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

(Incorporated in Bermuda with limited liability)
(Stock Code: 8080)

FINAL RESULTS
FOR THE YEAR ENDED 31ST MARCH 2013

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

GEM has been positioned as a market designed to accommodate 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. The greater risk profile and other characteristics of GEM mean that it is a market more suited to professional and other sophisticated investors.

Given the emerging nature of companies listed on GEM, 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 the Growth Enterprise Market of the Stock Exchange (the "GEM Listing Rules") for the purpose of giving information with regard to the issuer. 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*

CHAIRMAN'S STATEMENT

General Overview

Since the beginning of the fiscal year ended 31st March 2013 (the "year"), our focus has been on execution in order to return the Group to profitability from a consolidated net loss of about HK$241 million in our last fiscal year ended 31st March 2012 ("last year"). With the dedication and focus of our management team, the Group has successfully reduced the consolidated net loss by 86.3% to HK$33 million.

During the year, the Group has also carefully evaluated its cash resources and ultimately freed up cash of about HK$269 million to distribute to shareholders as a special dividend in October 2012. The Group also put forward a 10 for 1 capital reorganization plan, which became effective on 17th September 2012 to enhance the liquidity of our shares for the benefit of our shareholders.

Division Highlights

For American Tec, its management team continues to build and maintain a high level of collaboration with our major business partner Fuji Machine Mfg. Co., Ltd. As a result, they have managed to win projects and expanded our customer base with Fuji machines. Strategically, we have signed new distribution agreements with world-class solution suppliers and established a software team to launch our Digital Manufacturing System and delivered to customers our value-added software solution to meet their manufacturing and enterprise system needs for increased quality and productivity. During the year, it achieved a net profit of approximately HK$22 million on revenue of approximately HK$734 million for the year, comparable with the net profit of approximately HK$21 million on revenue of approximately HK$892 million in last year.

For the Burger King operation, three restaurants were closed as part of our profitability enhancement plan. We benefited from our strong alliance with the franchisor BK AsiaPac, Pte. Ltd. to lower food cost. The management team has started implementing various measures to enhance customer experience, improve operational efficiency and drive sales growth. As a result, the division recorded a revenue of approximately HK$120 million with a net profit of approximately HK$5 million, versus a net loss of approximately HK$141 million on revenue of approximately HK$143 million in last year.

During the year, the Group shared 40% Coland's net profit of approximately HK$2 million, versus an net loss of approximately HK$31 million in last year while at the same time the Company's corporate guarantees for Coland's banking credit facilities was reduced by HK$136 million as compared with last year.

A NEW WAY FORWARD

As the single largest shareholder of the Company, I intend the Company to focus more resources on new investment opportunities in Mainland China as and when identified. In this regard, I introduced to the Board four new directors in February 2013, who have extensive corporate finance, mergers and acquisition and financial expertise. We are reviewing and updating our long-term strategy to provide better clarity on our direction and business model while striving to create value for our shareholders, customers, employees, and business partners. In the short-term, the Board will devote resources in securing new banking facilities and re-arranging existing banking facilities for its existing operations.

On 3rd May 2013, the Company received an offer from an offeror for the possible acquisition of the Company's total equity interest in Coland, a 40% joint venture (the "Offer"). The Board consider the Offer inadequate and will continue to negotiate with the offeror for improvements.

Going forward, the Group seeks to continue to grow its business, supported by a sound inventory management system for increased efficiencies and cost reduction to help minimise business risk. We will carefully evaluate and review options as to how we may effectively manage, deploy and apply available cash resources to meet operational and investment needs and for the benefit of our shareholders as a whole.

APPRECIATION

We believe updating our long-term strategy, setting operating goals, motivating our staff and sharing success with business partners will be important ingredients for the Group's success, particularly during this critical transition period. I would like to take this opportunity to express my sincere gratitude to our business partners, our customers, the Board and our employees for their trust and support in the year. On behalf of the Board, I would also like to offer our utmost appreciation to our shareholders for their confidence in our Company.

Ding Yi
Chairman

Hong Kong, 19th June 2013

MANAGEMENT DISCUSSION AND ANALYSIS

Financial and Business Performance

The weak and uncertain global economy created a very challenging environment which negatively impacted the demand for our surface mount technology ("SMT") equipment during the fiscal year ended 31st March 2013 (the "year"). Our Group recorded a consolidated net loss attributable to shareholders of the Company of approximately HK$33,491,000 on revenue of approximately HK$854,323,000 for the year, compared to a consolidated net loss of approximately HK$241,061,000 on revenue of approximately HK$1,035,410,000 (restated) during the fiscal year ended 31st March 2012 ("last year").

Below is a summary of the financial and business highlights of each major business division. The profit/loss figures, disclosed below, do not include any intra-group charges, as they are eliminated upon consolidation.

Hi-Tech Distribution and Services Division

Our hi-tech distribution and services division conducted business through our wholly-owned subsidiary, American Tec Company Limited ("American Tec"). American Tec is a leader in Asia in the distribution, sales and service of SMT equipment, with a history of more than 25 years serving its customers in the hi-technology sector. Our team of more than 240 engineers and customer care staff are located in more than 25 cities in China, Vietnam and India. Customers include most of the major telecom and electronic equipment manufacturers in the world. We are especially well positioned with the growing base of Chinese manufacturers. Our suppliers include leading equipment and solutions manufacturers from Asia, the United States and Europe. With its leading market position, American Tec signed new distribution and service agreements with leading SMT and software suppliers during the year to complement our major partnership with Fuji Machine Mfg. Co., Ltd. to offer a comprehensive and competitive SMT solution.

During the year, this division recorded a revenue of approximately HK$733,955,000, representing a decrease of about 17.8% from last year. This year on year drop in revenue was mainly due to the substantial drop on customer demand for SMT equipment across the sector under the uncertain economic environment in the year. Management had implemented a number of cost control programs, improved commission and other service income and got higher margin contributions from sales of peripheral equipment sourced from newly signed suppliers in the year to offset the decline in customer demand. Hence, American Tec managed to achieve a net profit of approximately HK$21,942,000 in the year, comparable to a net profit of about HK$21,246,000 in last year.

Fishmeal, Fish Oil and Aquatic Products Division

Our fishmeal, fish oil and aquatic products division conducted business through our 40% joint venture, Coland Group Limited ("Coland"). It is one of the leading providers and processors of fishmeal, aquatic feed and fish oil in Asia today.

