

AZEUS SYSTEMS HOLDINGS LTD.

Unaudited Half Year Financial Statement and Dividend Announcement for the period ended 30 September 2015

Part I – INFORMATION REQUIRED FOR ANNOUNCEMENTS OF HALF YEAR RESULTS

1(a) An income statement (for the group) together with a comparative statement for the corresponding period of the immediately preceding financial year

Azeus Systems Holdings Ltd.

1(a)(i) **Consolidated Income Statement for the first half year ended 30 September 2015**
(Expressed in Hong Kong Dollars)

	The Group		
	1st Half FY2016	1st Half FY2015	+ / (-)
	(Apr-Sep 2015)	(Apr-Sep 2014)	
	HK\$'000	HK\$'000	%
Sales	45,622	60,587	(25)
Cost of sales	(32,095)	(41,718)	(23)
	<hr/>	<hr/>	
Gross profit	13,527	18,869	(28)
Other income			
Arbitration legal fee compensation	8,750	-	N/A
Interest income	15	138	(89)
Other gains/(losses) - net	38	(447)	(109)
Selling and marketing expenses	(5,353)	(2,862)	87
Administrative and other operating expenses	(12,516)	(13,000)	(4)
	<hr/>	<hr/>	
Profit before tax	4,461	2,698	65
Income tax expense	(737)	(370)	99
	<hr/>	<hr/>	
Profit attributable to equity holders of the Company	3,724	2,328	60
	<hr/>	<hr/>	
Earnings per share (basic and diluted)	12.41 cents	7.76 cents	See Note 1d(ii)
	<hr/>	<hr/>	

1(a)(ii) Statement of Comprehensive Income for the first half year ended 30 September 2015
(Expressed in Hong Kong Dollars)

	<u>The Group</u>		
	1 st Half FY2016	1 st Half FY2015	+ / (-)
	(Apr-Sep 2015)	(Apr-Sep 2014)	
	HK\$'000	HK\$'000	%
Profit attributable to equity holders of the Company	3,724	2,328	60
<u>Other comprehensive income</u>			
<u>Items that may be reclassified subsequently to profit or loss:</u>			
Currency translation differences arising from consolidation – (loss) / gains	(261)	144	(281)
<u>Items that will not be reclassified subsequently to profit or loss:</u>			
Actuarial gains on defined retirement benefits – net of tax	301	-	N/A
Other comprehensive income – net of tax	40	144	(72)
Total comprehensive income attributable to equity holders of the Company	3,764	2,472	52

1(a)(iii) Note to Income Statement for the first half year ended 30 September 2015
(Expressed in Hong Kong Dollars)

Expenses included in cost of sales, selling and marketing expenses and administrative and other operating expense are analysed as follow.			
	<u>The Group</u>		
	1 st Half FY2016	1 st Half FY2015	+ / (-)
	(Apr-Sep 2015)	(Apr-Sep 2014)	
	HK\$'000	HK\$'000	%
Depreciation of property, plant and equipment	(195)	(207)	(6)
Legal and professional fee	(1,123)	(1,476)	(24)
Rental expenses – operating lease	(2,934)	(2,934)	-
Employee benefits expenses (include director remuneration)	(37,507)	(41,534)	(10)
Hardware and software	(305)	(788)	(61)
Amortisation of intangible assets	(1,638)	-	N/A
Repair and maintenance	(4,587)	(3,825)	20
Other expenses	(1,675)	(6,816)	(75)
Total cost of sales, selling and marketing and administrative expenses	(49,964)	(57,580)	(13)

1(b)(i) A balance sheet (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year

Azeus Systems Holdings Ltd.
Balance Sheet as at 30 September 2015
(Expressed in Hong Kong Dollars)

