

AZEUS SYSTEMS HOLDINGS LTD.
(incorporated in Bermuda on 10 May 2004)
(Registration Number: 35312)

CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE SECOND HALF AND THE FULL YEAR ENDED 31 MARCH 2025

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AZEUS SYSTEMS HOLDINGS LTD.
(incorporated in Bermuda on 10 May 2004)
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**A. Consolidated Statement of Profit or Loss for the second half (six months) and
full year ended 31 March 2025
(Expressed in Hong Kong Dollars)**

		<u>Group</u>					
		2H FY2025	2H FY2024	+ / (-) %	FY2025	FY2024	+ / (-) %
	Note	HK\$'000	HK\$'000		HK\$'000	HK\$'000	
Revenue	4	305,476	196,132	56	474,796	328,940	44
Cost of revenue	5(a)	(64,928)	(53,582)	21	(110,949)	(95,428)	16
Gross profit		240,548	142,550	69	363,847	233,512	56
Other income	6	2,260	1,168	93	3,605	1,993	81
Other losses - net	6	(8,126)	(456)	1,682	(5,951)	(1,403)	324
Impairment losses of financial assets	7	(927)	(2,397)	(61)	(2,874)	(2,762)	4
Expenses							
- Research and development	5(a)	(21,620)	(19,515)	11	(39,659)	(34,879)	14
- Selling and marketing	5(a)	(37,615)	(28,644)	31	(68,035)	(54,063)	26
- Administrative	5(a)	(33,064)	(28,717)	15	(55,219)	(49,914)	11
- Finance cost – lease interest	11(d)	(524)	(480)	9	(1,012)	(886)	14
Profit before tax		140,932	63,509	122	194,702	91,598	113
Tax expenses	5(b)	(22,842)	(5,861)	290	(27,753)	(6,605)	320
Profit attributable to equity holders of the Company		118,090	57,648	105	166,949	84,993	96

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B. Consolidated Statement of Other Comprehensive Income
for second half (six months) and full year ended 31 March 2025
(Expressed in Hong Kong Dollars)

	<u>Group</u>					
	2H FY2025 HK\$'000	2H FY2024 HK\$'000	+ / (-) %	FY2025 HK\$'000	FY2024 HK\$'000	+ / (-) %
Total profit	118,090	57,648	105	166,949	84,993	96
Other comprehensive income						
<u>Items that may be reclassified</u> <u>subsequently to profit or loss:</u>						
Currency translation gains/ (losses) arising from consolidation	4,147	389	966	5,754	(625)	(1,021)
<u>Items that will not be reclassified</u> <u>subsequently to profit or loss:</u>						
Actuarial (losses)/gains on defined retirement benefits	(3,795)	1,291	(394)	(3,795)	1,291	(394)
Tax credit/(losses) on actuarial losses	953	(527)	(281)	953	(527)	(281)
	(2,842)	764	(472)	(2,842)	764	(472)
Other comprehensive income, net of tax	1,305	1,153	13	2,912	139	1,995
Total comprehensive income attributable to equity holders of the Company	119,395	58,801	103	169,861	85,132	100

Note: n/m = not meaningful

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C. Balance Sheets as at 31 March 2025
(Expressed in Hong Kong Dollars)

		<u>Group</u>		<u>Company</u>	
		31 Mar 2025	31 Mar 2024	31 Mar 2025	31 Mar 2024
	Note	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Current assets					
Cash and bank deposits		270,299	183,378	972	731
Trade and other receivables		87,275	67,125	188,499	87,791
Inventories		134	1,165	-	-
Contract assets		40,577	30,313	-	-
Current income tax assets		509	1,040	-	-
		398,794	283,021	189,471	88,522
Non-current assets					
Investment in subsidiaries		-	-	53,802	53,802
Property, plant and equipment	10	8,501	6,207	-	-
Right-of-use assets	11(a)	25,042	25,877	-	-
Deferred income tax assets	12	4,177	3,069	-	-
Refundable deposits		4,973	5,142	-	-
		42,693	40,295	53,802	53,802
Total assets		441,487	323,316	243,273	142,324

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C. Balance Sheets as at 31 March 2025 (Continued)
(Expressed in Hong Kong Dollars)

	Note	<u>Group</u>		<u>Company</u>	
		31 Mar 2025	31 Mar 2024	31 Mar 2025	31 Mar 2024
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
Current liabilities					
Trade and other payables		30,365	12,904	3,247	1,934
Contract liabilities		116,355	101,686	-	-
Lease liabilities	11(c)	5,598	4,748	-	-
Current income tax liabilities		20,300	5,153	-	-
		172,618	124,491	3,247	1,934
Non-current liabilities					
Contract liabilities		4,599	3,492	-	-
Lease liabilities	11(c)	19,365	20,296	-	-
Other non-current liabilities		3,792	3,706	-	-
Deferred income tax liabilities		188	-	-	-
Provision for defined retirement benefits		16,860	12,127	-	-
		44,804	39,621	-	-
Total liabilities		217,422	164,112	3,247	1,934
Net assets		224,065	159,204	240,026	140,390
Equity					
Share capital	13	46,800	46,800	46,800	46,800
Share premium		56,489	56,489	56,726	56,726
Foreign currency translation reserve		3,965	(1,789)	-	-
Other reserves		1,798	1,774	-	-
Defined retirement benefits		(9,105)	(6,263)	-	-
Retained profits		124,118	62,193	136,500	36,864
Total Equity		224,065	159,204	240,026	140,390

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D.

Consolidated Statement of Changes in Equity
for the full year ended 31 March 2025
(Expressed in Hong Kong Dollars)

<u>Group</u>	Share Capital HK\$'000	Share Premium HK\$'000	Foreign Currency Translation Reserve HK\$'000	Other Reserves HK\$'000	Defined Retirement Benefits HK\$'000	Retained Profits HK\$'000	Total Equity HK\$'000
Balance as at 1 April 2024	46,800	56,489	(1,789)	1,774	(6,263)	62,193	159,204
Profit for the year	-	-	-	-	-	166,949	166,949
Other comprehensive income/(loss)	-	-	5,754	-	(2,842)	-	2,912
Total comprehensive income/(loss)	-	-	5,754	-	(2,842)	166,949	169,861
Transfer from retained profits to other reserves	-	-	-	24	-	(24)	-
FY2024 final dividends paid	-	-	-	-	-	(57,000)	(57,000)
FY2025 interim dividends paid	-	-	-	-	-	(48,000)	(48,000)
Balance as at 31 March 2025	46,800	56,489	3,965	1,798	(9,105)	124,118	224,065

Balance as at 1 April 2023	46,800	56,489	(1,164)	1,774	(7,027)	36,600	133,472
Profit for the year	-	-	-	-	-	84,993	84,993
Other comprehensive (loss)/ income	-	-	(625)	-	764	-	139
Total comprehensive (loss)/ income	-	-	(625)	-	764	84,993	85,132
Transfer from retained profits to other reserves	-	-	-	-	-	-	-
FY2023 final dividends paid	-	-	-	-	-	(32,400)	(32,400)
FY2024 interim dividends paid	-	-	-	-	-	(27,000)	(27,000)
Balance as at 31 March 2024	46,800	56,489	(1,789)	1,774	(6,263)	62,193	159,204

