C&T Announces 1999 Annual Results Profit Increases by 374% Reflecting Strong Growth

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Hong Kong, 21 May, 2000 - a leading Hong Kong listed information technology company, Computer And Technologies Holdings Limited (C&T) (HKSE: 0046) today announced its annual results for the year ended 31 December 1999. During this period, the Group achieved a turnover of HK$353.5 million, a 94.9% increase over the previous year. The net profit attributable to shareholders was HK$13.8 million, a 373.6% increase over 1998, and earnings per share were 6.3 HK cents, presenting a 328.8% increase compared with last year.

The Board of Directors proposed a final dividend of 1.5 HK cents per share, which represents approximately 24% of earnings per share for the year of 1999.

Mr Ng Cheung Shing, Chairman and Chief Executive Officer of C&T, said: "The strong growth in the Group's performance can be attributed to its provision of successful solutions and services to meet the booming demand for e-commerce as well as for the related support network and business support system."

"Not only has the Group reported significantly higher revenues and profits, but it has also undergone a remarkable transformation in response to changing market needs. We are more than just a systems integrator in the conventional sense. Indeed, we are proud to be a leading e-business enabler and technology innovator quick to offer the kind of e-business application services to the market needs most," Mr Ng said.

For the year under review, the five core businesses of C&T - e-Business Enabling, application services, network and application solutions, software and distribution of multimedia products - have all reported a substantial growth. In 1999, the Group has reported several new large-scale projects wins, such as, the development of the e-Business application platform for the HKSAR Government's Electronic Service Delivery (ESD) project and development and operation of the Electronic Tendering System (ETS) for the Government Supplies Department.

Moreover, the growing demand in global communications with multi-media, interactive content and e-commerce applications has been driving rapid development in broadband and Internet protocol (IP) based infrastructure throughout the world. During 1999, the Group successfully concluded a number of broadband and IP based infrastructure contracts with service providers in the PRC such as Ministry of Railways Communications Corporation, Henan, and Changzhou Cable TV.

With excellent technical expertise and extensive experience, C&T developed two software products lines, SmartBill (a billing and customer care system for telecommunications services providers) and e-Sep (a software enabling platforms for rapid deployment of large-scale e-business services). These new software were widely adopted by prestigious companies/projects, such as Jiangsu China Mobile, Changzhou Cable TV and ESD project.

Riding on the success of these two software products, C&T will continue to develop high quality software products. Together with C&T's all-rounded implementation and on-going support services, the Group is able to differentiate its uniqueness in the highly competitive software market and continue to contribute a significant profit to the Group.

C&T will introduce in 2000 additional value-added add-on services such as electronic procurement service to the corporate procurers in Hong Kong and Mainland China through an Application Services Provider (ASP) model. The Group believes this will strengthen further its leading position in providing enterprise e-business application services in the region.

Looking ahead, Ng believes that the recovering of the economy from the economic downturn, booming demand on e-commerce application and China's admission to the World Trade Organisation are expected to provide enormous business opportunities to the information technology sector.

"The economy has gradually rebounded. We anticipate an increasingly strong demand for high quality systems integration and e-business enabling services. Being the early mover in the IT industry with proven track records and technical expertise, C&T is ready to snatch up a significant share of upcoming large-scale e-business projects and services," said Mr. Ng. "Besides, C&T will make strategic alliance with business and technology partners to further strengthen our businesses and maxmize returns for our shareholders."

About C&T

Founded in 1991, Computer And Technologies Holdings Limited is listed on the Stock Exchange of Hong Kong (0046). It has built its business on a vision to deliver competitive advantage for enterprises to progress by optimizing their information systems efficiently. C&T partner with its customers, bringing experience and knowledge in systems integration to build and enhance their information infrastructure. Within that infrastructure C&T develops and implements the best possible information technology solutions. It conducts business in both Hong Kong and China. Headquartered in Hong Kong, the company has offices in Beijing, Shanghai, Guangzhou, Nanjing, Shenzhen, Chengdu, Wuhan and Shenyang.

C&T has a long-standing track record in providing innovative system integration projects with a specific emphasis on e-business enablement, enterprise network infrastructure, enterprise

security, business solutions and consulting services. The company has also gained successful experience in building world-leading e-commerce applications like the ETS and ESD. More C&T information is available at www.ctil.com.

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