AUTOMATED SYSTEMS HOLDINGS LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 771)

INTERIM RESULTS ANNOUNCEMENT FOR THE SIX MONTHS ENDED 30TH JUNE 2026

GROUP PERFORMANCE OVERVIEW

(HK$ million)

Group Consolidated Financial Results

Orders Newly Secured
HK$ 1,366.1
(CY25 1H : HK$ 1,519.3)

Revenue
HK$ 1,317.9
(CY25 1H : HK$ 1,332.9)

(Loss)/ Profit for the Period
HK$ (296.9)
(CY25 1H : HK$ 41.5)

Basic (Loss)/ Earnings Per Share
(HK Cents)
(35.39)
(CY25 1H : 4.98)

Core Business

Orders – System Integration & Other Businesses
HK$ 767.3
(CY25 1H : HK$ 759.7)

Orders – Unified Technology Services
HK$ 598.8
(CY25 1H : HK$ 759.6)

Revenue
HK$ 1,317.9
(CY25 1H : HK$ 1,332.9)

Adjusted EBITDA*
HK$ 49.8
(CY25 1H : HK$ 59.6)

Adjusted Net Profit*
HK$ 35.1
(CY25 1H : HK$ 45.7)

Adjusted Operating Cash Flow*
HK$ 267.7
(CY25 1H : HK$ 52.4)

Investments

Share of Results of Associates
HK$ 169.3
(CY25 1H : HK$ 3.3)

Net Gain/(Loss) on Deemed Disposal of Partial Interest in Associate and net impairment impact
HK$ (499.8)
(CY25 1H : HK$ (4.9))

Non-Operating Items

Adjusted Costs Related to Corporate & Others*
HK$ (1.5)
(CY25 1H : HK$ (2.6))

Adjusted EBITDA:	Adjusted Earnings Before Interest, Taxes, Depreciation, and Amortisation ("Adjusted EBITDA") is calculated based on profit for the period excluding interest income and expenses, tax, depreciation and amortisation, equity-settled share-based payments expense, share of results of associates, net gain/loss on deemed disposal of partial interest in an associate, loss on disposal of interest in an associate, impairment loss on interest in associate and one-off professional fee.
Adjusted Net Profit:	Adjusted Net Profit is calculated based on Adjusted EBITDA adding back interest income and expenses, depreciation and amortisation, income tax expense and tax adjustments arising from the equity-settled share-based payments expense and the recognition of impairment loss on interest in an associate.
Adjusted Operating Cash Flow:	Operating cash flow of core business is calculated based on net cash from operating activities of the Group excluding one-off professional fees.
Adjusted Costs Related to Corporate & Others:	Mainly represent the equity-settled share-based payments expense and one-off professional fees.
System Integration & Other Businesses:	Being the business of information technology in supplying of information technology and associated products carried out by the Group, and Professional Service carried out by subsidiaries, other than Automated Systems (H.K.) Limited.
Unified Technology Service:	Being the business of information technology in providing systems integration, software and consulting services, engineering support for products and solutions and managed services carried out by a subsidiary, Automated Systems (H.K.) Limited.
****:***	The information is not a measure required by or presented in accordance with HKFRS Accounting Standards ("HKFRS"). The use of this non-HKFRS measure has limitations as an analytical tool, and you should not consider it in isolation from, or as a substitute for analysis of, our results or operations or financial condition as reported under HKFRS.

RESULTS

The Board of Directors (the "Board") of Automated Systems Holdings Limited (the "Company") are pleased to announce the unaudited results of the Company and its subsidiaries (the "Group" or "ASL") for the six months ended 30th June 2026. The interim financial information has been reviewed by the Company's Audit Committee and the Company's auditor.

Condensed Consolidated Statement of Profit or Loss

		Unaudited Six months ended 30th June	
		2026	2025
	Notes	***HK$'000***	*HK$'000*
Revenue	*3*	**1,317,914**	1,332,883
Cost of goods sold		**(605,176)**	(583,487)
Cost of services rendered		**(593,848)**	(620,426)
Other income, net	*4*	**10,927**	11,561
Other loss, net	*5*	**(606,307)**	(4,452)
Selling expenses		**(52,871)**	(55,027)
Administrative expenses		**(32,210)**	(33,444)
Finance income	*6*	**382**	530
Finance costs		**(425)**	(729)
Share of results of associates		**169,301**	3,324
(Loss)/Profit before income tax	*7*	**(392,313)**	50,733
Income tax credit/(expense)	*8*	**95,397**	(9,218)
(Loss)/Profit for the period attributable to equity holders of the Company		**(296,916)**	41,515
		HK cents	*HK cents*
(Loss)/Earnings per share attributable to equity holders of the Company:	*10*		
– Basic		**(35.39)**	4.98
– Diluted		**(35.39)**	4.91

Condensed Consolidated Statement of Comprehensive Income

	Unaudited Six months ended 30th June	
	2026	2025
	HK$'000	*HK$'000*
(Loss)/Profit for the period	**(296,916)**	41,515
Other comprehensive (loss)/income		
Items that may be reclassified subsequently to profit or loss:		
Exchange differences on translation of overseas operations	**13,195**	23,547
Share of other comprehensive (loss)/income of associates	**(3,481)**	7,953
Release of exchange reserve upon disposal of associates	**(1,010)**	–
Total comprehensive (loss)/income for the period attributable to equity holders of the Company	**(288,212)**	73,015

Condensed Consolidated Statement of Financial Position

	Notes	Unaudited 30th June 2026 HK$'000	Audited 31st December 2025 HK$'000
NON-CURRENT ASSETS			
Property, plant and equipment	*11*	**327,802**	324,196
Investment properties	*12*	**22,290**	22,290
Intangible assets		**–**	–
Interests in associates	*13*	**612,435**	1,238,249
Prepayments	*15*	**7,277**	7,188
Financial asset at fair value through other comprehensive income ("FVOCI")	*16*	**12,820**	9,805
Finance lease receivables		**6,698**	9,981
Deferred income tax assets		**1,971**	799
		991,293	1,612,508
CURRENT ASSETS			
Inventories		**329,932**	335,145
Trade receivables	*14*	**189,499**	255,725
Finance lease receivables		**6,506**	7,201
Other receivables, deposits and prepayments	*15*	**78,908**	73,268
Contract assets		**358,873**	404,604
Tax recoverable		**1,406**	1,164
Time deposits		**426,827**	307,305
Bank balances and cash		**534,921**	326,797
		1,926,872	1,711,209
TOTAL ASSETS		**2,918,165**	3,323,717
EQUITY			
Share capital		**83,943**	83,370
Share premium		**406,460**	403,164
Reserves		**1,462,656**	1,862,284
EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY		**1,953,059**	2,348,818

