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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)

INTERIM RESULTS ANNOUNCEMENT FOR THE SIX MONTHS ENDED 30 JUNE 2026

The board of directors (the "**Board**") of BitStrat Holdings Limited (the "**Company**") is pleased to announce the unaudited condensed consolidated interim results of the Company and its subsidiaries (collectively referred to as the "**Group**") for the six months ended 30 June 2026, together with the comparative figures for the previous corresponding period as follows:

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE SIX MONTHS ENDED 30 JUNE 2026

		Six months ended 30 June	
		2026	2025
	Note	***RM'000***	*RM'000*
		(unaudited)	(unaudited)
Revenue	*6*	**46,362**	45,224
Other income		**324**	927
Other gains and losses		**(6,094)**	(198)
Staff costs		**(30,369)**	(27,615)
Depreciation		**(3,514)**	(2,672)
Other operating expenses	*7*	**(14,049)**	(8,892)
(Loss)/profit from operations		**(7,340)**	6,774
Finance costs		**(287)**	(145)
(Loss)/profit before tax		**(7,627)**	6,629
Income tax expense	*8*	**(1,166)**	(2,029)
(Loss)/profit for the period	*9*	**(8,793)**	4,600

	Note	Six months ended 30 June 2026 RM'000 (unaudited)	2025 RM'000 (unaudited)
Other comprehensive income:			
Item that may be reclassified to profit or loss:			
Exchange differences on translating foreign operations		**(141)**	–
Other comprehensive income for the period, net of tax		**(141)**	–
Total comprehensive (loss)/income for the period		**(8,934)**	4,600
		RM	*RM*
(Loss)/earnings per share	*11*		
Basic		**(2.20) cents**	1.15 cents
Diluted		**N/A**	N/A

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AT 30 JUNE 2026

	Note	**30 June 2026** **RM'000** **(Unaudited)**	31 December 2025 *RM'000* (Audited)
Non-current assets			
Property, plant and equipment	*12*	**4,425**	4,937
Intangible assets	*13*	**10,477**	15,609
Right-of-use assets	*14*	**11,344**	12,064
		26,246	32,610
Current assets			
Trade receivables	*15*	**19,335**	19,718
Subleasing receivables		**–**	99
Other receivables		**3,255**	3,188
Tax recoverable		**1,798**	852
Pledged bank deposits		**1,407**	1,352
Bank and cash balances		**22,633**	39,602
		48,428	64,811
Current liabilities			
Accruals and other payables		**9,690**	11,704
Lease liabilities		**5,555**	5,016
Loan from ultimate holding company	*16*	**20,357**	32,462
Current tax liabilities		**810**	556
		36,412	49,738
Net current assets		**12,016**	15,073
Total assets less current liabilities		**38,262**	47,683

	Note	30 June 2026 RM'000 (Unaudited)	31 December 2025 RM'000 (Audited)
Non-current liabilities			
Lease liabilities		**6,355**	6,842
Deferred tax liabilities		**145**	145
		6,500	6,987
NET ASSETS		**31,762**	40,696
Capital and reserves			
Share capital	*17*	**2,199**	2,199
Reserves		**29,563**	38,497
TOTAL EQUITY		**31,762**	40,696

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE SIX MONTHS ENDED 30 JUNE 2026

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 headquarters and principal place of business of the Group is at 23rd Floor, Plaza See Hoy Chan, Jalan Raja Chulan, 50200 Kuala Lumpur, Malaysia.

The Company is an investment holding company. The Company and its subsidiaries (collectively the "Group") are 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 organisation worldwide. The Group is also engaged in investing activities in Hong Kong.

2. BASIS OF PREPARATION

These condensed consolidated financial statements have been prepared in accordance with Hong Kong Accounting Standard ("**HKAS**") 34 "Interim Financial Reporting" issued by the Hong Kong Institute of Certified Public Accountants (the "**HKICPA**") and the applicable disclosures required by the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

These condensed consolidated financial statements should be read in conjunction with the 2025 annual consolidated financial statements. Except as described below, the accounting policies (including the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty) and methods of computation used in the preparation of these condensed consolidated financial statements are consistent with those used in the annual consolidated financial statements for the year ended 31 December 2025.

