NORTH ASIA STRATEGIC HOLDINGS LIMITED
北亞策略控股有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 8080)

THIRD QUARTERLY RESULTS FOR THE NINE MONTHS ENDED 31ST DECEMBER 2008

CHARACTERISTICS OF THE GROWTH ENTERPRISE MARKET ("GEM") OF THE STOCK EXCHANGE OF HONG KONG LIMITED (THE "STOCK EXCHANGE")

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.

This announcement, for which the directors of North Asia Strategic Holdings Limited (the "Directors" or the "Board") collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on the Growth Enterprise Market of the Stock Exchange (the "GEM Listing Rules") for the purpose of giving information with regard to North Asia Strategic Holdings Limited. The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief: (1) the information contained in this announcement is accurate and complete in all material respects and not misleading; (2) there are no other matters the omission of which would make any statement in this announcement misleading; and (3) 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.

* *For identification purpose only*

NAS expects the slowdown in the global economy caused by a crisis in the global financial system to continue in 2009. This will offer challenges but also unique opportunities for our businesses in the coming quarters.

We will continue to face impact from slowing customer demand and pressure on operating margins, especially in the rest of the current fiscal year which will in turn affect our working capital needs. For this reason, NAS and its portfolio companies will focus on managing risk as well as streamlining operations and improving efficiency. At the same time, the economic climate offers potentially attractive acquisition opportunities which could enhance our growth and profitability in medium term. We are well positioned to weather the downturn and to take advantage of this situation to strengthen our businesses for the future.

HIGHLIGHTS

- Total unaudited consolidated revenue from continuing operations for the nine months ended 31st December 2008 was approximately HK$1,738,913,000 representing an increase of approximately 79.1% from the same period last year.

- During the period, revenue and net loss generated from the surface mount technology assembly equipment trading division were approximately HK$519,744,000 and HK$9,510,000 respectively.

- During the period, the Company shared 40% revenue and net loss of our jointly controlled fishmeal and fish oil trading division of approximately HK$328,194,000 and HK$4,142,000 respectively.

- During the period, the Company shared 33.74% of the post-acquisition revenue and net loss of our jointly controlled chemical operation division invested by the Company on 30th June 2008 of approximately HK$873,679,000 and HK$17,253,000 respectively.

- Total unaudited consolidated net loss attributable to equity holders of the Company for the three months and nine months ended 31st December 2008 was approximately HK$45,782,000 and HK$66,604,000 respectively, versus net loss attributable to equity holders of the Company of approximately HK$15,285,000 and HK$44,260,000 for the corresponding periods last year.

- Unaudited consolidated total equity attributable to equity holders of the Company was approximately HK$2,031,335,000 as at 31st December 2008, which was less than the corresponding figure as at 31st March 2008 of approximately HK$2,130,656,000 by approximately HK$99,321,000.

RESULTS

The followings are the unaudited consolidated results of North Asia Strategic Holdings Limited (the "Company" or "NAS") and its subsidiaries (collectively, the "Group" or "NAS Group") for the nine months and three months ended 31st December 2008 together with the comparative unaudited figures for the corresponding periods in 2007:

UNAUDITED CONDENSED CONSOLIDATED INCOME STATEMENT

		For the nine months ended 31st December		For the three months ended 31st December	
		2008	2007	**2008**	2007
	Notes	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*
		(Unaudited)	(Unaudited)	**(Unaudited)**	(Unaudited)
Continuing operations					
Revenue	*3*	**1,738,913**	971,102	**543,169**	304,854
Cost of sales		**(1,551,293)**	(891,139)	**(489,029)**	(272,283)
Gross profit		**187,620**	79,963	**54,140**	32,571
Other gains/(losses) — net	*4*	**2,042**	1,856	**186**	(1,395)
Selling and distribution expenses		**(80,931)**	(31,472)	**(32,305)**	(13,012)
General and administrative expenses		**(154,234)**	(108,606)	**(56,077)**	(36,818)
Operating loss		**(45,503)**	(58,259)	**(34,056)**	(18,654)
Finance income	*5*	**38,897**	25,863	**13,145**	8,170
Finance costs	*5*	**(70,852)**	(14,980)	**(33,780)**	(4,653)
Loss before income tax		**(77,458)**	(47,376)	**(54,691)**	(15,137)
Income tax credit/(expense)	*6*	**10,961**	5,236	**8,921**	(236)
Loss for the period from continuing operations		**(66,497)**	(42,140)	**(45,770)**	(15,373)
Discontinued operations					
Profit/(loss) for the period from discontinued operations	*7*	**—**	(2,193)	**—**	76
Loss for the period		**(66,497)**	(44,333)	**(45,770)**	(15,297)
Loss for the period attributable to:					
Equity holders of the Company		**(66,604)**	(44,260)	**(45,782)**	(15,285)
Minority interests		**107**	(73)	**12**	(12)
		(66,497)	(44,333)	**(45,770)**	(15,297)
Loss per share from continuing operations attributable to the equity holders of the Company for the period					
— Basic *(HK cents)*	*8*	**(69.53)**	(43.91)	**(47.79)**	(16.04)
— Diluted *(HK cents)*	*8*	**N/A**	N/A	**N/A**	N/A
Profit/(loss) per share from discontinued operations attributable to the equity holders of the Company for the period					
— Basic *(HK cents)*	*8*	**—**	(2.29)	**—**	0.08
— Diluted *(HK cents)*	*8*	**N/A**	N/A	**N/A**	0.00

