

NEWS RELEASE

AZEUS POSTS NET PROFIT OF HK\$14 MILLION FOR FY2005

- Declares final dividend of 4.6 HK cents (1 Singapore cent) per share
- Strengthens capabilities to tap IT market in the region

FY2005 Highlights:

- Group sales of HK\$60.5 million, from HK\$71.0 million
- Group net profit of HK\$13.9 million, from HK\$26.7 million
- Net profit margin rebounded to 33% in the second half
- Increased IT professional staff strength by 33% to drive organic growth
- Acquired BIGontheNet to jump-start expansion into Singapore and region
- Secured a US\$10.2 million contract with the Hong Kong Police Force

Singapore, May 25, 2005 – Azeus Systems Holdings Ltd. (“Azeus”), a provider of IT consultancy services based in Hong Kong, today reported a net profit of HK\$13.9 million for the year ended March 31, 2005 (“FY2005”). Group sales for FY2005 were HK\$60.5 million, compared to HK\$71.0 million in the previous year.

Said Mr Lee Wan Lik, Founder and Managing Director of Azeus, “While we continued to secure new IT contracts in FY2005, the Group registered lower sales as the new contracts commenced later than expected. This, coupled with the costs from expanding our team of IT professionals, resulted in a lower Group net profit for FY2005.”

“We strengthened our resources considerably last year as part of the Group’s growth strategy to penetrate new markets and increase our foothold in the Hong Kong public sector by securing more large-scale projects, such as our recent contract with the Hong Kong Police Force. To accelerate our entry into new markets, we acquired BIGontheNet as a platform to bid for IT service projects in Singapore. This move will also diversify our revenue base,” Mr Lee added.

To reward the new shareholders for their confidence and support in Azeus, the Board of Directors has declared a final dividend of 4.6 HK cents for FY2005.

Net profit margin rebounded in the second half of FY2005

Group net profit decreased by 48% to HK\$13.9 million in FY2005, due largely to lower sales recorded by the IT services segment, higher costs from a significant jump in the headcount of IT professionals, and an increase in administrative and other operating expenses. In total, the number of IT professionals rose by 33% from 138 to 184 as at end March 2005.

Thanks to higher revenue recognition from the Group's new contracts in the second half of FY2005, the Group's net profit margin has improved to 33%, from just 8% in the first half of FY2005.

"Our net profit margin of 23% for the whole of FY2005 is commendable as it is in line, if not better than the industry average," said Mr Lee.

Sales from IT services, which accounted for 76% of total revenue for FY2005, fell by 21% to HK\$46.2 million because the dates of commencement for the newly-secured contracts in FY2005 were delayed. In addition, the value of the contracts that were secured in FY2005 were lower as compared with FY2004, which included revenue recognition from a major IT services project awarded by the Intellectual Property Department ("IPD") of Hong Kong.

Fees from maintenance and support services, on the other hand, showed a strong gain of 53% to HK\$9.9 million and partially offset the drop in IT services. This was due to an increase in both the number, as well as the value of maintenance and support service contracts.

The Business Process Outsourcing segment recorded lower revenue to account for 7% of Group revenue in FY2005. This was due to a decrease in headcount that was outsourced to IPD as well as lower chargeable hours.

Positive Business Outlook for FY2006

With its larger team of IT professionals, Azeus is now in a stronger position to tap the growing demand for IT services in Hong Kong and the rest of the region. Looking ahead, the Group plans to widen its market share of the Hong Kong public sector, pursue opportunities in the commercial sector as well as make inroads into new geographical markets to propel growth.

Azeus' newly secured contract with the Hong Kong Police Force is a further endorsement of the Group's track record of success in bids for government tenders. As the project involves the development and implementation of two IT systems over a period of two years, the Group expects this project to have a positive impact on its financial performance in FY2006 and FY2007. The deal also includes a 10-year period for maintenance and support services that commences when the IT systems are completed.

Besides Hong Kong, the Group is also bidding for contracts in Singapore. Azeus will be leveraging on BIGontheNet's local presence and existing customer relationships in Singapore to pursue opportunities in the public and commercial sectors.

"We hope to replicate our success in the Hong Kong government sector in Singapore. To retain our competitive edge, we will continue to leverage on our high quality, CMMI-certified and low-cost offshore development centres in Philippines and China. We believe Azeus is now better poised to exploit the prospects in the region with established operations in Singapore and Hong Kong," said Mr Lee.

Azeus aims to continue widening its geographical reach and building new customer bases in the region. As such, it intends to continue exploring suitable acquisitions to accelerate its entry into the Japanese outsourcing market, which presents the Group with tremendous potential in the long run.

Barring any unforeseen circumstances, the Board of Directors remains cautiously optimistic of Azeus' prospects for the current financial year.

About Azeus Systems Holdings Ltd.

Established in 1991, Azeus is a leading provider of IT consultancy services. Headquartered in Hong Kong, Azeus has established offshore software development centres in the Philippines and China. The Group acquired BIGontheNet, an award-winning provider of eBusiness software solutions based in Singapore, in February 2005.

Besides designing as well as implementing a wide range of IT software and systems to fulfil the outsourcing needs of customers, Azeus also provides maintenance and support services. The Group has won the first and thus far, only business outsourcing project from the Hong Kong government, covering IT consulting, IT maintenance and support, as well as office operations and support services.

Azeus is appraised at the highest level of the CMMI-SW model, endorsing its commitment to delivering high quality work. Its emphasis on consistently high quality solutions has enabled the Group to build a solid track record of over 80 projects for more than 40 government departments and 16 projects for the commercial sector in Hong Kong.

The initial public offering of Azeus was sponsored by DBS Bank Ltd.