Telecom Service One

Telecom Service One Holdings Limited
電訊首科控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 3997)

FINAL RESULTS ANNOUNCEMENT FOR THE YEAR ENDED 31 MARCH 2026

The board of directors (the "**Board**" and "**Directors**", respectively) of Telecom Service One Holdings Limited (the "**Company**") announces the audited consolidated results of the Company and its subsidiaries (collectively referred to as the "**Group**") for the year ended 31 March 2026, together with the comparative figures for the year ended 31 March 2025:

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31 March 2026

	NOTES	**2026** *HK$'000*	2025 *HK$'000*
Revenue	*4*	**49,789**	44,223
Cost of sales		**(33,897)**	(40,691)
Gross profit		**15,892**	3,532
Other income and gains	*6*	**3,963**	5,912
Other operating expenses, net	*7*	**(4,706)**	(4,706)
Administrative expenses		**(12,171)**	(13,180)
Impairment losses on investment properties		**(8,581)**	(4,892)
Finance costs	*8*	**(179)**	(177)
Loss before tax		**(5,782)**	(13,511)
Income tax credit	*9*	**181**	106
Loss for the year	*10*	**(5,601)**	(13,405)
Other comprehensive income (expense)			
Item that will not be reclassified to profit or loss:			
Remeasurement of long service payment obligations		**17**	(331)
Total comprehensive expense for the year		**(5,584)**	(13,736)
Loss per share *(HK$)*			
Basic and diluted	*12*	**(0.0436)**	(0.1044)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 31 March 2026

	NOTES	**2026** **HK$'000**	2025 HK$'000
Non-current assets			
Property, plant and equipment		**405**	1,181
Right-of-use asset		**3,877**	1,479
Investment properties		**29,100**	39,500
Deferred tax asset		**1,232**	939
Rental deposit	*13*	**456**	–
		35,070	43,099
Current assets			
Inventories		**1,072**	1,413
Trade and other receivables	*13*	**10,551**	11,386
Amounts due from related companies		**51**	48
Pledged bank deposit		**212**	209
Bank balances and cash		**8,615**	5,702
		20,501	18,758
Current liabilities			
Trade and other payables	*14*	**4,296**	4,636
Lease liability		**2,584**	1,600
Tax payable		**184**	82
Amounts due to related companies		**69**	74
		7,133	6,392
Net current assets		**13,368**	12,366
Total assets less current liabilities		**48,438**	55,465
Non-current liabilities			
Lease liability		**1,351**	–
Other payables	*14*	**–**	208
Long service payment obligations		**806**	826
		2,157	1,034
Net assets		**46,281**	54,431
Capital and reserves			
Share capital	*15*	**12,834**	12,834
Reserves		**33,447**	41,597
Total equity		**46,281**	54,431

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2026

1. GENERAL

The Company was incorporated in the Cayman Islands as an exempted company with limited liability under Companies Law, Chapter 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands on 3 August 2012 and its shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited (Stock Code: 3997). The address of the registered office of the Company is Vistra (Cayman) Limited, P.O. Box 31119 Grand Pavilion, Hibiscus Way, 802 West Bay Road, Grand Cayman KY1-1205, Cayman Islands. The principal place of business of the Company is at Unit C, 3/F, Sunshine Kowloon Bay Cargo Centre, 59 Tai Yip Street, Kowloon Bay, Kowloon, Hong Kong.

The Directors consider the immediate holding company and ultimate holding company are East-Asia Pacific Limited and KW Cheung Family Holdings Limited respectively, which were incorporated in the British Virgin Islands (the "**BVI**"). The Group has been under the control and beneficially owned by KW Cheung Family Trust, Mr. CHEUNG King Shek, Mr. CHEUNG King Shan, Mr. CHEUNG King Chuen Bobby and Mr. CHEUNG King Fung Sunny (the "**Cheung Brothers**").

The Company is principally engaged in investment holding. The principal activities of its subsidiaries are provision of repair and refurbishment services for mobile phones and others personal electronic products as well as the sales of related accessories and provision of supportive services.

