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Asia Strategy Digit Technology Holdings Limited
亞洲策略數字科技控股有限公司

(formerly known as 中國集成控股有限公司 China Jicheng Holdings Limited)

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1027)

**ANNOUNCEMENT OF ANNUAL RESULTS FOR THE YEAR
ENDED 31 DECEMBER 2025**

FINANCIAL HIGHLIGHTS

- Revenue decreased by approximately 21.5% to approximately RMB277 million (2024: approximately RMB353 million)
- Gross profit decreased by approximately 35.5% to approximately RMB20 million (2024: approximately RMB31 million)
- Loss for the year of approximately RMB10 million (2024: profit for the year of approximately RMB11 million)
- Basic loss per share of approximately RMB2.45 cents (2024: basic earnings per share of approximately RMB2.64 cents)
- The Directors do not recommend the payment of a final dividend for the year ended 31 December 2025 (2024: Nil)

The board (the “Board”) of directors (the “Directors”) of Asia Strategy Digit Technology Holdings Limited (the “Company”) is pleased to announce the consolidated results of the Company and its subsidiaries (collectively referred to as the “Group”) for the year ended 31 December 2025, together with the comparative figures for the year ended 31 December 2024 as follows:

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31 December 2025

	Notes	2025 RMB'000	2024 RMB'000
Revenue	4	276,520	353,264
Cost of sales		<u>(256,065)</u>	<u>(322,584)</u>
Gross profit		20,455	30,680
Other income and net gains	4	6,036	3,131
Selling and distribution expenses		(13,585)	(15,890)
Administrative expenses		(39,742)	(36,672)
Finance costs	6	(3,609)	(4,102)
Impairment loss on property, plant and equipment		(10,108)	–
Reversal of expected credit losses (“ECLs”), net		32,118	36,209
		<u>(8,435)</u>	<u>13,356</u>
(Loss)/profit before tax		(8,435)	13,356
Income tax expense	7	(1,681)	(2,477)
		<u>(10,116)</u>	<u>10,879</u>
(Loss)/profit for the year attributable to owners of the Company	8	(10,116)	10,879
Other comprehensive (expense)/income			
<i>Item that will not be reclassified to profit or loss:</i>			
Exchange differences arising on translation of financial statements		<u>(908)</u>	<u>760</u>
Total comprehensive (expense)/income for the year attributable to owners of the Company		<u>(11,024)</u>	<u>11,639</u>
(Loss)/earnings per share			
Basic (RMB)	9	<u>(2.45) cents</u>	<u>2.64 cents</u>
Diluted (RMB)	9	<u>(2.45) cents</u>	<u>2.64 cents</u>

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2025

	<i>Notes</i>	2025 RMB'000	2024 <i>RMB'000</i>
Non-current assets			
Property, plant and equipment		31,625	46,003
Right-of-use assets		11,514	12,050
		<u>43,139</u>	<u>58,053</u>
Current assets			
Inventories		117,638	135,648
Financial assets at fair value through profit or loss ("FVTPL")		13,949	6,427
Trade receivables	<i>10</i>	118,578	114,156
Prepayment and other receivables		77,600	47,907
Loan receivables		7,255	10,398
Pledged time deposits		17,433	22,843
Bank balances and cash		4,409	4,145
		<u>356,862</u>	<u>341,524</u>
Current liabilities			
Trade and bills payables	<i>11</i>	37,537	51,398
Accruals, other payables and contract liabilities		20,302	12,595
Bank borrowings		99,120	81,470
Tax payable		2,323	2,665
		<u>159,282</u>	<u>148,128</u>
Net current assets		<u>197,580</u>	<u>193,396</u>
Net assets		<u>240,719</u>	<u>251,449</u>
Capital and reserves			
Share capital		10,818	10,818
Reserves		229,901	240,631
Total equity		<u>240,719</u>	<u>251,449</u>

NOTES:

1. GENERAL

Asia Strategy Digit Technology Holdings Limited (the “Company”) was incorporated in the Cayman Islands on 12 June 2014 as an exempted company with limited liability under the Companies Law of the Cayman Islands and its shares are listed on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”). In the opinion of the directors of the Company, the Company has no immediate and ultimate holding company or ultimate controlling party as at 31 December 2025.

