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SKY VIRTUE HOLDINGS LIMITED
(Incorporated in the British Virgin Islands with limited liability)

**NORTH ASIA STRATEGIC
HOLDINGS LIMITED**
北亞策略控股有限公司 *
(Incorporated in Bermuda with limited liability)
(Stock Code: 8080)

JOINT ANNOUNCEMENT

**(1) AGREEMENT IN RELATION TO
THE ACQUISITION OF SALE SHARES BY
SKY VIRTUE HOLDINGS LIMITED;**
**(2) UNCONDITIONAL MANDATORY CASH OFFERS BY
YU MING INVESTMENT MANAGEMENT LIMITED
ON BEHALF OF SKY VIRTUE HOLDINGS LIMITED
TO ACQUIRE ALL THE ISSUED SHARES OF
NORTH ASIA STRATEGIC HOLDINGS LIMITED (OTHER THAN THOSE SHARES
ALREADY OWNED AND/OR AGREED TO BE ACQUIRED BY
SKY VIRTUE HOLDINGS LIMITED
AND PARTIES ACTING IN CONCERT WITH IT) AND
TO CANCEL ALL THE OUTSTANDING SHARE OPTIONS; AND**
(3) RESUMPTION OF TRADING

Financial Adviser to the Offeror



YU MING INVESTMENT MANAGEMENT LIMITED
禹銘投資管理有限公司

Independent Financial Adviser to the Independent Board Committee



Gram Capital Limited
嘉林資本有限公司

THE SALE AND PURCHASE AGREEMENT

The Company was informed by the Offeror that after trading hours on 28 June 2024, the Offeror and the Vendor entered into the Sale and Purchase Agreement, pursuant to which the Vendor agreed to sell, and the Offeror agreed to acquire, the Sale Shares, being 127,262,607 Shares, for a total Consideration of HK\$31,815,652.00, equivalent to HK\$0.25 per Sale Share. The Sale Shares represent approximately 28.00% of the Shares in issue as at the date of this joint announcement. Completion took place on the same date.

IRREVOCABLE UNDERTAKING

Immediately following Completion, the Vendor held 51,752,205 Shares, representing approximately 11.4% of the Shares in issue.

On 28 June 2024, the Offeror received the Irrevocable Undertaking from Ms. Lu, who is the sole shareholder of the Vendor, pursuant to which, Ms. Lu has unconditionally and irrevocably undertaken to the Offeror that she (i) will not accept the Option Offer, exercise any of the Share Options held by her or in any way deal with such Share Options; and (ii) will procure the Vendor to, inter alia, (a) not accept the Share Offer or sell any of the Shares held by the Vendor during the Offer Period; (b) not take any action to make the Shares held by it from time to time during the Offer Period available for acceptance of the Share Offer and shall hold such Shares until the close of the Offers; and (c) not sell, transfer, dispose of or create or agree to create any encumbrance of or otherwise create any interests on the Shares held by it before the close of the Offers. The Irrevocable Undertaking will cease upon the close of the Offers.

As at the date of this joint announcement, there are 32,056,388 outstanding Share Options granted under the Share Option Schemes, carrying rights to subscribe for 32,056,388 new Shares, out of which 699,016 Share Options are held by Ms. Lu.

UNCONDITIONAL MANDATORY CASH OFFERS

Immediately prior to Completion, save for the 104,540,000 Shares (representing approximately 23.00% of the voting rights of the Company) directly held by the Offeror, the Offeror and parties acting in concert with it (excluding the Vendor who at that time held more than 20% voting rights of the Company and therefore was presumed to be acting in concert with the Offeror under the Takeovers Code) do not hold any Shares in the share capital or voting rights of the Company. Immediately following Completion and as at the date of this joint announcement, the Offeror and parties acting in concert with it are interested in 231,802,607 Shares, representing approximately 51.00% of the voting rights of the Company. Accordingly, the Offeror is required to make an unconditional mandatory cash offer pursuant to Rule 26.1 of the Takeovers Code for all the issued Shares (other than those already owned and/or agreed to be acquired by the Offeror and parties

acting in concert with it). The Offeror will also be required to make the Option Offer to cancel all the outstanding Share Options (other than those already owned by the Offeror and/or parties acting in concert with it) pursuant to Rule 13 of the Takeovers Code.

Yu Ming will, on behalf of the Offeror, make the Offers in compliance with the Takeovers Code on the following basis:

The Share Offer

For each Offer Share HK\$0.25 in cash

The Share Offer Price of HK\$0.25 per Offer Share is the same as the purchase price per Sale Share paid by the Offeror to the Vendor under the Sale and Purchase Agreement.

The Option Offer

As the exercise prices of the outstanding Share Options are all above the Share Offer Price, the outstanding Share Options are out of the money and the offer price for cancellation of each Share Option is set at a nominal value of HK\$0.0001, in cash.

As at the date of this joint announcement, there are a total of 32,056,388 outstanding Share Options.

