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BitStrat Holdings Limited
比特策略控股有限公司

(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 6113)

ANNUAL RESULTS ANNOUNCEMENT
FOR THE YEAR ENDED 31 DECEMBER 2025

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER
COMPREHENSIVE INCOME

For the year ended 31 December 2025

	<i>Note</i>	2025 RM'000	2024 RM'000
Revenue	4	92,533	93,064
Other income		1,571	2,456
Other gains and losses		(5,936)	(244)
Staff costs		(58,491)	(58,212)
Depreciation		(5,980)	(5,034)
Other operating expenses	6	(22,450)	(13,528)
Profit from operations		1,247	18,502
Finance costs		(389)	(318)
Profit before tax		858	18,184
Income tax expenses	7	(3,445)	(4,897)
(Loss)/profit for the year	8	(2,587)	13,287
Other comprehensive income:			
<i>Items that may be reclassified to profit or loss:</i>			
Exchange differences on translating foreign operations		302	–
Other comprehensive income for the year, net of tax		302	–
Total comprehensive (loss)/income for the year		(2,285)	13,287
(Loss)/earnings per share			
Basic	10(a)	RM(0.65) cents	RM3.32 cents
Diluted	10(b)	N/A	N/A

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2025

	<i>Note</i>	2025 <i>RM'000</i>	2024 <i>RM'000</i>
Non-current assets			
Property, plant and equipment		4,937	4,530
Intangible asset		15,609	–
Right-of-use assets		12,064	4,962
Subleasing receivables		–	99
		32,610	9,591
Current assets			
Trade receivables	11	19,718	21,290
Subleasing receivables		99	228
Other receivables		3,188	3,100
Financial assets at amortised cost	12	–	9,525
Tax recoverable		852	632
Pledged bank deposits		1,352	4,853
Bank and cash balances		39,602	14,387
		64,811	54,015
Current liabilities			
Accruals and other payables		11,704	5,630
Lease liabilities		5,016	3,011
Loan from ultimate holding company	13	32,462	–
Dividend payables		–	9,451
Current tax liabilities		556	290
		49,738	18,382
Net current assets		15,073	35,633
Total assets less current liabilities		47,683	45,224
Non-current liabilities			
Lease liabilities		6,842	2,098
Deferred tax liabilities		145	145
		6,987	2,243
NET ASSETS		40,696	42,981
Capital and reserves			
Share capital	14	2,199	2,199
Reserves		38,497	40,782
TOTAL EQUITY		40,696	42,981

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

1. GENERAL INFORMATION

The Company was incorporated as an exempted company with limited liability in the Cayman Islands under the Companies Law of the Cayman Islands on 23 August 2016. The address of its registered office is at Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman, KY1-1111, Cayman Islands. The address of its principal place of business registered in Hong Kong is Unit 1802, 18/F, Ruttonjee House, Ruttonjee Centre, 11 Duddell Street, Central, Hong Kong.

The Company is an investment holding company. The Company and its subsidiaries (collectively the “**Group**”) are principally engaged in the provision of investing activities, investment holding and outbound telemarketing services and contact centre facilities for promotion of financial products and its related activities issued by authorised financial institutions, card companies or organisation worldwide.

In the opinion of the directors of the Company, CoreVest Holdings Limited, a company incorporated in the British Virgin Islands, is the immediate parent; Microhash International Pte Limited, a company incorporated in the Singapore, is the ultimate parent and Mr. Luo Zuchun is the ultimate controlling party of the Company.

2. BASIS OF PREPARATION

These consolidated financial statements have been prepared in accordance with all applicable HKFRS Accounting Standards issued by the Hong Kong Institute of Certified Public Accountants (the “**HKICPA**”). HKFRS Accounting Standards comprise Hong Kong Financial Reporting Standards (“**HKFRS**”); Hong Kong Accounting Standards (“**HKAS**”); and Interpretations. These consolidated financial statements also comply with the applicable disclosure provisions of the Rules Governing the Listing of Securities on the Stock Exchange and with the disclosure requirements of the Hong Kong Companies Ordinance (Cap. 622).

The HKICPA has issued certain new and revised HKFRS Accounting Standards that are first effective or available for early adoption for the current accounting period of the Group. Note 3 provides information on any changes in accounting policies resulting from initial application of these developments to the extent that they are relevant to the Group for the current and prior accounting periods reflected in these consolidated financial statements.

3. ADOPTION OF NEW AND REVISED HKFRS ACCOUNTING STANDARDS

(a) Application of new and revised HKFRS Accounting Standards

The Group has adopted all of the new or amended HKFRS Accounting Standards and interpretation issued by the HKICPA that are mandatory for the current reporting period. There was no material impact to the consolidated financial statements as a result of the adoption of these standards.

(b) Revised HKFRS Accounting Standards in issue but not yet effective

Up to the date of issue of these consolidated financial statements, the HKICPA has issued a number of new standards and amendments to standards and interpretation, which are not effective for the year ended 31 December 2025 and which have not been early adopted by the Group for the annual reporting period ended 31 December 2025. The Company's assessment of the impact of these new or amended HKFRS Accounting Standards and Interpretations, most relevant to the company, are set out below:

	Effective for accounting periods beginning on or after
Amendments to HKFRS 9 and HKFRS 7 — Classification and Measurement of Financial Instruments	1 January 2026
Annual Improvements to HKFRS Accounting Standards — Volume 11	1 January 2026
Amendment to HKFRS 9 and HKFRS 7 — Contracts Referencing Nature-dependent Electricity	1 January 2026
Amendment to HKAS 21 — Translation to a Hyperinflationary Presentation Currency	1 January 2027
HKFRS 18 — Presentation and Disclosure in Financial Statements	1 January 2027
Amendments to HK Int 5 — Presentation of Financial Statements — Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause	1 January 2027
Amendments to HKFRS 10 and HKAS 28 — Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	To be determined by the HKICPA

The directors of the Company are in the process of making an assessment of what the impacts of these new standards, amendments to standards and interpretation are expected to be in the period of initial application. So far it has concluded that the adoption of them is unlikely to have a significant impact on the consolidated financial statements except for the new and amendments to HKFRS Accounting Standards mentioned below.

