



## NEWS RELEASE

### **AZEUS NET PROFIT SURGES 87% TO HK\$23.7 MILLION (EQUIVALENT TO US\$3.05 MILLION<sup>1</sup>) IN FY2021**

- ***Net profit surges 87% from HK\$12.7 million in FY2020 (approximately US\$1.64 million<sup>1</sup>) to HK\$23.7 million (approximately US\$3.05 million<sup>1</sup>) in FY2021***
- ***Revenue contribution from Azeus products increased 34.9% to HK\$113.2 million (approximately US\$14.6 million<sup>1</sup>) amid strong demand***
- ***Proposed final dividend of HK\$0.39 per ordinary share for FY2021***

**Singapore, 27 May 2021** – Azeus Systems Holdings Ltd. (“**Azeus**” or the “**Group**”), a leading provider of IT consultancy services based in Hong Kong, reported an 87% increase in net profit to HK\$23.7 million for the year ended 31 March 2021 (“**FY2021**”), compared to the previous corresponding period (“**FY2020**”).

For the year under review, Azeus recorded a 1.7% decrease in revenue to HK\$178.1 million in FY2021 from HK\$181.2 million in FY2020. Revenue from Azeus Products increased by HK\$29.3 million or 34.9% from HK\$83.9 million in FY2020 to HK\$113.2 million in FY2021, as the Group made good progress in expanding its customer and revenue base. However, this was offset by a 33.3% decrease in revenue contribution from the IT Services operating segment, from HK\$97.3 million in FY2020 to HK\$64.9 million in FY2021 due to fewer projects.

Correspondingly, the Group’s shareholders’ equity increased from HK\$100.9 million in FY2020 to HK\$119.1 million in FY2021 mainly due to the net profit of HK\$24.5 million generated in FY2021 net off the final dividend of FY2020 amounting to HK\$6.3 million paid during the year.

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<sup>1</sup> Based on the conversion rate of 1 HK\$ = 0.13 US\$, rounded up to one decimal place.

Overall, the Group managed to maintain a higher cash position of HK\$156.3 million as at 31 March 2021, compared to HK\$100.0 million as at 31 March 2020.

### **Review of Business Segments**

The Azeus Products business segment maintained its position as the Group's key growth driver, providing a steady growing stream of recurring income. In the year under review, Azeus Products accounted for 63.6% of total Group revenue, compared to 46.3% in the earlier corresponding period. Revenue from Azeus Products, contributed by the sale of three proprietary products — “Azeus Convene”, “AzeusCare”, “AGM@Convene” (a new product launched in FY2021) and associated professional services, increased by HK\$29.3 million or 34.9% from HK\$83.9 million in FY2020 to HK\$113.2 million in FY2021. This was a result of the Group's progress in expanding its customer and revenue base.

IT Services, which includes the sale of third-party hardware and software, recorded a 33.3% decrease to HK\$64.9 million as a result of fewer projects and enhancements secured in FY2021. Revenue from systems implementation and enhancement decreased by HK\$17.2 million or 47.7% to HK\$19.0 million in FY2021 while revenue from sale of third-party hardware and software decreased by 96.2% to HK\$0.6 million in FY2021, as the majority of the projects completed in FY2021 required the Group's customisation services. Revenue from Maintenance and Support Services remained flat in FY2021 at HK\$45.3 million.

## **Outlook**

For the “Azeus IT Services” segment, the Group expects improvement from last year with increased activities in growing projects pipeline.

Mr. Lee Wan Lik, Managing Director of Azeus, said, “We are pleased to report a positive set of results. Led by robust demand for Azeus products, we expect this segment to continue to be our growth engine as we expand into more territories and add new product features and modules.”

Barring unforeseen circumstances, the Group remains cautiously optimistic about the outlook of FY2022.

## **About Azeus Systems Holdings Ltd.**

Azeus is among the first companies in Hong Kong to be appraised at the highest level (Level 5) of the CMMI-SW model for software development. A leading provider of IT products and services, Azeus was listed on the Main Board of the SGX-ST in October 2004, with offices in Hong Kong, Singapore, the United Kingdom, the Philippines and China.

The Group's flagship product, Azeus Convene, is a leading paperless meeting solution used by directors and executives in various industries, across more than 100 countries. The Group has also introduced a virtual AGM solution, AGM@Convene, in response to the shifting trend towards e-AGMs as a result of the COVID-19 restrictions. AzeusCare, the Group's proprietary social care system which supports requirements of the UK Care Act 2014, has also been adopted by various local councils in the United Kingdom.

Under Azeus' IT Services segment, the Group design and implement a broad range of IT software and systems, as well as develop and integrate various software programmes of IT systems for its customers. The Group also provide after-sales services and support by offering a spectrum of maintenance and support services.

In all, the Group has a solid track record of completing over 100 IT services projects for more than 40 government departments, as well as over 20 projects for the private sector in Hong Kong, many of which are contracts from repeat customers.

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