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# computer technologies

## COMPUTER AND TECHNOLOGIES HOLDINGS LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 00046)

### ANNOUNCEMENT OF ANNUAL RESULTS FOR THE YEAR ENDED 31 DECEMBER 2025

#### HIGHLIGHTS OF THE YEAR

- Profit from operations increased by 21.8%, reflecting continued discipline in cost management and improved project execution.
- Fair value losses on an investment property and additional tax provisions weighed on the bottom line, resulting in a year-on-year decline in profit attributable to shareholders.
- Maintained a debt-free position with a strong cash balance exceeding HK\$345 million.
- Despite a 36.6% decline in profit after tax, strong operating cash inflows of HK\$36.4 million supported a reduction in the total dividend by 9.1% to 10 HK cents per share, underscoring the Group's commitment to sustaining shareholder returns.

|  | 2025<br><i>HK\$'000</i> | 2024<br><i>HK\$'000</i> | Change<br>% |
|--|-------------------------|-------------------------|-------------|
| Total revenue after the cost of goods and services procured from third parties   | 217,035                 | 225,271                 | (3.7%)      |
| Profit from operations   | 35,989                  | 29,558                  | 21.8%       |
| Valuation loss on an investment property   | (13,000)                | (5,000)                 | 160%        |
| Profit before tax  | 35,277                  | 39,328                  | (10.3%)     |
| Additional tax provision in relation to the claims of enhanced deduction of certain research and development expenditure | (10,951)                | (4,050)                 | 170.4%      |
| Profit attributable to shareholders  | 18,444                  | 29,065                  | (36.5%)     |
| Earnings per share – Basic (HK cents)  | 7.59                    | 11.95                   | (36.5%)     |
| First interim dividend per share (HK cents)  | 5.5                     | 5.5                     |             |
| Second interim/Final dividend per share (HK cents)   | 4.5                     | 5.5                     |             |
| Total dividends for the year (HK cents)  | 10.0                    | 11.0                    |             |

## GROUP RESULTS

The Board of Directors (the “Board”) of Computer And Technologies Holdings Limited (the “Company”) herein presents the annual results of the Company and its subsidiaries (collectively, the “Group”) for the year ended 31 December 2025 together with comparative figures for the corresponding period in 2024 as follows:

### CONSOLIDATED STATEMENT OF PROFIT OR LOSS

Year ended 31 December 2025

|  | <i>Notes</i> | <b>2025</b><br><b><i>HK\$'000</i></b> | 2024<br><i>HK\$'000</i> |
|--|--------------|---------------------------------------|-------------------------|
| <b>REVENUE</b>   | 5            | <b>241,291</b>                        | 261,076                 |
| Cost of sales and services:                            |              |                                       |                         |
| Cost of goods and services procured from third parties |              | <b>(24,256)</b>                       | (35,805)                |
| Related staff costs                                    |              | <b>(76,896)</b>                       | (82,085)                |
| Gross profit   |              | <b>140,139</b>                        | 143,186                 |
| Other operating income                                 | 5            | <b>2,818</b>                          | 1,591                   |
| Selling and distribution expenses                      |              | <b>(34,735)</b>                       | (37,659)                |
| General and administrative expenses, net               |              | <b>(57,471)</b>                       | (60,137)                |
| Impairment of trade receivables, net                   |              | <b>(763)</b>                          | (793)                   |
| Finance costs  |              | <b>(1,102)</b>                        | (1,088)                 |
| Amortisation of other intangible assets                |              | <b>(12,897)</b>                       | (15,542)                |
| <b>PROFIT FROM OPERATIONS</b>                          |              | <b>35,989</b>                         | 29,558                  |

continued/...

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

Year ended 31 December 2025

|   | <i>Notes</i> | <b>2025</b><br><b>HK\$'000</b> | 2024<br>HK\$'000 |
|---|--------------|--------------------------------|------------------|
| <b>PROFIT FROM OPERATIONS</b>   |              | <b>35,989</b>                  | 29,558           |
| Other income and gains  | 5            | <b>12,038</b>                  | 14,495           |
| Foreign exchange differences, net   |              | <b>(147)</b>                   | 555              |
| Fair value gains/(losses), net:   |              |                                |                  |
| Financial assets at fair value through profit or loss                                   |              | <b>397</b>                     | (280)            |
| Investment property   |              | <b>(13,000)</b>                | (5,000)          |
| <b>PROFIT BEFORE TAX</b>  | 6            | <b>35,277</b>                  | 39,328           |
| Income tax expense  | 7            | <b>(16,970)</b>                | (10,432)         |
| <b>PROFIT FOR THE YEAR</b>  |              | <b>18,307</b>                  | 28,896           |
| <b>ATTRIBUTABLE TO:</b>   |              |                                |                  |
| Owners of the parent  |              | <b>18,444</b>                  | 29,065           |
| Non-controlling interests   |              | <b>(137)</b>                   | (169)            |
|   |              | <b>18,307</b>                  | 28,896           |
| <b>EARNINGS PER SHARE ATTRIBUTABLE TO<br/>ORDINARY EQUITY HOLDERS OF THE<br/>PARENT</b> | 9            | <b>HK cents</b>                | HK cents         |
| Basic   |              | <b>7.59</b>                    | 11.95            |
| Diluted   |              | <b>7.57</b>                    | 11.90            |

## CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Year ended 31 December 2025

|   | 2025<br><i>HK\$'000</i> | 2024<br><i>HK\$'000</i> |
|---|-------------------------|-------------------------|
| <b>PROFIT FOR THE YEAR</b>  | <u>18,307</u>           | <u>28,896</u>           |
| <b>OTHER COMPREHENSIVE INCOME</b>   |                         |                         |
| Other comprehensive income/(loss) that may be reclassified to profit or loss in subsequent periods: |                         |                         |
| Exchange differences on translation of foreign operations   | <u>191</u>              | <u>(1,167)</u>          |
| <b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>  | <u>18,498</u>           | <u>27,729</u>           |
| <b>ATTRIBUTABLE TO:</b>   |                         |                         |
| Owners of the parent  | 18,635                  | 27,898                  |
| Non-controlling interests   | <u>(137)</u>            | <u>(169)</u>            |
|   | <u>18,498</u>           | <u>27,729</u>           |

