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Microware Group Limited

美高域集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 1985)

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

HIGHLIGHTS

- Total revenue of the Group amounted to approximately HK\$658.8 million for the Period, representing a decrease of approximately HK\$61.9 million or 8.6% as compared to approximately HK\$720.7 million for the Previous Period.
- Profit and total comprehensive income of the Group for the Period was approximately HK\$3.1 million, representing a decrease of approximately HK\$10.4 million or 77.0% as compared to approximately HK\$13.5 million for the Previous Period. Such decrease was mainly due to the increase in administrative expenses.
- Basic earnings per share for the Period was HK\$0.01, as compared to HK\$0.04 for the Previous Period.
- The Board resolved not to declare interim dividend for the Period (Previous Period: Nil).

INTERIM RESULTS

The board (the “**Board**”) of directors (the “**Directors**” and each a “**Director**”) of Microware Group Limited (the “**Company**”) is pleased to announce the unaudited condensed consolidated results of the Company and its subsidiaries (collectively, the “**Group**”) for the six months ended 30 September 2025 (the “**Period**”), together with the comparative figures for the corresponding period in 2024 (the “**Previous Period**”) as follows:

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the six months ended 30 September 2025

		Six months ended 30 September	
	NOTES	2025 HK\$'000 (unaudited)	2024 HK\$'000 (unaudited)
Revenue	3	658,833	720,738
Cost of sales		(584,239)	(654,021)
Gross profit		74,594	66,717
Other income		6,345	2,810
Impairment losses under expected credit loss (“ECL”) model, net of reversal		23	71
Other gains and losses, net		4,094	7,154
Other expenses		(55)	(1,641)
Distribution and selling expenses		(36,699)	(35,486)
Share of profit of an associate		215	—
Administrative expenses		(41,146)	(21,594)
Finance costs		(2,082)	(2,845)
Profit before taxation		5,289	15,186
Taxation	4	(2,857)	(3,005)
Profit for the period attributable to owners of the Company	5	2,432	12,181
Other comprehensive income:			
<i>Item that may be reclassified subsequently to profit or loss:</i>			
Exchange differences arising on translation of foreign operations		623	1,273
Total comprehensive income for the period attributable to owners of the Company		3,055	13,454
Earnings per share			
Basic (HK\$)	7	0.01	0.04
Diluted (HK\$)	7	0.01	—

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 September 2025

		As at 30 September 2025 HK\$'000 (unaudited)	As at 31 March 2025 HK\$'000 (audited)
	NOTE		
NON-CURRENT ASSETS			
Intangible assets		619	619
Property, plant and equipment		24,209	25,401
Equity instruments at fair value through other comprehensive income		67,532	59,837
Finance lease receivables		3,853	5,951
Prepayments and deposits	8	5,164	5,164
Investment in an associate		2,415	—
Derivative financial instruments		151	43
Deferred tax assets		260	260
		104,203	97,275
CURRENT ASSETS			
Inventories		96,451	80,235
Finance lease receivables		8,993	13,561
Trade and other receivables, prepayments and deposits	8	238,123	311,103
Financial assets at fair value through profit or loss ("FVTPL")		—	3,856
Pledged bank deposits		58,020	54,757
Time deposits		4,575	5,627
Cash and cash equivalents		66,025	160,920
		472,187	630,059
CURRENT LIABILITIES			
Trade and other payables and accruals	9	209,546	304,568
Contract liabilities		53,939	121,646
Tax liabilities		3,122	4,054
Leases liabilities		22,739	28,359
Bank borrowings		76,948	22,509
		366,294	481,136
NET CURRENT ASSETS		105,893	148,923
TOTAL ASSETS LESS CURRENT LIABILITIES		210,096	246,198

		As at 30 September 2025 <i>HK\$'000</i> (unaudited)	As at 31 March 2025 <i>HK\$'000</i> (audited)
<i>NOTE</i>			
NON-CURRENT LIABILITIES			
		3,206	4,390
		15,801	19,191
		19,007	23,581
NET ASSETS			
		191,089	222,617
CAPITAL AND RESERVES			
		3,000	3,000
		188,089	219,617
		191,089	222,617

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 September 2025

1. GENERAL INFORMATION AND BASIS OF PREPARATION

Microware Group Limited (the “**Company**”) was incorporated as an exempted company with limited liability in the Cayman Islands on 20 January 2016. The Group is principally engaged in the provision of information technology (“**IT**”) infrastructure solution services and IT managed services in Hong Kong and the People’s Republic of China.

