

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 2026

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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 2026, together with the comparative figures of the corresponding year ended 31st March 2025.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

Year ended 31st March 2026

	Notes	2026 HK\$'000	2025 HK\$'000
Revenue	3	1,686,960	1,375,299
Cost of sales		<u>(1,362,272)</u>	<u>(1,085,898)</u>
Gross profit		324,688	289,401
Other income and gains, net		10,332	15,197
Selling and distribution expenses		(155,008)	(121,719)
General and administrative expenses		(149,562)	(165,290)
Reversal of impairment/(impairment) of investment properties		543	(18,857)
Impairment of goodwill and other intangible assets	5	<u>(14,790)</u>	<u>—</u>
Operating profit/(loss)		16,203	(1,268)
Finance income	4	6,179	8,985
Finance costs	4	<u>(2,373)</u>	<u>(3,414)</u>
Profit before income tax	5	20,009	4,303
Income tax expense	6	<u>(9,866)</u>	<u>(12,207)</u>
PROFIT/(LOSS) FOR THE YEAR		<u>10,143</u>	<u>(7,904)</u>
Earnings/(loss) per share attributable to ordinary shareholders of the Company	7		
Basic (HK cents)		<u>2.2</u>	<u>(1.7)</u>
Diluted (HK cents)		<u>2.2</u>	<u>(1.7)</u>

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Year ended 31st March 2026

	2026	2025
	HK\$'000	HK\$'000
PROFIT/(LOSS) FOR THE YEAR	<u>10,143</u>	<u>(7,904)</u>
OTHER COMPREHENSIVE INCOME/(LOSS)		
Other comprehensive income/(loss) that may be reclassified to profit or loss in subsequent periods:		
Currency translation differences of foreign operations	<u>15,622</u>	<u>(2,903)</u>
OTHER COMPREHENSIVE INCOME/(LOSS) FOR THE YEAR, NET OF TAX OF NIL	<u>15,622</u>	<u>(2,903)</u>
TOTAL COMPREHENSIVE INCOME/(LOSS) FOR THE YEAR	<u>25,765</u>	<u>(10,807)</u>

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

31st March 2026

	<i>Notes</i>	2026 HK\$'000	2025 <i>HK\$'000</i>
ASSETS			
Non-current assets			
Property, plant and equipment		92,012	108,488
Investment properties		203,712	207,702
Intangible assets		378,392	395,979
Right-of-use assets		30,609	43,121
Trade and other receivables	9	22,149	16,144
Deferred tax assets		1,666	1,276
		728,540	772,710
Current assets			
Financial assets at fair value through profit or loss		93,162	88,836
Inventories		333,858	258,089
Trade and other receivables	9	483,708	514,069
Pledged deposits		3,469	2,043
Cash and cash equivalents		390,589	321,450
		1,304,786	1,184,487
Total assets		2,033,326	1,957,197
EQUITY			
Equity attributable to shareholders of the Company			
Issued capital	11	45,450	45,450
Reserves	12	1,343,246	1,317,481
Total equity		1,388,696	1,362,931
LIABILITIES			
Current liabilities			
Bank borrowings		—	12,559
Trade and other payables	10	596,408	520,326
Lease liabilities		18,620	16,730
Income tax liabilities		13,825	12,673
		628,853	562,288

	2026	2025
	<i>HK\$'000</i>	<i>HK\$'000</i>
Non-current liabilities		
Lease liabilities	12,997	27,187
Deposits received	2,402	2,403
Other non-current liabilities	378	246
Deferred tax liabilities	—	2,142
	<u>15,777</u>	<u>31,978</u>
Total liabilities	<u>644,630</u>	<u>594,266</u>
Total equity and liabilities	<u>2,033,326</u>	<u>1,957,197</u>
Net current assets	<u>675,933</u>	<u>622,199</u>
Total assets less current liabilities	<u>1,404,473</u>	<u>1,394,909</u>

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Year ended 31st March 2026

	Attributable to shareholders of the Company		
	Issued capital <i>HK\$'000</i> <i>(note 11)</i>	Reserves <i>HK\$'000</i> <i>(note 12)</i>	Total <i>HK\$'000</i>
Balances as at 1st April 2024	45,450	1,328,288	1,373,738
Comprehensive loss			
Loss for the year	—	(7,904)	(7,904)
<i>Other comprehensive loss</i>			
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 and 1st April 2025	45,450	1,317,481	1,362,931
Comprehensive income			
Profit for the year	—	10,143	10,143
<i>Other comprehensive income</i>			
Currency translation differences of foreign operations	—	15,622	15,622
Total other comprehensive income	—	15,622	15,622
Total comprehensive income for the year	—	25,765	25,765
Balances as at 31st March 2026	45,450	1,343,246	1,388,696

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/offline 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 25th June 2026.

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 amendments to HKAS 21 *Lack of Exchangeability* for the first time for the current year’s financial statements. The Group has not early adopted any other standard or amendment that has been issued but is not yet effective.

Amendments to HKAS 21 specify how an entity shall assess whether a currency is exchangeable into another currency and how it shall estimate a spot exchange rate at a measurement date when exchangeability is lacking. The amendments require disclosures of information that enable users of financial statements to understand the impact of a currency not being exchangeable. As the currencies that the Group had transacted in and the functional currencies of overseas subsidiaries for translation into the Group’s presentation currency were exchangeable, the amendments did not have any impact on the Group’s financial statements.