If any Share Option is exercised by the Independent Optionholders in accordance with the terms of the relevant Share Option Schemes prior to the close of the Share Offer, any Shares issued as a result of such exercise will be subject to the Share Offer.

Except for the Share Options, there are no other outstanding Shares, options, warrants, derivatives or securities convertible or exchangeable into Shares or other relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code).

The Offeror intends to finance the Offers by way of its internal resources and the Facility. Yu Ming has been appointed as the financial adviser to the Offeror in respect of the Offers and is satisfied that sufficient financial resources are available to the Offeror to satisfy full acceptance of the Offers.

Principal terms of the Offers are set out under the paragraphs headed “Unconditional Mandatory Cash Offers” of this joint announcement.

GENERAL

Independent Board Committee

The Independent Board Committee, comprising the non-executive Director, namely Mr. Pierre Tsui Kwong Ming, and the independent non-executive Directors, namely Mr. Joseph Liang Hsien Tse, Mr. Joseph Chan Nap Kee and Dr. Cai Qing, has been formed to advise the Independent Shareholders and Independent Optionholders in respect of the Offers pursuant to Rule 2.1 of the Takeovers Code.

Independent Financial Adviser

The Independent Financial Adviser has been appointed with the approval of the Independent Board Committee to advise the Independent Board Committee in respect of the Offers and, in particular, as to whether the Offers are fair and reasonable and as to the acceptance of the Offers pursuant to Rule 2.1 of the Takeovers Code.

Composite Document

Pursuant to Rules 8.2 and 8.4 of the Takeovers Code, within 21 days of the date of this joint announcement or such later date as the Executive may approve, an offer document is required to be despatched to the Shareholders and Optionholders, and the Company is required to send the offeree board circular in respect of the Offers to the Shareholders and Optionholders within 14 days after the posting of the offer document, or such later date as the Executive may approve.

It is the intention of the respective boards of the Offeror and the Company to combine the offer document and the offeree board circular into a composite document. It is expected that, the Composite Document (accompanied by the Forms of Acceptance) containing, inter alia, (i) details of the Offers (including the expected timetable); (ii) a letter of recommendation from the Independent Board Committee to the Independent Shareholders and Independent Optionholders; and (iii) a letter of advice from the Independent Financial Adviser to the Independent Board Committee in respect of the Offers, will be despatched to the Independent Shareholders and Independent Optionholders within 21 days of the date of this joint announcement unless the Executive grants a consent for extension.

Independent Shareholders and Independent Optionholders are encouraged to read the Composite Document carefully, including the advice of the Independent Financial Adviser to the Independent Board Committee and the recommendation from the Independent Board Committee to the Independent Shareholders and Independent Optionholders in respect of the Offers, before deciding whether or not to accept the Offers.

RESUMPTION OF TRADING

At the request of the Company, trading in the Shares on the Stock Exchange was halted with effect from 9:00 a.m. on 2 July 2024 pending the release of this joint announcement. Application has been made by the Company to the Stock Exchange for resumption of trading in the Shares with effect from 9:00 a.m. on 15 July 2024.

WARNING

Shareholders, Optionholders and/or potential investors should exercise caution when dealing in the Shares, exercising the Options or other rights in respect of any of them. If the Shareholders, Optionholders and potential investors are in any doubt about their position, they should consult their professional advisers.

THE SALE AND PURCHASE AGREEMENT

The Company was informed by the Offeror that after trading hours on 28 June 2024, the Offeror and the Vendor entered into the Sale and Purchase Agreement, pursuant to which the Vendor agreed to sell, and the Offeror agreed to acquire, the Sale Shares, being 127,262,607 Shares, for a total Consideration of HK\$31,815,652.00, equivalent to HK\$0.25 per Sale Share. The Sale Shares represent approximately 28.00% of the Shares in issue as at the date of this joint announcement. Completion took place on the same date.

IRREVOCABLE UNDERTAKING

Immediately following Completion, the Vendor held 51,752,205 Shares, representing approximately 11.4% of the Shares in issue.

On 28 June 2024, the Offeror received the Irrevocable Undertaking from Ms. Lu, who is the sole shareholder of the Vendor, pursuant to which, Ms. Lu has unconditionally and irrevocably undertaken to the Offeror that she (i) will not accept the Option Offer, exercise any of the Share Options held by her or in any way deal with such Share Options; and (ii) will procure the Vendor to, inter alia, (a) not accept the Share Offer or sell any of the Shares held by the Vendor during the Offer Period; (b) not take any action to make the Shares held by it from time to time during the Offer Period available for acceptance of the Share Offer and shall hold such Shares until the close of the Offers; and (c) not sell, transfer, dispose of or create or agree to create any encumbrance of or otherwise create any interests on the Shares held by it before the close of the Offers. The Irrevocable Undertaking will cease upon the close of the Offers.

As at the date of this joint announcement, there are 32,056,388 outstanding Share Options granted under the Share Option Schemes, carrying rights to subscribe for 32,056,388 new Shares, out of which 699,016 Share Options are held by Ms. Lu.

