

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.

NORTH ASIA STRATEGIC HOLDINGS LIMITED

北亞策略控股有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 8080)

DISCLOSEABLE TRANSACTION ACQUISITION OF MACHINES

On 1st February 2021 (after trading hours), the Purchaser (an indirect wholly-owned subsidiary of the Company) placed the Purchase Order to the Vendor, pursuant to which the Purchaser agreed to acquire the Machines at the consideration of approximately JPY667.6 million (equivalent to approximately HK\$49.2 million) from the Vendor.

IMPLICATIONS UNDER THE GEM LISTING RULES

As one or more of the applicable percentage ratios calculated pursuant to Rule 19.07 of the GEM Listing Rules in respect of the Acquisition is above 5% but less than 25%, the Acquisition constitutes a discloseable transaction of the Company and is therefore subject to the reporting and announcement requirements under Chapter 19 of the GEM Listing Rules.

On 1st February 2021 (after trading hours), the Purchaser (an indirect wholly-owned subsidiary of the Company) placed the Purchase Order to the Vendor, pursuant to which the Purchaser agreed to acquire the Machines at the consideration of approximately JPY667.6 million (equivalent to approximately HK\$49.2 million) from the Vendor.

TERMS OF THE PURCHASE ORDER

Date: 1st February 2021 (after trading hours)

Parties: (i) Purchaser: American Tec Company Limited, an indirect wholly-owned subsidiary of the Company

(ii) Vendor: Fuji Corporation

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, the Vendor and its ultimate beneficial owners are Independent Third Parties.

* *For identification purpose only*

Assets to be acquired

100 modules of the Machines.

Consideration

The consideration for the Acquisition is approximately JPY667.6 million (equivalent to approximately HK\$49.2 million) which is payable by the Purchaser by letter of credit before the delivery of the Machines.

The Purchaser will fund the Acquisition by internal resources of the Group.

The consideration for the Acquisition was determined after arm's length negotiations between the parties with reference to (a) the prevailing market price of the Machines; and (b) the prevailing market conditions.

Completion

The expected delivery dates of the Machines are as follows:

- (1) 91 modules of the Machines will be delivered by 1st March 2021; and
- (2) the remaining 9 modules of the Machines will be delivered by 1st April 2021.

INFORMATION ON THE MACHINES

The Machines comprises 100 modules of surface mount technology ("SMT") machines and ancillary accessories designed and manufactured by the Vendor. The Machines will be used by the Group for on-site demonstration purpose to increase the Group's competitiveness in obtaining new orders from electronic manufacturing companies in the PRC for manufacturing of electronic products.

INFORMATION ON THE VENDOR

The Vendor is a company incorporated in Japan and is principally engaged in the manufacturing of electronic assembly equipment and machine tools. Its shares are listed on the Tokyo Stock Exchange and Nagoya Stock Exchange.

REASONS FOR AND BENEFITS OF THE ACQUISITION

The Group is principally engaged in (i) trading of SMT assembly equipment, machinery and spare parts and provision of related installation, training, repair and maintenance services for SMT assembly equipment; (ii) 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; and (iii) investment holding.

In order to increase the Group's competitiveness in obtaining new orders from new customers and maintain a high level of customer satisfaction, the Group will need to expand its machinery and equipment fleet for on-site demonstration in customers' factories so that the advantage of Fuji SMT machines over other brands can be demonstrated through test run of Fuji SMT machines. Through on-site demonstration, the Group can provide more suitable production line set up advice to its potential customers before they place orders to purchase the machines. The Board believes this improves the Group's chances to win their orders.

Having considered the abovementioned factors, the Directors are of the view that the Acquisition is fair and reasonable and is in the interests of the Company and the Shareholders as a whole. The Acquisition will lead to an increase in the Group's fixed assets and permanent working capital requirement. The Group will continue to assess its future capital expenditure and working capital requirement in response to the effect of Acquisition and customer demand.

IMPLICATIONS UNDER THE GEM LISTING RULES

As one or more of the applicable percentage ratios calculated pursuant to Rule 19.07 of the GEM Listing Rules in respect of the Acquisition is above 5% but less than 25%, the Acquisition constitutes a discloseable transaction of the Company and is therefore subject to the reporting and announcement requirements under Chapter 19 of the GEM Listing Rules.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following expressions shall have the following respective meanings:

“Acquisition”	the acquisition of the Machines by the Purchaser from the Vendor
“Board”	the board of directors of the Company
“Company”	North Asia Strategic Holdings Limited, a company incorporated in Bermuda with limited liability whose issued Shares are listed on the GEM (stock code: 8080)
“Directors”	the directors of the Company
“GEM”	GEM operated by the Stock Exchange
“GEM Listing Rules”	the Rules Governing the Listing of Securities on the GEM
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong

“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Independent Third Party(ies)”	third party(ies) independent of the Company and are not connected persons (as defined under the GEM Listing Rules) of the Company
“JPY”	Japanese Yen, the lawful currency of Japan
“Machines”	surface mount technology machines and ancillary accessories
“PRC”	the People’s Republic of China but excluding, for the purposes of this announcement, Hong Kong, Macau and Taiwan
“Purchaser”	American Tec Company Limited, an indirect wholly-owned subsidiary of the Company
“Purchase Order”	the purchase order dated 1st February 2021 relating to the Acquisition
“Shareholder(s)”	holder(s) of Share(s)
“Shares”	ordinary shares of par value of HK\$0.10 each in the capital of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Vendor”	Fuji Corporation, a company incorporated in Japan
“%”	per cent.

For illustration purposes in the announcement, the amounts in JPY were translated into HK\$ at the rate of JPY1 = HK\$0.0737. No representation is made that any amount in JPY or HK\$ could have been or could be converted at the above rate or at any other rates or at all.

On behalf of the Board
NORTH ASIA STRATEGIC HOLDINGS LIMITED
Zhang Yifan
Chairlady and Executive Director

Hong Kong, 1st February 2021

As at the date of this announcement, the Board comprises Ms. Zhang Yifan (Chairlady and Executive Director) and Mr. Pierre Tsui Kwong Ming (Executive Director); Mr. Joseph Liang Hsien Tse, Mr. Joseph Chan Nap Kee and Mr. Kenneth Kon Hiu King (being Independent Non-executive Directors).

This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in the compliance with the GEM Listing Rules or 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 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.