HKFRS 18 “Presentation and Disclosure in Financial Statements”

HKFRS 18 will replace HKAS 1 “Presentation of financial statements”, introducing new requirements that will help to achieve comparability of the financial performance of similar entities and provide more relevant information and transparency to users. Even though HKFRS 18 will not impact the recognition or measurement of items in the consolidated financial statements, HKFRS 18 introduces significant changes to the presentation of financial statements, with a focus on information about financial performance present in the statement of profit or loss, which will affect how the Group present and disclose financial performance in the financial statements.

The new accounting standard introduces the following key new requirements:

- Entities are required to classify all income and expenses into five categories in the statement of profit or loss, namely the operating, investing, financing, discontinued operations and income tax categories. Entities are also required to present a newly-defined operating profit subtotal. Entities' net profit will not change.
- Management-defined performance measures (MPMs) are disclosed in a single note in the financial statements.
- Enhanced guidance is provided on how to group information in the financial statements.

In addition, all entities are required to use the operating profit subtotal as the starting point for the statement of cash flows when presenting operating cash flows under the indirect method.

The Group is currently assessing the impact of HKFRS 18, with respect to the structure of the Group's statement of loss, the statements of cash flows and the additional disclosures required for MPMs. The Group is also assessing the impact on how information is grouped in the financial statements. Preliminary assessments indicate the following key impacts:

- The Group will need to reclassify certain income and expense items (e.g. foreign exchange gains/losses) into the new categories, namely investing and financing categories.
- The Statement of Cash Flows will also be impacted, as the operating profit subtotal will be the required starting point for the indirect method.

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

The HKICPA issued targeted amendments to HKFRS 9 and HKFRS 7 to respond to recent questions arising in practice, and to include new requirements not only for financial institutions but also for corporate entities. These amendments:

- clarify the date of recognition and derecognition of some financial assets and liabilities, with a new exception for some financial liabilities settled through an electronic cash transfer system;
- clarify and add further guidance for assessing whether a financial asset meets the sole payments of principal and interest (SPPI) criterion;
- add new disclosures for certain instruments with contractual terms that can change cash flows (such as some financial instruments with features linked to the achievement of environment, social and governance targets); and
- update the disclosures for equity instruments designated at fair value through other comprehensive income (FVOCI).

The application of the amendments is not expected to have significant impact on the financial position and performance of the Group.

4. REVENUE

An analysis of the Group's revenue from contracts with customers for the year from continuing operations is as follows:

	2025 <i>RM'000</i>	2024 <i>RM'000</i>
Revenue from contracts with customers within the scope of HKFRS 15		
— Telemarketing services income	<u>92,533</u>	<u>93,064</u>

The Group derives revenue from the transfer of services over time in Malaysia for the years ended 31 December 2025 and 2024.

5. SEGMENT INFORMATION

The Group has determined its operating segments and prepared segmental information based on regular internal financial information reported to the chief operating decision makers, i.e. the executive directors of the Company, who are responsible for making strategic decisions. The executive directors review the Group's internal reporting in order to assess performance and allocate resources and have determined the operating segments based on these reports.

During the year ended 31 December 2025, the Group commenced a new business focusing on investing activities. As a result, the basis of segmentation has changed and the Group has identified two reportable segments as follows:

1. Investment related businesses — Engaged in investing activities in Hong Kong
2. Telemarketing services business — Provision of outbound marketing services in Malaysia

Each of these operating segments is managed separately as each of them requires different resources and business strategies.

(a) Segment results, assets and liabilities

The accounting policies of the operating segments are the same as those described in note 4 to the consolidated financial statements.

For the purpose of monitoring segment performances and allocating resources between segments:

- Segment profit/(loss) represented profit earned by/(loss from) each segment without allocation of finance costs and income tax expense.
- Segment assets include all tangible, intangible assets and current assets.
- Segment liabilities include all current and non-current liabilities with the exception of loan from ultimate holding company.

An analysis of the Group's reportable segment results, assets and liabilities by reportable segment is as follows:

	Investment related businesses 2025 RM'000	Telemarketing services business 2025 RM'000	Total 2025 RM'000
Revenue			
Revenue from external customers	–	92,533	<u>92,533</u>
Results			
Segment (loss)/profit	(10,764)	12,011	1,247
Unallocated amounts:			
Finance costs			(389)
Income tax expense			<u>(3,445)</u>
Loss for the year			<u>(2,587)</u>
Assets			
Segment assets	40,960	56,461	<u>97,421</u>
Liabilities			
Segment liabilities	(2,332)	(21,931)	(24,263)
Unallocated amounts:			
Loan from ultimate holding company			<u>(32,462)</u>
Total liabilities			<u>(56,725)</u>
Other segment information:			
Interest revenue	1	1,025	1,026
Depreciation and amortisation	291	5,689	5,980
Staff costs	1,597	56,894	58,491
Impairment losses on intangible assets	4,920	–	4,920
Impairment losses on property, plant and equipment	16	–	16
Additions to segment non-current assets	23,161	8,198	31,359

	Investment related businesses 2024 <i>RM'000</i>	Telemarketing services business 2024 <i>RM'000</i>	Total 2024 <i>RM'000</i>
Revenue			
Revenue from external customers	–	93,064	<u>93,064</u>
Results			
Segment profit	–	18,502	18,502
Unallocated amounts:			
Finance costs			(318)
Income tax expense			<u>(4,897)</u>
Profit for the year			<u>13,287</u>
Assets			
Segment assets	–	63,606	<u>63,606</u>
Liabilities			
Segment liabilities	–	(20,625)	<u>(20,625)</u>
Other segment information:			
Interest revenue	–	2,139	2,139
Depreciation and amortisation	–	5,034	5,034
Staff costs	–	58,212	58,212
Additions to segment non-current assets	–	2,368	2,368

(b) Geographical information

The Group's revenue from external customers by location of operations and information about its non-current assets by location of assets are detailed below. The geographical location of intangible assets is determined based on the primary location of the investment management team and the jurisdiction of the custodial arrangements.

