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COMPUTER AND TECHNOLOGIES HOLDINGS LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 00046)

ANNOUNCEMENT OF INTERIM RESULTS FOR THE SIX MONTHS ENDED 30 JUNE 2025

The Board of Directors (the “Board”) of Computer And Technologies Holdings Limited (the “Company”) herein presents the unaudited interim condensed consolidated results of the Company and its subsidiaries (collectively, the “Group”) for the six months ended 30 June 2025 together with the comparative figures. These unaudited interim condensed consolidated results have been reviewed by the Company’s audit committee.

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

		For the six months ended 30 June	
		2025 (Unaudited) HK\$'000	2024 (Unaudited) HK\$'000
	Notes		
REVENUE	5	120,225	127,567
Cost of sales and services:			
Cost of goods and services procured from third parties		(12,255)	(17,729)
Related staff costs		(39,825)	(40,887)
Gross profit		68,145	68,951
Other operating income	5	1,247	408
Selling and distribution expenses		(18,015)	(17,555)
General and administrative expenses, net		(26,738)	(29,931)
Reversal of impairment/(impairment) of trade receivables, net		106	(394)
Finance costs		(582)	(438)
Amortisation of other intangible assets		(6,449)	(6,673)
PROFIT FROM OPERATIONS		17,714	14,368

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CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS *(continued)*

		For the six months ended 30 June	
		2025	2024
		(Unaudited)	(Unaudited)
		HK\$'000	HK\$'000
	Notes		
PROFIT FROM OPERATIONS		17,714	14,368
Other income and gains	5	6,285	7,236
Foreign exchange differences, net		(784)	403
Fair value gains/(losses), net:			
Financial assets at fair value through profit or loss		312	(243)
Investment property		<u>(2,000)</u>	<u>(1,000)</u>
PROFIT BEFORE TAX	6	21,527	20,764
Income tax expense	7	<u>(2,969)</u>	<u>(2,721)</u>
PROFIT FOR THE PERIOD		<u>18,558</u>	<u>18,043</u>
ATTRIBUTABLE TO:			
Owners of the parent		18,595	18,166
Non-controlling interests		<u>(37)</u>	<u>(123)</u>
		<u>18,558</u>	<u>18,043</u>
EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT			
	9	HK cents	HK cents
Basic		<u>7.66</u>	<u>7.46</u>
Diluted		<u>7.64</u>	<u>7.42</u>

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	For the six months ended 30 June	
	2025	2024
	(Unaudited)	(Unaudited)
	HK\$'000	HK\$'000
PROFIT FOR THE PERIOD	<u>18,558</u>	<u>18,043</u>
OTHER COMPREHENSIVE INCOME		
Other comprehensive income/(loss) that may be reclassified to profit or loss in subsequent periods:		
Exchange differences on translation of foreign operations	<u>952</u>	<u>(1,081)</u>
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	<u>19,510</u>	<u>16,962</u>
ATTRIBUTABLE TO:		
Owners of the parent	19,547	17,085
Non-controlling interests	<u>(37)</u>	<u>(123)</u>
	<u>19,510</u>	<u>16,962</u>

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

		30 June 2025 (Unaudited) <i>Notes</i> HK\$'000	31 December 2024 (Audited) HK\$'000
NON-CURRENT ASSETS			
Property, plant and equipment		6,107	6,123
Investment property		55,000	57,000
Right-of-use assets		16,527	18,306
Goodwill		135,001	135,001
Other intangible assets		11,232	16,857
Financial assets at fair value through profit or loss – debt investment		2,100	2,100
Deposits		1,397	1,845
Deferred tax assets		698	773
Total non-current assets		<u>228,062</u>	<u>238,005</u>
CURRENT ASSETS			
Inventories		10	11
Trade receivables	10	28,526	39,514
Contract assets		44,334	37,064
Prepayments, deposits and other receivables		12,891	15,296
Tax recoverable		13,554	9,393
Financial assets at fair value through profit or loss – listed equity investments		2,238	1,926
Pledged bank deposits		178	202,491
Cash and cash equivalents		326,925	128,907
Total current assets		<u>428,656</u>	<u>434,602</u>
CURRENT LIABILITIES			
Trade payables, other payables and accruals	11	(60,232)	(70,474)
Contract liabilities		(47,270)	(60,208)
Lease liabilities		(4,660)	(4,286)
Tax payable		(19,265)	(15,170)
Total current liabilities		<u>(131,427)</u>	<u>(150,138)</u>
NET CURRENT ASSETS		<u>297,229</u>	<u>284,464</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>525,291</u>	<u>522,469</u>

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CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION *(continued)*

		30 June 2025 (Unaudited) <i>HK\$'000</i>	31 December 2024 (Audited) <i>HK\$'000</i>
	<i>Notes</i>		
NON-CURRENT LIABILITIES			
Provision	11	(820)	(795)
Contract liabilities		(635)	(894)
Lease liabilities		(12,887)	(15,009)
Deferred tax liabilities		<u>(2,192)</u>	<u>(3,511)</u>
Total non-current liabilities		<u>(16,534)</u>	<u>(20,209)</u>
Net assets		<u>508,757</u>	<u>502,260</u>
EQUITY			
Equity attributable to owners of the parent			
Issued capital		24,433	24,433
Share premium account		41,410	41,410
Shares held under the restricted share award scheme		(2,826)	(3,872)
Reserves		444,611	425,770
Proposed final dividend		<u>-</u>	<u>13,353</u>
		507,628	501,094
Non-controlling interests		<u>1,129</u>	<u>1,166</u>
Total equity		<u>508,757</u>	<u>502,260</u>

NOTES

1. CORPORATE INFORMATION

Computer And Technologies Holdings Limited is a limited liability company incorporated in Bermuda. The registered office of the Company is located at Clarendon House, 2 Church Street, Hamilton HM11, Bermuda. The principal place of business of the Company is located at 18th Floor, Viva Place, No. 36 Heung Yip Road, Wong Chuk Hang, Hong Kong.

During the period, the Group was involved in the following principal activities:

- provision of enterprise application software and e-business services for enterprises including the provision of enterprise application software (including Software as a Services (“SaaS”) product offering) with implementation and ongoing support services, the Government Electronic Trading Services (“GETS”), cloud services and other related value-added services;
- provision of information technology (“IT”) solutions implementation and application software development (including SaaS product offering), provision of IT and related operation/infrastructure outsourcing services, and provision of IT systems and network infrastructure with related design, implementation and ongoing support services; and
- property and treasury investments.

