TeleChoice International Limited
and its Subsidiaries
Registration Number: 199802072R

Unaudited Condensed Interim Financial Statements
For the half year ended 30 June 2026

TeleChoice

TELECHOICE INTERNATIONAL LIMITED
(REG. NO. 199802072R)

Table of contents

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A. Condensed Interim Consolidated Statement of Profit or Loss and Other Comprehensive Income for Period ended 30 June 2026

Consolidated Statement of Profit or Loss

In S$'000	1H2026	1H2025	+/- %
Revenue (Note 1)	296,644	241,819	22.7%
Cost of sales (Note 1)	(270,298)	(223,270)	-21.1%
Gross profit (Note 2a)	**26,346**	**18,549**	**42.0%**
Gross margin % (Note 2b)	*8.9%*	*7.7%*	*1.2 ppt*
Other income	104	119	-12.6%
Sales and marketing expenses (Note 3)	(7,985)	(6,383)	-25.1%
Administrative expenses (Note 4)	(9,768)	(7,355)	-32.8%
Other expenses (Note 5)	(68)	124	-154.8%
Net finance costs (Note 6)	(1,553)	(1,505)	-3.2%
Operating profit before share of profit of associate and income tax	**7,076**	**3,549**	**99.4%**
Share of profit of associate (net of tax) (Note 7)	99	180	-45.0%
Profit before tax	**7,175**	**3,729**	**92.4%**
% of revenue	*2.4%*	*1.5%*	*0.9 ppt*
Income tax expense (Note 8)	(2,249)	(1,096)	-105.2%
Profit for the period	**4,926**	**2,633**	**87.1%**
Attributable to:			
Owners of the Company	**4,926**	**2,633**	**87.1%**
% of revenue	*1.7%*	*1.1%*	*0.6 ppt*
Non-controlling interests	–	–	–
Profit for the period	**4,926**	**2,633**	**87.1%**
Weighted average number of shares	453,959	454,376	
Earnings per share (in cents)			
Basic	1.09	0.58	
Diluted	1.04	0.56	

Consolidated Statement of Other Comprehensive Income

In S$'000	1H2026	1H2025	+/- %
Profit for the period	4,926	2,633	87.1%
Items that are or may be reclassified subsequently to profit or loss:			
Foreign currency translation differences – foreign operations	(591)	(666)	11.3%
Share of foreign currency translation differences of associate	(2)	(33)	93.9%
Foreign currency translation differences – reclassified to profit or loss upon liquidation of a subsidiary	(41)	35	-217.1%
Foreign currency translation differences on monetary items forming part of net investment in foreign operations	-	(5)	nm
Total comprehensive income for the period	4,292	1,964	118.5%
Attributable to:			
Owners of the Company	4,292	1,964	118.5%
Non-controlling interests	–	–	–
Total comprehensive income for the period	4,292	1,964	118.5%

nm - not meaningful

Explanatory Notes to the Condensed Interim Consolidated Statement of Profit or Loss and Other Comprehensive Income

(1) All divisions recorded an increase in revenue in 1H2026 against 1H2025. Correspondingly, cost of sales was higher.

(2a) All divisions recorded an improvement in gross profit in 1H2026 against 1H2025.

(2b) The higher gross margin in 1H2026 against 1H2025 was attributable to the PCS division.

(3) The increase in selling and marketing expenses in 1H2026 against 1H2025 was mainly due to higher marketing expenses incurred by the PCS operations in Singapore to support the increase in sales activities.

(4) The increase in administrative expenses in 1H2026 against 1H2025 was mainly due to higher staff costs including share-based payment expenses and provision for impairment loss of trade receivables in ICT division.

(5) In 1H2026, there was a net exchange loss while in 1H2025 it was a net exchange gain mainly from the movement of SGD against USD. Withholding tax expense was lower in 1H2026 compared to 1H2025.

(6) Higher finance costs in 1H2026 against 1H2025 were attributable to the increase in sales activities in Indonesia and to supporting a leasing project in Singapore for an ICT customer. These were partially mitigated by lower finance costs incurred by PCS Division.

(7) Share of profit of associate was from MVI Holdings Limited.

(8) The increase in income tax expense in 1H2026 was largely due to higher profit recorded by the PCS operations in Malaysia.