During the year, there was a rebound of the demand for brown fishmeal and its market price due to increase in seasonal demand from the aquaculture industry in China in the first three quarters. Demand for Coland's processed fish oil products remained strong in the first three quarters with stable market price. However, there was a significant drop in the market price of brown fishmeal and fish oil in the fourth quarter due to increase in global supply and downward trend in market price. As a result, the Group shared 40% of Coland's net profit of approximately HK$2,052,000 on revenue of approximately HK$597,664,000 for the year, versus a net loss of approximately HK$31,238,000 on revenue of approximately HK$744,236,000 in last year.

On 3rd May 2013, the Group received an offer from an offeror for the possible acquisition of the Company's total equity interest in Coland. As at the date of this announcement, the Board was still negotiating with the offeror for improvement. In respect of the Company's total equity interest in Coland, an impairment of approximately HK$45 million was provided during the year.

Branded Food Division

During the year, management focused on launching new products and implementing cost control measures. The division recorded a revenue of approximately HK$120,368,000 with a net profit of approximately HK$4,556,000 (including a net decrease of provision for lease obligations of approximately HK$19,574,000 during the year), versus a net loss of approximately HK$141,334,000 on revenue of approximately HK$143,006,000 in last year. Operating loss before income tax at restaurant level (excluding assets impairment loss and a provision related to restaurant leases) was further reduced by approximately 53.3% year-on-year.

OUTLOOK

Overall Summary

We expect the volatility in the global economy to continue in 2013. This will continue to offer various challenges to our existing businesses in the coming quarters, ranging from cautious customer demand to pressure on margins. Our focus will be to manage cash, costs and risks and, to build our strength during these times by working with our management teams to improve capability and efficiency.

Hi-tech Distribution and Services Division

In the near term, we expect that our customers will continue to be more cautious in their capital investment plan, which may impact on our revenue and margins. With this outlook, we will continue to minimize the impact from the economic downturn and monitor our working capital, gross profit margin, operating costs and foreign exchange risk closely with a view to protect our cash flow and profitability.

Fishmeal, Fish Oil and Aquatic Products Division

In the near term, we foresee rebounding in demand for our brown fishmeal in the domestic market due to warmer weather but we expect downward trend in market price due to forecast increase in global supply. We will continue to urge Coland's management to closely monitor the price volatility for the fishmeal and fish oil businesses and closely manage inventory, cash flow and operating expenses.

Branded Food Division

In this economic climate, the quick service restaurant business is expected to have increased demand as people look for lower cost alternatives for dining out. Burger King continues to provide premium products in the market place with a great brand. Working in close partnership with BK AsiaPac, Pte. Ltd., the franchisor of Burger King, we will continue our critical review on the performance of each restaurant while developing cost effective promotional programs to attract customers for sales growth.

FINANCIAL RESOURCES, LIQUIDITY AND CHARGES ON ASSETS

As at 31st March 2013, the Group had bank and cash balances of approximately HK$556,251,000 (2012: HK$884,053,000 (restated)). As at 31st March 2013, the Company had provided guarantees of HK$508,826,000 (31st March 2012: HK$508,868,000 (restated); 1st April 2011: HK$425,660,000 (restated)) with respect to banking facilities made available to its subsidiaries.

As at 31st March 2013, the Company had provided guarantee of HK$121,840,000 (2012: HK$257,520,000 (restated); 1st April 2011: HK$61,040,000 (restated)) with respect to banking facilities made available to its joint ventures.

As at 31st March 2013, the Group had borrowings of approximately HK$16,504,000 (2012: HK$61,871,000 (restated)). The gearing ratio (borrowings divided by equity attributable to shareholders of the Company) of the Group was 0.02 as at 31st March 2013, as compared to 0.05 (restated) as at 31st March 2012.

SIGNIFICANT INVESTMENTS HELD AND MATERIAL ACQUISITIONS AND DISPOSALS OF INVESTMENTS AND SUBSIDIARIES

As at 31st March 2013, the Group had no significant investments. There were no material acquisitions or disposals of investments and subsidiaries during the year.

FOREIGN CURRENCY EXPOSURE

The business of the Group was primarily transacted in HK$, US$, Yen and Renminbi. The Group's cash and bank deposits, including pledged bank deposits, were mainly denominated in HK$. The foreign currency exposure of the Group is mainly driven by its business divisions. The Group attempts to minimise its foreign currency exposure through (i) matching its payables for purchases against its receivables on sales and (ii) maintain sufficient foreign currency cash balances to settle the foreign currency payables. We will continue to monitor closely the exchange rate between US$ and Yen and will make necessary hedging arrangements to minimise its foreign currency exposure arising from foreign currency fluctuation in the future.

CONTINGENT LIABILITIES

As at 31st March 2013, the Company had provided guarantees of approximately HK$630,666,000 (2012: HK$766,388,000 (restated)) with respect to banking facilities made available to its subsidiaries and joint ventures.

NET ASSET VALUE

Consolidated net asset value attributable to ordinary shareholders of the Company per ordinary share was approximately HK$0.723 as at 31st March 2013 which reflected a decrease of HK$0.224 from the corresponding figure as at 31st March 2012 of approximately HK$0.947 (restated to reflect the share consolidation approved by the Company's shareholders on 14th September 2012).

NUMBER OF EMPLOYEES AND REMUNERATION POLICIES

As at 31st March 2013, the Group employed 683 (2012: 865 (restated)) 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$101,655,000 (2012: HK$102,470,000 (restated)).

CONSOLIDATED INCOME STATEMENT

Year ended 31st March 2013

	Notes	2013 HK$'000	2012 HK$'000 (Restated)
Revenue	3	**854,323**	1,035,410
Cost of sales		**(642,162)**	(812,715)
Gross profit		**212,161**	222,695
Other income and gains, net	8	**5,256**	2,927
Selling and distribution expenses		**(155,327)**	(175,196)
General and administrative expenses		**(46,575)**	(243,835)
Impairment of investments in joint ventures	9	**(45,273)**	—
Operating loss		**(29,758)**	(193,409)
Finance income	10	**3,718**	8,528
Finance costs	10	**(5,392)**	(1,137)
Share of profits and losses of joint ventures		**2,052**	(31,238)
Loss before income tax	11	**(29,380)**	(217,256)
Income tax expense	12	**(4,111)**	(23,805)
Loss for the year		**(33,491)**	(241,061)
Loss per share attributable to ordinary shareholders of the Company	13		(Restated)
Basic and diluted			
— For loss for the year *(HK cents)*		**(2.49)**	(17.80)

Details of the dividends payable and proposed for the year are disclosed in note 14 to this announcement.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Year ended 31st March 2013