2. BASIS OF PREPARATION

The interim condensed consolidated financial information of the Group for the six months ended 30 June 2025 has been prepared in accordance with the applicable provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and Hong Kong Accounting Standard (“HKAS”) 34 *Interim Financial Reporting* issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”).

The interim condensed consolidated financial information does not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group’s annual consolidated financial statements for the year ended 31 December 2024.

Certain comparative amounts have been reclassified to conform with the current period’s presentation.

3. CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

The accounting policies adopted in the preparation of the interim condensed consolidated financial information are consistent with those applied in the preparation of the Group’s annual consolidated financial statements for the year ended 31 December 2024, except for the adoption of the following amended HKFRS Accounting Standard for the first time for the current period’s financial information.

Amendments to HKAS 21	<i>Lack of Exchangeability</i>
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The nature and impact of the amended HKFRS Accounting Standard are described below:

Amendments to HKAS 21 specify how an entity shall assess whether a currency is exchangeable into another currency and how it shall estimate a spot exchange rate at a measurement date when exchangeability is lacking. The amendments require disclosures of information that enable users of financial statements to understand the impact of a currency not being exchangeable. As the currencies that the Group had transacted with and the functional currencies of group entities for translation into the Group’s presentation currency were exchangeable, the amendments did not have any impact on the interim condensed consolidated financial information.

4. OPERATING SEGMENT INFORMATION

For management purposes, the Group is organised into business units based on their products and services and has three reportable operating segments as follows:

- (a) the application services segment that primarily engages in the provision of enterprise application software and e-business services for enterprises including the provision of enterprise application software (including SaaS product offering) with implementation and ongoing support services, the GETS, cloud services and other related value-added services;
- (b) the solutions and integration services segment that primarily engages in the provision of IT solutions implementation and application software development (including SaaS product offering), provision of IT and related operation/infrastructure outsourcing services, and provision of IT systems and network infrastructure with related design, implementation and ongoing support services; and
- (c) the investments segment that primarily engages in various types of investing activities including, inter alia, property investment for rental income and/or for capital appreciation and treasury investment in securities for dividend income and/or for capital appreciation.

Management monitors the results of the Group's operating segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on reportable segment profit/loss, which is a measure of adjusted profit/loss before tax. The adjusted profit/loss before tax is measured consistently with the Group's profit before tax except that unallocated interest income, unallocated other income and gains, unallocated foreign exchange differences, net, corporate and other unallocated depreciation, and corporate and other unallocated expenses are excluded from such measurement.

Segment assets exclude deferred tax assets, tax recoverable, pledged bank deposits, cash and cash equivalents, and other unallocated head office and corporate assets as these assets are managed on a group basis.

Segment liabilities exclude tax payable, deferred tax liabilities and other unallocated head office and corporate liabilities as these liabilities are managed on a group basis.

4. OPERATING SEGMENT INFORMATION *(continued)*

(a) Operating segments

	Application Services		Solutions and Integration Services		Investments		Total	
	2025	2024	2025	2024	2025	2024	2025	2024
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
Segment revenue:								
Sales to external customers								
(note 5)	67,771	70,191	51,626	56,517	828	859	120,225*	127,567*
Intersegment sales	453	764	1,397	7,024	–	–	1,850	7,788
Other operating income	1,155	253	–	57	92	98	1,247^	408^
Total segment revenue	<u>69,379</u>	<u>71,208</u>	<u>53,023</u>	<u>63,598</u>	<u>920</u>	<u>957</u>	<u>123,322</u>	<u>135,763</u>
<i>Reconciliation:</i>								
Elimination of intersegment sales							<u>(1,850)</u>	<u>(7,788)</u>
							<u>121,472</u>	<u>127,975</u>
Segment results	15,747	14,708	14,797	14,550	(764)	(356)	29,780	28,902
<i>Reconciliation:</i>								
Unallocated interest income							6,282 [#]	7,236 [#]
Unallocated other income and gains							3 [#]	– [#]
Unallocated foreign exchange differences, net							(784)	403
Corporate and other unallocated depreciation							(393)	(117)
Corporate and other unallocated expenses							<u>(13,361)</u>	<u>(15,660)</u>
Profit before tax							<u>21,527</u>	<u>20,764</u>

4. OPERATING SEGMENT INFORMATION *(continued)*

(a) Operating segments *(continued)*

	Application Services		Solutions and Integration Services		Investments		Total	
	30 June 2025 (Unaudited) HK\$'000	31 December 2024 (Audited) HK\$'000	30 June 2025 (Unaudited) HK\$'000	31 December 2024 (Audited) HK\$'000	30 June 2025 (Unaudited) HK\$'000	31 December 2024 (Audited) HK\$'000	30 June 2025 (Unaudited) HK\$'000	31 December 2024 (Audited) HK\$'000
Segment assets	180,512	185,835	56,174	63,512	59,347	61,172	296,033	310,519
Reconciliation:								
Elimination of intersegment receivables							(3,273)	(2,093)
Corporate and other unallocated assets							363,958	364,181
Total assets							656,718	672,607
Segment liabilities	87,636	94,138	20,678	34,423	608	608	108,922	129,169
Reconciliation:								
Elimination of intersegment payables							(3,273)	(2,093)
Corporate and other unallocated liabilities							42,312	43,271
Total liabilities							147,961	170,347

* This represents the consolidated revenue of HK\$120,225,000 (2024: HK\$127,567,000) in the condensed consolidated statement of profit or loss.

^ These comprise the consolidated other operating income of HK\$1,247,000 (2024: HK\$408,000) in the condensed consolidated statement of profit or loss.

These comprise the consolidated other income and gains of HK\$6,285,000 (2024: HK\$7,236,000) in the condensed consolidated statement of profit or loss.

4. OPERATING SEGMENT INFORMATION (continued)

(a) Operating segments (continued)

	Application Services		Solutions and Integration Services		Investments		Total	
	2025	2024	2025	2024	2025	2024	2025	2024
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Other segment information:								
Net fair value loss on an investment property	–	–	–	–	(2,000)	(1,000)	(2,000)	(1,000)
Net fair value gains/(losses) on financial assets at fair value through profit or loss	–	–	–	–	312	(243)	312	(243)
Amortisation of other intangible assets	2,564	2,799	3,885	3,874	–	–	6,449	6,673
Depreciation	1,015	1,162	479	578	–	–	1,494	1,740
Corporate and other unallocated depreciation							1,557	2,618
							3,051	4,358
Impairment/(reversal of impairment) of trade receivables, net*	(242)	362	136	32	–	–	(106)	394
Capital expenditure**	645	117	629	301	–	–	1,274	418
Corporate and other unallocated capital expenditure**							178	137
							1,452	555

* Including impairment of trade receivables attributable to the application services segment of HK\$670,000 (2024: HK\$844,000) and the solutions and integration services segment of HK\$770,000 (2024: HK\$454,000), respectively, and reversal of impairment of trade receivables attributable to the application services segment of HK\$912,000 (2024: HK\$482,000) and the solutions and integration services segment of HK\$634,000 (2024: HK\$422,000), respectively.