Pursuant to the special resolution of the shareholders of the Company on 19 December 2025, the English name of the Company has been changed from “China Jicheng Holdings Limited” to “Asia Strategy Digit Technology Holdings Limited” and the dual foreign name in Chinese of the Company had been changed from “中國集成控股有限公司” to “亞洲策略數字科技控股有限公司”.

The address of the registered office is Windward 3, Regatta Office Park, PO Box 1350, Grand Cayman KY1-1108, Cayman Islands. The address of the principal place of business of the Company in Hong Kong is Room 904, Loon Kee Building, 275 Des Voeux Road Central, Hong Kong. The Company is engaged in investment holding while the principal subsidiaries are principally engaged in manufacture and sales of umbrellas and the relevant products.

The functional currency of the Company is Hong Kong dollar (“HKD”). The consolidated financial statements are presented in Renminbi (“RMB”) since the principal subsidiaries are operating in RMB environment and the functional currency of these subsidiaries is RMB.

2. APPLICATION OF NEW AND AMENDMENTS TO HKFRS ACCOUNTING STANDARDS

2.1 Amendments to HKFRS accounting standards that are mandatorily effective for the current year

In the current year, the Group has applied the following amendments to HKFRS Accounting Standards issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”) for the first time, which are mandatorily effective for the annual periods beginning on or after 1 January 2025 for the preparation of the consolidated financial statements:

Amendments to HKAS 21	Lack of Exchangeability
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The application of the amendments to HKFRS Accounting Standards in the current year has no material impact on the Group’s financial positions and performance for the current and prior years and/or on the disclosures set out in these consolidated financial statements.

2.2 New and amendments to HKFRS accounting standards in issue but not yet effective

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

HKFRS 18	Presentation and Disclosure in Financial Statements ²
HKFRS 19 and its amendments	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 9 and HKFRS 7	Contract Referencing Nature – dependent Electricity ¹
Amendments to HKAS 21	Translation to Hyperinflationary Presentation Currency ²
Amendments to HKAS 28 and HKFRS 10	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture ³
Annual Improvements to HKFRS Accounting Standards – Volume 11	Amendments to HKFRS 1, HKFRS 7, HKFRS 9, HKFRS 10 and HKAS 7 ¹

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

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

³ No mandatory effective date yet determined but available for adoption

Except for the new and amendments to HKFRS Accounting Standards mentioned below, the directors of the Company anticipate that the application of all other new and amendments to HKFRS Accounting Standards are not expected to have any significant impact on the Group's consolidated financial statements.

HKFRS 18 replaces HKAS 1 Presentation of Financial Statements, carrying forward many of the requirements in HKAS 1 unchanged and complementing them with new requirements. HKFRS 18 introduces new requirements for presentation within the statement of profit or loss, including specified totals and subtotals. Entities are required to classify all income and expenses within the statement of profit or loss into one of the five categories: operating, investing, financing, income taxes and discontinued operations, and to present two new defined subtotals. It also requires disclosures about management-defined performance measures in a single note and introduces enhanced requirements on the grouping (aggregation and disaggregation) and the location of information in both the primary financial statements and the notes. Some requirements previously included in HKAS 1 are moved to HKAS 8 Accounting Policies, Changes in Accounting Estimates and Errors, which is renamed as HKAS 8 Basis of Preparation of Financial Statements. As a consequence of the issuance of HKFRS 18, limited, but widely applicable, amendments are made to HKAS 7 Statement of Cash Flows, HKAS 33 Earnings Per Share and HKAS 34 Interim Financial Reporting. In addition, there are minor consequential amendments to other HKFRSs. HKFRS 18 and the consequential amendments to other HKFRSs will be effective for annual reporting periods beginning on or after 1 January 2027 with earlier application permitted. Retrospective application is required. The Group is currently analysing the new requirements and assessing the impact of HKFRS 18 on the presentation and disclosure of the Group's consolidated financial statements.

3. STATEMENT OF COMPLIANCE AND BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS

Statement of compliance

The consolidated financial statements have been prepared in accordance with HKFRS Accounting Standards, which includes all Hong Kong Financial Reporting Standards (“HKFRS”), Hong Kong Accounting Standards (“HKAS”), and HK (IFRIC) Interpretations, HK Interpretations and HK (SIC) Interpretations (collectively referred to as “Interpretations”), issued by the HKICPA. In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong (the “Stock Exchange”) (the “Listing Rule”) and by the disclosure requirements of the Hong Kong Companies Ordinance.

