



Telecom Service One

Telecom Service One Holdings Limited

(Incorporated in the Cayman Islands with limited liability)

Stock Code: 3997

2025/26

INTERIM REPORT

THE FINANCIAL STATEMENTS

INTERIM RESULTS

The board of Directors (the **"Board"**) of Telecom Service One Holdings Limited (the **"Company"**) announces the condensed consolidated financial results of the Company and its subsidiaries (collectively referred to as the **"Group"**) for the six months ended 30 September 2025 (the **"Period"**), together with the corresponding comparative figures as follows:

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the six months ended 30 September 2025

Six months ended 30 September			
		2025	2024
	Notes	HK\$'000 (unaudited)	HK\$'000 (unaudited)
Revenue	4	18,905	23,600
Cost of sales		(16,908)	(20,258)
Gross profit		1,997	3,342
Other income and gain	6	2,786	3,725
Other operating expenses, net	7	(2,401)	(2,271)
Administrative expenses		(6,129)	(6,451)
Finance costs	8	(21)	(120)
Loss before tax		(3,768)	(1,775)
Income tax expense	9	(25)	(23)
Loss and total comprehensive expense for the period	10	(3,793)	(1,798)
Loss per share (HK\$)			
Basic and diluted	12	(0.0296)	(0.0140)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 September 2025

	Notes	30 September 2025 HK\$'000 (unaudited)	31 March 2025 HK\$'000 (audited)
Non-current assets			
Property, plant and equipment	13	727	1,181
Right-of-use asset	14	5,169	1,479
Investment properties	15	38,590	39,500
Deferred tax asset		975	939
Rental deposits	16	456	—
		45,917	43,099
Current assets			
Inventories		1,777	1,413
Trade and other receivables	16	10,759	11,386
Amounts due from related companies	20(a)	50	48
Pledged bank deposits		211	209
Bank balances and cash		1,075	5,702
		13,872	18,758
Current liabilities			
Trade and other payables	17	4,327	4,636
Lease liability		2,507	1,600
Amount due to a related company	20(b)	55	74
Tax payable		133	82
Other borrowing	19	1,000	—
		8,022	6,392
Net current assets		5,850	12,366
Total assets less current liabilities		51,767	55,465
Non-current liabilities			
Lease liability		2,662	—
Other payables	17	208	208
Long service payment obligations		826	826
		3,696	1,034
Net assets		48,071	54,431
Capital and reserves			
Share capital	18	12,834	12,834
Reserves		35,237	41,597
Total equity		48,071	54,431

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 September 2025

	Share capital HK\$'000	Share premium HK\$'000	Other reserve HK\$'000 <i>Note</i>	Translation reserve HK\$'000	Retained profits HK\$'000	Total HK\$'000
At 1 April 2024 (audited)	12,834	36,900	70	(26)	20,956	70,734
Loss and total comprehensive expense for the period	—	—	—	—	(1,798)	(1,798)
At 30 September 2024 (unaudited)	12,834	36,900	70	(26)	19,158	68,936
At 1 April 2025 (audited)	12,834	34,333	70	(26)	7,220	54,431
Loss and total comprehensive expense for the period	—	—	—	—	(3,793)	(3,793)
Dividends recognised as distribution (Note 11)	—	—	—	—	(2,567)	(2,567)
At 30 September 2025 (unaudited)	12,834	34,333	70	(26)	860	48,071

Note: During the year ended 31 March 2014, the Company acquired 100% of equity interest in Telecom Service One (Macau) Limited ("**TSO Macau**") from East-Asia Pacific Limited ("**East-Asia**"), the immediate holding company of the Company which was incorporated in the British Virgin Islands ("**BVI**"). The acquisition was accounted for using merger accounting. Other reserve represents the difference between the issued share capital of TSO Macau and the consideration paid for acquiring it.

In addition, other reserve represents the difference between the nominal value of the issued capital of subsidiaries acquired pursuant to a group reorganisation over the consideration paid for acquiring these subsidiaries during the year ended 31 March 2013.