In addition, the HKICPA has issued amendments to Illustrative Examples on HKFRS 7, HKFRS 18, HKAS 1, HKAS 8, HKAS 36 and HKAS 37 *Disclosures about Uncertainties in the Financial Statements*, which added illustrative examples in the corresponding HKFRS Accounting Standards. These examples reflect existing requirements in the corresponding HKFRS Accounting Standards to report the effects of uncertainties in the financial statements using climate-related examples. 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:

	2026 <i>HK\$'000</i>	2025 <i>HK\$'000</i>
Revenue from contracts with customers (<i>note</i>)		
Recognised at a point in time:		
Sale of goods	1,498,298	1,232,224
Sales support services	87,435	40,220
E-payment service income	2,929	2,838
Recognised over time:		
Other service income	<u>53,900</u>	<u>37,370</u>
	1,642,562	1,312,652
Revenue from other sources		
Income from finance lease arrangements	11,979	9,216
Income from operating lease arrangements	<u>32,419</u>	<u>53,431</u>
	<u>1,686,960</u>	<u>1,375,299</u>

Note:

Disaggregated revenue information

Geographical markets

	2026 <i>HK\$'000</i>	2025 <i>HK\$'000</i>
The PRC including Hong Kong	1,500,327	1,229,495
Asia — others	<u>142,235</u>	<u>83,157</u>
Total revenue from contracts with customers	<u>1,642,562</u>	<u>1,312,652</u>

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 2026

	Hi-tech distribution and services operation HK\$'000	Leasing operation HK\$'000	Electronic payment solution HK\$'000	Total HK\$'000
Sales to external customers	1,548,426	135,605	2,929	1,686,960
Less: Revenue from other sources	—	(44,398)	—	(44,398)
Total revenue from contracts with customers	<u>1,548,426</u>	<u>91,207</u>	<u>2,929</u>	<u>1,642,562</u>

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	<u>1,236,648</u>	<u>73,166</u>	<u>2,838</u>	<u>1,312,652</u>

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:

	2026 HK\$'000	2025 HK\$'000
Revenue recognised that was included in contract liabilities at the beginning of the reporting period:		
Sale of goods	<u>244,883</u>	<u>146,268</u>

Performance obligations

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

Sale 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 2026 and 2025, 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 sale 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/offline 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/reversal of 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 2026 and 2025. The operating results for the year are as follows:

	Year ended 31st March 2026			Total HK\$'000
	Hi-tech distribution and services operation HK\$'000	Leasing operation HK\$'000	Electronic payment solution HK\$'000	
Revenue				
— Sales to external customers	<u>1,548,426</u>	<u>135,605</u>	<u>2,929</u>	<u>1,686,960</u>
Segment results	<u>59,004</u>	<u>22,973</u>	<u>(24,994)</u>	<u>56,983</u>
Changes in fair value of financial assets at fair value through profit or loss				3,642
Reversal of impairment of investment properties				543
Finance income				6,179
Finance costs				(2,373)
Corporate and other unallocated expenses				(44,965)
Profit before income tax				20,009
Income tax expense				(9,866)
Profit for the year				<u>10,143</u>
Capital expenditure	20,181	59,278	—	79,459
Corporate and other unallocated expenditure				3,158
				<u>82,617</u>
Depreciation and amortisation	25,626	35,708	2,702	64,036
Corporate and other unallocated depreciation and amortisation				6,541
				<u>70,577</u>
Gain on disposal of items of property, plant and equipment, net	180	—	—	<u>180</u>
Impairment of trade and bills receivables, net	4,701	—	—	4,701
Impairment of finance lease receivables, net	—	529	—	529
Loss on lease modification	2	—	—	2
Impairment of goodwill and other intangible assets	—	—	14,790	14,790

Year ended 31st March 2025

	Hi-tech distribution and services operation <i>HK\$'000</i>	Leasing operation <i>HK\$'000</i>	Electronic payment solution <i>HK\$'000</i>	Total <i>HK\$'000</i>
Revenue				
— Sales to external customers	<u>1,236,648</u>	<u>135,813</u>	<u>2,838</u>	<u>1,375,299</u>
Segment results	<u>49,114</u>	<u>21,967</u>	<u>(5,119)</u>	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				<u>(52,946)</u>
Profit before income tax				4,303
Income tax expense				<u>(12,207)</u>
Loss for the year				<u>(7,904)</u>
Capital expenditure	28,323	80,732	278	109,333
Corporate and other unallocated expenditure				<u>12</u>
				<u>109,345</u>
Depreciation and amortisation	30,847	33,146	2,659	66,652
Corporate and other unallocated depreciation and amortisation				<u>7,876</u>
				<u>74,528</u>
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				<u>(221)</u>
				<u>(159)</u>
Impairment of trade and bills receivables, net	2,483	—	—	2,483
Impairment of finance lease receivables, net	—	8	—	8
Gain on lease modification	<u>4,844</u>	<u>—</u>	<u>—</u>	<u>4,844</u>

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 2026				
ASSETS				
Segment assets	1,049,640	280,523	4,680	1,334,843
Unallocated assets:				
Investment properties				203,712
Deferred tax assets				1,666
Financial assets at fair value through profit or loss				93,162
Pledged deposits				3,469
Cash and cash equivalents				390,589
Corporate and others				<u>5,885</u>
Total assets per the consolidated statement of financial position				<u><u>2,033,326</u></u>
LIABILITIES				
Segment liabilities	557,805	66,508	2,000	626,313
Unallocated liabilities:				
Income tax liabilities				13,825
Corporate and others				<u>4,492</u>
Total liabilities per the consolidated statement of financial position				<u><u>644,630</u></u>

	Hi-tech distribution and services operation <i>HK\$'000</i>	Leasing operation <i>HK\$'000</i>	Electronic payment solution <i>HK\$'000</i>	Total <i>HK\$'000</i>
At 31st March 2025				
ASSETS				
Segment assets	1,035,090	278,053	20,904	1,334,047
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
				<u>1,957,197</u>
Total assets per the consolidated statement of financial position				<u>1,957,197</u>
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
				<u>594,266</u>
Total liabilities per the consolidated statement of financial position				<u>594,266</u>

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:

	2026	2025
	HK\$'000	HK\$'000
The PRC including Hong Kong	1,544,724	1,292,142
Asia — others	142,236	83,157
	<u>1,686,960</u>	<u>1,375,299</u>

(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 2026 and 2025, revenue of HK\$178,797,000 and HK\$152,914,000 was derived from sales to a customer of the hi-tech distribution and services operating segment, respectively, which accounted for more than 10% of the Group's total revenue.