Basis of preparation of consolidated financial statements

The consolidated financial statements have been prepared on the historical cost basis except for financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies set out below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique.

4. REVENUE AND OTHER INCOME AND NET GAINS

(i) Revenue from contracts with customers

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Sales of umbrellas and umbrella parts	<u>276,520</u>	<u>353,264</u>
	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Timing of revenue recognition		
At point in time	<u>276,520</u>	<u>353,264</u>

For sales of umbrellas and umbrella parts, revenue is recognised when control of the goods has transferred, being when the goods have been shipped to the customer’s specific location (delivery). Transportation and handling activities that occur before customers obtain control are considered as fulfilment activities. Following the delivery, the customer has full discretion over the manner of distribution and price to sell the goods, has the primary responsibility when on selling the goods and bears the risks of obsolescence and loss in relation to the goods. The average credit period is 90 to 180 days upon delivery.

There is no sales-related warranty, refund or return associated with umbrellas and umbrella parts in the performance obligation.

Transaction allocated to the remaining performance obligation for contracts with customers

The Group has applied the practical expedient in paragraph 121 of HKFRS 15 to its sales contracts for umbrellas and the umbrella parts such that the Group does not disclose information about revenue that the Group will be entitled to when it satisfies the remaining performance obligations under the contracts for sales of umbrellas and the umbrella parts that had an original expected duration of one year or less.

(ii) Other income and net gains

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Bank interest income	540	55
Exchange (losses)/gains, net	(3,489)	3,689
Gain/(loss) on financial assets at FVTPL	7,996	(2,063)
Government grants (<i>note</i>)	77	417
Loan interest income	912	1,073
Others	–	(40)
	<u>6,036</u>	<u>3,131</u>

Note: During the year ended 31 December 2025, government grants of approximately RMB77,000 (2024: RMB417,000) were received, where the Group had fulfilled the relevant criteria, in respect of international market expansion, overseas exhibition participation and employment support scheme. There were no unfulfilled conditions or contingencies relating to these government grants.

5. SEGMENT INFORMATION

The Group is engaged in a single operating segment, which is the manufacture and sales of umbrellas and the umbrella parts. Operating segment is reported in a manner consistent with the internal reporting provided to the board of directors, being the chief operating decision maker of the Group (the “CODM”). The CODM is responsible for allocating resources and assessing performance of the operating segments, no other discrete financial information is provided other than the Group’s results and financial position as a whole. Accordingly, only entity-wide disclosures, product information, major customers and geographic information are presented.

Product information

The Group has been engaged in manufacturing and sales of Poly-Olefin-Elastomer (“POE”) umbrella, nylon umbrella and umbrella parts. The POE umbrella and nylon umbrella are sold to various distributors and the umbrella parts are sold to other umbrella manufacturers. An analysis of the Group’s revenue by product category is as follows:

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
POE umbrella	53,845	43,368
Nylon umbrella	145,731	144,819
Umbrella parts	76,944	165,077
	<u>276,520</u>	<u>353,264</u>

Geographical information

The Group's operation is located in the PRC, accordingly, no geographical information about the Group's non-current assets has been presented. An analysis of the Group's revenue from external customers based on the location of operation of the customers (i.e. determined based on the location to which the products were delivered) presented by geographical location is detailed below:

	2025 RMB'000	2024 <i>RMB'000</i>
Japan	119,413	105,498
PRC (country of domicile)	78,798	103,945
Kingdom of Cambodia	56,178	124,243
Europe	1,229	1,583
Republic of Korea	18,028	17,362
Other Asian countries	2,874	633
	276,520	353,264

Information about major customers

Details of the customers individually representing 10% or more of the Group's revenue are as follows:

	2025 RMB'000	2024 <i>RMB'000</i>
Customer A	49,858	52,098
Customer B	N/A*	39,131
Customer C	49,601	81,713

* The corresponding revenue did not contribute over 10% of the total revenue of the Group.

Except disclosed above, no other customers contributed 10% or more to the Group's revenue for both years.

6. FINANCE COSTS

	2025 RMB'000	2024 <i>RMB'000</i>
Interest expense on:		
– bank borrowings	3,609	4,102

7. INCOME TAX EXPENSE

	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
PRC Corporate Income Tax		
– current tax	<u>1,681</u>	<u>2,477</u>

- (i) 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.
- (ii) Under the two-tiered profits tax rates regime in Hong Kong, the first HK\$2 million of profits of the qualifying group entity in Hong Kong are taxed at 8.25%, and profits above HK\$2 million are taxed at 16.5%. The profits of group entities in Hong Kong not qualifying for the two-tiered profits tax rates regime continue to be taxed at a flat rate of 16.5%.