	Turnover		Non-current assets	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Hong Kong	–	–	17,352	–
Malaysia	92,533	93,064	15,258	9,591
Consolidated total	92,533	93,064	32,610	9,591

(c) Revenue from major customers

Revenue from customers individually contributing over 10% of the total revenue of the Group for the year is as follows:

	2025 RM'000	2024 RM'000
Customer A	12,513	21,316
Customer B	14,354	11,873
Customer C	9,596	17,659
Customer D	11,454	9,568
Customer E	11,536	N/A

6. OTHER OPERATING EXPENSES

	2025 RM'000	2024 RM'000
Auditor's remuneration	597	466
Campaign expenses	2,624	3,262
Consultancy expenses	10,599	3,133
Entertainment expenses	936	529
Legal and professional fees	902	288
Repair and maintenance expenses	797	553
Telephone and internet expenses	95	–
Training related expenses	516	542
Utilities expenses	506	580
Others	4,878	4,175
	22,450	13,528

7. INCOME TAX EXPENSES

	2025 <i>RM'000</i>	2024 <i>RM'000</i>
Current tax — Malaysian Income Tax		
Provision for the year	3,225	4,890
Under-provision in prior years	220	7
	<u>3,445</u>	<u>4,897</u>

Malaysian income tax is calculated at the statutory tax rate of 24% (2024: 24%) on the estimated taxable profits for the year ended 31 December 2025. No provision for Hong Kong Profits Tax has been made in the financial statements since the Group has no assessable profit for the year.

Tax charge on profits assessable elsewhere have been calculated at the rates of tax prevailing in the countries in which the Group operates, based on existing legislation, interpretation and practices in respect thereof.

8. (LOSS)/PROFIT FOR THE YEAR

The Group's (loss)/profit for the year is stated after charging/(crediting) the following:

	2025 <i>RM'000</i>	2024 <i>RM'000</i>
Auditor's remuneration		
— Audit services	516	408
— Non-audit services	81	58
	597	466
Impairment losses on intangible assets	4,920	—
Impairment losses on property, plant and equipment	16	—
Depreciation on property, plant and equipment	1,465	1,287
Depreciation on right-of-use assets	4,515	3,747
Loss on modification of financial assets at amortised cost	77	323
Reversal of impairment losses on financial assets at amortised cost	(34)	(155)
Staff costs (including directors' emoluments) (<i>note 1</i>)		
— Salaries, bonuses and allowances	51,303	50,959
— Retirement benefit scheme contributions	6,377	6,439
— Social insurance contributions	811	814
	<u>58,491</u>	<u>58,212</u>

Note 1: For the year ended 31 December 2025, government grants amounted to approximately RM Nil (2024: RM387,000) have been offset against staff costs.

9. DIVIDENDS

	2025	2024
	RM'000	RM'000
First special dividend of HK\$0.04 (equivalent to RM0.02452) per ordinary share paid	–	9,808
Second special dividend of HK\$0.04 (equivalent to RM0.02363) per ordinary share paid	–	9,451
	<u>–</u>	<u>19,259</u>

The Board did not recommend payment of a final dividend for the years ended 31 December 2025 and 2024 respectively.

10. (LOSS)/EARNINGS PER SHARE

(a) Basic (loss)/earnings per share

The calculation of the basic (loss)/earnings per share is based on the following:

	2025	2024
	RM'000	RM'000
(Loss)/earnings		
(Loss)/earnings for the purpose of calculating basic (loss)/earnings per share	<u>(2,587)</u>	<u>13,287</u>
	2025	2024
	'000	'000
Number of shares		
Weighted average number of ordinary shares for the purpose of calculating basic earnings per share	<u>400,000</u>	<u>400,000</u>

(b) Diluted earnings per share

No diluted earnings per share are presented as the Company did not have any dilutive potential ordinary shares during the years ended 31 December 2025 and 2024.

11. TRADE RECEIVABLES

	2025 <i>RM'000</i>	2024 <i>RM'000</i>
Trade receivables	19,844	21,416
Allowance for doubtful debts	(126)	(126)
	<u>19,718</u>	<u>21,290</u>

The Group's trade receivables represent receivables from customers. The general credit term of trade receivables is 30 days. The Group seeks to maintain strict control over its outstanding receivables. Overdue balances are reviewed regularly by directors.

The aging analysis of trade receivables, based on the invoice date and net of allowance, is as follows:

	2025 <i>RM'000</i>	2024 <i>RM'000</i>
0 to 30 days	15,916	8,247
31 to 60 days	2,299	6,820
61 to 90 days	454	3,068
91 to 120 days	–	882
121 to 180 days	195	1,050
Over 180 days	854	1,223
	<u>19,718</u>	<u>21,290</u>

The carrying amounts of the Group's trade receivables are denominated in Ringgit Malaysia.

12. FINANCIAL ASSETS AT AMORTISED COST

	2025 <i>RM'000</i>	2024 <i>RM'000</i>
Loan receivables	–	8,851
Interest receivables	–	708
	<hr/>	<hr/>
	–	9,559
Less: Impairment loss	–	(34)
	<hr/>	<hr/>
	–	9,525
	<hr/> <hr/>	<hr/> <hr/>

The amounts represent loan advanced to independent third parties with aggregated principal values of RM Nil (2024: RM9,000,000).