The functional currency of the Company is Hong Kong dollars ("**HK$**") while the functional currencies for certain subsidiaries are Macau Patacas. For the purpose of presenting the consolidated financial statements, the Group adopted HK$ as its presentation currency which is the same as the functional currency of the Company.

2. APPLICATION OF NEW AND AMENDMENTS TO HKFRS ACCOUNTING STANDARDS

Application of amendments to a HKFRS Accounting Standard

In the current year, the Group has applied, for the first time, the following amendments to HKFRS Accounting Standards issued by the Hong Kong Institute of Certified Public Accountants (the "**HKICPA**") which are effective for the Group's financial year beginning on 1 April 2025:

Amendments to HKAS 21	Lack of Exchangeability

The application of the amendments to HKFRS Accounting Standards in the current year has had no material effect on the Group's financial performance and positions for the current and prior periods and/or on the disclosures set out in these consolidated financial statements.

New and amendments to HKFRS Accounting Standards issued but not yet effective

The Group has not early applied the following new and amendments to HKFRS Accounting Standards that have been issued but are not yet effective:

HKFRS 18	Presentation and Disclosure in Financial Statements[2]
Amendments to HKFRS 9 and HKFRS 7	Amendments to the Classification and Measurement of Financial Instruments[1]
Amendments to HKFRS 9 and HKFRS 7	Contracts Referencing Nature-dependent Electricity[1]
Amendments to HKFRS Accounting Standards	Annual Improvements to HKFRS Accounting Standards – Volume 11[1]
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture[3]
Amendments to HKAS 21	Translation to a Hyperinflationary Presentation Currency[2]

1 Effective for annual periods beginning on or after 1 January 2026.

2 Effective for annual periods beginning on or after 1 January 2027.

3 Effective for annual periods beginning on or after date to be determined.

The directors of the Company anticipate that, except as described below, the application of other new and amendments to HKFRS Accounting Standards will have no material impact on the results and the financial position of the Group.

HKFRS 18 – Presentation and Disclosure in Financial Statements

HKFRS 18 sets out requirements on presentation and disclosures in financial statements and will replace HKAS 1 Presentation of Financial Statements. HKFRS 18 introduces new requirements to present specified categories and defined subtotals in the statement of profit or loss; provide disclosures on management-defined performance measures in the notes to the financial statements and improve aggregation and disaggregation of information to be disclosed in the financial statements. Minor amendments to HKAS 7 "Statement of Cash Flows" and HKAS 33 "Earnings per Share" are also made.

HKFRS 18, and the consequential amendments to other HKFRS Accounting Standards, will be effective for annual periods beginning on or after 1 January 2027, with early application permitted.

The application of HKFRS 18 is not expected to have material impact on the financial position of the Group but is expected to affect the presentation of the statement of profit or loss and other comprehensive income and statement of cash flows and disclosures in the future financial statements. The Group will continue to assess the impact of HKFRS 18 on the consolidated financial statements of the Group.

Amendments to HKFRS 9 and HKFRS 7 Amendments to the Classification and Measurement of Financial Instruments

The amendments include requirements on classification of financial assets with environmental, social or governance (ESG) targets and similar features; settlement of financial liabilities through electronic payment systems; and disclosures regarding investments in equity instruments designated at fair value through other comprehensive income and financial instruments with contingent feature.

The amendments are effective for annual periods beginning on or after 1 January 2026. Early adoption is permitted, with an option to early adopt the amendments for contingent features only. The application of the amendments is not expected to have significant impact on the financial position and performance of the Group.

Annual Improvements to HKFRS Accounting Standards – Volume 11

Annual Improvements to HKFRS Accounting Standards – Volume 11 set out amendments to HKFRS 1, HKFRS 7 (and the accompanying Guidance on implementing HKFRS 7), HKFRS 9, HKFRS 10 and HKAS 7.

- HKFRS 7 Financial Instruments: Disclosures: The amendments remove an obsolete reference to paragraph 27A and update the wordings in paragraph B38 of HKFRS 7 regarding "unobservable inputs" to be consistent with HKFRS 13. The amendments to the accompanying guidance on implementing HKFRS 7 clarity that the guidance does not necessarily illustrate all the requirements in the referenced paragraphs of HKFRS 7, as well as update the wordings in paragraph IG14 of HKFRS 7 regarding "fair value" consistent with other standards. The amendments are not expected to have significant impact on the consolidated financial statements of the Group.

