

*The Stock Exchange of Hong Kong Limited takes no responsibility for the contents of this announcement, makes no representation as to its accuracy or completeness and expressly disclaims 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)**

## **NON-COMPLETION OF THE ACQUISITION**

As condition precedent to the Completion has not been fulfilled or waived, the Agreement has lapsed in accordance with its terms and completion of the proposed acquisition by the Group of a 70% equity interest in the Target will not proceed.

At the request of the Company, trading in the Shares has been suspended from 9:30 a.m. on Tuesday, 20th September, 2005 pending the release of the announcement in relation to the Placement. Trading in the Shares will remain suspended until further notice.

Reference is made to (i) the announcement of the Company dated 1st September, 2005 (the “Announcement”) in relation to the proposed Acquisition by the Group of a 70% equity interest in the Target; (ii) the announcement of the Company dated 22nd September, 2005 in relation to the despatch of a circular of the Company (the “Circular”) containing details of the Acquisition and the progress on a placing of non-redeemable convertible preference shares by the Company (the “Placement”); (iii) the Circular dated 23rd September, 2005; (iv) the announcement of the Company dated 10th October, 2005 relating to the results of the SGM at which the resolution for the Acquisition was duly approved by the Shareholders; and (v) the announcements of the Company dated 14th October, 2005 and 31st October, 2005 relating to the extension of the Completion Date. Capitalised terms used in this announcement shall have the same meanings as those defined in the Circular unless defined otherwise.

## **NON-COMPLETION OF THE ACQUISITION**

As disclosed in the Announcement and the Circular, the Acquisition is conditional on a number of conditions, including the obtaining of a waiver (the “Waiver”) by the Manufacturer of its right to terminate the Distribution Agreements in respect of the transfer of a controlling stake of the Target Group from the Vendor to the Purchaser and the change in the management of the Target Group as contemplated in the Agreement. As further disclosed in the announcement of the Company dated 31st October, 2005, the Vendor and the Purchaser had mutually agreed to extend the date of Completion to 30th November, 2005 pending the receipt of the Waiver. Throughout the transaction, the Purchaser and the Vendor have had continuing discussions in relation to the Waiver. However, the Purchaser has been informed that the Vendor was recently notified by the Manufacturer that the board of directors of the Manufacturer had

voted not to grant the Waiver. In view of the importance of the Distribution Agreements to the business of the Target Group, the Purchaser decided not to waive the condition precedent to Completion in respect of the Waiver. Accordingly, the Agreement has lapsed in accordance with its terms and Completion will not proceed. The Board considers that the non-completion of the Acquisition will not have any material adverse impact on the existing business and financial position of the Group and it will continue to explore other suitable investment opportunities.

## **SUSPENSION OF TRADING**

At the request of the Company, trading in the Shares has been suspended from 9:30 a.m. on Tuesday, 20th September, 2005 pending the release of the announcement in relation to the Placement. Trading in the Shares will remain suspended until further notice.

By Order of the Board  
**North Asia Strategic Holdings Limited**  
**Chow Savio Sing Nam**  
*Executive Director and Chief Executive Officer*

Hong Kong, 7th December, 2005

*As at the date of this announcement, the Board comprises Mr. Göran Sture Malm (Chairman), Mr. Chow Savio Sing Nam (Chief Executive Officer), Mr. Cho Henry Kim, Mr. Andrew Cho Fai Yao and Mr. Desmond Hay Ching Fu (being the executive Directors), Mr. Philip King Huen Ma, Mr. Kenny King Ching Tam and Mr. Edgar Chi Ping Kwan (being the independent non-executive Directors).*

*This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in 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 that: (i) the information contained in this announcement is accurate and complete in all material respects and not misleading; (ii) there are no other matters the omission of which would make any statement in this announcement misleading; and (iii) all opinions expressed in this announcement have been arrived at after due and careful consideration and are founded on bases and assumptions that are fair and reasonable.*

*This announcement will remain on the GEM website at [www.hkgem.com](http://www.hkgem.com) on the “Latest Company Announcement” 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).*

\* *for identification purpose only*