Revenue from major customers is set out below:

	2026	2025
	HK\$'000	HK\$'000
Customer 1	178,797	N/A*
Customer 2	N/A*	152,914
	<u>N/A*</u>	<u>152,914</u>

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

4. Finance income and costs

An analysis of finance income and costs is as follows:

	2026 <i>HK\$'000</i>	2025 <i>HK\$'000</i>
Finance income:		
Interest income from bank deposits	<u>6,179</u>	<u>8,985</u>
Finance costs:		
Interest on bank borrowings	154	775
Interest on lease liabilities	<u>2,219</u>	<u>2,639</u>
	<u>2,373</u>	<u>3,414</u>

5. Profit before income tax

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

	2026 <i>HK\$'000</i>	2025 <i>HK\$'000</i>
Cost of inventories sold	1,343,379	1,054,828
Net foreign exchange (gain)/loss	(14,910)	7,435
Depreciation of property, plant and equipment	44,048	41,873
Depreciation of investment properties	4,533	5,050
Depreciation of right-of-use assets	19,199	24,808
Amortisation of intangible assets	2,797	2,797
(Reversal of impairment)/impairment of investment properties	(543)	18,857
Other lease payments not included in the measurement of lease liabilities	1,159	1,135
Impairment of trade and bills receivables, net	4,701	2,483
Impairment of finance lease receivables, net	529	8
Impairment of goodwill and other intangible assets (<i>note</i>)	14,790	–
Fair value gain on financial assets at fair value through profit or loss	<u>(3,642)</u>	<u>(4,265)</u>

Note: The Group's electronic payment solution cash-generating unit primarily focuses on the local consumption market in Hong Kong. During the year, cross-border travel and related spending remained active. However, as consumers increasingly adopted value-oriented and cautious spending patterns, a shift towards cross-border shopping, dining, and mainland-bound consumption diverted transaction volume away from traditional local retail and leisure activities. This negatively impacted merchant performance, exerting notable downward pressure on the revenue of the Group's electronic payment solution business. Despite the continued improvement in the overall retail sales statistics in Hong Kong, the operating environment for grassroots retail, catering, fitness, and health sectors remains challenging. In light of the ongoing impact of the macroeconomic environment and shifting local consumption patterns on merchant performance, management has reassessed the financial projections for future cash flows of the electronic payment solution cash-generating unit to reflect the prevailing market conditions and the pace of business development. Following this reassessment, the recoverable amount of the cash-generating unit was estimated at nil as at 31st March 2026. Consequently, the Group recognised impairment losses of HK\$14,790,000 during the year, comprising HK\$4,400,000 and HK\$10,390,000 on the goodwill and other intangible assets included in the cash-generating unit, respectively.

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% (2025: 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 (2025: HK\$2,000,000) of assessable profits of this subsidiary is taxed at 8.25% (2025: 8.25%) and the remaining assessable profits are taxed at 16.5% (2025: 16.5%).

Subsidiaries established in Mainland China are subject to Mainland China corporate income tax at the standard rate of 25% (2025: 25%).

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

	2026	2025
	HK\$'000	HK\$'000
Current taxation		
Mainland China corporate income tax		
— current year	12,008	12,610
Deferred	(2,142)	(403)
	<u>9,866</u>	<u>12,207</u>

7. Earnings/(loss) per share attributable to ordinary shareholders of the Company

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

The Group had no potentially dilutive ordinary shares outstanding during the year ended 31st March 2026. No adjustment has been made to the basic loss per share amount presented for the year ended 31st March 2025 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 basic and diluted earnings/(loss) per share are based on:

	2026	2025
	HK\$'000	HK\$'000
Profit/(loss)		
Profit/(loss) attributable to the shareholders of the Company,		
used in the basic and diluted earnings/(loss) per share calculation	<u>10,143</u>	<u>(7,904)</u>
	Number of shares	
	2026	2025
Shares		
Weighted average number of ordinary shares outstanding, used in		
the basic and diluted earnings/(loss) per share calculation	<u>454,509,311</u>	<u>454,509,311</u>

8. Dividends

The Directors do not recommend the payment of any dividend for the year ended 31st March 2026 (2025: Nil).

9. Trade and other receivables

	2026 <i>HK\$'000</i>	2025 <i>HK\$'000</i>
Trade receivables	303,333	316,336
<i>Less: Impairment of trade receivables</i>	<u>(12,570)</u>	<u>(9,146)</u>
	<u>290,763</u>	<u>307,190</u>
Bills receivable	2,917	42,417
<i>Less: Impairment of bills receivable</i>	<u>(460)</u>	<u>(603)</u>
	<u>2,457</u>	<u>41,814</u>
Trade and bills receivables, net (<i>note (a)</i>)	<u>293,220</u>	<u>349,004</u>
Finance lease receivables	105,169	68,313
<i>Less: Impairment of finance lease receivables</i>	<u>(1,341)</u>	<u>(812)</u>
	<u>103,828</u>	<u>67,501</u>
Finance lease receivables, net	103,828	67,501
<i>Less: Non-current portion*</i>	<u>(18,370)</u>	<u>(12,220)</u>
	<u>85,458</u>	<u>55,281</u>
Prepayments, deposits and other receivables, net	108,809	113,708
<i>Less: Non-current portion*</i>	<u>(3,779)</u>	<u>(3,924)</u>
	<u>105,030</u>	<u>109,784</u>
Total trade and other receivables, current portion	<u>483,708</u>	<u>514,069</u>
* Total trade and other receivables, non-current portion	<u>22,149</u>	<u>16,144</u>

(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:

	2026	2025
	HK\$'000	HK\$'000
3 months or less	167,290	223,336
4 to 6 months	75,740	42,517
7 to 9 months	35,004	20,997
10 to 12 months	10,971	45,626
Over 12 months	4,215	16,528
	293,220	349,004

10. Trade and other payables

	2026	2025
	HK\$'000	HK\$'000
Trade and bills payables	213,034	206,493
Accrual, other payables and contract liabilities	383,374	313,833
	596,408	520,326

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

	2026	2025
	HK\$'000	HK\$'000
3 months or less	199,549	192,782
4 to 6 months	3,735	5,214
7 to 9 months	1,572	6,136
10 to 12 months	6,268	646
Over 12 months	1,910	1,715
	213,034	206,493

