

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)

CONTINUING CONNECTED TRANSACTION RELATING TO THE SUB-TENANCY AGREEMENT

Financial adviser to North Asia Strategic Holdings Limited



On 13th March 2009, NASHK entered into the Sub-Tenancy Agreement with APHK and the Landlord, pursuant to which APHK agreed to sub-let a portion of the Premises to NASHK for a term of three years commencing from 1st April 2008. The Group has been occupying and will continue to occupy a portion of the Premises as its principal place of business.

Given that APHK is a company controlled by API which has a controlling interest in NASAC, a substantial Shareholder, the entering into of the Sub-Tenancy Agreement constitutes continuing connected transaction of the Company. Since the relevant percentage ratios (other than the profit ratio) as defined in the GEM Listing Rules in respect of the rental charges payable under the Sub-Tenancy Agreement are, on an annual basis, more than 2.5% but less than 25% and the annual consideration is less than HK\$10,000,000, the entering into of the Sub-Tenancy Agreement is only subject to the reporting, announcement and annual review requirements and exempt from independent shareholders' approval requirement under the GEM Listing Rules.

THE SUB-TENANCY AGREEMENT

On 13th March 2009, NASHK, APHK and the Landlord entered into the Sub-Tenancy Agreement, pursuant to which APHK agreed to sub-let a portion of the Premises to NASHK for a term of three years commencing from 1st April 2008. Details of the Sub-Tenancy Agreement are set out below.

Date: 13th March 2009

Parties: (i) APHK as sub-landlord;
(ii) NASHK as sub-tenant; and
(iii) The Landlord.

* *For identification purpose only*

- Sublet Premises:** Portion of the Premises located at 78th Floor, The Center, 99 Queen's Road Central, Hong Kong, with total floor area of approximately 4,982 sq. ft.
- Term:** Three years commencing from 1st April 2008 to 31st March 2011
- Rental:** HK\$190,313 per month, inclusive of management fees and air-conditioning charges, payable in advance on the first day of each month

The rental charge payable by NASHK to APHK is determined after arm's length negotiation between the parties with reference to the monthly rental per sq. ft. charged by the Landlord to APHK.

REASONS FOR THE SUB-TENANCY AGREEMENT

APHK is principally engaged in the business of investment and management. APHK is the tenant of the Premises which are occupied by all the group companies of API. APHK has been sub-letting a portion of the Premises to the Group since August 2005 which is used as the Group's principal place of business. As the previous sub-tenancy agreement has expired on 31st March 2008, NASHK, a wholly-owned subsidiary of the Company, has been in discussions with APHK to renew the sub-tenancy arrangement. However, since the terms of the Sub-Tenancy Agreement are subject to the consent of the Landlord, and APHK and NASHK have only obtained the relevant consent in March 2009, the Sub-Tenancy Agreement was entered into between APHK, NASHK and the Landlord on 13th March 2009 to formalise the sub-tenancy arrangement. The entering into of the Sub-Tenancy Agreement enables the Group to continue to occupy the sublet Premises as its principal office and provides the Group with a larger office floor area as compared to the expired sub-tenancy agreement to cater for its business expansion.

The Directors (including the independent non-executive Directors) consider that the terms of the Sub-Tenancy Agreement are on normal commercial terms, fair and reasonable, and that the transactions contemplated under the Sub-Tenancy Agreement are in the ordinary and usual course of business of the Group and in the interests of the Company and its shareholders as a whole.

HISTORICAL AMOUNT AND ANNUAL CAPS

For each of the three financial years ended 31st March 2006, 2007 and 2008, rental charges paid by NASHK to APHK amounted to approximately HK\$583,000, HK\$904,000 and HK\$904,000 respectively. During the aforesaid period, the Group occupied approximately 2,318 sq. ft. of the Premises and the rental charges paid by NASHK to APHK were based on monthly rental of HK\$75,350.