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

31 December 2025

|  | <i>Notes</i> | <b>2025</b><br><b><i>HK\$'000</i></b> | <b>2024</b><br><b><i>HK\$'000</i></b> |
|--|--------------|---------------------------------------|---------------------------------------|
| <b>NON-CURRENT ASSETS</b>  |              |                                       |                                       |
| Property, plant and equipment  |              | <b>6,262</b>                          | 6,123                                 |
| Investment property  |              | <b>44,000</b>                         | 57,000                                |
| Right-of-use assets  |              | <b>14,215</b>                         | 18,306                                |
| Goodwill   |              | <b>135,001</b>                        | 135,001                               |
| Other intangible assets  |              | <b>5,611</b>                          | 16,857                                |
| Financial assets at fair value through profit or loss -<br>debt investment           |              | <b>2,100</b>                          | 2,100                                 |
| Deposits   |              | <b>1,019</b>                          | 1,845                                 |
| Deferred tax assets  |              | <b>772</b>                            | 773                                   |
| Total non-current assets   |              | <b><u>208,980</u></b>                 | <u>238,005</u>                        |
| <b>CURRENT ASSETS</b>  |              |                                       |                                       |
| Inventories  |              | <b>9</b>                              | 11                                    |
| Trade receivables  | <i>10</i>    | <b>36,011</b>                         | 39,514                                |
| Contract assets  |              | <b>37,131</b>                         | 37,064                                |
| Prepayments, deposits and other receivables  |              | <b>11,943</b>                         | 15,296                                |
| Tax recoverable  |              | <b>14,369</b>                         | 9,393                                 |
| Financial assets at fair value through profit or loss -<br>listed equity investments |              | <b>2,323</b>                          | 1,926                                 |
| Pledged bank deposits  |              | <b>130</b>                            | 202,491                               |
| Cash and cash equivalents  |              | <b>345,222</b>                        | 128,907                               |
| Total current assets   |              | <b><u>447,138</u></b>                 | <u>434,602</u>                        |
| <b>CURRENT LIABILITIES</b>   |              |                                       |                                       |
| Trade payables, other payables and accruals  | <i>11</i>    | <b>(64,624)</b>                       | (70,474)                              |
| Contract liabilities   |              | <b>(52,377)</b>                       | (60,208)                              |
| Lease liabilities  |              | <b>(3,703)</b>                        | (4,286)                               |
| Tax payable  |              | <b>(26,389)</b>                       | (15,170)                              |
| Total current liabilities  |              | <b><u>(147,093)</u></b>               | <u>(150,138)</u>                      |
| <b>NET CURRENT ASSETS</b>  |              | <b><u>300,045</u></b>                 | <u>284,464</u>                        |
| <b>TOTAL ASSETS LESS CURRENT LIABILITES</b>  |              | <b><u>509,025</u></b>                 | <u>522,469</u>                        |

continued/...

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION** *(continued)*

31 December 2025

|   | <i>Notes</i> | <b>2025</b><br><b><i>HK\$'000</i></b> | 2024<br><i>HK\$'000</i> |
|---|--------------|---------------------------------------|-------------------------|
| <b>NON-CURRENT LIABILITIES</b>                      |              |                                       |                         |
| Provision   | <i>11</i>    | <b>(845)</b>                          | (795)                   |
| Contract liabilities                                |              | <b>(840)</b>                          | (894)                   |
| Lease liabilities                                   |              | <b>(11,667)</b>                       | (15,009)                |
| Deferred tax liabilities                            |              | <b>(1,108)</b>                        | (3,511)                 |
| Total non-current liabilities                       |              | <b>(14,460)</b>                       | (20,209)                |
| Net assets  |              | <b>494,565</b>                        | 502,260                 |
| <b>EQUITY</b>                                       |              |                                       |                         |
| <b>Equity attributable to owners of the parent</b>  |              |                                       |                         |
| Issued capital                                      |              | <b>24,433</b>                         | 24,433                  |
| Share premium account                               |              | <b>41,410</b>                         | 41,410                  |
| Shares held under the restricted share award scheme |              | <b>(2,436)</b>                        | (3,872)                 |
| Reserves  |              | <b>430,129</b>                        | 439,123                 |
|   |              | <b>493,536</b>                        | 501,094                 |
| Non-controlling interests                           |              | <b>1,029</b>                          | 1,166                   |
| Total equity  |              | <b>494,565</b>                        | 502,260                 |

## 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 18<sup>th</sup> Floor, Viva Place, No. 36 Heung Yip Road, Wong Chuk Hang, Hong Kong.

During the year, 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 Service (“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 financial statements have been prepared in accordance with HKFRS Accounting Standards (which include all Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards (“HKASs”) and Interpretations) as issued by the Hong Kong Institute of Certified Public Accountants and the disclosure requirements of the Hong Kong Companies Ordinance. They have been prepared under the historical cost convention, except for investment property and financial assets at fair value through profit or loss which have been measured at fair value. The financial statements are presented in Hong Kong dollars (“HK\$”) and all values are rounded to the nearest thousand except when otherwise indicated.

### 3. CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

The Group has adopted amendments to HKAS 21 *Lack of Exchangeability* for the first time for the current year's financial statements. The Group has not early adopted any other standard or amendment that has been issued but is not yet effective.

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 Group's financial statements.

In addition, the HKICPA has issued amendments to Illustrative Examples on HKFRS 7, HKFRS 18, HKAS 1, HKAS 8, HKAS 36 and HKAS 37 *Disclosures about Uncertainties in the Financial Statements*, which added illustrative examples in the corresponding HKFRS Accounting Standards. These examples reflect existing requirements in the corresponding HKFRS Accounting Standards to report the effects of uncertainties in the financial statements using climate-related examples. Therefore, the amendments do not have an effective date or transitional provisions.

#### 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<br>Integration Services |                | Investments     |                | Total               |                     |
|--|----------------------|----------------|---------------------------------------|----------------|-----------------|----------------|---------------------|---------------------|
|  | 2025                 | 2024           | 2025                                  | 2024           | 2025            | 2024           | 2025                | 2024                |
|  | HK\$'000             | HK\$'000       | HK\$'000                              | HK\$'000       | HK\$'000        | HK\$'000       | HK\$'000            | HK\$'000            |
| <b>Segment revenue</b>                           |                      |                |                                       |                |                 |                |                     |                     |
| Sales to external customers<br>(note 5)          | 136,444              | 143,358        | 103,260                               | 116,096        | 1,587           | 1,622          | 241,291*            | 261,076*            |
| Intersegment sales                               | 1,249                | 2,116          | 14,108                                | 13,916         | –               | –              | 15,357              | 16,032              |
| Other operating income                           | 2,273                | 1,332          | 361                                   | 64             | 184             | 195            | 2,818^              | 1,591^              |
| <b>Total segment revenue</b>                     | <b>139,966</b>       | <b>146,806</b> | <b>117,729</b>                        | <b>130,076</b> | <b>1,771</b>    | <b>1,817</b>   | <b>259,466</b>      | <b>278,699</b>      |
| <i>Reconciliation:</i>                           |                      |                |                                       |                |                 |                |                     |                     |
| Elimination of intersegment<br>sales             |                      |                |                                       |                |                 |                | (15,357)            | (16,032)            |
|  |                      |                |                                       |                |                 |                | <b>244,109</b>      | <b>262,667</b>      |
| <b>Segment results</b>                           | <b>30,942</b>        | <b>28,669</b>  | <b>35,395</b>                         | <b>31,433</b>  | <b>(10,849)</b> | <b>(3,504)</b> | <b>55,488</b>       | <b>56,598</b>       |
| <i>Reconciliation:</i>                           |                      |                |                                       |                |                 |                |                     |                     |
| Unallocated interest income                      |                      |                |                                       |                |                 |                | 12,035 <sup>#</sup> | 14,495 <sup>#</sup> |
| Unallocated other income and<br>gains            |                      |                |                                       |                |                 |                | 3 <sup>#</sup>      | – <sup>#</sup>      |
| Unallocated foreign exchange<br>differences, net |                      |                |                                       |                |                 |                | (147)               | 555                 |
| Corporate and other<br>unallocated depreciation  |                      |                |                                       |                |                 |                | (792)               | (394)               |
| Corporate and other<br>unallocated expenses      |                      |                |                                       |                |                 |                | (31,310)            | (31,926)            |
| <b>Profit before tax</b>                         |                      |                |                                       |                |                 |                | <b>35,277</b>       | <b>39,328</b>       |