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D. Consolidated Statement of Changes in Equity (Continued)
for the full year ended 31 March 2025
(Expressed in Hong Kong Dollars)

<u>Company</u>	Share Capital HK\$'000	Share Premium HK\$'000	Retained Profits HK\$'000	Total Equity HK\$'000
Balance as at 1 April 2024	46,800	56,726	36,864	140,390
Total comprehensive income for the year	-	-	204,636	204,636
FY2024 final dividends paid	-	-	(57,000)	(57,000)
FY2025 interim dividends paid	-	-	(48,000)	(48,000)
Balance as at 31 March 2025	46,800	56,726	136,500	240,026
Balance as at 1 April 2023	46,800	56,726	36,762	140,288
Total comprehensive income for the year	-	-	59,502	59,502
FY2023 final dividends paid	-	-	(32,400)	(32,400)
FY2024 interim dividends paid	-	-	(27,000)	(27,000)
Balance as at 31 March 2024	46,800	56,726	36,864	140,390

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E. Consolidated Statement of Cash Flows for the full year ended 31 March 2025
(Expressed in Hong Kong Dollars)

		<u>Group</u>	
		FY2025	FY2024
		HK\$'000	HK\$'000
Cash flows from operating activities	Note		
Total profit		166,949	84,993
Adjustments for:			
Tax expense	5(b)	27,753	6,605
Depreciation of property, plant and equipment	10	1,190	911
Write-off of property, plant and equipment	10	61	-
Amortisation of right-of-use assets	11(b)	6,130	7,300
Interest income	6	(3,323)	(1,614)
Finance cost – lease interest	11(d)	1,012	886
Defined retirement benefits expense		2,350	2,380
Unrealised currency translation (gains)/losses		(552)	1,424
Operating cash flows before changes in working capital		201,570	102,885
Changes in working capital			
Trade and other receivables		(20,952)	(6,507)
Contract assets		(10,264)	(6,120)
Refundable deposits		169	(1,356)
Inventories		1,031	2,489
Trade and other payables		24,215	(943)
Provision for defined retirement benefits		(1,372)	(1,562)
Contract liabilities		15,776	17,121
Cash generated from operations		210,173	106,007
Income tax paid, net		(12,266)	(3,701)
Net cash provided by operating activities		197,907	102,306

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E. Consolidated Statement of Cash Flows for the full year ended 31 March 2025
(Continued)
(Expressed in Hong Kong Dollars)

		<u>Group</u>	
		FY2025	FY2024
	Note	HK\$'000	HK\$'000
Cash flows from investing activities			
Addition of property, plant and equipment	10	(3,526)	(5,831)
Interest received	6	3,323	1,614
Net cash used in investing activities		<u>(203)</u>	<u>(4,217)</u>
Cash flows from financing activities			
Increase in restricted cash		653	8,786
Dividends paid to equity holders of the Company		(105,000)	(59,400)
Principal payment of lease liabilities		(5,233)	(5,028)
Payment of interest on lease liabilities	11(d)	(1,012)	(886)
Net cash used in financing activities		<u>(110,592)</u>	<u>(56,528)</u>
Net increase in cash and cash equivalents		87,112	41,561
Cash and cash equivalents, statement of cash flows, beginning balance		142,642	103,263
Effects of currency translation on cash and cash equivalents		462	(2,182)
Cash and cash equivalents, statement of cash flows, ending balance (Note A)		<u>230,216</u>	<u>142,642</u>
Note A:			
Cash and bank deposits		270,299	183,378
Less: Restricted cash		(40,083)	(40,736)
Cash and cash equivalents as disclosed in the consolidated statement of cash flows		<u>230,216</u>	<u>142,642</u>

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E. Consolidated Statement of Cash Flows for the full year ended 31 March 2025
(Continued)
(Expressed in Hong Kong Dollars)

Reconciliation of liabilities from financing activities

				Non-cash changes		
	1 April 2024 HK\$'000	Additions HK\$'000	Principal and interest payment HK\$'000	Interest expense HK\$'000	Foreign exchange movement HK\$'000	31 March 2025 HK\$'000
<u>2025</u>						
Lease liabilities	25,044	5,112	(6,245)	1,012	40	24,963

				Non-cash changes		
	1 April 2023 HK\$'000	Additions HK\$'000	Principal and interest payment HK\$'000	Interest expense HK\$'000	Foreign exchange movement HK\$'000	31 March 2024 HK\$'000
<u>2024</u>						
Lease liabilities	3,162	26,966	(5,914)	886	(56)	25,044

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F. Notes to the Condensed Consolidated Financial Statements

1. Corporate information

Azeus Systems Holdings Ltd. (the “Company”) is incorporated as an exempt company with limited liability under the Companies Act 1981 of Bermuda and is listed on the Singapore Exchange Securities Trading Limited (“SGX-ST”). The address of its registered office is Victoria Place, 5th Floor, 31 Victoria Street, Hamilton HM10, Bermuda. The principal place of business of the Company is 33/F Cambridge House, Taikoo Place, 979 King’s Road, Quarry Bay, Hong Kong.

The principal activity of the Company is that of an investment holding company. The principal activities of the Group are the provision of IT services and cloud-based subscription services of its software products.

These condensed consolidated financial statements as at and for the year ended 31 March 2025 comprise the Company and its subsidiaries (collectively, the “Group”). The balance sheet and the statement of changes in equity of the Company are also presented.

2. Basis of preparation

The balance sheet of the Company and the consolidated financial statements of the Group have been prepared in accordance with the Singapore Financial Reporting Standards (International) (“SFRS(I)s”) issued by the Accounting Standards Committee Singapore.

The condensed consolidated financial statements do not include all the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group’s financial position and performance of the Group since the last annual financial statements for the year ended 31 March 2024.

The accounting policies adopted are consistent with those of the previous financial year which were prepared in accordance with SFRS(I)s, except for the adoption of new and amended standards as set out in Note 2.1 below.

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F. Notes to the Condensed Consolidated Financial Statements (Continued)

2. Basis of preparation (Continued)

The condensed consolidated financial statements are presented in Hong Kong dollar which is the Company's functional currency.

The latest audited annual financial statements of the Group are not subject to an adverse opinion, qualified opinion or disclaimer of opinion issued by the Company's auditors.

2.1 Interpretations and amendments to published standards effective in 2024

On 1 April 2024, the Group has adopted the new or amended SFRS(I) and Interpretations of SFRS(I) ("INT SFRS(I)") that are mandatory for application for the financial year. Changes to the Group's accounting policies have been made as required, in accordance with the transitional provisions in the respective SFRS(I) and INT SFRS(I).

The adoption of these new or amended SFRS(I) and INT SFRS(I) did not result in substantial changes to the Group's accounting policies and had no material effect on the amounts reported for the current or prior financial years.

2.2 Impact of SFRS(I) Accounting Standards issued but not yet applied by the entity

The following are the new or amended Standards and Interpretations (issued by the ASC up to 31 October 2024) that are not yet applicable but may be early adopted for the current financial year. For more recent information subsequent to 31 October 2024, please refer to ACRA website.

