
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to any aspect about this circular or as to the action to be taken, you should consult your licensed securities dealer, registered institution in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in **North Asia Strategic Holdings Limited**, you should at once hand this circular and the accompanying form of proxy to the purchaser or the transferee or to the bank, licensed securities dealer, registered institution in securities or other agent through whom the sale or transfer was effected for transmission to the purchaser or the transferee.

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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)

MAJOR TRANSACTION DISPOSAL OF INTEREST IN A JOINT VENTURE AND NOTICE OF SPECIAL GENERAL MEETING

A letter from the board of directors of North Asia Strategic Holdings Limited (the “Company”) is set out on pages 6 to 22 of this circular.

A notice convening the special general meeting (the “SGM”) of the Company to be held at The Executive Centre, Level 3, Three Pacific Place, 1 Queen’s Road East, Hong Kong on Thursday, 5th September 2013 at 11:00 a.m. is set out on pages 32 to 33 of this circular. A form of proxy for the SGM is enclosed herein.

Any member of the Company (a “Member”) entitled to attend and vote at a meeting of the Company shall be entitled to appoint another person as his proxy to attend and vote instead of him. A Member who is the holder of two or more shares may appoint more than one proxy to represent him and vote on his behalf at a general meeting of the Company or at a class meeting. A proxy need not be a Member.

In order to be valid, the instrument appointing a proxy, together with a power of attorney or other authority under which it is signed, or a certified copy of such power of attorney, shall be delivered to the Company’s branch share registrar, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong, not less than forty-eight (48) hours before the time appointed for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote. Delivery of an instrument shall not preclude a Member from attending and voting in person at the meeting convened and in such event, the instrument appointing a proxy shall be deemed to be revoked.

This circular will remain on the GEM website at www.hkgem.com on the “Latest Company Announcements” page for at least seven days from the date of its posting and on the Company’s website at www.nasholdings.com.

** For identification purposes only*

12th August 2013

CHARACTERISTICS OF GEM

GEM has been positioned as a market designed to accommodate companies to which a higher investment risk may be attached than other companies listed on the Stock Exchange. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration. The greater risk profile and other characteristics of GEM mean that it is a market more suited to professional and other sophisticated investors.

Given the emerging nature of companies listed on GEM, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board of the Stock Exchange and no assurance is given that there will be a liquid market in the securities traded on GEM.

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DEFINITIONS

In this circular, unless the context otherwise requires, the following terms shall have the following meaning:

“Announcement”	the announcement of the company dated 8th July 2013 in relation to the Disposal
“Board”	the board of Directors of the Company
“Business Day(s)”	a day (other than a Saturday, Sunday, public holidays and days on which a tropical cyclone warning signal no. 8 or above or a black rainstorm warning signal is hoisted in Hong Kong at any time between 9:00 a.m. and 5:00 p.m.) on which banks in Hong Kong are generally open for business throughout their normal business hours
“Charged Shares”	all present and future fully participating and voting shares which in any event represent 40% of the entire issued share capital of Coland, including without limitation to those Preferred Shares and rights attached thereto from the date of enforcement
“Coland”	Coland Group Limited, a company incorporated in Bermuda with limited liability
“Coland Group”	Coland and its subsidiaries
“Coland Guarantee”	the guarantee to be provided by Coland in favour of the Vendor pursuant to the Deed of Guarantee
“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 Sale and Purchase Agreement
“Consideration”	the total consideration payable by the Purchaser for acquiring the Preferred Shares amounting to US\$18 million (equivalent to approximately HK\$140.4 million)

DEFINITIONS

“Consolidated Tangible Net Worth”	the aggregate of the amounts paid up or credited as paid up on the issued ordinary share capital of each member of the Coland Group and the aggregate amount of the reserves of the Coland Group
“Consolidated Total Net Debt”	the aggregate amount at such time of financial indebtedness (but deducting the aggregate amount of freely available cash and cash equivalent investments) of the Coland Group but excluding any financial indebtedness owed to other members of the Coland Group
“Deed of Guarantee”	the deed of guarantee to be entered into between Coland and the Vendor upon Completion pursuant to which Coland will provide guarantee in favour of the Vendor for all the payment obligations of the Purchaser under the Notes
“Deed of Share Charge”	the deed of share charge to be entered into between the Purchaser and the Vendor upon Completion in relation to the charge over the Charged Shares by the Purchaser in favour of the Vendor as continuing security for the payment obligations of the Purchaser under the Notes
“Deed of Termination”	the deed of termination to be entered into between the Vendor, the Purchaser, Ms. Tung Ching, Coland and the Company upon Completion in relation to the termination of the Shareholders’ Agreement
“Director(s)”	director(s) of the Company from time to time
“Disposal”	disposal of the Preferred Shares pursuant to the terms and conditions of the Sale and Purchase Agreement
“GEM”	the Growth Enterprise Market of the Stock Exchange
“GEM Listing Rules”	the Rules Governing the Listing of Securities on the GEM
“Group”	the Company and its subsidiaries

DEFINITIONS

“Guarantee Fee”	the guarantee fees due and payable by Coland Group to the Company and/or the Original Coland Shareholders (as the case may be) for provision of guarantees to secure banking facilities of the Coland Group
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Independent Third Party(ies)”	persons(s) or company(ies) together with his/its/their beneficial owner(s) who or which is/are, to the best of the Directors’ knowledge, information and belief, having made all reasonable enquiry, are not connected person(s) (as defined in the GEM Listing Rules) to the Company
“Latest Practicable Date”	9th August 2013, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained in this circular
“Long Stop Date”	31st October 2013, or such other date as may be agreed by the Purchaser and the Vendor in writing
“NAS Guarantee Fee Waiver”	the deed of waiver to be executed by the Company and Coland upon Completion
“Notes” and individually as “Note”	Note A and Note B, taken together
“Note A”	the secured guaranteed loan note in a principal amount of US\$6 million (equivalent to approximately HK\$46.8 million) to be issued by the Purchaser to the Vendor to satisfy part of the Consideration upon Completion and with a maturity date of 12 months from the date of issue
“Note B”	the secured guaranteed loan note in a principal amount of US\$6 million (equivalent to approximately HK\$46.8 million) to be issued by the Purchaser to the Vendor to satisfy part of the Consideration upon Completion and with a maturity date of 24 months from the date of issue
“Noteholder”	the holder of the Notes from time to time