- HKFRS 9 Financial Instruments: The amendments address a conflict between HKFRS 9 and HKFRS 15 over the initial measurement of trade receivables, and how a lessee accounts for the derecognition of a lease liability under HKFRS 9. The amendments are not expected to have significant impact on the consolidated financial statements of the Group.

- HKFRS 10 Consolidated Financial Statements: The amendments clarify that the relationship described in paragraph B74 of HKFRS 10 is just one example of a circumstance in which judgement is required to determine whether a party is acting as de facto agents. The amendments are not expected to have significant impact on the consolidated financial statements of the Group.

- HKAS 7 Statement of Cash Flows: The amendments replace the term "cost method" with "at cost" in paragraph 37 of HKAS 7 following the prior deletion of the definition of "cost method". The amendments are not expected to have significant impact on the consolidated financial statements of the Group.

3. BASIS OF CONSOLIDATION

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company (i.e. its subsidiaries). If a subsidiary prepares its financial statements using accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that subsidiary's financial statements in preparing the consolidated financial statements to ensure conformity with the Group's accounting policies.

Control is achieved where the Group has:

- the power over the investee;

- exposure, or rights, to variable returns from its involvement with the investee; and

- the ability to use its power over the investee to affect the amount of the Group's returns.

The Group reassesses whether it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control stated above.

Consolidation of a subsidiary begins when the Group obtains control of the subsidiary and ceases when the Group loses control of the subsidiary.

Income and expenses of subsidiaries are included in the consolidated statement of profit or loss and other comprehensive income from the date the Group gains control until the date when the Group ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income of subsidiaries are attributed to the owners of the Company.

All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the Group are eliminated in full on consolidation.

4. REVENUE

Revenue represents the amounts received or receivable for goods sold and services provided in the normal course of business, net of discounts. An analysis of the Group's revenue for the year is as follows:

	2026	2025
	HK$'000	*HK$'000*
Revenue from contracts with customers within the scope of HKFRS 15		
Disaggregated by major products or services lines		
– Repairing service income	**49,590**	44,019
– Sales of accessories and provision of supportive services	**199**	204
	49,789	44,223

Disaggregation of revenue by geographical region

	2026	2025
	HK$'000	*HK$'000*
Geographical region of revenue recognition		
Hong Kong	**49,789**	44,223
At a point in time	**49,789**	44,223

5. SEGMENT INFORMATION

The Group is engaged in a single segment, the provision of repair and refurbishment services for mobile phones and other personal electronic products as well as the sales of related accessories and provision of supportive services. Operating segment is reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the board of directors as they collectively make strategic decision in allocating the Group's resources and assessing performance.

Geographical information

During the years ended 31 March 2026 and 2025, the Group's operations were located in Hong Kong.

During the year ended 31 March 2026, 100% (2025: 100%) of the Group's revenue, based on the location of the operations, was generated in Hong Kong while as at 31 March 2026, 100% (2025: 100%) of the non-current assets, based on the geographical location of the assets, was located in Hong Kong. Hence, no geographical information is presented.

6. OTHER INCOME AND GAINS

	2026	2025
	HK$'000	*HK$'000*
Management fee income *(Note i)*	**2,523**	2,657
Rental income (net of direct outgoings: nil)	**1,159**	1,158
Gain on disposal of financial assets at FVTPL	**–**	1,448
Storage income *(Note ii)*	**202**	332
Bank interest income	**59**	291
Others	**20**	26
	3,963	5,912

Notes:

(i) The amount represents management income received from manufacturers of mobile phones for the provision of management service such as inventory management and software upgrade to their operation teams in Hong Kong.

(ii) The amount represents storage income for damaged mobile phones in Hong Kong.

