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AUTOMATED SYSTEMS HOLDINGS LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 771)

INSIDE INFORMATION

This announcement is made by the Company pursuant to Rule 13.09(2)(a) of the Listing Rules and the Inside Information Provisions.

The Board wishes to inform the shareholders of the Company and potential investors that the Business Contract will be terminated on 29th May 2014.

As a result of the termination, the Group is expected to make certain provisions which may have an adverse impact on the Group's results, the extent of which is under review and has yet to be ascertained as at the date of this announcement.

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

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 under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (the "Inside Information Provisions").

Reference is made to the announcement of the Company dated 19th March 2014 (the "Announcement") in respect of, among other things, the uncertainty surrounding the continuity of the Business Contract. Capitalised terms used in this announcement shall have the same meaning as defined in the Announcement, unless otherwise provided herein.

The Board of Directors (the "Board") of the Company wishes to inform the shareholders of the Company and potential investors that the Business Contract, entered into between Automated Systems (H.K.) Limited, a wholly-owned subsidiary of the Company, and a customer in respect of the implementation of an integrated system, will be terminated on 29th May 2014 due to the progress of the implementation has been lagging further behind the scheduled milestones, which was attributable to multiple and inter-related causes of delay affecting each other.

As a result of the termination, the Group is expected to make certain provisions which may have an adverse impact on the Group's results, the extent of which is under review and has yet to be ascertained as at the date of this announcement. The Group has taken proactive acts to minimise the financial impact on the Group.

Despite the possible adverse impact due to such termination, the Board considers that such effect may likely be alleviated by an unaudited one-off gain on disposal of i-Sprint Innovations Pte Ltd completed on 12th February 2014, and the Group maintains an overall healthy business and operations.

Further announcements will be made in respect of the termination of the Business Contract as and when appropriate.

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

By the order of the Board
Automated Systems Holdings Limited
Chan Chung Lei, Joan
Company Secretary

Hong Kong, 21st May 2014

As at the date of this announcement, the Board comprises Mr. Lai Yam Ting, Ready, Mr. Hui Wing Choy, Henry and Mr. Leung Tat Kwong, Simon being Executive Directors; Mr. Hu Liankui and Mr. Wang Weihang being Non-Executive Directors; and Ms. Young Meng Ying, Mr. Lu Jiaqi and Ms. Xu Peng being Independent Non-Executive Directors.