11. Share capital

	Ordinary shares		Preference shares		
	Number	Ordinary	Number	Preference	
	of shares	share	of shares	share	Total
	'000	capital	'000	capital	HK\$'000
		HK\$'000		HK\$'000	
Authorised:					
At 1st April 2024, 31st March 2025, 1st April 2025 and 31st March 2026 — HK\$0.1 each	<u>4,000,000</u>	<u>400,000</u>	<u>3,000,000</u>	<u>300,000</u>	<u>700,000</u>
Issued:					
At 1st April 2024, 31st March 2025, 1st April 2025 and 31st March 2026	<u>454,509</u>	<u>45,450</u>	<u>—</u>	<u>—</u>	<u>45,450</u>

12. Reserves

	Share premium <i>HK\$'000</i>	Contributed surplus <i>HK\$'000</i>	Share option reserve <i>HK\$'000</i>	Cumulative translation adjustments <i>HK\$'000</i>	Retained profits <i>HK\$'000</i>	Total <i>HK\$'000</i>
Balances at 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 and 1st April 2025	227,465	956,292	15,609	(18,463)	136,578	1,317,481
Profit for the year	—	—	—	—	10,143	10,143
Currency translation differences of foreign operations	—	—	—	15,622	—	15,622
Total comprehensive income for the year	—	—	—	15,622	10,143	25,765
Balances at 31st March 2026	<u>227,465</u>	<u>956,292</u>	<u>15,609</u>	<u>(2,841)</u>	<u>146,721</u>	<u>1,343,246</u>

CHAIRLADY’S STATEMENT

On behalf of the board of directors (the “Board”) of North Asia Strategic Holdings Limited (the “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 2026 (the “Year”).

ECONOMIC LANDSCAPE AND BUSINESS PERFORMANCE

During the Year, the Group upheld a prudent yet opportunity-driven business strategy, navigating a challenging market environment while pursuing sustainable development. The Group recorded a profit of approximately HK\$10.1 million for the Year, representing a turnaround from a loss position in the previous year.

Overall results were partially offset by an impairment loss of goodwill and intangible assets of approximately HK\$14.8 million recognised in relation to the Group’s electronic payment business division. The impairment was primarily attributable to the recent downturn in the Hong Kong local retail market, which adversely affected transaction volumes and the business outlook of this segment. Excluding the impairment loss, the Group would have recorded a profit of approximately HK\$24.9 million for the Year. The management considers the impairment to be non-recurring and reflecting prevailing market conditions.

During the Year, the China’s electronic information manufacturing industry demonstrated steady overall growth. According to the data released by the Ministry of Industry and Information Technology of the People’s Republic of China, in the year of 2025, the value added of the electronic information manufacturing industry increased by 10.6% year-on-year, exceeding the growth rate of overall industrial value added by 4.7 percentage points. Integrated circuit output reached 484.3 billion units, representing a year-on-year increase of 10.9%, while annual smartphone and microcomputer equipment production totaled 1.27 billion units and 332 million units, respectively. The industry continued its transition toward higher-end and intelligent development, supporting stable demand across semiconductor and electronic manufacturing segments.

The Group’s customer base primarily comprises leading manufacturers operating within these key growth segments, including enterprises at the forefront of technological advancement and production scale. Through long-term and stable partnerships with such customers, the Group remains well positioned to capture opportunities arising from industry consolidation, technological upgrading and structural transformation.

During the Year, artificial intelligence (“AI”) technologies advanced rapidly and accelerated commercial adoption and creating new growth drivers across the industry value chain. The upgrade cycle of AI-enabled terminal devices, AI PCs, smartphones and Internet of Things (“IoT”) devices supported demand for upstream equipment and key components. AI-related logic chips and computing power products continued to develop steadily, serving as important catalysts for industry upgrading.

On the macroeconomic front, the People’s Bank of China maintained a moderately accommodative monetary policy stance during 2025 and 2026. The one-year Loan Prime Rate (LPR) remained at 3.0%, helping to reduce corporate financing costs and supporting capital expenditure and capacity expansion.

Meanwhile, as global supply chains continued to adjust, localization within China’s electronic manufacturing industry progressed steadily, driving demand for high-precision SMT equipment and related technical services. Certain manufacturers also pursued diversified production deployment in Southeast Asia and other regions to enhance operational efficiency and supply chain resilience.

Against this backdrop, the Group’s hi-tech distribution and services division maintained operational resilience during the Year. The division continued to optimize its product mix and enhance service capabilities in response to evolving customer requirements, strengthening its market positioning and reinforcing long-term customer relationships.

In addition to its core hi-tech distribution and service businesses, the Group’s leasing division provides equipment rental and financial leasing services for SMT machinery and related accessories. Through operating and finance lease arrangements, the Group supports customers in upgrading production capabilities while enhancing capital efficiency and financial flexibility.

During the Year, the leasing division maintained prudent risk management and disciplined cost control, enabling steady development under evolving market conditions. Through close collaboration with the SMT distribution division, the leasing business deepened engagement with existing customers while actively cultivating new customer relationships and addressing emerging application needs. The integration of distribution and leasing capabilities enhances customer stickiness and strengthens the Group’s overall value proposition.

Supported by sustained industry demand and the Group’s diversified business model encompassing distribution, technical services and leasing solutions, the leasing division maintained stable operations during the Year.

Against the backdrop of stabilizing and gradually recovering consumption, economic activities, and production in Mainland China, Hong Kong's local consumer spending has also improved. However, the situation remains complex. According to the data released by the Hong Kong Government, total retail sales grew by a modest 1% year-on-year in 2025, amounting to approximately HK\$380.5 billion. In contrast, the growth momentum in the first few months of 2026 has clearly accelerated. Nevertheless, in-depth analysis indicated that significant changes in consumer spending habits have led to substantial downward pressure on many traditional sectors in Hong Kong's local consumption market.

The Group's electronic payment business, operated under the "Jarvix" brand and primarily focused on the local consumption market, has been materially impacted. As consumers increasingly adopt value-oriented and more cautious spending patterns, cross-border shopping, dining, and mainland-bound consumption over traditional local retail and leisure activities negatively impacted the traffic and transaction volumes at local merchants, resulting in notable downward pressure on Jarvix's revenue.