UNCONDITIONAL MANDATORY CASH OFFERS

Immediately prior to Completion, save for the 104,540,000 Shares (representing approximately 23.00% of the voting rights of the Company) directly held by the Offeror, the Offeror and parties acting in concert with it (excluding the Vendor who at that time held more than 20% voting rights of the Company and therefore was presumed to be acting in concert with the Offeror under the Takeovers Code) do not hold any Shares in the share capital or voting rights of the Company. Immediately following Completion and as at the date of this joint announcement, the Offeror and parties acting in concert with it are interested in 231,802,607 Shares, representing approximately 51.00% of the voting rights of the Company. Accordingly, the Offeror is required to make an unconditional mandatory cash offer pursuant to Rule 26.1 of the Takeovers Code for all the issued Shares (other than those already owned and/or agreed to be acquired by the Offeror and parties acting in concert with it). The Offeror will also be required to make the Option Offer to cancel all the outstanding Share Options (other than those already owned by the Offeror and/or parties acting in concert with it) pursuant to Rule 13 of the Takeovers Code.

Yu Ming will, on behalf of the Offeror, make the Offers in compliance with the Takeovers Code on the following basis:

The Share Offer

For each Offer Share HK\$0.25 in cash

The Share Offer Price of HK\$0.25 per Offer Share is the same as the purchase price per Sale Share paid by the Offeror to the Vendor under the Sale and Purchase Agreement.

The Option Offer

As the exercise prices of the outstanding Share Options are all above the Share Offer Price, the outstanding Share Options are out of the money and the offer price for cancellation of each Share Option is set at a nominal value of HK\$0.0001, in cash.

Exercise price of Share Options	Number of outstanding Share Options	Option Offer Price per Share Option
HK\$0.325	3,268,000	HK\$0.0001
HK\$0.339	9,860,000	HK\$0.0001
HK\$0.700	11,524,000	HK\$0.0001
HK\$1.137	7,404,388	HK\$0.0001

As at the date of this joint announcement, there are a total of 32,056,388 outstanding Share Options, carrying rights to subscribe for 32,056,388 new Shares, out of which 8,279,817 Share Options are held by Ms. Zhang and 699,016 Share Options are held by Ms. Lu.

If any Share Option is exercised by the Independent Optionholders in accordance with the terms of the relevant Share Option Schemes prior to the close of the Share Offer, any Shares issued as a result of such exercise will be subject to the Share Offer.

As at the date of this joint announcement, the Company has 454,509,311 Shares in issue. Except for the Share Options, there are no other outstanding Shares, options, warrants, derivatives or securities convertible or exchangeable into Shares or other relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code).

The Offers will be unconditional in all respects when made and will not be conditional upon acceptances being received in respect of a minimum number of Offer Shares and in respect of a minimum number of Share Options to be cancelled.

Offers Consideration

Assuming the Offers are accepted in full on the basis that (i) none of the Share Options are exercised prior to the close of the Offers; and (ii) there is no change in the number of issued Shares up to the close of the Offers, a total of 170,954,499 issued Shares (excluding the 231,802,607 Shares held by the Offeror and the 51,752,205 Shares held by the Vendor which are the subject of the Irrevocable Undertaking) will be subject to the Share Offer and a total of 23,077,555 outstanding Share Options held by the Independent Optionholders (excluding 8,279,817 Share Options held by Ms. Zhang and 699,016 Share Options held by Ms. Lu which are the subject of the Irrevocable Undertaking) will be subject to the Option Offer. The maximum cash consideration payable by the Offeror under the Share Offer and Option Offer would be approximately HK\$42,738,625 and HK\$2,308, respectively.

Assuming the Offers are accepted in full on the basis that (i) all of the 23,077,555 Share Options (excluding 8,279,817 Share Options held by Ms. Zhang and 699,016 Share Options held by Ms. Lu which are the subject of the Irrevocable Undertaking) subject to the Option Offer are exercised in full by the Independent Optionholders prior to the close of the Offers; and (ii) there is no other change in the number of issued Shares up to the close of the Offers, a total of 194,032,054 Shares (representing 170,954,499 Shares not already held or to be acquired by the Offeror and parties acting in concert with it and the Vendor, and 23,077,555 new Shares to be issued pursuant to the exercise of the Share Options in full by the Independent Optionholders), will be subject to the Share Offer. The maximum cash consideration payable by the Offeror under the Offers would amount to approximately HK\$48,508,014.

The Share Offer Price

The Share Offer Price of HK\$0.25 per Share represents:

- (i) a premium of approximately 25.63% over the closing price of HK\$0.199 per Share as quoted on the Stock Exchange on the Last Trading Day;

- (ii) a premium of approximately 25.63% over the average closing price of HK\$0.199 per Share as quoted on the Stock Exchange for the last five consecutive trading days up to and including the Last Trading Day;
- (iii) a premium of approximately 25.00% over the average closing price of approximately HK\$0.20 per Share as quoted on the Stock Exchange for the last ten consecutive trading days up to and including the Last Trading Day;
- (iv) a premium of approximately 10.13% over the average closing price of approximately HK\$0.227 per Share as quoted on the Stock Exchange for the last thirty consecutive trading days up to and including the Last Trading Day; and
- (v) a discount of approximately 91.72% to the audited consolidated net asset value attributable to owners of the Company of approximately HK\$3.02 per Share as at 31 March 2024 calculated based on the information as set out in the Company's annual results announcement dated 27 June 2024.