	<u>The Group</u>			<u>The Company</u>		
	30 Sep 2015	31 Mar 2015	+ / (-)	30 Sep 2015	31 Mar 2015	+ / (-)
	HK\$'000	HK\$'000	%	HK\$'000	HK\$'000	%
Current assets						
Cash and cash equivalents	44,855	59,617	(25)	2,712	1,591	70
Pledged bank deposits	3,782	3,775	-	-	-	-
Trade and other receivables	16,831	21,220	(21)	50,065	57,339	(13)
Inventories	5,809	5,809	-	-	-	-
Unbilled revenue on service contracts	37,593	33,198	13	-	-	-
Other current assets	38	40	(5)	-	-	-
	<u> </u>	<u> </u>		<u> </u>	<u> </u>	
	108,908	123,659	(12)	52,777	58,930	(10)
Non-current assets						
Investment in subsidiaries	-	-	-	50,423	50,423	-
Property, plant and equipment	821	758	8	-	-	-
Intangible assets	9,988	5,204	92	-	-	-
Deferred tax assets	895	938	(5)	-	-	-
Refundable deposit	371	369	1	-	-	-
	<u> </u>	<u> </u>		<u> </u>	<u> </u>	
	12,075	7,269	66	50,423	50,423	-
	<u> </u>	<u> </u>		<u> </u>	<u> </u>	
Total assets	120,983	130,928	(8)	103,200	109,353	(6)
	<u> </u>	<u> </u>		<u> </u>	<u> </u>	

Azeus Systems Holdings Ltd.
Balance Sheet as at 30 September 2015
(Expressed in Hong Kong Dollars)
(Continued)

	<u>The Group</u>			<u>The Company</u>		
	30 Sep 2015	31 Mar 2015	+ / (-)	30 Sep 2015	31 Mar 2015	+ / (-)
	HK\$'000	HK\$'000	%	HK\$'000	HK\$'000	%
Current liabilities						
Trade and other payables	6,608	16,935	(61)	105	1,498	(93)
Current income tax liabilities	949	228	316	-	-	-
	<u> </u>	<u> </u>		<u> </u>	<u> </u>	
	7,557	17,163	(56)	105	1,498	(93)
Non-current liability						
Provision for defined retirement benefits	8,650	9,063	(5)	-	-	-
	<u> </u>	<u> </u>		<u> </u>	<u> </u>	
	8,650	9,063	(5)	-	-	-
	<u> </u>	<u> </u>		<u> </u>	<u> </u>	
Total liabilities	16,207	26,226	(38)	105	1,498	(93)
	<u> </u>	<u> </u>		<u> </u>	<u> </u>	
Net assets	104,776	104,702	-	103,095	107,855	(4)
	<u> </u>	<u> </u>		<u> </u>	<u> </u>	
REPRESENTED BY:						
Share capital	46,800	46,800	-	46,800	46,800	-
Share premium	56,489	56,489	-	56,726	56,726	-
Foreign currency translation reserve	1,015	1,276	(20)	-	-	-
Other reserves	1,328	1,328	-	-	-	-
Defined retirement benefits	(6,181)	(6,482)	(5)	-	-	-
Retained earnings	5,325	5,291	1	(431)	4,329	(110)
	<u> </u>	<u> </u>		<u> </u>	<u> </u>	
	104,776	104,702	-	103,095	107,855	(4)
	<u> </u>	<u> </u>		<u> </u>	<u> </u>	

1(b)(ii) Aggregate amount of group's borrowings and debt securities

The Group had no bank borrowings or debt securities as at 30 September 2015 and 31 March 2015.

1(c) A cash flow statement (for the group), together with a comparative statement for corresponding period of the immediately preceding financial year

Consolidated Statement of Cash Flows for the first half year ended 30 September 2015