The condensed consolidated financial statements have been prepared in accordance with Hong Kong Accounting Standard 34 “Interim Financial Reporting” issued by the Hong Kong Institute of Certified Public Accountants (the “**HKICPA**”) as well as with the applicable disclosure requirements of Appendix 16 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) (the “**Listing Rules**”).

The condensed consolidated financial statements are presented in Hong Kong dollar (“**HK\$**”) which is also the functional currency of the Company.

2. PRINCIPAL ACCOUNTING POLICIES

The condensed consolidated financial statements have been prepared on the historical cost basis.

Other than additional accounting policies resulting from application of amendments to Hong Kong Financial Reporting Standards (“**HKFRSs**”), the accounting policies and methods of computation used in the condensed consolidated financial statements for the six months ended 30 September 2025 are the same as those presented in the Group’s annual financial statements for the year ended 31 March 2025.

Application of amendments to HKFRSs

In the current interim period, the Group has applied the following amendments to HKFRSs issued by the HKICPA, for the first time, which are mandatorily effective for the Group’s annual period beginning on 1 January 2025 for the preparation of the Group’s condensed consolidated financial statements:

Amendments to HKAS 21

Lack Exchangeability

Except as described below, the application of the amendments to HKFRSs in the current interim period has had no material impact on the Group’s financial positions and performance for the current and prior periods and/or on the disclosures set out in these condensed consolidated financial statements.

The application of the amendments has no material impact on the Group’s financial position and performance.

3. SEGMENT INFORMATION

The Group determines its operating segments based on the reports reviewed by the executive directors of the Company who are also the chief operating decision makers (the “**CODM**”) that are used to make strategic decisions. Information reported to the CODM is based on the business lines operating by the Group. No operating segments have been aggregated to form the following reportable segments.

Details of the Group’s operating and reportable segments are as follows:

- (1) IT infrastructure solution services business refers to the procurement of semiconductor products, procurement of hardware and software by the Group and such procurement together with provision of design of solutions; and
- (2) IT managed services business refers to the provision of design of solutions, provision of maintenance and/or support services to IT systems of the customers.

An analysis of the Group's operating and reportable segment revenue and segment results is set out as below:

	Segment of IT infrastructure solution services business HK\$'000	Segment of IT managed services business HK\$'000	Total HK\$'000
For the six months ended			
30 September 2025 (unaudited)			
Segment revenue	591,068	67,765	658,833
Segment results	37,294	4,276	41,570
Other income			6,345
Other gains and losses, net			4,094
Other expenses			(55)
Certain distribution and selling expenses			(3,438)
Administrative expenses			(41,145)
Finance cost			(2,082)
Profit before taxation			5,289
For the six months ended			
30 September 2024 (unaudited)			
Segment revenue	649,071	71,667	720,738
Segment results	27,701	5,964	33,665
Other income			2,810
Other gains and losses, net			7,154
Other expenses			(1,641)
Certain distribution and selling expenses			(2,363)
Administrative expenses			(21,594)
Finance cost			(2,845)
Profit before taxation			15,186

Segment result represents the profit earned by each segment without allocation of other income, other gains and losses, net, other expenses, certain distribution and selling expenses, administrative expenses and finance cost.

No analysis of the Group's assets and liabilities by reportable segments is disclosed as it is not regularly provided to the executive directors of the Company for review.