DEFINITIONS

“Original Coland Shareholders”	namely Mr. Wong Chun and Ms. Tung Ching, being the spouse of Mr. Wong Chun, who held 80% and 20% of the ordinary share capital of Coland, respectively, as at the Latest Practicable Date
“Original Shareholders’ Guarantee Fee Waiver”	the deed of waiver to be executed by the Original Coland Shareholders and Coland upon Completion to waive the outstanding Guarantee Fee payable by Coland to the Original Coland Shareholders up to the date of the deed
“PRC”	the People’s Republic of China
“Preferred Shares”	100,000,000 non-redeemable convertible preferred shares of HK\$0.1 each in the share capital of Coland which is convertible into 40% of the enlarged ordinary shares of Coland upon full conversion
“Purchaser”	Mr. Wong Chun
“Remedy Period”	in respect of an event of default under the Notes, the remedy period is 60 days from the first occurrence of an event of default
“Sale and Purchase Agreement”	the conditional sale and purchase agreement dated 8th July 2013 entered into between the Vendor and the Purchaser in relation to the sale and purchase of the Preferred Shares
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“SGM”	the special general meeting of the Company to be held for the Shareholders to consider and, if thought fit, approve the Disposal and the transactions contemplated under the Sale and Purchase Agreement
“Share(s)”	ordinary share(s) of HK\$0.01 each in the issued share capital of the Company
“Share Charge”	the charge over the Charged Shares by the Purchaser to the Noteholder pursuant to the Deed of Share Charge

DEFINITIONS

“Shareholder(s)”	holder(s) of the Shares
“Shareholders’ Agreement”	the shareholders’ agreement dated 7th December 2006 entered into between the Vendor, Coland, the Original Coland Shareholders and the Company in order to regulate the respective rights of the Vendor and the Original Coland Shareholders on Coland
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Vendor”	Good Tactics Limited, a company incorporated in the British Virgin Islands with limited liability and an indirect wholly-owned subsidiary of the Company
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“US\$”	United States dollars, the lawful currency of the United States of America
“%”	per cent.

(The exchange rate used for the purposes of this circular is at US\$1 = HK\$7.8)

In the event of any inconsistency, the English text of this circular shall prevail over the Chinese text.

LETTER FROM THE BOARD

NORTH ASIA STRATEGIC HOLDINGS LIMITED

北亞策略控股有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 8080)

Board of Directors

Executive Director

Mr. Ding Yi (*Chairman*)

Non-executive Directors

Mr. James Tsiolis (*Deputy Chairman*)

Mr. Joseph Chan Nap Kee

Independent Non-executive Directors

Mr. Stephen Luk Kai Ming

Mr. Kenneth Kon Hiu King

Mr. Joseph Liang Hsien Tse

Registered office

Clarendon House

2 Church Street

Hamilton HM 11

Bermuda

Principal Place of Business

Suite 1318, 13th Floor

Two Pacific Place

88 Queensway

Hong Kong

12th August 2013

To the Shareholders,

Dear Sir or Madam,

MAJOR TRANSACTION DISPOSAL OF INTEREST IN A JOINT VENTURE AND NOTICE OF SPECIAL GENERAL MEETING

INTRODUCTION

On 7th May 2013, the Company announced the offer from the Purchaser for the possible acquisition of the Preferred Shares held by the Company for US\$16 million (equivalent to approximately HK\$124.8 million). On 8th July 2013, after trading hours, the Vendor, an indirect wholly-owned subsidiary of the Company, and the Purchaser entered into the Sale and Purchase Agreement, pursuant to which the Vendor conditionally agreed to sell, and the Purchaser conditionally agreed to purchase, the Preferred Shares of Coland at an aggregate consideration of US\$18 million (equivalent to approximately HK\$140.4 million).

* For identification purpose only

LETTER FROM THE BOARD

The purpose of this circular is to provide you with details regarding the Sale and Purchase Agreement and the transactions contemplated thereunder, and the notice of the SGM to be convened for the purpose of considering and, if thought fit, passing an ordinary resolution to approve the Disposal and the transactions contemplated under the Sale and Purchase Agreement.

THE SALE AND PURCHASE AGREEMENT

The principal terms of the Sale and Purchase Agreement are set out below:

Date: 8th July 2013 (after trading hours)

Parties: (i) Good Tactics Limited as the Vendor; and
(ii) Mr. Wong Chun as the Purchaser

The Purchaser is a director and major shareholder of Coland, holding 120,000,000 ordinary shares of Coland, representing approximately 80% of the ordinary share capital of Coland as at the Latest Practicable Date. To the best knowledge, information and belief of the Directors having made all reasonable enquiries, the Purchaser is an Independent Third Party.

Assets to be disposed

The Preferred Shares, which represent the entire preferred share capital of Coland and are convertible into 40% of the enlarged ordinary shares of Coland upon full conversion.

Consideration

The Consideration of US\$18 million (equivalent to approximately HK\$140.4 million) shall be payable by the Purchaser to the Vendor as follows:

- (i) US\$6 million (equivalent to approximately HK\$46.8 million) by cash upon Completion;
- (ii) US\$6 million (equivalent to approximately HK\$46.8 million) by the issuing of Note A to the Vendor upon Completion; and
- (iii) US\$6 million (equivalent to approximately HK\$46.8 million) by the issuing of Note B to the Vendor upon Completion.

LETTER FROM THE BOARD

Further details of the Notes are set out in the paragraph headed “Principal terms of the Notes” below.

The Consideration represents a price-to-earnings ratio of approximately 68.4 times as at the date of the Announcement based on the earnings of the Coland Group for the year ended 31st March 2013, which was arrived at after arm’s length negotiations between the Vendor and the Purchaser after taking into account (i) the deteriorating and fluctuating operating results of the Coland Group for the years ended 31st March 2012 and 2013 which resulted in net loss attributable to the Company at approximately HK\$31.2 million and net profit attributable to the Company of approximately HK\$2.1 million respectively as compared to past operating performance of the Coland Group; (ii) the audited net asset value of the Coland Group attributable to the Group of approximately HK\$176.4 million as at 31st March 2013; (iii) the price-to-earnings ratio of approximately 68.4 times, which is well above the range of price-to-earnings ratio of approximately 3.7 to 38.5 times of the market peers listed on the stock exchanges in the PRC and Singapore; and (iv) the future prospects and earnings outlook of the business of the Coland Group.

The performance of the Coland Group was volatile in the past few years. The Coland Group recorded a net profit of approximately HK\$2.1 million, net loss of approximately HK\$31.2 million, net profit of approximately HK\$36.2 million and HK\$32.6 million for the four years ended 31st March 2013, 2012, 2011 and 2010 respectively. The Consideration represents a price-to-earnings ratio of approximately 5.9 times based on the average earnings of the Coland Group for the past four years of approximately HK\$23.6 million, excluding the year ended 31st March 2012 when the Coland Group incurred a net loss.