The notes are an integral part of this unaudited condensed consolidated financial information.

Notes:

1. **General Information**

North Asia Strategic Holdings Limited (the "Company" or "NAS") and its subsidiaries (collectively, the "Group" or "NAS Group") principally engaged in (i) trading of surface mount technology ("SMT") assembly equipment, machinery and spare parts and provision of related installation, training, repair and maintenance services for SMT assembly equipment; (ii) developing and operating Burger King restaurants in Hong Kong and Macau; and (iii) investment holding. Its jointly controlled entities principally engaged in: (i) the processing and sale of fishmeal, refining and sale of fish oil, manufacturing and sale of aquatic feed products and trading of other raw materials relating to aquatic feeds; and (ii) manufacturing of polyester fiber, PET resin and spandex. During the period, the Group disposed of its steel trading operation.

The Company is a limited liability company incorporated in Bermuda as an exempted company under the Companies Act 1981 of Bermuda. The address of its registered office is Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda and of its principal place of business is 78th Floor, The Center, 99 Queen's Road Central, Hong Kong.

The Company's ordinary shares are listed on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited (the "Stock Exchange").

This unaudited condensed consolidated financial information is presented in thousand of Hong Kong dollars, unless otherwise stated.

This unaudited condensed consolidated financial information has been approved for issue by the Company's Board of Directors on 23rd January 2009.

2. **Basis of preparation and accounting policies**

The unaudited condensed consolidated financial information has been prepared to comply with the disclosure requirements of the Rules Governing the Listing of Securities on the Growth Enterprise Market of the Stock Exchange (the "GEM Listing Rules").

The accounting policies used in the preparation of this unaudited condensed consolidated financial information are consistent with those used in the annual financial statements for the year ended 31st March 2008.

This unaudited condensed consolidated financial information has been prepared in accordance with Hong Kong Financial Reporting Standards and Hong Kong Accounting Standard ("HKAS", collectively, "HKFRSs").

3. Turnover and revenue

Turnover represents sales of goods, revenue from branded food, commission and other income. The amount of each category of revenue recognised during the period is as follows:

	For the nine months ended 31st December		For the three months ended 31st December	
	2008	2007	**2008**	2007
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*
	(Unaudited)	(Unaudited)	**(Unaudited)**	(Unaudited)
Continuing operations				
Sales of goods	**1,707,484**	956,042	**528,366**	299,754
Revenue from branded food	**17,296**	782	**10,247**	782
Commission and other income	**14,133**	14,278	**4,556**	4,318
	1,738,913	971,102	**543,169**	304,854
Discontinued operations				
Sales of goods	**—**	4,514	**—**	—
	1,738,913	975,616	**543,169**	304,854

4. Other gains/(losses) — net

	For the nine months ended 31st December		For the three months ended 31st December	
	2008	2007	**2008**	2007
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*
	(Unaudited)	(Unaudited)	**(Unaudited)**	(Unaudited)
Continuing operations				
Net exchange gains/(losses)	**—**	2,454	**—**	(1,679)
Gain on disposal of subsidiaries	**1,023**	—	**—**	—
(Loss)/gain on disposal of property, plant and equipment	**(587)**	(2,639)	**9**	(970)
Others	**1,606**	2,041	**177**	1,254
	2,042	1,856	**186**	(1,395)
Discontinued operations				
Others	**—**	32	**—**	—
	2,042	1,888	**186**	(1,395)