Other segment information

	Segment of IT infrastructure solution services business <i>HK\$'000</i>	Segment of IT managed services business <i>HK\$'000</i>	Unallocated <i>HK\$'000</i>	Total <i>HK\$'000</i>
Amounts included in the measure of segment results:				
For the six months ended 30 September 2025 (unaudited)				
Depreciation	1,550	95	5,094	6,739
Allowance for inventories	3,532	—	—	3,532
Impairment losses under ECL model, net of reversal	<u>(23)</u>	<u>—</u>	<u>—</u>	<u>(23)</u>
For the six months ended 30 September 2024 (unaudited)				
Depreciation	1,639	98	5,250	6,987
Allowance for inventories	1,386	—	—	1,386
Impairment losses under ECL model, net of reversal	<u>(71)</u>	<u>—</u>	<u>—</u>	<u>(71)</u>

4. TAXATION

	Six months ended 30 September 2025 <i>HK\$'000</i> (unaudited)	2024 <i>HK\$'000</i> (unaudited)
Current tax:		
Hong Kong Profits Tax	<u>2,857</u>	<u>3,005</u>

Hong Kong Profits Tax is calculated at 16.5% of the estimated assessable profits for the period ended 30 September 2025 and 2024.

5. PROFIT FOR THE PERIOD

	Six months ended 30 September	
	2025	2024
	HK\$'000	HK\$'000
	(unaudited)	(unaudited)
Profit for the period has been arrived at after charging:		
Cost of inventories recognised as an expense	487,011	543,450
Depreciation of property, plant and equipment	6,739	6,987
Allowance for (reversals of write-down) inventories, net (included in cost of sales)	3,532	1,386
	<u>597,282</u>	<u>551,823</u>
And after crediting to other income:		
Interest income	<u>811</u>	<u>(1,272)</u>
And after crediting to other gains and losses, net:		
Change in fair value of financial assets at fair value through profit of loss	<u>–</u>	<u>(4,570)</u>

6. DIVIDENDS

During the period, a special dividend of HK\$0.10 per share in respect of the year ended 31 March 2025 (2024: Nil), were declared and paid to owners of the Company.

No final and special dividend was declared and paid in the last interim period.

Subsequent to the end of the period, no interim dividend was declared for the six months ended 30 September 2025 (30 September 2024: Nil).

7. EARNINGS PER SHARE

The calculation of the basic earnings per share is based on the following data:

	Six months ended	
	30 September	
	2025	2024
	HK\$'000	HK\$'000
	(unaudited)	(unaudited)
Earnings:		
Earnings for the period for the purpose of basic and diluted earnings per share	<u><u>2,432</u></u>	<u><u>12,181</u></u>
	'000	'000
Number of shares:		
Weighted average number of shares used in calculating basic and dilutive earnings per share	<u><u>303,770</u></u>	<u><u>271,484</u></u>

Basic earnings per share is calculated by dividing the profit attributable to equity holders of the Company by the weighted average number of ordinary shares in issue during the period.

Diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares.

For the six months ended 30 September 2025, the conversion of potential ordinary shares in relation to the share option has a dilutive effect to the basic earnings per share.

8. TRADE AND OTHER RECEIVABLES, PREPAYMENTS AND DEPOSITS

	At 30 September 2025 <i>HK\$'000</i> (unaudited)	At 31 March 2025 <i>HK\$'000</i> (audited)
Trade receivables	163,061	189,497
Less: Allowance for credit losses	<u>—</u>	<u>(153)</u>
	163,061	189,344
Rental and utilities deposits	1,428	1,756
Prepayments for costs of maintenance services	32,757	32,669
Prepayments for procurement of semiconductor products	—	45,113
Prepayments to suppliers	37,778	39,312
Others	<u>8,263</u>	<u>8,073</u>
Total trade and other receivables, prepayments and deposits	<u><u>243,287</u></u>	<u><u>316,267</u></u>
Analysed as:		
Current	238,123	311,103
Non-current (including prepayments for costs of maintenance services, rental and utilities deposits)	<u>5,164</u>	<u>5,164</u>
	<u><u>243,287</u></u>	<u><u>316,267</u></u>

Before accepting any new customer, the Group performs a credit review to assess the potential customer's credit quality and defines credit limits by customer. Limits and credit rating to customers are reviewed on a regular basis. The Group allows credit period of 7 to 90 days to its customers.