B. Condensed Interim Statements of Financial Position As at 30 June 2026

	Group		Company	
In S$'000	**30/6/2026**	**31/12/2025**	**30/6/2026**	**31/12/2025**
Non-current assets (Note (i))				
Plant and equipment	2,294	3,145	186	256
Intangible assets	1,100	18	–	–
Right-of-use assets	2,880	3,710	1,580	2,350
Subsidiaries	–	–	4,942	4,646
Associate	691	644	–	–
Deferred tax assets	1,959	1,982	–	–
Finance lease receivables	3,827	–	–	–
Trade and other receivables	45	141	–	–
	12,796	**9,640**	**6,708**	**7,252**
Current assets (Note (ii))				
Inventories	74,798	53,689	20,673	15,665
Contract assets	25,397	19,747	–	–
Finance lease receivables	1,782	–	–	–
Trade and other receivables	95,085	100,115	19,901	25,401
Cash and cash equivalents	19,716	26,644	6,137	6,348
	216,778	**200,195**	**46,711**	**47,414**
Total assets	**229,574**	**209,835**	**53,419**	**54,666**
Equity				
Share capital	21,987	21,987	21,987	21,987
Reserves	3,756	4,951	13,827	14,054
Accumulated profits/(losses)	17,095	14,207	(14,445)	(10,926)
Total equity attributable to owners of the Company	**42,838**	**41,145**	**21,369**	**25,115**
Non-controlling interests	–	–	–	–
Total equity (Note (iii))	**42,838**	**41,145**	**21,369**	**25,115**
Non-current liabilities (Note (iv))				
Contract liabilities	3,126	3,969	–	–
Trade and other payables	695	367	234	–
Lease liabilities	542	1,188	77	728
Provisions	582	648	497	497
	4,945	**6,172**	**808**	**1,225**
Current liabilities (Note (ii))				
Contract liabilities	8,035	9,744	–	–
Current tax payable	2,497	1,465	–	–
Trade and other payables	149,902	128,237	24,555	21,296
Loans and borrowings	15,816	16,340	4,000	4,000
Lease liabilities	2,016	2,045	1,376	1,397
Provision	3,525	4,687	1,311	1,633
	181,791	**162,518**	**31,242**	**28,326**
Total liabilities	**186,736**	**168,690**	**32,050**	**29,551**
Total equity and liabilities	**229,574**	**209,835**	**53,419**	**54,666**

(i) The higher non-current assets as at 30 June 2026 were mainly due to the addition of a new accounting software and finance lease receivables recognized for a leasing project.

(ii) The net current assets as at 30 June 2026 were lower as compared to 31 December 2025. This was due to lower net cash balances that were attributable to higher inventories, net contract assets and finance lease receivables which were partially mitigated by higher trade and other payables balances.

(iii) The higher total equity as at 30 June 2026 of S$42.8 million was due to total comprehensive income for the period being reduced by the dividend payment to owners of the Company and payment of share options.

(iv) The lower non-current liabilities as at 30 June 2026 were due to decrease in lease liabilities and contract liabilities.

C. Condensed Interim Consolidated Statement of Cash Flows
Period ended 30 June 2026

In S$'000	1H2026	1H2025
Operating Activities		
Profit before income tax	7,175	3,729
Adjustments for:		
Amortisation of intangible assets	32	56
Depreciation of plant and equipment	850	589
Depreciation of right-of-use assets	1,280	1,319
Finance expense	1,636	1,577
Finance income	(83)	(72)
Loss/(gain) on disposal of plant and equipment	7	(12)
Gain on derecognition of right-of-use assets	(5)	–
Loss on liquidation of a subsidiary	–	35
Impairment/(reversal) of impairment loss on trade receivables	498	(34)
Share-based payments expenses	1,233	244
Share of profit of an associate	(99)	(180)
Cash from operating profit before working capital changes	**12,524**	**7,251**
Changes in working capital	(10,930)	(2,358)
Cash generated from operations	**1,594**	**4,893**
Income tax paid	(1,252)	(1,287)
Net cash from operating activities	**342**	**3,606**
Investing Activities		
Dividend from an associate	50	91
Proceeds from disposal of plant and equipment	18	16
Purchase of plant and equipment	(152)	(881)
Purchase of intangible assets	(404)	(26)
Interest received	51	72
Net cash used in investing activities	**(437)**	**(728)**
Financing Activities		
Interest paid	(1,565)	(1,165)
Dividend paid to owners of the Company	(2,038)	(568)
Payment of share-based payment expenses	(975)	(432)
Purchase of treasury shares	(643)	–
Proceeds from bank loans	127,892	60,837
Repayment of short-term bank loans	(127,952)	(67,475)
Payment of lease liabilities	(1,093)	(1,138)
Repayment of other payables	(362)	–
Net cash used in financing activities	**(6,736)**	**(9,941)**
Net decrease in cash and cash equivalents	**(6,831)**	**(7,063)**
Cash and cash equivalents at beginning of period	26,644	38,581
Effect of exchange rate changes on cash held in foreign currencies	(97)	(343)
Cash and cash equivalents at end of period	**19,716**	**31,175**

Cash flows from operating activities
Net cash inflow in 1H2026 was lower than 1H2025. The higher operating profit for the period was partially offset by higher negative changes in working capital and income tax paid. Higher negative changes in working capital for 1H2026 were attributable to higher inventories, net contract assets and finance lease receivables, partially mitigated by higher trade and other payables balances.

Cash flows from investing activities
Net cash outflow in 1H2026 and 1H2025 were mainly in capital expenditure. Capital expenditure in 1H2026 was mainly for replacement of accounting software for the Singapore operations. Capital expenditure for 1H2025 was mainly to support the managed service contract in Indonesia.

Cash flows from financing activities
The net cash outflow in 1H2026 was lower than 1H2025 due to lower net repayment of bank loan partially offset by higher dividends payment to owners of the Company, higher payment of share-based expenses and purchase of treasury shares.