7. OTHER OPERATING EXPENSES, NET

	2026	2025
	HK$'000	*HK$'000*
Miscellaneous income charges	**1,281**	1,245
Less: Other operating expenses of service centres	**(5,987)**	(5,951)
Other operating expenses, net	**(4,706)**	(4,706)

8. FINANCE COSTS

	2026	2025
	HK$'000	*HK$'000*
Interest on:		
– Bank borrowing *(Note i)*	**–**	23
– Other borrowing *(Note ii)*	**28**	–
– Lease liability	**151**	154
	179	177

Notes:

(i) During the year ended 31 March 2025, the bank loan carried interest at variable rates ranging from 6.11% to 6.69% per annum (2026: nil) and it was fully repaid.

(ii) During the year ended 31 March 2026, other borrowing received from a related company, carried interest at variable rates ranging from 4.41% to 5.61% per annum (2025: nil) and it was fully repaid.

9. INCOME TAX CREDIT

	2026	2025
	HK$'000	*HK$'000*
Hong Kong Profits Tax		
– current year	**112**	112
Deferred tax	**(293)**	(218)
	(181)	(106)

Pursuant to the rules and regulations of the Cayman Islands and the BVI, the Group is not subject to any income tax in the Cayman Islands and the BVI.

Hong Kong Profits Tax is calculated at 16.5% of the estimated assessable profits for both years.

10. LOSS FOR THE YEAR

	2026	2025
	HK$'000	*HK$'000*
Loss for the year has been arrived at after charging (crediting):		
Directors' and chief executive's emoluments		
– salaries, allowances and other benefits	**2,224**	2,408
– employer's contributions to retirement benefits schemes	**18**	18
	2,242	2,426
Other staff costs		
– salaries, allowances and other benefits	**24,503**	28,530
– employer's contributions to retirement benefits schemes	**1,071**	1,322
– long service payment obligations	**81**	143
	25,655	29,995
Total staff costs	**27,897**	32,421
Auditor's remuneration	**510**	530
Depreciation of property, plant and equipment	**828**	1,025
Depreciation of right-of-use asset	**2,771**	2,959
Depreciation of investment properties	**1,819**	2,008
Reversal of allowance for inventories (included in cost of sales)	**(15)**	(11)
Written off of inventories (included in cost of sales)	**46**	122
Allowance for inventories (included in cost of sales)	**158**	241
Amount of inventories recognised as an expense	**9,927**	12,470

11. DIVIDENDS

	2026	2025
	HK$'000	*HK$'000*
Dividends recognised as distribution during the year:		
2024/25 second quarter interim dividend of HK$0.02 per share	**–**	2,567
2024/25 fourth quarter interim dividend of HK$0.02 per share	**2,566**	–
	2,566	2,567

Subsequent to the end of the reporting period, the board of directors has resolved not to declare any interim dividend for the year ended 31 March 2026 (2025: fourth quarter interim dividend of HK$0.02 per share).

12. LOSS PER SHARE

The calculation of the basic and diluted loss per share attributable to the owners of the Company is based on the following data:

	2026	2025
	HK$'000	*HK$'000*
Loss		
Loss for the purpose of basic and diluted loss per share for the year attributable to the owners of the Company	**(5,601)**	(13,405)

Number of shares

	2026	2025
Weighted average number of ordinary shares for the purpose of basic and diluted loss per share	**128,342,000**	128,342,000

Diluted loss per share is the same as basic loss per share as there were no dilutive potential ordinary shares outstanding during both years.

13. RENTAL DEPOSIT AND TRADE AND OTHER RECEIVABLES

	2026	2025
	HK$'000	*HK$'000*
Trade receivables	**6,589**	7,502
Other receivables	**141**	127
Rental and other deposits	**3,453**	3,607
Prepayments	**824**	150
	11,007	11,386
Less: Rental deposit classified as non-current assets	**(456)**	–
Current portion included in trade and other receivables	**10,551**	11,386

The Group does not hold any collateral over these balances.

As at 31 March 2026, the gross amount of trade receivables arising from contracts with customers amounted to HK$6,589,000 (2025: HK$7,502,000).

The Group grants an average credit period of 30 days to 60 days to its trade customers.

The following was an aged analysis of trade receivables presented based on the invoice dates at the end of the reporting period, which approximated the respective revenue recognition dates.