Condensed Consolidated Statement of Financial Position *(Continued)*

	Notes	**Unaudited 30th June 2026 *HK$'000***	Audited 31st December 2025 HK$'000
NON-CURRENT LIABILITIES			
Deferred income tax liabilities		**58,276**	161,337
Lease liabilities		**3,953**	3,160
		62,229	164,497
CURRENT LIABILITIES			
Current income tax liabilities		**11,943**	6,508
Trade payables	*17*	**360,829**	309,604
Other payables and accruals	*18*	**135,785**	168,224
Receipts in advance	*19*	**387,794**	302,770
Bank borrowings		**–**	20,000
Lease liabilities		**6,526**	3,296
		902,877	810,402
TOTAL LIABILITIES		**965,106**	974,899
TOTAL EQUITY AND LIABILITIES		**2,918,165**	3,323,717
NET CURRENT ASSETS		**1,023,995**	900,807
TOTAL ASSETS LESS CURRENT LIABILITIES		**2,015,288**	2,513,315

NOTES TO THE INTERIM FINANCIAL INFORMATION

1. BASIS OF PREPARATION

The interim financial information for the six months ended 30th June 2026 has been prepared in accordance with the applicable disclosure requirements of the Rules Governing the Listing of Securities (the "Listing Rules") on The Stock Exchange of Hong Kong Limited ("Stock Exchange") and Hong Kong Accounting Standard ("HKAS") 34 "Interim Financial Reporting" as issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"). The interim financial information does not include all the information and disclosures required in the annual consolidated financial statements, and should be read in conjunction with the annual consolidated financial statements of the Group for the year ended 31st December 2025, which have been prepared in accordance with HKFRS Accounting Standards.

2. ADOPTION OF AMENDED HKFRS ACCOUNTING STANDARDS

Amended HKFRS Accounting Standards that are effective for annual period beginning on 1st January 2026

The interim financial information for the six months ended 30th June 2026 have been prepared in accordance with the accounting policies adopted in the Group's annual consolidated financial statements for the year ended 31st December 2025, except for the adoption of the following amended HKFRS Accounting Standards which are effective as of 1st January 2026.

Amendments to HKFRS 9 and HKFRS 7	Amendments to the Classification and Measurement of Financial Instruments
Amendments to HKFRS 9 and HKFRS 7	Contracts Referencing Nature-dependent Electricity
Amendments to HKFRS Accounting Standards	Annual Improvements to HKFRS Accounting Standards – Volume 11

The adoption of the amended HKFRS Accounting Standards had no material impact on how the results and financial position of the Group for the current and prior periods have been prepared and presented. The Group has not early adopted any other standards, interpretation or amendment that has been issued but are not yet effective.

3. REVENUE AND SEGMENT INFORMATION

The Group's revenue is analysed as follows:

	Unaudited Six months ended 30th June 2026 HK$'000	2025 HK$'000
Sales of goods	**696,923**	675,890
Revenue from service contracts	**620,991**	656,993
	1,317,914	1,332,883

The executive directors have been identified as the chief operating decision maker. The executive directors have reviewed the Group's internal reporting in order to assess the performance and allocate resources. The executive directors have determined the operating segments based on the Group's internal reporting.

The Group is organised into two (six months ended 30th June 2025: two) operating divisions – Information Technology Products ("IT Products") and Information Technology Services ("IT Services").

These divisions are the basis on which the Group reports its primary segment information to the chief operating decision maker. The business nature of each segment is disclosed as follows:

IT Products

Being the business of information technology in supplying of information technology and associated products.

IT Services

Being the business of information technology in providing systems integration, software and consulting services, engineering support for products and solutions and managed services.

Segment information about these businesses is presented below:

Unaudited
Six months ended 30th June 2026

	IT Products *HK$'000*	IT Services *HK$'000*	Total *HK$'000*
Revenue from external customers	**696,923**	**620,991**	**1,317,914**
Intersegment revenue	**588**	**12,670**	**13,258**
Segment revenue	**697,511**	**633,661**	**1,331,172**
Reportable segment profit/(loss)	**67,240**	**(3,832)**	**63,408**
Segment depreciation	**1,723**	**6,961**	**8,684**
Additions to property, plant and equipment*	**34**	**1,372**	**1,406**

* Additions to property, plant and equipment of HK$15,978,000 were related to unallocated assets.

3. REVENUE AND SEGMENT INFORMATION *(Continued)*

Segment information about these businesses is presented below: *(Continued)*

Unaudited
Six months ended 30th June 2025

	IT Products	IT Services	Total
	HK$'000	*HK$'000*	*HK$'000*
Revenue from external customers	675,890	656,993	1,332,883
Intersegment revenue	9,257	10,032	19,289
Segment revenue	685,147	667,025	1,352,172
Reportable segment profit	68,815	1,866	70,681
Segment depreciation	1,722	6,674	8,396
Additions to property, plant and equipment*	18	2,899	2,917

* Additions to property, plant and equipment of HK$8,675,000 were related to unallocated assets.

The Group's assets and liabilities by reportable segments as at reporting dates are presented below:

Unaudited
As at 30th June 2026

	IT Products	**IT Services**	**Total**
	HK$'000	***HK$'000***	***HK$'000***
Reportable segment assets	**472,183**	**453,137**	**925,320**
Reportable segment liabilities	**495,435**	**305,509**	**800,944**

Audited
As at 31st December 2025

	IT Products	IT Services	Total
	HK$'000	*HK$'000*	*HK$'000*
Reportable segment assets	579,135	477,943	1,057,078
Reportable segment liabilities	371,873	293,039	664,912

(a) Segment accounting policies

The accounting policies of the reportable segments are the same as the Group's accounting policies disclosed in the annual consolidated financial statements of the Group for the year ended 31st December 2025.