5. Finance income and costs

	For the nine months ended 31st December		For the three months ended 31st December	
	2008	2007	**2008**	2007
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*
	(Unaudited)	(Unaudited)	**(Unaudited)**	(Unaudited)
Continuing operations				
Finance income:				
Interest income	**4,121**	12,105	**1,100**	3,584
Amortised interest income from subscription receivables	**34,776**	13,758	**12,045**	4,586
	38,897	25,863	**13,145**	8,170
Discontinued operations				
Finance income:				
Interest income	**—**	56	**—**	4
	38,897	25,919	**13,145**	8,174
Continuing operations				
Finance costs:				
Interest on bank loans	**(30,134)**	(12,696)	**(9,089)**	(4,331)
Convertible bonds redeemable within five years	**(963)**	(960)	**(322)**	(322)
Notional interest expenses on deferred subscription payables	**—**	(1,324)	**—**	—
Interest on finance lease obligations	**(6)**	—	**(2)**	—
Net foreign exchange losses	**(39,749)**	—	**(24,367)**	—
	(70,852)	(14,980)	**(33,780)**	(4,653)

6. Income tax credit/(expense)

The Company is exempted from taxation in Bermuda until 2016. Hong Kong profits tax has been calculated at the rate of 16.5% (2007: 17.5%) on the estimated assessable profits for the period.

Subsidiaries established in the Mainland China are subject to the Mainland China enterprise income tax at the standard rate of 25% (2007: 15% to 33%).

Taxation on overseas (other than Hong Kong and Mainland China) profits has been calculated on the estimated assessable profits for the period at the applicable rates of taxation prevailing in the countries in which the Group operates.

The amounts of income tax credit/(expense) recognised in the unaudited condensed consolidated income statement represent:

	For the nine months ended 31st December		For the three months ended 31st December	
	2008	2007	**2008**	2007
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*
	(Unaudited)	(Unaudited)	**(Unaudited)**	(Unaudited)
Continuing operations				
Current taxation				
Hong Kong profits tax				
— the period	**446**	—	**2,533**	—
— (under)/overprovision in prior periods	**(114)**	—	**439**	—
Mainland China enterprise income tax				
— the period	**1,777**	(901)	**3,657**	(1,393)
— overprovision in prior periods	**—**	2,221	**—**	1,556
Profits tax of overseas companies				
— the period	**5**	—	**5**	—
— overprovision in prior periods	**17**	6	**6**	6
Deferred taxation	**8,830**	3,910	**2,281**	(405)
	10,961	5,236	**8,921**	(236)
Discontinued operations				
Current taxation				
Mainland China enterprise income tax				
— overprovision in prior periods	**—**	703	**—**	—
	10,961	5,939	**8,921**	(236)

7. Discontinued operations

During the period, the Group disposed of its steel trading operation. The unaudited consolidated results of the steel trading operation for the three months and nine months ended 31st December 2007 were as follows:

	For the nine months ended 31st December		**For the three months ended 31st December**	
	2008	2007	**2008**	2007
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*
	(Unaudited)	(Unaudited)	**(Unaudited)**	(Unaudited)
Revenue	—	4,514	—	—
Cost of sales	—	(7,543)	—	—
Gross loss	—	(3,029)	—	—
Other gains — net	—	32	—	—
Selling and distribution expenses	—	(5)	—	—
General and administrative expenses	—	50	—	72
Finance income	—	56	—	4
(Loss)/profit before income tax	—	(2,896)	—	76
Income tax credit	—	703	—	—
(Loss)/profit for the period from discontinued operations	—	(2,193)	—	76

8. (Loss)/profit per share

Basic (loss)/profit per share

Basic (loss)/profit per share is calculated by dividing the Group's (loss)/profit attributable to equity holders of the Company by the weighted average number of ordinary shares in issue during the period.

	For the nine months ended 31st December 2008		**For the three months ended 31st December 2008**	
	Continuing operations (Unaudited)	**Discontinued operations (Unaudited)**	**Continuing operations (Unaudited)**	**Discontinued operations (Unaudited)**
Loss for the period *(HK$'000)*	**(66,497)**	—	**(45,770)**	—
Profit for the period attributable to minority interests *(HK$'000)*	**(107)**	—	**(12)**	—
Loss attributable to equity holders of the Company *(HK$'000)*	**(66,604)**	—	**(45,782)**	—
Weighted average number of ordinary shares in issue	**95,794,716**	—	**95,794,716**	—
Basic loss per share *(HK cents)*	**(69.53)**	—	**(47.79)**	—