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended 30 September 2025

	Six months ended 30 September	
	2025 HK\$'000 (unaudited)	2024 HK\$'000 (unaudited)
OPERATING ACTIVITIES		
Loss before tax	(3,768)	(1,775)
Adjustments for:		
Depreciation of property, plant and equipment	454	514
Depreciation of right-of-use asset	1,479	1,480
Depreciation of investment properties	910	1,004
Bank interest income	(57)	(96)
Finance costs	21	120
Gain on disposal of financial assets at fair value through profit and loss ("FVTPL")	—	(1,448)
Operating cash flows before movements in working capital	(961)	(201)
(Increase) decrease in inventories	(364)	1,780
Decrease in trade and other receivables	171	2,552
(Increase) decrease in amounts due from related companies	(2)	25
Decrease in trade and other payables	(309)	(2,031)
Decrease in amount due to a related company	(19)	(14)
Cash (used in) generated from operations	(1,484)	2,111
Hong Kong Profits Tax paid	(10)	(128)
NET CASH (USED IN) FROM OPERATING ACTIVITIES	(1,494)	1,983
INVESTING ACTIVITIES		
Interest received	57	96
Proceeds from disposal of financial assets at FVTPL	—	10,432
Purchase of property, plant and equipment	—	(58)
Placement of pledge bank deposit	(2)	(2)
NET CASH FROM INVESTING ACTIVITIES	55	10,468

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED)

For the six months ended 30 September 2025

	Six months ended 30 September	
	2025 HK\$'000 (unaudited)	2024 HK\$'000 (unaudited)
FINANCING ACTIVITIES		
Other borrowing raised	1,000	—
Repayment of bank borrowing	—	(2,200)
Repayment of lease liability	(1,600)	(1,397)
Interest paid on lease liability	(17)	(96)
Interest paid on bank and other borrowing	(4)	(24)
Dividend paid	(2,567)	—
NET CASH USED IN FINANCING ACTIVITIES	(3,188)	(3,717)
NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS	(4,627)	8,734
CASH AND CASH EQUIVALENTS AT 1 APRIL	5,702	3,811
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD		
represented by bank balances and cash	1,075	12,545

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 September 2025

1. GENERAL

The Company is a company 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 (the “**Stock Exchange**”) on 27 March 2018 (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 of the Company (the “**Directors**”) consider the immediate holding company and ultimate holding company are East-Asia Pacific Limited and KW Cheung Family Holdings Limited (“**KWCFH**”) respectively, which were incorporated in 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 other personal electronic products as well as 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 (“**MOP**”). For the purpose of presenting the condensed consolidated financial statements, the Group adopted HK\$ as its presentation currency which is the same as the functional currency of the Company.

2. BASIS OF PREPARATION

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

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the six months ended 30 September 2025

3. PRINCIPAL ACCOUNTING POLICIES

The condensed consolidated financial statements have been prepared on the historical costs basis and presented in HK\$, which is the same as the functional currency of the Company and all values are rounded to the nearest thousand (HK\$'000) except otherwise indicated.

Other than changes in accounting policies resulting from application of new and amendments to Hong Kong Financial Reporting Standards ("HKFRS"), the accounting policies and methods of computation used in the preparation of these condensed consolidated financial statements are consistent with those used in the consolidated financial statements for the year ended 31 March 2025.

Application of amendments to HKFRSs Accounting Standards

During the Period, the Group has applied, for the first time, the following amendments to HKFRSs and the Amendments to Reference to the Conceptual Framework issued by the HKICPA which are mandatory effective for the annual period beginning on or after 1 April 2025 for the preparation of the Group's condensed consolidated financial statements:

Amendments to HKAS 21	Lack of Exchangeability
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The application of the amendments to HKFRSs and the Amendments to Reference to the Conceptual Framework in the Period has had no material impact on the Group's financial performance and position for the current and prior periods and/or on the disclosures set out in these condensed consolidated financial statements.

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

The following new and amendments to HKFRS Accounting Standards have been issued, but are not yet effective and have not been early adopted by the Group:

Amendments to HKFRS 18	Presentation and Disclosure of Financial Statement ²
Amendments to HKFRS 19	Subsidiaries without Public Accountability — Disclosures ²
Amendments to HKFRS 9 and HKFRS 7	Amendments to the Classification and Measurement of Financial Instruments 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 HKFRS 9 and HKFRS 7	Contracts Referencing Naturedependent Electricity ¹

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 a date to be determined.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the six months ended 30 September 2025

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 periods is as follows:

	Six months ended 30 September	
	2025 HK\$'000 (unaudited)	2024 HK\$'000 (unaudited)
Revenue from contracts with customers within the scope of HKFRS 15		
Disaggregated major products or services lines		
— Repairing service income	18,815	23,495
— Sales of accessories and provision of supportive services	90	105
	18,905	23,600

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 as they collectively make strategic decision in allocating the Group's resources and assessing performance.