#### 4. OPERATING SEGMENT INFORMATION *(continued)*

##### (a) Operating segments *(continued)*

|  | Application Services |          | Solutions and<br>Integration Services |          | Investments |          | Total          |                |
|--|----------------------|----------|---------------------------------------|----------|-------------|----------|----------------|----------------|
|  | 2025                 | 2024     | 2025                                  | 2024     | 2025        | 2024     | 2025           | 2024           |
|  | HK\$'000             | HK\$'000 | HK\$'000                              | HK\$'000 | HK\$'000    | HK\$'000 | HK\$'000       | HK\$'000       |
| Segment assets                                 | 187,620              | 185,835  | 44,399                                | 63,512   | 48,569      | 61,172   | 280,588        | 310,519        |
| <i>Reconciliation:</i>                         |                      |          |                                       |          |             |          |                |                |
| Elimination of intersegment<br>receivables     |                      |          |                                       |          |             |          | (6,151)        | (2,093)        |
| Corporate and other<br>unallocated assets      |                      |          |                                       |          |             |          | 381,681        | 364,181        |
| Total assets                                   |                      |          |                                       |          |             |          | <u>656,118</u> | <u>672,607</u> |
| Segment liabilities                            | 98,143               | 94,138   | 18,566                                | 34,423   | 608         | 608      | 117,317        | 129,169        |
| <i>Reconciliation:</i>                         |                      |          |                                       |          |             |          |                |                |
| Elimination of intersegment<br>payables        |                      |          |                                       |          |             |          | (6,151)        | (2,093)        |
| Corporate and other<br>unallocated liabilities |                      |          |                                       |          |             |          | 50,387         | 43,271         |
| Total liabilities                              |                      |          |                                       |          |             |          | <u>161,553</u> | <u>170,347</u> |

\* This represents the consolidated revenue of HK\$241,291,000 (2024: HK\$261,076,000) in the consolidated statement of profit or loss.

^ These comprise the consolidated other operating income of HK\$2,818,000 (2024: HK\$1,591,000) in the consolidated statement of profit or loss.

# These comprise the consolidated other income and gains of HK\$12,038,000 (2024: HK\$14,495,000) in the consolidated statement of profit or loss.

#### 4. OPERATING SEGMENT INFORMATION *(continued)*

##### (a) Operating segments *(continued)*

|  | Application Services |          | Solutions and<br>Integration Services |          | Investments |          | Total        |              |
|--|----------------------|----------|---------------------------------------|----------|-------------|----------|--------------|--------------|
|  | 2025                 | 2024     | 2025                                  | 2024     | 2025        | 2024     | 2025         | 2024         |
|  | HK\$'000             | HK\$'000 | HK\$'000                              | HK\$'000 | HK\$'000    | HK\$'000 | HK\$'000     | HK\$'000     |
| <b>Other segment information:</b>  |                      |          |                                       |          |             |          |              |              |
| Net fair value loss on an investment property  | -                    | -        | -                                     | -        | (13,000)    | (5,000)  | (13,000)     | (5,000)      |
| Net fair value gains/(losses) on financial assets at fair value through profit or loss | -                    | -        | -                                     | -        | 397         | (280)    | 397          | (280)        |
| Amortisation of other intangible assets  | 5,128                | 7,752    | 7,769                                 | 7,790    | -           | -        | 12,897       | 15,542       |
| Depreciation   | 2,116                | 2,228    | 965                                   | 1,046    | -           | -        | 3,081        | 3,274        |
| Corporate and other unallocated depreciation   |                      |          |                                       |          |             |          | 3,112        | 3,764        |
|  |                      |          |                                       |          |             |          | <u>6,193</u> | <u>7,038</u> |
| Impairment of trade receivables, net*  | 379                  | 580      | 384                                   | 213      | -           | -        | 763          | 793          |
| Capital expenditure**  | 2,658                | 162      | 294                                   | 391      | -           | -        | 2,952        | 553          |
| Corporate and other unallocated capital expenditure**                                  |                      |          |                                       |          |             |          | 223          | 5,394        |
|  |                      |          |                                       |          |             |          | <u>3,175</u> | <u>5,947</u> |

\* Including impairment of trade receivables attributable to the application services segment of HK\$1,429,000 (2024: HK\$1,192,000) and the solutions and integration services segment of HK\$1,019,000 (2024: HK\$634,000), respectively, and reversal of impairment of trade receivables attributable to the application services segment of HK\$1,050,000 (2024: HK\$612,000) and the solutions and integration services segment of HK\$635,000 (2024: HK\$421,000), 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<br>and other<br>countries/regions |          | Chinese Mainland |          | Total          |          |
|-----------------------------|---|----------|------------------|----------|----------------|----------|
|                             | 2025  | 2024     | 2025             | 2024     | 2025           | 2024     |
|                             | HK\$'000                                    | HK\$'000 | HK\$'000         | HK\$'000 | HK\$'000       | HK\$'000 |
| <b>Segment revenue:</b>     |   |          |                  |          |                |          |
| Sales to external customers | <b>201,363</b>                              | 218,306  | <b>39,928</b>    | 42,770   | <b>241,291</b> | 261,076  |

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

(ii) Non-current assets

|                  | 2025           | 2024           |
|------------------|----------------|----------------|
|                  | HK\$'000       | HK\$'000       |
| Hong Kong        | 112,832        | 134,477        |
| Chinese mainland | <b>92,257</b>  | <b>98,810</b>  |
|                  | <b>205,089</b> | <b>233,287</b> |

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 year ended 31 December 2025, revenue from a major customer of HK\$83,115,000 (2024: HK\$85,966,000) 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:

|  | 2025<br><i>HK\$'000</i> | 2024<br><i>HK\$'000</i> |
|--|-------------------------|-------------------------|
| <b>Revenue from contracts with customers</b>   | <b>239,704</b>          | 259,454                 |
| <b>Revenue from other sources</b>              |                         |                         |
| Gross rental income from investment properties | <u>1,587</u>            | <u>1,622</u>            |
|  | <b><u>241,291</u></b>   | <b><u>261,076</u></b>   |