	The Group	
	1st Half FY2016	1st Half FY2015
	(Apr-Sep 2015)	(Apr-Sep 2014)
	HK\$'000	HK\$'000
Cash flows from operating activities		
Net profit	3,724	2,328
Adjustment for:		
Income tax expense	737	370
Provision for retirement benefits	(112)	(25)
Depreciation of property, plant and equipment	195	191
Amortisation of intangible assets	1,638	-
Interest income	(15)	(138)
Exchange differences	(50)	303
	<u>6,117</u>	<u>3,029</u>
Operating cash flow before working capital change	6,117	3,029
Change in working capital:		
Trade and other receivables	4,389	(8,927)
Unbilled revenue on service contracts	(4,395)	(4,442)
Refundable deposits	(2)	(33)
Inventories	-	(5,619)
Trade and other payables	(10,327)	(1,880)
Pledged deposit	(7)	2,711
	<u>(4,225)</u>	<u>(15,161)</u>
Cash used in operations	(4,225)	(15,161)
Contributions to retirement fund	-	-
Income tax paid	(14)	(1,871)
	<u>(4,239)</u>	<u>(17,032)</u>
Net cash used in operating activities	(4,239)	(17,032)

**1(c) A cash flow statement (for the group), together with a comparative statement for corresponding period of the immediately preceding financial year
(continued)**

	<u>The Group</u>	
	1st Half FY2016	1st Half FY2015
	(Apr-Sep 2015)	(Apr-Sep 2014)
	HK\$'000	HK\$'000
Cash flows from investing activities		
Purchase of property, plant and equipment	(258)	(201)
Additions to intangible assets	(6,422)	-
Interest received	15	138
	<hr/>	<hr/>
Net cash used in investing activities	(6,665)	(63)
Cash flows from financing activities		
Dividends paid to equity holders of the Company	(3,690)	(18,630)
	<hr/>	<hr/>
Net cash used in financing activities	(3,690)	(18,630)
Net decrease in cash and cash equivalents held	(14,594)	(35,725)
Cash and cash equivalents at the beginning of the period	59,617	85,542
Effects of currency translation on cash and cash equivalents	(168)	(157)
	<hr/>	<hr/>
Cash and cash equivalents at the end of the period	44,855	49,660
	<hr/>	<hr/>

1(d)(i) A statement (for the issuer and the group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year

Statement of Changes in Equity for the half year ended 30 September 2015

	Share Capital	Share Premium	Foreign Currency Translation Reserve	Other Reserves	Defined Retirement Benefits	Retained Profits	Total
Group	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Balance as at 1 April 2015	46,800	56,489	1,276	1,328	(6,482)	5,291	104,702
Profit attributable to equity holders of the Company	-	-	-	-	-	3,724	3,724
Other comprehensive income / (loss)	-	-	(261)	-	301	-	40
	=====	=====	=====	=====	=====	=====	=====
Total comprehensive income for the period	-	-	(261)	-	301	3,724	3,764
FY2015 final dividends paid	-	-	-	-	-	(3,690)	(3,690)
	=====	=====	=====	=====	=====	=====	=====
Balance as at 30 September 2015	46,800	56,489	1,015	1,328	(6,181)	5,325	104,776
	=====	=====	=====	=====	=====	=====	=====
Balance as at 1 April 2014	46,800	56,489	114	1,328	(4,072)	20,231	120,890
Profit attributable to equity holders of the Company	-	-	-	-	-	2,328	2,328
Other comprehensive income / (loss)	-	-	144	-	-	-	144
	=====	=====	=====	=====	=====	=====	=====
Total comprehensive income for the period	-	-	144	-	-	2,328	2,472
FY2014 final dividends paid	-	-	-	-	-	(18,630)	(18,630)
	=====	=====	=====	=====	=====	=====	=====
Balance as at 30 September 2014	46,800	56,489	258	1,328	(4,072)	3,929	104,732
	=====	=====	=====	=====	=====	=====	=====

	Share Capital	Share Premium	Retained Profits	Total
<u>Company</u>	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Balance as at 1 April 2015	46,800	56,726	4,329	107,855
Total comprehensive income for the period	-	-	(1,070)	(1,070)
FY2015 final dividends paid	-	-	(3,690)	(3,690)
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Balance as at 30 September 2015	46,800	56,726	(431)	103,095
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Balance as at 1 April 2014	46,800	56,726	20,363	123,889
Total comprehensive income for the period	-	-	(976)	(976)
FY2014 final dividends paid	-	-	(18,630)	(18,630)
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Balance as at 30 September 2014	46,800	56,726	757	104,283
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

1(d)(ii) Details of any changes in the company's share capital arising from right issue, bonus issue, share buy backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.