NOTES TO THE CONDENSED CONSOLIDATED
FINANCIAL STATEMENTS (CONTINUED)

For the six months ended 30 September 2025

5. SEGMENT INFORMATION (CONTINUED)

Geographical information

During the Period and the corresponding period in 2024, the Group’s operations were located in Hong Kong.

During the Period, 100% (2024: 100%) of the Group’s revenue, based on the location of the operations, was generated in Hong Kong and 100% (2024: 100%) of the non-current assets, based on the geographical location of the assets, were located in Hong Kong. Hence, no geographical information is presented.

Information about major customers

Revenue from customers of the corresponding periods contributing over 10% of the total revenue of the Group is as follows:

	Six months ended 30 September	
	2025 HK\$'000 (unaudited)	2024 HK\$'000 (unaudited)
Customer I	5,304	5,241
Customer II	2,509	3,829
Customer III	3,104	3,447

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the six months ended 30 September 2025

6. OTHER INCOME AND GAIN

	Six months ended 30 September	
	2025 HK\$'000 (unaudited)	2024 HK\$'000 (unaudited)
Management fee income ^{Note (i)}	1,963	1,295
Bank interest income	57	96
Storage income ^{Note (ii)}	166	295
Gain on disposal of financial assets at FVTPL	—	1,448
Rental income (net of direct outgoings: nil)	580	571
Net exchange gain	20	—
Others	—	20
	2,786	3,725

Notes:

- (i) The amount represents management fee 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.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the six months ended 30 September 2025

7. OTHER OPERATING EXPENSES, NET

	Six months ended 30 September	
	2025 HK\$'000 (unaudited)	2024 HK\$'000 (unaudited)
Miscellaneous income charges	633	649
Less: Other operating expenses of service centres	(3,034)	(2,920)
Other operating expenses, net	(2,401)	(2,271)

8. FINANCE COSTS

	Six months ended 30 September	
	2025 HK\$'000 (unaudited)	2024 HK\$'000 (unaudited)
Interest expenses on:		
— lease liability	17	96
— bank and other borrowings	4	24
	21	120

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the six months ended 30 September 2025

9. INCOME TAX EXPENSE

	Six months ended 30 September	
	2025 HK\$'000 (unaudited)	2024 HK\$'000 (unaudited)
Hong Kong Profits Tax		
— current period	60	59
Deferred tax		
— current period	(35)	(36)
Total income tax expense for the period	25	23

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 periods.

10. LOSS FOR THE PERIOD

	Six months ended 30 September	
	2025 HK\$'000 (unaudited)	2024 HK\$'000 (unaudited)
Loss for the period is arrived at after charging:		
Depreciation of property, plant and equipment	454	514
Depreciation of right-of-use asset	1,479	1,480
Depreciation of investment properties	910	1,004
Amount of inventories recognised as an expense	4,720	6,577
Lease expenses for short-term lease	1,367	968

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the six months ended 30 September 2025

11. DIVIDENDS

	Six months ended 30 September	
	2025 HK\$'000 (unaudited)	2024 HK\$'000 (unaudited)
Dividends recognised as distribution during the period:		
2024/25 fourth quarter interim dividend of HK\$0.02 per share	2,567	—

At a meeting held on 28 November 2025, the Board has resolved not to declare any interim dividend for the six months ended 30 September 2025 (2024: second quarter interim dividend of HK\$0.02 per share).

12. LOSS PER SHARE

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

	Six months ended 30 September	
	2025 HK\$'000 (unaudited)	2024 HK\$'000 (unaudited)
Loss		
Loss for the purpose of basic and diluted loss per share for the period attributable to the owners of the Company	(3,793)	(1,798)
Number of shares		
Weighted average number of ordinary shares for the purpose of basic and diluted loss per share	128,342	128,342

The dilutive loss per share was the same as the basic loss per share as there were no other potential dilutive ordinary shares outstanding during the Period.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the six months ended 30 September 2025

13. PROPERTY, PLANT AND EQUIPMENT

The Group did not acquire any property, plant and equipment during the Period (2024: HK\$58,000).

In addition, the Group did not write off any property, plant and equipment during the Period (2024: nil).

14. RIGHT-OF-USE ASSET

During the Period, the Group recognised additions to right-of-use asset and lease liability of approximately HK\$5,169,000 (2024: nil) due to renew lease for buildings and premises.

15. INVESTMENT PROPERTIES

The Group did not acquire any investment property during the Period (2024: nil).