### Revenue from contracts with customers

#### (i) Disaggregated revenue information

|   | Application<br>Services<br><i>HK\$'000</i> | Solutions and<br>Integration<br>Services<br><i>HK\$'000</i> | Total<br><i>HK\$'000</i> |
|---|--|---|--------------------------|
| <b>For the year ended 31 December 2025</b>  |  |   |                          |
| <i>Segments</i>   |  |   |                          |
| <b>Types of goods or services</b>   |  |   |                          |
| Sale of goods and provision of software, and<br>GETS services   | 27,901                                     | 1,219   | 29,120                   |
| Provision of software implementation and<br>related services, and IT solutions implementation<br>and related services | 29,576                                     | 46,154  | 75,730                   |
| Provision of SaaS product offering and<br>maintenance services  | <u>78,967</u>                              | <u>55,887</u>   | <u>134,854</u>           |
| Total revenue from contracts with customers   | <b><u>136,444</u></b>                      | <b><u>103,260</u></b>                                       | <b><u>239,704</u></b>    |
| <b>Geographical markets</b>   |  |   |                          |
| Hong Kong and others  | 99,704                                     | 100,072   | 199,776                  |
| Chinese mainland  | <u>36,740</u>                              | <u>3,188</u>  | <u>39,928</u>            |
| Total revenue from contracts with customers   | <b><u>136,444</u></b>                      | <b><u>103,260</u></b>                                       | <b><u>239,704</u></b>    |
| <b>Timing of revenue recognition</b>  |  |   |                          |
| Goods and services transferred at a point in time   | 27,901                                     | 1,219   | 29,120                   |
| Services transferred over time  | <u>108,543</u>                             | <u>102,041</u>  | <u>210,584</u>           |
| Total revenue from contracts with customers   | <b><u>136,444</u></b>                      | <b><u>103,260</u></b>                                       | <b><u>239,704</u></b>    |

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

Revenue from contracts with customers (continued)

(i) Disaggregated revenue information (continued)

|   | Application<br>Services<br><i>HK\$'000</i> | Solutions and<br>Integration<br>Services<br><i>HK\$'000</i> | Total<br><i>HK\$'000</i> |
|---|--|---|--------------------------|
| <b>For the year ended 31 December 2024</b>  |  |   |                          |
| <i>Segments</i>   |  |   |                          |
| <b>Types of goods or services</b>   |  |   |                          |
| Sale of goods and provision of software, and<br>GETS services   | 25,179                                     | 5,915   | 31,094                   |
| Provision of software implementation and<br>related services, and IT solutions implementation<br>and related services | 38,363                                     | 55,054  | 93,417                   |
| Provision of SaaS product offering and<br>maintenance services  | <u>79,816</u>                              | <u>55,127</u>   | <u>134,943</u>           |
| Total revenue from contracts with customers   | <u>143,358</u>                             | <u>116,096</u>  | <u>259,454</u>           |
| <b>Geographical markets</b>   |  |   |                          |
| Hong Kong and others  | 104,102                                    | 112,601   | 216,703                  |
| Chinese mainland  | <u>39,256</u>                              | <u>3,495</u>  | <u>42,751</u>            |
| Total revenue from contracts with customers   | <u>143,358</u>                             | <u>116,096</u>  | <u>259,454</u>           |
| <b>Timing of revenue recognition</b>  |  |   |                          |
| Goods and services transferred at a point in time   | 25,179                                     | 5,915   | 31,094                   |
| Services transferred over time  | <u>118,179</u>                             | <u>110,181</u>  | <u>228,360</u>           |
| Total revenue from contracts with customers   | <u>143,358</u>                             | <u>116,096</u>  | <u>259,454</u>           |

(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 31 December are as follows:

|   | 2025<br><i>HK\$'000</i> | 2024<br><i>HK\$'000</i> |
|---|-------------------------|-------------------------|
| Amounts expected to be recognised as revenue: |                         |                         |
| Within one year                               | 52,377                  | 60,208                  |
| After one year                                | <u>840</u>              | <u>894</u>              |
|   | <u>53,217</u>           | <u>61,102</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 four 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.

|   | 2025<br><i>HK\$'000</i> | 2024<br><i>HK\$'000</i> |
|---|-------------------------|-------------------------|
| <b>Other operating income</b>                         |                         |                         |
| Value-added tax refund received                       | 354                     | 388                     |
| Dividend income from listed investments at fair value |                         |                         |
| through profit or loss                                | 184                     | 195                     |
| Gain on lease modifications                           | -                       | 409                     |
| Government subsidies*                                 | 1,872                   | 519                     |
| Others  | <u>408</u>              | <u>80</u>               |
|   | <u>2,818</u>            | <u>1,591</u>            |
| <b>Other income and gains</b>                         |                         |                         |
| Bank interest income                                  | 12,035                  | 14,495                  |
| Gain on lease modifications                           | <u>3</u>                | <u>-</u>                |
|   | <u>12,038</u>           | <u>14,495</u>           |

\* There are no unfulfilled conditions or contingencies relating to these grants.

## 6. PROFIT BEFORE TAX

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

|   | 2025<br><i>HK\$'000</i> | 2024<br><i>HK\$'000</i> |
|---|-------------------------|-------------------------|
| Depreciation of property, plant and equipment*  | 1,408                   | 842                     |
| Depreciation of right-of-use assets   | 4,785                   | 6,196                   |
| Amortisation of other intangible assets**   | 12,897                  | 15,542                  |
| Employee benefit expense (including directors' and chief executive's remuneration)^#: |                         |                         |
| Wages, salaries, allowances and other benefits  | 143,506                 | 147,381                 |
| Equity-settled share-based payment expense  | 535                     | 1,247                   |
| Retirement benefit scheme contributions (defined contribution schemes)***             | 10,619                  | 9,747                   |
| Less: Amount capitalised in other intangible assets                                   | <u>(1,647)</u>          | <u>(107)</u>            |
|   | <u>153,013</u>          | <u>158,268</u>          |
| Impairment of trade receivables, net  | 763                     | 793                     |
| Fair value losses/(gains), net:   |                         |                         |
| Financial assets at fair value through profit or loss                                 | (397)                   | 280                     |
| Investment property   | <u>13,000</u>           | <u>5,000</u>            |

\* Depreciation of property, plant and equipment for the year of HK\$2,000 (2024: HK\$15,000) is included in "Cost of goods and services procured from third parties" on the face of the consolidated statement of profit or loss.

\*\* Amortisation of other intangible assets for the year of HK\$12,897,000 (2024: HK\$15,542,000) is included in "Amortisation of other intangible assets" on the face of the 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 31 December 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\$18,760,000 (2024: HK\$18,941,000).

# Inclusive of an amount of HK\$153,013,000 (2024: HK\$158,268,000) 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 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 year, 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.