<u>Annual periods commencing on</u>	<u>Description</u>
1 January 2025	Amendments to SFRS(I) 1-21: Lack of Exchangeability
1 January 2026	Amendments to SFRS(I) 9 and SFRS(I) 7: Amendments to the Classification and Measurement of Financial Instruments Annual Improvements to SFRS(I)s - Volume 11
1 January 2027	SFRS(I) 18: Presentation and Disclosure in Financial Statements SFRS(I) 19: Subsidiaries without Public Accountability: Disclosures

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F. Notes to the Condensed Consolidated Financial Statements (Continued)

2. Basis of preparation (Continued)

2.2 Impact of SFRS(I) Accounting Standards issued but not yet applied by the entity (Continued)

The new or amended accounting Standards and Interpretations listed above are not mandatory for 31 March 2025 reporting periods and have not been early adopted by the Group. These are not expected to have a material impact on the Group in the current or future reporting periods and on foreseeable future transactions.

2.3 Critical judgements, assumptions and estimation uncertainties

In preparing the condensed consolidated financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income, and expenses.

Estimates and underlying assumptions are reviewed on an ongoing basis. However, actual results may differ from these estimates. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected. The nature and the carrying amount of such significant assets and liabilities are disclosed with further details in the relevant Notes to these condensed consolidated financial statements.

The significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that were applied to the audited annual consolidated financial statements as at and for the year ended 31 March 2024.

3. Seasonal operations

The Group's businesses are not affected significantly by seasonal or cyclical factors during the financial year.

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F. Notes to the Condensed Consolidated Financial Statements (Continued)

4. Segment and revenue information

The Group has two operating segments which are the provision of professional IT Services ("IT Services") and the sale and licensing of its proprietary products ("Azeus Products"). There are 5 major revenue streams under IT Services and Azeus Products: Systems implementation and enhancement, sales of hardware and software, and maintenance and support services, product licensing and product services.

The segment information of the reportable segments is as follows:

	<u>IT Services</u>		<u>Azeus Products</u>		<u>Total</u>	
	2H FY2025	2H FY2024	2H FY2025	2H FY2024	2H FY2025	2H FY2024
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
For the year ended 31 March						
Segment revenue	51,304	41,853	254,172	154,279	305,476	196,132
Segment results	25,117	16,755	157,480	75,795	182,597	92,550
Unallocated income/(expenses)						
Other income and interest income					2,260	1,168
Administrative salaries					(10,591)	(9,688)
Consultancy fee - administrative					(1,003)	(646)
Technical services and supplies					(603)	(428)
Transportation and travelling					(1,101)	(531)
Office reinstatement expenses					-	-
Other losses - net					(8,126)	(456)
Depreciation of property, plant and equipment					(512)	(611)
Amortisation of right-of-use asset					(3,362)	(2,378)
Defined retirement benefit expense					(2,350)	(2,380)
Directors' remuneration					(2,874)	(1,867)
Rental expenses on short-term leases					(2,229)	(1,867)
Legal and professional fees					(1,919)	(2,169)
Insurance					(784)	(1,010)
Utilities					(756)	(808)
Fees on audit services					(2,248)	(2,113)
Recruitment and training					(523)	(434)
Other expenses					(4,944)	(2,823)
Profit before tax					140,932	63,509
Tax expense					(22,842)	(5,861)
Profit for the year					118,090	57,648

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F. Notes to the Condensed Consolidated Financial Statements (Continued)

4. Segment and revenue information (Continued)

The segment information of the reportable segments are as follows (continued):

	IT Services		Azeus Products		Total	
	FY2025	FY2024	FY2025	FY2024	FY2025	FY2024
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
For the year ended 31 March						
Segment revenue	82,957	75,403	391,839	253,537	474,796	328,940
Segment results	35,961	30,889	219,480	113,577	255,441	144,466
Unallocated income/(expenses)						
Other income and interest income					3,605	1,993
Administrative salaries					(18,720)	(15,763)
Consultancy fee - administrative					(1,716)	(1,183)
Technical services and supplies					(1,142)	(1,290)
Transportation and travelling					(1,700)	(935)
Office reinstatement expenses					-	(1,000)
Other losses - net					(5,951)	(1,403)
Depreciation of property, plant and equipment					(1,190)	(911)
Amortisation of right-of-use asset					(6,130)	(6,073)
Defined retirement benefit expense					(2,350)	(2,380)
Directors' remuneration					(4,515)	(3,258)
Rental expenses on short-term leases					(4,723)	(3,731)
Legal and professional fees					(4,439)	(4,551)
Insurance					(1,444)	(1,791)
Utilities					(1,508)	(1,601)
Fees on audit services					(2,248)	(2,250)
Recruitment and training					(731)	(1,184)
Other expenses					(5,837)	(5,557)
Profit before tax					194,702	91,598
Tax expense					(27,753)	(6,605)
Profit for the year					166,949	84,993

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F. Notes to the Condensed Consolidated Financial Statements (Continued)

4. Segment and revenue information (Continued)

The segment information of the reportable segments are as follows (continued):

	<u>IT Services</u>		<u>Azeus Products</u>		<u>Total</u>	
	31 Mar 2025	31 Mar 2024	31 Mar 2025	31 Mar 2024	31 Mar 2025	31 Mar 2024
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Assets and liabilities						
Segment assets	18,620	16,343	153,196	87,975	171,816	104,318
Unallocated assets:						
Refundable deposits					1,025	1,801
Property, plant and equipment					6,033	3,630
Right-of-use assets					23,510	22,507
Deferred income tax assets					4,177	3,069
Cash and cash equivalents					230,216	183,378
Other receivables and deposits					2,691	2,256
Prepayments					1,510	1,317
Current income tax assets					509	1,040
					269,671	218,998
Total assets					441,487	323,316
Segment liabilities	2,108	2,419	129,682	112,759	131,790	115,178
Unallocated liabilities:						
Trade and other payables					22,004	6,912
Lease liabilities					23,638	22,186
Current income tax liabilities					20,300	5,153
Other non-current liabilities					2,642	2,556
Deferred income tax liabilities					188	-
Provision for defined retirement benefits					16,860	12,127
					85,632	48,934
Total liabilities					217,422	164,112

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F. Notes to the Condensed Consolidated Financial Statements (Continued)

4. Segment and revenue information (Continued)

The revenue from external parties is measured in a manner consistent with that in the consolidated income statement and other comprehensive income.

The management assesses the performance of the operating segments based on a measure of gross profits less selling and marketing expenses and research and development expenses. Assets and liabilities are managed on a group basis and are not allocated to operating segments except for trade and other receivables, inventories, contract assets, property, plant and equipment, rights-of-use assets, refundable deposits, pledged bank deposits, trade payables and lease liabilities, as they cannot be directly attributable to individual segments, and it is impractical to arbitrarily allocate them to the segments.

