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## **NORTH ASIA STRATEGIC HOLDINGS LIMITED**

**北亞策略控股有限公司\***

*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 8080)**

### **PLACING OF NEW SHARES UNDER GENERAL MANDATE**

#### **Financial Adviser**



禹銘投資管理有限公司

YU MING INVESTMENT MANAGEMENT LIMITED

#### **Placing Agent**



**UPBEST SECURITIES COMPANY LIMITED**

#### **THE PLACING AGREEMENT**

On 22 November 2021 (after trading hours), the Company entered into the Placing Agreement with the Placing Agent in relation to the Placing. Pursuant to the Placing Agreement, the Company has agreed to place, through the Placing Agent on a best effort basis, up to 70,854,662 new Shares to not less than six Placées at the Placing Price of HK\$0.60 per Placing Share. The Placing Shares will be allotted and issued pursuant to the General Mandate.

Assuming that there will be no change in the total number of issued Shares between the date of this announcement and the Completion, the maximum number of Placing Shares of up to 70,854,662 Shares represent approximately 20.0% of the total number of issued Shares as at the date of this announcement and approximately 16.67% of the total number of issued Shares as enlarged by the allotment and issue of all the Placing Shares.

*\* For identification purpose only*

The Placing Price of HK\$0.60 per Placing Share represents (i) a discount of approximately 18.92% to the closing price of HK\$0.74 per Share as quoted on the Stock Exchange on the date of this announcement; and (ii) a discount of approximately 16.67% to the average closing price of HK\$0.72 per Share as quoted on the Stock Exchange for the last five (5) consecutive trading days up to and including the Last Trading Day.

Assuming all the Placing Shares are fully placed, the gross proceeds from the Placing will be approximately HK\$42.5 million and the net proceeds will be approximately HK\$40.8 million (after deduction of commission and other expenses of the Placing), representing a net issue price of approximately HK\$0.58 per Placing Share. The Directors intend to apply the entire net proceeds for the expansion of its fleet of operating lease assets and finance lease assets in anticipation of the increasing demand for leasing of machinery and equipment service.

**The Placing is conditional upon, among others, the Stock Exchange having granted the listing of, and the permission to deal in the Placing Shares. Shareholders of the Company and potential investors should note that the Placing is subject to the fulfillment of the condition(s) as set out in the Placing Agreement, and the Placing may or may not proceed to completion. Shareholders of the Company and potential investors are reminded to exercise caution when dealing in the Shares.**

## PLACING OF NEW SHARES

On 22 November 2021 (after trading hours), the Company and the Placing Agent entered into the Placing Agreement for the Placing, the principal terms of which are summarised below.

**Date:—**

22 November 2021 (after trading hours)

**Parties:—**

- i. The Company as the issuer; and
- ii. The Placing Agent as the placing agent.

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

### Placing Shares

The Placing Agent has conditionally agreed with the Company to place, on a best effort basis, a maximum number of 70,854,662 Placing Shares to not less than six independent Placées. It is expected that none of the Placées will become a substantial shareholder (as defined in the GEM Listing Rules) of the Company as a result of the Placing.

Assuming that there will be no change in the total number of issued Shares between the date of this announcement and the Completion, the maximum number of Placing Shares of up to 70,854,662 Shares represent approximately 20.0% of the total number of issued Shares as at the date of this announcement and approximately 16.67% of the total number of issued Shares as enlarged by the allotment and issue of all the Placing Shares.

The Placing Shares will rank *pari passu* in all respects among themselves and with other Shares in issue on the date of allotment and issue of the Placing Shares.

### **Placing Price**

The Placing Price of HK\$0.60 per Placing Share represents (i) a discount of approximately 18.92% to the closing price of HK\$0.74 per Share as quoted on the Stock Exchange on the date of this announcement; and (ii) a discount of approximately 16.67% to the average closing price of HK\$0.72 per Share as quoted on the Stock Exchange for the last five (5) consecutive trading days up to and including the Last Trading Day. The aggregate nominal value of the maximum number of Placing Shares is HK\$7,085,466.20.

The Placing Price was determined and negotiated on an arm's length basis between the Company and the Placing Agent with reference to the prevailing market price of the Shares and market conditions.

### **Placing Commission**

The Placing Agent will charge the Company a placing commission of 2.5% of the amount equal to the Placing Price multiplied by the number of Placing Shares actually placed by the Placing Agent. The placing commission was negotiated on arm's length basis between the Company and the Placing Agent and determined with reference to, amongst other things, the prevailing market commission rate charged by other placing agents, the size of the Placing and the price performance of the Shares.