In determination of the Consideration, the Board considered the price-to-earnings ratios of other comparable companies which are (i) listed on the Stock Exchange and stock exchanges in the PRC and Singapore; and (ii) engaged in fish oil, fishmeal and aquatic feed related business which the Coland Group is engaged in.

LETTER FROM THE BOARD

The Board identified six comparable companies but only four of them has substantial income (20% or above) generated from fish oil, fishmeal and aquatic feed related business (the “Comparable Companies”). Relevant information of these four Comparable Companies are set out in the following table.

Company Name (stock code)	Stock Exchange Listed	Business	Price-to- earnings ratio as at the date of the Announcement (Note)
Tongwei Co., Ltd. (600438)	The Shanghai Stock Exchange	Manufacturing and sale of aquatic and animal feed products, and animal drugs	38.5
Guangdong Haid Group Co., Ltd. (002311)	The Shenzhen Stock Exchange	Manufacturing and sale of aquatic and animal feed products	18.9
Baiyang Aquatic Group Co., Ltd. (002696)	The Shenzhen Stock Exchange	Manufacturing and sale of aquatic feed products, and tilapia food products	14.4
China Fishery Group Ltd. (BOZ)	Singapore Exchange Limited	Fishing, sale of fish and other marine catches, processing and sale of fishmeal	3.7
Coland Group		For the year ended 31st March 2013:	68.4
		Four years’ average:	5.9

Source: Bloomberg and stock exchanges on which the Comparable Companies are listed.

Note: The price-to-earnings ratios of the above Comparable Companies are calculated based on their market price quoted on Bloomberg as at the date of the Announcement divided by their earnings per share as published in their respective 2012 annual reports.

LETTER FROM THE BOARD

The Board wishes to emphasize that the Comparable Companies identified by the Board from relevant stock exchanges may or may not directly comparable to the business of the Coland Group as (i) the scope of business of relevant Comparable Companies includes businesses other than fish oil, fishmeal and aquatic feed related business; and (ii) the operation of the Comparable Companies are located in places in the PRC and non-PRC areas, and the operating environment and dynamics of non-PRC areas may differ from that of Coland Group, which operation is carried out in the PRC. In addition, the price-to-earnings ratios of relevant companies are calculated based on financial statements of the Comparable Companies, some of which are prepared under the PRC generally accepted accounting principles and the Singapore Financial Reporting Standards, and are different from the Hong Kong Accounting Standards adopted by the Group. Accordingly the price-to-earnings ratios of these Comparable Companies are for reference only.

As a reference, it is noted that the latest price-to-earnings ratios of the Comparable Companies are within the range of approximately 3.7 to 38.5 times. The Consideration represents a price-to-earnings ratio of approximately 5.9 times based on the average earnings of the Coland Group in the past four years, which is within the range of the Comparable Companies. The Board considered the latest price-to-earnings ratio of approximately 68.4 times based on the earnings of the Coland Group for the year ended 31st March 2013 more relevant as historical information may not represent or indicate current or future prospects of the Coland Group.

Condition precedent

Completion is conditional upon the passing by the Shareholders at the SGM an ordinary resolution to approve the Disposal and the transactions contemplated under the Sale and Purchase Agreement in accordance with the GEM Listing Rules and the applicable laws and regulations.

If the above condition is not fulfilled on or before the Long Stop Date, the Sale and Purchase Agreement shall on that date cease to have any force and effect and no party shall have any rights or obligations under the Sale and Purchase Agreement save for any antecedent breaches of the terms thereof.

Undertakings to release guarantee

The Purchaser has undertaken to procure that all outstanding guarantees and/or indemnities provided by the Vendor, and/or the Company, or any other affiliate to the Vendor, if any, to secure banking facilities of any member of the Coland Group be completely, unconditionally and irrevocably released as soon as possible after the signing of the Sale and Purchase Agreement, but in no event later than the later of (i) 15 weeks immediately following the fulfillment of the condition precedent to the Sale and Purchase Agreement; and (ii) 31st December 2013.

LETTER FROM THE BOARD

As set out in the annual report of the Company for the year ended 31st March 2013, the Company had provided guarantees of approximately HK\$121.8 million with respect to banking facilities made available to the Coland Group. As at 31st March 2013, the banking facilities granted to the Coland Group and guaranteed by the Company in favour of the banks, were utilized in the aggregate amount of HK\$51.8 million.

Waiver of Guarantee Fee

Pursuant to the Sale and Purchase Agreement, the Original Coland Shareholders will enter into the Original Shareholders' Guarantee Fee Waiver and the Company will enter into the NAS Guarantee Fee Waiver, with Coland respectively upon Completion to waive the outstanding guarantee fees payable by Coland to them. The outstanding guarantee fees owed by the Coland Group to the Company is approximately HK\$0.8 million as at the date of the Sale and Purchase Agreement and approximately HK\$0.8 million as at the Latest Practicable Date.

Termination of Shareholders' Agreement

On 7th December 2006, the Shareholders' Agreement was entered into between the shareholders of Coland, including the Company and the Vendor to, *inter alia*, set out the rights and obligations of the Vendor and each of the Original Coland Shareholders.

On Completion, the Deed of Termination will be entered into by the parties to the Shareholders' Agreement to terminate the Shareholders' Agreement and to release each party of the Shareholders' Agreement from all obligations owed to the other parties thereof.

Pursuant to the Deed of Termination, each of Coland, the Purchaser and Ms. Tung Ching undertakes to procure that all outstanding guarantees and/or indemnities provided by the Vendor, the Company or any other affiliate of the Vendor to secure banking facilities of any member of the Coland Group be completely, unconditionally and irrevocably released as soon as possible but in no event later than the later of (i) 15 weeks immediately following the fulfillment of the condition precedent to the Sale and Purchase Agreement; and (ii) 31st December 2013, and no party to the Shareholders' Agreement shall have any claim against the others in respect of any matter or thing arising out of or in connection with the Shareholders' Agreement.

Guarantee and security for the Notes

The Purchaser's payment obligations under the Notes are to be secured by the Charged Shares, and the Coland Guarantee. Upon repayment of Note A, 50% of the Charged Shares subject to the Share Charge is to be released to the Purchaser. The remaining 50% of the Charged Shares will be released when the Notes are repaid in full.

LETTER FROM THE BOARD

Completion

Completion shall take place at 11 a.m. on the tenth Business Day after the date on which the condition precedent has been satisfied (or such other time and/or date as the Vendor and the Purchaser may agree in writing).