** Capital expenditure consists of additions to property, plant and equipment and other intangible assets.

4. OPERATING SEGMENT INFORMATION *(continued)*

(b) Geographical information

(i) *Revenue from external customers*

	Hong Kong and other countries/regions		Mainland China		Total	
	2025	2024	2025	2024	2025	2024
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Segment revenue:						
Sales to external customers	<u>100,530</u>	<u>104,680</u>	<u>19,695</u>	<u>22,887</u>	<u>120,225</u>	<u>127,567</u>

The revenue information above is based on the locations of the customers.

(ii) *Non-current assets*

	30 June 2025	31 December 2024
	(Unaudited)	(Audited)
	HK\$'000	HK\$'000
Hong Kong	129,775	134,477
Mainland China	<u>94,092</u>	<u>98,810</u>
	<u>223,867</u>	<u>233,287</u>

The non-current asset information above is based on the locations of the assets and excludes financial instruments and deferred tax assets.

(c) Information about a major customer

Revenue from transactions with an external customer amounting to 10% or more of the Group's total revenue:

For the six months ended 30 June 2025, revenue from a major customer of HK\$41,482,000 (2024: HK\$40,664,000) was derived from transactions with the customer reported in the application services segment and the solutions and integration services segment.

5. REVENUE, OTHER OPERATING INCOME, AND OTHER INCOME AND GAINS

An analysis of revenue is as follows:

	For the six months ended 30 June	
	2025 (Unaudited) HK\$'000	2024 (Unaudited) HK\$'000
Revenue from contracts with customers	119,397	126,708
Revenue from other sources		
Gross rental income from investment properties	<u>828</u>	<u>859</u>
	<u>120,225</u>	<u>127,567</u>

Revenue from contracts with customers

(i) Disaggregated revenue information

	Application Services (Unaudited) HK\$'000	Solutions and Integration Services (Unaudited) HK\$'000	Total (Unaudited) HK\$'000
For the six months ended 30 June 2025			
<i>Segments</i>			
Types of goods or services			
Sale of goods and provision of software, and GETS services	14,497	329	14,826
Provision of software implementation and related services, and IT solutions implementation and related services	14,174	23,773	37,947
Provision of SaaS product offering and maintenance services	<u>39,100</u>	<u>27,524</u>	<u>66,624</u>
Total revenue from contracts with customers	<u>67,771</u>	<u>51,626</u>	<u>119,397</u>
Geographical markets			
Hong Kong and others	50,106	49,596	99,702
Mainland China	<u>17,665</u>	<u>2,030</u>	<u>19,695</u>
Total revenue from contracts with customers	<u>67,771</u>	<u>51,626</u>	<u>119,397</u>
Timing of revenue recognition			
Goods and services transferred at a point in time	14,497	329	14,826
Services transferred over time	<u>53,274</u>	<u>51,297</u>	<u>104,571</u>
Total revenue from contracts with customers	<u>67,771</u>	<u>51,626</u>	<u>119,397</u>

5. REVENUE, OTHER OPERATING INCOME, AND OTHER INCOME AND GAINS (continued)

Revenue from contracts with customers (continued)

(i) Disaggregated revenue information (continued)

	Application Services (Unaudited) HK\$ '000	Solutions and Integration Services (Unaudited) HK\$ '000	Total (Unaudited) HK\$ '000
For the six months ended 30 June 2024			
<i>Segments</i>			
Types of goods or services			
Sale of goods and provision of software, and GETS services	11,523	3,400	14,923
Provision of software implementation and related services, and IT solutions implementation and related services	19,207	26,572	45,779
Provision of SaaS product offering and maintenance services	39,461	26,545	66,006
Total revenue from contracts with customers	70,191	56,517	126,708
Geographical markets			
Hong Kong and others	50,030	53,810	103,840
Mainland China	20,161	2,707	22,868
Total revenue from contracts with customers	70,191	56,517	126,708
Timing of revenue recognition			
Goods and services transferred at a point in time	11,523	3,400	14,923
Services transferred over time	58,668	53,117	111,785
Total revenue from contracts with customers	70,191	56,517	126,708

(ii) Performance obligations

Information about the Group's performance obligations is summarised below:

Sale of goods and provision of software and GETS services

The performance obligation is generally satisfied upon product/service delivery, where payment in advance is normally required, and the balance is generally due within 30 to 60 days from the date of delivery.

Provision of software implementation and related services

The performance obligation is generally satisfied over time as services are rendered and payment is generally due within 30 to 60 days from the date of billing.

Provision of IT solutions implementation and related services

The performance obligation is generally satisfied over time as services are rendered and payment is generally due within 30 days from the date of billing. Generally, a certain percentage of payment is retained by respective customers as the Group's entitlement to the final payment is conditional on the satisfaction of the service quality by the customers over a certain period as stipulated in the respective contracts.

5. REVENUE, OTHER OPERATING INCOME, AND OTHER INCOME AND GAINS *(continued)*

Revenue from contracts with customers *(continued)*

(ii) Performance obligations *(continued)*

Provision of SaaS product offering and maintenance services

The performance obligation is generally satisfied over time as services are rendered and payments in advance are normally required before rendering the services.

The amounts of transaction prices allocated to the remaining performance obligations (unsatisfied or partially unsatisfied) as at 30 June are as follows:

	2025 (Unaudited) HK\$'000	2024 (Unaudited) HK\$'000
Amounts expected to be recognised as revenue:		
Within one year	47,270	51,696
After one year	<u>635</u>	<u>863</u>
	<u>47,905</u>	<u>52,559</u>

The amounts of transaction prices allocated to the remaining performance obligations which are expected to be recognised as revenue after one year relate to maintenance services, of which the performance obligations are to be satisfied within three years. All the other amounts of transaction prices allocated to the remaining performance obligations are expected to be recognised as revenue within one year. The amounts disclosed above do not include variable consideration which is constrained.