On 27 July 2015, the Board of Directors announced that the Share Consolidation of every ten (10) ordinary shares with a par value of US\$0.02 each in the authorised and issued capital of the Company into one (1) ordinary share with the par value of US\$0.20 has been completed, fractional entitlements to be disregarded. Accordingly, the issued share capital of the Company is now comprises of 29,999,993 Consolidated Shares.

1(d)(iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.

As at 30 September 2015, share capital of the Company comprised 29,999,993 ordinary shares (FY2015: 300,000,000). There were no treasury shares held by the Company at 30 September 2015 and 2014.

1(d)(iv) A statement showing all sales, transfers, disposal, cancellation and/or use of treasury shares as at the end of the current financial period reported on.

Not applicable.

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

The figures have not been audited or reviewed by the Company's auditors.

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

Not applicable.

4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.

The Company and the Group have applied the same accounting policies and methods of computation in the preparation of the financial statements for the current reporting period compared with those for the audited financial statements for the year ended 31 March 2015.

5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of the change.

On 1 April 2015, the Group adopted the new or amended FRS and Interpretations of FRS ("INT FRS") 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 provision in the respective FRS and INT FRS.

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

6. **Earnings per ordinary share of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends.**

	<u>The Group</u>	
	1 st Half FY2016	1 st Half FY2015
Net profit of the Group (HK\$'000)	3,724	2,328
Weighted average number of shares ('000)	(See note 1d(ii)) 30,000	(See note 1d(ii)) 30,000
- Basic earnings per share (HK cents)	12.41	7.76
- Fully diluted earnings per share (HK cents)	12.41	7.76

Fully diluted earnings per share is similar to the basic earnings per share as the Group did not have any potential dilutive ordinary shares outstanding as at 30 September 2015 and 30 September 2014.

Note: On 27 July 2015, a Share Consolidation of 10 existing shares for one new share completed thereby reducing the number of shares in issue. For the purposes of this note, the comparative numbers for the prior year have been adjusted as though that Share Consolidation had taken place last year to enable direct comparison. The earnings per ordinary share of the Group without share consolidation and as reported at 31 March 2015 was HK cents 0.78 per ordinary share.

7. **Net asset value (for the issuer and the group) per ordinary share based on issued share capital of the issuer at the end of the (a) current period reported on; and (b) immediately preceding financial year.**

	<u>The Group</u>		<u>The Company</u>	
	30 Sep 2015	31 Mar 2015	30 Sep 2015	31 Mar 2015
	HK\$	HK\$	HK\$	HK\$
Net asset value per ordinary share based on the existing share capital as at the end of the respective period	3.49	3.49	3.44	3.60

The number of ordinary shares outstanding for the computation of net asset value per ordinary share is 29,999,993 (FY2015: 29,999,993). For details, please refer to note 1 d(ii).

Note: On 27 July 2015, a Share Consolidation of 10 existing shares for one new share completed thereby reducing the number of shares in issue. For the purposes of this note, the comparative numbers for the prior year have been adjusted as though that Share Consolidation had taken place last year to enable direct comparison. The net asset value per ordinary share of the Group and Company without share consolidation and as reported at 31 March 2015 was HK cents 34.90 per share and HK cents of 35.95 respectively.