	2013	2012
	HK$'000	*HK$'000*
		(Restated)
Loss for the year	**(33,491)**	(241,061)
Other comprehensive income/(loss):		
Available-for-sale financial assets:		
Changes in fair value	**—**	(443)
Reclassification adjustments for gains included in the consolidated income statement as a result of the disposal	**—**	(700)
Currency translation differences of foreign operations	**313**	301
Share of other comprehensive income of joint ventures	**768**	7,228
Other comprehensive income for the year, net of income tax of nil	**1,081**	6,386
Total comprehensive loss for the year	**(32,410)**	(234,675)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

31st March 2013

	Notes	**As at 31st March 2013 HK$'000**	As at 31st March 2012 HK$'000 (Restated)	As at 1st April 2011 HK$'000 (Restated)
ASSETS				
Non-current assets				
Property, plant and equipment		**8,617**	10,649	58,274
Intangible assets		**373,692**	373,692	377,269
Investments in joint ventures		**137,684**	180,137	204,147
Available-for-sale financial assets		**—**	—	2,109
Deferred tax assets		**—**	1,536	24,765
Other non-current assets		**7,276**	7,263	5,761
		527,269	573,277	672,325
Current assets				
Inventories		**2,772**	2,831	9,788
Derivative financial instruments		**—**	—	34
Trade and other receivables	*4*	**83,713**	151,125	132,608
Amount due from a joint venture		**—**	305	2,875
Pledged bank deposits		**—**	—	293
Cash and cash equivalents		**556,251**	884,053	951,890
		642,736	1,038,314	1,097,488
Total assets		**1,170,005**	1,611,591	1,769,813
EQUITY				
Equity attributable to shareholders of the Company				
Share capital	*6*	**13,459**	134,660	135,968
Reserves	*7*	**960,188**	1,140,651	1,378,675
Total equity		**973,647**	1,275,311	1,514,643

	Note	**As at 31st March 2013 *HK$'000***	As at 31st March 2012 *HK$'000* (Restated)	As at 1st April 2011 *HK$'000* (Restated)
LIABILITIES				
Current liabilities				
Borrowings		**16,504**	61,871	29,184
Trade and other payables	*5*	**153,263**	229,143	222,100
Income tax liabilities		**2,286**	324	76
Provisions		**10,500**	17,264	—
		182,553	308,602	251,360
Non-current liabilities				
Borrowings		**—**	—	6
Deferred tax liabilities		**417**	—	—
Other non-current liabilities		**13,388**	27,678	3,804
		13,805	27,678	3,810
Total liabilities		**196,358**	336,280	255,170
Total equity and liabilities		**1,170,005**	1,611,591	1,769,813
Net current assets		**460,183**	729,712	846,128
Total assets less current liabilities		**987,452**	1,302,989	1,518,453

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Year ended 31st March 2013

	Attributable to shareholders of the Company				
	Share capital	**Reserves**	**Sub-total**	**Non-controlling interests**	**Total**
	HK$'000	*HK$'000* *(note 7)*	*HK$'000*	*HK$'000*	*HK$'000*
Balances at 1st April 2011					
As previously reported	135,968	1,378,675	1,514,643	4,416	1,519,059
Effects of early adoption of HKFRSs *(note 2.1)*	—	—	—	(4,416)	(4,416)
As restated	135,968	1,378,675	1,514,643	—	1,514,643
Comprehensive income					
Loss for the year	—	(241,061)	(241,061)	—	(241,061)
Other comprehensive income/(loss)					
Available-for-sale financial assets:					
Changes in fair value	—	(443)	(443)	—	(443)
Reclassification adjustments for gains included in the consolidated income statement as a result of the disposal	—	(700)	(700)	—	(700)
Currency translation differences of foreign operations	—	301	301	—	301
Share of other comprehensive income of joint ventures	—	7,228	7,228	—	7,228
Total other comprehensive income	—	6,386	6,386	—	6,386
Total comprehensive loss for the year	—	(234,675)	(234,675)	—	(234,675)
Share repurchase *(note 7(a))*	—	(4,428)	(4,428)	—	(4,428)
Cancellation of shares repurchased *(note 7(a))*	(1,308)	1,079	(229)	—	(229)
Balances at 31st March 2012	134,660	1,140,651	1,275,311	—	1,275,311

Year ended 31st March 2013

	Attributable to shareholders of the Company				
	Share capital	**Reserves**	**Sub-total**	**Non-controlling interests**	**Total**
	HK$'000	*HK$'000* *(note 7)*	*HK$'000*	*HK$'000*	*HK$'000*
Balances at 1st April 2012					
As previously reported	134,660	1,140,651	1,275,311	5,207	1,280,518
Effects of early adoption of HKFRSs *(note 2.1)*	—	—	—	(5,207)	(5,207)
As restated	134,660	1,140,651	1,275,311	—	1,275,311
Comprehensive income					
Loss for the year	—	(33,491)	(33,491)	—	(33,491)
Other comprehensive income					
Currency translation differences of foreign operations	—	313	313	—	313
Share of other comprehensive income of joint ventures	—	768	768	—	768
Total other comprehensive income	—	1,081	1,081	—	1,081
Total comprehensive loss for the year	—	(32,410)	(32,410)	—	(32,410)
Share repurchase *(note 7(a))*	—	(54)	(54)	—	(54)
Cancellation of shares repurchased *(note 7(a))*	(66)	54	(12)	—	(12)
Capital reduction *(note 6(a))*	(121,135)	121,135	—	—	—
Special dividend *(note 14)*	—	(269,188)	(269,188)	—	(269,188)
Balances at 31st March 2013	13,459	960,188	973,647	—	973,647

NOTES

1. General information

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

- **hi-tech distribution and services:** trading of surface mount technology ("SMT") assembly equipment, machinery and spare parts and the provision of related installation, training, repair and maintenance services for SMT assembly equipment;
- **branded food:** developing and operating Burger King restaurants in Hong Kong;
- **fishmeal, fish oil and aquatic products:** refining and sale of fish oil, processing and sale of fishmeal, manufacturing and sale of aquatic feed products, aquaculture and processing and sale of aquatic products (conducted through joint ventures); and
- investment holding.

The Company is a limited liability company incorporated in Bermuda as an exempted company under the Bermuda Companies Act 1981. The address of its registered office is Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda and of its principal place of business is Suite 1318, 13th Floor, Two Pacific Place, 88 Queensway, Hong Kong.

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

This announcement is presented in Hong Kong dollars and all values are rounded to the nearest thousand except when otherwise indicated.

