NORTH ASIA STRATEGIC HOLDINGS LIMITED
北亞策略控股有限公司 *

(Incorporated in Bermuda with limited liability)

(Stock Code: 8080)

ANNUAL RESULTS
FOR THE YEAR ENDED 31ST MARCH 2025

CHARACTERISTICS OF GEM OF THE STOCK EXCHANGE OF HONG KONG LIMITED (THE "STOCK EXCHANGE")

GEM has been positioned as a market designed to accommodate small and mid-sized companies to which a higher investment risk may be attached than other companies listed on the Stock Exchange. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration.

Given that the companies listed on GEM are generally small and mid-sized companies, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board of the Stock Exchange and no assurance is given that there will be a liquid market in the securities traded on GEM.

This announcement, for which the directors (the "Directors" or the "Board") of North Asia Strategic Holdings Limited collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on GEM of the Stock Exchange (the "GEM Listing Rules") for the purpose of giving information with regard to North Asia Strategic Holdings Limited. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this announcement misleading.

* *For identification purpose only*

RESULTS

The Board of directors (the "Board" or the "Directors") of North Asia Strategic Holdings Limited (the "Company") presents the consolidated results of the Company and its subsidiaries (collectively, the "Group") for the year ended 31st March 2025, together with the comparative figures of the corresponding year ended 31st March 2024.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

Year ended 31st March 2025

	Notes	2025 HK$'000	2024 HK$'000
Revenue	3	**1,375,299**	1,305,420
Cost of sales		**(1,085,898)**	(1,099,853)
Gross profit		**289,401**	205,567
Other income and gains, net		**15,197**	13,731
Selling and distribution expenses		**(121,719)**	(112,197)
General and administrative expenses		**(165,290)**	(162,317)
Impairment of investment properties		**(18,857)**	—
Operating loss		**(1,268)**	(55,216)
Finance income	4	**8,985**	13,530
Finance costs	4	**(3,414)**	(3,104)
Profit/(loss) before income tax	5	**4,303**	(44,790)
Income tax expense	6	**(12,207)**	(3,945)
LOSS FOR THE YEAR		**(7,904)**	(48,735)
Loss per share attributable to ordinary shareholders of the Company	7		
Basic *(HK cents)*		**(1.7)**	(10.7)
Diluted *(HK cents)*		**(1.7)**	(10.7)

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Year ended 31st March 2025

	2025	2024
	HK$'000	*HK$'000*
LOSS FOR THE YEAR	**(7,904)**	(48,735)
OTHER COMPREHENSIVE LOSS		
Other comprehensive loss that may be reclassified to profit or loss in subsequent periods:		
Currency translation differences of foreign operations	**(2,903)**	(13,728)
OTHER COMPREHENSIVE LOSS FOR THE YEAR, NET OF TAX OF NIL	**(2,903)**	(13,728)
TOTAL COMPREHENSIVE LOSS FOR THE YEAR	**(10,807)**	(62,463)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

31st March 2025

	Notes	2025 HK$'000	2024 HK$'000
ASSETS			
Non-current assets			
Property, plant and equipment		**108,488**	84,466
Investment properties		**207,702**	231,609
Intangible assets		**395,979**	398,776
Right-of-use assets		**43,121**	55,559
Trade and other receivables	9	**16,144**	17,222
Deferred tax assets		**1,276**	1,302
		772,710	788,934
Current assets			
Financial assets at fair value through profit or loss		**88,836**	101,083
Inventories		**258,089**	215,810
Trade and other receivables	9	**514,069**	503,637
Pledged deposits		**2,043**	2,100
Cash and cash equivalents		**321,450**	345,494
		1,184,487	1,168,124
Total assets		**1,957,197**	1,957,058
EQUITY			
Equity attributable to shareholders of the Company			
Issued capital	11	**45,450**	45,450
Reserves	12	**1,317,481**	1,328,288
Total equity		**1,362,931**	1,373,738
LIABILITIES			
Current liabilities			
Bank borrowings		**12,559**	—
Trade and other payables	10	**520,326**	506,758
Lease liabilities		**16,730**	20,779
Income tax liabilities		**12,673**	9,417
		562,288	536,954

	2025	2024
	HK$'000	*HK$'000*
Non-current liabilities		
Lease liabilities	**27,187**	40,628
Deposits received	**2,403**	2,913
Other non-current liabilities	**246**	254
Deferred tax liabilities	**2,142**	2,571
	31,978	46,366
Total liabilities	**594,266**	583,320
Total equity and liabilities	**1,957,197**	1,957,058
Net current assets	**622,199**	631,170
Total assets less current liabilities	**1,394,909**	1,420,104

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Year ended 31st March 2025

	Attributable to shareholders of the Company		
	Issued capital *HK$'000* *(note 11)*	**Reserves** *HK$'000* *(note 12)*	**Total** *HK$'000*
Balances as at 1st April 2023	45,450	1,389,886	1,435,336
Comprehensive income			
Loss for the year	—	(48,735)	(48,735)
Other comprehensive loss			
Currency translation differences of foreign operations	—	(13,728)	(13,728)
Total other comprehensive loss	—	(13,728)	(13,728)
Total comprehensive loss for the year	—	(62,463)	(62,463)
Equity-settled share-based transactions	—	865	865
Balances as at 31st March 2024 and 1st April 2024	45,450	1,328,288	1,373,738
Comprehensive income			
Loss for the year	**—**	**(7,904)**	**(7,904)**
Other comprehensive loss			
Currency translation differences of foreign operations	**—**	**(2,903)**	**(2,903)**
Total other comprehensive loss	**—**	**(2,903)**	**(2,903)**
Total comprehensive loss for the year	**—**	**(10,807)**	**(10,807)**
Balances as at 31st March 2025	**45,450**	**1,317,481**	**1,362,931**

NOTES

1. General information

North Asia Strategic Holdings Limited (the "Company") and its subsidiaries (collectively, the "Group") are principally engaged in the following businesses during the year:

- **hi-tech distribution and services:** trading of surface mount technology ("SMT") assembly machinery and spare parts and provision of related installation, training, repair and maintenance services for SMT assembly machinery;
- **leasing:** provision of finance to its customers via a wide array of assets under finance lease arrangements and operating lease arrangements, and trading of lease assets;
- **electronic payment solution:** provision of payment solution that bridges online payment acquirers and the merchants; and
- **property and investment holding.**

The Company is a limited liability company incorporated in Bermuda as an exempted company under the Bermuda Companies Act 1981 (the "Companies Act"). The address of its registered office is Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda and that of its principal place of business is Suite 1618, 16th Floor, Jardine House, 1 Connaught Place, Central, Hong Kong.

The Company's ordinary shares are listed on GEM of The Stock Exchange of Hong Kong Limited (the "Stock Exchange").

In the opinion of the directors, the immediate holding company and ultimate holding company of the Company is Sky Virtue Holdings Limited, which was incorporated in the British Virgin Islands.

This announcement has been approved and authorised for issue by the Company's board of directors on 26th June 2025.