While inbound visitors from Mainland China remain a key growth driver, supporting spending on jewellery, watches, fashion, and dining, the "Northbound Travel for Hong Kong Vehicles" policy, implemented since 2023, has seen continuous and substantial growth in participating vehicles and cross-border traffic (cumulatively exceeding one million vehicle trips in the first half of 2026, with significant increases in daily flows). Together with the broader "Hong Kong residents mainland-bound consumption" wave, this has created a strong diversion effect, significantly impacting local retail and catering industries. Even as overall retail sales figures appear to have improved on the surface, the operating environment for grassroots retail, catering, fitness, and healthcare sectors remains highly challenging, with many businesses continuing to face pressure on profitability and cash flow.

In response to the above macro-environmental changes, management has proactively implemented various mitigation measures. These include optimising pricing strategies, adjusting and strengthening partnerships with luxury goods, durable goods, and tourism-related merchants, launching targeted marketing and loyalty programmes, enhancing digital platform functionalities to improve user experience, and tightening cost control and operational efficiency. Although these initiatives have delivered some positive results, Jarvix's business performance still lags significantly behind prior levels due to the prevailing market conditions, and recovery is expected to take time.

In summary, the Group has achieved a commendable turnaround to profitability through the resilience of the Group's core hi-tech distribution and services division and leasing divisions, underpinned by sustained demand in China's electronic manufacturing sector and strategic customer partnerships. Moving forward, the Group remains confident in its diversified business model and is well-positioned to capitalise on industry upgrading, AI-driven opportunities, and supply chain localisation trends, thereby delivering sustainable long-term value to stakeholders.

OUTLOOK

The PRC Government’s *Action Plan for Stabilising Growth of the Electronic Information Manufacturing Industry (2025-2026)* and the emphasis on advanced manufacturing, AI and semiconductor industries under the “15th Five-Year Plan” provide a supportive policy framework for the medium- to long-term development of the sector. These initiatives are expected to promote industrial upgrading and technological innovation, creating sustainable growth opportunities for the Group’s core SMT equipment distribution, technical services and leasing businesses.

Amid ongoing global supply chain adjustments and customers’ diversified production deployment strategies, the Group will prudently expand its sales and engineering service teams in Southeast Asia to enhance regional support capabilities and provide efficient cross-border technical and after-sales services. The accelerated commercialisation of AI technologies, together with rising demand for AI PCs, smart devices and semiconductor-related applications, is expected to support demand for high-precision SMT equipment and integrated solutions. The Group will continue to optimise its product portfolio and strengthen service capabilities to capture opportunities arising from industrial upgrading, supply chain localisation and the implementation of the 15th Five-Year Plan.

On the regional development front, the ongoing advancement of the Guangdong-Hong Kong-Macao Greater Bay Area initiative, together with Hong Kong Government measures such as the Top Talent Pass Scheme and the Northern Metropolis Development Strategy, is expected to strengthen the foundation for innovation, technology and advanced manufacturing in Hong Kong. These policies are conducive to enhancing regional industrial collaboration and resource integration, providing a favourable environment for the Group’s business expansion and talent acquisition.

With respect to the electronic payment business, the Jarvix payment platform faced a complex operating environment and market challenges over the past year. The Group will continue to refine its product features and service model and proactively adjust its market strategies in response to evolving consumption patterns in Hong Kong, with the aim of enhancing operational efficiency and competitiveness. Management will closely monitor the pace of market recovery and pursue steady improvement in this segment.

Overall, the Group remains cautiously optimistic about the medium- to long-term prospects of its core businesses. Leveraging its solid financial foundation, diversified integrated model encompassing distribution, technical services and leasing, as well as supportive policies in Mainland China and Hong Kong and ongoing structural industry upgrades, the Group is committed to achieving high-quality and sustainable development and delivering long-term value to shareholders.

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 the 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 a 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 2025, the Company was awarded "The Junzi Corporation Award" from the Hang Seng University of Hong Kong for the fourth time, in recognition of its adherence to the Confucian ethics of "Five Virtues" – "Benevolence, Righteousness, Propriety, Wisdom and Trustworthiness". In addition, the Company was honoured with the Outstanding ESG Awards (Listed Company) Gold Award under the 2024/2025 ESG Achievement Awards from the Institute of ESG & Benchmark. These accolades reflect the Group's continued commitment to operate as a socially responsible company, embedding sustainability into its business operations.

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.

MANAGEMENT DISCUSSION AND ANALYSIS

Financial and Business Performance

During the Year, the Group's consolidated revenue amounted to approximately HK\$1,686,960,000, representing an increase of 22.7% as compared with HK\$1,375,299,000 last year. The increase in revenue was primarily attributable to the growth in revenue from the Group's hi-tech distribution and services division, benefiting from the recovery in demand for smartphones, automotive electronics, drones, home appliances and other sectors, which led major electronic equipment manufacturers to expand procurement. Additionally, model updates of distributed Fuji machines also spurred new equipment purchases, boosting direct and indirect order volume.

Revenue from the Group's leasing division remained broadly stable, recording a marginal decline of 0.2% as compared with last year. The change was primarily due to certain customers opting to purchase new equipment directly, thereby reducing reliance on operating leases.

During the Year, the Group recognized an impairment loss of approximately HK\$14,790,000 on intangible assets relating to the electronic payment solution division which was non-cash in nature. No such impairment loss was recognised last year. Notwithstanding this, the solid performance of the Group's core hi-tech distribution and services division substantially mitigated the impact of the impairment. Excluding this non-cash impairment loss, the Group successfully turned from a net loss last year to a consolidated net profit of approximately HK\$24,933,000 for the Year.

In addition, the Group continued to enhance operational efficiency and cost effectiveness. During the Year, total operating expenses amounted to approximately HK\$304,570,000, representing an increase of 6.1% from approximately HK\$287,009,000 in the previous year. The increase was mainly attributable to higher sales-related expenditures, while administrative expenses remained relatively stable, reflecting disciplined cost control in management functions.

Despite the increase in total operating expenses, supported by strong revenue growth, the Group improved overall cost efficiency. The ratio of operating expenses to revenue decreased from approximately 20.9% last year to approximately 18.1% for the Year. However, amid intensified competition and pricing pressure in the People's Republic of China (the "PRC") electronics manufacturing industry, the Group's gross profit margin decreased from approximately 21.0% last year to approximately 19.2% this Year. The decline in gross margin partially offset the positive impact of improved cost efficiency.