	For the six months ended 30 June 2025 (Unaudited) HK\$'000	2024 (Unaudited) HK\$'000
Other operating income		
Value-added tax refund received	312	131
Dividend income from listed investments at fair value through profit or loss	92	98
Gain on lease modifications	-	57
Others	<u>843</u>	<u>122</u>
	<u>1,247</u>	<u>408</u>
Other income and gains		
Bank interest income	6,282	7,236
Gain on lease modifications	<u>3</u>	<u>-</u>
	<u>6,285</u>	<u>7,236</u>

6. PROFIT BEFORE TAX

The Group's profit before tax is arrived at after charging/(crediting):

	For the six months ended 30 June	
	2025 (Unaudited) HK\$'000	2024 (Unaudited) HK\$'000
Depreciation of property, plant and equipment*	664	313
Depreciation of right-of-use assets	2,387	4,045
Amortisation of other intangible assets**	6,449	6,673
Employee benefit expense (including directors' and chief executive's remuneration)^#:		
Wages, salaries, allowances and other benefits	71,589	72,199
Equity-settled share-based payment expense	340	642
Retirement benefit scheme contributions (defined contribution schemes)***	5,377	4,589
Less: Amount capitalised in other intangible assets	(820)	-
	<u>76,486</u>	<u>77,430</u>
Impairment/(reversal of impairment) of trade receivables, net	<u>(106)</u>	<u>394</u>

* Depreciation of property, plant and equipment for the period of HK\$1,000 (2024: HK\$8,000) is included in "Cost of goods and services procured from third parties" on the face of the condensed consolidated statement of profit or loss.

** Amortisation of other intangible assets for the period of HK\$6,449,000 (2024: HK\$6,673,000) is included in "Amortisation of other intangible assets" on the face of the condensed consolidated statement of profit or loss.

*** There are no forfeited contributions that may be used by the Group as the employer to reduce the existing level of contributions. At 30 June 2025, the Group had no forfeited contributions available to reduce its contributions to the pension schemes in future years (2024: Nil).

^ Inclusive of research and development cost for application software products of HK\$9,327,000 (2024: HK\$9,689,000).

Inclusive of an amount of HK\$76,486,000 (2024: HK\$77,430,000) classified under "Cost of sales and services - Related staff costs", "Selling and distribution expenses" and "General and administrative expenses, net" on the face of the condensed consolidated statement of profit or loss.

7. INCOME TAX

Hong Kong profits tax has been provided at the rate of 16.5% (2024: 16.5%) on the estimated assessable profits arising in Hong Kong during the period, except for one subsidiary of the Group which is a qualifying entity under the two-tiered profits tax rates regime. The first HK\$2,000,000 (2024: HK\$2,000,000) of assessable profits of this subsidiary are taxed at 8.25% (2024: 8.25%) and the remaining assessable profits are taxed at 16.5% (2024: 16.5%). Taxes on profits assessable elsewhere have been calculated at the rates of tax prevailing in the countries/jurisdictions in which the Group operates.

	For the six months ended 30 June	
	2025	2024
	(Unaudited)	(Unaudited)
	HK\$'000	HK\$'000
Current – Hong Kong		
Charge for the period	4,137	3,980
Overprovision in prior periods	(6)	(6)
Current – Elsewhere		
Charge for the period	56	45
Underprovision in prior periods	10	–
Deferred	(1,228)	(1,298)
Total tax charge for the period	2,969	2,721

In 2022, the Hong Kong Inland Revenue Department (the “IRD”) issued an enquiry letter (“1st IRD Enquiry”) to a subsidiary (the “1st Subsidiary”) of the Company regarding the claim for enhanced deduction of certain research and development expenditures (“R&D Enhanced Deduction”). After providing the IRD with the available information and documents for the R&D Enhanced Deduction as requested in the 1st IRD Enquiry, the 1st Subsidiary received the assessor’s comments in October 2023. The 1st Subsidiary holds a different view against the assessor’s position and submitted a reply in January 2024. As at the reporting date, the 1st Subsidiary has provided replies to 5 rounds of enquiries from the IRD. The latest enquiry from the IRD was issued on 28 February 2025. The IRD has also issued protective assessment for the year of assessment 2018/19 to the 1st Subsidiary demanding tax of approximately HK\$0.7 million on 28 February 2025. The 1st Subsidiary has lodged an objection against the protective assessment for the year of assessment 2018/19 within the objection period and has a purchased tax reserve certificate (“TRC”) of approximately HK\$0.7 million.

In March 2023 and January 2024, the IRD issued protective assessments for the years of assessment 2016/17 and 2017/18 to another two subsidiaries (the “2nd and 3rd Subsidiaries”) of the Company demanding tax of approximately HK\$0.8 million for the year of assessment 2016/17 and HK\$1.0 million for the year of assessment 2017/18 in aggregate. In March 2025, protective assessments for the year of assessment 2018/19 were issued to the 2nd and 3rd Subsidiaries demanding tax of approximately HK\$0.6 million and another two subsidiaries (the “4th and 5th Subsidiaries”) of the Company for the year of assessment 2018/19 demanding tax of approximately HK\$3.4 million in total.

Per discussion with the assessor-in-charge, the IRD is reviewing the tax affairs of the aforesaid subsidiaries (the “Subsidiaries”) for the years of assessment from 2016/17 onwards and the issuance of the aforementioned protective assessments is merely for the purpose of keeping the relevant assessments open and not to become statutorily barred. During the discussion, the assessor-in-charge informed that the focus of the tax review is the nature and the deductibility of certain expenses of the 2nd and 3rd Subsidiaries and the R&D Enhanced Deduction claimed by the 4th and 5th Subsidiaries engaged in R&D activities (“Deduction Claims”). The Subsidiaries have lodged objections against the protective assessments for the years of assessment 2016/17, 2017/18 and 2018/19 and have purchased TRCs of approximately HK\$0.8 million, HK\$1.0 million and HK\$3.4 million for the years of assessment 2016/17, 2017/18 and 2018/19, respectively.

7. INCOME TAX (continued)

In May 2025, the senior management of the Subsidiaries attended an initial interview with the IRD assessor-in-charge, providing background information of the business operations of the Company and its subsidiaries, including the abovementioned Subsidiaries. During the meeting, the assessors informed that since the main focus of the Tax Review is the R&D enhanced Deduction claims, it was mutually agreed that the Group will provide supplementary information on R&D activities carried out to facilitate the review of the assessors-in-charge. In August 2025, the IRD issued enquiry letters to the 4th and 5th Subsidiaries and another subsidiary on their R&D Enhanced Deduction claims.

The directors believe that the aforementioned subsidiaries have valid grounds to pursue the Deduction Claims (the “Tax Treatments”). However, there is uncertainty at this stage over whether the IRD will accept the Tax Treatments under tax law. Up to the date of approval of the interim condensed consolidated financial information of the Group, the directors consider that adequate tax provisions have been made in the interim condensed consolidated financial information of the Group in relation to certain expenses incurred by the above-mentioned subsidiaries, which are in discussion with the IRD whether to qualify for the R&D Enhanced Deduction.

