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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)

SUPPLEMENTAL AGREEMENT
IN RELATION TO
THE VERY SUBSTANTIAL ACQUISITION

The Company, Best Creation and Autron has entered into the Supplemental Agreement on 5th October 2006 by which certain terms of the Agreement regarding the proposed Acquisition are amended or supplemented as described below.

Reference is made to the announcements by North Asia Strategic Holdings Limited (the “Company”) dated 11th August 2006 (the “Announcement”), 1st September 2006 and 29th September 2006 in relation to, among other things, the proposed acquisition by Best Creation of the entire issued share capital of Amtec and AIP, the principal business of which is trading in surface mount technology (“SMT”) and printed circuit board (“PCB”) assembly equipment, machinery and spare parts and the provision of related installation, training, repair and maintenance services (the “Acquisition”). Terms used herein shall have the same meanings as those defined in the Announcement unless the context otherwise requires.

On 5th October 2006, the Company, Best Creation and Autron entered into a supplemental agreement (the “Supplemental Agreement”) pursuant to which certain terms of the Agreement were amended or supplemented as follows:

1. the undertaking by Autron to cause the Autron Debt (which amounted to approximately HK\$113 million as at 30th June 2006) to be reduced to an amount of not more than HK\$78 million was cancelled. Instead, Autron has undertaken to cause the Autron Debt to be fully settled before Completion. Such amendment is made as it is now expected that the total value of inter-company transactions such as sale of products and financing and treasury arrangements between the Target Group and Autron between the signing of the Agreement and Completion will result in the full settlement of the Autron Debt before Completion;
2. a supplemental term is inserted to the effect that subject to Completion having occurred, the Amtec Group will purchase certain SMT and PCB assembly equipments and inventories (the “Relevant Inventories”) from Autron at a discount of 30% to their audited realisable value as at 30th June 2006, subject to a cap of US\$6.5 million. The purchase price for the Relevant Inventories (the “Inventories Purchase Price”) will be payable within 30 days from 31st October 2007 (the “Settlement Date”) and is subject to downward adjustment depending on the amount of proceeds realised by the Amtec Group from the sale of the Relevant Inventories up to the Settlement Date. As disclosed in its 2006 results announcement, Autron intends to focus on the businesses of equipment engineering,

design and manufacturing and specialised assembly services to major electronic manufacturers after Completion. In light of this, the parties agreed that the Relevant Inventories, which are products being distributed by the Amtec Group, will be sold by Autron to the Amtec Group upon Completion at a discount;

3. the condition precedent to Completion requiring Autron to deliver to Best Creation a policy of credit insurance covering all the accounts receivables (net of provisions of doubtful debts) owing to the Target Group which were outstanding as at 30th June 2006 (the "Accounts Receivables") was deleted. The Accounts Receivables amounted to approximately HK\$111 million as at 30th September 2006 based on the information provided by Autron. The deletion of this condition was agreed between the parties as Autron, after discussing further with its insurance agents, considered that the purchase of credit insurance policy for the Accounts Receivables is not cost efficient; and
4. in place of the requirement for the credit insurance, the parties have agreed that the Inventories Purchase Price payable by the Amtec Group to Autron will first be netted off by the amount of uncollected Accounts Receivables as at the Settlement Date and secondly a sum equals to the outstanding long term finance lease receivables (the "Long Term AR") due from customers to the Amtec Group will be withheld from the Inventories Purchase Price. Only the netted balance of the Inventories Purchase Price will be paid by the Amtec Group to Autron within 30 days from the Settlement Date. At the same time, the Amtec Group will assign on a dollar-for-dollar basis to Autron all the uncollected Accounts Receivables which has been deducted from the Inventories Purchase Price. During the period from the Settlement Date to the latest of the due dates of the Long Term AR (the "Final Due Date"), the Amtec Group will pay to Autron at the end of the relevant finance lease periods for each of the finance lease transaction amounts then received by the Amtec Group from the debtors by way of repayment of the Long Term AR. If there shall remain uncollected amount of the Long Term AR as at the Final Due Date, the Amtec Group will assign on a dollar for dollar basis to Autron all the uncollected Long Term AR and such assignment shall constitute full and final settlement of the Inventories Purchase Price. Should there be any Accounts Receivables or Long Term AR remain outstanding after the settlement in full of the Inventory Purchase Price Payable by the Amtec Group as described above, Autron will pay an amount equal to such uncollected debts to Best Creation in cash within 40 days from the Settlement Date. The Directors are of the view that the aforesaid arrangements are appropriate as the recoverability of the Accounts Receivables and Long Term AR on the book of the Amtec Group would be ensured.

Having considered the commercial rationale for the supplemental terms described above and that the supplemental terms would not affect the net asset value of the Target Group as at Completion, the Directors are of the view that the terms of the Supplemental Agreement are appropriate in the circumstances. The Directors also consider that the terms of the Agreement, as supplemented by the Supplemental Agreement, are fair and reasonable and the Acquisition is in the interests of the Company and the Shareholders as a whole. Save as disclosed above, there is no other material change in the terms and conditions of the Agreement.

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

Hong Kong, 6th October 2006

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