The following is an ageing analysis of trade receivables from third parties net of allowance for impairment losses presented based on the invoice date at the end of the reporting period:

	At 30 September 2025 <i>HK\$'000</i> (unaudited)	At 31 March 2025 <i>HK\$'000</i> (audited)
0 to 30 days	100,151	105,169
31 to 60 days	40,924	30,193
61 to 90 days	12,878	11,140
91 to 120 days	7,330	24,467
121 to 180 days	1,514	11,062
Over 180 days	264	7,313
	<u>163,061</u>	<u>189,344</u>

9. TRADE AND OTHER PAYABLES AND ACCRUALS

The following is an analysis of trade and other payables and accruals:

	At 30 September 2025 <i>HK\$'000</i> (unaudited)	At 31 March 2025 <i>HK\$'000</i> (audited)
Trade payables	134,474	248,769
Accrued staff costs	24,741	25,082
Accrued purchases	35,262	11,760
Others	15,069	18,957
	<u>209,546</u>	<u>304,568</u>

The following is an ageing analysis of trade payables presented based on the invoice date:

	At 30 September 2025 <i>HK\$'000</i> (unaudited)	At 31 March 2025 <i>HK\$'000</i> (audited)
0 to 30 days	51,757	134,430
31 to 60 days	49,439	74,310
61 to 90 days	29,134	38,637
Over 90 days	4,144	1,392
	<u>134,474</u>	<u>248,769</u>

10. SHARE CAPITAL

	Number of shares	Amount <i>HK\$'000</i>
Ordinary shares of HK\$0.01 each		
Authorised:		
At 1 April 2024, 30 September 2024, 1 April 2025 and 30 September 2025	<u>5,000,000,000</u>	<u>50,000</u>
Issued and fully paid:		
At 1 April 2024, 30 September 2024, 1 April 2025 and 30 September 2025	<u>300,000,000</u>	<u>3,000</u>

All issued shares of the Company rank pari passu in all respects with each other.

11. PERFORMANCE GUARANTEES

As at 30 September 2025, the performance guarantees of the Group of approximately HK\$19,327,000 (31 March 2025: HK\$20,295,000) were given by a bank in favour of the Group's customers as security for the due performance and observance of the Group's obligations under the contracts entered into between the Group and their customers. If the Group fails to provide satisfactory performance to their customers to whom performance guarantees have been given, such customers may demand the bank to pay them the sum or sum stipulated in such demand. The Group will become liable to compensate the bank accordingly. The performance guarantee will be released upon completion of the contract works.

As at 30 September 2025 and 31 March 2025, the directors of the Company did not consider that it is probable that a claim will be made against the Group.

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

Microware Group Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) is principally engaged in the provision of IT infrastructure solution services and IT managed services in Hong Kong and the People’s Republic of China (the “**PRC**”). The Group strives to provide one-stop IT experience which begins with (i) consultation and advice; (ii) semiconductor products, hardware and/or software procurement; (iii) implementation; and (iv) management and maintenance of the IT infrastructure solutions.

The Group is a well-established IT infrastructure solutions provider based in Hong Kong. During the six months ended 30 September 2025 (the “**Period**”), the total revenue of the Group was approximately HK\$658.8 million, representing a decrease of approximately HK\$61.9 million or 8.6% from approximately HK\$720.7 million as compared to that for the six months ended 30 September 2024 (the “**Previous Period**”). Such decrease was due to the decrease in revenue generated from the IT infrastructure solution services and IT managed services of the Group. Gross profit of the Group for the Period was approximately HK\$74.6 million, representing an increase of approximately HK\$7.9 million or 11.8% from approximately HK\$66.7 million for the Previous Period. Such increase was mainly due to the decrease in cost of sales of IT infrastructure solution services and IT managed services of the Group.