The Directors consider that the terms of the Placing Agreement, including the Placing Price and the placing commission, are arrived at on normal commercial terms, and are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

## **Conditions of the Placing**

Completion is conditional upon the fulfillment or waiver (if applicable) of the following conditions:

- (a) the Stock Exchange granting the listing of, and permission to deal in, the Placing Shares (and such listing and permission not subsequently being revoked prior to completion of and the delivery of documents under the Placing Agreement); and
- (b) the Company's representations and warranties made pursuant to the Placing Agreement being true and accurate and not misleading as of the date of the Placing Agreement and the date of the Completion.

Condition (a) is not waivable by any parties and condition (b) may be waivable by the Placing Agent. In the event of any of the conditions above not having been fulfilled or not waived (as the case may be) on or prior to 4:00 p.m. (Hong Kong time) on 10 December 2021 or such later time as may be agreed in writing between the Company and the Placing Agent, all rights, obligations and liabilities of the parties in relation to the Placing shall cease and determine and none of the parties shall have any claim against any other, save for any antecedent breaches.

Completion of the Placing shall take place on 30 November 2021 or such other date to be agreed among the Company and the Placing Agents in writing.

## **Listing Application**

An application will be made by the Company to the Stock Exchange for the granting of the listing of, and the permission to deal in the Placing Shares.

## **General Mandate**

All the Placing Shares will be issued under the General Mandate granted by the Shareholders to the Directors pursuant to the resolution passed at the AGM. On the date of the AGM, the Company had 354,273,311 Shares in issue and the General Mandate granted to the Directors thus authorised the Directors to allot and issue up to 70,854,662 new Shares, representing 20% of the number of issued Shares as at the date of the AGM.

As at the date of this announcement, no Shares have been issued pursuant to the General Mandate.

## EFFECTS ON SHAREHOLDING STRUCTURE OF THE COMPANY

To the best of the Directors' knowledge, information and belief after having made all reasonable enquiries, the existing shareholding structure of the Company and the effect on the shareholding structure of the Company upon the Completion (subject to the Completion, assuming all the Placing Shares are fully placed and that there is no other change in the shareholding structure of the Company from the date of this announcement up to the Completion) are set out below:

| Shareholders               | As at the date of<br>this announcement |             | Upon completion of<br>the Placing |             |
|----------------------------|--|-------------|-----------------------------------|-------------|
|                            | No. of shares                          | %           | No. of shares                     | %           |
| Lu Ying (Note 1)           | 179,014,812                            | 50.5%       | 179,014,812                       | 42.1%       |
| Zhang Yifan (Note 2)       | 38,856,000                             | 11.0%       | 38,856,000                        | 9.1%        |
| Estate of Ding Yi (Note 3) | 40,000,000                             | 11.3%       | 40,000,000                        | 9.4%        |
| Placees                    | —                                      | 0.0%        | 70,854,662                        | 16.7%       |
| Other Shareholders         | 96,402,499                             | 27.2%       | 96,402,499                        | 22.7%       |
| <b>Total</b>               | <b>354,273,311</b>                     | <b>100%</b> | <b>425,127,973</b>                | <b>100%</b> |

Notes:

1. Sincere Ardent Limited, a company wholly owned by Ms. Lu Ying, holds 179,014,812 Shares. Ms. Lu Ying is deemed to be interested in the Shares held by Sincere Ardent Limited.
2. Sky Virtue Holdings Limited, a company wholly owned by Ms. Zhang Yifan, an executive director and chairlady of the Company. Ms. Zhang Yifan is deemed to be interested in the Shares held by Sky Virtue Holdings Limited.
3. Mr. Fok Hei Yu and Mr. Chow Wai Shing Daniel have been appointed as the Joint and Several Trustees of the Estate of Ding Yi.

## REASONS FOR THE PLACING AND USE OF PROCEEDS

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

Assuming all of the Placing Shares are fully placed, the gross proceeds from the Placing will be approximately HK\$42.5 million and the net proceeds will be approximately HK\$40.8 million (after deduction of commission and other expenses of the Placing), representing a net issue price of approximately HK\$0.58 per Placing Share.

While the market in general has been negatively impacted by the continuing trade tension between the United States and the PRC, semiconductor chip supply shortage and COVID-19, the overall activity level is still resilient. As COVID-19 enters into a phase of easing globally and semiconductor chip supply shortage gradually improves, the Group expects the market condition will be improved. Based on the successful experiences and operating results in the past the Group's leasing division has acquired, the Group aims to significantly increase its leasing operating scale. The Group aims to significantly increase its market share in the operating lease market through expansion of asset fleet and sales team and aims to increase its resources deployed in the finance lease operation. The net proceeds from the Placing will be used by the Group for the expansion of its fleet of operating lease assets and finance lease assets in anticipation of the increasing demand for leasing of machinery and equipment service.