(a) Revenue from major products and services

Revenue from external customers is derived mainly from the provision of IT Services and Azeus Products. Breakdown of the revenue is as follows:

	2H FY2025	2H FY2024	Group FY2025	FY2024
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
IT Services	51,304	41,853	82,957	75,403
Azeus Products	254,172	154,279	391,839	253,537
Total	305,476	196,132	474,796	328,940

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F. Notes to the Condensed Consolidated Financial Statements (Continued)

4. Segment and revenue information (Continued)

(b) Timing of revenue recognition

	At a point in time HK\$'000	Over time HK\$'000	Total HK\$'000
2H FY2025			
IT Services			
Systems implementation and enhancement	-	23,644	23,644
Maintenance and support services	-	27,660	27,660
	-	51,304	51,304
Azeus Products			
Product licensing revenue	120,975	101,096	222,071
Product service revenue	22,125	-	22,125
Systems implementation and enhancement	-	7,283	7,283
Maintenance and support services	-	2,693	2,693
	143,100	111,072	254,172
	143,100	162,376	305,476
2H FY2024			
IT Services			
Systems implementation and enhancement	-	14,439	14,439
Maintenance and support services	-	27,414	27,414
	-	41,853	41,853
Azeus Products			
Product licensing revenue	41,271	83,741	125,012
Product service revenue	11,663	-	11,663
Sales of hardware and software	-	567	567
Systems implementation and enhancement	-	15,257	15,257
Maintenance and support services	-	1,780	1,780
	52,934	101,345	154,279
	52,934	143,198	196,132

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F. Notes to the Condensed Consolidated Financial Statements (Continued)

4. Segment and revenue information (Continued)

(b) Timing of revenue recognition (Continued)

FY2025	At a point in time HK\$'000	Over time HK\$'000	Total HK\$'000
IT Services			
Systems implementation and enhancement	-	30,031	30,031
Maintenance and support services	-	52,926	52,926
	-	82,957	82,957
Azeus Products			
Product licensing revenue	141,455	192,741	334,196
Product service revenue	40,518	-	40,518
Systems implementation and enhancement	-	12,607	12,607
Maintenance and support services	-	4,518	4,518
	181,973	209,866	391,839
	181,973	292,823	474,796
FY2024			
IT Services			
Systems implementation and enhancement	-	23,408	23,408
Maintenance and support services	-	51,995	51,995
	-	75,403	75,403
Azeus Products			
Product licensing revenue	41,271	158,389	199,660
Product service revenue	21,704	-	21,704
Sales of hardware and software	-	567	567
Systems implementation and enhancement	-	28,040	28,040
Maintenance and support services	-	3,566	3,566
	62,975	190,562	253,537
	62,975	265,965	328,940

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F. Notes to the Condensed Consolidated Financial Statements (Continued)

4. Segment and revenue information (Continued)

(c) Geographical information

The Group's two business segments operate in the main geographical areas as follows:

	Sales for continuing operations			
	2H FY2025 HK\$'000	2H FY2024 HK\$'000	FY2025 HK\$'000	FY2024 HK\$'000
Hong Kong and Asia	213,365	120,724	301,672	187,460
United Kingdom and Europe	28,311	23,892	54,419	46,709
Middle East	28,003	22,180	51,120	37,261
Australia and New Zealand	10,687	10,200	21,428	20,241
Africa	13,177	10,250	25,435	20,056
North America and South America	11,933	8,886	20,722	17,213
Total	305,476	196,132	474,796	328,940

	Non-current assets	
	31 Mar 2025 HK\$'000	31 Mar 2024 HK\$'000
Hong Kong	30,025	35,680
Philippines	12,165	4,106
Asia (except Hong Kong and Philippines)	273	413
United Kingdom and Europe	132	64
Others	98	32
Total	42,693	40,295

Non-current assets information presented above consists of property, plant and equipment, right-of-use assets, deferred income tax assets and refundable deposits as presented in the Balance Sheets.

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F. Notes to the Condensed Consolidated Financial Statements (Continued)

5. Profit and loss information

5(a) Expenses by nature

Expenses included in cost of revenue, research and development, selling and marketing expenses and administrative expenses are analysed as follows:

	2H FY2025 HK\$'000	2H FY2024 HK\$'000	FY2025 HK\$'000	FY2024 HK\$'000
Consultancy fee - administrative	(1,003)	(646)	(1,716)	(1,183)
Directors' remuneration	(2,874)	(1,867)	(4,515)	(3,258)
Employee compensation	(95,097)	(83,353)	(169,922)	(149,257)
Depreciation of property, plant, and equipment (Note 10)	(512)	(611)	(1,190)	(911)
Amortisation of right-of-use assets (Note 11(b))	(3,362)	(3,605)	(6,130)	(7,300)
Legal and professional fees	(1,919)	(2,169)	(4,439)	(3,531)
Rental expense on short-term leases (Note 11(e))	(2,229)	(1,867)	(4,723)	(3,731)
Third-party hardware and software support cost	(3,663)	(3,334)	(7,052)	(6,827)
Project direct service cost, sub-contracting and consultancy fee	(10,306)	(4,728)	(12,247)	(6,825)
Third-party hardware and software cost	(723)	(2,025)	(723)	(2,025)
Third-party research and development expense	(1,340)	(853)	(2,699)	(1,579)
Cost of hosting services	(7,327)	(6,114)	(13,429)	(10,785)
Marketing activities expense	(8,024)	(6,255)	(15,725)	(12,353)
Utilities	(756)	(808)	(1,508)	(1,600)
Insurance	(784)	(1,010)	(1,444)	(1,791)
Sales consultancy fee	(4,584)	(4,146)	(9,119)	(7,775)
Sales commission	(4,404)	(1,465)	(5,513)	(2,147)
Technical supplies and services	(603)	(428)	(1,142)	(1,290)
Transportation and travelling	(1,101)	(531)	(1,700)	(935)
Referral fee	(16)	(60)	(75)	(158)
Recruitment and training	(523)	(434)	(731)	(1,184)
Audit fee paid/payable to auditors of the Group	(1,865)	(1,941)	(2,071)	(1,902)
Non-audit fee paid/payable to auditors of the Group	(199)	(172)	(199)	(850)
Other auditors	(136)	-	(177)	(137)
Bank and transaction charges	(427)	(302)	(980)	(913)
Office reinstatement expense	-	-	-	(1,000)
Other expenses	(3,450)	(1,734)	(4,693)	(3,037)
Total cost of revenue, research, and development, selling and marketing and administrative expenses	(157,227)	(130,458)	(273,862)	(234,284)

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F. Notes to the Condensed Consolidated Financial Statements (Continued)

5. Profit and loss information (Continued)

5(b) Tax expenses

	2H FY2025	2H FY2024	FY2025	FY2024
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Tax expense attributable to profit is made up of:				
- Current income tax	22,395	6,229	26,932	7,249
- Deferred income tax expenses/(credit)	24	(245)	24	(245)
	22,419	5,984	26,956	7,004
Under/(over) provision in prior financial years:				
- Current income tax	579	(124)	1,059	(707)
- Deferred income tax	-	-	(32)	-
	579	(124)	1,027	(707)
Withholding tax (credit)/expense	(156)	1	(230)	308
	22,842	5,861	27,753	6,605