7. **INCOME TAX** (continued)

|   | 2025<br><i>HK\$'000</i> | 2024<br><i>HK\$'000</i> |
|---|-------------------------|-------------------------|
| Current - Hong Kong                           |                         |                         |
| Charge for the year                           | 8,384                   | 8,441                   |
| Underprovision in prior years                 | 10,961                  | 4,140                   |
| Current - Elsewhere                           |                         |                         |
| Charge for the year                           | -                       | 161                     |
| Underprovision/(overprovision) in prior years | 6                       | (3)                     |
| Deferred                                      | <u>(2,381)</u>          | <u>(2,307)</u>          |
| <br>Total tax charge for the year             | <br><u>16,970</u>       | <br><u>10,432</u>       |

In 2022, the Hong Kong Inland Revenue Department (the “IRD”) issued an enquiry letter (“1<sup>st</sup> IRD Enquiry”) to a subsidiary (the “1<sup>st</sup> 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 1<sup>st</sup> IRD Enquiry, the 1<sup>st</sup> Subsidiary received the assessor’s comments in October 2023. The 1<sup>st</sup> Subsidiary holds a different view against the assessor’s position and submitted a reply in January 2024. As at the reporting date, the 1<sup>st</sup> 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 assessments for the years of assessment 2018/19 and 2019/20 to the 1<sup>st</sup> Subsidiary demanding tax of approximately HK\$0.7 million on 28 February 2025 and HK\$1.0 million on 12 January 2026. The 1<sup>st</sup> Subsidiary has lodged objections against the protective assessments for the years of assessment 2018/19 and 2019/20 within the objection periods and has purchased tax reserve certificates (“TRCs”) of approximately HK\$0.7 million and HK\$1.0 million, respectively.

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 “2<sup>nd</sup> and 3<sup>rd</sup> 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 2<sup>nd</sup> and 3<sup>rd</sup> Subsidiaries demanding tax of approximately HK\$0.6 million and another two subsidiaries (the “4<sup>th</sup> and 5<sup>th</sup> Subsidiaries”) of the Company for the year of assessment 2018/19 demanding tax of approximately HK\$3.4 million in total. In January 2026, protective assessments for the year of assessment 2019/20 were issued to each of the 2<sup>nd</sup> to the 5<sup>th</sup> Subsidiaries and also another subsidiary (the “6<sup>th</sup> Subsidiary”) of the Company, demanding tax of approximately HK\$4.16 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 2<sup>nd</sup> and 3<sup>rd</sup> Subsidiaries and the R&D Enhanced Deduction claimed by the 4<sup>th</sup>, 5<sup>th</sup> and 6<sup>th</sup> 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, 2018/19 and 2019/20 and have purchased TRCs of approximately HK\$0.8 million, HK\$1.0 million, HK\$3.4 million and HK\$3.6 million for the years of assessment 2016/17, 2017/18, 2018/19 and 2019/20, 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 said 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 by the assessor-in-charge. In August 2025, the IRD issued enquiry letters to the 4<sup>th</sup>, 5<sup>th</sup> and 6<sup>th</sup> Subsidiaries 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. Having regard that the prolonged dispute with the IRD is about the Tax Treatments, the Group is exploring possibility to settle the Tax Review with the IRD as soon as possible. The directors consider that adequate tax provisions have been made in the consolidated financial information of the Group for the year ended 31 December 2025 to reflect the effect of uncertainty for each of the Tax Treatments. No provision has been made in the consolidated financial statements of the Group for any potential interest and penalties associated with the Tax Treatments, as in the opinion of the directors, the amount of such interest and penalties cannot be measured with sufficient reliability as at the end of the reporting period.

## 8. DIVIDENDS

|   | 2025<br><i>HK\$'000</i> | 2024<br><i>HK\$'000</i> |
|---|-------------------------|-------------------------|
| First interim - HK\$0.055 (2024: HK\$0.055) per ordinary share                                  | 13,438                  | 13,485                  |
| Less: Dividend for shares held under the Company's restricted share award scheme                | (63)                    | (95)                    |
| Less: Attributable to shares purchased in May to August 2024                                    | <u>-</u>                | <u>(47)</u>             |
|   | <u>13,375</u>           | <u>13,343</u>           |
| Second interim - HK\$0.045 (2024: Nil) per ordinary share                                       | 10,995                  | -                       |
| Less: Dividend for shares held under the Company's restricted share award scheme                | (45)                    | -                       |
|   | <u>10,950</u>           | <u>-</u>                |
| Proposed final - Nil (2024: HK\$0.055) per ordinary share                                       | -                       | 13,438                  |
| Less: Proposed final dividend for shares held under the Company's restricted share award scheme | <u>-</u>                | <u>(85)</u>             |
|   | <u>-</u>                | <u>13,353</u>           |
|   | <u>24,325</u>           | <u>26,696</u>           |

Subsequent to the end of the reporting period, a second interim dividend of the Company in respect of the year ended 31 December 2025 of HK\$0.045 per ordinary share was declared by the directors of the Company.

## 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 year attributable to ordinary equity holders of the parent, and the weighted average number of ordinary shares of 243,023,822 (2024: 243,233,417) outstanding during the year, 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 year 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 year, 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   |                    |
|---|--------------------|--------------------|
|   | 2025               | 2024               |
| Weighted average number of ordinary shares outstanding during the year used in the basic earnings per share calculation                         | 243,023,822        | 243,233,417        |
| Effect of dilution - weighted average number of ordinary shares:<br>Restricted shares awarded under the Company's restricted share award scheme | <u>652,501</u>     | <u>1,013,587</u>   |
| Number of shares used in the diluted earnings per share calculation   | <u>243,676,323</u> | <u>244,247,004</u> |

## 10. TRADE RECEIVABLES

|                   | 2025<br><i>HK\$'000</i> | 2024<br><i>HK\$'000</i> |
|-------------------|-------------------------|-------------------------|
| Trade receivables | 41,831                  | 44,522                  |
| Impairment        | <u>(5,820)</u>          | <u>(5,008)</u>          |
|                   | <u><b>36,011</b></u>    | <u><b>39,514</b></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 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:

|                | 2025<br><i>HK\$'000</i> | 2024<br><i>HK\$'000</i> |
|----------------|-------------------------|-------------------------|
| Within 1 month | 16,942                  | 24,232                  |
| 1 to 3 months  | 10,932                  | 9,269                   |
| 4 to 6 months  | 4,530                   | 3,177                   |
| Over 6 months  | <u>3,607</u>            | <u>2,836</u>            |
|                | <u><b>36,011</b></u>    | <u><b>39,514</b></u>    |

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

|                                     | 2025<br><i>HK\$'000</i> | 2024<br><i>HK\$'000</i> |
|-------------------------------------|-------------------------|-------------------------|
| At beginning of year                | 5,008                   | 4,256                   |
| Impairment losses, net              | 763                     | 793                     |
| Amount written off as uncollectable | (6)                     | -                       |
| Exchange realignment                | <u>55</u>               | <u>(41)</u>             |
| At end of year                      | <u><b>5,820</b></u>     | <u><b>5,008</b></u>     |

## 11. TRADE PAYABLES, OTHER PAYABLES, ACCRUALS AND PROVISION

|   | 2025<br><i>HK\$'000</i> | 2024<br><i>HK\$'000</i> |
|---|-------------------------|-------------------------|
| Trade payables                                | 8,767                   | 12,176                  |
| Other payables                                | 30,744                  | 31,034                  |
| Accruals                                      | 25,113                  | 27,264                  |
| Provision                                     | 845                     | 795                     |
|   | <u>65,469</u>           | <u>71,269</u>           |
| Portion classified as current liabilities     | <u>(64,624)</u>         | <u>(70,474)</u>         |
| Portion classified as non-current liabilities | <u>845</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:

|                | 2025<br><i>HK\$'000</i> | 2024<br><i>HK\$'000</i> |
|----------------|-------------------------|-------------------------|
| Within 1 month | 7,312                   | 11,651                  |
| 1 to 3 months  | 1,119                   | 354                     |
| 4 to 6 months  | 130                     | 5                       |
| Over 6 months  | 206                     | 166                     |
|                | <u>8,767</u>            | <u>12,176</u>           |

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

## 12. GUARANTEES

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 31 December 2025 (2024: HK\$31,700,000), of which HK\$21,830,000 (2024: HK\$22,168,000) was utilised as at 31 December 2025.