Highest and lowest closing prices of Shares

The highest and lowest closing prices of the Shares as quoted on the Stock Exchange during the six-month period immediately preceding the commencement of the Offer Period was HK\$0.29 per Share on 5 June 2024 and HK\$0.19 per Share from 26 April 2024 to 2 May 2024, respectively.

Confirmation of Financial Resources

The Offeror intends to finance the Offers by way of its internal resources and the Facility. Yu Ming has been appointed as the financial adviser to the Offeror in respect of the Offers and is satisfied that sufficient financial resources are available to the Offeror to satisfy full acceptance of the Offers.

Effect of accepting the Offers

By validly accepting the Share Offer, the Independent Shareholders will be selling their tendered Shares to the Offeror free from all Encumbrances and together with all rights attaching to them, including the rights to receive in full all dividends and other distributions, if any, declared, made or paid by reference to a record date on or after the date on which the Share Offer is made, that is, the date of the posting of the Composite Document. As at the date of this joint announcement, the Company has not declared any dividends which have not been distributed and the Company has no plan to declare, recommend, or pay any dividends or make any other distributions before the close of the Offers.

By accepting the Option Offer, the Independent Optionholders will agree to the cancellation of those outstanding Share Options, together with all rights attaching thereto with effect from the date on which the Option Offer is made, being the date of the despatch of the Composite Document.

Acceptance of the Offers would be irrevocable and would not be capable of being withdrawn, subject to the provisions of the Takeovers Code.

Overseas Shareholder and Overseas Optionholders

The Offeror intends to make the Offers available to all the Independent Shareholders and Independent Optionholders, including the Overseas Shareholders and Overseas Optionholders. However, the Offers are in respect of securities of a company incorporated in Bermuda and is subject to the procedural and disclosure requirements of Hong Kong which may be different from other jurisdictions.

Overseas Shareholders and Overseas Optionholders who wish to participate in the Offers but with a registered address outside Hong Kong are subject to, and may be limited by, the laws and regulations of their respective jurisdictions in connection with their participation in the Offers. Overseas Shareholders and Overseas Optionholders who are citizens, residents or nationals of a jurisdiction outside Hong Kong should observe relevant applicable legal or regulatory requirements and, where necessary, seek legal advice. It is the responsibility of the Overseas Shareholders and Overseas Optionholders who wish to accept the Offers to satisfy themselves as to the full observance of the laws and regulations of the relevant jurisdictions in connection with the acceptance of the Offers (including the obtaining of any governmental or other consent which may be required or the compliance with other necessary formalities and the payment of any transfer or other taxes due by such accepting Overseas Shareholders and Overseas Optionholders in respect of such jurisdictions).

Hong Kong Stamp Duty

Seller's Hong Kong ad valorem stamp duty on acceptances of the Share Offer at a rate of 0.10% (or part thereof) of the consideration payable in respect of the relevant acceptance by the Independent Shareholders or if higher, the market value of the Shares, will be deducted from the cash amount payable by the Offeror to such Shareholders who accept the Share Offer (where the stamp duty calculated includes a fraction of HK\$1, the stamp duty would be rounded-up to the nearest HK\$1). The Offeror will arrange for payment of the seller's Hong Kong ad valorem stamp duty on behalf of the relevant Independent Shareholders accepting the Share Offer and pay the buyer's Hong Kong ad valorem stamp duty in connection with the acceptance of the Share Offer and the transfer of the Shares in accordance with the Stamp Duty Ordinance (Chapter 117 of the Laws of Hong Kong).

No stamp duty is payable in connection with the acceptances of the Option Offer.

Taxation advice

Independent Shareholders and Independent Optionholders are recommended to consult their own professional advisers as to the taxation implications of accepting or rejecting the Offers. The Offeror accepts no responsibility for any taxation effects on, or liabilities of, any persons as a result of their acceptance or rejection of the Offers.

Payment

Payment in cash in respect of the acceptances of the Offers, will be made as soon as possible but in any event, within seven (7) Business Days following the date on which the duly completed acceptance of the Offers and the relevant documents of title of the Shares and Share Options in respect of such acceptance are received by or for the Offeror to render each such acceptance of the Offers complete and valid pursuant to Rule 20.1 and Note 1 to Rule 30.2 of the Takeovers Code.

No fractions of a cent will be payable and the amount of cash consideration will be rounded up to the nearest cent.