During the Period, the ongoing tensions between the United States and the PRC and the introduction of reciprocal tariffs by the US government together with the economic headwinds in the PRC negatively affected the economy of Hong Kong. Although the Group possesses strong and reliable customer bases, the Group will continue to closely monitor the trend of economic environment. The Group, on the one hand, promptly react to the impact by taking adequate financial and operational measures and, on the other hand, reinforce its principal business and steadily develop the artificial intelligence businesses.

FINANCIAL REVIEW

Revenue

Total revenue of the Group amounted to approximately HK\$658.8 million for the Period, representing a decrease of approximately HK\$61.9 million or 8.6% as compared to approximately HK\$720.7 million for the Previous Period. The decrease in total revenue was mainly due to the decrease in revenue of the business segment of IT infrastructure solution services which was approximately HK\$591.1 million for the Period, representing a decrease of approximately HK\$58.0 million or 8.9% as compared to approximately HK\$649.1 million for the Previous Period. Moreover, the revenue of the business segment of IT managed services amounted to approximately HK\$67.8 million for the Period, representing a decrease of approximately HK\$3.9 million or 5.4% as compared to approximately HK\$71.7 million for the Previous Period. For the Period, the business segments of IT infrastructure solution services and IT managed services contributed approximately 89.7% and 10.3% to the total revenue of the Group, respectively.

Cost of sales

The cost of sales of the Group for the Period was approximately HK\$584.2 million, representing a decrease of approximately HK\$69.8 million or 10.7% from approximately HK\$654.0 million for the Previous Period. Such decrease was mainly due to the decrease in cost of IT infrastructure solution services for the Period which was approximately HK\$528.3 million, representing a decrease of approximately HK\$67.6 million or 11.3% from approximately HK\$595.9 million for the Previous Period. The cost of IT managed services was approximately HK\$56.0 million for the Period, representing a decrease of approximately HK\$2.1 million or 3.6% as compared to approximately HK\$58.1 million for the Previous Period.

Gross profit

Gross profit of the Group for the Period was approximately HK\$74.6 million, representing an increase of approximately HK\$7.9 million or 11.8% from approximately HK\$66.7 million for the Previous Period. Such increase was mainly due to the decrease in cost of sales of IT infrastructure solution services.

Operating expenses

Total operating expenses of the Group for the Period was approximately HK\$77.8 million, representing an increase of approximately HK\$20.7 million or 36.3% as compared to approximately HK\$57.1 million for the Previous Period. Such increase was due to the increase in operating expenses as a result of the business development in the PRC for the Period.

Profit for the Period

As a result of the foregoing, the profit and total comprehensive income of the Group for the Period was approximately HK\$3.1 million, representing a decrease of approximately HK\$10.4 million or 77.0% from approximately HK\$13.5 million for the Previous Period. Such decrease was mainly due to the increase in operating expenses as a result of the business development in the PRC.

Liquidity and financial resources

Capital structure

As at 30 September 2025, the Group's total bank borrowings amounted to approximately HK\$76.9 million (31 March 2025: HK\$22.5 million). The bank borrowings of the Group as at 30 September 2025 were denominated in Hong Kong Dollars, and carried interest rate of 5.29% per annum.

The details of the share capital of the Company during the Period and the Previous Period are set out in note 10 to the condensed consolidated financial statements of the Company on page 14 of this announcement.

Cash position

The Group recorded net current assets of approximately HK\$105.9 million as at 30 September 2025 (31 March 2025: approximately HK\$148.9 million). As at 30 September 2025, the Group had cash and cash equivalents of approximately HK\$66.0 million (31 March 2025: approximately HK\$160.9 million). Most of the cash and cash equivalents of the Group were denominated in HK\$ and US\$.