## 13. COMPARATIVE AMOUNTS

Certain comparative amounts have been reclassified/regrouped to conform with the current year's presentation.

## 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 delighted to present the audited annual results of the Company and its subsidiaries (collectively the "Group") for the year ended 31 December 2025.

Despite the subdued global economic environment, restrained IT spending by government and corporate customers and continued market volatility, the Group achieved total revenue after direct third-party costs of HK\$217.0 million representing a 3.7% decrease from HK\$225.3 million in 2024. Meanwhile, the gross profit margin improved to 58.1% (2024: 54.8%), reflecting ongoing improvements in cost management and project execution.

The Group's performance for the year is broadly consistent with the strategic priorities set out in the 2025 interim disclosures, with the results demonstrating a sustained focus on cost efficiency and targeted market engagement. Streamlining of internal processes led to reductions in staff costs as well as selling, general and administrative expenses. Consequently, profit from operations increased by 21.8% to HK\$36.0 million (2024: HK\$29.6 million) and the operating profit margin improved to 14.9% (2024: 11.3%).

During the year, the Group's other income and gains fell by 17.0% to HK\$12.0 million (2024: HK\$14.5 million). This decrease was mainly attributable to lower bank interest income. Furthermore, the Group recognised a valuation loss of HK\$13.0 million on an investment property (2024: HK\$5.0 million), due to the downward trend in the industrial property market.

For prudence, an additional tax provision of HK\$11.0 million (2024: HK\$4.1 million) was recognised in respect of certain claims for enhanced deduction related to research and development expenditures in prior years. As a result, income tax expense increased to HK\$17.0 million (2024: HK\$10.4 million). Further details of this matter are set out in note 7 to the results announcement.

As reflections of the above developments, the consolidated net profit attributable to shareholders declined by 36.5% to HK\$18.4 million (2024: HK\$29.1 million), while basic earnings per share decreased to 7.59 HK cents (2024: 11.95 HK cents).

Despite the lower profit for the year, strong operating cash flows and a robust financial position supported the Board's decision to declare a second interim dividend of 4.5 HK cents per share for 2025 (2024: Nil second interim dividend and 5.5 HK cents final dividend). Combined with the first interim dividend of 5.5 HK cents, total dividends per share for the year will amount to 10 HK cents (2024: 11 HK cents).

### BUSINESS REVIEW

#### Application Software

Global macroeconomic uncertainty throughout the year continued to influence enterprise spending. Consequently, many corporate customers adopted a more cautious approach, lengthening evaluation cycles and postponing investment decisions in enterprise management software. This led to a year-on-year decline in overall revenue for the Group's Application Software<sup>[1]</sup> segment. However, the segment demonstrated resilience, bolstered by a steadily growing base of recurring Software as a Service ("SaaS") subscription income. Through disciplined cost management and continued operational efficiencies, the Group increased the segment's profit to HK\$30.9 million (2024: HK\$28.7 million). This reflected strong execution and adaptability despite the challenging market conditions.

## **BUSINESS REVIEW** *(continued)*

### Application Software *(continued)*

The Group's Human Resource Management Software business in the Chinese Mainland faced ongoing challenges. Reduced employee numbers and a slowdown in hiring activity impacted demand. Nevertheless, the launch of Pi-HCM, the Group's cloud-native Human Capital Management ("HCM") Software, marked a meaningful step forward. Market reception has been encouraging, enabling the Group to secure several notable new wins. Momentum also strengthened within the existing customer base, with an increasing number of upgrade orders from clients across various business sectors, as well as from the semi-government organisations. Although early-stage implementation challenges persist, management is actively tackling them and remains confident that Pi-HCM will continue unlock new opportunities.

The Group strengthened its HCM business position by signing a joint venture agreement with Shanghai Foreign Service (Group) Co., Ltd. (the "FSG") in November 2025. FSG is a leading HR services provider in the Chinese Mainland, servicing over 50,000 companies. The new joint venture (the "JV") will utilise Pi-HCM to offer digital payroll management and outsourcing services, supporting Chinese corporations and international enterprises' global expansion. This strategic initiative strengthens the Group's capabilities in catering to cross-border customers and solidifies its position as a leading digital HCM solution provider.

The overall business of the Group's Enterprise Software segment remained stable due to its growing recurring SaaS revenue stream, though individual product lines showed varying operating results. The Enterprise Information Management Software ("EIMS") and Enterprise Procurement Management Software ("EPMS") business reported reduced revenue contributions for the year, primarily due to deferred procurement decisions and stricter budgetary constraints within both the public sector and commercial markets. At the same time, the Group invested additional resources to advance ProSmart 3.0, the latest version of its cloud-native, AI-enabled procurement software. Designed to streamline procurement workflows and strengthen compliance oversight, ProSmart 3.0 is expected to deepen customer engagement and support sustainable long-term growth. The Enterprise Retail Management Software ("ERMS") business delivered a solid recovery, supported by increased enhancement and version-upgrade orders from key enterprise clients. CISC's business also reported improved performance, driven by its cyber-intelligence solutions with AI analysis capability.

Looking ahead, the Group remains steadfastly committed to innovation. Continued investment in product research and development, particularly in AI-driven capabilities, will further enhance the competitiveness of its products and services portfolio and position the business for future growth as market conditions stabilise.

### Solutions and Integration Services

The Group's Solutions and Integration Services segment generated HK\$103.3 million in revenue, a 11.1% drop from HK\$116.1 million in the previous financial year. While gross profit remained steady, the decline was mainly due to reduced revenue from projects involving third-party products and services. As a result of improved project delivery efficiency, the segment's profit increased to HK\$35.4 million in 2025 (2024: HK\$31.4 million).

The Managed Services<sup>[2]</sup> business remained a solid contributor, supported by recurring revenue from the ongoing maintenance contracts and new service delivery to various Government entities throughout the year. The Development Services<sup>[2]</sup> business secured several new public-sector projects, including a major transportation authority as well as new assignments from statutory bodies in the finance, culture and construction sectors. On the other hand, the Enterprise Services<sup>[2]</sup> business experienced a slowdown in contract signings from enterprise customers who adopted a more conservative approach to IT spending. The growing concern surrounding the Government's Protection of Critical Infrastructures (Computer Systems) Ordinance has fuelled a surge in demand for cybersecurity risk assessments, privacy impact assessments, independent testing and related assurance services from both public and commercial organisations. This shift presents the segment with increasing opportunities as regulatory requirements continue to evolve.