8. DIVIDENDS

- a. Subsequent to the end of the interim period, the Board has determined that an interim dividend of HK\$0.055 (2024: an interim dividend of HK\$0.055) in cash per ordinary share should be paid to the shareholders of the Company whose names appear in the Register of Members on Tuesday, 2 September 2025 (i.e. the record date).
- b. Dividends attributable to the previous financial year approved during the interim period are as follow:

	For the six months ended 30 June	
	2025	2024
	(Unaudited)	(Unaudited)
	HK\$'000	HK\$'000
Final dividend in respect of the previous financial year, approved and paid during the interim period of HK\$0.055 (2024: final dividend of HK\$0.055) per ordinary share	13,438	13,485
Less: Dividend for shares held under the Company's restricted share award scheme	<u>(85)</u>	<u>(119)</u>
	<u>13,353</u>	<u>13,366</u>

9. EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT

The calculation of the basic earnings per share amounts is based on the profit for the period attributable to ordinary equity holders of the parent, and the weighted average number of ordinary shares of 242,787,539 (2024: 243,670,021) outstanding during the period, as adjusted to exclude the shares held under the restricted share award scheme of the Company.

The calculation of the diluted earnings per share amounts is based on the profit for the period attributable to ordinary equity holders of the parent. The weighted average number of ordinary shares used in the calculation is the number of ordinary shares outstanding during the period, as used in the basic earnings per share calculation, and the weighted average number of ordinary shares assumed to have been issued at no consideration on the deemed vesting of all dilutive restricted shares of the Company awarded under the restricted share award scheme of the Company.

The calculations of basic and diluted earnings per share are based on:

Earnings

The calculations of basic and diluted earnings per share are based on profit attributable to ordinary equity holders of the parent.

Shares

	Number of shares for the six months ended 30 June	
	2025	2024
	(Unaudited)	(Unaudited)
Weighted average number of ordinary shares outstanding during the period used in the basic earnings per share calculation	242,787,539	243,670,021
Effect of dilution – weighted average number of ordinary shares:		
Restricted shares awarded under the Company's restricted share award scheme	<u>761,024</u>	<u>1,040,374</u>
Number of shares used in the diluted earnings per share calculation	<u>243,548,563</u>	<u>244,710,395</u>

10. TRADE RECEIVABLES

	30 June 2025 (Unaudited) HK\$'000	31 December 2024 (Audited) HK\$'000
Trade receivables	33,466	44,522
Impairment	<u>(4,940)</u>	<u>(5,008)</u>
	<u>28,526</u>	<u>39,514</u>

The Group's trading terms with its customers vary from contract to contract or depending on the specific arrangements with individual customers, and may include cash on delivery, advance payment and on credit. For those customers who trade on credit, the overall credit period is generally within 60 days, except for certain projects with longer implementation schedules or for major or specific customers, where the period may be extended. The Group seeks to maintain strict control over its outstanding trade receivables and overdue balances are reviewed regularly by management. The Group does not hold any collateral or other credit enhancements over its trade receivable balances. Trade receivables are non-interest-bearing.

An ageing analysis of the trade receivables as at the end of the reporting period, based on the invoice date and net of loss allowance, is as follows:

	30 June 2025 (Unaudited) HK\$'000	31 December 2024 (Audited) HK\$'000
Within 1 month	16,991	24,232
1 to 3 months	6,436	9,269
4 to 6 months	3,352	3,177
7 to 12 months	<u>1,747</u>	<u>2,836</u>
	<u>28,526</u>	<u>39,514</u>

The movements in the loss allowance for impairment of trade receivables are as follows:

	2025 (Unaudited) HK\$'000	2024 (Audited) HK\$'000
At beginning of period/year	5,008	4,256
Impairment losses/(reversal of impairment), net	(106)	793
Amount written off as uncollectable	(6)	–
Exchange realignment	<u>44</u>	<u>(41)</u>
At end of period/year	<u>4,940</u>	<u>5,008</u>

11. TRADE PAYABLES, OTHER PAYABLES, ACCRUALS AND PROVISION

	30 June 2025 (Unaudited) HK\$'000	31 December 2024 (Audited) HK\$'000
Trade payables	8,661	12,176
Other payables	31,877	31,034
Accruals	19,694	27,264
Provision	820	795
	<u>61,052</u>	<u>71,269</u>
Portion classified as current liabilities	<u>(60,232)</u>	<u>(70,474)</u>
	<u>820</u>	<u>795</u>
Portion classified as non-current liabilities	<u>820</u>	<u>795</u>

An ageing analysis of the trade payables as at the end of the reporting period, based on the invoice date, is as follows:

	30 June 2025 (Unaudited) HK\$'000	31 December 2024 (Audited) HK\$'000
Within 1 month	7,205	11,651
1 to 3 months	1,127	354
4 to 6 months	57	5
Over 6 months	272	166
	<u>8,661</u>	<u>12,176</u>

The trade payables are non-interest-bearing and are normally settled on 30-day terms.

12. CONTINGENT LIABILITIES

At the end of the reporting period, contingent liabilities in connection with certain guarantees not provided for in the financial statements were as follows:

Guarantees have been given to certain banks by the Company for performance bonds/guarantees issued by the banks in relation to certain contracts undertaken by the Group amounting to HK\$31,700,000 as at 30 June 2025 (31 December 2024: HK\$31,700,000), of which HK\$21,643,000 (31 December 2024: HK\$22,168,000) was utilised at the end of the reporting period.

CHAIRMAN'S STATEMENT

Dear Shareholders,

OVERVIEW

On behalf of the Board of Directors (the "Board") of Computer And Technologies Holdings Limited (the "Company"), I am pleased to present the unaudited interim results of the Company and its subsidiaries (collectively the "Group") for the six months ended 30 June 2025.

Amid a challenging economic environment, the Group recorded total revenue after the cost of goods and services procured from third parties ("Net revenue after direct third-party costs") of HK\$108.0 million, reflecting a slight decline of 1.7% from HK\$109.8 million in the corresponding period last year. Meanwhile, the gross profit margin increased to 56.7% (2024: 54.1%).

As highlighted in the Group's 2024 annual results, sustained business momentum required cost-efficient operations and a focused go-to-market strategy. The results reflected the successful execution of streamlined processes, which effectively reduced staff costs and selling, general and administrative expenses. Additionally, the Group expanded its software development capabilities in Mainland China's Greater Bay Area, accelerating product innovation and enhancing project delivery efficiency. Consequently, profit from operations rose by 23.3% to HK\$17.7 million (2024: HK\$14.4 million), with the operating profit margin, calculated by operating profit divided by revenue, improving to 14.7% from 11.3% in 2024.