D. Condensed Interim Statements of Changes in Equity
Period ended 30 June 2026

In S$'000	Share capital	Accumulated profits/ (losses)	Reserves	Total attributable to owners of the Company	Non-controlling interests	Total equity
GROUP						
At 1 January 2025	**21,987**	**8,066**	**5,273**	**35,326**	–	**35,326**
Total comprehensive income for the year	–	2,633	(669)	1,964	–	1,964
Share-based payments expenses	–	–	244	244	–	244
Payment of share options	–	103	(535)	(432)	–	(432)
FY2024 final dividend of 0.125 cents per share (one-tier tax exempt)	–	(568)	–	(568)	–	(568)
At 30 June 2025	**21,987**	**10,234**	**4,313**	**36,534**	**–**	**36,534**
At 1 January 2026	**21,987**	**14,207**	**4,951**	**41,145**	–	**41,145**
Total comprehensive income for the year	–	4,926	(634)	4,292	–	4,292
Share-based payments expenses	–	–	1,233	1,233	–	1,233
Payment of share options	–	–	(975)	(975)	-	(975)
Purchase of treasury shares	–	–	(643)	(643)	–	(643)
Issue of treasury shares	–	–	144	144	–	144
FY2025 final dividend of 0.45 cents per share (one-tier tax exempt)	–	(2,038)	–	(2,038)	–	(2,038)
Transfer to share-based payment liabilities	–	–	(320)	(320)	–	(320)
At 30 June 2026	**21,987**	**17,095**	**3,756**	**42,838**	**–**	**42,838**

D. Condensed Interim Statements of Changes in Equity
Period ended 30 June 2026

In S$'000	Share capital	Accumulated losses	Reserves	Total equity
COMPANY				
At 1 January 2025	**21,987**	**(13,287)**	**14,025**	**22,725**
Total comprehensive income for the year	–	(1,095)	–	(1,095)
Share-based payments expenses	–	–	170	170
Share-based payments to employees of Company's subsidiaries	–	–	74	74
Payment of share options	–	78	(406)	(328)
FY2024 final dividend of 0.125 cents per share (one-tier tax exempt)	–	(568)	–	(568)
At 30 June 2025	**21,987**	**(14,872)**	**13,863**	**20,978**
At 1 January 2026	**21,987**	**(10,926)**	**14,054**	**25,115**
Total comprehensive income for the year	–	(1,481)	–	(1,481)
Share-based payments expenses	–	–	937	937
Share-based payments to employees of Company's subsidiaries	–	–	296	296
Payment of share options	–	–	(727)	(727)
Purchase of treasury shares	–	–	(643)	(643)
Issue of treasury shares	–	–	144	144
FY2025 final dividend of 0.45 cents per share (one-tier tax exempt)	–	(2,038)	–	(2,038)
Transfer to share-based payment liabilities	–	–	(234)	(234)
At 30 June 2026	**21,987**	**(14,445)**	**13,827**	**21,369**

E. Notes to the Condensed Interim Financial Statements

1. Corporate information

TeleChoice International Limited ("**the Company**" or "**TeleChoice**") is a company incorporated in the Republic of Singapore. The Company has its registered office at 25 North Bridge Road, Level 7, Singapore 179104 and its place of business at 15 Pandan Crescent, Level M3 Unit B, Tiong Woon Building, Singapore 128470.

These condensed interim financial statements as at and for the half year ended 30 June 2026 comprise the Company and its subsidiaries (together referred to as the "**Group**").

The principal activities of the Company during the financial period are investment holding and those of wholesalers, retailers, suppliers, importers, exporters, distributors, agents and dealers of mobile phones, prepaid cards, radio and telecommunication equipment and accessories and the provision of related services.

The immediate and ultimate holding companies are STT Communications Ltd ("**STTC**") and Temasek Holdings (Private) Limited, respectively. These companies are incorporated in the Republic of Singapore. Temasek Holdings (Private) Limited is wholly-owned by the Minister for Finance, a body corporate constituted under the Minister for Finance (Incorporation) Act, 1959.

2. Basis of preparation

The condensed interim financial statements for the half year ended 30 June 2026 have been prepared in accordance with SFRS(I) 1-34 *Interim Financial Reporting* issued by the Accounting Standards Council Singapore. The condensed interim financial statements do not include all the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group's financial position and performance of the Group since the last annual financial statements for the year ended 31 December 2025.

The accounting policies adopted are consistent with those of the previous financial year which were prepared in accordance with SFRS(I)s, except for the adoption of new and amended standards as set out in Note 2.1.

The condensed interim financial statements are presented in Singapore dollar which is the Company's functional currency.

2.1 New and amended standards adopted by the Group

A number of amendments to Standards have become applicable for the current reporting period. The Group did not have to change its accounting policies or make retrospective adjustments as a result of adopting those standards.

2.2 Use of estimates and judgements

The preparation of the condensed interim financial statements in conformity with SFRS(I) requires management to make judgements, estimates and assumptions about future, including climate-related risks and opportunities, that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

The significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the year ended 31 December 2025.