On 31 January 2019, UTSM entered into a shares sale agreement with Exsim Development Sdn. Bhd. (“**Exsim**”) and Mightyprop Sdn. Bhd. (“**Mightyprop**”) to acquire 2% of Mightyprop issued ordinary shares from Exsim with a purchase consideration of RM2. In addition, UTSM agreed to provide an advance of RM12,000,000 to Mightyprop. In July 2019, an agreement was entered by UTSM with Exsim and Mightyprop in which the proposed transfer of 2% shareholding in Mightyprop by Exsim to UTSM will not be proceeded due to non-fulfillment of certain conditions precedent. The advance is unsecured, bearing interest rate of 12% per annum and repayable on or before 30 September 2025. Exsim agreed to repay the advance in four equal instalments of RM3,000,000 each across four quarters. In March 2025, the repayment date for the second instalment was extended from 30 March 2025 to 30 September 2025 with the interest rate remaining unchanged. The first instalment of RM3,000,000 was settled in prior year and the remaining instalments were fully settled during the current year.

13. LOAN FROM ULTIMATE HOLDING COMPANY

Microhash International Pte Limited, the ultimate holding company of the Company, granted a loan of approximately RM32,462,000 (equivalent to US\$8,000,000) to the Company on 27 June 2025. The loan is unsecured, interest-free and repayable on demand.

14. SHARE CAPITAL

	Number of shares	Amount HK\$'000	
Authorised:			
Ordinary shares of HK\$0.01 each			
At 1 January 2024, 31 December 2024,			
1 January 2025 and 31 December 2025	<u>10,000,000,000</u>	<u>100,000</u>	
	Number of shares	Amount HK\$'000	Equivalents to amount RM'000
Issued and fully paid:			
Ordinary shares of HK\$0.01 each			
At 1 January 2024, 31 December 2024,			
1 January 2025 and 31 December 2025	<u>400,000,000</u>	<u>4,000</u>	<u>2,199</u>

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern and to maximise the return to the shareholders through the optimisation of the debt and equity balance.

The Group sets the amount of capital in proportion to risk. The Group manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Group may adjust the payment of dividends, issue new shares, buy back shares, raise new debts, redeem existing debts or sell assets to reduce debts.

The Group monitors its capital structure with reference to its debt position. The Group's strategy is to maintain the equity and debt in a balanced position and ensure there are adequate working capital to service its debt obligations. The Group's debt to asset ratio, being the Group's total liabilities over its total assets, at 31 December 2025 is 58% (2024: 32%).

The externally imposed capital requirement for the Group are: (i) in order to maintain its listing on the Stock Exchange it has to have a public float at least 25% of the issued shares; and (ii) to meet financial covenants attached to the banking facilities.

The Group receives a report from the share registrars regularly on substantial share interests showing the non-public float and it demonstrates continuing compliance with the 25% limit throughout the year. As at 31 December 2025, 25% (2024: 25%) of the shares were in public hands.

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

The Group is principally engaged in the provision of outbound telemarketing services and contact centre facilities for promotion of financial products and its related activities issued by authorised financial institutions, card companies or organisations worldwide. The Group is also engaged in investing activities in Hong Kong.

As at 31 December 2025, the Group was operating nine contact centres located within the central business district of Kuala Lumpur, Malaysia and one branch contact center in the State of Melaka, Malaysia.

The Group recorded a net loss for the year ended 31 December 2025 amounted to approximately RM2.59 million, representing a decrease of approximately RM15.88 million as compared to approximately a net profit of RM13.29 million for the year ended 31 December 2024.

The reversal from net profit position to net loss position was mainly attributable to the recognition of an impairment loss of Bitcoin of approximately RM4.92 million and the increase in the Group's other operating expenses to approximately RM22.45 million due to the increase in costs associated with the analytical review for the purpose of enhancing the telemarketing services performance and workforce deployment of the Group.

FINANCIAL REVIEW

Revenue

	2025	2024
	<i>RM'000</i>	<i>RM'000</i>
Industry Sector		
Insurance	56,702	54,631
Banking and financial	10,009	11,279
Others	25,822	27,154
	<hr/>	<hr/>
Total	92,533	93,064
	<hr/> <hr/>	<hr/> <hr/>

For the year ended 31 December 2025, the Group recorded revenue of approximately RM92.53 million, representing a slight decrease of approximately 0.57% as compared with approximately RM93.06 million for the year ended 31 December 2024.

The overall average number of workstations ordered per month decreased slightly from approximately 1,095 for the year ended 31 December 2024 to 1,084 for the year ended 31 December 2025.

However, despite the slight decrease in seat orders, the revenue generated per workstation per month remained relatively stable at RM7,114 for the year 31 December 2025 (31 December 2024: RM7,082).

Other income

For the year ended 31 December 2025, other income decreased by approximately RM0.89 million as compared to the prior year mainly due to lower imputed interest income from financial assets at amortised costs.

Other gains and losses

For the year ended 31 December 2025, other losses increased by approximately RM5.70 million from losses of approximately RM0.24 million for the year ended 31 December 2024 to losses of approximately RM5.94 million for the year ended 31 December 2025, mainly due to the recognition of an impairment loss of Bitcoin of approximately RM4.92 million and higher foreign exchange losses of RM0.81 million.

Staff Costs

For the year ended 31 December 2025, staff costs slightly increased by approximately RM0.28 million or 0.48% from approximately RM58.21 million for the year ended 31 December 2024 to approximately RM58.49 million for the year ended 31 December 2025.

The average number of staff slightly decreased from a monthly average of 1,297 for the year ended 31 December 2024 to 1,258 for the year ended 31 December 2025.

Overall staff costs per staff per month remained relatively stable at approximately RM3,875 for the year ended 31 December 2025 as compared to approximately RM3,740 for the year ended 31 December 2024.