However, lower bank interest rates led to a 13.2% decrease in other income and gains, which totalled HK\$6.3 million (2024: HK\$7.2 million). Furthermore, a valuation loss of HK\$2.0 million was recorded on the Group's investment property (2024: HK\$1.0 million), reflecting subdued market conditions.

Despite the challenging market landscape, consolidated net profit attributable to shareholders rose modestly by 2.4% to HK\$18.6 million (2024: HK\$18.2 million). Basic earnings per share increased to 7.66 HK cents, up from 7.46 HK cents in 2024.

Supported by strong operating cash flows and a consistently robust financial position, the Board has declared an interim dividend of 5.5 HK cents per ordinary share for the six months ended 30 June 2025, which is consistent with the 5.5 HK cents paid in the prior period.

BUSINESS REVIEW

Application Software

Unfavorable macroeconomic conditions caused enterprise customers to reduce headcounts and slow down investments in enterprise management software. As a result, the Group's Application Software^[1] segment experienced a decline in overall revenue during the reporting period. Nevertheless, the segment demonstrated resilience by sustaining a growing stream of recurring revenue from Software as a Services ("SaaS") subscriptions. Through operational efficiencies and disciplined cost management, the Group effectively preserved segment's profitability, showcasing robust execution and adaptability amid revenue pressures.

BUSINESS REVIEW *(continued)*

Application Software *(continued)*

The Group's Human Resource Management Software ("HRMS") business in Hong Kong and Mainland China faced ongoing challenges due to market softness. Following the launch of Pi HCM, a cloud-native Human Capital Management ("HCM") software that received positive market feedback, the Group secured several contracts from new customers, including one of the largest cleaning services groups in Hong Kong, a prominent statutory body under the Hong Kong SAR government (the "Government") and a vibrant digital technology hub in Hong Kong. In addition, increasing number of upgrades orders are received from existing install base. While early-stage implementation hurdles persist, the management team is proactively addressing these challenges to accelerate progress. Management remains confident that Pi HCM will continue to unlock new opportunities with both current and prospective clients in the near term.

The Group's enterprise software business maintained steady growth in SaaS revenue, though performance varied across product lines. The Enterprise Retail Management Software ("ERMS") business achieved a robust recovery, driven by increased enhancement orders from key enterprise clients. The Enterprise Information Management Software ("EIMS") business remained steady. CISC reported improved performance, with increased licence revenue during the reporting period.

The profit contribution from the Enterprise Procurement Management Software ("EPMS") business decreased, as additional resources were allocated to deploy new versions of the ProSmart 3.0 product featured with cloud-native architecture and AI capabilities designed to streamline procurement processes and enhance compliance efficiency. Management believes that ProSmart 3.0 will strengthen client engagement and drive sustained business growth.

The Group remains steadfast in its commitment to innovation, continuing to invest in product research and development to revitalise its software portfolio with new AI features.

Solutions and Integration Services

The Group's Solutions and Integration Services^[2] segment recorded an 8.7% revenue decline, totaling HK\$51.6 million (2024: HK\$56.5 million), primarily due to reduced professional services revenue and the absence of third-party product sales. Despite this, the segment maintained stable recurring maintenance revenue. Through operational streamlining and rigorous cost management, the Group sustained segment profitability at HK\$14.8 million (2024: HK\$14.6 million), reflecting resilience amid revenue challenges.

Managed Services^[2] continued to generate strong recurring revenue, driven by the ongoing Customer Care and Billing System ("CCBS") project for the Water Supplies Department and services provided to other Government entities throughout the period.

Development Services^[2] faced a slowdown in contract signings and professional service recognition, largely due to more conservative government spending on IT services. Nevertheless, the segment capitalised on new opportunities in high-demand areas, including cybersecurity and independent testing services for the Government and other organisations, positioning it for future growth.

To leverage the rising adoption of AI technologies and the push for technology localisation in Mainland China and Hong Kong, the Group is forging strategic partnerships with leading innovation and technology firms from Mainland China. These collaborations aim to integrate cutting-edge technologies into the Group's product portfolio and enhance the professional expertise of its team. By fostering a collaborative ecosystem with top Chinese technology vendors, the Group seeks to deliver innovative, value added solutions and services to its customers.

BUSINESS REVIEW *(continued)*

Solutions and Integration Services *(continued)*

The Integration Services^[2] business in Mainland China experienced a slight decline in segment performance, primarily due to reduced sales.

e-Service and related business

Hong Kong's trade activities were strong in the first half of 2025 compared with the same period in 2024. The GETS^[1] business notably outperformed the market, achieving double-digit growth in both revenue and profit contribution during the reporting period.

Investments

Challenging market conditions continued to adversely affect the valuation of the Group's investment property, resulting in a downward adjustment of HK\$2.0 million (2024: HK\$1.0 million). Consequently, the Investments segment recorded a loss of HK\$0.8 million during the reporting period, compared with a loss of HK\$0.4 million in the prior period.

PROSPECT

The global economic outlook for 2025 presents a mixed picture, with modest growth tempered by significant risks. Key challenges include rising geopolitical tensions, trade disputes, financial market volatility, and weakening international cooperation—all of which could hinder global growth. In Hong Kong, fiscal constraints are likely to keep government IT spending subdued, potentially impacting the Group's performance in the second half of 2025. However, the broader economic outlook for Hong Kong SAR and Mainland China remains positive, with growth expected, though sectoral performance may vary due to elevated interest rates and geopolitical uncertainties affecting business sentiment and investment.

Despite these challenges, the Group is well-positioned to navigate this environment through disciplined cost management, targeted go-to-market strategies, a strong installed base with recurring income, and a robust SaaS portfolio built on cloud-native architecture. These strengths also enhance the stability and scalability of its recurring revenue.

The Group is actively exploring various joint ventures and merger and acquisition opportunities, for expansion to overseas market and, at the same time, adopting a prudent approach that balances growth aspirations with financial returns. A strategic initiative is expected to materialise in the second half of the year.

Footnotes:

^[1] The Group's Application Services business engages in the provision of application software and e-business services for enterprises including (i) the provision of enterprise application software (including SaaS product offering) with implementation and ongoing support services for Human Resource Management, Enterprise Procurement Management, Enterprise Information Management and Enterprise Retail Management (collectively the "Application Software"); and (ii) the Government Electronic Trading Services ("GETS"), cloud services and other related value added services (collectively the "e-Service and related business").