3. NEW AND AMENDED HKFRS ACCOUNTING STANDARD

A. New and amended standards adopted by the Group

The Group has applied the following amendments to a HKFRS Accounting Standard for the first time from 1 January 2026:

Amendments to HKFRS 9 and HKFRS 7	Classification and Measurement of Financial Instruments
Amendments to HKFRS 9 and HKFRS 7	Contracts Referencing Nature-dependent Electricity
Annual Improvements Project	Annual Improvements to HKFRS Accounting Standards — Volume 11

The Group did not change its accounting policies or make retrospective adjustments as a result of adopting the abovementioned amended standard.

B. Impact of new and amended standards issued but not yet adopted by the Group

A number of new standards and amendments to standards are effective for annual periods beginning after 1 January 2026 and earlier application is permitted. The Group has not early adopted any of the forthcoming new or amended standards in preparing these condensed interim financial statements.

4. FAIR VALUE MEASUREMENTS

The carrying amounts of the Group's financial assets and financial liabilities as reflected in the condensed consolidated statement of financial position approximate their respective fair values.

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.

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.

Segment results, assets and liabilities

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 cots 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 *RM'000* **(unaudited)**	**Telemarketing services business** *RM'000* **(unaudited)**	**Total** *RM'000* **(unaudited)**
Period ended 30 June 2026			
Revenue			
Revenue from external customers	**–**	**46,362**	**46,362**
Results			
Segment (loss)/profit	**(9,337)**	**1,997**	**(7,340)**
Unallocated amounts:			
Finance costs			**(287)**
Income tax expense			**(1,166)**
Loss for the year			**(8,793)**
As at 30 June 2026			
Assets			
Segment assets	**18,741**	**55,933**	**74,674**
Liabilities			
Segment liabilities	**(1,721)**	**(20,834)**	**(22,555)**
Unallocated amounts:			
Loan from ultimate holding company			**(20,357)**
Total liabilities			**(42,912)**

	Investment related businesses *RM'000* (unaudited)	Telemarketing services business *RM'000* (unaudited)	Total *RM'000* (unaudited)
Period ended 30 June 2025			
Revenue			
Revenue from external customers	–	45,224	45,224
Results			
Segment profit	–	6,774	6,774
Unallocated amounts:			
Finance costs			(145)
Income tax expense			(2,029)
Profit for the year			4,600
As at 31 December 2025	(audited)	(audited)	(audited)
Assets			
Segment assets	40,960	56,461	97,421
Liabilities			
Segment liabilities	(2,332)	(21,931)	(24,263)
Unallocated amounts:			
Loan from ultimate holding company			(32,462)
Total liabilities			(56,725)

6. REVENUE

The Group's operations and main revenue stream are those described in the last annual consolidated financial statements. The Group's revenue is derived from the transfer of telemarketing services over time in Malaysia.

7. OTHER OPERATING EXPENSES

	Six months ended 30 June	
	2026	2025
	RM'000	*RM'000*
	(unaudited)	(unaudited)
Auditor's remuneration	**280**	230
Campaign costs	**1,382**	1,290
Consultancy fees	**8,503**	3,521
Legal and professional fees	**309**	598
Training expenses	**252**	257
Repair and maintenance expenses	**158**	292
Utilities expenses	**268**	271
Others	**2,897**	2,433
	14,049	8,892

8. INCOME TAX EXPENSE

	Six months ended 30 June	
	2026	2025
	RM'000	*RM'000*
	(unaudited)	(unaudited)
Current tax — Malaysian Income Tax	**1,166**	2,029

Malaysian income tax is calculated at the statutory tax rates of 24% (30 June 2025: 24%) on the estimated taxable profits for the six months ended 30 June 2026.

No provision of profit tax in the Cayman Islands, the British Virgin Islands and Hong Kong is required as the Group has no assessable profit arising in or derived from these jurisdictions for the six months ended 30 June 2026 and 2025.

Tax charge on profits assessable elsewhere has 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.

9. (LOSS)/PROFIT FOR THE PERIOD

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

	Six months ended 30 June	
	2026	2025
	RM'000	*RM'000*
	(unaudited)	(unaudited)
Loss/(gains) on disposals of property, plant and equipment	**67**	(3)
Loss on modification of financial assets at amortised cost	**–**	78
Impairment loss on right-of-use assets	**798**	–
Impairment loss on intangible assets	**4,962**	–
Impairment loss on financial assets at amortised cost[#]	**–**	6
Staff costs (including directors' emoluments)		
— Salaries, bonuses and allowances	**26,696**	24,163
— Retirement benefit scheme contributions	**3,255**	3,059
— Social insurance contributions	**418**	393
	30,369	27,615

[#] In view of the deterioration in the financial condition and credit rating of the loan advance, the Group recognised impairment losses on financial assets at amortised cost of approximately RM6,000 during the period ended 30 June 2025.