## **BUSINESS REVIEW** *(continued)*

### Solutions and Integration Services *(continued)*

To capitalise on the accelerating adoption of AI technologies and the rising emphasis on technology nationalisation in the Chinese Mainland and Hong Kong, the Group is strengthening its strategic alignment with leading innovation and technology firms from the Chinese Mainland. These partnerships aim to integrate advanced locally relevant technologies into the Group's product portfolio and enhance the technical depth and execution capabilities of its professional services teams. By leveraging the technology provided by CISC and cultivating a robust ecosystem with top-tier Chinese technology vendors the Group seeks to deliver differentiated value-enhancing solutions that meet changing market demands and reinforce its competitive position across key customer segments. This strategic direction positions the Group to seize emerging opportunities and solidify its role in the next phase of digital transformation across the region.

### e-Service and related business

Despite ongoing geopolitical uncertainties, a gradual recovery in the Chinese Mainland and ongoing adjustments to global supply chains, the Group's GETS<sup>[1]</sup> business recorded a meaningful rebound in 2025 compared to 2024. The business outperformed the market, achieving double-digit growth in both revenue and profit contributions during the reporting period.

With the legislative groundwork for Phase 3 of the Trade Single Window (the "TSW") completed in the year under review, the management is maintaining close dialogue with the relevant government authorities to secure early visibility on implementation arrangements. This enables us to position the business strategically and pursue new opportunities arising from TSW, including the potential to act as a value-added service provider.

### Investments

Unfavourable market conditions continued to weigh on the valuations of the Group's investment properties, leading to fair value reductions of HK\$13.0 million (2024: HK\$5.0 million). These valuation movements also resulted in a loss of HK\$10.8 million for the Investments segment during the reporting period, compared with a loss of HK\$3.5 million in the previous year.

## **PROSPECT**

The global economic outlook for 2026 remains uneven, with moderate growth prospects tempered by notable downside risks. Hong Kong SAR and the Chinese Mainland's broader economic outlook remains positive, with growth expected across various sectors though at differing rates due to persistent and increasing geopolitical tensions. Despite external challenges, the Group is well-positioned to navigate the changing landscape. Its disciplined cost management, targeted go-to-market strategies, robust product and service portfolio and solid installed base with recurring income underpin its resilience and scalability.

AI presents both opportunities and challenges for the Group and the wider industry. Rapid technological change, intensifying competition and the need for ongoing investment in talent, infrastructure and data governance could strain resources and timelines. Furthermore, the development of AI Agents<sup>[3]</sup> is creating uncertainty about the sustainability of the SaaS business model. However, AI can also offer productivity gains and cost savings in product development and project delivery. AI adoption across public and private sectors is also creating opportunities for workflow automation and domain-specific solutions. The Group will pursue these in a measured and commercially disciplined manner.

Looking ahead, the Group will expand its overseas business coverage through joint ventures and will continue to assess new partnerships and complementary merger and acquisition opportunities. These efforts aim to accelerate international expansion strengthen its technology portfolio and enhance long-term shareholder value. The Group will maintain a disciplined and returns-focused approach throughout.

## 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 and Enterprise 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.
- [3] AI Agents are task-specific intelligent modules capable of independently executing workflows, analysing data inputs and interacting with internal systems.

## FINANCIAL REVIEW

### Revenue and cost of sales and services

The Group's total revenue declined by 7.6% to HK\$241.3 million (2024: HK\$261.1 million) during the reporting period. This decrease was mainly attributable to lower recognition of professional service income, reflecting fewer new contracts concluded during the year. Nevertheless, recurring revenue, including maintenance and SaaS incomes, continued to record steady growth.

In line with the decline in sales of third-party products and outsourced services, the cost of goods and services procured from third parties also decreased by HK\$11.5 million, or 32.3%, to HK\$24.3 million (2024: HK\$35.8 million).

### Staff costs and other operation expenses (including selling and distribution expenses, general and administrative expenses, net, finance costs, amortisation of other intangible assets and other operating income)

Staff costs declined by 3.3% to HK\$153.0 million (2024: HK\$158.3 million), reflecting the benefits of the Group's headcount streamlining efforts and continued its discipline in resource allocation.

Selling and distribution expenses were influenced by two opposing factors during the year. On one hand, go-to-market initiatives helped reduce spending. On the other hand, the expansion of the sales and marketing team committed in the prior year partially offset these savings. As a result, overall selling and distribution expenses recorded a modest decrease of 7.8% to HK\$34.7 million (2024: HK\$37.7 million).

General and administrative expenses, net, fell by HK\$2.7 million, or 4.4%, to HK\$57.5 million (2024: HK\$60.1 million). This improvement stemmed from cost-efficient measures such as office relocation and ongoing enhancements in operational efficiency.

Amortisation of other intangible assets continued its gradual declining trend, reduced by 17.0% to HK\$12.9 million (2024: HK\$15.5 million).

Other operating income increased during the year, supported by higher government subsidies received under various programmes.

### Profit from operations

Profit from operations rose by HK\$6.4 million, or 21.8%, to HK\$36.0 million (2024: HK\$29.6 million), reflecting the solid efforts applied to all rounded cost saving and strong disciplinary in operational focus. Consequently, the operating profit margin rose to 14.9%, representing a notable improvement from 11.3% last year.

## FINANCIAL REVIEW *(continued)*

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

Other income and gains declined by 17.0% to HK\$12.0 million (2024: HK\$14.5 million), mainly reflecting lower bank interest income during the reporting year.

The unfavourable market sentiment kept impacting on the valuation of the Group's investment properties, as a result the Group suffered a fair value loss of HK\$13.0 million (2024: HK\$5.0 million).

In contrast, stronger stock market conditions supported a positive revaluation of the Group's financial assets, resulting in a fair value gain of HK\$0.4 million (2024: loss of HK\$0.3 million).

### **Income tax expense**

For prudence, an additional tax provision of HK\$11.0 million (2024: HK\$4.1 million) was recognised in respect of certain claims for enhanced deduction related to research and development expenditures in prior years. As a result of this provision, income tax expense increased to HK\$17.0 million (2024: HK\$10.4 million). Further details of the matter are set out in note 7 to this results announcement.

### **Net profit attributable to the shareholders**

As a result of the valuation loss and additional tax provision, the net profit attributable to shareholders declined by HK\$10.6 million, or 36.5% to HK\$18.4 million (2024: HK\$29.1 million) and led to the net profit margin shrunk to 7.6% (2024: 11.1%).

### **Non-current assets**

Non-current assets declined moderately by HK\$29.0 million, or 12.2%, to HK\$209.0 million (2024: HK\$238.0 million). The decrease was mainly attributable to several factors: ongoing amortisation of other intangible assets, downward revaluation of investment properties, and depreciation of right-of-use assets.