PRINCIPAL TERMS OF THE NOTES

Save for maturity dates, the principal terms of Note A and Note B are the same, which are set out as follows:

Issuer:	The Purchaser
Principal Amount:	US\$6 million (equivalent to approximately HK\$46.8 million) for each of Note A and Note B
Issue Date:	The date of Completion
Maturity:	(i) 12 months from the date of issue of Note A; and (ii) 24 months from the date of issue of Note B
Interest:	1% per annum payable on maturity of the Notes. The interest shall accrue on the basis of 360 days per year. In case of event of default not being remedied within the Remedy Period the Purchaser shall pay interest to the Noteholder on all amounts then outstanding under the Note from the date of default of payment of any amount that becomes due to the date of actual payment in full (both before and after judgment) calculated at the rate of 10% per annum
Repayment:	Unless previously repaid or redeemed, 100% of the outstanding principal amount on the respective maturity dates of the Notes
Early Redemption:	The Purchaser may redeem the whole or any part of the Note (in an integral multiple of US\$1 million) together with all accrued and unpaid interest by giving notice of not less than ten Business Days (or such shorter period as the Noteholder may agree in writing)
Securities and Guarantee:	The Notes are secured by the Share Charge and guaranteed by the Coland Guarantee

LETTER FROM THE BOARD

Covenants:

Key covenants under the Notes are summarized below:

So long as the Note is outstanding, unless the Noteholder gives its prior written approval otherwise and such consent shall not be unreasonably withheld:

- (i) the Purchaser may not enter into a contract for the sale or lease, withdraw, transfer or otherwise dispose of the Charged Shares;
- (ii) the Purchaser shall procure that the Coland Group will not materially change the nature of its business and to make material disposals or commitments except in the ordinary course of business;
- (iii) the Purchaser shall ensure or otherwise procure that Coland not to issue any new shares of any class;
- (iv) the Purchaser shall provide the Noteholder with the following financial statements of Coland:
 - a. quarterly and annual consolidated financial statements and other information of the Coland Group and other information in a form mutually agreed by the Purchaser and the Noteholder (and similar to information provided to the banks of Coland); and
 - b. a written monthly statement confirming that Coland is in good standing in respect of all financial covenants under covenant (vii).
- (v) the Purchaser will provide semi-annual personal financial statements in a simple form as agreed by the Purchaser and the Noteholder;

LETTER FROM THE BOARD

- (vi) the Purchaser shall procure the release of outstanding guarantees and/or indemnities provided by the Vendor or the Group to secure banking facilities for the Coland Group (the “Outstanding Guarantee”) no later than the later of (a) 15 weeks immediately following the fulfillment of the condition precedent to the Sale and Purchase Agreement; and (b) 31st December 2013;
- (vii) the Purchaser will undertake to ensure that the following financial covenants are met by Coland at all times:
 - a. the Consolidated Tangible Net Worth shall not be less than HK\$300 million;
 - b. the ratio of Consolidated Total Net Debt to the Consolidated Tangible Net Worth shall not be higher than 2.5 times; and
 - c. the ratio of current assets divided by current liabilities shall not be less than 0.9 times.
- (viii) the Purchaser shall ensure that Coland does not declare or pay any dividends unless: (a) the Purchaser immediately thereafter repays at least 50% of the principal amount of the Notes then outstanding; and (b) there will not be any breach of any covenant or representation contained in the Notes or any event of default immediately after payment of such dividends; and
- (ix) the Purchaser shall procure that the Coland Group shall not repay any shareholders loan (whether due to a shareholder or a director of Coland or any of their associates) nor pay any interest thereon.

LETTER FROM THE BOARD

From the date that all Outstanding Guarantees are released in accordance with the conditions of the Notes, the Purchaser shall not be obliged to provide the written monthly statement as required under the conditions of the Notes or to comply with covenant (vii) above in relation to the financial covenants provided by Coland.

Transferability:

The Notes may be assigned or transferred to any transferee provided that: (i) the Noteholder shall give prior notice of its intention to transfer to the Purchaser; (ii) prior written consent of the Purchaser shall be obtained if the proposed transferee is engaged in the business of the processing and sale of fishmeal, the refining and sale of fish oil or the manufacturing and sale of aquatic feed products; and (iii) no proposed transferee(s) whom the Purchaser would reasonably consider as competitor(s).

Any assignment or transfer of the Note shall be of the whole (but not in part) of the outstanding principal amount of the Note and be accompanied by a transfer of the whole (but not in part) of the outstanding principal amount of the other Note to the same transferee.

Events of Default:

Key events of default include:

- (i) the Purchaser fails to pay the principal amount and/or any interest under the Notes;
- (ii) the Purchaser fails to perform or comply with covenants, obligations or undertakings under the Notes;
- (iii) the Purchaser defaults in performance or observance or compliance with any of its material obligations contained in the conditions of the Notes or in the Share Charge;
- (iv) a demand is made by the Vendor, the Company or any of their affiliate under any Outstanding Guarantee;

LETTER FROM THE BOARD

- (v) either the Purchaser, Coland or any of its subsidiaries is party to any litigation, arbitration, prosecutions, or other legal proceedings which is material in the reasonable opinion of the Noteholder;
- (vi) the occurrence of any event or any action taken or omission made by the Purchaser so as to render unlawful the performance or observance or compliance by the Purchaser with of any of his material obligations under the conditions of the Notes, or would otherwise result in any material terms contained in the conditions of the Notes be or becoming unenforceable, or would otherwise render the Notes inadmissible as evidence in court;
- (vii) any unusual events, including matters relating to insolvency, bankruptcy, winding-up, appointment of receivers, being taken possession or seizure of assets, any moratorium for compulsory purchases or expropriates of all or any material part of the assets, cross defaults, occurs involving the Purchaser or the Coland Group; and
- (viii) any situation occurs which results in a material adverse change in the business or financial condition of the Purchaser, Coland or any of its subsidiaries or that the ability of the Purchaser to perform his obligations under the Notes have been or will be materially affected.

LETTER FROM THE BOARD

The Purchaser shall give written notice of an event of default to the Noteholder immediately upon the occurrence of such event. The Purchaser shall have 60 days from the first occurrence of an event of default to remedy any event of default and the Noteholder may only serve a default redemption notice (as defined under the Notes) to the Purchaser in relation to such event of default after the expiry of the Remedy Period, provided that (i) the Purchaser and the Coland Group are not in default under other agreements with any of their respective lenders; and (ii) the granting of the Remedy Period to the Purchaser would not otherwise limit, impair or prejudice the Noteholder's rights relative to other creditors of the Coland Group or the Purchaser.

The Purchaser shall give written notice of an event of default to the Noteholder immediately upon the occurrence of such event or if such an event can reasonably be expected to arise on the elapse of time. He shall also give a monthly written confirmation confirming that no event of default has occurred and is then subsisting.