Overall, the Group's core hi-tech distribution and services division maintained a solid foundation, with concurrent improvements in revenue scale, operational efficiency and profitability.

Basic earnings per share for the Year were approximately HK2.2 cents, compared with basic loss per share of approximately HK1.7 cents last year. As at 31st March 2026, the consolidated net asset value per ordinary share of the Company was approximately HK\$3.06, representing an increase of HK\$0.06 from approximately HK\$3.00 as at 31st March 2025.

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 is a leader in Asia in the business of distribution, sales and service of SMT equipment, semiconductor manufacturing equipment and software on manufacturing control, with a history of more than 40 years in serving its customers in the hi-technology sector. AMT's team of more than 250 engineers and customer care staff are located in more than 25 cities across China and South-East Asia, including Thailand, Vietnam and India. Customers include most of the major telecom and electronic equipment manufacturers in the world. AMT is especially well-positioned with the growing base of Chinese manufacturers. Its suppliers include leading equipment and solutions manufacturers from Asia, the United States and Europe.

During the financial year, revenue of the division amounted to approximately HK\$1,548,426,000, representing an increase of 25.2% from approximately HK\$1,236,648,000 in the previous year. The increase was primarily attributable to the recovery of market conditions, supported by relevant PRC policies and ongoing industrial upgrading initiatives. Sales of equipment and related products improved as major customers, primarily large OEM/ODM electronic equipment manufacturers, secured new orders and expanded production capacity across sectors including automotive electronics, new energy storage, integrated circuits, home appliances, the IoT and AI-related industries.

During the Year, updates to the Fuji product models distributed by the Group, together with the discontinuation of certain models, led certain customers to undertake equipment replacement or upgrades, thereby supporting direct machine sales and correspondingly increasing demand for spare parts, maintenance services and software-related offerings. Overall, the increase in revenue was consistent with the recovery in customers' capital expenditure, adjustments in production capacity allocation and changes in product structure.

Within the division, direct machine sales amounted to approximately HK\$1,221,298,000, representing an increase of 15.2% from approximately HK\$1,060,222,000 in the last year. Sales support services and other service income increased by 81.4% from approximately HK\$77,146,000 to approximately HK\$139,941,000. Sales of spare parts and software increased by 88.5% from approximately HK\$99,280,000 to approximately HK\$187,187,000.

During the Year, the division recorded a net profit of approximately HK\$50,754,000, representing an increase of 20.6% from approximately HK\$42,099,000 in last year.

Leasing Division

The Group conducts its leasing business through its wholly-owned subsidiaries, North Asia Financial Leasing (Shanghai) Co., Ltd. in China Shanghai Pilot Free Trade Zone and Fuji North Asia Leasing (Shenzhen) Co., Ltd. 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 leasing division recorded revenue of approximately HK\$135,605,000, representing a marginal decline of 0.2% from approximately HK\$135,813,000 in the previous year.

Revenue from operating lease arrangements amounted to approximately HK\$32,419,000, representing a decrease of 39.3% from approximately HK\$53,431,000 in the previous year, while revenue from machine sales and other service income increased by 24.7% to approximately HK\$91,207,000 from approximately HK\$73,166,000. The change in revenue mix was mainly attributable to the division's proactive disposal of certain older leased machines in response to the upgrade and replacement cycle of Fuji equipment, which was in line with its asset optimisation strategy, together with strengthened second-hand machine sales efforts. This was further accompanied by customers reducing their reliance on operating leases and shifting toward shorter-term operating lease contracts, which reduced the average lease tenor and the level of recurring lease income recognised during the year. During the Year, management implemented various asset optimisation measures to enhance asset utilisation and liquidity. However, intensified competition in the operating lease market in Mainland China exerted pressure on pricing, resulting in lower gross profit margins for the operating lease business.

Furthermore, the division refined its operational strategy for the finance lease business to balance risk management with sustainable development. The division continues to offer short-term finance lease arrangements of 6 to 12 months to enhance flexibility and capital turnover. As at 31st March 2026, the principal amount of finance lease receivables increased by 53.8% to approximately HK\$103,828,000 from HK\$67,501,000 as at 31st March 2025, while finance lease income rose by 30.0% to approximately HK\$11,979,000 from HK\$9,216,000, primarily attributable to increased demand for equipment financing in connection with machinery upgrades, while maintaining prudent credit assessment standards.

As a result of the above measures and cost control efforts, the division recorded a net profit of approximately HK\$17,571,000 for the Year, representing an increase of 13.5% from HK\$15,475,000 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 the fitness, beauty, sports, retail and food & beverage industries, among others.

Over the past twelve months, Hong Kong’s retail and catering sectors continued to operate under a challenging environment. According to provisional statistics published by the Census and Statistics Department of the Hong Kong Government, total retail sales in 2025 increased by approximately 1% year-on-year, while sales volume remained broadly unchanged, indicating modest recovery momentum in domestic consumption. Vacancy levels and rental performance in core retail districts have remained volatile amid cautious market sentiment.

During the Year, cross-boundary travel and related consumption activities remained active. Passenger throughput at various boundary control points recorded year-on-year growth, cross-boundary patronage of the Guangzhou-Shenzhen-Hong Kong Express Rail Link achieved double-digit increases, and participation in the Hong Kong Government’s “Northbound Travel for Hong Kong Vehicles” scheme continued to expand. The increased cross-border mobility has contributed to changes in local consumption patterns and a diversion of certain consumer spending. Overall market conditions in Hong Kong remain challenging for Jarvix’s electronic payment solution business, which primarily serves local merchants.

Since the completion of the acquisition of Jarvix in prior years, management has been committed to enhancing its service capabilities, including the launch of offline payment services to meet the needs of existing and potential customers. The integration of online and offline payment solutions is expected to strengthen product comprehensiveness and market competitiveness, laying the foundation for future market share expansion. Meanwhile, the Group has continued to refine its pricing strategies to support merchants in optimizing cost control, improving customer retention, and attracting new merchants to the Jarvix platform. Management believes that these operational and strategic initiatives will help solidify Jarvix's business foundation and position the Group to capture growth opportunities when market conditions improve.