2. Summary of significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

2.1 Basis of preparation

These financial statements have been prepared in accordance with HKFRS Accounting Standards (which include all Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards ("HKASs") and Interpretations) as issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and the disclosure requirements of the Hong Kong Companies Ordinance. They have been prepared under the historical cost convention, except for financial assets at fair value through profit or loss which have been measured at fair value.

These financial statements are presented in Hong Kong dollars ("HK$") and all values are rounded to the nearest thousand except when otherwise indicated.

2.2 Changes in accounting policies and disclosures

The Group has adopted the following revised HKFRS Accounting Standards for the first time for the current year's financial statements.

Amendments to HKFRS 16	*Lease Liability in a Sale and Leaseback*
Amendments to HKAS 1	*Classification of Liabilities as Current or Non-current* (the "2020 Amendments")
Amendments to HKAS 1	*Non-current Liabilities with Covenants* (the "2022 Amendments")
Amendments to HKAS 7 and HKFRS 7	*Supplier Finance Arrangements*

The nature and the impact of the revised HKFRS Accounting Standards are described below:

(a) Amendments to HKFRS 16 specify the requirements that a seller-lessee uses in measuring the lease liability arising in a sale and leaseback transaction to ensure the seller-lessee does not recognise any amount of the gain or loss that relates to the right of use it retains. Since the Group has no sale and leaseback transactions with variable lease payments that do not depend on an index or a rate occurring from the date of initial application of HKFRS 16, the amendments did not have any impact on the financial position or performance of the Group.

(b) The 2020 Amendments clarify the requirements for classifying liabilities as current or non-current, including what is meant by a right to defer settlement and that a right to defer must exist at the end of the reporting period. Classification of a liability is unaffected by the likelihood that the entity will exercise its right to defer settlement. The amendments also clarify that a liability can be settled in its own equity instruments, and that only if a conversion option in a convertible liability is itself accounted for as an equity instrument would the terms of a liability not impact its classification. The 2022 Amendments further clarify that, among covenants of a liability arising from a loan arrangement, only those with which an entity must comply on or before the reporting date affect the classification of that liability as current or non-current. Additional disclosures are required for non-current liabilities that are subject to the entity complying with future covenants within 12 months after the reporting period.

The Group has reassessed the terms and conditions of its liabilities as at 1 April 2023 and 2024 and concluded that the classification of its liabilities as current or non-current remained unchanged upon initial application of the amendments. Accordingly, the amendments did not have any impact on the financial position or performance of the Group.

(c) Amendments to HKAS 7 and HKFRS 7 clarify the characteristics of supplier finance arrangements and require additional disclosure of such arrangements. The disclosure requirements in the amendments are intended to assist users of financial statements in understanding the effects of supplier finance arrangements on an entity's liabilities, cash flows and exposure to liquidity risk. As the Group does not have supplier finance arrangements, the amendments did not have any impact on the Group's financial statements.

3. Revenue and segment information

3.1 Revenue

An analysis of revenue is as follows:

	2025	2024
	HK$'000	*HK$'000*
Revenue from contracts with customers *(note)*		
Recognised at a point in time:		
Sales of goods	**1,232,224**	1,210,242
Sales support services	**40,220**	14,810
E-payment service income	**2,838**	3,082
Recognised over time:		
Other service income	**37,370**	39,326
	1,312,652	1,267,460
Revenue from other sources		
Income from finance lease arrangements	**9,216**	8,744
Income from operating lease arrangements	**53,431**	29,216
	1,375,299	1,305,420

Note:

Disaggregated revenue information

Geographical markets

	2025	2024
	HK$'000	*HK$'000*
The PRC including Hong Kong	**1,229,495**	1,213,528
Asia — others	**83,157**	53,932
Total revenue from contracts with customers	**1,312,652**	1,267,460

Set out below is the reconciliation of the amounts disclosed in the segment information to the revenue from contracts with customers:

For the year ended 31st March 2025

	Hi-tech distribution and services operation *HK$'000*	**Leasing operation** *HK$'000*	**Electronic payment solution** *HK$'000*	**Total** *HK$'000*
Sales to external customers	**1,236,648**	**135,813**	**2,838**	**1,375,299**
Less: Revenue from other sources	**—**	**(62,647)**	**—**	**(62,647)**
Total revenue from contracts with customers	**1,236,648**	**73,166**	**2,838**	**1,312,652**

For the year ended 31st March 2024

	Hi-tech distribution and services operation *HK$'000*	Leasing operation *HK$'000*	Electronic payment solution *HK$'000*	Total *HK$'000*
Sales to external customers	1,147,992	154,346	3,082	1,305,420
Less: Revenue from other sources	—	(37,960)	—	(37,960)
Total revenue from contracts with customers	1,147,992	116,386	3,082	1,267,460

The following table shows the amounts of revenue recognised in the current reporting period that were included in the contract liabilities at the beginning of the reporting period:

	2025 *HK$'000*	2024 *HK$'000*
Revenue recognised that was included in contract liabilities at the beginning of the reporting period:		
Sales of goods	**146,268**	154,128

Performance obligations

Information about the Group's performance obligations is summarised below:

Sales of goods

The performance obligation is satisfied when the control of the goods is transferred, generally on delivery of goods and when the respective installation services are completed. Payment is generally due within 5 to 180 days from completion of installation. Payment in advance is normally required.

Sales support services

The performance obligation is satisfied when the installation services in relation to the underlying machinery are completed. Payment is made based on the terms stipulated in the relevant agreements.

E-payment service income

The performance obligation is satisfied when the payment processing services on payment platform are completed. Payment is made based on the terms stipulated in the relevant agreements.

Other service income

The performance obligation is satisfied over time as services are rendered and payment is generally due upon completion of services, except for new customers, where payment in advance is normally required.

The amount of unsatisfied performance obligation principally comprises the balance of contract liabilities as at 31st March 2025 and 2024, which is expected to be recognised in one year.

3.2 Operating segment information

For management purposes, the Group is organised into three major reportable operating segments — hi-tech distribution and services, leasing and electronic payment solution. The hi-tech distribution and services operating segment derives revenue from the sales of goods, sales support services and other service income. The leasing operating segment derives revenue from finance lease and operating lease arrangements, and trading of lease assets. The electronic payment solution operating segment derives revenue from the provision of payment solution that bridges online payment acquirers and the merchants.

Management monitors the results of the Group's operating segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on reportable segment profit/loss, which is a measure of adjusted profit/loss before income tax. The adjusted profit/loss before income tax is measured consistently with the Group's profit/loss before income tax except that finance income, finance costs, fair value gain/loss from the Group's financial instruments, impairment of investment properties as well as corporate and other unallocated expenses are excluded from such measurement.

Segment assets consist primarily of property, plant and equipment, intangible assets, right-of-use assets, other non-current assets, inventories and trade and other receivables. Unallocated assets comprise investment properties, deferred tax assets, financial assets at fair value through profit or loss, pledged deposits, cash and cash equivalents and corporate and others.

