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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 the adjusted EBITDA^(Note) of approximately HK\$65.0 million for the six months ended 30th June 2023, which remains consistent as compared with approximately HK\$66.7 million for the six months ended 30th June 2022 (the “**Corresponding Period Last Year**”).

Non-operating Factors

Simultaneously, the Group also anticipates to record a net profit of approximately HK\$90.0 million for the six months ended 30th June 2023, an increase by approximately 7 times as compared with the net profit of approximately HK\$11.3 million in the Corresponding Period Last Year.

The increase is mainly attributable to (i) vesting of shares and exercising of share options under the incentive plan of an associate company, Grid Dynamics Holdings, Inc. (“**GDH**”), adopted in 2020 that will be recognized for approximately HK\$60.0 million as “net gain on deemed disposal of partial interests in an associate” for the six months ended 30th June 2023 (it was recognized for approximately HK\$4.1 million as “net loss on deemed disposal of partial interests in an associate” in the Corresponding Period Last Year); and (ii) improvement in operating results of 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 six months ended 30th June 2023 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 interim results of the Group for the six months ended 30th June 2023 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 interim results announcement for the six months ended 30th June 2023 of the Company, which is expected to be published in late August 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, 15th August 2023

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