This announcement has been approved for issue by the Company's board of directors on 19th June 2013.

2. Accounting policies and methods of computation

2.1 Basis of preparation

The financial information has been prepared in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") (which include all Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards ("HKASs") and Interpretations) issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"), accounting principles generally accepted in Hong Kong and the disclosure requirements of the Hong Kong Companies Ordinance. They have been prepared under the historical cost convention, except for derivative financial instruments, which have been measured at fair value.

The accounting policies and basis of preparation adopted in the preparation of this announcement are the same as those used in the financial statements for the year ended 31st March 2012, except in relation to the early adoptions and changes in accounting policy and disclosure and accounting estimates as detailed below.

Early adoption of HKFRSs

The following five new or revised standards are mandatorily effective for annual periods beginning on or after 1st January 2013 and should be applied in accordance with respective transition requirements. Early application is permitted so long as all of the five new or revised standards are applied early. The Group has early adopted these five new or revised standards on 1st April 2012.

(a) HKFRS 10 *Consolidated Financial Statements*

HKFRS 10 replaces the portion of HKAS 27 that addresses the accounting for consolidated financial statements. It establishes a single control model that applies to all entities. It requires management to exercise significant judgement to determine which entities are controlled, and therefore are required to be consolidated by a parent.

The standard introduces a new definition on control under which control of investee requires an investor to possess all the following three elements: (1) the power over the investee; (2) the exposure or rights to variable returns from its involvement with the investee; and (3) the ability to use its power over the investee to affect the amount of the investor's returns.

(b) HKFRS 11 *Joint Arrangements*

HKFRS 11 replaces HKAS 31 *Interests in Joint Ventures* and Hong Kong (SIC) ("HK(SIC)") — Int 13 *Jointly Controlled Entities — Non-Monetary Contributions by Venturers*. HKFRS 11 addresses only two forms of joint arrangements (joint operations and joint ventures) where there is joint control. In determining the type of arrangements, HKFRS 11 requires parties to the arrangement to assess: (1) the legal form of the separate vehicle; (2) the terms of the contractual arrangement; and (3) other facts and circumstances that give them rights to the assets and obligations for the liabilities or rights to the net assets of the vehicle. A joint arrangement that meets the definition of a joint venture must be accounted for using the equity method. For a joint operation, an entity recognises its assets, liabilities, revenues and expenses relating to its relative shares thereof.

(c) HKFRS 12 *Disclosure of Interests in Other Entities*

HKFRS 12 establishes the disclosure objectives for an entity to disclose information concerning its interest in a subsidiary, a joint arrangement, an associate or an unconsolidated structured entity. It also requires an entity to disclose the significant judgements and assumptions it has made in determining the nature of its interest in another entity or arrangement, also in determining the type of joint arrangement in which it has an interest.

(d) HKAS 27 (2011) *Separate Financial Statements*

Revisions are made resulting from the issuance of HKFRS 10 and consolidated financial statements are now addressed by HKFRS 10. Therefore, HKAS 27 is revised to only address separate financial statements, including how to prepare separate financial statements of an investor and what disclosures should be made in the separate financial statements.

(e) HKAS 28 (2011) *Investments in Associates and Joint Ventures*

Revisions are made resulting from the issuance of HKFRS 11. An entity applies HKFRS 11 to determine the type of a joint arrangement in which it is involved. Once it has determined that it has an interest in a joint venture, the entity recognises an investment and accounts for it using the equity method.

Impacts of early adopting new accounting standards

The adoption of HKFRS 10 and HKAS 27 (2011) has no material impact on the accounting policies of the Group and has no material financial impact on the Group's consolidated financial statements.

Summarised below are the significant assumptions and judgements adopted by the Company in determining the nature of its interest in another entity or arrangement and the type of joint arrangement in which it has an interest:

Subsidiaries

The Company directly or indirectly controls the financial and operating policies of its subsidiaries so as to obtain benefits from their activities. Therefore, the Company controls the subsidiaries for the purpose of consolidation.

Joint arrangements

Certain of the Group's activities are conducted through joint arrangements.

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the arrangement. All jointly-controlled entities ("JCEs") were separate legal entities that control their own assets, earn their own income and incur their own expenses and liabilities. The Group's rights as a shareholder of these entities are limited to dividends or distributions of the net assets of JCEs, rather than having direct rights to any operating assets, liabilities or production output. Accordingly, the Group has evaluated its investments in JCEs as investments in joint ventures under HKFRS 11.

Prior to the year ended 31st March 2013, the Group's investments in JCEs were included in the consolidated financial statements in proportion to the Group's interests in their assets, liabilities, income and expenses since the date of acquisition, incorporation or registration of JCEs in accordance with HKAS 31. Upon the adoption of HKFRS 11, the Company changed the accounting for its investments in JCEs from proportionate consolidation to the equity accounting method from the date of acquisition, incorporation or registration of JCEs. The comparative amount has been restated with the investments in JCEs being equity accounted for since the date of acquisition, incorporation or registration of JCEs.

The effects of the above changes are summarised below:

Consolidated statement of financial position:

	As at 31st March 2013 *HK$'000*	As at 31st March 2012 *HK$'000*	As at 1st April 2011 *HK$'000*
Increase/(decrease)			
Assets:			
Property, plant and equipment	**(86,307)**	(108,948)	(90,090)
Investment properties	**(2,029)**	(2,597)	(2,172)
Leasehold land under operating leases and land use rights	**(22,837)**	(17,994)	(17,721)
Intangible assets	**—**	(16,630)	(17,677)
Investments in joint ventures	**137,684**	180,137	204,147
Deferred tax assets	**(3,314)**	(10,625)	(2,324)
Other non-current assets	**—**	(3,133)	(5,555)
Inventories	**(203,441)**	(283,107)	(238,350)
Biological assets	**(8,334)**	(9,182)	(8,499)
Derivative financial assets	**—**	—	34
Trade and other receivables	**(60,260)**	(50,465)	(69,329)
Amount due from a joint venture	**—**	305	2,875
Pledged bank deposits	**(38,357)**	(85,509)	(96,123)
Cash and cash equivalents	**(32,342)**	(25,361)	(31,659)
	(319,537)	(433,109)	(372,443)
Liabilities:			
Borrowings	**(203,055)**	(276,839)	(217,013)
Trade and other payables	**(103,470)**	(147,017)	(143,213)
Derivative financial instruments	**(177)**	(636)	(1,089)
Income tax liabilities	**(6,253)**	(801)	(4,501)
Deferred tax liabilities	**—**	(676)	(545)
Deferred income	**(2,033)**	(1,933)	(1,666)
	(314,988)	(427,902)	(368,027)
Equity:			
Non-controlling interests	**(4,549)**	(5,207)	(4,416)

