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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)**

### **TERMINATION OF THE SUBSCRIPTION AGREEMENT**

On 10th May 2013 (after trading hours), the Company and the Subscriber entered into the Letter of Termination pursuant to which the Company and the Subscriber agreed to terminate the Subscription Agreement by mutual consent.

Reference is made to the announcement of North Asia Strategic Holdings Limited (the “Company”) dated 5th April 2013 in relation to, inter alia, the Subscription and the transactions contemplated thereunder, the proposed appointment of Directors and proposed amendments to the Bye-laws (the “Announcement”). Unless otherwise defined, capitalised terms used in this announcement shall have the same meanings as those defined in the Announcement.

#### **LETTER OF TERMINATION**

On 10th May 2013 (after trading hours), the Company and the Subscriber entered into a letter of termination (the “Letter of Termination”), pursuant to which the Company and the Subscriber agreed to terminate the Subscription Agreement by mutual consent. Each of the parties releases the other from all obligations and liabilities arising from or related to the Subscription Agreement and none of the parties shall take any action to claim for damages.

#### **REASONS FOR THE TERMINATION**

The Company has recently been informed by DBS Bank (Hong Kong) Limited (“DBS”) that in view of the introduction of a possible new controlling shareholder through the proposed allot and issue of the CPS (with Warrants) and the new strategy of the Company in pursuing possible investments in airport city development projects, DBS has tightened the credit of the banking facilities of the Company and its subsidiaries (the “Group”) and will allow utilization only if fully backed by cash deposit placed with DBS in the name of the borrowing entity.

The decision of DBS was highly unexpected, and has significant impact on the banking arrangements of the Group. The Company's core operating subsidiary American Tec Company Limited relies heavily on banking facilities in project tenders as well as procurements. Though the Group has sufficient financial resources to cope with all the banking facilities for its existing operations, it would not be able to at the same time finance the airport city development projects and the existing operations in an optimal manner, even with the proceeds from the Subscription.

The Board is of the view that the financial stability of the Group takes priority over its ambition to invest in airport city development projects. Terminating the Subscription Agreement is a difficult decision of the Board, but is a remedy that will enable the Group to preserve cash to finance the present needs of its existing operations, instead of airport city development projects, a strategy offering immense but long term prospects.

With the termination of the Subscription Agreement, the relevant transactions contemplated under the Subscription Agreement, including the proposed appointment of Directors and proposed amendment to the Bye-laws, will not proceed. The SGM will no longer be required, and the proposed re-election of existing Directors will only take place in the next general meeting of the Company in accordance with the requirements of the Bye-laws and the GEM Listing Rules.

The termination of the Subscription is in the interests of the Company and the Shareholders as a whole and has no material adverse impact on the existing business and/or the financial position of the Group. In the short term, the Board will devote resources in securing new banking facilities and re-arranging existing banking facilities for its existing operations, and in negotiating the possible disposal of Coland Group Limited, a 40% jointly-controlled entity engaged in refining and sale of fish oil, processing and sale of fishmeal and manufacturing and sale of aquatic feed products. At present, the Board is not in negotiation of any material acquisitions.

By Order of the Board  
**NORTH ASIA STRATEGIC HOLDINGS LIMITED**  
**Ding Yi**  
*Chairman and Executive Director*

Hong Kong, 13th May 2013

*As at the date of this announcement, the Board comprises Mr. Ding Yi (Chairman and Executive Director), Mr. James Tsiolis (Deputy Chairman and non-Executive Director), Mr. Joseph Chan Nap Kee (non-Executive Director); and Mr. Stephen Luk Kai Ming, Mr. Kenneth Kon Hiu King and Mr. Joseph Liang Hsien Tse (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 Rules Governing the Listing of Securities on the GEM of the Stock Exchange 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 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*