6. Other income and other (losses)/gains - net

	Group			
	2H FY2025	2H FY2024	FY2025	FY2024
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Other income comprises of:				
Interest income from bank deposits	2,164	911	3,323	1,614
Sundry income	96	257	282	379
	2,260	1,168	3,605	1,993
Currency exchange losses, net	(8,126)	(456)	(5,951)	(1,403)
	(5,866)	712	(2,346)	590

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F. Notes to the Condensed Consolidated Financial Statements (Continued)

7. Impairment losses of financial assets

	Group			
	2H FY2025	2H FY2024	FY2025	FY2024
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Impairment losses of financial assets comprises of:				
Loss allowance and expected credit loss on trade receivables	(899)	(2,355)	(2,846)	(2,720)
Impairment allowance for contract assets	(28)	(42)	(28)	(42)
	(927)	(2,397)	(2,874)	(2,762)

8. Earnings per ordinary share

	Group	
	FY2025	FY2024
Profit attributable to equity holders of the Company (HK\$'000)	166,949	84,993
Weighted average number of shares	29,999,993	29,999,993
- Basic earnings per share (HK dollars)	5.56	2.83
- Fully diluted earnings per share (HK dollars)	5.56	2.83

Fully diluted earnings per share are similar to the basic earnings per share as the Group did not have any potential dilutive ordinary shares outstanding as at 31 March 2025 and 31 March 2024.

9. Net asset value

	Group		Company	
	31 Mar 2025	31 Mar 2024	31 Mar 2025	31 Mar 2024
	HK\$	HK\$	HK\$	HK\$
Net asset value per ordinary share based on the existing share capital as at year end	7.47	5.31	8.00	4.68

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F. Notes to the Condensed Consolidated Financial Statements (Continued)

10. Property, plant and equipment

During the year ended 31 March 2025, the Group acquired assets amounting to HK\$3,526,000 (31 March 2024: HK\$5,831,000) with assets amounting to HK\$61,000 (31 March 2024: HK\$ NIL) written-off during the year. The depreciation expense during the year amounted to HK\$1,190,000 (31 March 2024: HK\$911,000).

11. Leases – Right-of-use assets and Lease liabilities

The Group leases office space for the purpose of office operations. There is no externally imposed covenant on these lease arrangements.

	Group	
	FY2025	FY2024
	HK\$'000	HK\$'000
(a) Right of use assets – Carrying amount	25,042	25,877
(b) Amortisation charge during the year (Note 5(a))	6,130	7,300
(c) Lease Liabilities		
<i>Current</i>	5,598	4,748
<i>Non-current</i>	19,365	20,296
	24,963	25,044
(d) Interest expense on lease liabilities	1,012	886
(e) Lease expense not capitalised in lease liabilities		
Lease expense – short-term leases (Note 5(a))	4,723	3,731
(f) Total cash outflow for all the leases in the financial year ended 31 March 2025 was HK\$10,968,000 (31 March 2024: HK\$9,645,000).		
(g) The addition of right-of-use assets during the financial year ended 31 March 2025 amounted to HK\$5,256,000 (31 March 2024: HK\$30,012,000).		

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F. Notes to the Condensed Consolidated Financial Statements (Continued)

11. Leases – Right-of-use assets and Lease liabilities (Continued)

(h) Future cash outflow which are not capitalised in lease liabilities

(i) *Extension options*

The leases for certain office space contain extension periods, for which the related lease payments had not been included in lease liabilities as the Group is not reasonably certain to exercise these extension options. The Group negotiates extension options to optimise operational flexibility in terms of managing the assets used in the Group's operations. The majority of the extension options are exercisable by the Group and not by the lessor.

12. Deferred income taxes

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current income tax assets against current income tax liabilities and when the deferred income taxes relate to the same fiscal authority.

The amounts, determined after appropriate offsetting, are shown on the balance sheets as follows:

	<u>Group</u>	
	31 Mar 2025 HK\$'000	31 Mar 2024 HK\$'000
Deferred income tax assets	4,177	3,069
Deferred tax liabilities	(188)	-
	3,989	3,069

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F. Notes to the Condensed Consolidated Financial Statements (Continued)

12. Deferred income taxes (Continued)

Movement in deferred income tax account is as follows:

	Group	
	31 Mar 2025	31 Mar 2024
	HK\$'000	HK\$'000
Beginning of financial year	3,069	3,299
Tax credit on actuarial gains on defined retirement benefits credited/(expensed) to other comprehensive income	953	(527)
Currency translation differences	(41)	52
Tax credited to profit or loss (Note 5(b))	8	245
End of financial year	3,989	3,069

Deferred income tax assets are recognised for tax losses carried forward to the extent that realisation of the related tax benefits through future taxable profits is probable.

13. Share Capital

	Group and Company	
	Number of issued	Share capital
	shares	amount
	'000	HK\$'000
Balance as at year end	30,000	46,800

All ordinary shares are fully paid. The par value is US\$0.20 per share. As at 31 March 2025, share capital of the Company comprises 29,999,993 ordinary shares (31 March 2024: 29,999,993).

There were no outstanding convertibles, subsidiary holdings or treasury shares as at the end of the current financial year and as at the end of the corresponding year of the immediate preceding financial year.

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F. Notes to the Condensed Consolidated Financial Statements (Continued)

14. Significant related party transactions

A cash advance of HK\$465,000 (FY2024: HK\$819,000) was made to one of our Executive Director as at year end for the settlement of the hosting cost through his credit card for the cash rebate benefit for the overall hosting cost savings.

15. Borrowings

The Group has no bank borrowings or debt securities as at 31 March 2025 and 31 March 2024.

16. Dividends

	Group and Company	
	FY2025	FY2024
	HK'000	HK'000
Ordinary dividends		
<i>Tax-exempt one-tier interim dividend paid in respect of the current financial year:</i>		
HK\$1.60 per ordinary share (2024: HK\$0.90)	48,000	27,000
<i>Tax-exempt one-tier final dividend paid in respect of the previous financial year:</i>		
HK\$1.90 per ordinary share (2024: HK\$1.08)	57,000	32,400
	105,000	59,400

At the Annual General Meeting on 30 July 2025, a final dividend of HK\$3.90 per share amounting to a total of HK\$117.0 million will be recommended. These financial statements do not reflect this dividend, which will be accounted for in shareholders' equity as an appropriation of retained profits in the financial year ending 31 March 2026.

17. Subsequent events

There are no known subsequent events which have led to adjustments to this set of financial statements.

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G. Other Information Required by Listing Rule Appendix 7.2

1. Whether the figures have been audited or reviewed, and in accordance with which auditing standard or practice.

The balance sheet of Azeus Systems Holdings Limited and the consolidated balance sheets of the Group as at 31 March 2025, the related consolidated statement of profit or loss, consolidated statement of other comprehensive income, the statements of changes in equity and consolidated statement of cash flows for the year then ended and certain explanatory notes have not been audited or reviewed.

2. Where the figures have been audited or reviewed, the auditor's report (including any modifications or emphasis of a matter).

Not applicable.