Consolidated income statement for the year ended 31st March:

	2013	2012
	HK$'000	*HK$'000*
(Decrease) in revenue	**(597,664)**	(744,236)
Decrease in cost of sales	**511,758**	721,322
(Decrease) in other income and gains, net	**(3,154)**	(6,572)
Decrease in selling and distribution expenses	**16,012**	15,770
Decrease in general and administrative expenses	**88,830**	39,409
(Increase) in impairment of investments in joint ventures	**(45,273)**	—
(Decrease) in finance income	**(2,115)**	(6,805)
Decrease in finance costs	**16,148**	18,465
Decrease/(increase) in income tax expense	**14,081**	(6,446)
Increase/(decrease) in share of profits and losses of joint ventures	**2,052**	(31,238)
Decrease/(increase) in loss for the year	**675**	(331)
Decrease in loss/(profit) attributable to non-controlling interest	**675**	(331)

The retrospective adoption of HKFRS 11 did not have any effect on the earnings per share for the year ended 31st March 2012 and 2013.

Due to the retrospective application of the new accounting standards which resulted in the restatement of items in the statement of financial position, a statement of financial position as at 1st April 2011, and the related notes affected have been presented in this announcement.

2.2 Changes in accounting policy and disclosures

Apart from those standards mentioned in note 2.1 to this announcement, the Group has adopted the following revised HKFRSs for the first time for the current year's financial statements.

HKFRS 1 Amendments	Amendments to HKFRS 1 *First-time Adoption of Hong Kong Financial Reporting Standards — Severe Hyperinflation and Removal of Fixed Date for First-time Adopters*
HKFRS 7 Amendments	Amendments to HKFRS 7 *Financial Instruments: Disclosures — Transfers of Financial Assets*
HKAS 12 Amendments	Amendments to HKAS 12 *Income Taxes — Deferred Tax: Recovery of Underlying Assets*

Other than as further explained below regarding the impact of amendments to HKFRS 7, the adoption of the revised HKFRSs has had no significant financial effect on this announcement.

The HKFRS 7 Amendments require additional disclosures about financial assets that have been transferred but not derecognised to enable users of the Group's financial statements to understand the relationship of those assets that have not been derecognised with their associated liabilities. In addition, the amendments require disclosure about the entity's continuing involvement in derecognised assets to enable users to evaluate the nature of, and risks associated with, such involvement.

3. Turnover, revenue and segment information

3.1 Turnover and revenue

Turnover represents sales of goods, revenue from branded food operation, commission and other service income. The amounts of each category of revenue recognised during the year are as follows:

	For the year ended 31st March	
	2013	2012
	HK$'000	*HK$'000*
		(Restated)
Sales of goods	**674,433**	860,287
Revenue from branded food operation	**120,368**	143,006
Commission and other service income	**59,522**	32,117
	854,323	1,035,410

3.2 Operating segment information

For management purpose, the Group, including its joint ventures, is organised into three major reportable operating segments — hi-tech distribution and services, branded food and fishmeal, fish oil and aquatic products. The hi-tech distribution and services operating segment derives revenue from the sale of goods. The branded food operation segment derives revenue through the operation of quick service restaurants in Hong Kong under the Burger King brand.

Upon the early adoption of HKFRS 11, the Group's accounting for its joint ventures, which operated in the fishmeal, fish oil and aquatic products business, were changed from proportionate consolidation to equity accounting method from the date of acquisition, incorporation or registration of JCEs. As a result, the operating segment information of the Group has been restated to reflect this change.

Management monitors the results of the Group's operating segments separately for the purpose of making decisions about resources allocation and performance assessment. Segment performance is evaluated based on reportable segment profit/(loss), which is a measure of adjusted profit/(loss) before tax. The adjusted profit/(loss) before tax is measured consistently with the Group's profit/(loss) before tax except that finance income, finance costs as well as head office and corporate expenses are excluded from such measurement.

Segment assets consist primarily of property, plant and equipment, intangible assets, other non-current assets, inventories and trade and other receivables. Unallocated assets comprise deferred tax assets, pledged bank deposits, cash and cash equivalents and corporate and others.

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

Capital expenditure comprises additions to property, plant and equipment and intangible assets.

There are no significant sales between the operating segments during the year (2012: Nil). The operating results for the year are as follows:

	Year ended 31st March 2013			
	Hi-tech distribution and services operation *HK$'000*	**Branded food operation** *HK$'000*	**Fishmeal, fish oil and aquatic products operation** *HK$'000*	**Total** *HK$'000*
Revenue				
— Sales to external customers	**733,955**	**120,368**	**—**	**854,323**
Segment results	**27,639**	**8,339**	**2,052**	**38,030**
Impairment of investments in joint ventures	**—**	**—**	**(45,273)**	**(45,273)**
	27,639	**8,339**	**(43,221)**	**(7,243)**
Finance income				**3,718**
Finance costs				**(5,392)**
Corporate and other unallocated expenses				**(20,463)**
Loss before income tax				**(29,380)**
Income tax expense				**(4,111)**
Loss for the year				**(33,491)**
Capital expenditure:				
Segment assets	**1,907**	**—**	**—**	**1,907**
Corporate and other unallocated capital expenditure				**854**
				2,761
Depreciation:				
Segment assets	**4,284**	**—**	**—**	**4,284**
Corporate and other unallocated depreciation				**235**
				4,519
Write-off of property, plant and equipment	**269**	**—**	**—**	**269**
Reversal of unutilised provision for onerous contracts*	**—**	**15,056**	**—**	**15,056**
Reversal of unutilised provision for reinstatement costs	**—**	**536**	**—**	**536**

	Year ended 31st March 2012			
	Hi-tech distribution and services operation *HK$'000*	Branded food operation *HK$'000*	Fishmeal, fish oil and aquatic products operation *HK$'000* (Restated)	Total *HK$'000* (Restated)
Revenue				
— Sales to external customers	892,404	143,006	—	1,035,410
Segment results before amortisation of intangible assets	23,461	(121,571)	(31,238)	(129,348)
Amortisation of intangible assets	—	(437)	—	(437)
Segment results	23,461	(122,008)	(31,238)	(129,785)
Finance income				8,528
Finance costs				(1,137)
Corporate and other unallocated expenses				(94,862)
Loss before income tax				(217,256)
Income tax expense				(23,805)
Loss for the year				(241,061)
Capital expenditure:				
Segment assets	8,268	3,999	—	12,267
Corporate and other unallocated capital expenditure				536
				12,803
Depreciation:				
Segment assets	8,192	11,115	—	19,307
Corporate and other unallocated depreciation				253
				19,560
Amortisation	—	437	—	437
Provision for impairment of trade and other receivables, net	4,401	—	—	4,401
Provision for impairment of property, plant and equipment*	—	40,580	—	40,580
Provision for impairment of intangible assets*	—	2,112	—	2,112
Write-off of intangible assets*	—	1,028	—	1,028
Provision for onerous contracts*	—	38,034	—	38,034