Capital expenditure

During the Period, the Group's total capital expenditure amounted to approximately HK\$3.6 million (the Previous Period: 3.0 million), which was mainly incurred for the purchase office equipment.

Gearing ratio

The net gearing ratio was 40.3% which is total interest-bearing bank loans divided by the total equity and multiplied by 100% as at 30 September 2025, since the Group did not have any interest bearing liabilities as at 30 September 2025 (31 March 2025: 10.11%).

Performance guarantees

The Group's performance guarantees as at 30 September 2025 are set out in note 11 to the condensed consolidated financial statements of the Company on page 15 of this announcement.

Contingent liabilities

As at 30 September 2025, the Group had no material contingent liabilities (as at 31 March 2025: Nil).

Pledge of assets

As at 30 September 2025, certain of the Group's bank deposits totaling approximately HK\$58.0 million (31 March 2025: HK\$54.8 million) were pledged for securing banking facilities granted to the Group.

Foreign exchange risk

The Group's transactions are mainly denominated and settled in HK\$ and the US\$. Foreign exchange exposure of the Group to US\$ will continue to be minimal as long as the policy of The Government of the Hong Kong Special Administrative Region to link HK\$ to US\$ remains in effect. During the Period, the Group has entered into HK\$/US\$ net-settled structured foreign currency forward contracts with banks in Hong Kong in order to mitigate foreign exchange exposure as a result of purchases made from certain suppliers in its regular course of business. The fair value changes of the derivative financial instruments comprised realized gain (loss) and unrealized fair value gain (loss) on the HK\$/US\$ net-settled structured foreign currency forward contracts entered into by the Group.

HUMAN RESOURCES

As at 30 September 2025, the Group had a total of 272 employees (30 September 2024: 273 employees). For the Period, the total staff costs including Directors' emoluments amounted to approximately HK\$73.1 million (Previous Period: HK\$64.8 million). The remuneration policy of the Group is to offer a competitive remuneration package to its employees, including mandatory provident funds in accordance with the Mandatory Provident Fund Schemes Ordinance (Chapter 485 of the Laws of Hong Kong) and medical insurance coverage to employees who are retained after the probation period. The Group will review the performance of its employees and make reference to such performance reviews in its salary and/or promotional reviews according to its remuneration policy in order to attract and retain talented employees.

In order to promote overall efficiency, employee loyalty and retention, employees of the Group are required to attend orientation sessions when they first join the Group and may be required to attend other training courses held onsite or externally. The Group has also implemented (i) an educational subsidy programme to its employees to allow them to enrol courses relating to IT services from external organisations; (ii) an university education subsidy programme for children of its employees; and (iii) a medical check programme for its employees.

The Company adopted a share option scheme (the “**Share Option Scheme**”) on 15 February 2017 and a share award scheme (the “**Share Award Scheme**”) on 16 January 2024 (as amended by way of a Board resolution passed on 23 December 2024). As such, share options or awards may be granted to eligible employees of the Group pursuant to the Share Option Scheme or the Share Award Scheme.

INTERIM DIVIDEND

The Board resolved not to declared interim dividend for the Period (Previous Period: Nil).

SIGNIFICANT INVESTMENTS HELD

The Group did not hold any significant investments during the Period.

MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES, AND FUTURE PLANS FOR MATERIAL INVESTMENTS OR CAPITAL ASSETS

The Group had no material acquisitions or disposals of subsidiaries, associates or joint ventures during the Period and no future plans for material investments or capital assets as at 30 September 2025.

IMPORTANT EVENTS AFTER THE PERIOD

The Group did not have any other material subsequent events after the Period.

FUTURE OUTLOOK

The market expects that the United States will loosen its monetary cycle in the second half of this year and it may fuel the overall global economic recovery, thus the economy of Hong Kong may benefit from it. The tensions between the United States and the PRC are expected to continue, which may bring negative effect on the economy of Hong Kong.

The Group keeps its confidence in the future and will keep providing high quality IT services and products to its valuable customers and steadily developing the artificial intelligence businesses.