	2026	2025
	HK$'000	*HK$'000*
Within 30 days	**4,195**	3,749
31 to 60 days	**2,349**	3,713
61 to 90 days	**–**	–
91 to 120 days	**45**	40
	6,589	7,502

The Group performs ongoing credit evaluations of its customers and credit limits based on payment history and the customer's current credit-worthiness, as determined by the review of their current credit information. The Group continuously monitors collections and payments from its customers.

The Group measures the loss allowance for trade receivables at an amount equal to lifetime expected credit loss ("**ECL**"). The ECL on trade receivables are assessed by using a provision matrix based on the credit risk characteristic and the ageing of trade receivables. The Group considers the historical loss rates in the past years and adjusts for forward-looking factors in calculating the ECL rates.

The Directors of the Company consider the ECL of trade receivables is insignificant, therefore no loss allowance on trade receivables was recognised as at 31 March 2026 and 2025.

The Group entered in a tenancy agreement with related company, of which directors of the Company have beneficial interests in related company, for leasing of property as service centre. As at 31 March 2026, the rental deposit paid to a related company of approximately HK$484,000 (2025: HK$418,000) have been recognised as current rental deposit.

14. TRADE AND OTHER PAYABLES

	2026	2025
	HK$'000	*HK$'000*
Trade payables	**1,352**	2,328
Accrued expenses and other payables	**2,944**	2,516
Total	**4,296**	4,844
Less: Other payables classified as non-current liabilities	**–**	(208)
Current portion included in trade and other payables	**4,296**	4,636

The average credit period on purchases of goods ranged from 30 days to 60 days. The Group has financial risk management policies in place to ensure that all payables are settled within credit timeframe.

The following was the aged analysis of trade payables presented based on the invoice dates at the end of the reporting period:

	2026	2025
	HK$'000	*HK$'000*
Within 30 days	**1,352**	2,305
31 to 60 days	**–**	9
61 to 90 days	**–**	–
Over 90 days	**–**	14
	1,352	2,328

15. SHARE CAPITAL

	Number of shares	**Share capital**
		HK$'000
Ordinary shares of HK$0.1 each		
Authorised:		
At 1 April 2024, 31 March 2025, 1 April 2025 and 31 March 2026	1,000,000,000	100,000
Issued and fully paid:		
At 1 April 2024, 31 March 2025, 1 April 2025 and 31 March 2026	128,342,000	12,834

MANAGEMENT DISCUSSION AND ANALYSIS

INDUSTRY OVERVIEW

The mobile phone repair and refurbishment industry in Hong Kong operates within a highly connected market where smartphones are deeply embedded in daily life and the mobile devices are widely adopted across the community. Against this backdrop, demand for mobile phone and personal electronic device repair, maintenance and refurbishment services has remained resilient.

BUSINESS OVERVIEW

The Group is a well-established repair service provider in Hong Kong and is principally engaged in providing repair and refurbishment services for mobile phones and other consumer electronic devices as well as sales of related accessories. The Group places emphasis on service quality, turnaround time and technical capability to maintain its competitiveness in a price-sensitive market.

For the last fiscal year, the business continues to face competition from evolving device technologies and changing consumer expectations regarding warranty, performance and after-sales support. For the year ended 31 March 2026, the Group recorded revenue of approximately HK$49,789,000 (2025: HK$44,223,000), representing an increase of approximately 12.6% compared to the year ended 31 March 2025 which was mainly due to the service fee generated from new services contracts. The Group's gross profit for the year ended 31 March 2026 was approximately HK$15,892,000 (2025: HK$3,532,000). Due to the increase in services income, the loss for the year reduced to approximately HK$5,601,000 (2025: HK$13,405,000).

FINANCIAL REVIEW

Revenue

The Group's revenue comprises repairing service income and income from sales of accessories and provision of supportive services. Repairing service income for the year ended 31 March 2026 at approximately HK$49,590,000 (2025: HK$44,019,000), representing a year-on-year increase of approximately 12.7%. Revenue from sales of accessories and provision of supportive services for the year ended 31 March 2026 remains stable at approximately HK$199,000 (2025: HK$204,000).