3. Review of performance of the Group

3.1 Review of Statement of Profit or Loss

a. Revenue

	2H FY2025 HK\$'000	2H FY2024 HK\$'000	+ / (-) %
IT Services			
System implementation and enhancement services	23,644	14,439	64
Maintenance and support services	27,660	27,414	n/m
	51,304	41,853	23
Azeus Products	254,172	154,279	65
Total Revenue	305,476	196,132	56

Note: n/m = not meaningful

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G. Other Information Required by Listing Rule Appendix 7.2 (Continued)

3. Review of performance of the Group (Continued)

3.1 Review of Statement of Profit or Loss (Continued)

a. Revenue (Continued)

	FY2025	FY2024	+ / (-)
	HK\$'000	HK\$'000	%
IT Services			
System implementation and enhancement services	30,031	23,408	28
Maintenance and support services	52,926	51,995	2
	82,957	75,403	10
Azeus Products	391,839	253,537	55
Total Revenue	474,796	328,940	44

By Business Segment

In the second half of the year, the Group's total revenue increased from HK\$196.1 million in 2H FY2024 to HK\$305.5 million or 56% in 2H FY2025. Total Group revenue increased by 44% to HK\$474.8 million in FY2025 from HK\$328.9 million in FY2024.

IT Services accounted for 17% of the Group Revenue in 2H FY2025 (2H FY2024: 21%), and 17% (FY2024: 23%) of total Group revenue in FY2025. Revenue from IT Services has increased by 22%, from HK\$41.9 million in 2H FY2024 to HK\$51.3 million in 2H FY2025. The full year revenue from IT Services increased by HK\$7.6 million, or 10%, to HK\$83.0 million in FY2025, from HK\$75.4 million in FY2024 mainly from the system implementation and enhancement services.

Systems implementation and enhancement services accounted for 8% of the total revenue for 2H FY2025 (2H FY2024: 7%) and 6% of the total revenue in FY2025 (FY2024: 7%). Revenue from this revenue stream has increased by HK\$9.2 million, or 64%, from HK\$14.4 million in 2H FY2024 to HK\$23.6 million in 2H FY2025, and on a full year basis, increased by HK\$6.6 million, or 28% from HK\$23.4 million in FY2024 to HK\$30.0 million in FY2025. This is mainly due to more projects and enhancement services secured in FY2025.

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G. Other Information Required by Listing Rule Appendix 7.2 (Continued)

3. Review of performance of the Group (Continued)

3.1 Review of Statement of Profit or Loss (Continued)

a. Revenue (Continued)

Revenue from the recurring maintenance and support services accounted for 9% (2H FY2024: 14%) of total revenue in 2H FY2025, and 11% (FY2024: 16%) of total revenue in FY2025. This is due to the increase in renewal price to cover the inflation cost.

Azeus Products accounted for 83% (2H FY2024: 79%) of total revenue in 2H FY2025 and accounted for 83% (FY2024: 77%) of total revenue in FY2025. Revenue from Azeus Products increased by HK\$99.9 million or 65% from HK\$154.3 million in 2H FY2024 to HK\$254.2 million in 2H FY2025, and on a full year basis, increased by HK\$138.3 million, or 55%, from HK\$253.5 million in FY2024 to HK\$391.8 million in FY2025, mainly attributable to the revenue contribution from the Group's proprietary products Convene and the new product Convene Records and its related implementation services revenue under the CERKS contract. Both products achieved a higher revenue in this financial year.

By Geographical

Hong Kong and Asia

The revenue from Hong Kong and Asia has increased from HK\$120.7 million in 2H FY2024, to HK\$213.4 million in 2H FY2025, by HK\$92.7million or 77%. On an overall basis, revenue from Hong Kong and Asia increased by HK\$114.2 million or 61%, from HK\$187.5 million in FY2024 to HK\$301.7million in FY2025. The growth is primarily attributed to the recognition of revenue from the CERKS project, as the project is now in the deployment phase.

All other geographical regions

Revenue has also increased in the other regions such as the Middle East, Africa, and North and South America. The increase is mainly contributed by our flagship product, Azeus Convene, which is in line with management's direction of growing the product business globally and exploring markets beyond Hong Kong.

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G. Other Information Required by Listing Rule Appendix 7.2 (Continued)

3. Review of performance of the Group (Continued)

3.1 Review of Statement of Profit or Loss (Continued)

b. Cost of revenue and gross profit margin

Cost of revenue mainly consists of direct expenses related to direct employee salaries for the delivery of service and provision of support services, cost of third-party hardware and software products used in IT services system implementation and maintenance projects, cost of subcontracting and consultancy services, and hosting the Group's cloud-based application.

The Group's cost of revenue has increased by HK\$11.3 million, or 21% from HK\$53.6 million in 2H FY2024 to HK\$64.9 million in 2H FY2025, and on a full year basis, rose by HK\$15.5 million, or 16%, to HK\$110.9 million in FY2025 from HK\$95.4 million in FY2024. The increase was mainly due to higher personnel costs and third-party subcontractor costs for the CERKS projects. The Group managed to maintain a stable gross profit margin. Overall, the Group's gross profit margin increased by 6 percentage points in 2H FY2025 (2H FY2025: 79%; 2H FY2024: 73%), and on a full-year basis to 77% in FY2025 as compared to 71% in FY2024. This increase has primarily been attributed to the higher profit margins associated with the CERKS project, which is presently in its deployment phase.

c. Research and development expenses

Research and development expenses consist primarily of personnel and related expenses (including salaries, benefits and bonuses) directly associated with product design and development teams.

Total research and development costs were HK\$21.6 million in 2H FY2025 (2H FY2024: HK\$19.5 million), showing an increase of 11% compared to 2H FY2024, and a rise of HK\$4.8 million, or 14%, from HK\$34.9 million in FY2024, as compared to HK\$39.7 million in FY2025. The increase was mainly due to higher manpower costs for existing product improvements or exploration of new technologies.

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G. Other Information Required by Listing Rule Appendix 7.2 (Continued)

3. Review of performance of the Group (Continued)

3.1 Review of Statement of Profit or Loss (Continued)

d. Selling and marketing expenses

When compared to FY2024, both the full year and the second half of FY2025 experienced a rise in selling and marketing expenses. This increase is due to higher personnel costs for sales representatives, as well as the growth in the sales and marketing team headcount. The rise aligns with the Group's strategy to expand its sales team to pursue subscriber growth of the product business globally.

Total selling and marketing costs were HK\$37.6 million in 2H FY2025 (2H FY2024: HK\$28.6 million), representing a 31% increase compared to 2H FY2024, and a rise of HK\$13.9 million, or a 26% increase from HK\$54.1 million in FY2024 compared to FY2025 of HK\$68.0 million.

e. Administrative expenses

The total expenses were HK\$33.1 million in 2H FY2025 (2H FY2024: HK\$28.7 million), a 15% increase compared to 2H FY2024, and on a full-year basis, expenses came in at HK\$55.2 million (FY2024: HK\$49.9 million), a 11% increase compared to FY2024. Overall, administrative expense was higher, mainly due to increased Human Resources, Finance, and Management team personnel costs by HK\$4.6 million and management overseas travelling expenses of HK\$1.0 million.