However, in light of the ongoing impact of the macroeconomic environment and changes in local consumption patterns on merchant performance, management has adopted more prudent assumptions in forecasting the future cash flows of the Jarvix business. Following assessment, the Group recognized an impairment loss during the Year on goodwill and related intangible assets arising from the acquisition of the Jarvix business in prior years, in order to reflect prevailing market conditions and the pace of business development.

During the Year, the division recorded revenue of approximately HK\$2,929,000, representing an increase of approximately 3.2% compared to approximately HK\$2,838,000 in the previous year. However, the division recorded a net loss of approximately HK\$22,851,000 for the Year (included an impairment loss of HK\$14,790,000), compared to approximately HK\$4,690,000 in the previous year. Excluding the impairment loss, the division would have recorded a net loss of approximately HK\$8,061,000 for the Year.

OUTLOOK

General

According to the *World Economic Outlook* updated by the International Monetary Fund (“IMF”) in early 2026, the global economy recorded growth of approximately 3% in 2025 and is projected to maintain moderate expansion of around 3% to 3.1% in 2026. Despite ongoing macroeconomic uncertainties including interest rate fluctuations, inflationary pressures and evolving geopolitical developments, the global economy has remained broadly expansionary, providing underlying demand support for the electronics and technology sectors.

At industry level, structural drivers such as AI, data centre investment and new energy vehicles continue to support long-term upgrading of advanced semiconductors and electronic manufacturing. Nevertheless, the consumer electronics end-market experienced a cyclical adjustment during the Year. According to projections released by Gartner in February 2026, global personal computer shipments are expected to decline by approximately 10.4% in 2026, while smartphone shipments are projected to decrease by approximately 8.4%, reaching multi-year lows. These developments suggest that the industry remains in a phase of inventory normalization and capital reallocation.

Despite short-term shipment volume pressures, market research institutions including Gartner, International Data Corporation (“IDC”) and Counterpoint Research have indicated that the gradual integration of generative AI functionalities into end devices, together with replacement demand from enterprises and consumers, may support progressive improvement in mid-to high-end product segments. Industry growth dynamics are increasingly characterized by product mix upgrades and higher computing power applications rather than purely volume-driven expansion.

In the new energy vehicle sector, the *Global EV Outlook 2026* published by the International Energy Agency (“IEA”) reported that global electric vehicle sales exceeded 20 million units in 2025, representing approximately one quarter of total new vehicle sales, and are expected to increase further in 2026. While certain markets face pricing competition and capacity adjustments, and short-term energy price fluctuations may influence investment timing, transportation electrification remains a long-term structural transition. This trend continues to underpin demand for automotive electronics, power semiconductors and high-precision printed circuit board (“PCB”) assembly.

From a supply chain perspective, regional diversification of global manufacturing continues to advance. The “China+1” strategy remains an important approach for multinational enterprises seeking to enhance supply chain resilience and manage geopolitical exposure.

In China, the Fifteenth Five-Year Plan (2026-2030), approved by the National People's Congress of the PRC and implemented by the State Council, outlines support for Hong Kong in consolidating and enhancing its position as an international financial, shipping and trade centre, while advancing its development as an international innovation and technology hub. In addition, the Ministry of Industry and Information Technology ("MIIT") continues to promote digital transformation of manufacturing and the upgrading of advanced equipment, as well as policy support for the integrated circuit and new energy industries, thereby providing a medium-to long-term policy foundation for semiconductor and electronic manufacturing equipment demand.

In Hong Kong, the Hong Kong Government has, in successive *Budget* speeches, outlined strategic priorities in innovation and technology development and industrial upgrading. These initiatives are coordinated by the Innovation, Technology and Industry Bureau ("ITIB"). In parallel, the Hong Kong Monetary Authority ("HKMA") continues to advance its "Fintech 2025" strategy to promote digital banking, electronic payments and financial technology infrastructure. Collectively, these policy directions provide an enabling framework for technological adoption and digital transformation.

Notwithstanding the supportive policy backdrop and structural industry drivers, the Group remains attentive to cyclical fluctuations and potential risks. Increased global capital expenditure in AI-related infrastructure has prompted market discussions regarding the possibility of phased over-investment in certain segments and investment momentum may adjust accordingly. Furthermore, uncertainties relating to interest rate movements and international trade policies may continue to influence corporate capital allocation decisions and consumer confidence.

Taking into account macroeconomic conditions, industrial upgrading trends, supply chain reconfiguration and policy developments, the Group maintains a cautiously optimistic outlook on the medium-to long-term prospects of electronic manufacturing upgrades, new energy transition and digitalization. The Group will continue to strengthen its regional positioning and technical service capabilities, while prudently managing working capital, inventory and cost structures to enhance resilience and maintain stable cash flow, thereby supporting sustainable operations and long-term development.

Hi-Tech Distribution and Services Division

Despite the geopolitical and macroeconomic uncertainties facing the Group's operating regions, the division has observed a gradual recovery in equipment demand from AI notebooks, AI-enabled smartphones, electric vehicles, and the IOT sectors.

Looking ahead, the global semiconductor and high-end electronics manufacturing industry, driven by applications in AI, data centres, high-performance computing, and automotive electronics, is entering a new round of capital expenditure cycle. According to the latest forecast by the World Semiconductor Trade Statistics (WSTS), the global semiconductor market is expected to exceed US\$1.51 trillion in 2026 and maintain strong double-digit growth. The Semiconductor Industry Association (SIA) of the United States also noted that global semiconductor sales recorded significant year-on-year growth in the first quarter of 2026, indicating continued improvement in industry demand.

In the China market, data from the National Bureau of Statistics showed that manufacturing investment remained robust in the first quarter of 2026, with the growth in investment in equipment and tools outpacing overall fixed asset investment. This trend is consistent with the new round of large-scale equipment renewal and consumer goods trade-in initiative ("Two New Policies") promoted by the State Council and the National Development and Reform Commission ("NDRC"), providing strong policy support for demand in high-end equipment and intelligent manufacturing. As the world's leading producer of new energy vehicles, China accounts for nearly 75% of global production, which continues to drive demand for automotive electronics and power semiconductor-related equipment.