Cost of Sales

The Group's cost of sales comprises mainly direct labour cost and parts cost. For the year ended 31 March 2026, cost of sales decreased by approximately 16.7% over the previous year to approximately HK$33,897,000 from approximately HK$40,691,000. The decrease in cost of sales was attributable to the decrease in both labour and parts cost.

The Group's cost of inventories sold was approximately HK$9,927,000 (2025: HK$12,470,000), representing a decrease of approximately 20.4% over the previous year. The decrease in cost of inventories sold was mainly attributable to the increase in refurbishment jobs that did not require parts.

Direct labour cost for the year ended 31 March 2026 was approximately HK$23,970,000 (2025: HK$28,221,000), representing a decrease of approximately 15.1%. The decrease was mainly due to the decrease in manpower.

Other Income and Gains

Other income and gains for the year was approximately HK$3,963,000 (2025: HK$5,912,000). Other income mainly comprised of management fee income, rental income, storage income, bank interest income together with gain on disposal of financial assets. The difference was mainly due to the absence of the gain on disposal of financial assets at fair value through profit and loss and the decrease in bank interest income during the year. Details of the other income and gains are set out in Note 6 to the consolidated financial statements.

Net Operating Expenses and Administrative Expenses

Other operating expenses, net comprises miscellaneous income and other operating expenses. Other operating expenses, net for the year ended 31 March 2026 were approximately HK$4,706,000 (2025: HK$4,706,000). Details of the other operating expenses, net are set out in Note 7 to the consolidated financial statements.

Administrative expenses for the year ended 31 March 2026 was approximately HK$12,171,000 (2025: HK$13,180,000), representing a decrease of approximately 7.7%. Administrative expenses comprise mainly depreciation, salaries, office rental and other office expenses. The decrease was mainly attributable to the decrease in depreciation and staff cost.

Income Tax

Income tax credit for the year ended 31 March 2026 was approximately HK$181,000 (2025: HK$106,000).

Loss for the Year

Loss for the year ended 31 March 2026 was approximately HK$5,601,000 (2025: HK$13,405,000). The loss decrease was mainly attributable to the combined effect of the following factors, (i) increase in gross profit to approximately HK$15,892,000 (2025: HK$3,532,000); (ii) since all the financial assets were disposed of in last year, there is no gain or loss on disposal of financial assets at fair value through profit or loss ("**FVTPL**") for the year ended 31 March 2026 (Gain on disposal of financial assets at FVTPL in 2025: HK$1,448,000); (iii) decrease in administrative expenses to HK$12,171,000 (2025: HK$13,180,000) and (iv) increase in impairment losses on investment properties of approximately HK$8,581,000 (2025: HK$4,892,000).

As at 31 March 2026, the Group conducted a review of the carrying amounts of its investment properties and appointed an independent qualified professional valuer to determine their recoverable amounts. The valuation was performed with reference to recent comparable property transactions, prevailing market conditions, and current market rents and yields, while also considering the existing condition of the properties. Based on the valuation results, the Group recognised an impairment loss on its investment properties for the year ended 31 March 2026, primarily attributable to changes in market conditions and a decline in the expected future economic benefits of the properties.

INVESTMENTS IN FINANCIAL ASSETS

As at 31 March 2025, the Group had disposed all the financial assets and generated a gain on disposal of financial assets at FVTPL of approximately HK$1,448,000. As at 31 March 2026, the Group did not hold any financial assets.

LIQUIDITY AND FINANCIAL RESOURCES

As at 31 March 2026, the Group had current assets of approximately HK$20,501,000 (2025: HK$18,758,000) and current liabilities of approximately HK$7,133,000 (2025: HK$6,392,000).

At present, the Group generally finances its operations with internally generated cash flows. Net cash generated from operating activities for the year was approximately HK$8,488,000. Net cash generated from investing activities was approximately HK$4,000.

The Group maintained a healthy liquidity position as at 31 March 2026. Apart from providing working capital to support its business development, the Group also has available banking facilities to meet potential needs for business expansion and development. As at 31 March 2026, the Group has unutilised banking facilities of approximately HK$10,200,000 available for further drawdown should it have any further capital needs. The Group had cash and cash equivalents of approximately HK$8,615,000 as at 31 March 2026 (2025: HK$5,702,000).

