City Online
SERVICES LIMITED
Internet Services with world class technology

Wi-Fi City

To,
BSE Limited
P. J. Towers, Dalal Street
Mumbai-400001

Date: 14.08.2026

Dear Sir/Madam,

Sub: Outcome of Board Meeting under Regulation 30 of SEBI (Listing Obligations and Disclosure requirements) regulations, 2015

Unit: City Online Services Limited (Scrip Code: 538674)

With reference to the subject cited, this is to inform the Exchange that at the Board meeting of City Online Services Limited held on Friday, the 14th day of August, 2026 at 12:15 P.M at registered office of the Company, the following were duly considered, approved and noted by the Board:

1. Un-audited financial results of the Company for the Quarter ended 30th June, 2026.

2. Limited Review Report for the Quarter ended 30th June, 2026.

3. Directors' Report for the Financial Year ended 31st March 2026 along with the annexures thereto and Management Discussion and Analysis Report.

4. Notice of 27th Annual General Meeting of the members of the Company scheduled to be held on Wednesday, 30th September 2026 at 10:30 A.M. at the registered office of the Company situated at 701, 7th Floor, Aditya Trade, Ameerpet, Hyderabad -500038, Telangana.

5. Appointment of Vivek Surana & Associates, Practicing Company Secretaries as Scrutinizer to conduct the process of e-voting for the 27th Annual General Meeting in a fair and transparent manner.

6. Remote e-voting period to enable shareholders as on the Cut-off date i.e., Wednesday, 23rd September, 2026 to cast their votes electronically commences from Sunday, 27th September, 2026 (09:00 AM) and ends on Tuesday, 29th September, 2026 (05:00 PM).

7. **Proposal for sale of business / undertakings of the Company- the Board of Directors of the Company has, in principle, considered and approved the proposal to explore the strategic options for sale/divestment of the business/undertaking of the Company, subject to the approval of shareholders of the Company and such other approvals as may be required under applicable laws and regulations.**

   In this regard, the Board is authorized to undertake the process for identifying and evaluating suitable prospective buyers who may be interested in acquiring the aforesaid business/undertaking of the Company. The Board may engage appropriate advisors/consultants and initiate discussions with potential buyers for evaluating the proposed transaction. The proposed sale/divestment, if pursued, shall be subject to satisfactory due diligence, negotiation and execution of definitive agreements, requisite approvals of the Board of Directors, shareholders, lenders, regulatory/statutory authorities and other stakeholders, as may be applicable.

   At this stage, no definitive agreement or binding commitment has been entered into with any prospective buyer, and there can be no assurance that the proposed transaction will be consummated.

   The Company will make appropriate disclosures to the Stock Exchange(s) in accordance with applicable laws and regulations upon occurrence of any material development in the matter.

The meeting of the Board of Directors concluded at 04:30 P.M

This is for the information and records of the Exchange, please.

Thanking you.

Yours faithfully,
For City Online Services Limited

RAMINENI KRISHNA MOHAN

Digitally signed by RAMINENI KRISHNA MOHAN
Date: 2026.08.14 16:40:49 +05'30'

CITY ONLINE SERVICES LTD * HYDERABAD *

Krishna Mohan Ramineni
Whole-time Director & CFO
(DIN: 01678152)

City Online SERVICES LIMITED
Internet Services with world class technology

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STATEMENT OF UN-AUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED JUNE 30,2026

Rs. In lakhs

Sl.no	Particulars	Quarter ended			Year Ended
		June 30, 2026	March 31, 2026	June 30, 2025	March 31, 2026
		Un-Audited	Audited	Un-Audited	Audited
1	**Income**				
	(a)Revenue from Operations	204.31	188.55	199.20	772.22
	(b)Other Income	5.52	30.67	0.70	40.24
	Total Income from Operations	**209.83**	**219.22**	**199.91**	**812.47**
2	**Expenses**				
	(a)Operating Expenses	136.80	141.27	131.29	520.95
	(b)Employee benefit expenses	53.62	46.93	41.91	177.27
	(c) Finance Cost	0.47	0.25	2.31	6.79
	(d)Depreciation and amortization expense	4.98	6.57	6.83	28.05
	(e)Other expenses	32.96	20.34	21.79	110.16
	Total expenses	**228.82**	**215.34**	**204.12**	**843.21**
3	**Profit/(Loss) before exceptional and extraordinary items and taxation (1-2)**	**-19.00**	**3.88**	**-4.22**	**-30.74**
4	Exceptional Items	-	-	-	-
5	**Profit/(Loss) before extraordinary items and taxation (3-4)**	**-19.00**	**3.88**	**-4.22**	**-30.74**
6	Extraordinary Items	-	-	-	-
7	**Profit/(Loss) before taxation (5-6)**	**-19.00**	**3.88**	**-4.22**	**-30.74**
8	**Income tax expenses**				
	(a)Current tax charge/(credit)	-	-	-	-
	(b) Tax relating to earlier years charge/ (Credit)	-	-	-	-
	(c)Reversal of MAT credit	-	-	-	-
	(d) Deferred tax charge / (credit)	-0.26	18.53	-0.54	16.47
	Total tax expenses	**-0.26**	**18.53**	**-0.54**	**16.47**
9	**Profit/(Loss) for the period (7-8)**	**-18.73**	**-14.65**	**-3.68**	**-47.21**
10	**Other Comprehensive Income**				
	Items that will not be reclassified to profit or loss	-	-	-	-
	Total other comprehensive income, net of income tax	-	-	-	-
11	**Total Comprehensive income (9+10)**	**-18.73**	**-14.65**	**-3.68**	**-47.21**
12	**Paid up share capital (face value of Rs.10/- per share)**	**516.47**	**516.47**	**516.47**	**516.47**
13	**Reserves Excluding Revaluation Reserves**	-	-	-	-
14	**Earnings per equity share Rs. 10/- each : (Not Annualized)**				
	(a)Basic (Rs)	-0.36	-0.28	-0.07	-0.91
	(b)Diluted (Rs)	-0.36	-0.28	-0.07	-0.91