The directors considered the amount involved upon implementation of the two-tiered profits tax rates regime as insignificant to the consolidated financial statements. Hong Kong Profits Tax is calculated at 16.5% of the estimated assessable profit for both years.

No provision for Hong Kong Profits Tax has been made for both years as the Group's income neither arises in, nor is derived from, Hong Kong.

- (iii) Under the Law of the PRC on Corporate Income Tax and Implementation Regulation of the Corporate Income Tax Law, the tax rate of the PRC subsidiaries is 25% for both years.

8. (LOSS)/PROFIT FOR THE YEAR

(Loss)/profit for the year has been arrived at after charging/(crediting):

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Wages, salaries and allowances (excluding directors' emoluments)	36,324	35,643
Retirement benefit schemes contributions (excluding directors)	2,594	1,962
	<hr/>	<hr/>
Total staff costs (<i>note (i)</i>)	38,918	37,605
	<hr/>	<hr/>
Auditor's remuneration	544	500
Cost of materials used in production	261,666	346,847
Depreciation of property, plant and equipment included in		
– cost of sales	1,207	1,180
– administrative expenses	3,602	3,539
Depreciation of right-of-use assets	536	537
Impairment loss on property, plant and equipment	10,108	–
Impairment loss recognised/(reversal of impairment loss) in respect of other receivables, net	285	(134)
Research and development expenses included in administrative expenses (<i>note (ii)</i>)	13,197	13,376
Reversal of impairment loss in respect of loan receivables, net	(1,069)	(105)
Reversal of impairment loss in respect of trade receivables, net	(31,334)	(35,970)
Loss on disposal of property, plant and equipment	734	73
	<hr/> <hr/>	<hr/> <hr/>

Notes:

- (i) During the year ended 31 December 2025, included in the cost of sales was approximately RMB27,335,000 (2024: RMB26,036,000) related to staff cost.
- (ii) During the year ended 31 December 2025, included in the research and development expenses was approximately RMB2,791,000 (2024: RMB3,062,000) related to staff cost.

9. (LOSS)/EARNINGS PER SHARE

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

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
(Loss)/profit		
(Loss)/profit for the purposes of basic and diluted (loss)/earnings per share for the year attributable to owners of the Company	<u>(8,435)</u>	<u>10,879</u>
	2025 <i>'000</i>	2024 <i>'000</i>
Number of shares		
Weighted average number of ordinary shares for the purpose of basic and diluted (loss)/earnings per share	<u>412,550</u>	<u>412,550</u>
Weighted average number of ordinary shares for the purpose of diluted (loss)/earnings per share	<u>412,550</u>	<u>412,550</u>

For the year ended 31 December 2025, as the Company's outstanding share options where applicable had an anti-dilutive effect to the basic loss per share calculation, the exercise of these potential ordinary shares is not assumed in the calculation of diluted loss per share. The basic and diluted loss per share are the same for the year ended 31 December 2025.

For the year ended 31 December 2024, diluted earnings per share is the same as the basic earnings per share because the exercise price of the Company's outstanding share options was higher than the average market price for shares.

10. TRADE RECEIVABLES

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Trade receivables arising from contracts with customers	129,081	155,993
Less: Allowance for credit losses	<u>(10,503)</u>	<u>(41,837)</u>
	<u>118,578</u>	<u>114,156</u>

The Group generally allows average credit period of 90 to 180 days (2024: 90 to 180 days) to its trade customers. The Group does not hold any collateral over these balances.

The following is an ageing analysis of the gross amount of trade receivables, presented based on the invoice date:

	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
0 to 90 days	33,709	62,300
91 to 180 days	28,979	29,845
181 to 365 days	28,644	25,817
Over 365 days	37,745	38,031
	<u>129,081</u>	<u>155,993</u>

As at 31 December 2025, included in the Group's trade receivables balance are debtors with aggregate gross carrying amount of approximately RMB64,618,000 (2024: RMB65,222,000) which are past due at the end of the reporting period. Out of these gross carrying amount of past due balances, approximately RMB45,903,000 (2024: RMB44,363,000) have been past due 90 days or more.