16. TRADE AND OTHER RECEIVABLES

	30 September 2025 HK\$'000 (unaudited)	31 March 2025 HK\$'000 (audited)
Trade receivables	7,232	7,502
Other receivables	219	127
Rental and other deposits	3,536	3,607
Prepayments	228	150
	11,215	11,386
Less: Rental deposits classified as non-current assets	(456)	—
Current portion included in trade and other receivables	10,759	11,386

The Group does not hold any collateral over these balances.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the six months ended 30 September 2025

16. TRADE AND OTHER RECEIVABLES (CONTINUED)

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

No loss allowance on trade receivables was recognised as at 30 September 2025 and 31 March 2025.

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

	30 September 2025 HK\$'000 (unaudited)	31 March 2025 HK\$'000 (audited)
Within 30 days	3,455	3,749
31 to 60 days	2,589	3,713
61 to 90 days	1,178	—
91 to 120 days	10	40
	7,232	7,502

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the six months ended 30 September 2025

17. TRADE AND OTHER PAYABLES

	30 September 2025 HK\$'000 (unaudited)	31 March 2025 HK\$'000 (audited)
Trade payables	2,315	2,328
Accrued expenses and other payables	2,220	2,516
Total	4,535	4,844
Less: Other payables classified as non-current liabilities	(208)	(208)
Current portion included in trade and other payable	4,327	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/year:

	30 September 2025 HK\$'000 (unaudited)	31 March 2025 HK\$'000 (audited)
Within 30 days	2,297	2,305
31 to 60 days	—	9
61 to 90 days	3	—
Over 90 days	15	14
	2,315	2,328

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the six months ended 30 September 2025

18. SHARE CAPITAL

	30 September 2025		31 March 2025	
	Number of shares '000 (unaudited)	Share capital HK\$'000	Number of shares '000 (audited)	Share capital HK\$'000
Ordinary shares of HK\$0.1 each				
Authorised				
At 1 April 2024, 31 March 2025, 1 April 2025 and 30 September 2025	1,000,000	100,000	1,000,000	100,000
Issued and fully paid				
At 1 April 2024, 31 March 2025, 1 April 2025 and 30 September 2025	128,342	12,834	128,342	12,834

19. OTHER BORROWING

During the Period, the Group obtained a revolving loan amounting to HK\$1,000,000 (31 March 2025: nil) from a related company. The loan carried interest at a floating interest rate of Hong Kong Interbank Offered Rate plus 2% p.a..

20. RELATED PARTY TRANSACTIONS AND BALANCES

- (a) Save as disclose elsewhere in this report, the Group had the following material transactions and balances with related parties during the periods:

		Six months ended 30 September	
		2025	2024
		HK\$'000	HK\$'000
Name of company	Nature of transaction	(unaudited)	(unaudited)
Silicon Creation Limited	Interest expenses paid thereto	(i) & (iii) 4	—
Telecom Service Network Limited	Logistic fee paid thereto	(i) & (iii) 381	454
Telecom Digital Services Limited	Received repairing service income therefrom	(i) & (iii) 60	32
	Received warehouse management income therefrom	(i) & (iii) 140	—
Telecom Digital Data Limited	Received repairing service income therefrom	(i) & (iii) 247	256
Onbo International Limited	Rental expenses paid thereto	(ii) & (iii) 968	968

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the six months ended 30 September 2025

20. RELATED PARTY TRANSACTIONS AND BALANCES (CONTINUED)

(a) (CONTINUED)

Details of amounts due from related companies are as follows:

		Maximum amount outstanding during the period/year ended			
		30 September 2025	31 March 2025	30 September 2025	31 March 2025
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
	Notes	(unaudited)	(audited)	(unaudited)	(audited)
Telecom Digital Data Limited	(iii) & (iv)	41	41	42	83
Telecom Digital Services Limited	(iii) & (iv)	9	7	731	11
		50	48		

Notes:

- (i) These transactions were carried out at terms determined and agreed by the Group and the related parties.
- (ii) The rental expenses were charged on a monthly fixed amount mutually agreed by the Group and the related parties.
- (iii) Cheung Brothers, the directors of the Company have beneficial interests in the related parties.
- (iv) The amounts were arisen from normal sales and purchase transactions. The amounts are unsecured, interest-free and expected to be settled according to their respective credit terms which are similar to those with third parties.

- (b) The amount due to a related company was arisen from normal sales and purchase transactions. The amount was unsecured, interest-free and repayable on demand. The Directors have beneficial interests in this related company.

(c) Banking facilities

As at 30 September 2025, the unutilised banking facilities were HK\$10,200,000 (31 March 2025: HK\$10,200,000).

As at 30 September 2025, the unutilised banking facilities for investment purpose were US\$3,000,000 (31 March 2025: US\$3,000,000).