Depreciation

For the year ended 31 December 2025, depreciation charges increased by approximately RM0.95 million or 18.79% from RM5.03 million for the year ended 31 December 2024 to approximately RM5.98 million for the year ended 31 December 2025, mainly due to new lease agreement for the use of new office premises entered into by the Group during the year.

Other operating expenses

For the year ended 31 December 2025, other operating expenses increased by approximately RM8.92 million or 65.95%, from approximately RM13.53 million for the year ended 31 December 2024 to approximately RM22.45 million for the year ended 31 December 2025.

The increase was primarily due to the increase in costs associated with the analytical review for the purpose of enhancing the telemarketing services performance and workforce deployment of the Group.

Finance costs

For the year ended 31 December 2025, finance costs increased by approximately RM0.07 million from approximately RM0.32 million for the year ended 31 December 2024 to approximately RM0.39 million for the year ended 31 December 2025.

Income tax expenses

The Group reported an income tax expense provision of RM3.45 million and RM4.90 million from the assessable profits for the years ended 31 December 2025 and 2024 respectively.

Net profit and net profit margin

As a result of the above factors, the Group recorded loss after tax of approximately RM2.59 million for the year ended 31 December 2025 (profit after tax of approximately RM13.29 million for the year ended 31 December 2024), with net profit margin of approximately -2.80% (2024: 14.28%).

LIQUIDITY, FINANCIAL RESOURCES AND CAPITAL STRUCTURE

Financial resources

The Group generally meets its working capital requirements and capital expenditures on plant and equipment from its internally generated funds. For the year ended 31 December 2025, the Group generated net cash inflow from operating activities of approximately RM15.04 million (2024: approximately RM14.71 million). The Group was able to fulfill its repayment obligations when they became due. The Group has not experienced any material difficulties in rolling over its banking facilities.

Banking facilities and lease liabilities

As at 31 December 2025, the Group had available and unutilised facilities from the banks amounting to approximately RM5.10 million (2024: approximately RM16.10 million). The carrying amount of the Group's facilities are denominated in Malaysian Ringgit.

The Group's average effective interest rate for the banking facilities was 5.71% (2024: 9.02%). The banking facilities are secured by the pledged bank deposits.

As at 31 December 2025, the Group had an aggregate amount of current and non-current lease obligations of approximately RM11.86 million (2024: approximately RM5.11 million), denominated in Malaysian Ringgit and Hong Kong dollar. The average effective interest rate for the leases was 4.70% (2024: 4.81%). The carrying amount of lease obligations amounted to approximately RM3.05 million (2024: approximately RM1.97 million) and is secured by the lessor's retention of title to the leased assets.

Capital Structure

As at 31 December 2025, the Group's total equity and liabilities amounted to approximately RM40.70 million and RM56.73 million respectively (2024: approximately RM42.98 million and RM20.63 million respectively).

Pledge of Assets

As at 31 December 2025, the Group's bank facilities, denominated in Malaysian Ringgit, were secured by the pledged bank deposits of approximately RM1.35 million (2024: approximately RM4.85 million).

Gearing Ratio

The gearing ratio of the Group as at 31 December 2025 was 29.14% (2024: 11.89%) which is calculated based on the total debt divided by equity attributable to equity holders of the Company. Total debt represents lease liabilities. The Group has a strong liquidity position to meet its operational needs.

RISK FACTORS AFFECTING OUR RESULTS OF OPERATIONS AND FINANCIAL CONDITIONS

The Company has identified and determined the major risk factors which may affect the operation results and financial conditions of the Group through risk management process, which include the following:

Risk in the ability to secure sufficient labour and control staff cost

Contact service industry is a service-oriented and labour intensive business. Any shortage in staff, or increase in staff costs may materially and adversely affect our business, results of operations, financial condition and prospects.

As at 31 December 2025, the Group had 1,243 employees. Total staff costs incurred by the Group for the year ended 31 December 2025 was approximately RM58.49 million (2024: approximately RM58.21 million), representing approximately 63.21% of the Group's revenue for the year ended 31 December 2025 (2024: 62.55%).

To manage such risk, the Group has endeavored to attract and retain sufficient number of staff, in particular our telemarketing sales representatives by offering performance-linked commission and incentive based on pre-determined sales target.

In addition, appropriate corrective actions and re-training measures have been taken to further improve the quality of the services provided by our telemarketing sales representatives.

Delay in settlement of bills from the top five clients

The majority of the Group's revenue is derived from a limited number of clients. Sales to the five largest clients accounted for 64.25% of the total revenue for the year ended 31 December 2025 (2024: 71.08%). All the five largest clients are insurance companies or charitable organisation.

The Group may be subject to the risk of delay in payment from our clients. If settlements of bills are not made in full or in a timely manner, the cash position and financial conditions of the Group will be adversely affected.

To manage such risk, the Group monitors the trade receivables collection status from time to time in order to ensure that the outstanding amounts due from our clients can be fully recovered. As at 31 December 2025, the Group has recorded trade receivables of approximately RM19.72 million. Up to the date of this announcement, approximately RM19.57 million or 99.23% of the outstanding trade receivables balances as at 31 December 2025 have been subsequently settled.

Fluctuation in the price of cryptocurrencies

The cryptocurrency market is subject to volatility and the price of cryptocurrencies may show real time fluctuations. Due to the fluctuations in cryptocurrency prices (primarily Bitcoins), the impact of the fair value of Bitcoins on our financial performance may vary accordingly.

For the year ended 31 December 2025, the recognition of an impairment loss of Bitcoin was amounted to approximately RM4.92 million.

To manage such risk, the Group monitors the price of Bitcoins on an ongoing basis. The Group also reviews strategy for acquisition and disposal of Bitcoin holdings to manage liquidity needs and risk exposure from time to time.