10. DIVIDEND

The board has not declared an interim dividend for the six months ended 30 June 2026 and 2025.

11. (LOSS)/EARNINGS PER SHARE

Basic (loss)/earnings per share

The calculation of the basic (loss)/earnings per share is based on the loss attributable to owners of the Company for the six months ended 30 June 2026 of approximately RM8,793,000 (30 June 2025: profit attributable to owners of the Company of approximately RM4,600,000) and the weighted average number of 400,000,000 (30 June 2025: 400,000,000) ordinary shares in issue during the period.

Diluted earnings per share

No diluted earnings per share are presented as there are no dilutive potential ordinary shares during the six months ended 30 June 2026 and 2025.

12. PROPERTY, PLANT AND EQUIPMENT

During the six months ended 30 June 2026, the Group acquired property, plant and equipment with a cost of approximately RM115,000 (30 June 2025: approximately RM657,000). Property, plant and equipment with a net book value of approximately RM364,000 (30 June 2025: Nil) were disposed of during the six months ended 30 June 2026, resulting a loss on disposal of approximately RM67,000 (30 June 2025: gain on disposal of RM3,000).

13. INTANGIBLE ASSETS

	Cryptocurrencies
	RM'000
Cost	
At 1 January 2026 (audited)	20,278
Exchange differences	(87)
At 30 June 2026 (unaudited)	20,191
Impairment losses	
At 1 January 2026 (audited)	(4,669)
Impairment losses	(4,962)
Exchange differences	(83)
At 30 June 2026 (unaudited)	(9,714)
Carrying amount	
At 30 June 2026 (unaudited)	10,477
At 31 December 2025 (audited)	15,609

The Group carries out their impairment testing by comparing the recoverable amounts of cryptocurrencies to their carrying amounts. An impairment loss will be recognised when the recoverable amount is lower than the carrying amount, while a gain will not be recognised even when the recoverable amount is higher than the carrying amount. A gain will only be recognised if the cryptocurrency is disposed of, assuming the proceeds from disposal at that time is higher than its carrying amount.

The recoverable amount of each type of cryptocurrencies are determined based on fair value less costs of disposal. In determining the fair values, the relevant available markets are identified by the Group, and the Group consider accessibility to, and activity within those markets in order to identify the principal cryptocurrency markets for the Group.

The fair value of Bitcoin traded in active markets (such as trading and exchange platforms) is determined based on quoted market prices at the end of the reporting period. A market is regarded as active if quoted prices are readily and regularly available from an exchange and those prices represent actual and regularly occurring market transactions on an arm's length basis. Therefore, the fair value used for assessment of recoverable amount in impairment test is determined as quoted prices (unadjusted) in active markets for cryptocurrencies (level 1).

As of 30 June 2026, the Group carried out impairment test for cryptocurrencies. Based on the results of the impairment tests, the recoverable amount of cryptocurrencies was RM10,477,000 (30 June 2025: Nil) which was lower than its carrying amount. Therefore, impairment loss of RM4,962,000 (30 June 2025: Nil) was recognised in the condensed consolidated financial statements for the six months period ended 30 June 2026.

14. RIGHT-OF-USE ASSETS

During the six months ended 30 June 2026, the Group entered into new lease agreements for use of office premises and office equipment for 2 to 3 years (30 June 2025: office premises for 2 to 3 years). The Group makes fixed payments during the contract period. On lease commencement, the Group recognised approximately RM3,362,000 (30 June 2025: approximately RM2,020,000) of right-of-use asset and approximately RM3,362,000 (30 June 2025: approximately RM2,020,000) of lease liabilities.

15. TRADE RECEIVABLES

The general credit terms of trade receivables are 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 as at the balance sheet date, based on the date of invoice and net of allowance, is as follows:

	30 June 2026 *RM'000* **(unaudited)**	31 December 2025 *RM'000* (audited)
0 to 30 days	**15,647**	15,916
31 to 60 days	**3,364**	2,299
61 to 90 days	**51**	454
91 to 120 days	**104**	–
121 to 180 days	**169**	195
Over 180 days	**–**	854
	19,335	19,718

16. LOAN FROM ULTIMATE HOLDING COMPANY

Microhash International Pte Limited ("**Microhash**"), 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. During the period, the Company made repayment of RM11,976,000 (equivalent to US$3,000,000) to Microhash. The loan is unsecured, interest-free and repayable on demand.