* During the year ended 31st March 2012, the Group had entered into an agreement to terminate the exclusivity right to develop franchise business in Hong Kong and Macau, in light of the continuing operating losses of the restaurants operating under the franchise agreements since their openings. Accordingly, the development right with a then net carrying amount of HK$1,028,000 was written off. Also, there was an indication that impairment might exist. Based on the impairment assessment of the property, plant and equipment and franchise fees of these restaurants to reflect the Group's business strategy, impairment losses of HK$40,580,000 and HK$2,112,000 on the property, plant and equipment and franchise fees, respectively, were recognised during the year ended 31st March 2012 to their recoverable amounts which were their values in use. In estimating the values in use of the property, plant and equipment and franchise fees, a pre-tax discount rate of 11% was used.

In addition, a provision of HK$38,034,000 for onerous contracts with respect to the operating leases of these restaurants was recognised during the year ended 31st March 2012. The provision amount represented the present value of the future lease payments that the Group was obligated to make under non-cancellable onerous operating lease contracts, less economic benefits expected to be earned on those leases. The estimate might vary as a result of changes in the utilisation of the leased premises. The unexpired terms of the leases ranged from within 1 year to 4 years. Provision has been made for such onerous contracts based on the estimated minimum net cost of exiting from the operating lease contracts.

During the year ended 31st March 2013, the unutilised provision for onerous contracts amounted to HK$15,056,000 was released.

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

	Hi-tech distribution and services operation *HK$'000*	Branded food operation *HK$'000*	Fishmeal, fish oil and aquatic products operation *HK$'000*	Total *HK$'000*
At 31st March 2013				
ASSETS				
Segment assets	**461,015**	**11,975**	**137,684**	**610,674**
Unallocated assets:				
Cash and cash equivalents				**556,251**
Corporate and others				**3,080**
Total assets per the consolidated statement of financial position				**1,170,005**
LIABILITIES				
Segment liabilities	**139,197**	**36,406**	**—**	**175,603**
Unallocated liabilities:				
Deferred tax liabilities				**417**
Income tax liabilities				**2,286**
Borrowings				**16,504**
Corporate and others				**1,548**
Total liabilities per the consolidated statement of financial position				**196,358**

	Hi-tech distribution and services operation *HK$'000*	Branded food operation *HK$'000*	Fishmeal, fish oil and aquatic products operation *HK$'000* (Restated)	Total *HK$'000* (Restated)
At 31st March 2012				
ASSETS				
Segment assets	531,219	13,650	180,137	725,006
Unallocated assets:				
Deferred tax assets				1,536
Cash and cash equivalents				884,053
Corporate and others				996
Total assets per the consolidated statement of financial position				1,611,591
LIABILITIES				
Segment liabilities	180,553	59,213	—	239,766
Unallocated liabilities:				
Income tax liabilities				324
Borrowings				61,871
Corporate and others				34,319
Total liabilities per the consolidated statement of financial position				336,280

Geographical information

(a) Revenue from external customers

The Group's activities are conducted predominantly in Hong Kong and Mainland China. Revenue by geographical location is determined on the basis of the destination of shipment of goods for hi-tech distribution as well as the location of service performed by the branded food segment.

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

	For the year ended 31st March	
	2013	2012
	HK$'000	*HK$'000*
		(Restated)
Hong Kong	**120,368**	143,006
Mainland China	**699,500**	863,165
Asia — Others	**34,455**	29,239
Total revenue	**854,323**	1,035,410

(b) Non-current assets

The non-current asset information is based on the location of assets and excludes financial instruments and deferred tax assets.

The following table provides an analysis of the Group's non-current assets as at the end of the reporting period by geographical location:

	As at 31st March 2013	As at 31st March 2012	As at 1st April 2011
	HK$'000	*HK$'000*	*HK$'000*
		(Restated)	(Restated)
Hong Kong	**389,045**	389,099	433,965
Mainland China	**137,899**	182,076	210,948
Asia — Others	**325**	566	538
	527,269	571,741	645,451

Information about a major customer

In the current year, revenue of approximately HK$97,164,000 was derived from sales by the hi-tech distribution and services operating segment to a single customer. In the prior year, no single customer accounted for more than 10% of the total revenue.

4. Trade and other receivables

	As at 31st March 2013 HK$'000	As at 31st March 2012 HK$'000 (Restated)	As at 1st April 2011 HK$'000 (Restated)
Trade and bills receivables	**75,467**	144,105	110,436
Less: Impairment of trade receivables	**(2,382)**	(2,374)	(3,429)
Trade and bills receivables, net	**73,085**	141,731	107,007
Prepayments, deposits and other receivables	**10,628**	9,394	25,601
	83,713	151,125	132,608

Trade and bills receivables

The Group's trading terms with its customers are mainly on letters of credit or documents against payment, in some cases granting a credit period of 30 to 90 days, except for new customers, where payment in advance is normally required. An ageing analysis of trade and bills receivables, based on invoice date and net of impairment, as at the end of the reporting period is as follows:

	As at 31st March 2013 HK$'000	As at 31st March 2012 HK$'000 (Restated)	As at 1st April 2011 HK$'000 (Restated)
90 days or less	**49,116**	138,740	94,079
91 to 180 days	**12,910**	2,665	12,255
181 to 270 days	**7,963**	205	520
271 to 365 days	**3,096**	2	83
Over 365 days	**—**	119	70
	73,085	141,731	107,007

5. Trade and other payables

	As at 31st March 2013	As at 31st March 2012	As at 1st April 2011
	HK$'000	*HK$'000*	*HK$'000*
		(Restated)	(Restated)
Trade and bills payables	**88,311**	139,747	142,493
Other payables	**64,952**	89,396	79,607
	153,263	229,143	222,100