In determining the recoverability of a trade receivable, the directors consider any change in the credit quality of the trade receivable from the date credit was initially granted up to the end of the reporting period.

The Group's trade receivables that are denominated in currency other than the functional currency of the relevant Group entities are as follows:

	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
USD	73,402	86,479
JPY	27,373	22,797
	<u>73,402</u>	<u>86,479</u>

11. TRADE AND BILLS PAYABLES

	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
Trade payables	8,956	20,140
Bills payables (<i>Note</i>)	28,581	31,258
	<u>37,537</u>	<u>51,398</u>

An ageing analysis of trade payables presented based on the invoice date at the end of the reporting period is as follows:

	2025	2024
	RMB'000	<i>RMB'000</i>
0 to 90 days	6,201	15,466
91 to 180 days	497	1,748
181 to 365 days	2,258	2,926
	8,956	20,140

An ageing analysis of bills payables presented based on the invoice date at the end of the reporting period is as follows:

	2025	2024
	RMB'000	<i>RMB'000</i>
0 to 90 days	20,461	17,631
91 to 180 days	8,120	13,627
	28,581	31,258

Note: These relate to trade payables in which the Group has been offered by main suppliers to settle purchase of goods with bills payables. Before bills payables expired, the Group continues to recognise these obligations to suppliers as the Group is obliged to make payments only on due dates of the bills, under the same conditions as agreed with the suppliers without further extension. In the consolidated statement of cash flows, settlements of these bills are included within operating cash flows based on the nature of the arrangements.

The credit periods granted by the suppliers normally ranging from 30 days to 120 days for both years. As at 31 December 2025 and 2024, the maturity date of bills payables was ranged from 90 days to 180 days. All are denominated in RMB.

The fixed time deposits with the amounts of approximately RMB17,433,000 (2024: RMB22,843,000) were pledged to the banks to secure bills payables granted to the Group and will be released upon settlement of bills payables.

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

The Group is principally engaged in the manufacturing and sale of POE umbrellas, nylon umbrellas and umbrella parts such as plastic cloth and shaft. The Group manufactures products at the production site located in Dongshi Town and Yonghe Town of Jinjiang City in Fujian Province of the PRC.

The Group principally engaged in selling POE umbrellas, nylon umbrellas and umbrella parts on export basis to the Group's overseas customers which accounted for approximately 71% of the Group's total revenue for the year ended 31 December 2025. The Group exported its POE umbrellas, nylon umbrellas and umbrella parts to markets such as Japan, Hong Kong, Republic of Korea, Taiwan, Spain and Cambodia. The Group's overseas customers would usually provide the Group with their design and specification. The Group's sales personnel would closely communicate with the Group's customers. Depending on the specific needs of these overseas customers, the Group's sales personnel would put forward the Group's suggestions for modifications to design and specification from its research and development staff to the Group's customers for their consideration. When customers decide on the final design and specification, the Group would make samples and provide to the Group's customers for approval.

For domestic market, the Group sold its POE umbrellas, nylon umbrellas and umbrella parts to the Group's customers in the PRC which accounted for approximately 29% of the Group's total revenue for the year ended 31 December 2025. The Group's domestic customers would usually place orders with the Group from selection of its existing POE umbrellas and nylon umbrellas products which are all designed by its research and development team. The Group also sell some of its POE umbrellas and nylon umbrellas under the Group's Jicheng (集成) brand through sales to our non-trading customers such as supermarkets.

The Group also manufactured umbrella parts as an ancillary products mainly for the Group's existing customers, both overseas and domestic customers, some of which also purchased POE umbrellas and nylon umbrellas from the Group.

The Group's new business strategy is to shift business focus from developing upstream manufacturing to downstream distribution network and brand building so as to facilitate promotion of the Group's branded umbrellas which command higher margins.

To diversify its business and explore potential business opportunities, the Group is exploring and developing business opportunities and projects.

FINANCIAL REVIEW

Revenue

The revenue decreased from approximately RMB353 million for the year ended 31 December 2024 to approximately RMB277 million for the year ended 31 December 2025, representing a decrease of approximately 21.5%, which was mainly attributable to the decrease demand for the Umbrella parts.

Cost of sales

The cost of sales decreased from approximately RMB323 million for the year ended 31 December 2024 to approximately RMB256 million for the year ended 31 December 2025, representing a decrease of approximately 20.7%. The decrease was mainly attributable to the corresponding decrease in direct materials costs and direct labour costs were in line with the Group's decrease in revenue during the year ended 31 December 2025.