17. SHARE CAPITAL

	Number of shares	Amount *HK$'000*
Authorised:		
Ordinary shares of HK$0.01 each		
At 1 January 2025, 31 December 2025, 1 January 2026 and 30 June 2026	10,000,000,000	100,000

	Number of shares	Amount *HK$'000*	Equivalent to amount *RM'000*
Issued and fully paid:			
Ordinary shares of HK$0.01 each			
At 1 January 2025, 31 December 2025, 1 January 2026 (audited) and 30 June 2026 (unaudited)	400,000,000	4,000	2,199

18. RELATED PARTY TRANSACTIONS

Compensation of key management personnel of the Group:

	Six months ended 30 June	
	2026 ***RM'000*** **(unaudited)**	2025 *RM'000* (unaudited)
Short term employee benefits	**4,446**	3,518
Retirement benefit scheme contributions	**521**	515
Social insurance contributions	**11**	10
Total compensation paid to key management personnel	**4,978**	4,043

19. SHARE-BASED PAYMENT TRANSACTIONS

The Group conditionally adopted a share option scheme on 14 June 2017 ("**Share Option Scheme**"). The purpose of Share Option Scheme is to provide any directors and full-time or part-time employees, executive, consultants or any members of the Group who have contributed or will contribute to the Group ("**Eligible Participants**") with the opportunity to acquire proprietary interests in the Company and to motivate Eligible Participants to optimise their performance efficiency and to maintain business relationship with the Eligible Participants for the benefits of the Group.

Pursuant to the Share Option Scheme, the directors of the Company may invite Eligible Participants to take up options at a price determined by the board of directors provided that it shall be at least the highest of (a) the closing price of the shares as stated in the Stock Exchange's daily quotations sheet on the date of grant; and (b) a price being the average of the closing prices of the shares of the Company as stated in the Stock Exchange's daily quotations sheets for the 5 business days immediately preceding the date of grant.

The total number of shares which may be issued upon exercise of all options to be granted under the Share Option Scheme and any other share option scheme of the Company shall not in aggregate exceed 10% of the total number of shares in issue unless the Company obtains a fresh approval from the shareholders to refresh the limit.

The maximum entitlement for any one Eligible Participant is that the total number of the shares issued and to be issued upon exercise of the options granted under the Share Option Scheme to each Eligible Participant (including both exercised and outstanding options) in any 12-month period shall not exceed 1% of the total number of shares in issue unless otherwise approved by the shareholders at a general meeting of the Company.

The option may be exercised in accordance with the terms of the Share Option Scheme at any time during the option period which would be determined and notified by the board of directors to the grantee at the time of making an offer.

No share options have been granted by the Group up to the date of issuance of these condensed consolidated financial statements.

20. CONTINGENT LIABILITIES

The Group did not have any significant contingent liabilities at 30 June 2026 (31 December 2025: Nil).

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.

As at 30 June 2026, the Group operated nine contact centers 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 six months ended 30 June 2026 amounted to approximately RM8.79 million, representing a decrease of approximately RM13.39 million as compared to a net profit of approximately RM4.60 million for the six months ended 30 June 2025.

The turnaround from profit to loss for the six months ended 30 June 2026 as compared with the six months ended 30 June 2025 was mainly attributable to (i) the recognition of an impairment loss of Bitcoin of approximately RM4.96 million; (ii) the increase in the Group's other operating expenses to approximately RM14.05 million from approximately RM8.89 million 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; and (iii) the increase in the Group's staff costs to approximately RM30.37 million from approximately RM27.62 million.

FINANCIAL REVIEW

Revenue

	Six months ended 30 June	
	2026	2025
	RM'000	*RM'000*
Industry sector		
Insurance	**28,855**	27,483
Banking and financial	**4,297**	5,100
Others	**13,210**	12,641
	46,362	45,224

For the six months ended 30 June 2026, the Group recorded a revenue of approximately RM46.36 million, representing a increase of approximately 2.52% as compared with approximately RM45.22 million for the corresponding period in 2025.