If any of the above events of default occurs, subject to the Remedy Period allowed, the Noteholder may give notice in writing to the Purchaser that the principal amount of the outstanding Notes (together with all accrued interest) has, on the giving of such notice, become immediately due and payable, whereupon (i) the outstanding principal amount of the Notes shall become immediately due and payable in an amount which is 100% of the principal amount of the Notes then outstanding; and (ii) the Purchaser irrevocably undertakes to appoint such person as nominated by the Noteholder to the board of Coland as soon as practicable.

LETTER FROM THE BOARD

INFORMATION OF COLAND

The Coland Group is principally engaged in the refining and sale of fish oil, processing and sale of fishmeal and manufacturing and sale of aquatic feed products. As at the Latest Practicable Date, Coland is held as to 80% by Mr. Wong Chun and 20% by Ms. Tung Ching, the spouse of Mr. Wong Chun. The Group is interested in the Preferred Shares which are convertible into 40% of the enlarged ordinary shares of Coland upon full conversion. Pursuant to the Shareholders' Agreement between the Group with the Original Coland Shareholders, the Group will share joint control with the Original Coland Shareholders as all matters relating to Coland require joint approval by all the parties including the Company. Accordingly, Coland is accounted for as a joint venture by the Group. However, the Group's rights in Coland are limited to dividends or distributions of the net assets of Coland without having direct rights to any operating assets, liabilities or production output.

The consolidated financial information of the Coland Group for the years ended 31st March 2012 and 2013 attributable to the 40% interest of the Group are set out in the following table:

	For the year ended 31st March	
	2013	2012
	<i>HK\$'000</i>	<i>HK\$'000</i>
		(Restated)
		<i>(Note)</i>
Revenue	597,664	744,236
Net profit/(loss) before tax, extraordinary items and non-controlling interest	15,458	(37,353)
Net profit/(loss) after tax, extraordinary items and non-controlling interest	2,052	(31,238)
Net assets	176,386	173,566

Note: Restatement of financial figures for the year ended 31st March 2012 was due to early adoption of Hong Kong Financial Reporting Standard 11 Joint Arrangements.

The Consideration represents a deficit of approximately HK\$36.0 million to the net asset value of the Coland Group attributable to the Group of approximately HK\$176.4 million as at 31st March 2013. For the year ended 31st March 2013, the Group made an impairment on investments in the Coland Group for approximately HK\$45.3 million (the "Impairment") after consideration of the offer from the Purchaser received by the Company on 3rd May 2013 for the possible acquisition of the Preferred Shares.

LETTER FROM THE BOARD

The Board determined the Impairment on the Coland Group in accordance with the requirements of the Hong Kong Accounting Standard in its financial statement for the year ended 31st March 2013, which has been audited by the auditors of the Company. Accordingly, the Board considered the Impairment to be fair and reasonable. The Impairment was determined based on the present value of the estimated future cash flows expected to be received from dividend and the disposal value of the Coland Group. Given the intention of the Board to dispose of the Company's investment in the Coland Group, the Board expected that no dividend will be distributed by the Coland Group for the current financial year prior to its disposal. Accordingly, the present value of the Consideration of approximately HK\$140.4 million would form the basis of the Impairment. The present value of the Consideration was calculated to be approximately HK\$137.7 million after applied discount rates for Note A and Note B of approximately 2.7% and 3.2% respectively. The discount rates applied were calculated with reference to US Dollar risk-free rates adjusting for credit spread of companies similar to the Coland Group and payment term of the Notes. Before the Impairment, the carrying value of the Coland Group on the accounts of the Group was approximately HK\$183.0 million, which included a net asset value attributable to the Group of approximately HK\$176.4 million and goodwill on acquisition of the Coland Group of approximately HK\$6.6 million. After the Impairment, the carrying value of the investment in the Coland Group was approximately HK\$137.7 million.

FINANCIAL EFFECT OF THE DISPOSAL

Upon Completion, the Company will not hold any interest in the Coland Group, which will cease to be a joint venture of the Company. The Group will discontinue its business carried out through the Coland Group in refining and sale of fish oil, processing and sale of fishmeal and manufacturing and sale of aquatic feed products upon Completion. It is expected that the Company will record an unaudited gain on disposal (before deducting the related transaction costs) of approximately HK\$1.9 million which is calculated based on the Consideration less the waiver of the Guarantee Fee of approximately HK\$0.8 million as at the date of the Sale and Purchase Agreement pursuant to the NAS Guarantee Fee Waiver and the carrying value of investment in the Coland Group of approximately HK\$137.7 million as at 31st March 2013. The unaudited consolidated total assets of the Group is expected to increase by approximately HK\$1.9 million and there will be no change to the unaudited consolidated total liabilities after the Disposal. The proceeds from the Disposal are intended to be used for general working capital of the Group.

LETTER FROM THE BOARD

REASONS FOR THE DISPOSAL

The Group is principally engaged in (i) trading of surface mount technology assembly equipment and provision of related services; (ii) developing and operating Burger King restaurants in Hong Kong; and (iii) refining and sale of fish oil, processing and sale of fishmeal and manufacturing and sale of aquatic feed products through the Coland Group.

In recent years, the business of the Coland Group is facing various challenges including volatility of global fishmeal price, increase in global supply and adverse weather condition in the PRC, which negatively affected the price and demand of fishmeal product. Due to the adverse business environment, the Group suffered a share of net loss of approximately HK\$31.2 million from the Coland Group for the year ended 31st March 2012.

For the year ended 31st March 2013, there was a rebound of the demand for brown fishmeal and its market price due to increase in seasonal demand from the aquaculture industry in the PRC in the first three quarters. Demand for Coland's processed fish oil products remained strong in the first three quarters with stable market price. However, there was a significant drop in the market prices of brown fishmeal and fish oil in the fourth quarter due to increase in global supply and downward trend in market price. As a result, the Group shared 40% of Coland's net profit of approximately HK\$2.1 million on revenue of approximately HK\$597.7 million for 2013 versus a net loss of approximately HK\$31.2 million on revenue of approximately HK\$744.2 million in 2012. As set out in the annual report of the Company for the year ended 31st March 2013, the Board foresees that the demand for brown fishmeal in the PRC will rebound due to a warmer weather in the short term, but the market price of brown fishmeal is expected to be in downward trend due to forecast increase in global supply in the longer term.

For the year ended 31st March 2013, an impairment of approximately HK\$45.3 million was provided for the Group's total investment in Coland. The impairment on the investment in Coland was estimated based on the present value of the estimated future cash flows expected to arise from dividend to be received and its ultimate disposal which was lower than the carrying value of the Group's investment in Coland.

