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NORTH ASIA STRATEGIC HOLDINGS LIMITED

(北亞策略控股有限公司)*

(Stock code: 8080)

*(Formerly known as iSteelAsia Holdings Limited (亞鋼集團有限公司)**

(Incorporated in Bermuda with limited liability)

MONTHLY ANNOUNCEMENT RELATING TO OUTSTANDING CONVERTIBLE BONDS

The Board announces that none of the HK\$20 million Convertible Bonds issued by the Company on 8th August, 2005 to the Ajia Parties have been converted during the period from 8th to 31st August, 2005, and there has been no issue of New Shares by the Company during the same period.

References are made to the joint announcement dated 19th May, 2005 issued by North Asia Strategic Holdings Limited (formerly known as iSteelAsia Holdings Limited) (the “Company”), North Asia Strategic Acquisition Corp. and Mr. Moses Kwok Tai Tsang, and the announcements of the Company dated 14th July, 2005 and 8th August, 2005 and the circular of the Company dated 20th June, 2005 (the “Circular”). Unless otherwise defined, capitalised terms used in this announcement shall have the same meanings as defined in the Circular.

On 8th August, 2005, the Proposals were completed, pursuant to which 63,856,960 New Shares and the Convertible Bonds with principal value of HK\$20 million were issued to the Ajia Parties. This monthly announcement is made to update the Shareholders and the public investors on details of conversion of the Convertible Bonds, if any.

The Board announces that:

- (i) none of the Convertible Bonds have been converted during the period from 8th to 31st August, 2005;
- (ii) the Convertible Bonds outstanding remain to be HK\$20 million as at 31st August, 2005;
- (iii) there has been no New Shares issued pursuant to other transactions during the same period, including New Shares issued pursuant to exercise of options under any share option scheme(s) of the Company; and
- (iv) the total issued share capital of the Company as at 8th and 31st August, 2005 were 95,794,716 New Shares.

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 (Executive Directors), and three independent non-executive Directors who are Mr. Philip King Huen Ma, Mr. Kenny King Ching Tam and Mr. Edgar Kwan Chi Ping.

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

Hong Kong, 1st September, 2005

This announcement will remain on the GEM website at <http://www.hkgem.com> on the “Latest Company Announcement” page for at least seven days from the date of its posting.

* *for identification only*