^[2] The Group's Solutions and Integration Services business includes (i) Development Services for the provision of IT solutions implementation and application software development (including SaaS product offering); (ii) Managed Services for the provision of IT and related operation /infrastructure outsourcing services; and (iii) Integration Services for the provision of IT systems and network infrastructure with related design, implementation and ongoing support services.

FINANCIAL REVIEW

Net revenue after direct third-party costs

The Group's net revenue after direct third-party costs declined slightly by 1.7% to HK\$108.0 million (2024: HK\$109.8 million) during the reporting period. This reduction was mainly attributable to lower recognition of professional service income and a shift in the new contract backlog. Nevertheless, recurring revenue—including maintenance and SaaS income—continued to grow steadily. In line with the decline in sales of third-party products and outsourced services, the cost of goods and services procured from third parties decreased by HK\$5.5 million, or 30.9%, to HK\$12.3 million (2024: HK\$17.7 million).

Staff costs and other operating expenses / incomes (including selling and distribution expenses, general and administrative expenses, net, reversal of impairment / (impairment) of trade receivables, net, finance costs, amortisation of other intangible assets and other operating income)

Resulting from headcount streamlining, overall staff costs decreased by 1.2% to HK\$76.5 million (2024: HK\$77.4 million).

Focused go-to-market activities contributed to savings in selling and distribution expenses. However, these savings were offset by the expansion of the sales and marketing team carried over from last year, resulting in a slight increase in overall selling and distribution expenses by 2.6% to HK\$18.0 million (2024: HK\$17.6 million).

General and administrative expenses, net, decreased by HK\$3.2 million, or 10.7%, to HK\$26.7 million (2024: HK\$29.9 million), benefiting from cost-effective initiatives such as office relocation and improvements in operational efficiency.

Amortisation of other intangible assets decreased by 3.4% to HK\$6.4 million (2024: HK\$6.7 million), reflecting a continued decline in the recognition of such expense.

Other operating income rose with the increased receipt of various government subsidies.

Profit from operations

Driven by savings in costs and expenses, the profit from operations increased by HK\$3.3 million, or 23.3%, to HK\$17.7 million (2024: HK\$14.4 million). The operating profit margin also improved from 11.3% same period last year to 14.7% this year.

Non-operating incomes and gains, net (included other income and gains, foreign exchange differences, net and fair value gains/(losses), net)

Other income and gains declined by 13.1%, to HK\$6.3 million (2024: HK\$7.2 million), mainly due to a decrease in bank interest income during the reporting period.

The Group faced challenges from unfavorable market sentiment, which adversely affected the valuation of its investment property. As a result, a downward fair value adjustment of HK\$2.0 million (2024: HK\$1.0 million) was recorded during the period.

In contrast, a rally in the stock market led to a positive revaluation of financial assets, resulting in a fair value gain of HK\$0.3 million (2024: loss of HK\$0.2 million).

Income tax expense

In line with increase in local assessable profits, the income tax expense increased by HK\$0.2 million, or 9.1%, to HK\$3.0 million (2024: HK\$2.7 million).

FINANCIAL REVIEW *(continued)*

Net profit

The profit attributable to the Company's shareholders recorded a mild increase of HK\$0.4 million, or 2.4%, reaching HK\$18.6 million (2024: HK\$18.2 million). The net profit margin, calculated by dividing the profit attributable to shareholders for the period by total revenue, improved to 15.5% (2024: 14.2%).

Non-current assets

Non-current assets declined moderately by HK\$9.9 million, or 4.2%, to HK\$228.1 million as at 30 June 2025 (31 December 2024: HK\$238.0 million). The decrease was mainly attributable to several factors: ongoing amortisation of other intangible assets, downward revaluation of the investment property, and depreciation of right-of-use assets.

Current assets

Current assets recorded a slight decline of HK\$5.9 million, or 1.4%, to HK\$428.7 million as at 30 June 2025 (31 December 2024: HK\$434.6 million). The change was primarily driven by reductions in trade receivables, prepayments and deposits paid, and cash and bank balances partially offset by increases in contract assets and tax recoverable.

Current liabilities and non-current liabilities

The Group's current and non-current liabilities decreased by HK\$22.4 million, or 13.1%, to HK\$148.0 million as at 30 June 2025 (31 December 2024: HK\$170.3 million). This drop was mainly contributed by the decrease in trade payables, contract liabilities and lease liabilities.

Segment assets and liabilities

Segment assets under the Applications Services segment declined, primarily due to amortisation of other intangible assets, coupled with reductions in right-of-use assets and trade receivables. Correspondingly, segment liabilities decreased, reflecting lower accruals, contract liabilities, and lease liabilities.

The Solutions and Integration Services segment also recorded a reduction in assets, driven by decreases in trade receivables, prepayments and deposits. Segment liabilities fell primarily due to decreases in trade and other payables, as well as contract liabilities.

Assets in the Investments segment declined, mainly as a result of downward adjustments in the valuation of an investment property.

Equity attributable to owners of the parent

Total equity attributable to the owners of the parent remained broadly stable at HK\$507.6 million as at 30 June 2025 (31 December 2024: HK\$501.1 million). The slight increase primarily reflects profit generated during the period, partially offset by the distribution of the final dividend for 2024.

TREASURY POLICIES

The Group has adopted a prudent financial management approach towards its treasury policies and thus maintained a healthy liquidity position throughout the period under review. The Group strives to reduce exposure to credit risk by performing ongoing credit assessments and evaluations of the financial status of its customers. To manage liquidity risk, the Board closely monitors the Group's liquidity position to ensure that the liquidity structure of the Group's assets, liabilities and other commitments can meet its funding requirements from time to time.

PLEDGE OF ASSETS

As at 30 June 2025, the Group had pledged an investment property with a fair value of HK\$55.0 million (31 December 2024: HK\$57.0 million), listed equity securities of Nil (31 December 2024: HK\$1.9 million) and bank balances of HK\$0.2 million (31 December 2024: HK\$202.5 million) to secure certain general bank facilities including guarantee/performance bonds facilities granted to the Group/subsidiaries of the Company in aggregate of HK\$33.9 million (31 December 2024: HK\$111.8 million) of which HK\$21.8 million (31 December 2024: HK\$22.3 million) were utilised as at 30 June 2025.

FINANCIAL RESOURCES AND LIQUIDITY

As at 30 June 2025, the Group's cash and cash equivalents were HK\$326.9 million (31 December 2024: HK\$128.9 million).