3. REVENUE AND SEGMENT INFORMATION *(Continued)*

(b) Reconciliation of the reportable segment revenue, profit or loss, assets and liabilities

Reportable segment revenue, profit or loss, assets and liabilities are reconciled to results and total assets and total liabilities of the Group as follows:

	Unaudited Six months ended 30th June	
	2026	2025
	HK$'000	*HK$'000*
Revenue		
Reportable segment revenue	**1,331,172**	1,352,172
Elimination of intersegment revenue	**(13,258)**	(19,289)
Revenue per condensed consolidated statement of profit or loss	**1,317,914**	1,332,883

Intersegment revenue is charged at cost plus a percentage of profit mark-up.

	Unaudited Six months ended 30th June	
	2026	2025
	HK$'000	*HK$'000*
Profit or loss		
Reportable segment profit	**63,408**	70,681
Unallocated amounts:		
Unallocated other income, net	**12,367**	13,691
Unallocated other loss, net	**(606,307)**	(4,452)
Unallocated depreciation	**(6,400)**	(5,446)
Share of results of associates	**169,301**	3,324
Finance costs	**(425)**	(729)
Unallocated corporate expenses	**(24,257)**	(26,336)
(Loss)/Profit before income tax per condensed consolidated statement of profit or loss	**(392,313)**	50,733

3. **REVENUE AND SEGMENT INFORMATION** *(Continued)*

(b) Reconciliation of the reportable segment revenue, profit or loss, assets and liabilities *(Continued)*

Reportable segment revenue, profit or loss, assets and liabilities are reconciled to results and total assets and total liabilities of the Group as follows: *(Continued)*

	Unaudited 30th June 2026 *HK$'000*	Audited 31st December 2025 *HK$'000*
Assets		
Reportable segment assets	**925,320**	1,057,078
Unallocated assets:		
Interests in associates	**612,435**	1,238,249
Deferred income tax assets	**1,971**	799
Tax recoverable	**1,406**	1,164
Time deposits	**426,827**	307,305
Bank balances and cash	**534,921**	326,797
Unallocated corporate assets	**415,285**	392,325
Total assets per condensed consolidated statement of financial position	**2,918,165**	3,323,717

	Unaudited 30th June 2026 *HK$'000*	Audited 31st December 2025 *HK$'000*
Liabilities		
Reportable segment liabilities	**800,944**	664,912
Unallocated liabilities:		
Current income tax liabilities	**11,943**	6,508
Deferred income tax liabilities	**58,276**	161,337
Unallocated corporate liabilities	**93,943**	142,142
Total liabilities per condensed consolidated statement of financial position	**965,106**	974,899

3. REVENUE AND SEGMENT INFORMATION *(Continued)*

(b) Reconciliation of the reportable segment revenue, profit or loss, assets and liabilities *(Continued)*

The following table sets out information about the geographical segment location of the Group's revenue from external customers and its non-current assets (other than financial instruments and deferred income tax assets). The geographical location of customers is based on the location at which the services were provided or the goods were delivered. The geographical location of the specified non-current assets is based on the physical location of the asset in the case of property, plant and equipment and investment properties, the location of the operations to which they are allocated in the case of intangible assets and the location of operations in case of interests in associates.

	Revenue from external customers		**Specific non-current assets**	
	Unaudited Six months ended 30th June		**Unaudited 30th June**	Audited 31st December
	2026	2025	**2026**	2025
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*
Place of domicile				
Hong Kong	**1,237,930**	1,226,905	**299,212**	295,171
The United States ("U.S.")	**–**	–	**612,435**	1,204,064
Mainland China	**3,695**	3,479	**46,597**	46,811
Macau	**48,526**	33,266	**2,395**	2,984
Malaysia	**–**	–	**784**	877
Singapore	**–**	–	**–**	34,185
Thailand	**16,534**	57,511	**256**	415
Taiwan	**9,900**	11,722	**822**	197
Australia	**1,329**	–	**26**	31
	1,317,914	1,332,883	**962,527**	1,584,735

3. **REVENUE AND SEGMENT INFORMATION** *(Continued)*

(c) **Disaggregation of revenue from contracts with customers**

The Group derives revenue from the transfer of goods and services over time and at a point in time, details of the Group's timing of revenue recognition were as follows:

	Unaudited Six months ended 30th June	
	2026	2025
	HK$'000	*HK$'000*
Timing of revenue recognition		
At a point in time	**799,301**	788,512
Over time	**518,613**	544,371
Revenue from external customers	**1,317,914**	1,332,883

Revenue relates to performance obligation that are unsatisfied as at 30th June 2026 amounted to approximately HK$1,586,712,000 (31st December 2025: HK$1,549,068,000) are expected to be recognised within one to five years (31st December 2025: within one to five years).

4. **OTHER INCOME, NET**

	Unaudited Six months ended 30th June	
	2026	2025
	HK$'000	*HK$'000*
Interest on bank deposits	**9,566**	10,438
Rental income from investment properties	**490**	490
Others	**871**	633
	10,927	11,561

5. OTHER LOSS, NET

	Unaudited Six months ended 30th June 2026 *HK$'000*	2025 *HK$'000*
Net gain/(loss) on deemed disposal of partial interest in an associate	**8,247**	(4,970)
Impairment loss on interest in an associate	**(604,299)**	–
Loss on disposal of interest in an associate	**(7,948)**	–
Exchange (loss)/gain, net	**(2,093)**	522
Loss on disposal of property, plant and equipment	**(355)**	(7)
Others	**141**	3
	(606,307)	(4,452)

6. FINANCE INCOME

Finance income represents accretion of discount recognised upon initial recognition of finance lease receivables to their fair values.