Other arrangements

Save for the Sale Shares under the Sale and Purchase Agreement and the transfer of 3,268,000 Shares from Ms. Zhang to the Offeror at a total consideration of HK\$745,104 (representing of HK\$0.228 per Share) on 18 April 2024, none of the Offeror, its ultimate beneficial owner or parties acting in concert with any of them and Ms. Lu has dealt in the Shares, options, derivatives, warrants or other securities convertible or exchangeable into Shares or other relevant securities (as defined in Note 4 to Rule 22 of Takeovers Code) during the six-month period prior to the Last Trading Day and up to the date of this joint announcement.

The Offeror confirms that, as at the date of this joint announcement:

- (i) save for (i) 231,802,607 Shares owned by the Offeror; and (ii) 8,279,817 Share Options held by Ms. Zhang, none of the Offeror, its ultimate beneficial owner or parties acting in concert with any of them owned or had control or direction over any voting rights or rights over the Shares or convertible securities, options, warrants or derivatives of the Company;
- (ii) save for the Irrevocable Undertaking, none of the Offeror, its ultimate beneficial owner or parties acting in concert with any of them have received any irrevocable commitment to accept or reject the Offers;
- (iii) there are no conditions to which the Offers are subject;
- (iv) there is no arrangement (whether by way of option, indemnity or otherwise) of the kind referred to in Note 8 to Rule 22 of the Takeovers Code in relation to the shares of the Offeror or the Shares and which might be material to the Offers;
- (v) there is no agreement or arrangement to which the Offeror, its ultimate beneficial owner or parties acting in concert with any of them is a party which relates to circumstances in which it may or may not invoke or seek to invoke a pre-condition or a condition to the Offers;

- (vi) none of the Offeror, its ultimate beneficial owner or parties acting in concert with any of them has entered into any arrangements or contracts in relation to the outstanding derivatives in respect of securities in the Company nor has borrowed or lent any relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) in the Company;
- (vii) other than the Consideration under the Sale and Purchase Agreement, the Offeror, its ultimate beneficial owner and/or parties acting in concert with any of them have not paid and will not pay any other consideration, compensation or benefit in whatever form to the Vendor, its ultimate beneficial owner and/or parties acting in concert with any of them in connection with the sale and purchase of the Sale Shares;
- (viii) there is no understanding, arrangement, agreement or special deal (as defined under Rule 25 of the Takeovers Code) between the Offeror, its ultimate beneficial owner and/or parties acting in concert with any of them on one hand and the Vendor, its ultimate beneficial owner and/or parties acting in concert with any of them on the other hand; and
- (ix) save and except for any service and/or employment contract(s) entered into with members of the Group, there is no understanding, arrangement, agreement or special deal (as defined under Rule 25 of the Takeover Code) between (i) any Shareholder or Optionholder; and (ii)(a) the Offeror, its ultimate beneficial owner and/or parties acting in concert with any of them; or (b) the Company, its subsidiaries or associated companies.

INFORMATION ON THE GROUP

The Company is an investment holding company incorporated in Bermuda with limited liability, the Shares of which are listed on GEM of the Stock Exchange. The Group is principally engaged in (i) sales and distribution of hi-tech products, as well as the provision of related services; (ii) provision of finance through finance and operating lease arrangements and trading of lease assets (iii) provision of electronic payment solutions, and (iv) property and investment holding.

Set out below is a summary of the audited consolidated results of the Group for each of the two financial years ended 31 March 2023 and 2024, as extracted from the annual results announcement of the Company for the year ended 31 March 2024.

	For the year ended 31 March	
	2024	2023
	<i>HK\$'000</i>	<i>HK\$'000</i>
	<i>(audited)</i>	<i>(audited)</i>
Revenue	1,305,420	2,266,642
Profit/(loss) before income tax	(44,790)	4,551
Income tax expense	<u>(3,945)</u>	<u>(3,463)</u>
Net profit/(loss)	<u><u>(48,735)</u></u>	<u><u>1,088</u></u>

The audited consolidated net assets of the Group attributable to owners of the Company as at 31 March 2024 were approximately HK\$1,373.74 million, equivalent to approximately HK\$3.02 per Share.

Shareholding Structure of the Company

The following table sets out the shareholding structure of the Company (i) immediately prior to Completion; and (ii) upon Completion and as at the date of this joint announcement:

	Immediately prior to Completion		Upon Completion and as at the date of this joint announcement	
	<i>No. of Shares</i>	<i>%</i>	<i>No. of Shares</i>	<i>%</i>
The Offeror ^{Note 1}	104,540,000	23.00%	231,802,607	51.00%
The Vendor ^{Note 2}	179,014,812	39.39%	51,752,205	11.39%
<i>The Offeror and parties acting in concert with it</i> ^{Note 3}	283,554,812	62.39%	231,802,607	51.00%
Public Shareholders	<u>170,954,499</u>	<u>37.61%</u>	<u>170,954,499</u>	<u>37.61%</u>
Total	<u>454,509,311</u>	<u>100.00%</u>	<u>454,509,311</u>	<u>100.00%</u>

Notes

1. The Offeror is a company wholly owned by Ms. Zhang.
2. The Vendor is a company wholly owned by Ms. Lu.
3. Pursuant to the Takeovers Code, the Vendor was presumed to be acting in concert with the Offeror under class (1) of the definition of “acting in concert” in the Takeovers Code immediately prior to Completion as each of them was interested in 20% or more of voting rights of the Company. The Vendor and the Offeror are no longer presumed to be acting in concert under class (1) of the definition of “acting in concert” in the Takeovers Code upon Completion.
4. Save for Ms. Zhang and an aggregate of 12,332,868 Share Options held by other executive, non-executive and independent non-executive Directors, none of the Directors is interested in any Shares.