Estimates and underlying assumptions are reviewed on an ongoing basis and are consistent with the Group's risk management and climate-related commitments where appropriate. Revisions to accounting estimates are recognised prospectively.

3. Seasonal operations

The Group's businesses are not affected significantly by seasonal or cyclical factors during the financial period.

4. Segment and revenue information

The Group has three reportable segments, as described below, which are the Group's strategic business units. The strategic business units offer different products and services and are managed separately because they require different marketing and technical expertise. For each of the strategic business units, the Group's President & CEO reviews internal management reports on a monthly basis. The following describes the operations in each of the Group's reportable segments:

Personal Communications Solutions Services ("PCS"): This Division is a provider of consumer fulfilment and managed services, offering retail, e-commerce, distribution, and supply chain solutions for mobile devices, wearables, and smart lifestyle products. In Singapore, it operates the Planet Telecoms retail chain and serves as the sole StarHub Platinum Shops Exclusive Partner, managing StarHub's retail operations and prepaid card distribution. The Division also delivers full-service distribution, brand marketing and concept store management for global mobile brand HONOR. In Malaysia, PCS provides comprehensive Fourth-Party Logistics (4PL) services to U Mobile Sdn Bhd, covering procurement, retail management, fulfilment, and end-to-end supply chain solutions. The Division also operates the e-commerce platform www.eplanetworld.com, offering the latest mobile phones, tablets, accessories, wearables, and smart gadgets to meet the growing demand of online shoppers.

Info-Communications Technology Services ("ICT"): This Division is a regional provider of information and communications technology solutions, supporting enterprise digital transformation through technology infrastructure, applications and communications services. Backed by a team of experienced IT professionals, the Division delivers implementation, support and managed services, with a strong focus on best practices and customer experience. ICT delivers its solutions through two core business segments: Technology Infrastructure & Applications and Communications. The Technology Infrastructure & Applications segment provides end-to-end solutions across on-premises, cloud and hybrid environments. Offerings include turnkey, low-code and custom application development, supported by COTS platforms, databases, middleware, web and security technologies, alongside system implementation, managed services and ongoing maintenance. The Communications segment delivers Contact Centre as a Service ("**CCaaS**") and Unified Communications as a Service ("**UCaaS**") via flexible deployment models. Its AI-enabled capabilities, including conversational bots, intelligent routing, real-time sentiment analytics and automated quality management and enhance customer engagement and operational efficiency. Through its associate company, MVI, the segment also provides IP television solutions tailored for the hospitality sector.

Network Engineering Services ("NES"): This Division is a provider of network engineering services and specialised telecommunications solutions, serving fixed and mobile operators across the Asia Pacific region. Its capabilities span the full network lifecycle, including network design, deployment, optimisation and managed services, supporting the build and operation of mission-critical telecommunications infrastructure. The Division offers radio and transmission network planning, network implementation and end-to-end project management for new network rollouts, complemented by managed services that enhance network performance, reliability and cost efficiency. In addition, it supplies structured cabling solutions and power supply and backup systems engineered to meet the stringent requirements of telecommunications facilities and data centres. NES is also expanding its engineering services and product offerings into the next-generation data centre market, aligned with growing demand driven by cloud adoption, high-density computing and AI-led workloads. Its solutions include modular power systems, energy-efficient cooling and enhanced redundancy standards, positioning the Division to support hyperscale and mission-critical environments.

Revenue	Personal communications solutions services		Info-communications technology services		Network engineering services		Total	
	1H2026	1H2025	1H2026	1H2025	1H2026	1H2025	1H2026	1H2025
	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000
Equipment, software and prepaid cards sales	191,072	151,629	30,333	22,040	5,413	4,878	226,818	178,547
Voice services	–	–	1,007	1,076	–	–	1,007	1,076
Consultancy, fulfilment and managed services	14,170	12,152	–	–	–	–	14,170	12,152
Maintenance support services	–	–	15,225	14,361	313	335	15,538	14,696
Network engineering projects	–	–	–	–	31,552	25,685	31,552	25,685
Info-communication technology projects	–	–	7,559	9,663	–	–	7,559	9,663
Total revenue from external customers	205,242	163,781	54,124	47,140	37,278	30,898	296,644	241,819
Inter-segment revenue	–	–	397	422	–	–	397	422
	205,242	163,781	54,521	47,562	37,278	30,898	297,041	242,241
Timing of revenue recognition								
Products transferred at a point in time	205,242	163,781	41,838	31,966	5,420	4,878	252,500	200,625
Products and services transferred over time	–	–	12,286	15,174	31,858	26,020	44,144	41,194
	205,242	163,781	54,124	47,140	37,278	30,898	296,644	241,819