CAPITAL COMMITMENTS

As at 31 December 2025, the Group did not have any significant capital commitments contracted for but not yet incurred item (31 December 2024: nil).

CONTINGENT LIABILITIES

As at 31 December 2025, the Group did not have any significant contingent liabilities (31 December 2024: nil).

ADVANCE TO ENTITIES

On 31 January 2019, UTS Marketing Solutions Sdn. Bhd. (“**UTSM**”), a wholly-owned subsidiary of the Group, entered into an agreement with Exsim Development Sdn. Bhd. (“**Exsim**”) and Mightyprop Sdn. Bhd. (“**Mightyprop**”) to acquire 2% of the entire issued capital of Mightyprop from Exsim with a consideration at nominal value of RM2. In addition, UTSM agreed to provide an advance of RM12,000,000 to Mightyprop (the “**Advance**”). In July 2019, an agreement was entered into by UTSM with Exsim and Mightyprop, pursuant to which the proposed acquisition of 2% shareholding in Mightyprop would not be proceeded due to non-fulfillment of certain conditions precedent.

Several extensions agreement were subsequently entered into on the deferment repayment of the advance and Mightyprop had settled RM3,000,000 each during December 2024 and June 2025 respectively. The remaining balance of approximately RM6,000,000 has become due and payable on or before 30 September 2025 and the same was fully repaid on 2 October 2025.

The financial advances to entities under Rule 13.20 of the Listing Rules and the details of the above transactions have been disclosed in the Company's announcements dated 31 January 2019, 23 April 2019, 8 July 2019, 8 July 2020, 10 July 2020, 30 December 2020, 28 June 2021, 30 December 2021, 24 June 2022, 18 October 2022, 10 November 2022, 3 July 2023, 27 July 2023 and 3 July 2024 respectively.

As at 31 December 2025, there was no circumstance giving rise to the disclosure under Rule 13.13 of the Listing Rules.

EMPLOYEES AND REMUNERATION POLICIES

As at 31 December 2025, the Group had 1,243 (31 December 2024: 1,225) employees. Total staff costs incurred by the Group for the year ended 31 December 2025 were approximately RM58.49 million (2024: approximately RM58.21 million).

The employees of the Group are remunerated according to their job scope and responsibilities. Performance-linked commission and allowances on top of fixed salary were given to the employees to motivate productivity and stimulate better performance. The employees are also entitled to annual discretionary performance bonus, salary increment and promotion based on regular performance reviews and annual appraisals.

INTEREST RATE RISK

As at 31 December 2025, the Group's pledged bank deposits and lease liabilities bore interest at fixed interest rates and therefore were subject to fair value interest rate risk. The Group's exposure to cash flow interest rate risk arises from its bank deposits. These deposits bore interests at variable rates that are subject to the then prevailing market condition. The Board believes that the Group does not have significant interest rate risk exposures.

FOREIGN CURRENCY EXPOSURE

The Group has certain exposure to foreign currency risk as most of its business transactions, assets and liabilities are principally denominated in the functional currencies of the Group entities such as Hong Kong dollars ("HK\$"), Malaysian Ringgit ("RM"), United States dollars ("US\$") and Renminbi. The Group currently does not have a foreign currency hedging policy in respect of foreign currency transactions, assets and liabilities. The Group monitors its foreign currency exposure closely and will consider hedging significant foreign currency exposure should the need arise.

SIGNIFICANT INVESTMENTS HELD

Save as disclosed in the paragraph headed "Material Acquisitions or Disposals" or otherwise in this announcement, as at 31 December 2025, the Group did not hold any significant investments.

FUTURE PLANS FOR MATERIAL INVESTMENTS OR CAPITAL ASSETS

Save as disclosed in this announcement, there was no specific plan for material investments or capital assets as at 31 December 2025.

MATERIAL ACQUISITIONS OR DISPOSALS

Purchases of Cryptocurrency

On 28 August 2025, BitNova Limited, a wholly-owned subsidiary of the Company, purchased 10 units of Bitcoin through an open market transaction at an aggregate consideration of approximately US\$1.13 million (equivalent to approximately RM4.78 million) (excluding transaction costs) (the “**First Acquisition**”).

The First Acquisition constituted a discloseable transaction on the part of the Company under the Listing Rules. For details, please refer to the announcement of the Company dated 28 August 2025.

On 15 September 2025, the Group further acquired in an open market transaction, an additional approximately 33.41 units of Bitcoin at an aggregate consideration of approximately US\$3.86 million (equivalent to approximately RM16.25 million or HK\$30.02 million) (the “**Further Acquisition**”).

The First Acquisition and the Further Acquisition, calculated on an aggregate basis, constituted discloseable transaction on the part of the Company under the Listing Rules. For details, please refer to the announcement of the Company dated 15 September 2025.

Tentative Acquisition of Corporate Nominee Membership

On 25 November 2025, the Company and The Bank of Nova Scotia (the “**Vendor**”) entered into the sale and purchase agreement, pursuant to which the Company agreed to purchase the corporate nominee membership of Hong Kong Golf Club at a consideration of HK\$14,200,000 (equivalent to approximately RM7,553,191) from the Vendor. The said acquisition was subsequently terminated in February 2026. For details, please refer to the announcements of the Company dated 25 November 2025 and 1 March 2026.

Save as disclosed above, during the year ended 31 December 2025, the Group did not have any material acquisitions and disposals of subsidiaries, affiliated companies, associates or joint ventures.

OUTLOOK AND FUTURE PROSPECTS

The Group's strategic objective remains unchanged and will continue focusing on the business strategies as set out in the section headed "Business — Business Strategies" of the Prospectus.

The Group continues to remain cautious and maintain its efforts to improve productivity and expects the overall outlook for the year 2026 to remain stable and resilient without material deviation from its existing outbound telemarketing workstations ordered from its existing clients.