INFORMATION ON THE OFFEROR

The Offeror is an investment holding company incorporated in the British Virgin Islands with limited liability and is wholly-owned by Ms. Zhang, who is also the sole director of the Offeror.

Ms. Zhang, aged 43, joined the Company in November 2014 as an executive Director. She was further appointed as Chairlady of the Company on 23 June 2016. Ms. Zhang has completed a diploma in International Business from Shanghai Ocean University. She is also the chairlady of nomination committee and a member of remuneration committee of the Company.

INTENTIONS OF THE OFFEROR IN RELATION TO THE GROUP

The Offeror intends to continue the existing businesses of the Group. As at the date of this joint announcement, the Offeror has no plan to inject any assets or businesses into the Group or to procure the Group to acquire or dispose of any assets.

The Offeror does not intend to nominate any new Directors to the Board after the close of the Offers. Any changes to the Board composition will be made in compliance with the Takeovers Code and the GEM Listing Rules. Other than that, the Offeror has no intention to terminate any employment of the employees of the Group or to make significant changes to any employment or to dispose of or re-allocate the Group’s assets which are not in the ordinary and usual course of business of the Group.

Maintaining the Listing Status of the Company

The Offeror has no intention to privatise the Group and intends to maintain the listing of the Shares on the Stock Exchange.

The Stock Exchange has indicated that if, upon closing of the Offers, less than the minimum prescribed percentage applicable to the Company, being 25% of the issued Shares, are held by the public or if the Stock Exchange believes that:

- (i) a false market exists or may exist in the Shares; or
- (ii) there are insufficient Shares in public hands to maintain an orderly market,

it will consider exercising its discretion to suspend dealing in the Shares until the prescribed level of public float is restored.

The Offeror will undertake to the Stock Exchange to take appropriate steps to ensure that not less than 25% of the Shares in issue will continue to be held by the public at all times.

GENERAL

Independent Board Committee

The Independent Board Committee, comprising the non-executive Director, namely Mr. Pierre Tsui Kwong Ming, and the independent non-executive Directors, namely Mr. Joseph Liang Hsien Tse, Mr. Joseph Chan Nap Kee and Dr. Cai Qing, has been formed to advise the Independent Shareholders and Independent Optionholders in respect of the Offers pursuant to Rule 2.1 of the Takeovers Code.

Independent Financial Adviser

The Independent Financial Adviser has been appointed with the approval of the Independent Board Committee to advise the Independent Board Committee in respect of the Offers and, in particular, as to whether the Offers are fair and reasonable and as to the acceptance of the Offers pursuant to Rule 2.1 of the Takeovers Code.

Composite Document

Pursuant to Rules 8.2 and 8.4 of the Takeovers Code, within 21 days of the date of this joint announcement or such later date as the Executive may approve, an offer document is required to be despatched to the Shareholders and Optionholders, and the Company is required to send the offeree board circular in respect of the Offers to the Shareholders and Optionholders within 14 days after the posting of the offer document, or such later date as the Executive may approve.

It is the intention of the respective boards of the Offeror and the Company to combine the offer document and the offeree board circular into a composite document. It is expected that, the Composite Document (accompanied by the Forms of Acceptance) containing, inter alia, (i) details of the Offers (including the expected timetable); (ii) a letter of recommendation from the Independent Board Committee to the Independent Shareholders and Independent Optionholders; and (iii) a letter of

advice from the Independent Financial Adviser to the Independent Board Committee in respect of the Offers, will be despatched to the Independent Shareholders and Independent Optionholders within 21 days of the date of this joint announcement unless the Executive grants a consent for extension.

Independent Shareholders and Independent Optionholders are encouraged to read the Composite Document carefully, including the advice of the Independent Financial Adviser to the Independent Board Committee and the recommendation from the Independent Board Committee to the Independent Shareholders and Independent Optionholders in respect of the Offers, before deciding whether or not to accept the Offers.

Dealings disclosure

In accordance with Rule 3.8 of the Takeovers Code, the respective associates (as defined under the Takeovers Code) of the Offeror and the Company (including their respective holders having interests of 5% or more of any class of relevant securities of the Offeror or the Company) are reminded to disclose their dealings in the relevant securities in the Company in accordance with Rule 22 of the Takeovers Code.