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

	As at 31st March 2013	As at 31st March 2012	As at 1st April 2011
	HK$'000	*HK$'000*	*HK$'000*
		(Restated)	(Restated)
90 days or less	**81,058**	132,653	137,335
91 to 180 days	**1,061**	3,007	860
181 to 270 days	**2,992**	278	697
271 to 365 days	**779**	—	11
Over 365 days	**2,421**	3,809	3,590
	88,311	139,747	142,493

6. Share capital

		Ordinary shares of HK$0.01 each		Preference shares of HK$0.01 each		
		Number of shares	**Ordinary share capital**	**Number of shares**	**Preference share capital**	**Total**
	Note	*'000*	*HK$'000*	*'000*	*HK$'000*	*HK$'000*
Authorised:						
At 31st March 2012 and 2013		**40,000,000**	**400,000**	**30,000,000**	**300,000**	**700,000**
Issued:						
At 1st April 2011		13,596,763	135,968	—	—	135,968
Cancellation of shares repurchased		(130,804)	(1,308)	—	—	(1,308)
At 31st March 2012 and 1st April 2012		**13,465,959**	**134,660**	—	—	**134,660**
Cancellation of shares repurchased		**(6,570)**	**(66)**	—	—	**(66)**
Share consolidation	*(a)*	**(12,113,450)**	**(121,135)**	—	—	**(121,135)**
At 31st March 2013		**1,345,939**	**13,459**	—	—	**13,459**

(a) Pursuant to the special resolution passed on 14th September 2012, the capital reorganisation (the "Capital Reorganisation") which became effective on 17th September 2012 consisted of the following:

i. Share consolidation, whereby every 10 issued shares of HK$0.01 each were consolidated into 1 ordinary share of HK$0.10 (the "Consolidated Share");

ii. Capital reduction, whereby the par value of each issued Consolidated Share was reduced from HK$0.10 to HK$0.01 by cancelling HK$0.09 of the paid-up capital on each issued Consolidated Share and the total number of Consolidated Shares was rounded down to a whole number by eliminating any fraction of a Consolidated Share in the issued share capital of the Company following the share consolidation; and

iii. The credit arising from the capital reduction was transferred to the contributed surplus account of the Company such that the Company may apply such surplus in any manner as it considers appropriate subject to compliance with the Companies Act.

7. Reserves

	Note	Contributed surplus HK$'000	Investment revaluation reserves HK$'000	Treasury shares HK$'000	Cumulative translation adjustments HK$'000	Retained profits/ (accumulated losses) HK$'000	Total HK$'000
Balances at 1st April 2011		1,240,238	1,143	(1,264)	21,499	117,059	1,378,675
Loss for the year		—	—	—	—	(241,061)	(241,061)
Available-for-sale financial assets:							
Changes in fair value		—	(443)	—	—	—	(443)
Reclassification adjustments for gains included in the consolidated income statement as a result of the disposal		—	(700)	—	—	—	(700)
Currency translation differences of foreign operations (restated)		—	—	—	301	—	301
Share of other comprehensive income of joint ventures (restated)		—	—	—	7,228	—	7,228
Total comprehensive income/(loss) for the year		—	(1,143)	—	7,529	(241,061)	(234,675)
Share repurchase	*(a)*	—	—	(4,428)	—	—	(4,428)
Cancellation of shares repurchased	*(a)*	—	—	5,488	—	(4,409)	1,079
Balances at 31st March 2012 and at 1st April 2012		**1,240,238**	**—**	**(204)**	**29,028**	**(128,411)**	**1,140,651**
Loss for the year		**—**	**—**	**—**	**—**	**(33,491)**	**(33,491)**
Currency translation differences of foreign operations		**—**	**—**	**—**	**313**	**—**	**313**
Share of other comprehensive income of joint ventures		**—**	**—**	**—**	**768**	**—**	**768**
Total comprehensive income/(loss) for the year		**—**	**—**	**—**	**1,081**	**(33,491)**	**(32,410)**
Share repurchase	*(a)*	**—**	**—**	**(54)**	**—**	**—**	**(54)**
Cancellation of shares repurchased	*(a)*	**—**	**—**	**258**	**—**	**(204)**	**54**
Capital reduction *(note 6(a))*		**121,135**	**—**	**—**	**—**	**—**	**121,135**
Special dividend *(note 14)*		**(269,188)**	**—**	**—**	**—**	**—**	**(269,188)**
Balances at 31st March 2013		**1,092,185**	**—**	**—**	**30,109**	**(162,106)**	**960,188**

(a) The following describes the share repurchased and cancelled by the Company during the year and the number of shares described had not been adjusted for the share consolidation as described in note 6(a) that occurred subsequent to these repurchases and cancellation.

During the year ended 31st March 2013, the Company repurchased a total of 1,400,000 (2012: 117,614,000) ordinary shares of the Company on the Stock Exchange and 6,570,000 (2012: 130,804,000) shares were cancelled by the Company. Upon the cancellation of the 6,570,000 (2012: 130,804,000) repurchased, the issued share capital of the Company was reduced by the par value of HK$66,000 (2012: HK$1,308,000). The premium paid on the repurchase of the shares of HK$204,000 (2012: HK$4,409,000), including transaction costs, was charged to the accumulated losses of the Company. As at 31st March 2013, no (2012: 5,170,000) ordinary shares were repurchased but not yet cancelled by the Company.

8. Other income and gains, net

An analysis of the Group's other income and gains, net is as follows:

	For the year ended 31st March	
	2013	2012
	HK$'000	*HK$'000*
		(Restated)
Net foreign exchange gains/(losses)	**2,833**	(252)
Gain on disposal of property, plant and equipment, net	**1,131**	—
Gain on disposal of available-for-sale financial assets	—	1,153
Write-back of impairment of trade receivables	—	1,049
Guarantee fee income	**759**	800
Others	**533**	177
	5,256	2,927

9. Impairment of investments in joint ventures

The recoverable amounts of the investments in joint ventures at the end of the reporting period, which include the carrying amount of goodwill, are determined at the higher of the value in use and the fair value less cost to sell. In determining the value in use of the investments, the Group estimates its share of the present value of the estimated future cash flows expected to arise from dividend to be received and from its ultimate disposal. The impairment loss recognised for the year ended 31st March 2013 is estimated based on the present value of the estimated future cash flows expected to arise from dividend to be received and its ultimate disposal which was lower than the carrying value of the investments in joint ventures.