8. **A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:- (a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; (b) any material factors that affected the cash flow, working capital, assets or liabilities, of the group during the current financial period reported on.**

Income statement

a. Revenue

	1 st Half FY2016	1 st Half FY2015	+ / (-)
	(Apr-Sep 15)	(Apr-Sep 14)	
Professional IT Services	HK\$'000	HK\$'000	%
IT Services, including sale of third party hardware and software	10,359	26,651	(61)
Maintenance and Support Services	32,190	24,184	33
Business Process Outsourcing ("BPO")	-	6,450	N/A
	<hr/>	<hr/>	
Total Professional IT Services Revenue	42,549	57,285	(26)
Azeus Product Sales	3,073	3,302	(7)
	<hr/>	<hr/>	
Total Revenue	45,622	60,587	(25)

The Group derives its revenue from two operating segments – Professional IT Services and Azeus Product Sales. Professional IT Services includes three core business areas, IT services, maintenance and support services, and business process outsourcing (BPO).

Group revenue decreased by 24.7% to HK\$45.6 million in 1H FY2016, as compared to HK\$60.6 million in the last corresponding period.

IT services accounted for 22.7% (1H FY2015: 44.0%) of total revenue in 1H FY2016. The fees from IT services were lower in 1H FY2016 due to fewer contracts secured and implemented in this period.

Revenue from maintenance and support services increased by 33.1% to HK\$32.2 million in 1H FY2016. This business segment accounted for 70.6% (1H FY2015: 39.9%) of total revenue in 1H FY2016. More projects that completed the implementation phase in the previous years have begun the maintenance phase of the project in 1H FY2016.

The contract for BPO ended on 30 Nov 2014 and was not renewed, therefore, there was no revenue contributing to this business area.

Azeus Product Sales accounted for 6.7% of the total revenue and decreased by 6.9% in 1H FY2016.

b. Cost of Sales and Gross Profit Margin

Cost of sales in 1H FY2016 was lower by HK\$9.6 million, from HK\$41.7 million to HK\$32.1 million due to decrease in direct salaries. Less staff effort was spent in 1H FY2016 as there were less implementation projects secured in this period. In addition, the contract for BPO ended on 30 Nov 2014 and was not renewed, which contributed to the decrease in the direct salaries by HK\$3.5 million.

Overall, the Group's gross profit margin decrease from 31.1% to 29.7%.

c. Other Income & Other Gains – net

	1 st Half FY2016	1 st Half FY2015	+ / (-)
	(Apr-Sep 15)	(Apr-Sep 14)	
	HK\$'000	HK\$'000	%
Other income comprised:			
Arbitration legal fee compensation	8,750	-	N/A
Interest income	15	138	(89)
	<hr/>	<hr/>	
Subtotal	8,765	138	6,251
Other gains - net comprised:			
Net foreign exchange gain/(loss)	38	(447)	109
	<hr/>	<hr/>	
Subtotal	38	(447)	109

As disclosed subsequently after FY2015, the proceeding regarding the legal costs associated with the arbitration was settled in favor of the Group on 15 April 2015. A settlement was made between the Group and the customer with a payment of HK\$8.8 million received in 1H FY2016. This amount was recognised as other income in FY2016.

Net foreign exchange gain increased in 1H FY2016 due to the purchase of foreign currencies for operating purposes at a lower rate as compared with last interim year end.

d. Selling and marketing expenses

Selling and marketing expenses increased by 87.0% or HK\$2.5 million in 1H FY2016 as the Group increased the selling and marketing activities for UK operation and our cloud-based offering. Amounts were used to expand our global sales team, increase sales and marketing efforts for lead generation.

e. Administrative and Other Operating Expenses

Administrative and other operating expenses decreased by 3.7% or HK\$0.5 million in 1H FY2016 mainly due to the effect of the decrease in administrative staff salaries of HK\$0.4 million.

f. Net profit after taxation

Excluding the one-off arbitration legal fee compensation of HK\$8.8 million, the Group's net profit decreased from a net profit of HK\$2.3 million in 1H FY2015 to a net loss of HK\$5.0 million in 1H FY2016.