	Personal communications solutions services		Info-communications technology services		Network engineering services		Total	
	1H2026 S$'000	1H2025 S$'000	1H2026 S$'000	1H2025 S$'000	1H2026 S$'000	1H2025 S$'000	1H2026 S$'000	1H2025 S$'000
Interest income	52	82	38	36	3	24	93	142
Interest expenses	(1,227)	(1,374)	(43)	(15)	(376)	(258)	(1,646)	(1,647)
Amortisation of intangible assets	(8)	(30)	(17)	(25)	(7)	(1)	(32)	(56)
Depreciation of plant and equipment	(136)	(125)	(33)	(53)	(681)	(411)	(850)	(589)
Depreciation of right-of-use assets	(1,126)	(1,155)	(73)	(88)	(81)	(76)	(1,280)	(1,319)
(Provision)/reversal of impairment loss on trade receivables	–	–	(498)	23	–	11	(498)	34
Reportable segment profit before income tax	**6,175**	**2,574**	**585**	**618**	**316**	**357**	**7,076**	**3,549**
Share of profit of associate (net of tax)	–	–	99	180	–	–	99	180
Reportable segment assets	137,693	103,732	51,717	49,770	39,473	38,095	228,883	191,597
Investment in associate	–	–	691	545	–	–	691	545
Capital expenditure								
- Plant and equipment	19	128	2	1	131	2,499	152	2,628
- Intangible assets	–	–	765	25	349	1	1,114	26
Reportable segment liabilities	111,093	84,449	49,645	49,540	25,998	21,619	186,736	155,608

Reconciliations of reportable segment revenue, profit or loss, assets and liabilities and other material items:

Group	**1H2026**	**1H2025**
	S$'000	**S$'000**
Revenue		
Total revenue for reportable segments	297,041	242,241
Elimination of inter-segment revenue	(397)	(422)
Consolidated revenue	296,644	241,819
Profit or loss		
Total profit for reportable segments	7,076	3,549
Share of profit of associate	99	180
Consolidated profit before income tax	7,175	3,729
Assets		
Total assets for reportable segments	228,883	191,597
Investment in associate	691	545
Consolidated total assets	229,574	192,142
Liabilities		
Total liabilities for reportable segments	186,736	155,608

	Reportable segment totals	**Adjustments**	**Consolidated totals**
	S$'000	**S$'000**	**S$'000**
Other material items 1H2026			
Interest income	93	(10)	83
Interest expenses	(1,646)	10	(1,636)
Provision of impairment loss on trade receivables	(498)	–	(498)
Capital expenditure			
- plant and equipment	152	–	152
- intangible assets	1,114	–	1,114
Other material items 1H2025			
Interest income	142	(70)	72
Interest expenses	(1,647)	70	(1,577)
Reversal of impairment loss on trade receivables	34	–	34
Capital expenditure			
- plant and equipment	2,628	–	2,628
- intangible assets	26	–	26

Geographical segments

The Group has operations primarily in Singapore, Malaysia and Indonesia.

In presenting information on the basis of geographical segments, segment revenue is based on the geographical location of customers. Segment assets are based on the geographical location of assets.

	30 June 2026	30 June 2025
Revenue	**S$'000**	**S$'000**
Singapore	138,923	117,634
Malaysia	129,833	101,363
Indonesia	27,826	22,467
Hong Kong	–	5
Other countries	62	350
	296,644	241,819
Non-current assets*		
Singapore	4,056	4,877
Malaysia	104	194
Indonesia	2,114	2,924
Hong Kong	691	545
	6,965	8,540

* Non-current assets presented consist of plant and equipment, intangible assets, right-of-use assets and investment in associate.

5. Financial assets and financial liabilities

	Amortised cost S$'000	Other financial liabilities S$'000	Total carrying amount S$'000
Group			
30 June 2026			
Financial assets not measured at fair value			
Trade and other receivables*	80,988	–	80,988
Cash and cash equivalents	19,716	–	19,716
	100,704	–	100,704
Financial liabilities not measured at fair value			
Trade and other payables#	–	135,249	135,249
Loans and borrowings	–	15,816	15,816
	–	151,065	151,065
Company			
30 June 2026			
Financial assets not measured at fair value			
Trade and other receivables*	18,418	–	18,418
Cash and cash equivalents	6,137	–	6,137
	24,555	–	24,555
Financial liabilities not measured at fair value			
Trade and other payables#	–	21,843	21,843
Loans and borrowings	–	4,000	4,000
	–	25,843	25,843
Group			
31 December 2025			
Financial assets not measured at fair value			
Trade and other receivables*	85,585	–	85,585
Cash and cash equivalents	26,644	–	26,644
	112,229	–	112,229
Financial liabilities not measured at fair value			
Trade and other payables#	–	118,019	118,019
Loans and borrowings	–	16,340	16,340
	–	134,359	134,359
Company			
31 December 2025			
Financial assets not measured at fair value			
Trade and other receivables*	25,005	–	25,005
Cash and cash equivalents	6,348	–	6,348
	31,353	–	31,353
Financial liabilities not measured at fair value			
Trade and other payables#	–	18,512	18,512
Loans and borrowings	–	4,000	4,000
	–	22,512	22,512

* Excludes prepayments and deferred expenses

Excludes accruals for payroll and staff related costs, employee benefits obligation and advances from customers