Gross profit and gross margin

As a result of the foregoing, the gross profit decreased by approximately RMB11 million, or 35.5%, from approximately RMB31 million for the year ended 31 December 2024 to approximately RMB20 million for the year ended 31 December 2025. The gross profit margin decreased from approximately 8.8% for the year ended 31 December 2024 to approximately 7.2% for the year ended 31 December 2025.

Other income and net gain

The Group recorded other income and net gain of approximately RMB6.0 million for the year ended 31 December 2025 as compared with other income and net gain of approximately RMB3 million for the year ended 31 December 2024. It was mainly due to the exchange loss of approximately RMB3 million was primarily due to the weakening of the United States dollar and the Japanese yen against the RMB during the year ended 31 December 2025, and offset by a gain on financial assets at fair value through profit or loss of approximately RMB8 million during the year ended 31 December 2025.

Selling and distribution expenses

Selling and distribution expenses decreased by approximately RMB2 million or 12.5% from approximately RMB16 million for the year ended 31 December 2024 to approximately RMB14 million for the year ended 31 December 2025. The decrease was mainly due to lower sales volume.

Administrative expenses

Administrative expenses increased by approximately RMB3 million, or 8.1%, from approximately RMB37 million for the year ended 31 December 2024 to approximately RMB40 million for the year ended 31 December 2025. The increase in administrative expenses was mainly due to the increase in staff costs of approximately RMB1 million during the year ended 31 December 2025.

Finance costs

Finance costs remained stable as approximately RMB4 million and RMB4 million for the years ended 31 December 2025 and 2024.

(Loss)/profit for the year

For the year ended 31 December 2025, the Group recorded a loss for the year of approximately RMB10 million, as compared with profit of approximately RMB11 million for the year ended 31 December 2024. The decline in the financial performance of the Group were mainly due to (i) the decrease in the revenue of approximately RMB76 million during the year ended 31 December 2025, as the demand for umbrella parts has decreased significantly due to poor market conditions; and (ii) the impairment losses on property, plant and equipment amounted to approximately RMB10 million for the year ended 31 December 2025.

Liquidity and financial resources

As at 31 December 2025, the Group's bank balances and cash (including pledged time deposits of approximately RMB17 million (2024: approximately RMB23 million)) amounted to approximately RMB22 million (2024: approximately RMB27 million), and short-term bank borrowings amounted to RMB99 million (2024: approximately RMB81 million). The annual interest rates of loans ranged from 1.5% to 4.53% (2024: 3.4% to 4.55%).

The Group's current ratio decreased from 2.3 times as at 31 December 2024 to 2.2 times as at 31 December 2025, which was calculated based on the total current assets divided by the total current liabilities. As at 31 December 2025, the gearing ratio was approximately 53% (2024: approximately 45%), which was calculated based on the bank borrowings and bills payables to the percentage of the total equity.

Inventories

As at 31 December 2025, the inventories were approximately RMB118 million (2024: approximately RMB136 million). The inventory turnover days were increased from approximately 142 days in 2024 to approximately 181 days in 2025, which was calculated based on the average of the beginning and ending balance of inventories for the year divided by cost of sales for the year, and multiplied by 365 days.

Trade receivables

As at 31 December 2025, the trade receivables were approximately RMB119 million (2024: approximately RMB114 million). The Group generally allows an average credit period of 90 days to its trade customers. The average trade receivables turnover day was increased from approximately 107 days in 2024 to approximately 154 days in 2025, which was calculated based on the average of the beginning and ending trade receivable balances for the year divided by revenue for the year and multiplied by 365 days.

Trade and bills payables

As at 31 December 2025, the trade and bills payables were approximately RMB38 million (2024: approximately RMB51 million). The Group's suppliers typically grant us a credit terms ranging from 30 days to 120 days. The average trade and bills payables turnover days were slightly increased from approximately 55 days in 2024 to approximately 63 days in 2025, which was calculated based on the average of the beginning and ending of trade and bills payable balance of the year divided by cost of sales of the year and multiplied by 365 days.