At the same time, global supply chain restructuring and "China+1" strategies continue to advance, with sustained growth in electronics manufacturing investment in Southeast Asia and India. The division is confident in its ability to support major domestic OEM and ODM enterprises in China to expand their regional production bases, with new production lines driving equipment procurement demand.

In terms of regional layout, the division will strengthen cooperation with local agents to enhance after-sales response efficiency, and provide customized technical training to improve operational flexibility and customer stickiness.

In terms of product strategy, as the major distributor of Fuji Corporation machines in Hong Kong and China, the division has successfully transitioned its flagship Surface Mount Technology (SMT) machineries — NXT III — to the new-generation NXTR series. The new models offer further improvements in speed, precision, and automation integration. As manufacturers advance equipment upgrades and production line optimization, the related replacement demand is expected to be gradually released along with the technology upgrade cycle.

The division will continue to seek close alignment with customers' investment rhythms, optimize product mix and cash management, strengthen regional service capabilities, and prudently control operational risks in order to address industry volatility and support long-term sustainable development.

Leasing Division

The market continues to face significant uncertainties and challenges, resulting in intensified competition and pricing pressure within the leasing operations sector. In response, the division has leveraged its advanced equipment portfolio and technical expertise to strengthen customized service capabilities, with greater emphasis on accessories and domestic substitution solutions. These initiatives aim to support customers in reducing costs while enhancing the value proposition of the division's services.

In line with customers' ongoing technological upgrades, the division may invest and to enhance its asset portfolio and enable it to better support evolving production requirements, particularly among domestic small and medium-sized manufacturers seeking productivity enhancement and operational efficiency improvements.

At the same time, the division will continue integrating market resources to address customers' leasing needs while maintaining prudent resource allocation. Although global financial and financing risks remain elevated, the division will adopt disciplined credit assessment and risk control measures, while offering flexible financing solutions where appropriate to support customers' production upgrades and transformation initiatives.

As risks within the broader financing and leasing sectors continue to build, the division remains committed to preserving a stable operating scale and further strengthening its risk management framework to safeguard long-term sustainability.

Electronic Payment Solution Division

Hong Kong's economy is expected to maintain moderate growth in 2026, with market forecasts projecting full-year Gross Domestic Product (GDP) growth in the range of approximately 2.5% to 3%. However, retail and domestic consumption patterns continue to show structural divergence. Retail sales performance remains behind the overall recovery pace of private consumption, reflecting an ongoing shift in consumption dynamics.

Furthermore, the “Northbound Travel for Hong Kong Vehicles” scheme, has resulted in a sustained diversion of local consumption. Enhanced cross-boundary transport connectivity has facilitated greater mobility between Hong Kong and cities in the Greater Bay Area, prompting certain Hong Kong residents to shift part of their spending outside the local market. This has led to a structural outflow of consumption in selected retail and dining segments.

Against this backdrop, the operating environment for small and medium-sized merchants in Hong Kong remains challenging. Certain retail and catering businesses continue to face pressures from rental costs, labour expenses and evolving customer traffic patterns. For the electronic payment industry, growth in transaction volume has not been fully aligned with overall domestic consumption trends. Intensified competition within the sector has also placed continued pressure on fee rates.

In response to these market conditions, the division will adopt a more prudent market strategy, focusing on quality merchants and relatively stable transaction scenarios, while optimizing its cost structure and reinforcing risk management and system stability.

Given that consumption patterns and competitive dynamics remain in a period of adjustment, the division expects that further optimization of its profitability model and business integration efforts may require a longer time horizon to achieve a more sustainable earnings structure.

Looking ahead, the division will continue to review its business positioning from multiple perspectives, including expanding cooperation across diversified payment scenarios and refining its operating framework, with the objective of establishing a more resilient and sustainable operating model.

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 2026, the Group had no secured bank borrowings (2025: approximately HK\$12,559,000, which are denominated in Japanese Yen). As at 31st March 2026, the Group had banking facilities of approximately HK\$476,835,000 (2025: approximately HK\$708,195,000) from several banks for trade financing. As at 31st March 2026, banking facilities of approximately HK\$166,225,000 (2025: approximately HK\$178,842,000) were utilised by the Group. These facilities were secured by corporate guarantees of approximately HK\$566,699,000 (2025: approximately HK\$964,745,000) provided by the Company. As at 31st March 2026, the Group had total assets of approximately HK\$2,033,326,000 (2025: approximately HK\$1,957,197,000) and total liabilities of approximately HK\$644,630,000 (2025: approximately HK\$594,266,000). The Group had net cash position as at 31st March 2026 and 2025.

CONTINGENT LIABILITIES

As at 31st March 2026, pledged deposits of HK\$3,469,000 (2025: HK\$2,043,000) 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 performance bonds in favour of a supplier and certain customers amounted to HK\$9,090,000 (2025: HK\$23,798,000).

Net Asset Value

Consolidated net asset value per ordinary share attributable to ordinary shareholders of the Company was approximately HK\$3.06 as at 31st March 2026, increased by HK\$0.06 from approximately HK\$3.00 as at 31st March 2025.

Number of Employees and Remuneration Policies

As at 31st March 2026, the Group employed 377 (2025: 328) 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\$140,819,000 (2025: HK\$137,334,000).

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 (including the sale of treasury shares, if any) during the year ended 31st March 2026. As at 31st March 2026, there were no treasury shares held by the Company or its subsidiaries (whether held or deposited in Central Clearing and Settlement System, or otherwise).

COMPLIANCE WITH CORPORATE GOVERNANCE CODE

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 2026, 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 operating 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 Securities Trading for Directors and Relevant Employees (the “Securities Trading Code”) on terms no less exacting than the required standard of dealings 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 Securities Trading Code during the year ended 31st March 2026.

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 terms of reference of the audit committee are aligned 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, 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 ended 31st March 2026, 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 2026 has been reviewed by the audit committee.

The annual report for the year ended 31st March 2026 will be dispatched to the shareholders by end of July 2026.

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 2026 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, 25th June 2026

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), and Mr. Airy Lau Tak Chuen, Dr. Cai Qing, and Mr. Graham Lam Ka Wai (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.