6. Profit before tax

Profit before tax is arrived at after charging/(crediting) the following items:

Group	Note	1H2026 S$'000	1H2025 S$'000
Amortisation of intangible assets	(a)	32	56
Depreciation of plant and equipment	(b)	850	589
Depreciation of right-of-use assets	(c)	1,280	1,319
Audit fees paid to:			
- auditors of the Company	(d)	183	118
- other auditors	(d)	86	124
Non-audit fees		–	–
Cost of inventories recognised as an expense in consolidated statement of profit or loss	(e)	222,893	171,320
Directors' fee		283	273
Government grants		(62)	(95)
Provision/(reversal) of impairment loss on trade receivables	(f)	498	(34)
Write down/ (write back) of inventories to net realisable value, net	(g)	726	(15)
Other expenses			
Exchange loss/(gain)	(h)	50	(274)
Loss/(gain) on disposal of plant and equipment		7	(12)
Gain on derecognition of right-of-use assets		(5)	–
Loss on liquidation of a subsidiary	(i)	–	35
Withholding tax expenses		3	122
Others		13	5
		68	(124)
Employee benefits expense			
Staff costs	(j)	20,251	18,878
Contributions to defined contribution plans, included in staff costs		1,447	1,354
Reversal of restructuring cost, net	(k)	(159)	–
Share-based payments expenses, included in staff costs	(l)	1,233	244
Finance income			
Interest income			
- banks and financial institutions		(50)	(68)
- interest accretion		(33)	(4)
	(m)	(83)	(72)
Finance costs			
Interest expense			
- Loans and borrowing		710	946
- Supplier finance arrangement		831	466
- leases liabilities		94	162
- interest accretion		1	3
	(n)	1,636	1,577

(a) Amortisation of intangible assets in 1H2026 was lower than in 1H2025 mainly due to certain assets having been fully amortised in FY2025.
(b) Depreciation of plant and equipment in 1H2026 was higher than in 1H2025 mainly from the NES operations in Indonesia.

(c) The lower depreciation of right-of-use assets in 1H2026 was mainly due to the closure of PCS retail outlets in Singapore.
(d) The higher audit fee paid to auditor of the Company in 1H2026 was due to appointment of same auditors for the Group. This has resulted in the audit fees paid to other auditors to be lower in 1H2026.
(e) The increase in cost of inventories in 1H2026 was in line with the increase in equipment revenue, mainly from the PCS Division.
(f) Provision for impairment loss on trade receivables in 1H2026 was mainly attributed to ICT Division. Reversal of impairment loss on trade and other receivables in 1H2025 were from ICT and NES Divisions.
(g) In 1H2026, the write down of inventories was attributed to slow moving inventories in the PCS and NES Divisions in Singapore. In 1H2025, the write back of inventories for mobile phones which were sold in 1H2025 was partially offset by provision for stock obsolescence from the NES Division.
(h) In 1H2026, there was a net exchange loss while in 1H2025 it was a net exchange gain mainly from the movement of SGD against USD.
(i) In 1H2025, the Group recorded a loss on liquidation of its wholly-owned subsidiary, TeleChoice Technologies (Shanghai) Co. Ltd on 28 May 2025.
(j) Staff costs include director's remuneration. Higher staff and related costs in 1H2026 were mainly from the PCS Division.
(k) Reversal of restructuring cost in 1H2026 relates to lower provision required arising from U Mobile's insourcing of selected retail outlets.
(l) Higher share-based payments expenses in 1H2026, were mainly due to differences arising from the cash settlement of prior year share awards at the prevailing market price compared with the fair value previously estimated. The higher fair value of share options granted in 2026 also contributed to the increase.
(m) Higher finance income in 1H2026 were from interest accretion income for an ICT leasing project partially offset by lower interest income earned from bank deposits.
(n) The higher finance costs in 1H2026 against 1H2025 were attributable to the increase in sales activities in Indonesia and to supporting a leasing project in Singapore for an ICT customer. These were partially mitigated by lower finance costs incurred by PCS Division.

7. Taxation

	Group	
	1H2026 S$'000	**1H2025 S$'000**
Current tax expense		
Current year	2,284	1,305
Under provision in respect of prior years	–	–
	2,284	1,305
Deferred tax credit		
Origination and reversal of temporary differences	(35)	(209)
	(35)	(209)
Tax expense	2,249	1,096

8. Dividend

The following exempt (one-tier) final dividend in respect of the previous financial year was approved and paid by the Group and Company during the interim period:

	Group and Company	
	1H2026	**1H2025**
	S$'000	**S$'000**
Paid by the Company to owners of the Company		
0.45 cents per qualifying ordinary share (2025: 0.125 cents)	2,038	568

9. Net asset value

	Group		Company	
	30/6/2026	**31/12/2025**	**30/6/2026**	**31/12/2025**
Net asset value per ordinary share based on issued share capital at the end of the financial period/year (in cents):	9.44	9.06	4.71	5.53

10. Plant and equipment

During the half year ended 30 June 2026, the Group acquired assets amounting to S$152,000 (30 June 2025: S$2,628,000), of which S$nil (30 June 2025: S$1,747,000) was acquired under finance lease and the carrying amount of assets disposed amounted to S$25,000 (30 June 2025: S$4,000).