The Group had also been constantly identifying potential opportunities to increase its number of workstations ordered beyond its current customer base by either working with new database owners, new insurers or takaful operators in order to improve the Group's financial performance. In addition, the Group is keen to explore business opportunities and investments related to digital currency as well as other high-growth sectors that offer significant strategic and financial upside.

DIVIDENDS

The Board has resolved not to declare any final dividend for the year ended 31 December 2025.

ANNUAL GENERAL MEETING

The annual general meeting of the Company will be held in accordance with the Listing Rules and the articles of association of the Company. The Company will announce the details of the annual general meeting in due course.

RETIREMENT BENEFIT SCHEME

Hong Kong

The Group participates in the mandatory provident fund scheme (the "**MPF Scheme**") established under the Mandatory Provident Fund Schemes Ordinance (Cap. 485 of the Laws of Hong Kong). The assets of the MPF Scheme are held separately from those of the Group in funds under the control of an independent trustee. Under the rules of the MPF Scheme, the employer and its employees are each required to make contributions to the scheme at the rates specified in the rules. The only obligation of the Group with respect to the MPF Scheme is to make the required contributions under the scheme.

The Group's contribution under the MPF Scheme for the year ended 31 December 2025 amounted to approximately RM6,000 (2024: Nil).

Malaysia

The Group contributes to Employees Provident Fund for their employees in accordance with the statutory requirements prescribed by the relevant Malaysian laws and regulations. The Group is required to contribute certain percentage (6%–13%) of their payroll costs to the retirement benefit scheme to fund the benefits. The only obligation of the Group with respect to the retirement benefit scheme is to make the specified contributions.

For the year ended 31 December 2025, the total amount contributed by the Group to the retirement benefit scheme was approximately RM6.38 million (2024: approximately RM6.44 million).

During the years ended 31 December 2025 and 2024, the Group had no forfeited contributions under its retirement benefit scheme which may be used to reduce the existing level of contributions.

EVENTS AFTER THE REPORTING PERIOD

Save as disclosed in this announcement, there had been no material event subsequent to 31 December 2025 which requires adjustment to or disclosure in this announcement.

COMPETING INTERESTS

The Directors are not aware of any business or interest of the Directors or the controlling shareholders of the Company nor any of their respective close associates that compete or might compete, either directly or indirectly, with the business of the Group and any other conflicts of interest which any such person had or might have with the Group during the year ended 31 December 2025.

CHANGE OF COMPANY NAME

During the extraordinary general meeting of the Company held on 26 June 2025, a special resolution has been passed to change the company name of the Company to “BitStrat Holdings Limited” with its dual foreign name in Chinese “比特策略控股有限公司”. The change of company name became effective on 2 July 2025. Consequential amendments have been made to the memorandum and articles of association of the Company.

RECENT DEVELOPMENT AND NO MATERIAL ADVERSE CHANGE

Save as disclosed above, there had been no material changes on the business operation of the Group since 31 December 2025.

SHARE OPTION SCHEME

The Company adopted a share option scheme (the “**Share Option Scheme**”) on 14 June 2017 and the same became effective from 12 July 2017, the date on which the Shares were listed and commenced trading on the Stock Exchange. No option was granted, exercised, cancelled or lapsed during the year ended 31 December 2025. As at 1 January 2025 and 31 December 2025, the number of options available for grant was 40,000,000 and 40,000,000 respectively, representing 10% of the entire issued share capital of the Company.

The Share Option Scheme is a share incentive scheme and is established to enable the Company to grant options to the eligible participants as incentives or rewards for the contribution they had or may have made to the Group. The Share Option Scheme will provide the eligible participants the opportunity to have personal stake in the Company with the view to achieve the following objectives:

- (a) motivate the eligible participants to optimise their performance efficiency for the benefit of the Group; and
- (b) attract and retain or otherwise maintain on-going business relationship with the eligible participants whose contributions are or will be beneficial to the long-term growth of the Group.

Subject to the restrictions under the Listing Rules, eligible participants of the Share Option Scheme include (i) any full-time or part-time employees, executives or officers of the Company or any of its subsidiaries; (ii) any directors (including independent non-executive directors) of the Company or any of its subsidiaries; (iii) any consultants or advisers (whether professional or otherwise and whether on an employment or contractual or honorary basis or otherwise and whether paid or unpaid), contractors, suppliers, service providers, agents, customers and business partners of the Company or any of its subsidiaries; and (iv) any such other persons who in the sole opinion of the Board, will contribute or have contributed to the Company and/or any of its subsidiaries. Subject to the requirements under the Listing Rules relating to the grant of share options to the Directors, chief executive or substantial shareholders, unless approved by the shareholders at general meeting in the manner prescribed in the Listing Rules, the maximum entitlement of each eligible participant is that the total number of shares issued and to be issued upon exercise of the outstanding options granted and to be granted to such grantee (including both exercised, cancelled and outstanding options) under the Share Option Scheme and other scheme(s) of the Group in any 12-month period must not exceed 1% of the issued share capital of the Company as at the date of grant.

PURCHASE, SALE OR REDEMPTION OF SHARES

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

SUFFICIENCY OF PUBLIC FLOAT

On 9 April 2025, CoreVest Holdings Limited (“**CoreVest**”) and Alpha Ladder Finance Pte. Ltd. (“**ALF**”), as purchasers, entered into the sale and purchase agreement with (i) Marketing Intellect (UTS) Limited, Marketing Talent (UTS) Limited and Marketing Wisdom (UTS) Limited as vendors, and (ii) Mr. Ng Chee Wai, Mr. Lee Koon Yew and Mr. Kwan Kah Yew as guarantors, pursuant to which, CoreVest and ALF have agreed to acquire and the Vendors have agreed to sell, a total of 300,000,000 Shares, representing 75% of the entire issued share capital of the Company. CoreVest was required to make a mandatory unconditional cash offer for all the issued Shares (other than those already owned and/or agreed to be acquired by CoreVest or parties acting in concert with it) in accordance with Rule 26.1 of the Code on Takeovers and Mergers (the “**Offer**”), which CoreVest has done so. Immediately following the close of the Offer on 13 June 2025, an aggregate of 64,972,000 Shares, representing approximately 16.24% of the total issued share capital of the Company, were held by the public. On 30 June 2025, the Stock Exchange granted a waiver to the Company from strict compliance with Rules 8.08(1)(a) and 13.32(1) of the Listing Rules for the period from 13 June 2025 to 13 September 2025.

