NEWS RELEASE

AZEUS RECORDS NET PROFIT OF HK$24.9 MILLION (EQUIVALENT TO US$3.2 MILLION[1]) AND REVENUE OF HK$174.0 MILLION (EQUIVALENT TO US$22.6 MILLION[1]) FOR 1H FY2027

- ***Flagship product "Convene" continues to achieve year-on-year growth in revenue and customer adoption***
- ***Gross profit margins remained healthy***
- ***Proposes interim dividend of HK$0.83, representing a payout ratio of 100%***
- ***Group expects to remain profitable in the second half of FY2027 and for FY2027***

HK$ MILLION	**1H FY2027**	**1H FY2026**	**+/(-) %**
Revenue	**174.0**	185.5	(6)
Gross Profit	**127.4**	135.5	(6)
Gross Profit Margin	**73.2%**	73.0%	0.2 ppt
Profit Before Tax	**28.6**	52.3	(45)
Net Profit Attributable to Equity Holders	**24.9**	48.3	(48)
For the half year ended 30 September 2026: **Earnings per share – Basic: 0.83 Hong Kong dollars** **(1H FY2026: 1.61 Hong Kong dollars)**			

Singapore, 13 November 2026 – Azeus Systems Holdings Ltd. ("**Azeus**" or the "**Group**"), a leading provider of IT products and services, today announced net profit attributable to equity holders of HK$24.9 million for the half year ended 30 September 2026 ("**1H FY2027**") as compared to HK$48.3 million in the previous corresponding period ("**1H FY2026**").

[1] Based on the conversion rate of HK$1 = US$ 0.13, rounded up to one decimal place.

For 1H FY2027, Azeus recorded a 6% decrease in revenue to HK$174.0 million, from HK$185.5 million in 1H FY2026. Gross profit decreased by 6% to HK$127.4 million, as gross profit margin improved marginally to 73.2%.

Mr. Lee Wan Lik, Executive Chairman and Director of Azeus, said, “The Group’s performance reflected a lower contribution from the Central Electronic Record Keeping System project, which is now nearing completion. For prudence, we have not recognised the one-off server licensing revenue under discussion. Despite this we maintained a stable gross profit margin. Importantly, our flagship product, Convene, continued to achieve year-on-year growth in both revenue and customer adoption. Our core recurring business remains strong and is expected to drive our future growth.”

Review of Business Segments

Azeus Products accounted for a majority or 86.8% of total Group revenue in 1H FY2027, while IT Services contributed 13.2%. Revenue from Azeus Products decreased by 3.1% over the corresponding period, while IT Services revenue declined by 22.3%.

Revenue from Azeus Products decreased by HK$4.8 million, or 3.1%, from HK$155.8 million in 1H FY2026 to HK$151.0 million in 1H FY2027. While the Group’s flagship proprietary product, “Convene”, continued to achieve year-on-year growth in both revenue and customer adoption, this was more than offset by lower revenue contribution from the Central Electronic Recordkeeping System (“**CERKS**”) project with the Hong Kong SAR government.

Revenue from IT Services decreased by HK$6.6 million, or 22.3%, to HK$23.0 million in 1H FY2027 from HK$29.6 million in 1H FY2026.

Under the IT Services segment, revenue from Maintenance and Support Services, which accounted for 11.7% of total Group revenue in 1H FY2027, decreased by HK$1.4 million, or 6.4%, from HK$21.8 million in 1H FY2026 to HK$20.4 million in 1H FY2027, mainly due to the completion of maintenance and support services for certain existing contracts.

Revenue from Systems Implementation and Enhancement, which accounted for 1.6% of total Group revenue in 1H FY2027, decreased by HK$5.1 million, or 65.4%, from HK$7.8 million in 1H FY2026 to HK$2.7 million in 1H FY2027, mainly due to fewer projects and enhancement services recognised during the period.

Financial Overview

The Group's cost of revenue decreased by 6.6% to HK$46.7 million in 1H FY2027 from HK$50.0 million in 1H FY2026, while gross profit margin improved marginally to 73.2% from 73.0%.