11. Loan and borrowings[1]

	Group	
	As at 30/6/2026 S$'000	**As at 31/12/2025 S$'000**
Amount repayable in one year or less		
Unsecured bank loans	15,816	16,340

[1] Group borrowings exclude the lease liabilities recognised following the adoption of SFRS(I) 16 *Leases.*

12. Share Capital

As at 30 June 2026, the share capital of the Company amounted to S$21.987 million comprising 453,821,700 issued ordinary shares excluding treasury shares. (30 June 2025: 454,375,900 ordinary shares excluding treasury shares; 31 December 2025: 454,375,900 ordinary shares excluding treasury shares).

During the half year ended 30 June 2026, there was no issuance of new ordinary shares.

(i) Restricted Share Plan ("RSP") and Performance Share Plan ("PSP")

As at 30 June 2026, the number of outstanding shares granted under the Company's RSP and PSP were 9,941,925 (30 June 2025: 8,603,260) and 10,198,000 (30 June 2025: 9,221,250) respectively.

(ii) Treasury Shares

During the half year ended 30 June 2026, a total of 2,586,200 ordinary shares were repurchased from the market at a total consideration of S$643,138. During the half year ended 30 June 2026, a total of 1,517,000 shares were transferred to the Directors in fulfillment of share awards granted under the RSP as part of the Directors' remuneration for the financial year ended 31 December 2024 and 515,000 shares were transferred to participants of the Company's share plans. During the half year ended 30 June 2025, there was no share repurchase from the market and no transfer of treasury shares.

As at 30 June 2026, there were 600,800 (30 June 2025: 46,600) treasury shares representing approximately 0.13% of the total issued share capital of the Company. Save as disclosed above, there was no sale, disposal, cancellation, or use of treasury shares in 1H2026.

(iii) Subsidiary Holdings

As at 30 June 2026, none of the Company's subsidiaries held any shares in the Company (30 June 2025: Nil).

13. Subsequent events

There are no known subsequent events which led to adjustments to this set of condensed interim financial statements.

F. Notes to the Condensed Interim Financial Statements

1. Whether the figures have been audited or reviewed and in accordance with which auditing standard or practice.

The condensed interim consolidated statements of financial position as at 30 June 2026 and the related condensed interim consolidated statement of profit or loss and other comprehensive income, condensed interim statements of changes in equity and condensed interim consolidated statement of cash flows for the half year ended 30 June 2026 and certain explanatory notes have not been audited or reviewed.

2. Review of Group performance

The Group registered revenue of S$296.6 million in 1H2026, a 22.7% increase as compared to S$241.8 million in 1H2025, with all divisions recording higher revenue in 1H2026 and improvement in gross profit which was partially offset by higher operating expenses to support the increase in sales activities. The Group recorded a profit before tax of S$7.2 million as compared to profit before tax of S$3.7 million in 1H2025. PCS division reported a significant improvement in profit in 1H2026 while the profits of ICT and NES Divisions were slightly below 1H2025 due to lower gross margins.

PCS Division recorded a revenue of S$205.2 million in 1H2026, an increase of 25.3% against 1H2025. The increase in revenue was from both its Singapore and Malaysian operations. Profit before tax of S$6.2 million was reported in 1H2026 as compared to a profit before tax of S$2.6 million in 1H2025. The Malaysian operations continued to be a significant profit contributor and had recorded higher profit before tax due to higher revenue recognised from the 4PL fulfilment and managed services contract with U Mobile. The Singapore operations recorded higher losses in 1H2026 as compared to 1H2025, mainly due to losses from its retail operations and higher staff costs to support the increase in sales activities. The higher staff cost was also partly attributed to the higher share-based payment expenses in 1H2026.

ICT Division recorded a revenue of S$54.1 million in 1H2026, an increase of 14.8% against 1H2025. Gross profit increased year-on-year but was partly offset by higher operating expenses resulting in an operating profit before share of profit of associate and tax of S$0.6 million being reported in 1H2026 which was slightly below 1H2025. IT business performed better than in 1H2025 due to higher revenue while maintaining its gross margin. Communication business profit was lower than in 1H2025 due to lower revenue and a provision for impairment loss on trade receivables.

NES Division recorded a revenue of S$37.3 million in 1H2026, an increase of 20.6% against 1H2025. The increase in revenue was mainly from its Indonesia operations. Gross profits had increased in 1H 2026 but gross margin was lower resulting in a profit before tax of S$0.3 million in 1H2026 which was slightly below 1H2025. The Indonesian operations continued to be the main profit contributor for both periods while the Malaysian operations remained profitable. The higher profit from the Indonesian operations was partially offset by higher financing costs. Higher losses from the Singapore operations in 1H2026 were due to lower revenue.