The overall average number of workstation orders per month increased slightly by 0.75% for the six months ended 30 June 2026 at approximately 1,074 as compared to approximately 1,066 for the six months ended 30 June 2025.

The revenue generated per workstation per month increased slightly by 1.75% at RM7,195 for the six months ended 30 June 2026 as compared to RM7,071 for the six months ended 30 June 2025.

Other income

For the six months ended 30 June 2026, other income decreased by approximately RM0.60 million as compared to approximately RM0.93 million for the corresponding period in the prior year, mainly due to lower imputed and accrued interest income generated from financial assets at amortised costs.

Other gains and losses

For the six months ended 30 June 2026, other losses increased by approximately RM5.90 million as compared to the corresponding period in 2025, mainly due to the recognition of an impairment loss of Bitcoin of approximately RM4.96 million and impairment loss on right-of-use assets of approximately RM0.80 million.

Staff costs

For the six months ended 30 June 2026, staff costs increased by approximately RM2.75 million or 9.97%, from approximately RM27.62 million for the corresponding period in the prior year to approximately RM30.37 million.

The average number of staff increased from a monthly average of 1,233 for the six months ended 30 June 2025 to 1,277 for the six months ended 30 June 2026.

Overall staff costs per staff per month increased by approximately 6.19% at approximately RM3,964 for the six months ended 30 June 2026 as compared to approximately RM3,733 for the six months ended 30 June 2025.

Depreciation

For the six months ended 30 June 2026, depreciation charges increased by approximately RM0.84 million or 31.51%, from approximately RM2.67 million for the corresponding period in 2025 to approximately RM3.51 million mainly due to renewal of new lease agreements for use of office premises during the period under review.

Other operating expenses

For the six months ended 30 June 2026, other operating expenses increased by approximately RM5.16 million or 58.00%, from approximately RM8.89 million for the corresponding period in the prior year to approximately RM14.05 million.

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 six months ended 30 June 2026, finance costs increased by approximately RM0.14 million from approximately RM0.15 million for the corresponding period in 2025 to approximately RM0.29 million due to higher utilisation of lease facilities.

Income tax expenses

The Group reported an income tax expense provision of RM1.17 million and RM2.03 million from the assessable profits arising during the six months ended 30 June 2026 and 2025 respectively.

Net profit and net profit margin

As a result of the above factors, the Group recorded loss after tax of approximately RM8.79 million for the six months ended 30 June 2026 (profit after tax of approximately RM4.60 million for the six months ended 30 June 2025), with net profit margin of approximately -18.97% (2025: approximately 10.17%).

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 six months ended 30 June 2026, the Group generated net cash outflow from operating activities of approximately RM1.89 million (30 June 2025: a net cash inflow of approximately RM4.60 million). The Group was able to honour its repayment obligations when they became due. The Group did not experience any material difficulties in rolling over its existing banking facilities.

Banking facilities and lease liabilities

As at 30 June 2026, the Group had available and unutilised facilities from its banks amounting to approximately RM5.10 million (31 December 2025: approximately RM5.10 million). The carrying amount of the Group's facilities are denominated in Malaysia Ringgit.

The Group's average effective interest rate for the banking facilities is 3.24% (31 December 2025: 5.71%). The banking facilities are secured by the pledged bank deposits.

As at 30 June 2026, the Group had an aggregate amount of current and non-current lease obligations of approximately RM11.91 million (31 December 2025: approximately RM11.86 million), denominated in Malaysian Ringgit and Hong Kong dollar. The average effective interest rate for the leases was 4.59% (31 December 2025: 4.70%).

The carrying amount of approximately RM2.49 million (31 December 2025: approximately RM3.05 million) is secured by the lessor's retention of title to the leased assets.

Pledge of Assets

As at 30 June 2026, the Group's banking facilities, which were all denominated in Malaysian Ringgit, was secured by the pledged bank deposits of approximately RM1.41 million (31 December 2025: approximately RM1.35 million).

Gearing Ratio

The gearing ratio of the Group as at 30 June 2026 was approximately 37.49% (31 December 2025: approximately 29.14%) which is calculated based on the total debt divided by equity attributable to equity holders of the Company. Total debt represents bank overdrafts and lease liabilities. The Group has a strong liquidity position to meet its operational needs.

FACTORS AFFECTING OUR RESULTS OF OPERATIONS AND FINANCIAL CONDITIONS

The major factors which may affect the operation results and financial conditions of the Group include the following:

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 conditions and prospects.