Segment liabilities consist primarily of trade and other payables, deposits received, lease liabilities, bank borrowings and other non-current liabilities. Unallocated liabilities comprise deferred tax liabilities, income tax liabilities, other borrowings and corporate and others.

Capital expenditure comprises additions to property, plant and equipment, investment properties, intangible assets and right-of-use assets excluding assets acquired from the acquisition of a subsidiary.

There were no significant sales between the operating segments during the years ended 31st March 2025 and 2024. The operating results for the year are as follows:

	Year ended 31st March 2025			
	Hi-tech distribution and services operation *HK$'000*	**Leasing operation** *HK$'000*	**Electronic payment solution** *HK$'000*	**Total** *HK$'000*
Revenue				
— Sales to external customers	**1,236,648**	**135,813**	**2,838**	**1,375,299**
Segment results	**49,114**	**21,967**	**(5,119)**	**65,962**
Changes in fair value of financial assets at fair value through profit or loss				**4,265**
Interest income of financial assets at fair value through profit or loss				**308**
Impairment of investment properties				**(18,857)**
Finance income				**8,985**
Finance costs				**(3,414)**
Corporate and other unallocated expenses				**(52,946)**
Profit before income tax				**4,303**
Income tax expense				**(12,207)**
Loss for the year				**(7,904)**
Capital expenditure	**28,323**	**80,732**	**278**	**109,333**
Corporate and other unallocated expenditure				**12**
				109,345
Depreciation and amortisation	**30,847**	**33,146**	**2,659**	**66,652**
Corporate and other unallocated depreciation and amortisation				**7,876**
				74,528
Loss on disposal of items of property, plant and equipment, net	**62**	**—**	**—**	**62**
Corporate and other unallocated gain on disposal of items of property, plant and equipment, net				**(221)**
				(159)
Impairment of trade and bills receivables, net	**2,483**	**—**	**—**	**2,483**
Impairment of finance lease receivables, net	**—**	**8**	**—**	**8**
Gain on lease modification	**4,844**	**—**	**—**	**4,844**

	Year ended 31st March 2024			
	Hi-tech distribution and services operation *HK$'000*	Leasing operation *HK$'000*	Electronic payment solution *HK$'000*	Total *HK$'000*
Revenue				
— Sales to external customers	1,147,992	154,346	3,082	1,305,420
Segment results	(7,336)	8,095	(4,154)	(3,395)
Changes in fair value of financial assets at fair value through profit or loss				4,269
Interest income of financial assets at fair value through profit or loss				1,022
Finance income				13,530
Finance costs				(3,104)
Corporate and other unallocated expenses				(57,112)
Loss before income tax				(44,790)
Income tax expense				(3,945)
Loss for the year				(48,735)
Capital expenditure	26,631	59,376	38	86,045
Corporate and other unallocated expenditure				3,984
				90,029
Depreciation and amortisation	30,712	28,069	2,599	61,380
Corporate and other unallocated depreciation and amortisation				8,251
				69,631
Gain on disposal of items of property, plant and equipment, net	(228)	(169)	—	(397)
Corporate and other unallocated gain on disposal of items of property, plant and equipment, net				(320)
				(717)
Impairment of trade and bills receivables, net	227	—	156	383
Impairment of finance lease receivables, net	—	195	—	195

The segment assets and liabilities at the end of the reporting period are as follows:

	Hi-tech distribution and services operation *HK$'000*	**Leasing operation** *HK$'000*	**Electronic payment solution** *HK$'000*	**Total** *HK$'000*
At 31st March 2025				
ASSETS	**1,035,090**	**278,053**	**20,904**	**1,334,047**
Segment assets				
Unallocated assets:				
Investment properties				**207,702**
Deferred tax assets				**1,276**
Financial assets at fair value through profit or loss				**88,836**
Pledged deposits				**2,043**
Cash and cash equivalents				**321,450**
Corporate and others				**1,843**
Total assets per the consolidated statement of financial position				**1,957,197**
LIABILITIES				
Segment liabilities	**538,921**	**38,523**	**1,488**	**578,932**
Unallocated liabilities:				
Deferred tax liabilities				**2,142**
Income tax liabilities				**12,673**
Corporate and others				**519**
Total liabilities per the consolidated statement of financial position				**594,266**

	Hi-tech distribution and services operation *HK$'000*	Leasing operation *HK$'000*	Electronic payment solution *HK$'000*	Total *HK$'000*
At 31st March 2024				
ASSETS	948,266	299,083	20,567	1,267,916
Segment assets				
Unallocated assets:				
Investment properties				231,609
Deferred tax assets				1,302
Financial assets at fair value through profit or loss				101,083
Pledged deposits				2,100
Cash and cash equivalents				345,494
Corporate and others				7,554
Total assets per the consolidated statement of financial position				1,957,058
LIABILITIES				
Segment liabilities	509,060	60,016	1,446	570,522
Unallocated liabilities:				
Deferred tax liabilities				2,571
Income tax liabilities				9,417
Corporate and others				810
Total liabilities per the consolidated statement of financial position				583,320

Geographical information

(a) *Revenue from external customers*

The Group's activities are conducted predominantly in Hong Kong, Mainland China and the rest of Asia. Revenue by geographical location is determined on the basis of the destination of shipment of goods for the hi-tech distribution and services operating segment and the location of the customers by the leasing operating segment and electronic payment solution operating segment.

The following table provides an analysis of the Group's revenue by geographical location:

	2025 ***HK$'000***	2024 *HK$'000*
The PRC including Hong Kong	**1,292,142**	1,251,488
Asia — others	**83,157**	53,932
	1,375,299	1,305,420

(b) *Non-current assets*

The geographical information of non-current assets is not presented since over 90% of the Group's non-current assets are located in the PRC (including Hong Kong).

Information about major customers

During the years ended 31st March 2025 and 2024, revenue of HK$152,914,000 and HK$139,128,000 was derived from sales to a customer of the hi-tech distribution and services operating segment, which accounted for more than 10% of the Group's total revenue.

Revenue from major customers is set out below:

	2025	2024
	HK$'000	*HK$'000*
Customer 1	**N/A***	139,128
Customer 2	**152,914**	N/A*

* *Less than 10% of the Group's total revenue*

4. Finance income and costs

An analysis of finance income and costs is as follows:

	2025	2024
	HK$'000	*HK$'000*
Finance income:		
Interest income from bank deposits	**8,985**	13,530
Finance costs:		
Interest on bank borrowings	**775**	119
Interest on lease liabilities	**2,639**	2,985
	3,414	3,104

5. Profit/(loss) before income tax

The Group's profit/(loss) before income tax is arrived at after charging/(crediting):

	2025	2024
	HK$'000	*HK$'000*
Cost of inventories sold	**1,054,828**	1,074,227
Net foreign exchange loss	**7,435**	4,694
Depreciation of property, plant and equipment	**41,873**	40,135
Depreciation of investment properties	**5,050**	5,051
Depreciation of right-of-use assets	**24,808**	21,647
Amortisation of intangible assets	**2,797**	2,798
Impairment of investment properties	**18,857**	—
Other lease payments not included in the measurement of lease liabilities	**1,135**	1,337
Impairment of trade and bills receivables, net	**2,483**	383
Impairment of finance lease receivables, net	**8**	195
Fair value gain on financial assets at fair value through profit or loss	**(4,265)**	(4,269)

6. Income tax expense

The Company is exempted from taxation in Bermuda until 2035. Hong Kong profits tax has been calculated at the rate of 16.5% (2024: 16.5%) on the estimated assessable profits for the year, except for one subsidiary of the Group which is a qualifying entity under the two-tiered profits tax rates regime. The first HK$2,000,000 (2024: HK$2,000,000) of assessable profits of this subsidiary is taxed at 8.25% (2024: 8.25%) and the remaining assessable profits are taxed at 16.5% (2024: 16.5%).