7. (LOSS)/PROFIT BEFORE INCOME TAX

	Unaudited Six months ended 30th June 2026 *HK$'000*	2025 *HK$'000*
(Loss)/Profit before income tax is arrived at after charging/(crediting):		
Depreciation of property, plant and equipment:		
Owned assets	**11,681**	10,592
Right-of-use assets	**3,403**	3,250
Loss on disposal of property, plant and equipment	**355**	7
Reversal of expected credit losses ("ECL") allowance of trade receivables	**–**	(30)
Employee benefit expenses (excluding directors' emoluments)	**372,165**	380,672

8. INCOME TAX (CREDIT)/EXPENSE

	Unaudited Six months ended 30th June 2026 HK$'000	2025 HK$'000
Current taxation:		
Hong Kong profits tax *(Note (i))*	**6,952**	8,037
Overseas taxation	**2,404**	2,165
Under/(Over)-provision in respect of prior years:		
Overseas taxation	**259**	(129)
	9,615	10,073
Deferred taxation:		
Current period *(Note (ii))*	**(105,012)**	(855)
Income tax (credit)/expense	**(95,397)**	9,218

Notes:

(i) Under the Hong Kong's two-tiered profits tax rates regime, the first HK$2 million of profits of qualifying entities will be taxed at 8.25%, and the profits above HK$2 million will be taxed at 16.5%. The profits of entities not qualifying for the two-tiered profits tax rates regime will continue to be taxed at 16.5%. For the six months ended 30th June 2026 and 2025, Hong Kong profits tax of a subsidiary of the Company is calculated in accordance with the two-tiered profits tax rates regime.

(ii) During the six months ended 30th June 2026, the amount primarily represents reversal of deferred income tax liabilities arising from the interests in associates of HK$103,980,000 (six months ended 30th June 2025: Nil) upon the recognition of impairment loss on interest in an associate (note 13 (ii)).

9. DIVIDENDS

	Unaudited Six months ended 30th June 2026 HK$'000	2025 HK$'000
Dividend approved and paid during the period:		
Final dividend in respect of the year ended 31st December 2025 of 3.0 HK cents per share (six months ended 30th June 2025: in respect of the year ended 31st December 2024 of 3.0 HK cents per share)	**25,183**	25,011
Special dividend of 10.0 HK cents per share (six month ended 30th June 2025: Nil)	**83,943**	–
	109,126	25,011

The Board does not recommend any payment of interim dividend for the six months ended 30th June 2026 (six months ended 30th June 2025: Nil).

10. (LOSS)/EARNINGS PER SHARE ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY

The calculation of the basic and diluted (loss)/earnings per share attributable to equity holders of the Company is based on the following data:

	Unaudited Six months ended 30th June	
	2026	2025
	HK$'000	*HK$'000*
(Loss)/Profit attributable to equity holders of the Company for basic and diluted (loss)/earnings per share	**(296,916)**	41,515

	Number of shares Unaudited	
	30th June	30th June
	2026	*2025*
	'000	*'000*
Weighted average number of ordinary shares in issue for the purpose of basic and diluted (loss)/earnings per share *(Note (a))*	**838,876**	833,696
Effect of dilutive potential ordinary shares		
– Share awards *(Note (b))*	**–**	12,495
– Share options *(Note (b))*	**–**	–
Weighted average number of ordinary shares for diluted (loss)/earnings per share	**838,876**	846,191

	Unaudited Six months ended 30th June	
	2026	2025
	HK cents	*HK cents*
(Loss)/Earnings per share		
– Basic	**(35.39)**	4.98
– Diluted	**(35.39)**	4.91

10. (LOSS)/EARNINGS PER SHARE ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY *(Continued)*

Notes:

(a) The 838,876,000 (six months ended 30th June 2025: 833,696,000) ordinary shares are derived from the weighted average number of ordinary shares in issue during the six months ended 30th June 2026.

(b) The calculation of the diluted earnings per share for the six months ended 30th June 2026 has not taken into account the issuable of the share awards of the Company under the 2024 Share Award Scheme, share options of the Company granted under the 2017 Share Option Scheme (Amended) and the effect of the dilutive instruments issued by the Group's associates as they are considered as anti-dilutive.

The calculation of the diluted earnings per share for the period ended 30th June 2025:

- has taken into account the issuance of share awards of the Company under the 2024 Share Award Scheme; and

- has not taken into account the exercise of the share options of the Company granted under the 2017 Share Option Scheme (Amended).

11. PROPERTY, PLANT AND EQUIPMENT

During the six months ended 30th June 2026, additions to property, plant and equipment, were mainly for computer and office equipment and furniture and fixtures of approximately HK$2,652,000 (six months ended 30th June 2025: HK$2,836,000) and HK$7,352,000 (six months ended 30th June 2025: HK$4,316,000), respectively.

During the six months ended 30th June 2026, additions to right-of-use assets, right-of-use assets with reassessment of lease term and lease modification included in property, plant and equipment amounting to Nil (six months ended 30th June 2025: HK$706,000) and HK$7,380,000 (six months ended 30th June 2025: HK$3,610,000), respectively, which are related to office premises.

The Group's land and buildings were stated at valuations made at 31st December 2025 less depreciation. The land and buildings were last revalued by an independent professional valuer at 31st December 2025 on market value basis which was determined by reference to market evidence of recent transactions for similar properties. As at 30th June 2026, the directors of the Company considered that the carrying amount of the Group's land and buildings did not differ significantly from their fair values.

As at 30th June 2026, if the land and buildings had not been revalued, they would have been included in the interim financial information at historical cost, less accumulated depreciation with carrying amount of approximately HK$89,542,000 (31st December 2025: HK$92,500,000).

As at 30th June 2026, the Group had pledged land and buildings with carrying amount of approximately HK$166,430,000 (31st December 2025: HK$166,430,000) to secure banking facilities granted to the Group.

12. INVESTMENT PROPERTIES

The investment properties of the Group were last revalued at 31st December 2025 by an independent professional valuer on market value basis which was determined by reference to market evidence of recent transactions for similar properties.

As at 30th June 2026, the directors of the Company considered that the carrying amount of the Group's investment properties which are carried at revalued amounts did not differ significantly from their fair values.

As at 30th June 2026, the Group had pledged investment properties with carrying amount of approximately HK$20,800,000 (31st December 2025: HK$20,800,000) to secure banking facilities granted to the Group.