As at 30 June 2026, the Group had 1,261 employees. Total staff costs incurred by the Group for the six months ended 30 June 2026 were approximately RM30.37 million (30 June 2025: approximately RM27.62 million), representing 65.50% of the revenue of the Group for the six months ended 30 June 2026 (30 June 2025: 61.06%).

To manage such risk, the Group has endeavored to attract and retain sufficient number of competent 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 regular trainings 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 approximately 65.64% of the total revenue for the six months ended 30 June 2026 (30 June 2025: approximately 69.69%). All the five largest clients are insurance companies and charitable organisation.

The Group may be subject to the risk of delay in payment by our clients. If settlements of bills by our clients are not made in full or in a timely manner, the cash position and financial conditions of the Group may 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 outstandings amounts due from our clients can be fully recovered. As at 30 June 2026, the Group had recorded trade receivables of approximately RM19.34 million. Subsequent to 30 June 2026 and up to the date of this announcement, approximately RM14.25 million or 73.68% of the outstanding trade receivables balances as at 30 June 2026 have been subsequently settled.

CAPITAL COMMITMENTS

The Group did not have any significant capital commitments contracted for but not yet incurred item as at 30 June 2026 and 31 December 2025.

CONTINGENT LIABILITIES

The Group did not have any significant contingent liabilities as at 30 June 2026.

EMPLOYEES AND REMUNERATION POLICIES

As at 30 June 2026, the Group had 1,261 (30 June 2025: 1,228) employees. Total staff costs incurred by the Group for the six months ended 30 June 2026 were approximately RM30.37 million (30 June 2025: approximately RM27.62 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.

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$**"), Malaysia Ringgit ("**RM**"), United States dollars ("**US**") and Renminbi. The Group currently does not have a hedging policy in respect of foreign currency transactions, assets, and liabilities. The management monitors the foreign currency exposure from time to time and will consider hedging significant foreign currency exposure should the need arise.

SIGNIFICANT INVESTMENT HELD

Save as disclosed in the paragraph headed "Material Acquisitions or Disposals" or otherwise in this announcement, as at 30 June 2026, 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 other specific plan for material investments or capital assets as at 30 June 2026.

MATERIAL ACQUISITIONS OR DISPOSALS

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 six months ended 30 June 2026, there was no material acquisition or disposal by the Group.

RECENT DEVELOPMENT AND NO MATERIAL ADVERSE CHANGE

Save as disclosed in this announcement, there had been no material adverse changes in the business operation of the Group since 31 December 2025.

OUTLOOK AND FUTURE PROSPECTS

The Group continues to remain cautious and maintain its efforts to improve productivity and expects the overall outlook for the second half of 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 existing 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.

DIVIDEND

The Board does not recommend the payment of interim dividend for the six months ended 30 June 2026 (30 June 2025: Nil).

EVENTS AFTER THE REPORTING PERIOD

Save for disclosed in this announcement, there was no material events subsequent to 30 June 2026 and up to the date of this announcement.

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 six months ended 30 June 2026.

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 six months ended 30 June 2026.

SUFFICIENCY OF PUBLIC FLOAT

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 six months ended 30 June 2026 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 six months ended 30 June 2026.

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**") contained 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 six months ended 30 June 2026, 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. 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 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. The Board considers that the internal control and risk management system of the Group was effective during the six months ended 30 June 2026.

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 unaudited condensed consolidated interim results of the Company for the six months ended 30 June 2026 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 unaudited condensed consolidated financial statements for the six months ended 30 June 2026.

The unaudited condensed consolidated interim results of the Group for the six months ended 30 June 2026 have also been reviewed by the Company's auditor, RSM Hong Kong, in accordance with Hong Kong Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the HKICPA. The auditor's independent review report will be included in the Company's interim report for the six months ended 30 June 2026 to the Shareholders.

PUBLICATION OF FINANCIAL INFORMATION ON THE WEBSITES OF THE STOCK EXCHANGE AND THE COMPANY

This interim results announcement is published on the Stock Exchange's website at www.hkexnews.hk and the Company's website at www.bitstrat.hk. The interim report of the Company for the six months ended 30 June 2026 will be despatched to the relevant Shareholders of the Company who have requested for the same and published on the aforesaid websites in due course.

By Order of the Board
BitStrat Holdings Limited
Luo Zuchun
Chairman and Executive Director

Hong Kong, 27 August 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.