Subsidiaries established in Mainland China are subject to Mainland China corporate income tax at the standard rate of 25% (2024: 25%).

The amounts of income tax expense recorded in the consolidated statement of profit or loss represent:

	2025	2024
	HK$'000	*HK$'000*
Current taxation		
Mainland China corporate income tax		
— current year	**12,610**	4,434
Deferred	**(403)**	(489)
	12,207	3,945

7. Loss per share attributable to ordinary shareholders of the Company

Basic loss per share is calculated by dividing the Group's loss attributable to shareholders of the Company by the weighted average number of ordinary shares outstanding during the year.

No adjustment has been made to the basic loss per share amount presented for the years ended 31st March 2025 and 2024 in respect of a dilution as the impact of share options had an anti-dilutive effect on the basic loss per share amount presented.

The calculations of basis and diluted loss per share are based on:

	2025	2024
	HK$'000	*HK$'000*
Loss		
Loss attributable to the shareholders of the Company, used in the basic and diluted loss per share calculation	**(7,904)**	(48,735)

	Number of shares	
	2025	2024
Shares		
Weighted average number of ordinary shares outstanding, used in the basic and diluted loss per share calculation	**454,509,311**	454,509,311

8. Dividends

The Directors do not recommend the payment of any dividend for the year ended 31st March 2025 (2024: Nil).

9. Trade and other receivables

	2025	2024
	HK$'000	*HK$'000*
Trade receivables	**316,336**	299,215
Less: Impairment of trade receivables	**(9,146)**	(7,067)
	307,190	292,148
Bills receivable	**42,417**	15,159
Less: Impairment of bills receivable	**(603)**	(199)
	41,814	14,960
Trade and bills receivables, net *(note (a))*	**349,004**	307,108
Finance lease receivables	**68,313**	80,790
Less: Impairment of finance lease receivables	**(812)**	(804)
Finance lease receivables, net	**67,501**	79,986
Less: Non-current portion*	**(12,220)**	(12,004)
Finance lease receivables, net, current portion	**55,281**	67,982
Prepayments, deposits and other receivables, net	**113,708**	133,765
Less: Non-current portion*	**(3,924)**	(5,218)
Prepayments, deposits and other receivables, net, current portion	**109,784**	128,547
Total trade and other receivables, current portion	**514,069**	503,637
* Total trade and other receivables, non-current portion	**16,144**	17,222

(a) Trade and bills receivables, net

The Group's trading terms with its customers of hi-tech distribution and service operation are mainly on letters of credit or documents against payment, and in some cases granting a credit period of 5 to 180 days. Payment in advance is normally required. In respect of the Group's operating leasing operation, trade receivables are settled based on the terms stipulated in the lease agreements. The Group's terms with its debtors of electronic payment solution operation are generally with a credit period of 4 to 7 days. The Group seeks to maintain strict control over its outstanding receivables to minimise credit risk.

An ageing analysis of trade and bills receivables, based on the invoice date and net of loss allowance, as at the end of the reporting period is as follows:

	2025	2024
	HK$'000	*HK$'000*
3 months or less	**223,336**	162,599
4 to 6 months	**42,517**	64,681
7 to 9 months	**20,997**	51,375
10 to 12 months	**45,626**	12,103
Over 12 months	**16,528**	16,350
	349,004	307,108

10. Trade and other payables

	2025	2024
	HK$'000	*HK$'000*
Trade and bills payables	**206,493**	267,154
Accrual, other payables and contract liabilities	**313,833**	239,604
	520,326	506,758

The ageing analysis of trade and bills payables, based on the invoice date, is as follows:

	2025	2024
	HK$'000	*HK$'000*
3 months or less	**192,782**	229,369
4 to 6 months	**5,214**	20,651
7 to 9 months	**6,136**	10,376
10 to 12 months	**646**	789
Over 12 months	**1,715**	5,969
	206,493	267,154

11. Share capital

	Ordinary shares		Preference shares		
	Number of shares	**Ordinary share capital**	**Number of shares**	**Preference share capital**	**Total**
	'000	*HK$'000*	*'000*	*HK$'000*	*HK$'000*
Authorised:					
At 1st April 2023, 31st March 2024, 1st April 2024 and 31st March 2025 — HK$0.1 each	4,000,000	400,000	3,000,000	300,000	700,000
Issued:					
At 1st April 2023, 31st March 2024, 1st April 2024 and 31st March 2025	454,509	45,450	—	—	45,450

12. Reserves

	Share premium *HK$'000*	Contributed surplus *HK$'000*	Share option reserve *HK$'000*	Cumulative translation adjustments *HK$'000*	Retained profits *HK$'000*	Total *HK$'000*
Balances at 1st April 2023	227,465	956,292	14,744	(1,832)	193,217	1,389,886
Loss for the year	—	—	—	—	(48,735)	(48,735)
Currency translation differences of foreign operations	—	—	—	(13,728)	—	(13,728)
Total comprehensive loss for the year	—	—	—	(13,728)	(48,735)	(62,463)
Equity-settled share-based transactions	—	—	865	—	—	865
Balances at 31st March 2024 and 1st April 2024	**227,465**	**956,292**	**15,609**	**(15,560)**	**144,482**	**1,328,288**
Loss for the year	**—**	**—**	**—**	**—**	**(7,904)**	**(7,904)**
Currency translation differences of foreign operations	**—**	**—**	**—**	**(2,903)**	**—**	**(2,903)**
Total comprehensive loss for the year	**—**	**—**	**—**	**(2,903)**	**(7,904)**	**(10,807)**
Balances at 31st March 2025	**227,465**	**956,292**	**15,609**	**(18,463)**	**136,578**	**1,317,481**

CHAIRLADY'S STATEMENT

On behalf of the board of directors ("Board") of North Asia Strategic Holdings Limited ("Company"), I am pleased to present the annual results of the Company and its subsidiaries (collectively, the "Group") for the financial year ended 31st March 2025 (the "Year").