13. INTERESTS IN ASSOCIATES

	Unaudited 30th June 2026	Audited 31st December 2025
	HK$'000	*HK$'000*
Listed *(Note (i))*	**612,435**	1,204,064
Unlisted *(Note (iv))*	**–**	34,185
	612,435	1,238,249

	Unaudited 30th June 2026	Audited 31st December 2025
	HK$'000	*HK$'000*
At beginning of the period/year	**1,238,249**	1,219,206
Net gain/(loss) on deemed disposal of partial interest in an associate *(Note (ii))*	**8,247**	(3,157)
Disposal of interest in an associate	**(203,862)**	–
Share of results of associates	**169,301**	10,329
Share of other comprehensive (loss)/income of associates	**(3,481)**	7,227
Provision for impairment *(Note (iii))*	**(604,299)**	–
Exchange realignment	**8,280**	4,644
At end of the period/year	**612,435**	1,238,249

Notes:

(i) The Group's interest in listed securities represents the Group's interest in Grid Dynamics Holdings, Inc. ("GDH") and its subsidiaries, of which its shares are listed on NASDAQ. The Group had 16.21% (31st December 2025: 16.37%) interest in GDH as at 30th June 2026 and had significant influence through its representation on the board of directors of GDH and participates in all significant financial and operating decision. Therefore, the Group accounted for its interests in GDH using equity method.

(ii) During the six months ended 30th June 2026 and the year ended 31st December 2025, certain restricted stock units and performance stock units granted by GDH to its employees were vested and certain employees had exercised the vested stock options of GDH. As a result, the Group's interest in GDH was diluted from 16.37% as at 31st December 2025 to 16.21% as at 30th June 2026, and a net gain on deemed disposal of partial interest in an associate of HK$8,247,000 (six months ended 30th June 2025: net loss of HK$4,970,000) was recognised in "Other loss, net" (Note 5).

(iii) As at 30th June 2026, the fair value of the Group's interest in GDH was USD78,891,000 (equivalent to approximately HK$618,561,000) (31st December 2025: USD125,419,000 (equivalent to approximately HK$976,011,000), which was based on the quoted stock price of GDH on NASDAQ of USD5.68 (31st December 2025: USD9.03) per share as at 30th June 2026 and was within Level 1 of the fair value hierarchy.

At 30th June 2026, in view of decrease in share price of GDH, the management of the Group carried out impairment assessment on the carrying amount of its interests in GDH by comparing its recoverable amount, which represents the fair value less costs of disposal, with its carrying amount.

The fair value less costs of disposal of GDH was determined based on the closing price of the shares of GDH listed on NASDAQ at 30th June 2026. As at 30th June 2026, the recoverable amount of the Group's interests in GDH, which represents the fair value less costs of disposal of HK$612,435,000, is lower than its carrying amount. Accordingly, an impairment loss of HK$604,299,000 is recognised in profit or loss during the six months ended 30th June 2026.

At 31st December 2025, the fair value of the interests in GDH was lower than its carrying amount. The Directors were of the view that the decline in the quoted stock price of GDH was temporary in nature. This assessment was supported by the fact that the average quoted share price of GDH for the year ended 31st December 2025 was higher than the carrying amount of the Group's interests in GDH, together with GDH's strong long-term prospects in enterprise artificial intelligence and data business continued to increase its share of revenue in the market.

(iv) On 9th January 2026, i-Sprint Holdings Limited ("i-Sprint"), an associate of the Company, entered into a share purchase agreement ("SPA") with an independent third party, Secure Trust Technologies Pte. Ltd. (the "Buyer") to dispose the security authentication and technology business ("i-Sprint Transaction"). For details, please refer to the announcements of the Company dated 9th January 2026, 16th January 2026, 12th March 2026 and 28th May 2026. The i-Sprint Transaction was completed on 12th March 2026.

On 12th March 2026, i-Sprint entered into a share buyback agreement with ASL Security Solutions Limited (a direct wholly owned subsidiary of the Company which held the Group's entire 35.42% equity interests in i-Sprint) ("ASL Security"), pursuant to which ASL Security has agreed to sell and i-Sprint has agreed to buy back the target shares, representing the Group's entire 35.42% equity interests in i-Sprint at a consideration of USD24.98 million (equivalent to approximately HK$195.74 million) (the "Share Buyback"). For details, please refer to the announcements of the Company dated 12th March 2026 and 28th May 2026. The Share Buyback was completed on 12th March 2026. Following completion, the Group no longer holds any shares in i-Sprint and i-Sprint has ceased to be an associate of the Group.

Accordingly, the Group has recorded the share of results of associates of HK$169,677,000 during the period from 1st January 2026 to 12th March 2026 (the completion date of disposal of i-Sprint) and loss on disposal of associates of HK$7,948,000 as a result of the disposal date of i-Sprint during the six months ended 30th June 2026.

14. TRADE RECEIVABLES

The Group has granted credit to substantially all of its customers for 30 days and has credit control procedures to minimise credit risk. Overdue balances are reviewed regularly by senior management.

	Unaudited 30th June 2026 *HK$'000*	Audited 31st December 2025 *HK$'000*
Trade receivables – gross	**200,995**	267,221
Less: ECL allowance	**(11,496)**	(11,496)
Trade receivables – net	**189,499**	255,725

Based on the invoice dates, the ageing analysis of the gross trade receivables is as follows:

	Unaudited 30th June 2026 *HK$'000*	Audited 31st December 2025 *HK$'000*
0 – 30 days	**97,885**	113,451
31 – 60 days	**20,329**	56,359
61 – 90 days	**21,384**	57,845
Over 90 days	**61,397**	39,566
	200,995	267,221

15. OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS

	Notes	**Unaudited 30th June 2026** *HK$'000*	Audited 31st December 2025 *HK$'000*
Other receivables		**5,362**	3,677
Deposits		**6,554**	6,334
Prepayments	*(a)*	**73,174**	67,175
Amount due from ultimate holding company	*(b)*	**832**	832
Amount due from immediate holding company	*(b)*	**1,095**	1,334
Amount due from an associate	*(b)*	**–**	1,936
Other receivables, deposits and prepayments – gross		**87,107**	81,288
Less: ECL allowance		**(832)**	(832)
Other receivables, deposits and prepayments – net		**86,185**	80,456
Representing:			
Non-current assets		**7,277**	7,188
Current assets		**78,908**	73,268
Other receivables, deposits and prepayments – net		**86,185**	80,456

(a) As at 30th June 2026, prepayments mainly represented advance payment for suppliers and prepayment on collaboration fee to the service vendor amounted to HK$47,108,000 (31st December 2025: HK$44,149,000) and HK$4,488,000 (31st December 2025: HK$5,658,000) respectively.