In accordance with Rule 3.8 of the Takeovers Code, reproduced below is the full text of Note 11 to Rule 22 of the Takeovers Code:

“Responsibilities of stockbrokers, banks and other intermediaries

Stockbrokers, banks and others who deal in relevant securities on behalf of clients have a general duty to ensure, so far as they are able, that those clients are aware of the disclosure obligations attaching to associates of an offeror or the offeree company and other persons under Rule 22 and that those clients are willing to comply with them. Principal traders and dealers who deal directly with investors should, in appropriate cases, likewise draw attention to the relevant Rules. However, this does not apply when the total value of dealings (excluding stamp duty and commission) in any relevant security undertaken for a client during any 7 day period is less than HK\$1 million.

This dispensation does not alter the obligation of principals, associates and other person themselves to initiate disclosure of their own dealings, whatever total value is involved.

Intermediaries are expected to co-operate with the Executive in its dealings enquiries. Therefore, those who deal in relevant securities should appreciate that stockbrokers and other intermediaries will supply the Executive with relevant information as to those dealings, including identities of clients, as part of that cooperation.”

RESUMPTION OF TRADING IN THE SHARES

At the request of the Company, trading in the Shares on the Stock Exchange was halted with effect from 9:00 a.m. on 2 July 2024 pending the release of this joint announcement. Application has been made by the Company to the Stock Exchange for resumption of trading in the Shares with effect from 9:00 a.m. on 15 July 2024.

DEFINITIONS

Unless the context requires otherwise, the following expressions shall have the following meanings in this joint announcement:

“acting in concert with”	has the same meaning ascribed to it under the Takeovers Code
“associate(s)”	has the same meaning ascribed to it under the Takeovers Code
“Board”	the board of Directors
“Business Day(s)”	a business day is a day on which the Stock Exchange is open for the transaction of business
“Company”	North Asia Strategic Holdings Limited (Stock Code: 8080), a company incorporated in Bermuda with limited liability, the Shares of which are listed on GEM of the Stock Exchange
“Completion”	completion of the sale and purchase of the Sale Shares in accordance with the terms and conditions of the Sale and Purchase Agreement, which took place on 28 June 2024
“Composite Document”	the composite offer and response documents proposed to be jointly issued by the Offeror and the Company together with the Forms of Acceptance to the Shareholders and Optionholders in connection with the Offers in compliance with the Takeovers Code
“connected person”	has the meaning ascribed to it under the GEM Listing Rules
“Consideration”	HK\$31,815,652.00 for the purchase and sale of the Sale Shares
“Director(s)”	the director(s) of the Company

“Encumbrances”	(i) any mortgage, charge, pledge, lien, hypothecation, encumbrances or other security arrangement of any kind; (ii) any option, equity, claim, adverse interest or other third party right of any kind; (iii) any arrangement by which any right is subordinated to any right of such third party; or (iv) any contractual right of set-off, including any agreement or commitment to create or procure to create, or to permit or suffer to be created or subsisted any of the above
“Executive”	the Executive Director of the Corporate Finance Division of the SFC or any delegate of the Executive Director
“Facility”	the standby loan facility in the amount of up to HK\$3,500,000 provided by Yu Ming to the Offeror for the sole purpose of settlement of the Share Offer pursuant to the Facility Letter
“Facility Letter”	the standby loan facility letter dated 28 June 2024 in respect of the Facility
“Forms of Acceptance”	the forms of acceptance and transfer of the Offer Shares in respect of the Share Offer and the forms of acceptance of the Share Options in respect of the Option Offer
“GEM”	GEM of the Stock Exchange
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollar(s), the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Independent Board Committee”	an independent committee of the Board comprising the non-executive Director, namely Mr. Pierre Tsui Kwong Ming, and the independent non-executive Directors, namely Mr. Joseph Liang Hsien Tse, Mr. Joseph Chan Nap Kee and Dr. Cai Qing, established for the purpose of advising the Independent Shareholders and Independent Optionholders in respect of the Offers and in particular as to whether the Offers are fair and reasonable and as to acceptance of the Offers

“Independent Financial Adviser”	Gram Capital Limited, a corporation licensed under the Securities and Futures Ordinance to carry out Type 6 (advising on corporate finance) regulated activity, being the independent financial adviser appointed by the Company with the approval of the Independent Board Committee to advise the Independent Board Committee and the Independent Shareholders and Independent Optionholders in respect of the Offers and as to the acceptance of the Offers
“Independent Optionholders”	the holders of Share Option other than the Offeror and Ms. Lu
“Independent Shareholders”	the Shareholders other than the Offeror and parties acting in concert with it
“Irrevocable Undertaking”	the irrevocable undertaking given by Ms. Lu in favor of the Offeror, pursuant to which Ms. Lu had unconditionally and irrevocably undertaken to the Offeror, that she will not accept the Option Offer or exercise any of the Share Options interested by her before the close of the Option Offer, and that she will procure the Vendor to not, inter alia, accept the Share Offer and dispose the Shares owned by the Vendor before the close of the Share Offer
“Last Trading Day”	28 June 2024, the last trading day for the Shares prior to the trading halt of the Shares pending the publication of this joint announcement
“Ms. Lu”	Ms. Lu Ying, the ultimate beneficial owner of the Vendor
“Ms. Zhang”	Ms. Zhang Yifan, the ultimate beneficial owner of the Offeror and the chairlady and an executive director of the Company
“Offers”	the Share Offer and the Option Offer
“Offer Period”	the period commencing on 12 July 2024, being the date of this joint announcement, and ending the date when the Offers close
“Offer Share(s)”	all of the Share(s) in issue, other than those already owned and/or agreed to be acquired by the Offeror and/or parties acting in concert with it
“Offeror”	Sky Virtue Holdings Limited, a company incorporated in the British Virgin Islands with limited liability and wholly-owned by Ms. Zhang