ECONOMIC LANDSCAPE AND BUSINESS PERFORMANCE

During the Year, although the Group benefited from the recovery of consumer electronic market and thriving China's electric vehicle ("EV") market, it recorded a consolidated net loss of approximately HK$7,904,000 due to impairment of investment properties as a result of the decline in Hong Kong property market, representing a reduction of 84% from the consolidated net loss of approximately HK$48,735,000 last year.

Over the past few years, the global economic landscape has been shaped by trade policies and sanctions, and an increasing call for self-reliance among nations. For China's electronic manufacturing industry, this decoupling has led to significant disruptions. China's electronic manufacturing companies that once relied on exporting to the United States ("US") have been forced to diversify their markets to South-East Asia region and further expansion of domestic market, invest in innovation, and reduce dependence on American technologies. Simultaneously, heightened scrutiny and restrictions on semiconductor imports and advanced technology components have compelled manufacturers to accelerate domestic production capabilities and pursue supply chain resilience to maintain competitiveness in a rapidly evolving global market.

The Group's hi-tech distribution and services business performance was further supported by China government's subsidy programs for equipment upgrades and consumer goods trade-ins in January 2025. The programs aim to boost key sectors by providing subsidies for purchasing new digital products, home appliances, and vehicles to stimulate domestic consumption, promote technology upgrades, and drive economic growth to address the concerns about slowing domestic demand. We have seen obvious rebound in orders from our existing customers from the start of 2025.

The Group's leasing business demonstrated exceptional performance throughout the Year, with continuous growth in the operating lease segment. This trend was driven by electronic manufacturers increasingly opting to lease surface-mount technology ("SMT") machines to accommodate fluctuating order volumes. Furthermore, many manufacturers are awaiting comprehensive operating data from the new generation of Fuji SMT machines, which have shown promising advancements in performance and stability.

The Group's electronic payment business operating under the "Jarvix" brand, which focuses on the local consumption market, faced a decline in revenue due to shifting consumer habits, with a growing preference for cross-border shopping and dining. With the Hong Kong Government's forward-looking policies and the gradual recovery of local consumption, we firmly believe there remains significant room for growth and development in the market.

In summary, the Group has navigated challenges and leveraged opportunities during an eventful year. Our strategies to diversify markets, invest in innovation, and align with government initiatives have positioned us for sustained growth. Meanwhile, our leasing business and payment solutions are adapting to evolving market dynamics, ensuring resilience and relevance in a competitive landscape. Looking ahead, we remain committed to delivering exceptional value to all our stakeholders while driving progress across our business segments.

OUTLOOK

The Greater Bay Area ("GBA") blueprint introduced by President Xi underscores the prospects for growth and development in Hong Kong. With its headquarters strategically located in Hong Kong and significant operational units in southern China, the Group is optimistic about Hong Kong's pivotal role within the GBA initiative. To strengthen Hong Kong's soft power, the Hong Kong Government has implemented the "Top Talent Pass Scheme," which has received an overwhelming response. Additionally, proposals such as the "Northern Metropolis Strategy" have been introduced to complement the GBA initiative.

Aligned with these developments, the Group will actively pursue opportunities to expand its investments in accordance with the 14th Five-Year Plan and the GBA initiative, leveraging both organic growth and external acquisitions.

Furthermore, in response to the ongoing trend of customers relocating manufacturing operations due to the US-China decoupling, the Group's offices across Southeast Asian countries will continue to expand their sales and engineering teams to seamlessly support customers expanding outside China. Besides, the Group's electronic payment business will roll-out the new "buy now pay later" service to selective merchants and other new products based on the Jarvix payment platform.

A SOCIALLY RESPONSIBLE COMPANY

The long-term sustainability of the Group depends on its ability to maintain a balance between its stakeholders. As a member of a community, the Group believes that it is responsible not only to the Company's shareholders but also to other stakeholders such as its suppliers, customers, employees and the society in which it operates and the government. The Group has sponsorship program to encourage talented employees to broaden their skills and is reviewing its remuneration policies to provide better support and rewards to our staff for their long term commitment and enhanced professionalism. In 2024, the Company was awarded "The Junzi Corporation Award" the third time by the Hang Seng University of Hong Kong for conducting its operations in accordance with the Confucian ethics of "Five Virtues" referring to "Benevolence, Rightness, Propriety, Wisdom and Trustworthiness". The award encourages the Group in its continuous effort in being a socially responsible company.

APPRECIATION

Without the trust and support of our shareholders, customers, suppliers, fellow directors, management and staff, I could not have persevered and overcome the challenges during the Year. The financial and operational performance are the direct results of years of relentless hard work of our entire staff, management team and directors. I would like to take this opportunity to thank the directors for their long-term service and commitment. I am also grateful for the support and guidance of the Listing Division staff who have been helpful in facilitating our corporate actions.

MANAGEMENT DISCUSSION AND ANALYSIS

Financial and Business Performance

During the Year, the Group navigated challenges posed by geopolitical uncertainties and market volatility, demonstrating resilience and strategic adaptability. In 2024, China's EV industry emerged as a global leader, experiencing significant growth driven by supportive government policies, technological innovation, and the expanding demand for sustainable transportation solutions. This robust growth positively impacted the Group's customers in the EV sector. Furthermore, advancements in artificial intelligence ("AI") fuelled substantial demand across AI-enabled markets, including notebooks, smartphones, and servers, further contributing to the Group's business momentum during the Year.

The Group has proactively adapted to the shifting geopolitical landscape, including the ongoing US-China decoupling and the diversification of manufacturing bases by its customers outside of China. To address these changes and better support its clientele, the Group has established operations and expanded its sales and service cohort in Thailand and Vietnam, positioning itself strategically to meet evolving customer needs in these regions.

During the financial year, the Group achieved consolidated revenue of approximately HK$1,375,299,000, reflecting an increase of 5.4% compared to HK$1,305,420,000 in the previous year. This growth was primarily attributed to a 7.7% rise in revenue from the hi-tech distribution and services division, driven by increased capital investments from customers in the EV industry and heightened demand from clients pursuing overseas expansion plans during the Year.

During the Year, the Group's total operating expenses increased by approximately 4.6% from HK$274,514,000 in the previous year to HK$287,009,000. This growth was primarily driven by higher sales-related expenditures, while administrative expenses remained stable. Despite the rise in expenses, the Group successfully improved its cost efficiency, reducing the ratio of total operating expenses to revenue from approximately 21.0% in the prior year to approximately 20.9% during the Year—a testament to effective cost optimization efforts.

During the Year, the Group recorded a consolidated net loss of approximately HK$7,904,000, representing a decrease of 84% from the consolidated net loss of approximately HK$48,735,000 in the previous year. The Group incurred a consolidated loss due to the impairment of approximately HK$18,857,000 in investment properties, which is non-cash in nature, as a result of the decline in Hong Kong property market while there was no such impairment in last year. Excluding the effect of impairment, the Group has turned around from last year's loss to a consolidated profit of approximately HK$10,953,000 for the Year. This improvement was primarily driven by enhanced gross profit margins resulting from higher sales support service income in the hi-tech distribution and services business division, coupled with effective measures to control operating expenses.