To cater for business expansion, the Group increased its occupying area of the Premises to approximately 4,982 sq. ft. and, in line with the increase in average rental per sq. ft. charged by the Landlord upon the renewal of the tenancy arrangement with APHK in April 2008, the monthly rental charges under the Sub-Tenancy Agreement increased from HK\$75,350 to HK\$190,313. The annual

cap for each of three financial years ending 31st March 2009, 2010 and 2011 is therefore expected not to exceed HK\$2.3 million, which is arrived at on the basis of the monthly rental charges payable by NASHK to APHK pursuant to the Sub-Tenancy Agreement of HK\$190,313.

GEM LISTING RULES IMPLICATIONS FOR THE SUB-TENANCY AGREEMENT

APHK is a company controlled by API which has a controlling interest in NASAC, a substantial Shareholder. Accordingly, APHK is a connected person of the Company under the GEM Listing Rules and the entering into of the Sub-Tenancy Agreement constitutes continuing connected transaction of the Company. As the relevant percentage ratios (other than the profit ratio) as defined under the GEM Listing Rules in respect of the rental charges payable under the Sub-Tenancy Agreement are, on an annual basis, more than 2.5% but less than 25% and the annual consideration is less than HK\$10,000,000, the entering into of the Sub-Tenancy Agreement is subject to the reporting and announcement requirements, but exempt from independent shareholders' approval requirement pursuant to Rule 20.34 of the GEM Listing Rules.

Annual review of continuing connected transactions will be carried out in accordance with Rules 20.37 to 20.38 of the GEM Listing Rules. Details of the Sub-Tenancy Agreement will be disclosed in the Company's annual reports for each of the relevant financial years in accordance with Rules 20.45 and 20.46 of the GEM Listing Rules.

GENERAL

The Company is an investment holding company with investments in subsidiaries and jointly-controlled entities engaging principally in the trading of surface mount technology assembly equipment and machinery, the operation of franchised food chain stores, the processing and sale of fishmeal, fish oil and aquatic feed products, and the manufacture and sale of polyester fiber, spandex and PET resin.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following terms have the following meanings:

“APHK”	Ajia Partners (Hong Kong) Limited, a company incorporated in Hong Kong and controlled by API
“API”	Ajia Partners Inc., a company incorporated in the Cayman Islands and the indirect holding company of NASAC
“Board”	the board of Directors

“Company”	North Asia Strategic Holdings Limited, a company incorporated in Bermuda with limited liability whose issued Shares are listed on GEM (stock code: 8080)
“connected persons”	has the meaning ascribed to it under the GEM Listing Rules
“Director(s)”	the director(s) of the Company
“GEM”	the Growth Enterprise Market of the Stock Exchange
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Landlord”	The Center 78 (No.2) Limited, the landlord of the Premises
“NASAC”	North Asia Strategic Acquisition Corp., a company incorporated in the Cayman Islands and the controlling Shareholder holding approximately 46.1% of the existing issued Shares
“NASHK”	North Asia Strategic (HK) Limited, a wholly-owned subsidiary of the Company
“Premises”	78th Floor, The Center, 99 Queen’s Road Central, Hong Kong
“Share(s)”	ordinary share(s) of HK\$0.01 each in the issued share capital of the Company
“Shareholder(s)”	the holder(s) of Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Sub-Tenancy Agreement”	the agreement dated 13th March 2009 entered into between NASHK, APHK and the Landlord in relation to the sub-leasing of a portion of the Premises with total floor area of approximately 4,982 sq. ft.
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong

“sq. ft.” square feet

“%” per cent.

On behalf of the Board
North Asia Strategic Holdings Limited
John Saliling
Executive Director and Chief Executive Officer

Hong Kong, 19th March 2009

As at the date of this announcement, the Board comprises three Executive Directors, namely Mr. Göran Sture Malm (Chairman), Mr. Savio Chow Sing Nam (Deputy Chairman) and Mr. John Saliling (Chief Executive Officer); two Non-executive Directors, namely Mr. Andrew Yao Cho Fai and Mr. Takeshi Kadota; and four Independent Non-executive Directors, namely Mr. Philip Ma King Huen, Mr. Kenny Tam King Ching, Mr. Edgar Kwan Chi Ping and Mr. Yu Wang Tak.

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 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.