The Directors have considered using pre-emptive issue (such as rights issue and open offer) to raise funds. Taking into account the lukewarm response of the Shareholders in the open offer conducted by the Company in the second quarter of 2021 and the cost and time for the completion of a pre-emptive issue, the Directors believed that the Placing is more appropriate to raise fund for the Company.

The Board is of the view that the terms and conditions of the Placing Agreement are fair and reasonable and are on normal commercial terms and the Placing is in the interest of the Company and the Shareholders as a whole.

## **FUND RAISING ACTIVITIES OF THE COMPANY IN THE PAST TWELVE MONTHS**

The Company has conducted the following fundraising activity in the past twelve months immediately preceding the date of this announcement:

| <b>Date of announcement</b> | <b>Event</b>   | <b>Net proceeds</b>             | <b>Intended use of proceeds</b>  | <b>Actual use of proceeds</b> |
|-----------------------------|--|---------------------------------|--|-------------------------------|
| 26 March 2021               | Open offer for subscription of the offer shares at the subscription price of HK\$0.71 per share on the basis of one (1) offer share for every five (5) existing shares | Approximately HK\$36.30 million | Acquisition of solder paste printers from Fuji Corporation for resale purposes | Fully utilized as intended    |

Save as abovementioned, the Company had not conducted any other fundraising exercise in the past twelve months immediately preceding the date of this announcement.

**Shareholders of the Company and potential investors should note that the Placing is subject to the fulfillment of the conditions as set out in the Placing Agreement, and the Placing may or may not proceed to completion. Shareholders of the Company and potential investors are reminded to exercise caution when dealing in the Shares.**

## **DEFINITIONS**

In this announcement, unless the context otherwise requires, the following words and expressions shall have the following meanings ascribed to them respectively:—

|                     |  |
|---------------------|--|
| “AGM”               | the annual general meeting of the Company held on 2 September 2021   |
| “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 GEM (stock code: 8080)               |
| “Completion”        | completion of the placing of the Placing Shares in accordance with the terms and conditions as set out in the Placing Agreement  |
| “Director(s)”       | the director(s) of the Company   |
| “GEM”               | the GEM operated by the Stock Exchange   |
| “GEM Listing Rules” | the Rules Governing the Listing of Securities on GEM   |
| “General Mandate”   | the general mandate granted to the Directors at the AGM to issue, allot and deal with not exceeding 20% of the total number of issued Shares as at the date of the AGM |
| “Group”             | the Company and its subsidiaries   |
| “Hong Kong”         | Hong Kong Special Administrative Region of the PRC   |

|                           |  |
|---------------------------|--|
| “Independent Third Party” | independent third party who is not connected person (as defined under the GEM Listing Rules) of the Company and is independent of and not connected with the connected persons of the Company  |
| “Last Trading Day”        | 19 November 2021, being the last trading day for the Shares prior to date of this announcement   |
| “Placee(s)”               | any professional, institutional or other investor(s) or person or entity who are Independent Third Parties procured by the Placing Agent to subscribe for any of the Placing Shares pursuant to the Placing Agent’s obligations under the Placing Agreement  |
| “Placing”                 | the placing of the Placing Shares pursuant to the Placing Agreement  |
| “Placing Agent”           | Upbest Securities Company Limited, a corporation licensed to carry on Type 1 (dealing in securities), Type 4 (advising on securities), Type 6 (advising on corporate finance) and Type 9 (asset management) regulated activities under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) |
| “Placing Agreement”       | the placing agreement dated 22 November 2021 entered into between the Company and the Placing Agent in respect of the Placing  |
| “Placing Price”           | HK\$0.60 per Placing Share   |
| “Placing Share(s)”        | up to 70,854,662 Shares to be placed under the Placing   |
| “PRC”                     | People’s Republic of China, which for the purpose of this announcement, excludes Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan  |
| “Share(s)”                | ordinary issued share(s) in the share capital of the Company   |
| “Shareholder(s)”          | holder(s) of the Shares  |
| “SMT”                     | surface mount technology   |
| “Stock Exchange”          | The Stock Exchange of Hong Kong Limited  |



“HK\$” Hong Kong dollars, the lawful currency of Hong Kong

“%” per cent

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

Hong Kong, 22 November 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 for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this announcement misleading.*

*This announcement will remain on the GEM website at [www.hkgem.com](http://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](http://www.nasholdings.com).*