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the six months ended 30 September 2025

20. RELATED PARTY TRANSACTIONS AND BALANCES (CONTINUED)

(d) Compensation of key management personnel

The remuneration of key management personnel during the periods was as follows:

	Six months ended 30 September	
	2025 HK\$'000 (unaudited)	2024 HK\$'000 (unaudited)
Short-term benefits	2,523	2,484
Post-employment benefits	72	72
	2,595	2,556

The remuneration of the key management personnel is determined by the Board having regard to the performance of individuals and market trends.

21. OPERATING LEASE ARRANGEMENT

The Group as lessor

The Group leases out its investment properties during the Period. The lease is rented to a third party under operating leases with leases negotiated for a term between one year to three years (2024: three years) as at 30 September 2025. None of the leases includes contingent rentals.

Undiscounted lease payments under non-cancellable operating leases in place at the reporting date will be receivable by the Group in future periods as follows:

	30 September 2025 HK\$'000 (unaudited)	31 March 2025 HK\$'000 (audited)
Within one year	1,017	731
After one year but within two years	147	441
	1,164	1,172

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

The Group is principally engaged in providing repair and refurbishment services for mobile phones and other consumer electronic devices as well as sales of related accessories and provision of supportive services for corporate customers, telecommunications service providers and global services companies.

During the first half of 2025, the Hong Kong economy demonstrated a modest growth trajectory, but the domestic operating environment remained challenging. While the economy achieved an acceleration in its overall recovery, the local retail and consumer-facing service sectors continued to face challenges. Consequently, ongoing global economic uncertainties, including persistent geopolitical tensions, inflationary pressures have prompted a cautious approach from consumers and tempered discretionary expenditure. This environment creates sustained operational pressure across various business sectors. During the six months ended 30 September 2025, the Group recorded revenue of approximately HK\$18,905,000, as compared to HK\$23,600,000 for the corresponding period of last year. The decrease was primarily due to the significant competitive pressure in the mobile phone and consumer electronic device repair service market. Nonetheless, as at the date of this report, the Group has secured two new contracts with two multinational conglomerates and will continue to explore business opportunities. Due to the thinner gross margin and absence of gain on disposal of financial assets at fair value, the loss for the Period increased to approximately HK\$3,793,000.

FINANCIAL REVIEW

Revenue

The Group's revenue comprises repairing service income and income from sales of accessories and provision of supportive services. Repairing service continued to contribute stable source of income to the Group. Repairing service has generated revenue of approximately HK\$18,815,000 (2024: HK\$23,495,000), representing a decrease of approximately 19.9% over the corresponding period of previous year. Apart from repairing service income, revenue also covered sales of accessories and provision of supportive services of approximately HK\$90,000 for the Period (2024: HK\$105,000).

Cost of Sales

The Group's cost of sales comprises mainly direct labour cost and parts cost. During the Period, cost of sales decreased by approximately 16.5% to approximately HK\$16,908,000 from approximately HK\$20,258,000. The decrease was primary due to the decrease in job numbers.

MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

FINANCIAL REVIEW (CONTINUED)

Cost of Sales (CONTINUED)

The Group's cost of inventories sold was approximately HK\$4,720,000 (2024: HK\$6,577,000), representing a decrease of approximately 28.2% from that of the previous year.

Direct labour cost for the Period was approximately HK\$12,188,000 (2024: HK\$13,681,000), representing a decrease of approximately 10.9% over the corresponding period of previous year.

Other Income and Gains

Other income and gains for the Period was approximately HK\$2,786,000 (2024: HK\$3,725,000). Other income mainly comprised of management fee income, rental income, storage income and bank interest income. The difference was mainly due to the gain on disposal of financial assets at fair value through profit and loss of approximately HK\$1,448,000 in the same period of last year (2025: nil) offset by the increase in management fee income for the Period. Details of the other income and gains are set out in Note 6 to the condensed 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 Period were approximately HK\$2,401,000 (2024: HK\$2,271,000), representing an increase of approximately 5.7% over the corresponding period of previous year.

Administrative expenses for the Period was approximately HK\$6,129,000 (2024: HK\$6,451,000), representing a slight decrease of approximately 5.0%.

There is no significant change in the Group's operating and administrative expenses.

Income Tax

Income tax expense for the Period was approximately HK\$25,000 (2024: HK\$23,000).

Loss for the Period

Loss for the Period was approximately HK\$3,793,000 (2024: HK\$1,798,000). Loss increase mainly due to the decrease in gross profit and the absence of the gain on disposal of financial assets during the Period.

MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

INVESTMENTS IN FINANCIAL ASSETS

As at 30 September 2024, the Group had disposed all the financial assets and generated a gain on disposal of financial assets at fair value through profit or loss of approximately HK\$1,448,000. As at 30 September 2025, the Group did not hold any financial assets.

LIQUIDITY AND FINANCIAL RESOURCES

As at 30 September 2025, the Group had current assets of approximately HK\$13,872,000 (31 March 2025: HK\$18,758,000) and current liabilities of approximately HK\$8,022,000 (31 March 2025: HK\$6,392,000).

At present, the Group generally finances its operations with internally generated cash flows. The Group had cash and cash equivalents of approximately HK\$1,075,000 as at 30 September 2025 (31 March 2025: HK\$5,702,000).

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 30 September 2025, the Group has unutilised banking facilities of approximately HK\$10,200,000 available for further drawdown should it have any further capital needs. The cash at banks together with the available banking facilities can provide adequate liquidity and capital resources for the ongoing operating requirements of the Group.

CONTINGENT LIABILITIES

As at 30 September 2025, the Group has no material contingent liabilities (31 March 2025: nil).

FOREIGN CURRENCY RISK

The majority of the Group's business are in Hong Kong and are denominated in Hong Kong dollars and United States dollars. The Group currently does not have 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.

MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

DIVIDEND

At a meeting held on 28 November 2025, the Board has resolved not to declare any interim dividend for the six months ended 30 September 2025 (2024: second interim dividend of HK\$0.02 per share).

CAPITAL COMMITMENTS

As at 30 September 2025, the Group did not has any significant capital commitments (31 March 2025: nil).

CAPITAL STRUCTURE

There was no change in the capital structure during the Period.

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 Period (31 March 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 30 September 2025.

MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

EMPLOYEES AND REMUNERATION POLICIES

As at 30 September 2025, the Group employed 78 (31 March 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 business environment in Hong Kong is anticipated to remain challenging. The cautious consumer sentiment and persistent geopolitical uncertainty are expected to sustain their influence on the local economy. Given this dynamic environment, the Group will continue to adopt a prudent and adaptive approach to navigate the evolving market situation.

Notwithstanding these challenges, the Group remains dedicated to solidifying its core business strength. This involves striving for excellence, delivering superior quality service, and actively enhancing overall operational efficiency. Furthermore, the Group will proactively explore and pursue new business opportunities to both enhance its business model and broaden its income sources, with the ultimate goal of optimizing returns and generating sustainable, long-term value for its shareholders.

OTHER INFORMATION

SECOND QUARTER INTERIM DIVIDEND

The Board has resolved not to declare any interim dividend for the six months ended 30 September 2025.

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

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

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES

As at 30 September 2025, the interests or short positions of the Directors and the chief executive of the Company in the shares, underlying shares or debentures of the Company and its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "**SFO**") (i) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO); or (ii) which were required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein; or (iii) which were required to be notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by the Directors of Listed Issuers (the "**Model Code**") as set out in Appendix C3 to the Listing Rules, were as follows:

OTHER INFORMATION (CONTINUED)

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES (CONTINUED)

(i) Long position in ordinary shares of the Company

Name of Directors	Capacity	Number of Issued ordinary shares held	Approximately percentage of the Company's shares in issue ^{Note A}
CHEUNG King Shek ^{Note B}	Beneficial owner	6,528,000	5.09%
	Beneficiary of trust ^{Note C}	66,000,000	51.43%
	Interests held jointly with another ^{Note D}	1,384,000	1.08%
Mr. CHEUNG King Shan ^{Note B}	Beneficial owner	7,008,000	5.46%
	Beneficiary of trust ^{Note C}	66,000,000	51.43%
	Interests held jointly with another ^{Note D}	1,384,000	1.08%
CHEUNG King Chuen Bobby ^{Note B}	Beneficial owner	6,748,000	5.26%
	Beneficiary of trust ^{Note C}	66,000,000	51.43%
	Interests held jointly with another ^{Note D}	1,384,000	1.08%
CHEUNG King Fung Sunny ^{Note B}	Beneficial owner	7,602,000	5.92%
	Beneficiary of trust ^{Note C}	66,000,000	51.43%
	Interests held jointly with another ^{Note D}	1,384,000	1.08%

OTHER INFORMATION (CONTINUED)

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES

(CONTINUED)

(ii) Long position in the shares of associated corporations

KWCFH is one of the controlling shareholders of the Company and the Group's holding company. The companies listed in the table below (apart from KWCFH) are subsidiaries of KWCFH. Therefore, KWCFH and the rest of the companies listed in the table below are associated corporations of the Company under the SFO. Each of the Cheung Brothers is deemed to have interests in the said associated corporations under the SFO.