After the change in the substantial Shareholder and the Board in December 2012 and February 2013, the current Board has conducted a strategic review on the business operations of the Group in order to identify new business opportunities for future expansions and consider if streamlining non-core business of the Group is necessary. In light of the unsatisfactory operating results and the uncertain future performance of the Coland Group due to anticipated increase in global supply in the business of Coland and climate issues set out in the foregoing paragraph, the Directors consider the Disposal a

LETTER FROM THE BOARD

good opportunity for the Group to divest its investment in Coland which enables the Group to reserve more resources to focus on its other business and explore future investments to enhance Shareholders' value. The cash consideration of US\$6 million (equivalent to approximately HK\$46.8 million) as part of the Consideration would also improve the liquidity of the Group.

Having considered all of the above factors, including recent results and performances of the Coland Group and the basis on which the Consideration was arrived at, in particular, the price-to-earnings ratio of approximately 68.4 times being well above the market peers ranging from approximately 3.7 to 38.5 times, the Board is of the view that the terms of the Sale and Purchase Agreement are fair and reasonable and the entering into of the Sale and Purchase Agreement is in the interest of the Company and Shareholders as a whole despite the Consideration representing a deficit of approximately HK\$36.0 million to the net asset value of the Coland Group attributable to the Group.

GEM LISTING RULES IMPLICATIONS

As the relevant percentage ratios (calculated according to the GEM Listing Rules) of the Disposal are more than 25% but less than 75%, the Disposal constitutes a major transaction for the Company under the GEM Listing Rules and is therefore subject to reporting, announcement and Shareholders' approval requirements under the GEM Listing Rules. To the best knowledge, information and belief of the Directors having made all reasonable enquiries, no Shareholders is required to abstain from voting for the resolution to be proposed at the SGM to approve the Disposal and the transactions contemplated under the Sale and Purchase Agreement.

The resolution proposed for the approval at the SGM will be conducted by poll pursuant to the GEM Listing Rules.

GENERAL

A notice convening the SGM to be held at The Executive Centre, Level 3, Three Pacific Place, 1 Queen's Road East, Hong Kong on Thursday, 5th September 2013 at 11:00 a.m. is set out on pages 32 to 33 of this circular for the Shareholders to consider and, if thought fit, passing an ordinary resolution to approve the Disposal and the transactions contemplated under the Sale and Purchase Agreement.

A form of proxy for use at the SGM is enclosed with this circular. Any Shareholder entitled to attend and vote at a meeting of the Company shall be entitled to appoint another person as his proxy to attend and vote instead of him. A Shareholder who is the holder

LETTER FROM THE BOARD

of two or more shares may appoint more than one proxy to represent him and vote on his behalf at a general meeting of the Company or at a class meeting. A proxy need not be a Shareholder. In order to be valid, the instrument appointing a proxy, together with a power of attorney or other authority under which it is signed, or a certified copy of such power of attorney, shall be delivered to the Company's branch share registrar, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, not less than forty-eight (48) hours before the time appointed for holding the SGM or adjourned meeting at which the person named in the instrument proposes to vote. Delivery of an instrument shall not preclude a Shareholder from attending and voting in person at the meeting convened and in such event, the instrument appointing a proxy shall be deemed to be revoked.

RECOMMENDATION

The Directors are of the view that the terms of the Sale and Purchase Agreement are fair and reasonable, and that the Disposal and transactions contemplated under the Sale and Purchase Agreement are in the interests of the Company and the Shareholders as a whole. Accordingly, the Board recommends that the Shareholders vote in favour of the resolution to approve the Disposal and transactions contemplated under the Sale and Purchase Agreement at the SGM.

ADDITIONAL INFORMATION

Your attention is drawn to the information set out in the appendices and the notice of the SGM set out in this circular.

Yours faithfully,

On behalf of the Board

NORTH ASIA STRATEGIC HOLDINGS LIMITED

Ding Yi

Chairman and Executive Director

1. STATEMENT OF INDEBTEDNESS

As at the close of business on 30th June 2013, being the latest practicable date for the purposes of this statement of indebtedness prior to the printing of this circular, the Group's aggregate outstanding borrowings were as follows:

	Balance as at 30th June 2013 <i>HK\$'million</i>
Secured bank borrowings	
Bank loans (<i>Note (i)</i>)	15
Trust receipt loans (<i>Note (ii)</i>)	2
	2
Total borrowings	17

The trust receipt loans and bank loans bore interest at rates ranging from approximately HIBOR plus 1.5% to 2% per annum.

Notes:

- (i) These borrowings were secured by guarantees provided by the Company and the Government of Hong Kong.
- (ii) These borrowings were secured by a guarantee provided by the Company.

As at the close of business on 30th June 2013, the Company had contingent liabilities in respect of the guarantees given to banks for the bank loans provided to the joint ventures of approximately HK\$84 million.

Disclaimer

Save as disclosed above and apart from intra-group liabilities, at the close of business on 30th June 2013, the Group did not have any loan capital issued and outstanding or agreed to be issued, other debt securities or other similar indebtedness, liabilities under acceptance (other than normal trade bills and payables) or acceptance credits, debentures, mortgages, charges, hire purchase or other finance lease commitments, guarantees or other contingent liabilities.

The Directors confirmed that there has been no material change in the indebtedness and contingent liabilities of the Group since 30th June 2013 and up to the Latest Practicable Date.

2. WORKING CAPITAL SUFFICIENCY

The Directors are of the opinion that, taking into account of its existing cash and bank balances, other internal resources available and the effect of the Disposal, the Group will have sufficient working capital for its present requirements and for at least twelve months from the date of this circular in the absence of unforeseen circumstances.

3. FINANCIAL AND TRADING PROSPECTS

The Directors expect that the volatility in the global economy will continue in 2013. This will continue to pose various challenges to the Group's existing businesses in the coming quarters, ranging from cautious customer demand to pressure on margins. The Group's focus will be to manage cash, costs and risks and, to build on its strengths during these times by working with our management teams to improve capability and efficiency.

In the short term, the Directors expect that our customers in the hi-tech distribution and services division will continue to be more cautious in their capital investment plans, which may have an impact on the Group's revenue and margins. With this outlook, the Group will continue to minimise the impact from the economic downturn and monitor, amongst other things, its working capital, gross profit margin, operating costs and foreign exchange risks. These initiatives are in place with a view to protecting our cash flow and profitability.

For the Group's quick service restaurant business under the brand name of Burger King, the Group expect to see an increase in customer demand as the public look for lower-cost alternatives for dining out. Burger King will continue to provide quality products in the market place under a great brand name. Working in close partnership with BK AsiaPac, Pte. Ltd., the franchisor of Burger King, the Group will continue our critical review on the performance of each restaurant while developing cost-effective promotional programs to attract customers targeted for sales growth.