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G. Other Information Required by Listing Rule Appendix 7.2 (Continued)

3. Review of performance of the Group (Continued)

3.1 Review of Statement of Profit or Loss (Continued)

f. Other income and other (losses)/ gains – net

	2H FY2025 HK\$'000	2H FY2024 HK\$'000	+ / (-) %	FY2025 HK\$'000	FY2024 HK\$'000	+ / (-) %
Other income comprises of:						
Interest income from bank deposits	2,164	911	138	3,323	1,614	106
Sundry income	96	257	(63)	282	379	(26)
	2,260	1,168	93	3,605	1,993	81
Currency exchange losses, net	(8,126)	(456)	1,682	(5,951)	(1,403)	324
	(5,866)	712	(924)	(2,346)	590	(498)

The Group's total interest income in FY2025 increased by HK\$1.7 million or 106% due to a higher cash balance placed with financial institutions. The Group successfully maintained a higher surplus cash position and secured a larger term deposit at more favorable interest rates. The sundry income represented the subsidies and grants introduced by various governments where the business operates. The decrease was due to lesser grants offered in FY2025.

The increase in other losses for FY2025 was primarily attributable to higher unrealised net foreign exchange losses arising from the revaluation of net monetary assets at the year-end exchange rates, particularly due to the appreciation of the GBP and AUD, as compared to FY2024.

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G. Other Information Required by Listing Rule Appendix 7.2 (Continued)

3. Review of performance of the Group (Continued)

3.1 Review of Statement of Profit or Loss (Continued)

g. Impairment losses of financial assets

Impairment losses of financial assets comprise of:

	2H FY2025	2H FY2024	+ / (-) %	FY 2025 HK\$'000	FY 2024 HK\$'000	+ / (-) %
Loss allowance recognised in profit or loss during the period on:						
- Trade receivables	(899)	(2,355)	(62)	(2,846)	(2,720)	5
- Contract assets	(28)	(42)	(33)	(28)	(42)	(33)
	<u>(927)</u>	<u>(2,397)</u>	<u>(61)</u>	<u>(2,874)</u>	<u>(2,762)</u>	<u>4</u>

h. Finance cost – lease interest

Finance lease interest arises from the lease of office space. The finance lease interest has increased by 11% in FY2025 as compared to FY2024, from HK\$0.9 million in FY2024 to HK\$1.0 million in FY2025. In the second half of both FY2025 and FY2024, the finance lease interest remains relatively the same at HK\$0.5 million in both periods.

i. Net profit after taxation

As a result of the factors explained above, the Group reported a higher net profit of HK\$118.1 million in 2H FY2025 and a net profit of HK\$166.9 million in FY2025, as compared to HK\$57.6 million in 2H FY2024 and net profit of HK\$85.0 million in FY2024.

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G. Other Information Required by Listing Rule Appendix 7.2 (Continued)

3. Review of performance of the Group (Continued)

3.2 Review of Consolidated Balance Sheets

a. Trade and other receivables

Trade and other receivables increased by HK\$20.2 million, or 30%, from HK\$67.1 million as at 31 March 2024 to HK\$87.3 million as at 31 March 2025. The increase was mainly contributed by the increase in accounts receivable by HK\$19.2 million, from HK\$50.8 million in FY2024, to HK\$70.0 million in FY2025, in line with the increase in revenue.

The Group closely managed the recoverability of the receivables and maintained a similar amount of impairment losses of financial assets expense of HK\$2.9 million in FY2025 (FY2024: HK\$2.8 million).

b. Contract assets

The Group's customers pay the fixed amount based on an agreed contractual payment schedule. Contract assets are recognised if the services rendered by the Group exceed the payment. Contract assets increased by HK\$10.3 million, or 34%, from HK\$30.3 million as at 31 March 2024 to HK\$40.6 million. This increase is primarily due to more services performed by the Group near the FY2025 year-end that had not yet reached the corresponding milestone for billing.

c. Right-of-use assets

The right-of-use assets relate to office space lease arrangements entered into by the Group's subsidiaries for operational purposes. As at 31 March 2025, the right-of-use assets decreased slightly by 3%, from HK\$25.9 million as at 31 March 2024 to HK\$25.0 million. This net decrease reflects the amortisation charge of HK\$6.1 million (FY2024: HK\$7.3 million) recognised during the year, partially offset by the addition of new right-of-use assets amounting to HK\$5.2 million.

d. Refundable deposits – non-current

The refundable deposits remained relatively the same, at HK\$5.1 million as at 31 March 2024, to HK\$5.0 million as at 31 March 2025. Some deposits were released by customers due to the completion of contracts in FY2025.

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G. Other Information Required by Listing Rule Appendix 7.2 (Continued)

3. Review of performance of the Group (Continued)

3.2 Review of Consolidated Balance Sheets (Continued)

e. Lease liabilities – current and non-current

Similar to the right-of-use assets, lease liabilities arise from office space lease arrangement that was entered by the subsidiaries for operational purposes. As of 31 March 2025, the current lease liabilities have increased by HK\$0.9 million, or by 19% as compared to 31 March 2024, from HK\$4.7 million to HK\$5.6 million in 31 March 2025.

Non-current lease liabilities have decreased by HK\$0.9 million, or by 4%, from HK\$20.3 million on 31 March 2024, to HK\$19.4 million on 31 March 2025.

Overall, lease liabilities remained at a similar amount in FY2024 and FY2025. As at 31 March 2025, the slight decrease was the net result of additions during the year amounting to HK\$5.1 million and principal lease repayments of HK\$5.2 million.

f. Contract liabilities

Contract liabilities primarily consist of billings due, or payments received in advance of revenue recognition from subscription services and IT Services maintenance and support services respectively. Contract liabilities that will be recognised during the succeeding twelve months period are recorded as current contract liabilities while liabilities that are more than twelve months are recorded as non-current.

Total contract liabilities have increased by HK\$15.8 million, or 15%. The amount increased to HK\$121.0 million as at 31 March 2025 as compared to HK\$105.2 million as at 31 March 2024. The increase was due to an increase in the number of billings made during the year.

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G. Other Information Required by Listing Rule Appendix 7.2 (Continued)

3. Review of performance of the Group (Continued)

3.2 Review of Consolidated Balance Sheets (Continued)

g. Current income tax assets/(liabilities)

The Group current income tax assets decreased by HK\$0.5 million, or by 50%, from HK\$1.0 million in FY2024 to HK\$0.5 million in FY2025, arising from the amount expected to be recovered from the tax authorities.

Current income tax liabilities increased by HK\$15.1 million from HK\$5.2 million as at 31 March 2024 to HK\$20.3 million as at 31 March 2025 increased with higher tax amount expected to be paid, in line with the higher profit before tax achieved in FY2025.

h. Share capital and reserves

The Group's shareholders' equity increased from HK\$159.2 million as at 31 March 2024 to HK\$224.1 million as at 31 March 2025. The change in shareholders' equity was due to the contribution of the FY2025 net profit of HK\$166.9 million. The shareholders' equity amount was set off with the payment of dividends of HK\$105.0 million in FY2025.