Name of associated corporations	Capacity	Number of shares/ Amount of share capital	Approximate percentage of interest
KW Cheung Family Holdings Limited	Beneficiary of a trust ^{Note C}	100	100%
Amazing Gain Limited	Beneficiary of a trust ^{Note C}	100	100%
East-Asia Pacific Limited	Beneficiary of a trust ^{Note C}	6	100%
Telecom Service Limited	Beneficiary of a trust ^{Note C}	2,000,000	100%
H.K. Magnetric Company Limited	Beneficiary of a trust ^{Note C}	50,000	100%
Oceanic Rich Limited	Beneficiary of a trust ^{Note C}	10,000	100%
Glossy Investment Limited	Beneficiary of a trust ^{Note C}	10,000	100%
Glossy Enterprises Limited	Beneficiary of a trust ^{Note C}	10,000	100%
Txtcom Limited	Beneficiary of a trust ^{Note C}	100	100%
Telecom Properties Investment Limited	Beneficiary of a trust ^{Note C}	24	100%
Telecom Digital Limited (incorporated in Macau)	Beneficiary of a trust ^{Note C}	MOP100,000	100%
Hellomoto Limited	Beneficiary of a trust ^{Note C}	1,000	100%
Marina Trading Inc.	Beneficiary of a trust ^{Note C}	1	100%
Telecom Digital Limited	Beneficiary of a trust ^{Note C}	2	100%
Silicon Creation Limited	Beneficiary of a trust ^{Note C}	100	100%
Kung Wing Enterprises Limited	Beneficiary of a trust ^{Note C}	1,000,000	100%
Longable Limited	Beneficiary of a trust ^{Note C}	1	100%
東莞恭榮房地產管理服務有限公司	Beneficiary of a trust ^{Note C}	US\$1,500,000	100%

OTHER INFORMATION (CONTINUED)

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES (CONTINUED)

(ii) Long position in the shares of associated corporations (CONTINUED)

Note A: The calculation is based on 128,342,000 shares of the Company in issue as at 30 September 2025.

Note B: Messrs. CHEUNG King Shek, CHEUNG King Shan, CHEUNG King Chuen Bobby and CHEUNG King Fung Sunny (collectively, the “**Cheung Brothers**”).

Note C: 66,000,000 ordinary shares of the Company (representing approximately 51.43% of the issued Shares) were held by East-Asia, East-Asia is a wholly-owned subsidiary of Amazing Gain Limited. The sole shareholder of Amazing Gain Limited is KWCFH, which HSBC International Trustee Limited is the sole shareholder of KWCFH and the trustee of the KW Cheung Family Trust. The Cheung Brothers are the beneficial owner of the KW Cheung Family Trust, and the directors of East-Asia. Therefore, each of the Cheung Brothers is deemed to be interested in the shares of the companies (shown in the table above) which held by the KW Cheung Family Trust under the SFO.

Note D: 1,384,000 ordinary shares of the Company (representing approximately 1.08% of the issued Shares) were jointly held by the Cheung Brothers. Therefore, each of the Cheung Brothers is deemed to be interested in the shares of jointly held.

Save as disclosed above, as at 30 September 2025, the Company is not aware of any of the Directors or their respective associates or chief executive of the Company had any interests or short positions in the shares, underlying shares or debentures of the Company or any of its subsidiaries or associated companies (as defined in the SFO) as recorded in the register required to be kept under Section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

OTHER INFORMATION (CONTINUED)

DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

Save as disclosed above, at no time during the Period was the Company, its holding companies, or any of its subsidiaries or its fellow subsidiaries, a party to any arrangement to enable the Directors and chief executive of the Company (including their spouses and children under 18 years of age) to hold any interest or short positions in the shares, or underlying shares, or debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO).

MODEL CODE FOR DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted the Model Code as set out in Appendix C3 to the Listing Rules as the code of conduct regarding securities transactions by the Directors. Having made specific enquiry of all the Directors who were in office during the Period, all of them have confirmed that they have complied with the required standard of dealings during the Period.

DIRECTORS' INTERESTS IN COMPETING BUSINESS

As at 30 September 2025, none of the Directors nor their respective close associates had any business or interests in a business which competes or is likely to compete, either directly or indirectly, with the business of the Group.