The basic loss per share in the Year was approximately HK1.7 cents, representing a decrease from basic loss per share of approximately HK10.7 cents in last year. As at 31st March 2025, the consolidated net asset value of the Company per ordinary share was approximately HK$3.0, representing a decrease of HK$0.02 from approximately HK$3.02 as at 31st March 2024.

Below is a summary of the financial and business highlights of our business divisions. The profit/loss figures disclosed below do not include any intragroup sales and charges, as they are eliminated upon consolidation.

Hi-Tech Distribution and Services Division

The Group conducts its hi-tech distribution and services business through its wholly-owned subsidiary, American Tec Company Limited ("AMT"). AMT, a 30 plus years old firm is a leading distributor and after-market service provider of SMT equipment and semiconductor manufacturing equipment in Asia. AMT has more than 230 professional engineers and customer care staff in more than 25 cities in China, Thailand, Vietnam and India and other South-East Asia countries to service the needs of its customers. Customers include most of the major telecom and electronic products and EV manufacturers in the world. AMT is especially well positioned with its growing base of Chinese manufacturers. Its suppliers include leading equipment and solutions manufacturers from Asia, the United States and Europe.

During the financial year, the division's revenue reached approximately HK$1,236,648,000, reflecting an increase of HK$88,656,000, or 7.7%, compared to HK$1,147,992,000 in the previous year. This growth was primarily driven by a rebound in market demand, notably within the EV and smartphone sectors. Customers, including smartphone manufacturers and OEMs in the EV industry, expanded their manufacturing facilities and placed substantial orders with the division during the Year. Consequently, the division achieved higher order fulfillment, contributing positively to its revenue performance for the Year.

Direct machine sales revenue was approximately HK$1,060,222,000, representing an increase of HK$33,933,000 or 3.3%, compared to approximately HK$1,026,289,000 last year. The division's spare part and software sales were approximately HK$99,280,000, representing an increase of HK$30,956,000 or 45.3%, compared to approximately HK$68,324,000 last year. The sales support service and other service income was approximately HK$77,146,000, representing an increase of HK$23,767,000 or 44.5%, compared to approximately HK$53,379,000 last year. The increase of spare parts sales and sales support service was mainly due to the increase in sales in Southeast Asia region where demand surged from customers building their new manufacturing facilities in Southeast Asia region to diversify their risk due to geopolitical concerns.

During the Year, the division recorded a net profit of approximately HK$42,099,000, compared to a net loss of approximately HK$3,260,000 last year.

Leasing Division

The Group conducts its leasing business through its wholly-owned subsidiaries, North Asia Financial Leasing (Shanghai) Co., Ltd. ("NAFL") in China Shanghai Pilot Free Trade Zone and Fuji North Asia Leasing (Shenzhen) Co., Ltd. ("FNAL") in Qianhai Shenzhen-Hong Kong Modern Service Industry Cooperation Zone. The leasing division provides finance and operating lease arrangements to customers of the Group's hi-tech distribution and services division and other projects.

During the Year, the global market environment has continued to face significant challenges, including the ongoing US-China trade war, tariff disputes, and other geopolitical factors. These issues have had a notable impact on the operating environment of the manufacturing industry. Small and medium-sized manufacturers, in particular, are navigating fluctuating production orders by adopting flexible strategy by leasing additional equipment to meet urgent or large-scale order demands.

The leasing division recorded revenue of approximately HK$135,813,000 for the Year, representing a decrease of 12% from the corresponding period last year of HK$154,346,000. This decrease was primarily attributed to a significant drop in machine sales revenue, which fell by 37.1% from HK$116,386,000 in the prior year to HK$73,166,000, reflecting cautious capital expenditure by small and medium-sized manufacturers.

Despite the decline in machine sales, the revenue from operating lease arrangements surged by 82.9%, increasing from HK$29,216,000 last year to HK$53,431,000. This growth was driven by rising rental prices and sustained demand for lease renewals from manufacturing clients, which reduced equipment idle rates and significantly improved utilization efficiency. Additionally, finance lease income increased slightly by 5.4%, rising from HK$8,744,000 last year to HK$9,216,000 this Year. In response to market conditions and fluctuating interest rates, the division adopted a flexible strategy, balancing risk with business sustainability. The principal amount of finance lease receivables decreased by 15.6%, from HK$79,986,000 as of 31st March 2024, to HK$67,501,000. The division also expanded its client base and introduced short-term financing options (of six to twelve months) to better meet client needs.

To adapt to market changes and enhance competitiveness, the leasing division focused on improving service levels. This included offering customized equipment modifications, expanding its product portfolio to include electronic components and devices, and providing technical support for equipment. These efforts contributed to significant profitability gains. The division reported a net profit of approximately HK$15,475,000 for the Year, representing an increase of 209.4% compared to approximately HK$5,002,000 in the previous year.

Electronic Payment Solution Division

The Group conducted its payment solution business through its wholly-owned subsidiary, Jarvix (Hong Kong) Limited ("Jarvix"). Jarvix is principally engaged in providing a payment solution to local merchants such that they can accept wide range of electronic payment methods. Jarvix has been focusing on various industries such as fitness, beauty and sports.

During the Year, Hong Kong's local consumption market faced significant challenges. According to data from the Census and Statistics Department, retail sales in Hong Kong continued to decline from April 2024 to the end of March 2025, reflecting a weak consumer market. Both the total retail sales value index and the sales volume index have recorded consecutive months of decline. This trend may indicate a shift in consumption patterns, particularly with more Hong Kong residents spending in mainland China, drawn by price advantages and diverse options in cities like Shenzhen, which have reduced the attractiveness of local retail.

After completing the acquisition of Jarvix in 2023, the Group's management successfully restructured the business over the past two years. Key initiatives included reassessing customer portfolios, defining target market segments, investing in IT upgrades, and optimizing business operations and customer service processes. As of this Year, Jarvix is now capable of providing both online and offline payment solutions, encompassing credit card payment services, eCommerce payment applications, and widely adopted payment collection methods in Hong Kong. These enhancements have enabled Jarvix to deliver more comprehensive services to both existing and potential clients, thereby strengthening its competitive position in the payment solutions market. Additionally, the division has continued to increase investments in human resources, further expanding and diversifying its customer base.

During the Year, the division recorded revenue of approximately HK$2,838,000, representing a 7.9% decrease compared to approximately HK$3,082,000 in the same period last year. The decline in revenue was primarily attributed to weak local consumption, which dampened consumer confidence in Hong Kong. The division recorded a net loss of approximately HK$4,690,000 during the Year, representing an increase of 25.9% compared to approximately HK$3,725,000 in the previous year. This loss includes amortization of intangible assets amounting to approximately HK$2,598,000 during the Year.