Profit before tax decreased by 45.3% to HK$28.6 million in 1H FY2027 from HK$52.3 million in 1H FY2026. The decrease was due to the lower revenue, higher foreign exchange losses due to the strengthening of the Hong Kong Dollar (HKD) and United States Dollar (USD) against other currencies that the Group transacted in as compared to the prior period, coupled with a higher research and development, and selling and marketing expenses.

The higher research and development costs were primarily due to an increase in personnel expenses and the expansion of the team, as greater resources were invested in the development and enhancement of new and existing product features.

The Group also focused more on expanding the marketing team with new hires during the period under review, contributing to the increase in sales and marketing personnel costs.

Profit attributable to equity holders decreased by 48.4% to HK$24.9 million in 1H FY2027 from HK$48.3 million in 1H FY2026. Tax expenses were HK$3.7 million, compared with HK$4.0 million in the previous corresponding period.

As at 30 September 2026, the Group had cash and bank deposits of HK$239.0 million, compared with HK$249.9 million as at 31 March 2026. Cash and cash equivalents at the end of the period were HK$196.0 million. Net cash provided by operating activities

was HK$27.2 million in 1H FY2027, compared with net cash provided of HK$24.2 million in 1H FY2026.

The Group's equity decreased to HK$139.9 million as at 30 September 2026 from HK$198.6 million as at 31 March 2026.

Total liabilities increased to HK$330.5 million as at 30 September 2026 from HK$256.2 million as at 31 March 2026. The increase was mainly attributable to a net increase in other payables from the recognition of the final dividend declared for FY2026 of HK$84.0 million with a settlement date after the period ended 30th September 2026, an increase in contract liabilities of HK$30.0 million, netted off with a decrease in lease liability of HK$2.4 million and settlement of dividend payable to an Executive Director.

Outlook

Mr. Michael Yap, CEO of Azeus, said, "Convene's year-on-year growth in revenue and customer adoption reflects continued demand for our governance solutions. Led by Convene Board Portal, our recurring SaaS business provides revenue visibility and remains the principal driver of the Group's earnings. Our priority is to build on this foundation by deepening relationships with existing customers and expanding into new segments and markets. We are investing in expanding our AI-powered offerings that help customers reduce administrative work and strengthen governance, creating opportunities to broaden adoption and grow revenue per customer."

The Group and the customer of the CERKS project continue to hold differing interpretations of the contractual provisions governing the calculation of the server licence fees for the final deployment phase. During 1H FY2027, the customer agreed to settle a portion of the server licence fees, which is materially lower than the amount claimed by the Group under its interpretation of the contract. The resolution of this disagreement, amounting to HK$154.5 million (equivalent to US$19.8 million), remains uncertain and may have a material impact on the total server licence revenue ultimately payable to the Group under the contract.

If this matter remains unresolved by the end of FY2027, the Group's revenue and profit for FY2027 are expected to be materially lower than those reported for FY2026.
Any revenue and profit associated with the disputed server licence fees will be recognised only when the matter has been resolved with sufficient certainty. Any favourable outcome would then contribute positively to the Group's financial performance in the future.

The Board emphasises that the CERKS matter is non-recurring in nature and the project is nearing completion and is expected to transition into a ten-year maintenance and support phase.

About Azeus Systems Holdings Ltd.

Azeus, a global leader in software products and services, has been publicly listed on the Singapore Stock Exchange mainboard for over two decades. With Asian and European head offices in Singapore, London, and Madrid, and sales offices spanning Asia, the US, Canada, Australia, Africa, the Middle East, and South America, Azeus delivers innovative IT solutions to prominent organizations and government agencies in more than 100 countries.

Since 2003, Azeus has been appraised at the highest level (Level 5) under the Capability Maturity Model Integration (CMMI) for Software Engineering (CMMI-SW).

Convene, the Group’s flagship product, is a leading paperless meeting solution with clients in more than 100 countries under Azeus’ IT Services segment. The Group designs and implements a wide range of IT software and systems. The Group continues to invest in R&D and expand its product offerings. These include a new platform to facilitate and enable ESG reporting and Convene Records, which has been adopted for an "All-of-Government” deployment.

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