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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)**

### **DISCLOSEABLE TRANSACTION ACQUISITION OF RIGHT-OF-USE ASSETS IN RELATION TO A LEASE AGREEMENT**

#### **LEASE AGREEMENT**

The Board announces that the Company was informed on 30 March 2022 that the Lessor has entered into the Lease Agreement on 28 March 2022 with respect to the lease of the Premises in favour of the Lessee for a term commencing from 21 March 2022 and expiring on 29 February 2028.

#### **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 of the right-of-use assets underlying the Lease Agreement is above 5% but less than 25%, the Lease constitutes a discloseable transaction of the Company and is therefore subject to the reporting and announcement requirements but exempt from Shareholders' approval requirements under Chapter 19 of the GEM Listing Rules.

#### **LEASE AGREEMENT**

The Board announces that the Company was informed on 30 March 2022 that the Lessor has entered into the Lease Agreement on 28 March 2022 with respect to the lease of the Premises in favour of the Lessee for a term commencing from 21 March 2022 and expiring on 29 February 2028.

*\* For identification purpose only*

The principal terms of the Lease Agreement are set out below:

Date:	28 March 2022
Lessor:	The Hongkong Land Property Company, Limited. To the best of the Directors' knowledge, information and belief having made all reasonable enquiry, the Lessor is a wholly-owned subsidiary of Hongkong Land Holdings Limited, an Independent Third Party incorporated in Bermuda and has a standard listing on the London Stock Exchange, with secondary listings in Bermuda and Singapore.
Lessee:	American Tec Company Limited (美亞電子科技有限公司), a company incorporated in Hong Kong and an indirect wholly-owned subsidiary of the Company
Premises:	Suites 1609 – 1619, 16th Floor, Jardine House, 1 Connaught Place, Central, Hong Kong
Area:	8,244 square feet
Lease term:	Commencing from 21 March 2022 and expiring on 29 February 2028
Payment obligations:	<p>The Lessee is to pay monthly rental for the Premises at HK\$1,022,256.00 per month exclusive of rates, management charges and utilities which are to be borne by the Lessee. The monthly rent is subject to adjustment for the remainder of the term starting 1 March 2025 by reference to the market rent at the time on the basis set out in the Lease Agreement. The Lessee will enjoy a three month rent free period.</p> <p>Pursuant to the Lease Agreement, the Lessee has also paid to the Lessor a deposit in the sum of HK\$3,560,171.40, which is equivalent to three months' rental for the Premises plus applicable rates and management charges.</p>

The monthly rent and other terms of the Lease is determined after arm's length negotiations with reference to various lease offers quoted and recent transactions reported by property agents in respect of premises within the same building.

Pursuant to HKFRS 16, the lease for the Premises will be recognized as right-of-use assets in the consolidated financial statements of the Company for an amount equal to approximately HK\$61,981,000, subject to audit. Such amount is calculated by reference to the present value of the total rent payable by the Lessee under the Lease Agreement.

## **REASONS FOR AND BENEFITS OF THE RENEWAL OF LEASE OF THE PREMISES**

The terms of the Lease Agreement were arrived at after arm's length negotiations between the Lessee and the Lessor with reference to the market terms of similar office properties in Hong Kong. The Directors consider that it is in the commercial interests of the Group to enter into the Lease and relocate to the Premises as the current office premises cannot accommodate all the Group's personnel in Hong Kong due to the expansion of the staff team and the existing lease of the Group is due to expire. The Premises is on a single floor which is much larger than the Group's current office premises in Hong Kong and facilitates management and better integration, and also allow for expansion for the Group's development needs, on competitive market terms.

The Directors, including the independent non-executive Directors, consider the terms of the Lease Agreement which are on market terms to be fair and reasonable and the leasing of the Premises to be in the interests of the Company and the Shareholders as a whole.

## **INFORMATION OF THE PARTIES**

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. The Lessee is principally engaged in trading of electronic products, machinery and spare parts and provision of repair and installation services.

The Lessor is an indirect wholly owned subsidiary of Hongkong Land Holdings Limited, a company incorporated in Bermuda and has standard listing on the London Stock Exchange, with secondary listings in Bermuda and Singapore. The Lessor is principally engaged in property investment.

## **LISTING RULES IMPLICATIONS**

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 of the right-of-use assets underlying Lease Agreement is above 5% but less than 25%, the Lease constitutes a discloseable transaction of the Company and is therefore subject to the reporting and announcement requirements but exempt from Shareholders' approval requirements under Chapter 19 of the GEM Listing Rules.

## DEFINITIONS

“Board”	:	the board of Directors
“Company”	:	North Asia Strategic Holdings Limited, a company incorporated under the laws of Bermuda with limited liability, the Shares of which are listed on the GEM of the Stock Exchange
“Director(s)”	:	the director(s) of the Company
“GEM Listing Rules”	:	Rules Governing the Listing of Securities on GEM of the Stock Exchange
“Group”	:	the Company and its subsidiaries
“Hong Kong”	:	Hong Kong Special Administrative Region of the People’s Republic of China
“HK\$”	:	Hong Kong dollars, the lawful currency of Hong Kong
“Independent Third Party(ies)”	:	third party(ies) independent of the Company and its connected persons (as defined under the GEM Listing Rules)
“Lease Agreement”	:	The agreement dated 28 March 2022 entered into between the Lessor and Lessee governing the lease of the Premises for a term commencing from 21 March 2022 and expiring on 29 February 2028
“Lessee”	:	American Tec Company Limited (美亞電子科技有限公司), a company incorporated in Hong Kong with limited liability and an indirect wholly-owned subsidiary of the Company
“Lessor”	:	The Hongkong Land Property Company, Limited, a company incorporated in Hong Kong with limited liability and an Independent Third Party
“Premises”	:	Suites 1609 – 1619, 16th Floor, Jardine House, 1 Connaught Place, Central, Hong Kong
“Shares”	:	ordinary shares of HK\$0.10 each in the capital of the Company
“Shareholder(s)”	:	the holder(s) of issued Shares

“Singapore” : the Republic of Singapore  
“SMT” : surface mount technology  
“Stock Exchange” : The Stock Exchange of Hong Kong Limited

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

Hong Kong, 30 March 2022

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