(b) Amounts due from ultimate holding company, immediate holding company and associates are unsecured, interest-free and repayable on demand. The carrying amounts approximate their fair values due to their short maturities.

16. FINANCIAL ASSET AT FVOCI

	Unaudited 30th June 2026 *HK$'000*	Audited 31st December 2025 *HK$'000*
Investment in a limited partnership fund	**12,820**	9,805

The Group has committed to acquire equity interest of a limited partnership fund amounting to US$3,000,000 (equivalent to approximately HK$23,522,000). As at 30th June 2026, capital contribution amounting to US$2,010,000 (equivalent to approximately HK$15,760,000) (31st December 2025: amounting to US$1,260,000 (equivalent to approximately HK$9,805,000)) has been made by the Group. The Group designated the investment as financial asset at FVOCI (non-recycling) as the investment is held for long-term capital growth.

17. TRADE PAYABLES

An ageing analysis of the trade payables as at the reporting date, based on payment due date, is as follows:

	Unaudited 30th June 2026 *HK$'000*	Audited 31st December 2025 *HK$'000*
Current	**263,791**	212,744
Within 30 days	**53,115**	42,190
31 – 60 days	**1,246**	21,713
61 – 90 days	**15,176**	910
Over 90 days	**27,501**	32,047
	360,829	309,604

18. OTHER PAYABLES AND ACCRUALS

	Unaudited 30th June 2026 *HK$'000*	Audited 31st December 2025 *HK$'000*
Other payables	**6,117**	5,912
Accruals	**127,073**	156,300
Amount due to ultimate holding company	**2,577**	3,811
Amount due to associates	**–**	2,148
Amount due to fellow subsidiaries	**18**	53
	135,785	168,224

19. RECEIPTS IN ADVANCE

The increase (31st December 2025: decrease) of receipts in advance as at 30th June 2026 is mainly due to increase (31st December 2025: decrease) in billings in advance and deposit received from customers during the period.

DIVIDEND

The Board does not recommend any payment of interim dividend for the six months ended 30th June 2026 (six months ended 30th June 2025: Nil).

MANAGEMENT DISCUSSION AND ANALYSIS

Financial Results

For the six months ended 30th June 2026, total revenue and gross profit of the Group were HK$1,317.9 million and HK$118.9 million respectively, similar to the same period last year. During the period, product sales was increased by 3.1% to HK$696.9 million and service revenue was decreased by 5.5% to HK$621.0 million. In addition, product sales and service revenue contributed 52.9% and 47.1% to total revenue respectively, compared to 50.7% and 49.3% for the corresponding period last year.

For the six months ended 30th June 2026, commercial and public sector sales contributed 43.3% and 56.7% to total revenue respectively, compared to contributed 38.9% and 61.1% for the corresponding period last year.

During the period under review, the Group recorded a loss attributable to the Company's equity holders of HK$296.9 million. The loss was mainly attributable to a recognition of an impairment loss in respect of the interest in the associate, Grid Dynamics Holdings, Inc. The impairment loss is a non-cash accounting item and it does not affect the Group's strong cash position or its day-to-day operational stability.

For the six months ended 30th June 2026, orders newly secured by the Group amounted to approximately HK$1,366.1 million, and the Group's order book balance was approximately HK$1,586.7 million. The Group's bank balances and cash and time deposits in total stood at approximately HK$961.7 million with a working capital ratio of 2.13:1. The Group maintained a healthy financial position. As at 30th June 2026, the Group has no outstanding borrowings.

For the six months ended 30th June 2026, the Adjusted Net Profit was HK$35.1 million, the Adjusted EBITDA was HK$49.8 million. The "Adjusted Net Profit" and "Adjusted EBITDA" exclude certain items that are non-cash or non-recurring in nature. They are non-HKFRS financial measures used by the Company's management to evaluate the operating performance and trends of the Group's core business, to make strategic decisions regarding the allocation of capital and investments. "Adjusted Net Profit" and "Adjusted EBITDA" are not the measures required by or presented in accordance with HKFRS Accounting Standards ("HKFRS"). The use of them has limitations as an analytical tool, and should not be considered in isolation from, or as a substitute for analysis of, our results or financial condition as reported under HKFRS.

The reconciliations from "Profit for the period" to Adjusted Net Profit" and "Adjusted EBITDA" for six months ended 30th June 2026 and 2025 are as follows:

	Unaudited	
	Six months ended 30th June	
	2026	2025
	HK$'000	*HK$'000*
(Loss)/Profit for the period – HKFRS measure	**(296,916)**	41,515
Adjustments for non-recurring items:		
Net (gain)/loss on deemed disposal of partial interest in an associate	**(8,247)**	4,970
Loss on disposal of interest in an associate	**7,948**	–
One-off professional fees	**92**	110
Adjustments for non-cash items:		
Equity-settled share-based payments expense, net of tax	**1,408**	2,446
Impairment loss on interest in an associate, net of tax	**500,319**	–
Gain on remeasurement of step-acquisition of an associate	**(159)**	–
Share of results of associates	**(169,301)**	(3,324)
Adjusted Net Profit – non-HKFRS measure	**35,144**	45,717
Interest income	**(9,566)**	(10,438)
Other interest expenses	**425**	729
Depreciation and amortisation	**15,084**	13,842
Income tax (credit)/expenses	**(95,397)**	9,218
Deferred tax impact on impairment loss on interest in an associate	**103,980**	–
Tax impact on equity-settled share-based payments expense	**171**	483
Adjusted EBITDA – non-HKFRS measure	**49,841**	59,551

Core Business Review

The Group's core business recorded orders newly secured at approximately HK$1,366.1 million for the first half of the year, which is similar to the same period last year; total revenue reached HK$1,317.9 million, which is similar to the same period last year. The Group's businesses are categorized into System Integration & Other Businesses (ITI) and Unified Technology Services (UTS). Orders newly secured for ITI recorded HK$767.3 million, accounting for 56.2% of total orders, while UTS new orders recorded HK$598.8 million, representing 43.8% of total orders.

With its based in Hong Kong and with a global footprint, the Group adheres to the core strategy of "strengthening vertical industry penetration, advancing both Information Technology Application Innovation (ITAI) and artificial intelligence (AI), expanding into regional markets", the services provided by the Group include application development, cybersecurity, omni-channel information technology and enterprise-level AI implementation solutions, serving clients across industries such as government, healthcare, banking, finance, securities, and insurance.