OUTLOOK

Since the start of the year 2025, global growth has been facing significant headwinds due to a series of tariff measure by the US and retaliation measures by the counter trading countries that led to the reciprocal tariffs on 2nd April 2025 which brought tariff rates to historically high level. According to the International Monetary Fund's latest World Economic Outlook published in April 2025, the global economic growth projections have been revised downward to 2.8% for 2025 and 3% for 2026, compared to an earlier projection of 3.3% for both years in its January 2025 update. Emerging markets and developing economies, including China, have been particularly impacted by trade tariffs. Growth in these economies is expected to slow to 3.7% in 2025 and 3.9% in 2026, underscoring the challenges posed by the current economic environment.

According to the National Bureau of Statistics of China's preliminary estimates published in April 2025, China's gross domestic product for the first quarter of 2025 increased by 5.4% year-over-year, with the full-year growth target set at 5%. This robust economic performance underscores the resilience of the Chinese market amid global uncertainties and provides a favourable backdrop for the Group's operations in the region.

International Data Corporation has adjusted its forecast for worldwide smartphone shipments in 2025 to 1.24 billion units, reflecting a modest year-over-year growth of 0.6%. This revision comes in light of increased uncertainty, fluctuating tariff policies, and macroeconomic challenges such as inflation and rising unemployment across various regions, which have collectively contributed to a slowdown in consumer spending.

From the Global EV Outlook 2025 published by the International Energy Agency ("IEA"), global electric car sales are projected to increase by 25% in 2025, matching the growth rate observed in 2024 and reaching 20 million units. Despite potential impacts from economic and policy uncertainties, EVs are expected to account for more than one in four cars sold worldwide in 2025. China, a key market for EVs, achieved a notable milestone in the second half of 2024 with electric car sales surpassing 50% of total car sales. By 2030, the share of electric cars and vans in China is forecasted by IEA to reach approximately 80%, driven by ongoing policy support and advances in affordability. Globally, the IEA estimates that EVs will represent 20% of total car sales by 2025 and could grow to 60% by 2030. The Group anticipates that the transition from petroleum-fuelled vehicles to EVs will accelerate in the coming years, providing significant growth opportunities. As China continues to lead the EV revolution, the Group is well-positioned to benefit from the industry's expansion, particularly through its partnerships with leading EV manufacturers and their OEM manufacturers in China.

The rapid evolution of AI technologies is generating unprecedented demand for AI-related products, including AI chips, notebooks, smartphones, and servers. This surge in demand is expected to significantly drive growth in SMT and semiconductor manufacturing facilities, presenting a promising opportunity for the Group to capitalize on market trends and expand its reach in these sectors.

The ongoing geopolitical challenges, including the US-China trade decoupling, have continued to influence the relocation of manufacturing bases outside China. Recognizing this trend, the Group has effectively leveraged its established operations in Thailand and Vietnam to support customers expanding their manufacturing activities in the Southeast Asia region. Plans are underway to further enhance our service capabilities in these countries to better align with this shift and meet the operational needs of our customers.

The GBA blueprint, as outlined by President Xi, highlights a promising path for growth and development in Hong Kong. Aligned with this vision, the Group remains optimistic about Hong Kong's future role within the GBA initiative. Emphasizing its commitment to this region, the Group intends to enhance operational efficiencies across its business divisions, aiming to bolster profitability and deliver increased value to shareholders.

To ensure sustainable growth and long-term success, the Group will continue to monitor key financial metrics, including working capital, gross margin, and operating costs. By staying attuned to industry developments and maintaining robust cash flow management, the Group endeavours to further strengthen its performance and adapt to evolving market conditions.

Hi-Tech Distribution and Services Division

Despite geopolitical challenges and evolving market dynamics, the Group's hi-tech distribution and services division anticipates steady year-over-year growth in customer orders, driven primarily by burgeoning demand in the smartphone manufacturers that are expanding overseas and fast-growing EV and AI industries. Notably, several customers engaged in smartphone manufacturing within China have begun acquiring new manufacturing facilities on a large scale, a trend expected to persist throughout the next financial year.

The hi-tech distribution and services division is well-positioned to capitalize on growing market opportunities in Southeast Asia, particularly as customers continue to expand their operations in these regions. By end of 2025, the existing generation of SMT machine will be phased out and replaced by the new next-generation SMT product, NXTR, which is designed to deliver superior performance with advanced automation capabilities and versatile for more type of electronic products. This innovative product is expected to drive significant replacement demand in the years ahead, reinforcing the Division's strategic contribution to the Group's success in adapting to industry advancements and meeting evolving customer needs.

Leasing Division

As one of the largest producers of electronic products globally, China experienced strong growth in its electronics manufacturing industry in 2024, with further expansion anticipated in 2025, especially in the integrated circuit and consumer electronics (e.g., smartphones, tablets) and automotive electronics. China's "Made in China 2025" initiative has further fueled demand for SMT equipment by providing subsidies and support to encourage companies to upgrade their manufacturing capabilities. In 2024, China's electronics manufacturing sector contributed approximately 30% of the global manufacturing value-added, driven by the sustained growth in demand for consumer electronics such as smartphones and tablets. This rising demand for SMT equipment presents significant opportunities for the leasing market.

The growing need for flexibility and automation in the market is expected to drive factories to increasingly rely on leasing to manage production orders, particularly in the electronics manufacturing sector. The leasing division is set to focus on enhancing equipment utilization and diversifying its leasing offerings. It aims to deliver value-added services through in-house development and customized modifications while leveraging the Group's core competencies and unique advantages to maintain strong customer relationships. In terms of finance leases, the division plans to broaden its business scope by focusing on high-tech products with strong growth potential. It will also expand short-term financing options (of six to twelve months) to strengthen risk control. Additionally, the division will pursue partnerships on a prudent basis to enhance equipment turnover and leasing rates. This multifaceted approach will ensure the division remains competitive while addressing evolving market demands effectively.

Electronic Payment Solution Division

Hong Kong, leveraging its status as an international financial center, advanced digital infrastructure, and strategic linkage with the GBA, demonstrates significant potential for consumption growth. In his "2024 Policy Address" delivered on 16th October 2024, Chief Executive John Lee outlined a series of robust government initiatives aimed at stimulating local consumption and fostering economic prosperity. These initiatives include hosting the "Hong Kong Goodies Festival" to support small and medium enterprises (SMEs) in Hong Kong; and actively promoting the headquarters economy by attracting key overseas and domestic enterprises to establish headquarters or branch operations in Hong Kong, and boosting local talent development and domestic demand to enhance economic resilience and sustainability.

The widespread adoption of e-payment systems is expected to play a critical role in driving this growth. Hong Kong's advanced digital payment infrastructure, including platforms such as Octopus, FPS (Faster Payment System), and various mobile wallets, has been instrumental in reshaping consumer behaviour. It is a trend of increasing demand for cashless and contactless payment methods, particularly among younger and tech-savvy consumers, and positions Hong Kong as a leader in digital payment innovation within the region.