### **Current assets**

Current assets recorded a slight increase of HK\$12.5 million, or 2.9%, to HK\$447.1 million (2024: HK\$434.6 million). The change was primarily driven by the increase in cash and bank balances (including pledged bank deposits, cash and cash equivalents).

### **Current liabilities and non-current liabilities**

The Group's current and non-current liabilities decreased by HK\$8.8 million, or 5.2%, to HK\$161.6 million (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 business remained broadly stable at HK\$187.6 million (2024: HK\$185.8 million). Correspondingly, segment liabilities slightly increase, reflecting higher accruals and provisions.

The Solutions and Integration Services segment 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.

## **FINANCIAL REVIEW** *(continued)*

### **Equity attributable to owners of the parent**

Total equity attributable to the owners of the parent declined marginally to HK\$493.5 million (2024: HK\$501.1 million). The change was mainly attributable to profit generated during the year, offset in part by the distribution of the 2024 final dividend and the 2025 interim dividend.

### **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 31 December 2025, the Group had pledged an investment property with a fair value of HK\$44.0 million (2024: HK\$57.0 million), listed equity securities of Nil (2024: HK\$1.9 million) and bank balances of HK\$0.1 million (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\$31.8 million (2024: HK\$111.8 million) of which HK\$22.0 million (2024: HK\$22.3 million) have been utilised as at 31 December 2025.

### **FINANCIAL RESOURCES AND LIQUIDITY**

As at 31 December 2025, the Group's cash and cash equivalents were HK\$345.2 million (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 has been monitoring the foreign exchange exposures closely and might consider hedging any significant foreign currency exposure in order to minimise the foreign exchange risk should the needs arise.

As at 31 December 2025, the Group had no bank borrowings (2024: Nil). As at 31 December 2025, the Group's current ratio representing current assets divided by current liabilities was 3.0 (2024: 2.9) and its gearing ratio, representing total liabilities divided by total assets, was 24.6% (2024: 25.3%).

### **CAPITAL COMMITMENT**

As at 31 December 2025, the Group had capital commitment contracted but not provided for in the consolidated financial statements in respect of capital contribution to the JV to be established of HK\$2.45 million.

### **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.

As at 31 December 2025, the Group employed 319 full time employees and 23 part time employees (2024: 337 full time employees and 10 part time employees).

As at 31 December 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 31 December 2025.

## **MATERIAL ACQUISITION AND DISPOSAL OF SUBSIDIARIES**

The Group did not have any material acquisition or disposal of subsidiaries during the reporting year and up to the date of this announcement.

## **FUTURE PLANS FOR MATERIAL INVESTMENTS OR CAPITAL ASSETS**

Save as disclosed in the announcement, there was no specific plan for material investments or capital assets as at 31 December 2025.

## **CONTINGENT LIABILITIES**

Save as disclosed in the announcement, the Group has no material contingent liabilities as at 31 December 2025.

## **EVENTS AFTER THE REPORTING PERIOD**

Following the end of the reporting period, in March 2026, the Group received a formal termination notice from the landlord in respect of its existing head office in Hong Kong. Together with the termination notice, the landlord and the incoming property owner provided the Group with a proposed surrender agreement setting out indicative terms for the early termination of the tenancy.

As at the date of this annual results announcement, the Group is in the process of reviewing the termination notice and assessing the detailed terms of the proposed surrender agreement. The tenancy may be terminated in accordance with the relevant provisions of the existing tenancy agreement and the proposed surrender arrangement.

The termination notice was issued after the reporting period and relates to circumstances that did not exist at 31 December 2025. Accordingly, the event represents a non adjusting event after the reporting period. Given that discussions with the landlord and the incoming property owner are expected and no final terms relating to the surrender arrangement have been agreed, the directors of the Company are of the opinion that it is not possible to reliably estimate the financial effect of this event at the date of this annual results announcement.

The Group will continue to assess the impact of this event and will recognise and disclose the financial effects in subsequent periods when they become measurable and when further information becomes available.

Save as disclosed in the announcement, there are no other material subsequent events undertaken by the Company or by the Group after 31 December 2025 and up to the date of this annual results announcement.

## **SECOND INTERIM DIVIDEND**

The Board declared the payment of a second interim dividend of 4.5 HK cents per ordinary share for the year ended 31 December 2025 (2024: second interim dividend of Nil HK cent and a final dividend of 5.5 HK cents per ordinary share).

## **CLOSURE OF THE REGISTER OF MEMBERS**

The Register of Members of the Company will be closed from Wednesday, 8 April 2026 to Thursday, 9 April 2026, both days inclusive, during which period no transfer of shares will be registered. In order to qualify for the second 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 4:30 p.m. on Thursday, 2 April 2026. The dividend will be distributed on or about Wednesday, 22 April 2026 to shareholders whose names appear on the Register of Members of the Company on Thursday, 9 April 2026 (i.e. the record date).

The Register of Members of the Company will be closed from Friday, 12 June 2026 to Wednesday, 17 June 2026 (both days inclusive) for the purpose of ascertaining shareholders' entitlement to attend and vote at the annual general meeting ("the AGM"). The record date will be Wednesday, 17 June 2026. In order to be eligible to attend and vote at the AGM to be held on Wednesday, 17 June 2026, all transfer documents, accompanied by the relevant share certificates, 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 not later than 4:30 p.m. on Thursday, 11 June 2026.

## **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 year.

## **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 year.

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 year.

## **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. As of 31 December 2025, 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 31 December 2025, the Audit Committee comprises three independent non-executive directors of the Company. The Audit Committee has reviewed with the management the Group's consolidated financial statements for the year ended 31 December 2025 and the accounting principles and practices adopted by the Group, and discussed risk management and internal controls and financial reporting matters related to the preparation of the annual results for the year ended 31 December 2025.

## **SCOPE OF WORK OF THE COMPANY'S AUDITORS**

The figures in respect of the Group's consolidated statement of financial position, consolidated statement of profit or loss, consolidated statement of comprehensive income and the related notes thereto for the year ended 31 December 2025 as set out in the preliminary announcement have been agreed by the Company's auditors, Ernst & Young, to the amounts set out in the Group's draft consolidated financial statements for the year. The work performed by the Company's auditors in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the Hong Kong Institute of Certified Public Accountants and consequently no assurance has been expressed by the Company's auditors on the preliminary announcement.

## **PUBLICATION OF FINAL RESULTS AND ANNUAL REPORT**

This announcement is published on the Stock Exchange's website ([www.hkexnews.hk](http://www.hkexnews.hk)) and the Company's website ([www.ctil.com](http://www.ctil.com)). The 2025 annual report will be published on the Stock Exchange's website ([www.hkexnews.hk](http://www.hkexnews.hk)) and the Company's website ([www.ctil.com](http://www.ctil.com)) and also to be despatched to the shareholders of the Company 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 year.

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

Hong Kong, 20 March 2026

*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.*