Sector Operational Performance

Government Sector: The Group has capitalized on the regulatory opportunities arising from the Hong Kong Government's Protection of Critical Infrastructures (Computer Systems) Ordinance ("Critical Infrastructures Ordinance") and AI policies. The Group has undertaken several benchmark consulting projects, covering the building of a full-stack ecosystem with China-brand products and technical feasibility assessments. It has also successfully won bids for multiple government projects integrating the Critical Infrastructures with AI applications. The Group has also secured a contract from a governmental statutory body to handle more than half of its application maintenance and database migration, solidifying its competitiveness in the public market for ITAI and the delivery of enterprise-level AI solutions.

Healthcare Sector: With the implementation of the "eHealth+" project in Hong Kong, the public and private healthcare sectors are gradually advancing data interoperability, process digitization and the implementation of AI in healthcare, driving the gradual emergence of business opportunities related to systems integration. The Group has continued to deeply cultivate its presence in both the local public and private healthcare markets, successfully undertaking projects such as private doctor credential management and eHealth system integration, while simultaneously exploring business opportunities in healthcare digital transformation across Southeast Asia.

Banking, Finance, Securities, and Insurance Sector: Driven by the Critical Infrastructures Ordinance and the AI sandbox policy, demand for financial data platforms and data governance has surged. Leveraging its deep cultivation in the Asia-Pacific financial sector, a neutral and multi-vendor standardized validation framework, and a team specializing in the integration and delivery of cloud databases, the Group stood out in a competitive bidding tender among international consulting firms, thus solidifying its position as a neutral financial data consultancy in Hong Kong.

Aviation, Education and Other Sectors: As various industries in Hong Kong have gradually deployed the applications of AI and the transformation into digital education, as well as the Education Bureau launching an AI funding program, the Group has secured projects of infrastructure optimization, compatibility testing for ITAI and purchases related to AI digital transformation. The Group has also entrusted by an enterprise engaging in electronic payment system to provide support for its cross-border payment services in the Greater Bay Area, Southeast Asia and Europe.

ITAI and AI Dual Development

The Group has adopted a dual core technology strategy of "China-brand ITAI applications, enterprise-level AI implementation", expanding its cooperation with technology partners from Mainland China and the rest of the world, enhancing its capabilities in integrating and interoperating China and global systems to meet the regulatory requirements for local critical infrastructure and customers' dual-system deployment demands. Leveraging its market-recognized testing platforms covering both China and Global brands, the ITAI business has undertaken multiple consultancy orders, successfully accumulating implementation cases across various industries. The AI team established in the first half of the year is dedicated to driving the integration of AI technologies into internal operations and project delivery.

Regional Expansion

The Group has established presence in the Greater Bay Area and multiple overseas locations, with notable progress achieved across various regions, including winning government tenders, securing orders across various industries, and obtaining government bidding eligibility. The Group has expanded its overseas teams and built an AI ecosystem, exporting Hong Kong's professional ITAI and AI solutions to tap into overseas markets.

Associated Company Operations

Grid Dynamics Holdings, Inc. ("GDH", NASDAQ ticker symbol: GDYN), an associate with business in Europe and the U.S., has recorded an increase in its revenue in the first half of 2026, where the revenue from AI accounted for 30.7% of the total revenue, grew over 50% year-over-year for a second consecutive quarter. According to the Form 10-Q for the six months ended 30th June 2026 of GDH published on the website of U.S. Securities and Exchange Commission, GDH recorded total revenue of US$212.3 million (equivalent to approximately HK$1,664.3 million), representing a year-on-year increase of 5.3%, while non-GAAP EBITDA amounted to US$27.2 million (equivalent to approximately HK$213.6 million). In the first half of the year, GDH maintained technology and financial services as its core client segments, successfully expanding into diversified markets beyond retail, with a focus on technology and financial services sectors where AI adoption is moving fast and where GDH capabilities are the most differentiated. With the acquisition of Ekumen, GDH strengthened its physical AI capabilities, achieving end-to-end depth from robotics software to enterprise-scale deployments. At the same time, GDH AI-based GAIN platforms are gaining wider enterprise adoption and productivity gains driven by AI native delivery. However, as at 30 June 2026, the fair value of the Group's interest in GDH was lower than its book value, after taking into account the tax effect, the net adverse impact arising from the impairment loss recognized in profit or loss for the first half of 2026 was approximately HK$500 million, causing the Group's results for the period to shift from a profit to a loss. As such impairment loss is a non-cash accounting item; it does not affect the Group's robust cash position or the stability of its day-to-day operations. The Group will continue to follow up on GDH's business and monitor the long-term growth potential of its AI operations.

During the period, the Group successfully completed the disposal of its interests in i-Sprint Holdings Limited on 12th March 2026, receiving cash proceeds of approximately US$25.0 million (equivalent to approximately HK$195.7 million). The transaction further enhanced the Group's cash position and has provided the Group with significant financial flexibility, thereby enabling it to address market volatility and support the growth of core businesses.

Outlook and Prospects

Rising hardware chip price is squeezing gross profits; public and private market competitions are intense, procurement and bidding are becoming more challenging; technological upgrades and the dual-system deployment for brands from Mainland China and the rest of the world bringing additional labor and computing costs, while the supply chain is also facing operational and inventory pressures.

Nevertheless, the Group will actively capitalize on business opportunities from the Hong Kong's Critical Infrastructures Ordinance, deeply cultivate its engagement with public and private clients, and focus on meeting market demands in the areas of ITAI and AI security compliance, as well as AI solutions and related consulting services. The Group will also deepen its technological capabilities for leading China-brand companies, advance the productization and implementation of its self-developed AI solutions; drive service platformization through process optimization, and expand its overseas teams. At the same time, the Group will continue to explore with China and global suppliers in computing power solutions and application scenarios. Using Hong Kong as a hub, the Group will expand into overseas markets, building local projects to gradually drive regional growth.

Overall, short-term operational pressures still remain, but the long-term industry trends remain clear, driven by digital transformation, widespread adoption of enterprise AI, and the localization of infrastructure. Leveraging its technology, cross-regional footprint and sectors' case studies, the Group will continue to capitalize on opportunities in the digital economy, consolidate its market position, and achieve a long-term and steady profit growth.