The Company considers that the terms of the advance are fair and reasonable. The Company is of the view that the advance would be able to maintain stable long-term commercial relationship as a domestic semi-finished product approved supplier to the Group. We believe that the domestic supply of these materials is currently satisfactory and we have not experienced any material shortage or delay in the supply of these raw materials. Having ascertained that we were able to comply with the stringent standards in relation to product quality, production process and environmental compliance. We believe that our stable product quality with a stable relationship with our suppliers and our ability to deliver a wide range of products to our customers have enabled us to earn recurring business. The Company considers that the advance is in the interests of the Company and its shareholders as a whole and also meet the group's business strategy.

PRINCIPAL RISKS AND UNCERTAINTIES

The business of the Group is subject to numerous risks and uncertainties. The following is a summary of some of the principal risks and uncertainties affecting the Group's business:

- The Group's business, financial condition and results of operations may be affected by the loss of key customers.

It is important for the Group to maintain close and mutually beneficial relationships with the Group's key overseas and domestic customers. The Group's revenue is also subject to the Group's customers' business, product quality, sales strategy, industry conditions and the overall economic market environments. Any significant reduction of sales to or loss of any of the Group's key customers could materially and adversely affect our business, financial condition and results of operations.

- The Group may be subject to certain risks, such as political and economic instability and fluctuations in currency rates of foreign currencies, associated with selling our umbrella products to Japan, the PRC and other overseas customers.
- Any change in market demand levels for the Group's umbrella products in Japan, the PRC and in the Group's other export destinations may have a significant effect on the Group's business, financial condition and results of operations. In particular, the Group is affected by changes in the economic condition of Japan, a major destination of our products, and the PRC.

- As the Group’s sales are primarily made in US dollar, RMB and Japanese Yen whereas the Group’s purchases of materials and payment of wages and salaries to the PRC workers are in RMB and US dollar, therefore, the Group is exposed to exchange rate risk. In addition, the Group is exposed to the risks associated with the currency conversion and exchange rate system in the PRC.
- Fluctuations in prices of raw materials or unstable supply of raw materials could negatively impact our operations and may adversely affect our profitability.

The prices of most of the Group’s raw materials generally follow the price trends of, and vary with, market conditions. Supplies of these raw materials may also be subject to a variety of factors that are beyond our control, including but not limited to market shortages, suppliers’ business interruptions, government control, weather conditions and overall economic conditions, all of which may have an impact on their respective market prices from time to time.

- The Group may experience a shortage of labour or our labour costs may continue to increase.

CAPITAL COMMITMENTS AND CONTINGENT LIABILITIES

As at 31 December 2025, the Group had no material capital commitment (2024: nil). As at 31 December 2025, the Group did not have any significant contingent liabilities (2024: nil).

PLEDGE OF ASSETS

As at 31 December 2025, the Group’s leasehold land and buildings with a carrying amounts of approximately RMB43 million (2024: approximately RMB47 million) and the fixed time deposits with a carrying amounts of approximately RMB17 million (2024: approximately RMB23 million) were pledged to banks for bank borrowings and bills payables.

EMPLOYEES AND REMUNERATION POLICY

As at 31 December 2025, the Group employed a total of 507 employees (2024: 523 employees). The emolument policy of the employees of the Group was set up by the Board based on their experience, qualifications and competence. Other employees’ benefits include contributions to statutory mandatory provident funds, and social insurance together with housing provident funds to its employees in Hong Kong and the PRC respectively.

SIGNIFICANT INVESTMENTS, MATERIAL ACQUISITIONS AND DISPOSAL OF SUBSIDIARIES AND CAPITAL ASSETS

The Group had no significant investments, material acquisitions and disposals of subsidiaries and capital assets during the year.

IMPORTANT EVENTS AFFECTING THE GROUP AFTER THE END OF THE PERIOD

Save as disclosed in the announcement dated at 3 March 2026, 20 March 2026 and 26 March 2026, there were no other important events affecting the Group have occurred after the end of the year.

FUTURE PROSPECTS

The Group principal objectives are to maintain and strengthen its position as a leading umbrella manufacturer focused in Japan market and its own branded umbrella products in the PRC market, and increase its market share in the existing markets such as Hong Kong, Cambodia and Republic of Korea.

Looking ahead, the Group will shift business focus from developing upstream manufacturing to downstream distribution network and brand building so as to facilitate promotion of the Group's branded umbrellas which command higher margins and create higher values as well as bringing better return to our shareholders. To diversify its business and explore potential business opportunities, the Group is exploring and developing business opportunities and projects. Details of the development of new business, please refer to the announcement dated 20 March 2026.