UPDATE ON THE DIRECTORS' INFORMATION UNDER RULE 13.51B(1) OF THE LISTING RULES

Pursuant to Rule 13.51B(1) of the Listing Rules, none of changes in the information of the directors of the Company since the date of the 2024/25 annual report of the Company required to be disclosed in this Interim Report.

OTHER INFORMATION (CONTINUED)

SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES

As at 30 September 2025, the following persons (other than Directors or chief executive of the Company) were interested in 5% or more of the Company's shares in issue which were recorded in the register of interests required to be kept by the Company pursuant to Section 336 of the SFO, or to be disclosed under the provisions of Divisions 2 and 3 of Part XV of the SFO and the Listing Rules:

Long Position

Name of substantial shareholders	Capacity/Nature of interest	Number of issued ordinary shares held	Approximate percentage of the Company's Shares in issue ^{Note A}
East-Asia Pacific Limited ^{Note C}	Beneficial owner	66,000,000	51.43%
Amazing Gain Limited ^{Note C}	Interest in a controlled corporation	66,000,000	51.43%
KW Cheung Family Holdings Limited ^{Note C}	Interest in a controlled corporation	66,000,000	51.43%
HSBC International Trustee Limited ^{Note C}	Trustee (other than a bare trustee)	66,000,000	51.43%
Ms. TANG Fung Yin Anita ^{Note E}	Interest of spouse	73,008,000	56.89%
Ms. YEUNG Ho Ki ^{Note E}	Interest of spouse	73,602,000	57.35%

Note E: Ms. TANG Fung Yin Anita and Ms. YEUNG Ho Ki, spouse of Messrs. CHEUNG King Shan and CHEUNG King Fung Sunny respectively, in which are deemed to be interested in 73,008,000 shares and 73,602,000 shares, and that the Shares held by Messrs. CHEUNG King Shan and CHEUNG King Fung Sunny under the SFO.

Save as disclosed above, as at 30 September 2025, the Company had not been notified by any persons (other than Directors or chief executive of the Company) who had interests or short positions in the shares, underlying shares and debentures of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO or which were recorded in the register required to be kept by the Company under Section 336 of the SFO.

OTHER INFORMATION (CONTINUED)

CORPORATE GOVERNANCE PRACTICES

Compliance with the Corporate Governance Code

The Board recognises the importance and benefits of good corporate governance practices and has adopted certain corporate governance and disclosure practices for enhancing the level of transparency and accountability. The Board members have regular discussions about the business strategies and performance of the Group and have regular trainings on Listing Rules and regulatory requirements from time to time.

Save and except as disclosed below, the Company had complied with the code provisions of the Corporate Governance Code ("**CG Code**") as set out in Appendix C1 of the Listing Rules and, where appropriate, adopted the recommended best practices as set out in the CG Code throughout the Period.

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 Reporting Period, the chief executive officer and chief financial officer of the Group 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, 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.

Environmental, Social and Governance Reporting

The ESG Report which contains our ESG information for 2025 and the requirements under the ESG Reporting Guide set out in Appendix C2 to the Listing Rules has been published by the Company on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.tso.cc).

SHARE OPTION SCHEME

As at 30 September 2025, there was no outstanding share options.

During the Period and up to the date of this report, the Company did not have any subsisting share option scheme or other share scheme.

OTHER INFORMATION (CONTINUED)

PUBLIC FLOAT

Based on the information that was publicly available and to the best belief and knowledge of the Directors, the Company had maintained the prescribed public float throughout the six months ended 30 September 2025 and up to the date of this report as required under the Listing Rules.

EVENTS AFTER THE REPORTING PERIOD

Save as disclosed elsewhere in this report, there were no significant events after 30 September 2025 and up to the date of this report.

AUDIT COMMITTEE

The Board has formed an audit committee of the Company (the “**Audit Committee**”) in accordance with the Listing Rules to fulfill the functions of reviewing and monitoring the financial reporting procedure and internal control of the Company. The terms of reference of the Audit Committee are available on the websites of the Stock Exchange and the Company. The Audit Committee members currently comprise all of the independent non-executive Directors of the Company, namely Mr. FONG Ping, Mr. TSO Ka Yi (the Chairman of Audit Committee) and Ms. WONG Wai Yee Daisy with written terms of reference in compliance with the CG Code. The Audit Committee and the Board have reviewed and approved the Group’s unaudited condensed consolidated interim financial information for the six months ended 30 September 2025.

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

Hong Kong, 28 November 2025

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

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