Balance Sheet

a. Unbilled Revenue on Service Contracts

Unbilled revenue on services contracts increased by HK\$4.4 million. It was due to the majority of the projects nearing the end of implementation stage but have not reached payment milestones.

b. Trade and other receivables

Trade and other receivables decreased by 20.7% from HK\$21.2 million to HK\$16.8 million, due to less billings issued near period end of 1H FY2016. All net trade receivables as of 30 September 2015 are considered recoverable.

c. Inventory

Inventories comprise of third party hardware and software products to be used in IT service implementation projects under the relevant contract terms. The balance represents items that were delivered and which customers have not completed the corresponding acceptance tests. Therefore, the relevant revenue associated with these hardware and software products have not been recognised. The products are subsequently installed and accepted by customers after 1H FY2016.

d. Intangible assets – development cost of Azeus Products

Costs include payroll related costs of employees directly attributable to the development of two proprietary products (i.e. Azeus Convene and AzeusCare) are capitalised as intangible assets. Additional amount of intangible assets of HK\$6.4 million was capitalised and amortisation of HK\$1.6 million was recognised in 1H FY 2016. The Group is continuously improving its Azeus Product. These are costs directly attributable to the development of new features and enhancements of Azeus Products.

e. Share capital and reserves

Shareholders' equity increased slightly from HK\$104.7 million at the beginning of the year to HK\$104.8 million as at 30 September 2015, mainly due to the payment of FY2015 final dividend of HK\$3.7 million offset by profit generated from operations of HK\$3.7 million in 1H FY2016.

Cash flow Statement

For the six months ended 30 September 2015, the Group's net cash used in operating activities was HK\$4.2 million. The major operating activities were increase in unbilled revenue as projects are under key implementation stages and settlement of trade and other payables.

In addition, cash used in financing activities was primarily for the payment of FY2015 final dividend of HK\$3.7 million in September 2015.

Overall, the Group managed to maintain a cash position of HK\$44.9 million as at 30 September 2015.

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

Not applicable.

10. **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 period and the next 12 months.**

The Group received legal fee compensation of HK\$8.8 million for an arbitration with a customer and this significantly contributed to the profit in this year.

Apart from that, the Group capitalised a net amount of HK\$4.8 million as intangible assets in 1H FY2016. These are costs directly attributable to the development of new features and enhancements of Azeus Products. Azeus Product business serves as the growth engine of the Group. We will continue to build our capacity and invest more in this business segment. We believe this is a higher margin business and is a worthwhile investment.

It would appear the IT market conditions in Hong Kong will remain challenging in view of less open tenders, uncertain macroeconomic developments and government regulations in place. Professional IT Services revenue is expected to be lower in FY 2016. Nevertheless, the Group's core business fundamentals remain sound.

Excluding the one off legal fee compensation, the Group expects its profit for FY2016 will be lower year-on-year.

11. **Dividend**

(a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on?

No interim dividend has been declared/recommended during the period ended 30 September 2015.

(b) Corresponding Period of the Immediately Preceding Financial Year

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

No interim dividend was declared/recommended during the period ended 30 September 2014.

(c) Date payable

Not applicable.

(d) Books closure date

Not applicable.

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

No interim dividend has been declared/recommended during the period.

PART II – ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT

- 13. Segmented revenue and results for business or geographical segments (of the group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediately preceding year.**

Not applicable for half year results.

- 14. In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the business or geographical segments.**

Not applicable for half year results.

- 15. A breakdown of sales.**

Not applicable for half year results.

- 16. A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year.**

Not applicable for half year results.

- 17. If no IPT mandate has been obtained, a statement to that effect.**

No IPT mandate obtained.

BY ORDER OF THE BOARD

LEE WAN LIK
MANAGING DIRECTOR
12 November 2015

Confirmation Pursuant to 705(5) of the Listing Manual

We, Lee Wan Lik and Lam Pui Wan, being the two directors of Azeus Systems Holdings Ltd. do hereby confirm on behalf of the directors of the Company that, to the best of our knowledge, nothing has come to attention of the board of directors of the Company which may render the financial results for the period ended 30 September 2015 to be false or misleading.

On behalf of the Board of Directors

LEE Wan Lik
Executive Director

LAM Pui Wan
Executive Director