

NEWS RELEASE

AZEUS GROWS TURNOVER BY 7% IN FY2007, LOOKING TO DIVERSIFY REVENUE SOURCES

Results Highlights for FY2007:

- Turnover up 7% to HK\$92.3 million
- Driven mainly by increased revenue from maintenance and support and BPO
- Declares First and Final dividend of 3.56 HK cents

Singapore, May 29, 2007 – Azeus Systems Holdings Ltd. (“Azeus” or the “Group”), a provider of IT consultancy services based in Hong Kong, today reported a 7% rise in Group Turnover for the full year ended March 31, 2007 (“FY2007”). Net profit however, fell to HK\$10.7 million largely due to higher cost of sales as well as higher salaries and increased headcount.

Mr Lee Wan Lik, Founder and Managing Director of Azeus, said: “We have managed to grow our revenue this year, in spite of the competitive operating environment and stiff challenges from other IT service providers. We have also managed to build on our good reputation within the Hong Kong public sector and were able to secure a new 5-year, US\$10 million IT and BPO outsourcing contract with the Hong Kong government. This project will continue to contribute towards our results through to FY2011.”

Gross margins for the Group decreased to 38% from 49% in FY2006. This was largely due to increased sales of hardware materials, which carry a lower gross profit margin as compared to IT services. The Group also increased its headcount by 5% to 332 as at March 2007 which contributed to a rise in salaries that further weighed down margins in the year under review. In spite of this, the Group managed to achieve a net profit of

HK\$10.7 million for FY2007.

Segmental Review

IT Services continued to be the Group's major revenue contributor, accounting for HK\$69.8 million or 76% of total revenue in FY2007. This was marginally lower than the HK\$70.3 million recorded in FY2006, which made up 82% of total revenue in that year. Overall, fees from IT services in FY2007 were lower due to fewer contracts being secured and lower fees.

Contribution from the Maintenance & Support Services segment climbed 43% to HK\$14.6 million in FY2007, due to an increase in the number of contracts (35 contracts in FY2007 as compared to 26 for FY2006) as well as larger maintenance and support service contracts secured. Many of these contracts were renewed or commenced during the year following the expiry of the warranty period for projects completed in FY2007.

Contribution from the Business Process Outsourcing segment surged 46% to HK\$7.9 million in FY2007. During the year, the Group successfully secured a new US\$10.2 million BPO outsourcing contract with a department of the Hong Kong government, of which HK\$4.1 million was recognized during the year under review.

The Group maintains a strong cash position of HK\$75.6 million as at March 31, 2007, a 26% increase from HK\$59.8 million in FY2006.

To reward shareholders for their confidence in, and support for Azeus, the Board of Directors has declared a First and Final dividend of 3.56 HK cents for FY2007.

Outlook for FY2008

Said Mr Lee: "We continue to build on our good foundations and substantial expertise in

servicing the IT systems needs of the Hong Kong public sector, even as we look to secure greater opportunities for our group by developing alternative revenue streams from the private sector and overseas. We are actively scouting for suitable acquisitions that will complement our existing capabilities and accelerate our entry into the overseas outsourcing market and have also succeeded in increasing our manpower resources via our recruitment policies. Although this has impacted on our profit margins for FY2007, I am confident we are in a better position now to capitalize on business opportunities in the years ahead.”

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 100 projects for more than 40 government departments and over 15 projects for the commercial sector in Hong Kong.

Azeus was listed on the Mainboard of SGX-ST in October 2004.

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