All of the Group's on hand fundings are in Hong Kong dollars, Renminbi and US dollars. The Group has not adopted any hedging policies, as these currencies carry relatively low exchange fluctuation risks. Nevertheless, the Group had been monitoring the foreign exchange exposures closely and might consider hedging any significant foreign currency exposure in order to minimise the exchange risk should the needs arose.

As at 30 June 2025, the Group had no bank borrowings (31 December 2024: Nil). The Group's current ratio representing current assets divided by current liabilities was 3.3 (31 December 2024: 2.9) and its gearing ratio, representing total liabilities divided by total assets, was 22.5% (31 December 2024: 25.3%).

REMUNERATION POLICY AND NUMBER OF EMPLOYEES

The Group remunerates its employees based on their performance, working experience and prevailing market conditions. Apart from basic salary, discretionary bonus and other incentives are offered to employees of the Group to reward their performance and contributions.

The remuneration policies adopted for the six months ended 30 June 2025 are consistent with those disclosed in the Group's 2024 Annual Report. As at 30 June 2025, the Group employed 335 full time employees and 10 part time employees (31 December 2024: 337 full time employees and 10 part time employees).

As at 30 June 2025, the Company operates a share award scheme for the purpose of providing incentives and rewards to the employees who contribute to the success of the Group's operations as well as to retain them for the continual development of the Group.

SIGNIFICANT INVESTMENTS

Save as disclosed in the announcement, the Group had no significant investments held as at 30 June 2025.

MATERIAL ACQUISITION AND DISPOSAL OF SUBSIDIARIES

Save as disclosed in the announcement, the Group did not have any material acquisition or disposal of subsidiaries during the period and up to the date of this announcement.

FUTURE PLANS FOR MATERIAL INVESTMENTS OR CAPITAL ASSETS

There was no specific plan for material investments or capital assets as at 30 June 2025.

CONTINGENT LIABILITIES

Save as disclosed in the announcement, the Group has no material contingent liabilities as at 30 June 2025.

INTERIM DIVIDEND

The Board declared the payment of an interim dividend of HK\$0.055 (2024: an interim dividend of HK\$0.055) per ordinary share for the six months ended 30 June 2025.

CLOSURE OF THE REGISTER OF MEMBERS

The Register of Members of the Company will be closed from Monday, 1 September 2025 to Tuesday, 2 September 2025, both days inclusive, during which period no transfer of shares will be registered. In order to qualify for the interim dividend, all transfers of shares accompanied by the relevant share certificates and transfer forms must be lodged with the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, for registration no later than 4:30 p.m. on Friday, 29 August 2025. The dividend will be distributed on or about Tuesday, 16 September 2025 to shareholders whose names appear on the Register of Members of the Company on Tuesday, 2 September 2025 (i.e. the record date).

PURCHASE, REDEMPTION OR SALE OF LISTED SECURITIES OF THE COMPANY

Neither the Company, nor any of its subsidiaries purchased, redeemed or sold any of the Company's listed securities during the period.

CORPORATE GOVERNANCE PRACTICES

The Company is committed to maintaining high standard of corporate governance within a sensible framework with an emphasis on the principles of integrity, transparency and accountability. The Board believes that good corporate governance is essential to the success of the Company and to the enhancement of shareholders' value.

The Board opined that the Company has complied with the code provision set out in the Corporate Governance Code (the "CG code") as stipulated in Appendix C1 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules") during the reporting period.

The Company considers that sufficient measures have been taken to ensure that its corporate governance practices are similar to those provided in the CG Code.

MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted the Model Code as set out in Appendix C3 of the Listing Rules as its code of conduct for dealings in securities of the Company by the directors. Based on a specific enquiry of the Company's directors, the directors have complied with the required standard set out in the Model Code throughout the six months ended 30 June 2025.

RISK MANAGEMENT FRAMEWORK

The Group has established an effective risk governance and management framework in line with the requirements set out by the Listing Rules and other regulations. This framework was built around a structure that enables the Board and the management to discharge their risk management-related responsibilities with appropriate delegation as well as checks and balances. These responsibilities included defining risk appetite in accordance with the Group's business strategies and objectives, formulating risk policies that govern the execution of those strategies, and establishing procedures and limits for the approval, control, monitoring and remedy of risks.

The members of the Risk Management Committee positioned at the highest level of the Group's risk governance structure under the Board. Members included three executive directors and one independent non-executive director. The Risk Management Committee had direct involvements in formulating the Group's risk appetite, and determined the levels of risk that the Group is willing to undertake with reference to its financial capacity, strategic direction, prevailing market conditions and regulatory requirements.

The Risk Management Committee will continuously ensure the Group's risk appetite is realistically reflected in the policies and procedures that the management adopted in executing its business functions. The Risk Management Committee will regularly review the Group's risk management framework and ensure that all important risk-related tasks are performed according to established policies and with appropriate resources.

The Board has reviewed and considers the Company's risk management and internal control systems are effective and adequate.

AUDIT COMMITTEE

The Company has an Audit Committee which was established in compliance with Rule 3.21 of the Listing Rules for the purpose of reviewing and providing supervision over the Group's financial reporting process, risk management and internal controls. As of 30 June 2025, the Audit Committee comprises three independent non-executive directors of the Company. The interim condensed consolidated financial statements for the six months ended 30 June 2025 have not been audited, but the Audit Committee has discussed with the management of the Company and the external auditors, Ernst & Young, on the appropriateness and consistency of the accounting policies that have been adopted by the Company. The Audit Committee has reviewed the interim results and the interim report of the Group for the six months ended 30 June 2025.

PUBLICATION OF INTERIM RESULTS AND INTERIM REPORT

This announcement is published on The Stock Exchange of Hong Kong Limited's website (www.hkexnews.hk) and the Company's website (www.ctil.com). The 2025 interim report will be published on The Stock Exchange of Hong Kong Limited's website (www.hkexnews.hk) and the Company's website (www.ctil.com) and also to be despatched to the shareholders of the Company (upon requested) in due course.

APPRECIATIONS

On behalf of the Board and the management, I would like to express our sincere thanks to all employees, shareholders, customers and business partners for their supports to the Group during the reporting period.

By Order of the Board
Computer And Technologies Holdings Limited
Ng Cheung Shing
Chairman

Hong Kong, 15 August 2025

As at the date of this announcement, the Board comprises Mr. Ng Cheung Shing, Mr. Cheung Wai Lam, Mr. Leung King San Sunny and Mr. Ng Kwok Keung as executive directors, and Ms. Chan Yuen Shan Clara, Mr. Poon Siu Hoi Casey, and Mr. Ting Leung Huel Stephen as independent non-executive directors.