Notes to the financial results:

1	The above financial results for the quarter ended 30th june,2026 were reviewed by the Audit Committee and approved by the board of Directors at its meeting held on 14th August, 2026
2	This Report has been prepared in accordance with the Indian Accounting Standards (Ind-AS) notified under section 133 of the companies Act,2013 read with the companies (Indian Accounting Standards) Rules 2015 as amended.
3	The Company is primarily engaged in Internet solutions and services .There are no other reportable segments in terms of Indian Accounting standard 108 on 'Operating Segments'.

For and on behalf of the Board of Directors of
CITY ONLINE SERVICES LIMITED

S. Raghava Rao
Chairman and Managing Director
DIN: 01441612

Place: Hyderabad
Date:14/08/2026

CITY ONLINE SERVICES LTD. HYDERABAD

Regd. Office : 701, 7th Floor, Aditya Trade Center, Ameerpet, Hyderabad - 500 038.
www.cityonlines.com
Phone : 040-67231900, 67231912, 66416882.
CIN No. L72200AP1999PLC032114 GSTIN : (Telangana) 36AABCC2969E1ZQ

Independent Auditor's Review Report on the Standalone Unaudited Financial Results of the Company for the Quarter ended 30th June 2026, pursuant to the Regulations of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.

Review Report To
The Board of Directors,
City Online Services Limited
Hyderabad

1. We have reviewed the accompanying statement of unaudited standalone financial results of City Online Services Limited, (the "Company") for the quarter ended 30th June 2026 (the "Statement") attached herewith, being submitted by the Company pursuant to the requirements of Regulations of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").

2. The Company's Management is responsible for the preparation of the Statement and approved by the Company Board of Directors in their meeting held on 14th August 2026 in accordance with the Recognition and measurement principles laid down in Indian Accounting Standard 34, (Ind AS 34). "Interim Financial Reporting "prescribed u/s 133 of the Companies Act, 2013 as amended, read with relevant rules issued there under and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. The Statement has been approved by the company's Board of Directors. Our responsibility is to express a conclusion on the Statement based on our review.

3. We Conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, "Review of interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement.

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4. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain an assurance that we would become aware of all significant matters that might be identified in an audit.

Accordingly, **we do not express an audit opinion.**

Qualified Conclusion

5. Based on the review conducted as above, except for the possible effects described in the basis for Qualification, nothing has come to our attention that causes us to believe that the accompanying Statement prepared in accordance with applicable Indian Accounting Standards (Ind AS) and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of the Regulation 33 of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.

Basis for Qualification:

6. We draw attention to Note No.18 to the financial statements wherein the net worth of the company is completely eroded, Current Liabilities exceed the Current Assets. This situation indicates that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern.
The financial statements do not adequately disclose this matter and we have not been able to corroborate the Management's contention regarding preparation of financial statements of the company on going concern basis, notwithstanding the fact that the company continues to incur cash losses, its net worth has been fully eroded (Negative Net worth as on 30th June 2026 73.46 Lakhs)

7. The Company has not recognized Expected Credit Loss on financial assets as required by Ind AS 109. Management has not performed impairment assessment using the ECL model.

8. We draw attention to Note 3 to the financial statements relating to Property Plant and Equipment, the Company is under the process of reconciling and checking Expired Assets, Assets fully depreciated as on the balance sheet date. This indicates deficiencies in fixed asset

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records. Unable to obtain sufficient audit evidence on accuracy, completeness, existence and valuation of PPE. Impact on depreciation, retained earnings and carrying value remains undetermined.