CONTINGENT LIABILITIES

As at 31 March 2026, the Group has no material contingent liabilities (2025: nil).

FOREIGN CURRENCY RISK

The Group's business are in Hong Kong and are denominated in Hong Kong dollars and United States dollars. The Group currently does not has a foreign currency hedging policy. However, the Directors continuously monitor the related foreign exchange exposure and will consider hedging significant foreign currency exposure should the need arise.

DIVIDEND

At a meeting held on 30 June 2026, the Board has resolved not to declare any interim dividend for the year ended 31 March 2026 (2025: fourth quarter interim dividend of HK$0.02 per share).

CAPITAL COMMITMENTS

As at 31 March 2026, the Group did not has any significant capital commitments (2025: nil).

CAPITAL STRUCTURE

There was no change in the capital structure during the year ended 31 March 2026.

The capital structure of the Group consists of bank balances and cash and equity attributable to owners of the Company, comprising issued share capital and reserves. The management reviews the capital structure regularly. As part of the review, they consider the cost of capital and the risks associated with each class of capital. Based on the recommendations of the management, the Group will balance its overall capital structure through the payment of dividends, issuance of new shares as well as the issue of new debt or the redemption of existing debt.

MATERIAL ACQUISITIONS OR DISPOSALS AND SIGNIFICANT INVESTMENTS

The Group did not make any material acquisition or disposal of subsidiaries or associated companies during the year ended 31 March 2026 (2025: nil).

Save as disclosed in the paragraph headed "Investment in Financial Assets" above and the investment properties held, the Group did not has any significant investment held as at 31 March 2026.

EMPLOYEES AND REMUNERATION POLICIES

As at 31 March 2026, the Group employed 80 (2025: 93) full-time employees including management, administration, operation and technical staff. The employees' remuneration, promotion and salary increments are assessed based on both individual's and the Group's performance, professional and working experience and by reference to prevailing market practice and standards. The Group regards quality staff as one of the key factors to corporate success.

OUTLOOK

Looking ahead, the Group expects continuing opportunities from the steady replacement cycle of mobile devices and the increased consumer willingness to consider refurbished products. The Group will continue to strengthen operational efficiency, quality assurance and customer service while aligning its business development with Hong Kong's broader sustainability direction. At the same time, the Group will proactively explore new business opportunities to refine its business model and diversify its operations, with the objective of broadening revenue streams and maximizing long-term value for Shareholders.

CORPORATE GOVERNANCE PRACTICES

The Board is committed to high standards of corporate governance and recognizes that good governance is fundamental for safeguarding the interests of shareholders and other stakeholders, which in turn beneficial to the long-term success and sustainability of the Group. The Board plays a leading role in defining the purpose, values and strategic direction of the Group, sets the tone of corporate culture of the Company to ensure it aligns over all businesses across the Group.

Supported by the respective Board committees, the Board approves and monitor the Group's overall corporate strategic direction and implementation of policies from time to time and when appropriate, with emphasis on the integrity of good corporate governance. Accordingly, the Company has adopted the principles and the code provisions as set out in the Corporate Governance Code (the "**CG Code**") contained in Appendix C1 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**" and the "**Listing Rules**", respectively) (as amended from time to time and as applicable) to ensure an effective corporate governance framework and cultivate robust governance culture across all business activities of the Group. Throughout the year ended 31 March 2026 (the "**Year**", "**Financial Year**"), the Company complied with the code provisions as well as applied all the principles under the CG Code as in force during the Year, except the deviation as disclosed below.

According to the Code Provision D.1.2 of the CG Code, the management shall provide all members of the Board with monthly updates. During the Year, the chief executive officer and chief financial officer of the Group, based on business needs and conditions, have provided and will continue to provide to all members of the Board with updates on any material changes to the performance, position and prospects of the Company from time to time, which is considered with sufficient details to provide the general updates of the Company to the Board and allow them to give a balanced and understandable assessment of the same to serve the purpose required by the Code Provision D.1.2 of CG Code and/or the respective Listing Rules.

DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted the Model Code ("**Model Code**") for Securities Transactions by Directors of Listed Issuers contained in Appendix C3 to the Listing Rules as the code of conduct of dealing in securities of the Company by the Directors. Having made specific enquiry of all Directors, all of the Directors have confirmed that they complied with the required standards set out in the Model Code throughout the Year.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

During the Financial Year, neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities.

DIRECTORS' INTERESTS IN TRANSACTIONS, ARRANGEMENTS OR CONTRACTS

Save as disclosed elsewhere in this announcement, no transactions, arrangements or contracts of significance in relation to the Group's business, to which the Company, or its holding companies, or any of its subsidiaries or fellow subsidiaries was a party and in which a Director or an entity connected with a Director had a material interest, whether directly or indirectly, subsisted as at 31 March 2026 or at any time during the Financial Year.

DIVIDEND

The Board resolved not to declare a fourth quarter interim dividend for the year ended 31 March 2026. There was no other quarter interim dividend declared for the Financial Year, whereas a second quarter interim dividend of HK$0.02 per share and a forth quarter interim dividend of HK$0.02 per share were declared for the year ended 31 March 2025.

ANNUAL GENERAL MEETING

It is proposed that the annual general meeting of the Company (the "**AGM**") will be held on Thursday, 27 August 2026. The notice of the AGM will be despatched to the Shareholders and available on the respective websites of the Company and the Stock Exchange in due course in the manner as required by the Listing Rules.

CLOSURE OF REGISTER OF MEMBERS FOR AGM

In order to determine the entitlement of Shareholders to attend and vote at the AGM, the register of members of the Company will be closed from 24 August 2026 to 27 August 2026, both days inclusive, during which no transfer of shares will be effected. All properly completed transfer forms accompanied by the relevant share certificates must be lodged for registration with the Company's branch share registrar in Hong Kong, Union Registrars Limited at Suites 3301-04, 33/F., Two Chinachem Exchange Square, 338 King's Road, North Point, Hong Kong, not later than 4:00 p.m. on 21 August 2026. Shareholders whose names are recorded in the register of members of the Company on 27 August 2026 are entitled to attend and vote at the AGM.

AUDIT COMMITTEE'S REVIEW

The Company has established an audit committee of the Board (the "**Audit Committee**") in accordance with the Listing Rules to fulfill the functions of reviewing and providing supervision over the Company's financial reporting process, internal control and risk management. The Audit Committee recently comprises three independent non-executive Directors ("**INEDs**"), and one of the INEDs acts as the chairman of the Audit Committee. The Audit Committee has reviewed the audited consolidated final results as well as the internal control and risk management of the Group for the Year, which have been audited by the Group's auditor, Messrs. SHINEWING (HK) CPA Limited ("**SHINEWING**").

SCOPE OF WORK OF INDEPENDENT AUDITOR

The figures in respect of this preliminary announcement of the Group's results for the Year have been agreed by the Group's independent auditor, SHINEWING, to the amounts set out in the Group's audited consolidated financial statements for the year. The work performed by SHINEWING in this respect did not constitute an assurance engagement performed 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 SHINEWING on the preliminary announcement.

PUBLICATION OF 2025/2026 FINAL RESULTS ANNOUNCEMENT AND ANNUAL REPORT

This results announcement is published on the respective websites of the Company (www.tso.cc) and the Stock Exchange (www.hkexnews.hk). The 2025/2026 annual report of the Company containing all the information required by the Listing Rules will be despatched to the Shareholders and available on the respective websites of the Company and the Stock Exchange above in due course in the manner as required by the Listing Rules.

By Order of the Board
Telecom Service One Holdings Limited
CHEUNG King Shek
Chairman

Hong Kong, 30 June 2026

As at the date of this announcement, the chairman and non-executive director of the Company is Mr. CHEUNG King Shek; the chief executive officer and executive director of the Company is Mr. CHEUNG King Fung Sunny; the non-executive directors of the Company are Mr. CHEUNG King Shan and Mr. CHEUNG King Chuen Bobby; and the independent non-executive directors of the Company are Mr. FONG Ping, Mr. TSO Ka Yi and Ms. WONG Wai Yee Daisy.

The English text of this announcement shall prevail over the Chinese text in case of inconsistencies.