In respect of conducting strategic review on the business operations of the Group, the Group has the intention to dispose of or downsize the non-core business and operation of the Group should suitable opportunities arise.

1. RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purposes 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 circular 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 circular misleading.

2. DISCLOSURE OF INTERESTS

(i) Directors' and chief executive's interests and short positions in Shares, underlying Shares and debentures of the Company

As at the Latest Practicable Date, the interests and short positions of the Directors and the chief executive of the Company and each of their respective associates, in the Shares, underlying Shares and debentures of the Company or any associated corporations (within the meaning of Part XV of the SFO) which are required (a) to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions in which they are deemed or taken to have under such provisions of the SFO); or (b) pursuant to Section 352 of the SFO, to be entered in the register referred to therein; or (c) pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules relating to securities transactions by Directors as required to be notified to the Company and the Stock Exchange, were as follows:

Name	Capacity	Number of Shares held	Approximate percentage of shareholdings
Ding Yi	Beneficial owner	402,445,296	29.90%

Save as disclosed above, none of the Directors and chief executive of the Company and their respective associates had any interests and short positions in the Shares, underlying Shares and debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO) as recorded in the register required to be kept under section 352 of the SFO or as

otherwise notified to the Company and the Stock Exchange pursuant to rules 5.46 to 5.67 of the GEM Listing Rules relating to the securities transactions by Directors.

(ii) Persons who have interests or short positions in Shares, underlying Shares and debentures of the Company which are discloseable under Divisions 2 and 3 of Part XV of the SFO

As at the Latest Practicable Date, so far as is known to the Directors and the chief executive of the Company, the following persons (other than a Director or the chief executive of the Company) had an interest or short position in the Shares, underlying Shares and debentures of the Company which fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or who are, directly or indirectly interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at a general meeting of any member of the Group, or held any option in respect of such capital:

Name	Capacity	Number of Shares held	Approximate percentage of shareholdings
C.L. Davids Fond og Samling	Beneficial owner	106,178,010	7.89%
United Overseas Bank Limited	Beneficial owner	69,457,701	5.16%

Save as disclosed above, the Directors and the chief executive of the Company were not aware of any person who has an interest or short position in the Shares, underlying Shares and debentures of the Company that were required to be entered in the register of the Company pursuant to Section 336 of the SFO as at the Latest Practicable Date.

3. SERVICE CONTRACTS

As at the Latest Practicable Date, none of the Directors had any existing or proposed service contract with any member of the Group which does not expire or is not terminable by such member of the Group within one year without payment of compensation (other than statutory compensation).

4. COMPETING INTEREST

As at the Latest Practicable Date, none of the Directors or substantial Shareholders or any of their respective associates has engaged in any business or has any interest that competes or may compete with the business of the Group or has any other conflict of interest with the Group.

5. DIRECTORS' INTEREST IN CONTRACTS AND ASSETS

As at the Latest Practicable Date:

- (i) none of the Directors was materially interested, directly or indirectly, in any contract or arrangement entered into by any member of the Group which was subsisting as at the Latest Practicable Date and which was significant in relation to the business of the Group; and
- (ii) none of the Directors has or had any direct or indirect interest in any assets which have been acquired or disposed by or leased to any member of the Group or are proposed to be acquired or disposed of by or leased to any member of the Group since 31st March 2013, being the date to which the latest published audited consolidated financial statements of the Group were made up.

6. LITIGATION

As at the Latest Practicable Date, the Directors were not aware of any litigation or claims of material importance which were pending or threatened against any member of the Group.

7. MATERIAL CONTRACTS

As at the Latest Practicable Date, the following contracts (not being contracts entered into in the ordinary course of business) have been entered into by members of the Group within the two years preceding the issue of this circular and are or may be material:

- (i) The Sale and Purchase Agreement;
- (ii) The subscription agreement dated 3rd April 2013 entered into between the Company and GO Global Investments Limited in relation to the allotment and issuance of 1,400,000,000 convertible preferred shares (with warrants) at HK\$0.228 per convertible preferred share for an aggregate subscription price of HK\$319.2 million (the “Subscription Agreement”); and
- (iii) The letter of termination dated 10th May 2013 entered into between the Company and GO Global Investments Limited in relation to the termination of the Subscription Agreement.

8. GENERAL

- (i) The registered office of the Company is at Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda and the principal office in Hong Kong is at Suite 1318, 13th Floor, Two Pacific Place, 88 Queensway, Hong Kong.
- (ii) The company secretary of the Company is Mr. Law Wai Fai, who is a member of the Hong Kong Institute of Certified Public Accountants and a member of the Institute of Chartered Accountants in England and Wales.
- (iii) The compliance officer of the Company is Mr. Ding Yi, who is the Chairman and executive Director of the Company.
- (iv) The branch share registrar and transfer office of the Company in Hong Kong is Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wan Chai, Hong Kong.
- (v) The English text of this circular, the notice of the SGM and the accompanying form of proxy shall prevail over their respective Chinese texts in case of inconsistency.

- (vi) The Company established an audit committee with written terms of reference in compliance with Rules 5.28 and 5.33 of the GEM Listing Rules. The primary duties of the audit committee are to review the Company's financial information and to oversee the financial reporting process and internal control systems of the Group. The audit committee comprises three members, including Mr. Stephen Luk Kai Ming, Mr. Kenneth Kon Hiu King and Mr. Joseph Liang Hsien Tse, all of whom are independent non-executive Directors. Mr. Joseph Liang Hsien Tse has the appropriate financial and accounting experience required by the GEM Listing Rules and acts as the chairman of the audit committee. Brief biographies of the members of the audit committee of the Company are set out below:

Mr. Stephen Luk Kai Ming ("Mr Luk"), aged 45, is the director of Montres Journe (Hong Kong) Limited and Montres Journe (Beijing) Limited since 2006 and 2009, respectively, both of these companies are exclusive authorized retailers in the PRC of F.P. Journe, a high-end watch manufacturer of Switzerland.

Between 2010 and 2012, Mr. Luk was also the director of Independence (Hong Kong) Limited, the authorized retailer of a number of independent watchmakers, tailors, and shoemakers.

He was also the visiting lecturer of Microeconomics and Macroeconomics for the MBA course at the Hong Kong Polytechnic University (International College for Innovative Training at Zhuhai, the PRC) in August 2002.

Mr. Luk took positions such as tutor and teaching assistant at the University of California Berkeley ("UC Berkeley") between 1995 and 1998. Before that, he was a tutor at University of Southern California ("USC") from 1990 to 1991.