The Board was informed by CoreVest that, on 30 June 2025, CoreVest and Emperor Securities Limited (the “**Placing Agent**”) entered into an agreement, pursuant to which CoreVest has agreed to appoint the Placing Agent as placing agent to place, on the best effort basis, an aggregate of 35,028,000 Shares to investors (the “**Private Placement**”). For details, please refer to the announcement of the Company dated 30 June 2025. Completion of the Private Placement took place on 15 July 2025, and 35,028,000 Shares have been placed through the Placing Agent to independent placees. Immediately upon completion of the Private Placement, a total of 100,000,000 Shares, representing 25% of the total issued share capital of the Company, were held by the public. As such, the minimum public float of the Company as required under Rule 8.08(1)(a) of the Listing Rules has been restored. For details, please refer to the announcement of the Company dated 15 July 2025.

Save as disclosed above, based on the information that is publicly available to the Company and to the best knowledge of the Directors, at least 25% of the issued shares of the Company were held by the public for the year ended 31 December 2025 and up to the date of this announcement.

MODEL CODE FOR SECURITIES TRANSACTIONS

The Board has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the “**Model Code**”) as set out in Appendix C3 of the Listing Rules as the code for dealings in securities transactions by the Directors. Specific enquiries have been made to all Directors and they have confirmed their compliance with the required standard set out in the Model Code throughout the year ended 31 December 2025.

CORPORATE GOVERNANCE CODE

The Company is committed to maintaining good corporate governance standard and procedures with a view to enhance investors’ confidence and the Company’s accountability and transparency.

The Company has complied with the code provisions as set out in the Corporate Governance Code (the “**CG Code**”) as set out in Appendix C1 of the Listing Rules and there has been no deviation from the code provisions as set forth under the CG Code for the year ended 31 December 2025, save and except:

- (i) code provision C.2.1 of the CG Code. Pursuant to code provision C.2.1 of the CG Code, the roles of chairman and chief executive officer should be separate and should not be performed by the same individual. With effect from 26 June 2025, Mr. Luo Zuchun has been appointed as the chairman of the Board and the chief executive officer of the Company and therefore the roles of the chairman of the Board and the chief executive officer of the Company are not separate. The Company has established an Audit Committee comprising the independent non-executive Directors and has appointed another executive Director to manage and oversee the Group’s principal business in Malaysia, and the Board considers such measures to be appropriate to promote an effective balance between governance and management functions. Considering that Mr. Luo Zuchun will play pivotal role in the business development of the Group in accordance with its business plans, all the Directors will meet regularly and all major decisions of the Company will be made in consultation with the members of the Board, the Directors consider that this structure will not impair the balance of power and authority between the Directors and the management of the Company and believe that this structure will enable the Company to make and implement decisions effectively; and
- (ii) code provision D.2.5 of the CG Code. The Company does not have an internal audit function as the Board considered that the size, nature and complexity of the Group’s business does not require such function. The Board reviewed and will continue to review the need to set up an independent internal audit function on an annual basis. During the year, the Company has appointed an independent internal control consultant to review the internal controls over key processes at both the entity and process levels. The Audit Committee has reviewed the results of the internal control review, together with other relevant information such as meetings with the auditors, management representations, and the Company’s actual performance, and has provided advices to the Board as appropriate. The Board considers that the internal control and risks management system of the Group was effective during the year ended 31 December 2025.

AUDIT COMMITTEE

The Audit Committee of the Company was established on 14 June 2017 with written terms of reference in compliance with the Listing Rules. As at the date of this announcement, the committee comprises three independent non-executive Directors, namely Mr. Cheuk Ho Kan (Chairman of the Audit Committee), Ms. Liu Mei and Mr. Cai Runjia.

The draft audited annual results of the Company for the year ended 31 December 2025 as set out in this announcement have been reviewed by the Audit Committee. The Audit Committee also reviewed together with the management the accounting principles and policies adopted by the Group and the draft audited consolidated financial statements for the year ended 31 December 2025.

REVIEW OF PRELIMINARY ANNOUNCEMENT

The figures in respect of the preliminary results announcement for the year ended 31 December 2025 have been agreed by the Group's auditor, RSM Hong Kong, to the amounts set out in the Group's consolidated financial statements. The work performed by RSM Hong Kong in this respect 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. Consequently, no assurance has been expressed by RSM Hong Kong on this preliminary announcement.

PUBLICATION OF RESULTS ANNOUNCEMENT AND ANNUAL REPORT

This announcement is published on the Stock Exchange's website at www.hkexnews.hk and the Company's website at <http://www.bitstrat.hk/>. The 2025 annual report of the Company will be despatched to shareholders of the Company and published on the aforesaid websites in due course.

On behalf of the Board
BitStrat Holdings Limited
Luo Zuchun
Chairman and Executive Director

Hong Kong, 27 March 2026

As at the date of this announcement, the Board comprises two executive Directors, namely Mr. Luo Zuchun (Chairman) and Mr. Lee Koon Yew; one non-executive Director, namely Mr. Chen Jiajun and three independent non-executive Directors, namely, Ms. Liu Mei, Mr. Cheuk Ho Kan and Mr. Cai Runjia.