	For the nine months ended 31st December 2007		For the three months ended 31st December 2007	
	Continuing operations (Unaudited)	Discontinued operations (Unaudited)	Continuing operations (Unaudited)	Discontinued operations (Unaudited)
(Loss)/profit for the period *(HK$'000)*	(42,140)	(2,193)	(15,373)	76
Loss for the period attributable to minority interests *(HK$'000)*	73	—	12	—
(Loss)/profit attributable to equity holders of the Company *(HK$'000)*	(42,067)	(2,193)	(15,361)	76
Weighted average number of ordinary shares in issue	95,794,716	95,794,716	95,794,716	95,794,716
Basic (loss)/profit per share *(HK cents)*	(43.91)	(2.29)	(16.04)	0.08

Diluted profit per share

No diluted loss per share from continuing and discontinued operations for the nine months ended 31st December 2008 and 2007, and for the three months ended 31st December 2008, and from continuing operations for the three months ended 31st December 2007 has been presented as the potential ordinary shares are anti-dilutive.

Diluted profit per share from discontinued operations for the three months ended 31st December 2007 is calculated by adjusting weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares. The Company has two categories of dilutive potential ordinary shares: convertible bonds and non-redeemable preference shares. The convertible bonds and non-redeemable preference shares are assumed to have been converted into ordinary shares, and the profit for the period is adjusted to eliminate the interest expenses.

	For the three months ended 31st December 2007 Discontinued operations (Unaudited)
Adjusted profit attributable to equity holders of the Company *(HK$'000)*	76
Weighted average number of ordinary shares in issue for diluted profit per share	8,603,106,530
Diluted profit per share *(HK cents)*	0.00

9. Dividend

The Directors do not recommend the payment of an interim dividend for the nine months ended 31st December 2008 (nine months ended 31st December 2007: Nil).

10. Subscription receivables

Up to 31st December 2008, the Company issued a total of 13,373,254,851 non-redeemable preference shares, with a par value of HK$0.01 each, through placement, for an aggregated amount of approximately HK$2,273,037,000. Details of each placement are set out below:

	First Tranche of the First Placement	**Second Tranche of the First Placement**	**Second Placement**
Month of issue	February and March 2006	September 2006	December 2007
Number of non-redeemable preference shares issued	7,383,166,793	792,848,020	5,197,240,038
Subscription price per share *(HK$)*	0.1566	0.1566	0.1910
Aggregated subscription price *(HK$)*	1,156,204,000	124,160,000	992,673,000

The preference shares are non-redeemable and are convertible into ordinary shares in the Company at a conversion ratio of one preference share into one ordinary share. The preference shares will rank pari passu with the ordinary shares of the Company with regards to dividends.

The subscription prices are payable in cash by the subscribers in four equal instalments for the First Placement. For the First Tranche of the First Placement, the first instalment was received by the Company in February and March 2006 upon completion of the subscriptions. For the Second Tranche of the First Placement, the first instalment was received by the Company in September 2006. The second and third instalments have been received by the Company in October and December 2006 respectively in accordance with the terms of the preference shares and the remaining instalment are receivable in February 2009.

The subscription prices of the Second Placement are payable in cash by the subscribers in three equal instalments. The first was received by the Company in December 2007, upon completion of the subscription of the Second Placement. The remaining two instalments are receivable in February 2008 and February 2009 respectively provided that payment of the second instalment shall not be required unless at least 75% of the subscription prices previously received for investments have been paid out for or committed to investments for the Company. No drawdown of the second instalment was made in February 2008 since less than 75% of the subscription prices received has been utilised.

In the event that the subscription prices previously paid to the Company from time to time for the preference shares are insufficient to make any potential investments approved by the board of directors of the Company and/or pay fees or expenses which are payable by the Company under the services agreement signed between the Company and North Asia Strategic Advisors on 26th September 2005 (as amended on 30th December 2005), the Company shall be entitled to require the relevant amount of instalment to be paid on a date specified by the Company but not earlier than 45 days from the date serving the payment notice by the Company.

Any unpaid balance of the subscription prices remaining payable immediately prior to 28th February 2009 or, if earlier, the business day immediately preceding the date of conversion of the preference shares into ordinary shares, shall in any event be receivable by the Company on such date (or if applicable, the first business day thereafter), as the case may be.

The preference shares will be automatically converted into ordinary shares upon the listing of the ordinary shares on the Main Board of the Stock Exchange or on 28th February 2010, whichever is earlier.