Mr. Luk has been the Adjunct Assistant Professor of the School of Accounting and Finance at Hong Kong Polytechnic University since 2006, and was Assistant Professor from 2001 to 2005. In addition, Mr. Luk has been a treasurer of Asian Competition Forum at the Hong Kong Polytechnic University since 2005. He was the committee member of International Association for Energy Economics (Hong Kong Affiliate) during 2005 and 2008. Mr. Luk was also a jury member of the Geneva Watchmaking Grand Prix, being the first and only Chinese, from 2004 to 2007. Mr. Luk published various academic journals in the areas of economics, mathematics and the electricity market. In addition, he has participated in various consultation projects in relation to economics and the electricity market.

Mr. Luk graduated from USC with a Bachelor of Arts degree in Economics in May 1991. He also completed a Ph.D. in Economics at UC Berkeley in May 2001. During his study in USC and UC Berkeley, he received numerous honors and awards including the title of Phi Beta Kappa, the highest honor of outstanding student in the United States of America.

Mr. Kenneth Kon Hiu King (“Mr. Kon”), aged 51, was appointed as a director and deputy chief executive of Dan Form Holdings Company Limited (“Dan Form”) in October 1994, and was re-designated as its non-executive director in October 2012. Dan Form is listed on the Main Board of the Stock Exchange with a stock code of 271 and owns significant property interests in Hong Kong.

Between 1999 and 2007, Mr. Kon was also an independent non-executive director of Jingwei Textile Machinery Company Limited, a company listed on the Main Board of the Stock Exchange with a stock code of 350.

Mr. Kon has been involved in the planning of many large-scale investments and development projects in the PRC and Hong Kong and has over twenty-five years’ experience in investment and management in manufacturing industries and property development. He also has extensive experience in securities trading, corporate finance, mergers and acquisitions and corporate restructuring.

Mr. Kon graduated from the Middlesex University in the United Kingdom with a Bachelor’s degree in Business Studies in 1987.

Mr. Joseph Liang Hsien Tse (“Mr. Liang”), aged 59, was appointed as an independent non-executive director of LifeTech Science Corporation, a company listed on the GEM with a stock code of 8122, with effect from 22nd October 2011. Mr. Liang has served as a special consultant on campus development at the United International College (“UIC”) in Zhuhai, the PRC since October 2011. He has been the executive vice president – Finance of TWS Industrial (Holdings) Ltd, a private company engaged in battery production, since 6th October 2011.

Mr. Liang has extensive experience in finance and accounting. From October 2009 to September 2011, Mr. Liang was the managing director of the financial planning and development department at the UIC and was responsible for serving financial advisory and human resources management functions. During

October 2005 to December 2008, he was a director at Shenzhen Alclear Consulting Limited, a company engaging in financial, corporate management and investment consultancy services, and was responsible for developing accounting training in the PRC. Between August 2001 and October 2005, Mr. Liang served various roles at Skyworth Digital Holdings Limited, a company listed on the Main Board of the Stock Exchange with a stock code of 751, including as the group's financial controller and company secretary in charge of finance and management information system functions. From November 1993 to August 2001, he was the finance manager at Hongkong International Terminals Limited for Yantian International Container Terminals, both companies being container terminal companies managed by the Hutchison Port Holdings Trust.

Mr. Liang completed a diploma in business management from the Hong Kong Baptist College in December 1977. He also obtained a Master's degree in Professional Accounting from the University of Texas, Austin in May 1981. Mr. Liang later obtained a Bachelor's degree in language and translation from the Hong Kong Open University in December 2007.

Mr. Liang is a member of the Texas Society of Certified Public Accountants, Hong Kong Institute of Certified Public Accountants (formerly known as Hong Kong Society of Accountants) since June 1982 and the Association of Certified Chartered Accountants (ACCA) since May 1982.

9. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents are available for inspection: (i) during normal business hours from 9:30 a.m. to 5:30 p.m. (other than Saturdays, Sundays and public holidays) at the Company's principal place of business in Hong Kong at the address of Suite 1318, 13th Floor, Two Pacific Place, 88 Queensway, Hong Kong; up to and including the date of the SGM:

- (i) the memorandum of association and the bye-laws of the Company;
- (ii) the material contracts referred to in the section headed "Material Contracts" in this appendix;
- (iii) the annual reports of the Company for each of the two years ended 31st March 2012 and 2013; and
- (iv) this circular.

NOTICE OF SPECIAL GENERAL MEETING

NORTH ASIA STRATEGIC HOLDINGS LIMITED

北亞策略控股有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 8080)

NOTICE IS HEREBY GIVEN THAT the special general meeting of North Asia Strategic Holdings Limited (the “Company”) will be held at The Executive Centre, Level 3, Three Pacific Place, 1 Queen’s Road East, Hong Kong on Thursday, 5th September 2013 at 11:00 a.m. for the purpose of considering and, if thought fit, passing with or without modifications, the following resolution:

ORDINARY RESOLUTION

1. “**THAT:**

- (a) the sale by Good Tactics Limited, a subsidiary of the Company, of 100,000,000 convertible preferred shares with a par value of HK\$0.1 each in the share capital of Coland Group Limited, pursuant to the sale and purchase agreement dated 8th July 2013 (the “Sale and Purchase Agreement”) entered into between Good Tactics Limited, as the vendor and Mr. Wong Chun, as the purchaser, and all the transactions contemplated thereby, be and are hereby approved; and
- (b) the Directors be authorised to do all such acts and things, including agreeing to such amendments or extensions and execute all such documents on behalf of the Company as they may consider necessary or expedient or desirable to give effect to or in connection with the Sale and Purchase Agreement, or any of the transactions contemplated thereby.”

On behalf of the Board
North Asia Strategic Holdings Limited
Ding Yi
Chairman and Executive Director

Hong Kong, 12th August 2013

* For identification purpose only

NOTICE OF SPECIAL GENERAL MEETING

Principal place of business:

Suite 1318, 13th Floor

Two Pacific Place

88 Queensway

Hong Kong

Registered Office:

Clarendon House

2 Church Street

Hamilton HM 11

Bermuda

Notes:

1. Any member of the Company (a “Member”) entitled to attend and vote at a meeting of the Company shall be entitled to appoint another person as his proxy to attend and vote instead of him. A Member who is the holder of two or more shares may appoint more than one proxy to represent him and vote on his behalf at a general meeting of the Company or at a class meeting. A proxy need not be a Member.
2. In order to be valid, the instrument appointing a proxy, together with a power of attorney or other authority under which it is signed, or a certified copy of such power of attorney, shall be delivered to the Company’s branch share registrar, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong, not less than forty-eight (48) hours before the time appointed for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote. Delivery of an instrument shall not preclude a Member from attending and voting in person at the meeting convened and in such event, the instrument appointing a proxy shall be deemed to be revoked.