non-Operating Items

Adjusted (Costs) / Incomes Related to Corporate & Others*

\$ (8.0)
(2022 : \$ 16.0)

Interest in Associates

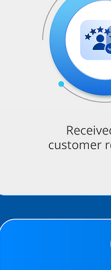
Share of Results of Associates

\$ (1.7)
(2022 : \$ (62.2))

Gain on Disposal of Interest in an Associate and Net Gain on Deemed Disposal of Partial Interest in Associates

\$ 61.1
(2022 : \$ 64.1)

02 DevSecOps Core Business Highlights



Innovative Solutions Business

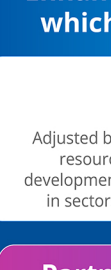
Application Development
Enhance Customer Experience with Innovative Applications (Dev)

Win Cases

- Increase in orders for application development and IT outsourcing services
- Recorded new high volume of orders for application maintenance
- In terms of sector performance, the Group supported government initiatives such as smart city development, for example, participating in the implementation of the "iAM Smart" platform

Key Developments

- Continuing to focus in the specific departments, resulting in significant achievements through the year



Intelligent Cybersecurity Services Business

Cybersecurity
Protect Your Assets with Intelligent Security Technology (Sec)

Win Cases

- Further expanded the security business in the Greater Bay Area by leveraging the expertise of Security Operation Center SOC² in Macau
- Received orders for DevSec and IoT security solutions from large-scale enterprises
- In terms of sector performance, the Group received significant orders from government sector and finance industry

Key Developments

- Strengthened collaboration with Chinese brands
- Established the third SOC at the Bay Area headquarters, enhancing information and cybersecurity protection capabilities



Integrated Managed Services Business

Omni-channel Managed Services
Simplify Your IT Operations to Increase Efficiency (Ops)

Win Cases

- Received numerous projects in ITSM, DevSecOps, and managed services
- Successfully renewed managed service contracts with several banks and clients in other industries, and expanded our reach to clientele in the education sector
- Secured a DevSecOps managed service order from a financial institution, providing comprehensive service desk support and application managed service

Key Developments

- Continuously strengthened teamwork capabilities

03 Enhanced Platform-Oriented DevSecOps Services, Provided Cloud Based "as-a-Service"

Developed Hybrid Cloud Services, Enhanced One-Stop Managed Services Platform Functionality



Received wider customer recognition



Significant increase in orders



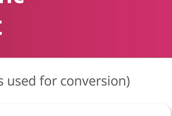
Successfully penetrated into the Government sector market

Continuous Services Enhancement

Introduced Ops-as-a-Service's New Product



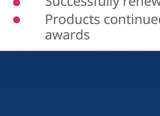
MARKETPLACE
Powered by SOLUTION CENTER



For more information, please visit

<https://marketplace.asl.com.hk/market/en/product/maas-aas>

Managed Services Portal Launch



Enhanced customer experience to connect with ASL services

04 Implemented Sector-Focus Strategy and Actively Expanded Footprint in the Greater Bay Area

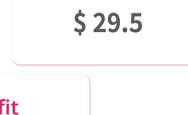
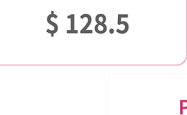
Enhancing Capabilities in Sectors which Have Competitive Edges



Adjusted business operation models, integrated delivery resources and technical capabilities based on the development characteristics of the information technology in sectors, to provide better services to sector clients

Partnered with Leading Global Financial Technology Provider

FINASTRA



Enhanced training for tech talent and marketing promotion in the finance industry

Promoted ASL DevSecOps service capabilities and professional knowledge in the finance industry

Actively Expanding Footprint in the Greater Bay Area

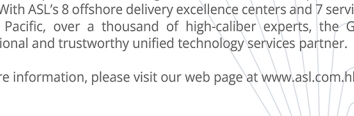


- Established headquarters in the Greater Bay Area in August 2023
- Expanded the technical team to enhance offshore delivery capabilities

05 ASL Solution Day 2023

Announced the Group's New Brand Identity, Business Strategy, and Strengths

- Leveraged our integrated service capabilities to demonstrate our unified solutions
- Introduced a new CI system and business strategies



Click to watch the latest corporate video on YouTube

- Symbolized the company's transition towards a sector-focus integrated service partner



06 Business Performance of Associates

An Associate with Business in Europe and the U.S. - Grid Dynamics Holdings, Inc. (GDH)