“Option Offer”	the unconditional mandatory cash offer to be made by Yu Ming for and on behalf of the Offeror to cancel all the outstanding Share Options in accordance with the terms and conditions to be set out in the Composite Document in accordance with the Takeovers Code
“Option Offer Price”	the price at which the Option Offer is made, being HK\$0.0001 per Share Option
“Overseas Shareholder(s)”	Shareholder(s) whose addresses, as shown on the register of members of the Company, are outside Hong Kong
“Optionholder(s)”	holder(s) of the Share Option(s)
“Overseas Optionholder(s)”	Optionholder(s) whose address(es), as shown on the register of Optionholders of the Company, is/are outside Hong Kong
“PRC”	the People’s Republic of China, for the purpose of this joint announcement, shall exclude Hong Kong, the Macau Special Administrative Region of the People’s Republic of China and Taiwan
“Sale and Purchase Agreement”	the sale and purchase agreement dated 28 June 2024 entered into between the Vendor and the Offeror for the sale and purchase of the Sale Shares
“Sale Shares”	127,262,607 Shares sold by the Vendor to the Offeror pursuant to the Sale and Purchase Agreement, and each a “Sale Share”
“SFC”	The Securities and Futures Commission of Hong Kong
“Share(s)”	ordinary share(s) of the Company of HK\$0.10 each in the issued share capital of the Company
“Share Offer”	the unconditional mandatory cash offer to be made by Yu Ming on behalf of the Offeror to acquire all the issued Shares (other than those Shares already owned and/or agreed to be acquired by the Offeror and parties acting in concert with it)
“Share Offer price”	the price at which the Share Offer is made, being HK\$0.25 per Offer Share
“Shareholder(s)”	holder(s) of the Shares from time to time
“Share Options”	the option(s) each carrying rights to subscribe for one new Share

“Share Option Schemes”	the share option schemes of the Company adopted on 4 September 2014 and 7 September 2023
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	the Hong Kong Code on Takeovers and Mergers
“Vendor”	Sincere Ardent Limited, a company incorporated in the British Virgin Islands with limited liability, and wholly owned by Ms. Lu
“voting right(s)”	has the meaning ascribed to it under the Takeovers Code
“Yu Ming”	Yu Ming Investment Management Limited, a corporation licensed under the Securities and Futures Ordinance to carry out regulated activities of type 1 (dealing in securities), type 4 (advising on securities), type 6 (advising on corporate finance) and type 9 (asset management), and a company incorporated in Hong Kong with limited liability, being the financial adviser of the Offeror in respect of the Offers
“%”	per cent.

By Order of the Board of
SKY VIRTUE HOLDINGS LIMITED
Zhang Yifan
Sole Director

By Order of the Board
**NORTH ASIA STRATEGIC
HOLDINGS LIMITED**
Kenneth Kon Hiu King
Executive Director

Hong Kong, 12 July 2024

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

The Directors jointly and severally accept full responsibility for the accuracy of the information contained in this joint announcement (other than that relating to the Offeror and parties acting in concert with it) and confirm, having made all reasonable inquiries, that to the best of their knowledge, opinions expressed in this joint announcement (other than the opinions expressed by the sole director of Offeror) have been arrived at after due and careful consideration and there are no other facts not contained in this joint announcement, the omission of which would make any statement in this joint announcement misleading.

As at the date of this joint announcement, the sole director of the Offeror is Ms. Zhang Yifan.

The sole director of the Offeror accepts full responsibility for the accuracy of the information contained in this joint announcement (other than that relating to the Group) and confirms, having made all reasonable inquiries, that to the best of her knowledge, opinions expressed in this joint announcement (other than opinions expressed by the Directors) have been arrived at after due and careful consideration and there are no other facts not contained in this joint announcement, the omission of which would make any statement in this joint announcement misleading.

This joint announcement will remain on the “Latest Listed Company Information” page of the Stock exchange website at www.hkexnews.hk for at least seven days from the day of its publication. This joint announcement will also be published on the Company’s website at www.nasholdings.com.

The English text of this joint announcement shall prevail over its Chinese text.

** For identification purpose only*