3.3 Review of Statement of Cash Flows

The Group's net cash generated from operating activities was HK\$197.9 million in FY2025 as compared to HK\$102.3 million in FY2024. During the year, the Group paid a total of HK\$105.0 million dividend, including both FY2024 final dividend and FY2025 interim dividend.

Overall, the Group was able to maintain a higher cash position of HK\$270.3 million as of 31 March 2025 (31 March 2024: HK\$183.4 million), showing an increase by 47%.

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G. Other Information Required by Listing Rule Appendix 7.2 (Continued)

4. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.

There has been no significant variance in the FY2025 results of the Group as compared to the prospect statement disclosed in the announcement of results for the half year ended 30 September 2024 on 14 November 2024.

5. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the Group operates and any known factors or events that may affect the Group in the next reporting year.

The CERKS Project has successfully entered its deployment phase, progressing on schedule and receiving positive feedback. The system is currently being rolled out across various government departments and bureaus.

The remaining revenue from licensing and deployment services would be recognised over FY2026 and FY2027, aligning with the estimated project's deployment timeline. Preliminary indicators suggest that the actual number of users may be below initial projections outlined in the tender, potentially leading to a decrease in projected revenue. However, there is also the possibility of additional government agencies adopting the system, which could help offset this variance. The final number of deployed users is expected to fluctuate as the deployment continues.

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G. Other Information Required by Listing Rule Appendix 7.2 (Continued)

5. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the Group operates and any known factors or events that may affect the Group in the next reporting year (Continued)

The Group anticipates the revenue for CERKS contract in FY2026 to be similar as FY25 subject to the changes in the deployment schedule.

Azeus's core business, namely, Convene business line is expected to continue to grow. The Group will continue to invest in research and development, as well as sales and marketing, to advance our new product line "ConveneESG" and our flagship product "Convene" aiming to foster future growth and expand our market presence. The Group is cautiously optimistic about the outlook.

6. Dividend

(a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on?

Yes, the Board has declared and approved the interim dividend of the financial year ended 31 March 2025. It was paid on 28 February 2025.

Name of dividend	Interim
Dividend type	Cash
Dividend amount per share (HK\$)	HK\$ 1.60 per ordinary share
Tax rate	Tax-exempt (1-tier)

A final dividend will be recommended at the Annual General Meeting on 30 July 2025 as below:

Name of dividend	Final
Dividend type	Cash
Dividend amount per share (HK\$)	HK\$3.90 per ordinary share
Tax rate	Tax-exempt (1-tier)

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G. Other Information Required by Listing Rule Appendix 7.2 (Continued)

6. Dividend (Continued)

(b) Corresponding Period of the Immediately Preceding Financial Year

Any dividend declared for the corresponding year of the immediately preceding financial year?

Yes, a final dividend was declared in respect of the financial year ended 31 March 2024, with total dividend amount of HK\$57.0million. It was paid on 22 November 2024.

Name of dividend	Final dividend
Dividend type	Cash
Dividend amount per share (HK\$)	HK\$ 1.90 per ordinary share
Tax rate	Tax-exempt (1-tier)

(c) Date payable

Subject to Shareholder's approval at the forthcoming annual general meeting of the Company, the payment date of the Final Dividend is to be advised.

(d) Books closure date

Notice of book closure date will be announced later.

(e) Breakdown of the total annual dividend for the latest full year and previous full year are as follows: -

(i) Ordinary

Latest full year:

	2H FY2025	1H FY2025
Name of dividend	Final Dividend	Interim Dividend
Dividend type	Cash	Cash
Dividend amount per share (HK\$)	HK\$3.90 per ordinary share	HK\$1.60 per ordinary share
Tax rate	Tax-exempt (1-tier)	Tax-exempt (1- tier)

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G. Other Information Required by Listing Rule Appendix 7.2 (Continued)

6. Dividend (Continued)

(e) Breakdown of the total annual dividend for the latest full year and previous full year are as follows (Continued): -

(i) Ordinary

Previous full year:

	2H FY2024	1H FY2024
Name of dividend	Final Dividend	Interim Dividend
Dividend type	Cash	Cash
Dividend amount per share (HK\$)	HK\$1.90 per ordinary share	HK\$0.90 per ordinary share
Tax rate	Tax-exempt (1-tier)	Tax-exempt (1-tier)

(ii) Preference

There is no preference share issued by the Company.

(iii) Total

Latest full year:

	2H FY2025	1H FY2025
Name of dividend	Final Dividend	Interim Dividend
Dividend type	Cash	Cash
Dividend amount per share (HK\$)	HK\$3.90 per ordinary share	HK\$ 1.60 per ordinary share
Tax rate	Tax-exempt (1-tier)	Tax-exempt (1- tier)

Previous full year:

	2H FY2024	1H FY2024
Name of dividend	Final Dividend	Interim Dividend
Dividend type	Cash	Cash
Dividend amount per share (HK\$)	HK\$ 1.90 per ordinary share	HK\$ 0.90 per ordinary share
Tax rate	Tax-exempt (1-tier)	Tax-exempt (1-tier)

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G. Other Information Required by Listing Rule Appendix 7.2 (Continued)

7. If no dividend has been declared/recommended, a statement to that effect.

Not applicable.

8. Interested person transactions

The Group has not obtained a general mandate from shareholders of the Company for Interested Person Transactions.

9. A breakdown of revenue:

	FY2025 HK\$'000	<u>Group</u> FY2024 HK\$'000	Increase/ (Decrease) %
Revenue reported for first half year	169,320	132,808	27
Operating profit after tax before deducting non-controlling interest reported for first half year	48,859	27,345	79
Revenue reported for second half year	305,476	196,132	56
Operating profit after tax before deducting non-controlling interest reported for second half year	118,090	57,648	105

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G. Other Information Required by Listing Rule Appendix 7.2 (Continued)

- 10. Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704(13) in the format below. If there are no such persons, the issuer must make an appropriate negative statement.**

Pursuant to Rule 704(13) of the Listing Manual of the Singapore Exchange Securities Trading Limited, Azeus Systems Holdings Ltd. (the "Company") confirms that, to the best of its knowledge, there is no person occupying a managerial position in the Company or in any of its principal subsidiaries, who is a relative of a Director or Chief Executive Officer or Substantial Shareholder of the Company.

- 11. Confirmation that the issuer has procured undertaking from all its directors and executive officers (in the format set out in Appendix 7.7) under Rule 720(1).**

The Company has received undertaking from all its directors and executive officers in the format as set out in Appendix 7.7 under Rule 720(1) of the Listing Manual of the SGX-ST.

- 12. Confirmation by the Board pursuant to Rule 705(5) of the Listing Manual**

On behalf of the Board of Directors of the Company, we, the undersigned, hereby confirm to the best of our knowledge that nothing has come to the attention of the Board of Directors of the Company which may render the financial statements for the year ended 31 March 2025 to be false or misleading in any material aspect.

BY ORDER OF THE BOARD

Lee Wan Lik
Executive Chairman

Yap Kiam Siew Michael
Chief Executive Officer

30 May 2025