10. Finance income and costs

An analysis of finance income and costs is as follows:

	For the year ended 31st March	
	2013	2012
	HK$'000	*HK$'000*
		(Restated)
Finance income:		
Interest income from bank deposits	**3,718**	5,320
Net foreign exchange gains on financing activities	**—**	3,208
	3,718	8,528
Finance costs:		
Interest on bank loans	**884**	1,135
Interest on finance lease obligations	**—**	2
Net foreign exchange losses on financing activities	**1,104**	—
Increase in discounted amounts arising from the passage of time	**3,404**	—
	5,392	1,137

11. Loss before income tax

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

	For the year ended 31st March	
	2013	2012
	HK$'000	*HK$'000*
		(Restated)
Cost of inventories sold	**632,049**	799,490
Depreciation of property, plant and equipment	**4,519**	19,560
Amortisation of intangible assets	**—**	437
Loss/(gain) on disposal of property, plant and equipment, net	**(1,131)**	835

12. Income tax expense

The Company is exempted from taxation in Bermuda until 2016. Hong Kong profits tax has been calculated at the rate of 16.5% (2012: 16.5%) on the estimated assessable profit for the year.

Subsidiaries established in Mainland China are subject to the Mainland China enterprise income tax at the standard rate of 25% (2012: 25%).

Taxation on overseas (other than Hong Kong and Mainland China) profits has been calculated on the estimated assessable profit for the year at the applicable rates of taxation prevailing in the jurisdictions in which the Group operates.

The amounts of income tax credit/(expense) recorded in the consolidated income statement represent:

	For the year ended 31st March	
	2013	2012
	HK$'000	*HK$'000*
		(Restated)
Current taxation		
Hong Kong profits tax		
— current year	**(2,286)**	(324)
— overprovision in prior years	**324**	—
Mainland China enterprise income tax		
— current year	**(197)**	(212)
Overseas taxation		
— current year	**—**	(79)
— overprovision in prior years	**38**	78
Deferred taxation	**(1,990)**	(23,268)
	(4,111)	(23,805)

13. Loss per share

Basic loss per share

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 in issue during the year.

	2013	2012
Loss attributable to shareholders of the Company *(HK$'000)*	**(33,491)**	(241,061)
		(Restated)
Weighted average number of ordinary shares in issue*	**1,345,939,715**	1,354,303,980
		(Restated)
Basic loss per share attributable to shareholders of the Company *(HK cents)*	**(2.49)**	(17.80)

* The weighted average number of ordinary shares for the year ended 31st March 2013 and 2012 has been adjusted for the Capital Reorganisation as defined in note 6(a) to this announcement taken place on 17th September 2012.

Diluted loss per share

No adjustment has been made to the basic loss per share amounts presented for the years ended 31st March 2013 and 2012 as the Group did not have any potential diluted ordinary shares during the years ended 31st March 2013 and 2012.

14. Dividends

For the year ended 31st March 2013, a special dividend of HK20 cents per ordinary shares, as adjusted for the Capital Reorganisation on 17th September 2012 (note 6(a)), amounting to HK$269,188,000 was paid on 9th October 2012 (2012: Nil).

Apart from this, no interim dividend was paid during the year (2012: Nil) and the directors do not recommend the payment of any final dividend for the year ended 31st March 2013 (2012: Nil).

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

During the year and prior to the Capital Reorganisation (as defined in the circular of the Company dated 18th August 2012), the Company repurchased a total of 1,400,000 ordinary shares of the Company on the Stock Exchange. These shares together with 5,170,000 ordinary shares repurchased by the Company in March 2012 were cancelled by the Company on 30th April 2012. Details of the repurchases were set out as follows:

Month of repurchase	Number of shares repurchased#	Price per share# Highest (HK$)	Price per share# Lowest (HK$)	Aggregate price paid* (HK$)
April 2012	1,400,000	0.039	0.038	53,700

* *Excluding transaction cost*

The figures represented above have not been adjusted for the Capital Reorganisation effective on 17th September 2012.

The repurchases were effected by the Directors pursuant to the mandate from shareholders, with a view to benefits shareholders as a whole in enhancing the net assets and earnings per share of the Company.

Save as disclosed above, neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities for year ended 31st March 2013 and up to the date of this announcement.

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 and Corporate Governance Report (the "Code") contained in Appendix 15 of the GEM Listing Rules. Throughout the year ended 31st March 2013 (the "year"), 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 A.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 Chairman 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.

Code provision A.4.1 stipulates that non-executive directors should be appointed for specific terms. However, Mr. James Tsiolis, non-executive director elected by the shareholders at the general meeting of the Company has not been appointed for a specific term but is subject to retirement by rotation and re-election at annual general meetings in accordance with the Bye-laws of the Company.

Code provision A.6.7 stipulates that independent non-executive directors and other non-executive directors, as equal board members, should attend general meetings of the Company and develop a balanced understanding of the views of shareholders. Due to other important engagements at the relevant time, a few independent non-executive directors and other non-executive directors were unable to be present at the general meetings of the Company held in September 2012. However, the Chairman of the Board and the chairmen of the Board committees and/or his delegate have attended the annual general meeting and special general meeting of the Company held in September 2012.

CODE OF CONDUCT REGARDING SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the required standard of dealing set out in rules 5.48 to 5.67 of the GEM Listing Rules (the "Required Standard") as the code of conduct regarding securities transactions by the directors of the Company. Having made specific enquiry of all directors of the Company, all directors confirmed that they had complied with the Required Standard during the year ended 31st March 2013.

AUDIT COMMITTEE

The audit committee currently comprises three members, namely Mr. Joseph Liang Hsien Tse, Mr. Stephen Luk Kai Ming and Mr. Kenneth Kon Hiu King, all being independent non-executive directors. The committee is chaired by Mr. Joseph Liang Hsien Tse 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. 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 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 the external auditors at least four times a year to discuss any area of concern during the audits or reviews. The audit committee reviews the quarterly, 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 financial statements for the year ended 31st March 2013 have been reviewed by the audit committee.

On behalf of the Board
North Asia Strategic Holdings Limited
Ding Yi
Chairman and Executive Director

Hong Kong, 19th June 2013

As at the date of this announcement, the Board comprises Mr. Ding Yi (Chairman and Executive Director); Mr. James Tsiolis (Deputy Chairman and Non-Executive Director) and Mr. Joseph Chan Nap Kee (Non-executive Directors); and Mr. Stephen Luk Kai Ming, Mr. Kenneth Kon Hiu King and Mr. Joseph Liang Hsien Tse (being Independent Non-Executive Directors).

This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Company. 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.

This announcement will remain on the GEM website at www.hkgem.com on the "Latest Company Announcement" page for at least seven days from the date of its posting and on the Company's website at www.nasholdings.com.