(HK\$ million, USD/ HKD exchange rate of 7.81 is used for conversion)

Revenue

↑ 0.8 %
\$ 2,444.4

Non-GAAP EBITDA

↓ 24.0 %
\$ 345.6

Non-GAAP Net Income

↓ 31.5 %
\$ 195.9

Business Developments

- Expanded client base by 33 companies, broadened delivery locations in Poland, India, and Mexico, and reinforced sales and R&D organizations
- GDH's proficiency in AI capabilities and other technical competencies were recognized by hyperscalers
- Numerous new clients embracing AI in their solutions

One of the Major Associates in Asia Pacific - i-Sprint

(HK\$ million, SGD/ HKD exchange rate of 5.92 is used for conversion)

Revenue

↑ 6.9 %
\$ 128.5

EBITDA

↑ 17.8 %
\$ 29.5

Profit

↑ 230.9 %
\$ 8.1

Business Developments

- Successfully renewed contracts with multiple long-standing clients
- Products continued to receive industry recognition and numerous awards

07 Outlooks

- Our strategic focus is directed towards advancing sector-driven, high-value professional IT services. We prioritize the following four pivotal areas:
 - Capitalising on our strengths and understanding of clients' business environments, with special focus on sectors where we have an advantages
 - Strengthening our capability in technical integration and implementation to enhance the value of our IT professional services
 - Extending our business operations beyond Hong Kong to widen our geographical reach
- Continuously optimize our partner ecosystem, pursue a dual-line development with our suppliers from Mainland China and the rest of the world, particularly accelerating the establishment of Chinese brand ecosystem to effectively meet market demands
- Closely monitor the opportunities for the Group outlined in the HKSAR Government's "Hong Kong Innovation and Technology Development Blueprint" in promoting the development of the digital economy, building a smart Hong Kong, and other related measures, and continue to align with the Government's initiatives

Strive to be a leading Unified Technology Services Partner in the region

Adjusted EBITDA: Adjusted Earnings Before Interest, Taxes, Depreciation, and Amortisation ("Adjusted EBITDA") is calculated based on profit for the year excluding interest income and expenses, tax, depreciation and amortisation, fair value change on investment properties, equity-settled share-based payments expense, government grants, share of results of associates, gain on disposal of interest in an associate, net gain on deemed disposal of partial interest in an associate and remeasurement of employee benefit obligation.

Adjusted Net Profit: Adjusted Net Profit is calculated based on Adjusted EBITDA adding back depreciation and amortisation and income tax expense and tax adjustments from the remeasurement of employee benefit obligation and gain on disposal of the partial interest in an associate.

Adjusted Operating Cash Flow: Operating cash flow of core business is calculated based on net cash from operating activities of the Group excluding tax refund in relation to disposal of the partial interest in an associate and government grants.

Adjusted (Costs)/Incomes Related to Corporate & Others: Mainly represent the fair value change on investment properties, equity-settled share-based payments expense, government grants, tax adjustments from the remeasurement of employee benefit obligation.

System Integration & Other Businesses: Being the business of information technology in providing of information technology and associated products carried out by the Group, and Professional Service carried out by subsidiaries, other than Automated Systems (HK) Limited.

Unified Technology Service: Being the business of information technology in providing systems integration, software and consulting services, engineering support for products and solutions and managed services carried out by a subsidiary, Automated Systems (HK) Limited.

*: The information is not a measure required by or presented in accordance with Hong Kong Financial Reporting Standards ("HKFRS"). The use of this non-HKFRS measure has limitations as an analytical tool, and you should not consider it in isolation from, or as a substitute for analysis of, our results or operations or financial condition as reported under HKFRS.

Please refer to 2023 annual results announcement published on 27 March 2024 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 Group's three main DevSecOps businesses are innovative solutions, intelligent cybersecurity, and integrated managed services. The Innovative Solutions 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, end-to-end and sector-specific services.

The Group's primary business operations are located in Hong Kong and Macau, with a presence extending to the Asia Pacific, Europe and the United States. With ASL's 8 offshore delivery excellence centers and 7 service centers in Asia Pacific, over a thousand of high-caliber experts, The Group is a professional and trustworthy unified technology services partner.

For more information, please visit our web page at www.asl.com.hk.

Press Release | Announcement | Company Website | LinkedIn | Facebook

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