The Group will continue to focus on core business and partnerships with key vendors. To strengthen the competition ability and maintain leadership of industry, the Group will proactively widen the business opportunities and look for new market offerings and demands.

PURCHASE, REDEMPTION OR SALE OF THE LISTED SECURITIES OF THE COMPANY

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

COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

The Company is committed to achieving good corporate governance practices by emphasising its accountability, transparency, independence, responsibility and fairness. The Company's corporate governance practices are based on the principles and code provisions in the Corporate Governance Code (the "**CG Code**") as set out in Part 2 of Appendix C1 to the Rules Governing the Listing of Securities (the "**Listing Rules**") on The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**").

The Company has adopted the CG Code as its own code on corporate governance. Save for the Code Provision C.2.1 of the CG Code as disclosed below, to the best knowledge of the Directors, the Company had complied with all other applicable code provisions set out in the CG Code during the Period.

The chairman of the Board (the "**Chairman**") is responsible for overseeing the strategic planning and leadership of the Group and for ensuring that the entire Board members are properly briefed on issues at Board meetings and receive adequate and reliable information on a timely basis. The chief executive officer of the Group (the "**Chief Executive Officer**") is responsible for the strategic development and maintaining the Company's relationship with companies outside of the Group. Senior management is responsible for effective implementation of the Board's decisions and the day-to-day operations of the Group.

Code Provision C.2.1 of the CG Code provides that the roles of the chairman and chief executive officer should be separate and should not be performed by the same individual. The Company does not at present separate the roles of the Chairman and Chief Executive Officer. Mr. Wang Guangbo, an executive Director and the Chairman, assumed the duties and responsibilities of the Chief Executive Officer in the overall management, strategic planning and the day-to-day business operation of the Group. Given his extensive experience and knowledge in the information technology industry, the Board believes that Mr. Wang Guangbo will provide a broader perspective on strategic matters and enable efficient decision-making to meet the dynamic needs of the Group's business. Therefore, the Directors consider that the deviation from Code Provision C.2.1 of the CG Code is appropriate in such circumstances. Notwithstanding the deviation, the Board is of the view that this management structure is effective for the Group's operations and sufficient checks and balances are in place. The Board will keep reviewing its current structure from time to time and will separate the role of the Chairman and the Chief Executive Officer if the Board considers appropriate and necessary.

COMPLIANCE WITH THE MODEL CODE

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix C3 to the Listing Rules (the “**Model Code**”) as the securities dealing code for its Directors.

Specific enquiry had been made to all Directors and all of the Directors have confirmed that they have fully complied with the required standards and provisions as set out in the Model Code during the Period. No incident of non-compliance was noted by the Company during the Period. The Company has also established written guidelines on no less exacting terms than the Model Code for relevant employees who are likely to be in possession of unpublished inside information of the Group. No incident of non-compliance of the written guidelines by the employees was noted by the Company during the Period.

REVIEW OF INTERIM RESULTS

The unaudited interim results of the Group for the Period have been reviewed by the audit committee of the Company and it has no disagreement with the accounting treatment adopted by the Company and considered that such information has been prepared in accordance with applicable accounting standards and requirements with sufficient disclosure.

PUBLICATION OF INTERIM RESULTS AND INTERIM REPORT

This interim results announcement is published on the website of the Stock Exchange at www.hkexnews.hk and on the Company's website at www.microware1985.com. The interim report of the Company for the Period containing all the relevant information required by the Listing Rules will be despatched to the shareholders of the Company and also published on the websites of the Stock Exchange and the Company in due course.

By order of the Board
Microware Group Limited
Wang Guangbo
Chairman and executive Director

Hong Kong, 27 November 2025

As at the date of this announcement, the executive Director is Mr. Wang Guangbo; non-executive Director is Mr. Wang Zhi; and the independent non-executive Directors are Mr. Dai Bin, Mr. Xu Jianwen and Ms. Lan Jia.