CODE ON CORPORATE GOVERNANCE PRACTICES

The Company is committed to maintaining high standard of corporate governance and has steered its development and protected the interests of its shareholders in an enlightened and open manner. The Board comprises five executive Directors and three independent non-executive Directors. The Company has adopted and complied with the Corporate Governance Code (the "CG Code") as set out in Appendix 14 to the Listing Rules since the Listing Date with the following deviations:

Code provision F.2.2 stipulates that independent non-executive Directors should attend general meeting of the Company. Mr. Yang Xuetai, Mr. Tso Sze Wai and Ms. Lee Kit Ying, Winnie, being the independent non-executive Directors, did not attend the Company's annual general meeting held on 2 June 2025 due to their other business engagements.

MODEL CODE FOR SECURITIES TRANSACTIONS BY THE DIRECTORS

The Directors have adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix C3 to the Listing Rules as the code of conduct for Directors in dealing in the Company's securities. Specific enquiries have been made to all Directors and all Directors have confirmed that they have fully complied with the required standard of dealings as set out in the Model Code during the year.

AUDIT COMMITTEE

The Company established an Audit Committee on 23 January 2015 with specific written terms of reference in compliance with the Code. The primary duties of the Audit Committee are to assist the Board by providing an independent view on the effectiveness of the financial reporting process, internal control and risk management systems of the Group, overseeing the audit process and performing other duties and responsibilities as assigned by the Board.

As at the date of this announcement, the Audit Committee comprises three independent non-executive Directors, namely Mr. Tso Sze Wai (Chairman of the Audit Committee), Ms. Lee Kit Ying, Winnie and Mr. Yang Xuetai.

During the year ended 31 December 2025, the Audit Committee has also discussed, with the management and the Company's auditor, the Group's significant internal controls and financial matters in accordance with the Audit Committee's written terms of reference and has also reviewed the accounting principles and practices adopted by the Group.

SCOPE OF WORK OF THE COMPANY'S AUDITOR

The figures above in the preliminary announcement of the Group's result for the year ended 31 December 2025 have been agreed with the Company's auditor, Infinity, to the amounts set out in the Group's consolidated financial statements for the year. The work performed by Infinity did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the Hong Kong Institute of Certified Public Accountants and consequently no assurance has been expressed by Infinity on the preliminary announcement.

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

Neither the Company, nor any of its subsidiaries purchased, redeemed or sold any of the Company's listed securities during the year ended 31 December 2025.

NON-COMPETITION UNDERTAKING BY AN EXECUTIVE DIRECTOR

The independent non-executive Directors have also reviewed the confirmation given by Mr. Huang Wenji, being an executive director of the Company, to ensure his compliance with the non-competition undertakings as disclosed in the prospectus (the "Prospectus") of the Company dated 3 February 2015.

CLOSURE OF REGISTER OF MEMBERS

The Company will make a separate announcement to confirm the date for the closure of register of members of the Company in respect of shareholders' entitlement to attend the forthcoming annual general meeting of the Company.

FINAL DIVIDEND

The Directors do not recommend the payment of a final dividend for the year ended 31 December 2025 (2024: nil).

ANNUAL GENERAL MEETING

It is proposed that the annual general meeting of the shareholders of the Company will be held on a date to be fixed by the Board. Notice of annual general meeting will be published and dispatched to the shareholders of the Company in due course.

PUBLICATION OF THE ANNUAL RESULTS ANNOUNCEMENT AND ANNUAL REPORT

This announcement is published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.china-jicheng.cn). The annual report of the Company for the year ended 31 December 2025 containing all the information required by the Listing Rules will be dispatched to the Company's shareholders and published on the above websites in due course.

APPRECIATION

On behalf of the Board, I would like to thank all the colleagues for their diligence, dedication, loyalty and integrity. I would also like to thank all the shareholders, customers, bankers and other business associates for their trust and support.

By order of the Board of
Asia Strategy Digit Technology Holdings Limited
Steve Andrew Chen
Chairman

Fujian Province, The PRC, 26 March 2026

As at the date of this announcement, the Board comprises five executive Directors, namely Mr. Steve Andrew Chen, Mr. Huang Wenji, Mr. Yang Guang, Mr. Lin Zhenshuang and Mr. Chung Kin Hung, Kenneth, and three independent non-executive Directors, namely Mr. Tso Sze Wai, Mr. Yang Xuetai and Ms. Lee Kit Ying, Winnie.