With the gradual recovery of inbound tourism in 2024, driven by the expanding middle class in mainland China and the relaxation of travel policies, Hong Kong is poised to benefit from a steady influx of quality visitors, especially from the GBA. This recovery is expected to drive greater demand for digital payment solutions, as many visitors prefer cashless transactions. Financial Secretary Paul Chan has recently echoed this optimism, predicting that the recovery of the tourism sector and the growth in merchandise exports will serve as key drivers of Hong Kong's economic stability and growth. Official data indicates that visitor numbers have surged since the beginning of the year, providing strong support for the local retail, food and beverage, and digital payment industries.

Furthermore, the management of our Group has, over the past two years, undertaken a strategic restructuring of the Jarvix business, and enhanced Jarvix's ability to deliver both online and offline solutions that cater to the diverse needs of local merchants across various industries. Targeting younger and high-end consumer segments, Jarvix is well-poised to capture an increasing share of the rapidly growing e-payment market, further driving local merchants' competitiveness and profitability. Looking ahead, the expansion of e-payment technologies will not only enhance convenience and efficiency but also serve as a key enabler of economic inclusivity and innovation.

LIQUIDITY AND FINANCIAL RESOURCES

During the Year, the Group generally finance its operation with internally generated resources and banking facilities provided by its principal bankers in Hong Kong. As at 31st March 2025, the Group had secured bank borrowings of approximately HK$12,559,000 (2024: Nil), which are denominated in Japanese Yen. As at 31st March 2025, the Group had banking facilities of approximately HK$708,195,000 (2024: approximately HK$711,845,000) from several banks for trade financing. As at 31st March 2025, banking facilities of approximately HK$178,842,000 (2024: approximately HK$145,090,000) were utilised by the Group. These facilities were secured by corporate guarantees of approximately HK$964,745,000 (2024: approximately HK$973,288,000) provided by the Company. As at 31st March 2025, the Group had total assets of approximately HK$1,957,197,000 (2024: approximately HK$1,957,058,000) and total liabilities of approximately HK$594,266,000 (2024: approximately HK$583,320,000). The Group had net cash position as at 31st March 2025 and 2024.

CONTINGENT LIABILITIES

As at 31st March 2025, pledged deposits of HK$2,043,000 (2024: HK$2,100,000) were held as security at a bank in respect of performance bonds in favour of certain contract customers. The guarantee given by the Group to a bank in respect of a performance bond in favour of a supplier and certain customers amounted to HK$23,798,000 (2024: HK$4,549,000).

Net Asset Value

Consolidated net asset value per ordinary share attributable to ordinary shareholders of the Company was approximately HK$3.0 as at 31st March 2025, decreased by HK$0.02 from approximately HK$3.02 as at 31st March 2024.

Number of Employees and Remuneration Policies

As at 31st March 2025, the Group employed 328 (2024: 338) staff. Salaries and annual bonuses are determined according to positions and performance of the employees. Remuneration policies are reviewed annually by the management and remuneration packages are structured to take into account the comparable level of the market. The Group provides on-the-job training and training subsidies to its employees in addition to pension schemes and medical insurance. Total staff costs including contribution to retirement benefit schemes incurred during the year amounted to approximately HK$137,334,000 (2024: HK$147,870,000).

The Company operates a share option scheme for the purpose of providing incentives and rewards to Directors, employees and eligible participants who contributed or will contribute to the Group.

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

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

CORPORATE GOVERNANCE PRACTICES

The Company endeavours to maintain high standards of corporate governance in the interests of shareholders, and follows the principles set out in the Corporate Governance Code (the "Code") contained in Appendix C1 of the GEM Listing Rules. Throughout the year ended 31st March 2025, the Company complied with all the Code provisions with the exceptions addressed below and, where appropriate, adopted the recommended best practices set out in the Code.

Code provision C.2.1 stipulates that the roles of chairman and chief executive should be separate and should not be performed by the same individual. However, the Board's decisions are implemented under the leadership of the Chairlady with the involvement and support of the chief executive officer(s) and general manager(s) of the Company's operating companies. The Board believes that the balance of authority and division of responsibility are adequately ensured by the operations of the Board and management which comprise experienced and high calibre individuals.

DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted a code of conduct regarding securities transactions by the Directors on terms no less exacting than the required standard of dealing set out in rules 5.48 to 5.67 of the GEM Listing Rules (the "Required Standard"). Having made specific enquiry of all Directors, all Directors confirmed that they had complied with the Required Standard and the Company's code of conduct regarding securities transactions during the year ended 31st March 2025.

AUDIT COMMITTEE

The audit committee currently comprises three members, namely Mr. Airy Lau Tak Chuen, Dr. Cai Qing, and Mr. Graham Lam Ka Wai, all being independent non-executive Directors. The committee is chaired by Mr. Airy Lau Tak Chuen who has appropriate professional qualifications and experience in financial matters.

The Board has adopted a set of the revised terms of reference of the audit committee to align with the provisions set out in the Code in February 2024. The committee's principal duties are to ensure the adequacy and effectiveness of the accounting and financial controls of the Group, oversee the performance of internal control systems, risk management and financial reporting process, monitor the integrity of the financial statements and compliance with statutory and listing requirements and to oversee independence and qualifications of the external auditors.

The audit committee meets at least four times a year to discuss any area of concern during the audits or reviews and at least twice of the meetings shall be with the external auditors. The audit committee reviews the quarterly (if prepared for publication), interim and annual reports before submission to the Board. Senior representatives of the external auditors, executive Directors and senior management are invited to attend the meetings, if required.

During the Year, the audit committee has approved the nature and scope of the statutory audits, and reviewed the quarterly, interim and annual financial statements of the Group, and was content that the accounting policies and standards of the Group are in accordance with the current best practices in Hong Kong.

The Group's annual results for the year ended 31st March 2025 has been reviewed by the audit committee.

The annual report for the year ended 31st March 2025 will be dispatched to the shareholders by end of July 2025.

SCOPE OF WORK OF ERNST & YOUNG

The figures in respect of the Group's consolidated statement of profit or loss, consolidated statement of comprehensive income, consolidated statement of financial position and consolidated statement of changes in equity, and the related notes thereto for the year ended 31st March 2025 as set out in this announcement have been agreed by the Company's auditor, Ernst & Young, to the amounts set out in the Group's draft consolidated financial statements for the year. The work performed by Ernst & Young in this respect did not constitute an assurance engagement and consequently no opinion or assurance conclusion has been expressed by Ernst & Young on this announcement.

On behalf of the Board
North Asia Strategic Holdings Limited
Zhang Yifan
Chairlady and Executive Director

Hong Kong, 26th June 2025

As at the date of this announcement, the Board comprises Ms. Zhang Yifan (Chairlady and Executive Director); Mr. Kenneth Kon Hiu King (Executive Director); Mr. Pierre Tsui Kwong Ming (Non-executive Director); Mr. Airy Lau Tak Chuen, Dr. Cai Qing, and Mr. Graham Lam Ka Wai (being Independent Non-executive Directors).

This announcement will remain on the Stock Exchange's website at www.hkexnews.hk on the "Latest Listed Company Information" page for at least seven days from the date of its posting and on the Company's website at www.nasholdings.com.