The Group recorded a net cash inflow from its operating activities in 1H2026 due to higher operating profit for the period, partially offset by negative changes in working capital and payment of income tax. As of 30 June 2026, the Group's net cash position was S$3.9 million mainly due to higher operating profit before working capital changes.

3. Variance from prospect statement

No forecast was previously disclosed to the market.

4. Prospects

Economic growth across our key regional markets is expected to be moderate in the second half of 2026. While the macroeconomic environment remains uncertain, demand for telecommunications and ICT solutions remains resilient. This is supported by continued investments in digital infrastructure, cloud computing and 5G networks. However, geopolitical uncertainties, inflationary pressures and resource constraints may continue to increase operating costs and delay digital infrastructure projects.

For FY2026, the Group expects stable business performance, supported by contributions from its three core divisions. The Group continues to be focused on cost management and operational efficiency to sustain profitability.

Segmentally, PCS remains a stable and key contributor to the Group's performance, with Malaysia continuing to be the Division's key earnings driver. Supported by its longstanding partnership, the Group continues to deliver value-added capabilities and services to U Mobile. PCS is also expected to benefit from new HONOR and Samsung product launches in Singapore. However, market conditions remain competitive, and higher marketing and operating costs may continue to weigh on profitability. Nevertheless, PCS is well positioned to be a positive contributor to the Group's performance in the second half of FY2026.

Demand for ICT's enterprise infrastructure, storage and hybrid cloud solutions is expected to be healthy. This is supported by ongoing IT infrastructure modernization projects and its established customer base. Growth opportunities are driven by demand for storage capacity, computing power, cloud-based services and AI-enabled solutions. Notwithstanding these favourable market trends, operating conditions is challenging. Pricing pressures, increase in memory chips costs and extended delivery lead times may continue to affect project delivery.

NES expects to build on its positive momentum. This is supported by continued wins in structured cabling and in-building projects across Singapore and Malaysia, and RF optimisation and managed services projects in Indonesia. The recent award of a liquid cooling contract and additional 5G spectrum allocation in Indonesia could create further growth opportunities. As a significant portion of the Division's profits is derived from Indonesia, profitability may be affected by economic and foreign exchange fluctuations.

The Group continues to actively pursue digital infrastructure opportunities in the region. If successful, these projects could enhance the Group's growth prospects, contribute positively to earnings and further diversify its business.

This section may contain forward-looking statements that involve risks and uncertainties. Actual future performance, outcomes and results may differ materially from those expressed in forward-looking statements as a result of risks, uncertainties and assumptions. Representative examples of these factors include (without limitation) general industry and economic conditions, interest rate trends, cost of capital and capital availability, competition from other companies and venues for the sale/distribution of goods and services, shifts in customer demands, customers and partners, changes in operating expenses, including employee wages, benefits and training, and governmental and public policy changes. You are cautioned not to place undue reliance on these forward-looking statements, which are based on current view of management on future events.

5. Dividend

(a) Any dividend declared for the current financial period reported on? No

(b) Corresponding Period of the Immediately Preceding Financial Year

Any dividend declared for the corresponding period of the immediately preceding financial year? No

(c) Date payable

Not applicable.

(d) Record date

Not applicable.

6. If no dividend has been declared/recommended, a statement to that effect.

No dividend has been declared or recommended for the current financial period reported as the Company wishes to preserve cash for working capital requirements.

7. Interested Person Transactions - DISCLOSURE PURSUANT TO RULE 920(1)(a)(ii)

In S$M	Nature of relationship	Aggregate value of all interested person transactions conducted under a shareholders' mandate pursuant to Rule 920 of the SGX-ST Listing Manual	
		1H2026	**1H2025**
Transactions for the sales of goods and services Temasek Holdings (Private) Limited and its Associates	Controlling shareholder and its associates	59.5	108.3
Transactions for the purchases of goods and services Temasek Holdings (Private) Limited and its Associates	Controlling shareholder and its associates	3.1	3.8
Total Interested Person Transactions		**62.6**	**112.1**

There were no interested person transactions during the period under review (excluding transactions less than S$100,000 and transactions conducted under a shareholders' mandate pursuant to Rule 920 of the SGX-ST Listing Manual).

8. Confirmation that the issuer has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7.7) under Rule 720(1) of the SGX-ST Listing Manual

The Company confirms that it has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7.7) under Rule 720(1) of the SGX-ST Listing Manual.

9. Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704(13) of the SGX-ST Listing Manual. If there are no such persons, the issuer must make an appropriate negative statement.

The Company confirms that none of the personnel occupying managerial positions in the Company or any of its principal subsidiaries is a relative of a director, chief executive officer or substantial shareholder of the Company.

10. Confirmation by the Board pursuant to Rule 705 (5) of the Listing Manual

On behalf of the Board of Directors of the Company, I, the undersigned, hereby confirm to the best of our knowledge that nothing has come to the attention of the Board of Directors of the Company which may render the condensed interim financial statements for the half year ended 30 June 2026 to be false or misleading in any material aspect.

BY ORDER OF THE BOARD

Pauline Wong Mae Sum
Executive Director and President and Chief Executive Officer

Date: 13 August 2026