Financial Resources and Liquidity

As at 30th June 2026, the Group's total assets of HK$2,918.2 million were financed by current liabilities of HK$902.9 million, non-current liabilities of HK$62.2 million and equity attributable to equity holders of the Company of HK$1,953.1 million. The Group had a working capital ratio of approximately 2.13:1.

As at 30th June 2026, the Group had an aggregate composite banking facility from banks of approximately HK$270.3 million (31st December 2025: HK$270.3 million). The performance bonds issued by the Group to customers as security of contracts were approximately HK$117.1 million as at 30th June 2026 (31st December 2025: HK$127.5 million). The Group has no outstanding borrowings as at 30th June 2026.

Material Acquisition and Disposal

Regarding to the disposal of its interest in i-Sprint Holdings Limited ("i-Sprint"), an associate of the Company, entered into the share purchase agreement ("Share Purchase Agreement") with an independent third party, Secure Trust Technologies Pte. Ltd. (the "Buyer") to dispose the security authentication and technology business ("i-Sprint Transaction") on 9th January 2026. For details, please refer to the announcements of the Company dated 9th January 2026 and 12th March 2026; the supplemental announcement of the Company dated 16th January 2026; and the circular of the Company dated 28th May 2026. The i-Sprint Transaction was completed on 12th March 2026.

On 12th March 2026, i-Sprint entered into a share buyback agreement with ASL Security Solutions Limited, a direct wholly owned subsidiary of the Company which held approximately 35.42% equity interests of i-Sprint, pursuant to which ASL Security has agreed to sell and i-Sprint has agreed to buy back the target shares, representing the Group's approximately 35.42% equity interests of i-Sprint at a consideration of US$24.98 million (equivalent to approximately HK$195.74 million) (the "Share Buyback"). For details, please refer to the announcements of the Company dated 12th March 2026 and the circular of the Company dated 28th May 2026. The Share Buyback was completed on 12th March 2026. Following completion of the Share Buyback the Group no longer holds any shares of i-Sprint and i-Sprint has ceased to be an associate of the Group.

Save as disclosed above, during the six months ended 30th June 2026, neither the Company nor any of its subsidiaries had material acquisition or disposal.

Treasury Policies

The Group generally financed its operations with internally generated resources and credit facilities provided by banks. Bank facilities available for the Group include trust receipt loans, clean import loans, overdrafts and term loans. The interest rates of most of them are fixed by reference to the respective countries' Interbank Offer Rate. The bank deposits are mainly denominated in Hong Kong dollars ("HKD") and United States dollars ("USD"). The bank borrowings are denominated in HKD.

Foreign Exchange Exposure

The Group mainly earns revenue and incurs costs in HKD and USD. Foreign exchange exposure to USD of the Group will continue to be minimal as long as the policy of the Government of the Hong Kong Special Administrative Region to link HKD to USD remains in effect. There was no material exposure to fluctuations in exchange rates and therefore no related hedging financial instrument was applied during the six months ended 30th June 2026 (six months ended 30th June 2025: same).

Contingent Liabilities

As at 30th June 2026, performance bonds of approximately HK$117.1 million (31st December 2025: HK$127.5 million) have been issued by the bank on behalf of the Group to customers as security of contracts.

As a condition precedent to the Share Purchase Agreement, ASL Security and two other remaining original shareholders of i-Sprint (together with ASL Security, the "Guarantors") entered into a deed of guarantee with the Buyer, pursuant to which the Guarantors have agreed to provide several liability guarantee in favor of the Buyer as the security for certain obligations of i-Sprint's continuing operation for a specified period under the Share Purchase Agreement. The guarantee is up to a limit of approximately US$87.94 million (equivalent to approximately HK$684.35 million), representing 100% of the consideration for the i-Sprint Transaction. Further, the several liability of ASL Security is capped at approximately US$34.47 million (equivalent to approximately HK$268.25 million). As at 30th June 2026, the directors of the Company considered that the risk associated with the deed of guarantee and determined that the likelihood of any outflow is remote based on current information and circumstances. Accordingly, no provision has been recognised in respect of this guarantee. For details, please refer to the announcements of the Company dated 9th January 2026 and 12th March 2026, the supplemental announcement of the Company dated 16th January 2026; and the circular of the Company dated 28th May 2026.

Capital Commitments

As at 30th June 2026, the Group had contracted capital commitment in respect of property, plant and equipment and capital contribution in a limited partnership fund of approximately HK$7.0 million (31st December 2025: HK$4.3 million) and HK$7.8 million (31st December 2025: HK$13.5 million) respectively.

Employee and Remuneration Policies

As at 30th June 2026, the Group, excluding its associates, employed 1,570 permanent and contract staff (30th June 2025: 1,647 employees) in Hong Kong, Mainland China, Taiwan, Macau, Thailand, United Kingdom, Australia and Malaysia. The Group remunerates its employees based on their performance, working experience and the prevailing market conditions. The Group also provides mandatory provident fund, insurance, medical benefits, internal and external training and discretionary bonuses based on individual performance. The share option scheme and share scheme are in place to provide long-term incentives to the selected key staff of the Group.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

During the six months ended 30th June 2026, neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities.

AUDIT COMMITTEE

The Audit Committee has reviewed with management the accounting principles and practices adopted by the Group and discussed auditing, risk management and internal control systems and financial reporting matters including the review of the unaudited interim results.

COMPLIANCE WITH THE MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix C3 to the Listing Rules. The Company has made specific enquiry of all Directors regarding any non-compliance with the Model Code during the six months ended 30th June 2026, and they all confirmed that they have fully complied with the required standards set out in the Model Code.

COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

The Company has complied with the Corporate Governance Code set out in Appendix C1 to the Listing Rules throughout the six months ended 30th June 2026.

By Order of the Board
Automated Systems Holdings Limited
Wang Yueou
Executive Director and Chief Executive Officer

Hong Kong, 26th August 2026

As at the date of this announcement, the Board comprises Mr. Wang Weihang, Mr. Wang Yueou and Ms. Zhang Bingxia being Executive Directors; and Mr. Chen Zheng, Mr. Deng Jianxin and Dr. Huang Chenhong being Independent Non- Executive Directors.