9. The Statutory Liabilities amounting to Rs. 5.12 Lakhs were outstanding for the quarter ended June 2026. Out of this, amount of Rs. 2.74 Lakhs related to Professional tax and an amount of Rs. 2.38 Lakhs is related to TDS deducted but not remitted to the Income Tax Authorities.

10. It was observed that Unbilled Revenue and Deferred Income pertaining to Q1 of FY 2026-27 has not been recognized in the books of account. As per the requirements of Ind AS 115 - Revenue from Contracts with Customers, revenue and related contract balances are required to be recognized in the appropriate reporting period based on the satisfaction of performance obligations.

11. It was observed that the Entity follows a leave encashment policy wherein leave entitlements are accumulating but non-vesting. However, the liability arising in respect of accumulated leave entitlements has not been recognized in the financial statements in accordance with Ind AS 19 - Employee Benefits.

For Komandoor & Co LLP
Chartered Accountants

Ram

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CA P V Ram
Partner
FRN: 001420S/S200034
M No: 029565

UDIN: 26029565NXUQMG5639
Date: 14/08/2026

Statement on Impact of Audit Qualifications (for audit report with modified opinion) submitted along with Financial Results

I.

₹ in Lakhs

Statement on Impact of Audit Qualifications for the Quarter ended 30 June, 2026			
Sl. No.	**Particulars**	**Audited Figures (as reported before adjusting For qualifications)**	**Adjusted Figures (audited figures after adjusting for qualifications)**
1.	Turnover / Total income	209.83	NA*
2.	Total Expenditure	228.82	228.82
3.	Net Profit/(Loss)	-18.73	-18.73
4.	Earnings/(Loss) Per Share	-0.36	-0.36
5.	Total Assets	354.84	354.84
6.	Total Liabilities	354.84	NA**
7.	Net Worth	-73.46	NA**
8.	Any other financial item(s) (as felt appropriate by the management)	NA	NA

* The amount of Deferred Income and Unbilled Revenue required to be recognised for Q1 of FY 2026–27 could not be quantified due to the non-availability of sufficient supporting data and information from the Management.

** The provision for Leave Encashment required to be recognised for Q1 of FY 2026–27 could not be quantified due to the non-availability of sufficient supporting data and information from the Management.

II. Audit Qualifications

a. Details of Audit Qualifications:	1. We draw attention to Note No.18 to the financial statements wherein the net worth of the company is completely eroded, Current Liabilities exceed the Current Assets. This situation indicates that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. The financial statements do not adequately disclose this matter and we have not been able to corroborate the Management's contention regarding preparation of financial statements of the company on going concern basis, notwithstanding the fact that the company continues to incur cash losses, its net worth has been fully eroded (Negative Net worth as on 30th June 2026 73.46 Lakhs) 2. The Company has not recognized Expected Credit Loss on financial assets as required by Ind AS 109. Management has not performed

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	impairment assessment using the ECL model. 3. We draw attention to Note 3 to the financial statements relating to Property Plant and Equipment, the Company is under the process of reconciling and checking Expired Assets, Assets fully depreciated as on the balance sheet date. This indicates deficiencies in fixed asset records. Unable to obtain sufficient audit evidence on accuracy, completeness, existence and valuation of PPE. Impact on depreciation, retained earnings and carrying value remains undetermined. 4. The Statutory Liabilities amounting to Rs. 5.12 Lakhs were outstanding for the quarter ended June 2026. Out of this, amount of Rs. 2.74 Lakhs related to Professional tax and an amount of Rs. 2.38 Lakhs is related to TDS deducted but not remitted to the Income Tax Authorities. 5. It was observed that Unbilled Revenue and Deferred Income pertaining to Q1 of FY 2026–27 has not been recognized in the books of account. As per the requirements of Ind AS 115 – Revenue from Contracts with Customers, revenue and related contract balances are required to be recognized in the appropriate reporting period based on the satisfaction of performance obligations. 6. It was observed that the Entity follows a leave encashment policy wherein leave entitlements are accumulating but non-vesting. However, the liability arising in respect of accumulated leave entitlements has not been recognized in the financial statements in accordance with Ind AS 19 – Employee Benefits.
TYPE OF AUDIT QUALIFICATION.	Qualified Opinion
c. Frequency of qualification:	New and Repetitive Qualifications
d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:	We have noted the Qualifications and will take necessary steps to resolve the same.
e. For Audit Qualification(s) where the impact is not quantified by the auditor: (i) Management's estimation on the impact of audit qualification: (ii) If management is unable to estimate the impact, reasons for	 (i) NA (ii) NA

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(iii)	Auditors' Comments on (i) or (ii) above:	(iii)	NA

III. Signatories:

CEO/Managing Director	
CFO	
Audit Committee Chairman	
Statutory Auditor	CA P V Ram, Komandoor & Co LLP, Hyderabad
Place: Hyderabad	
Date: 14th August, 2026	