The subscription receivables recognised in the balance sheet is calculated as follows:

	As at 31st December 2008	As at 31st March 2008
	HK$'000	*HK$'000*
	(Unaudited)	(Audited)
Subscription receivables	**1,622,055**	1,622,055
Less: Future interest	**(142,077)**	(137,305)
Add: Amortised interest income	**135,409**	95,861
	1,615,387	1,580,611
Less: Subscriptions received	**(640,182)**	(640,182)
Subscription receivables	**975,205**	940,429

The carrying amounts of subscription receivables approximate to their fair values.

Amortised interest income recognised as income and included in finance income amounted to approximately HK$34,776,000 (nine months ended 31st December 2007: HK$13,758,000).

Interest income on the subscription receivables is calculated using the effective interest method by applying the effective interest rate of 6% to 6.5% per annum.

11. Share capital and reserves

Movements in share capital and reserves are as follows:

	(Unaudited)						
	Attributable to equity holders of the Company						
	Ordinary share capital	Preference share capital	*(Note)* Other reserves	(Accumulated losses)/ retained profits	Sub-total	Minority interests	Total
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
Balances at 1st April 2008	**958**	**133,733**	**2,023,492**	**(27,527)**	**2,130,656**	**1,676**	**2,132,332**
(Loss)/profit for the period	**—**	**—**	**—**	**(66,604)**	**(66,604)**	**107**	**(66,497)**
Capital contribution from minority interests	**—**	**—**	**—**	**—**	**—**	**1,797**	**1,797**
Translation adjustments — net	**—**	**—**	**(30,404)**	**—**	**(30,404)**	**—**	**(30,404)**
Decrease in fair value of available-for-sale financial assets	**—**	**—**	**(1,259)**	**—**	**(1,259)**	**—**	**(1,259)**
Realisation of reserves upon disposal of subsidiaries	**—**	**—**	**(3,754)**	**2,700**	**(1,054)**	**—**	**(1,054)**
Balances at 31st December 2008	**958**	**133,733**	**1,988,075**	**(91,431)**	**2,031,335**	**3,580**	**2,034,915**

	(Unaudited)						
	Attributable to equity holders of the Company						
	Ordinary share capital	Preference share capital	*(Note)* Other reserves	Retained profits/ (Accumulated losses)	Sub-total	Minority interests	Total
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
Balances at 1st April 2007	958	81,760	1,103,559	45,063	1,231,340	—	1,231,340
Loss for the period	—	—	—	(44,260)	(44,260)	(73)	(44,333)
Issuance of preference shares	—	51,972	915,904	—	967,876	—	967,876
Share issue expenses — preference shares	—	—	(5,865)	—	(5,865)	—	(5,865)
Capital contribution from minority interests	—	—	—	—	—	1,686	1,686
Translation adjustments — net	—	—	5,834	—	5,834	—	5,834
Increase in fair value of available-for-sale financial assets	—	—	307	—	307	—	307
Balances at 31st December 2007	958	133,732	2,019,739	803	2,155,232	1,613	2,156,845

Note:

Other reserves comprise share premium, contributed surplus, equity portion of convertible bonds, capital reserve, investment revaluation reserve and cumulative translation adjustments. The respective balances as at 31st December 2008 and 2007 are as follows:

	As at 31st December 2008	As at 31st December 2007
	HK$'000	*HK$'000*
	(Unaudited)	(Unaudited)
Share premium	**1,992,636**	1,993,677
Contributed surplus	**8,984**	8,984
Equity portion of convertible bonds	**6,388**	6,388
Capital reserve	**—**	2,700
Investment revaluation reserve	**(1,453)**	307
Cumulative translation adjustments	**(18,480)**	7,683
	1,988,075	2,019,739

12. Investment in a jointly controlled entity

On 30th June 2008, the Group successfully completed its purchase of 2,699,347 ordinary shares (being 33.74% of total issued capital) in TKC, a joint stock corporation established under the laws of Korea, from third parties at a total consideration of approximately HK$376,288,000. TKC is principally engaged in the business of manufacturing polyester fiber, PET resin and spandex, which are materials widely used in the textile and bottle manufacturing industries. Pursuant to a shareholders' agreement entered into between the Group and other major shareholders of TKC, who hold 56.26% of total issued capital of TKC, dated 26th June 2008, certain financial and operating decisions of TKC that are made in the ordinary course of its business are required to have unanimous consent by the Group and the other major shareholders of TKC. Accordingly, TKC is accounted for as a jointly controlled entity by the Group.

The fair value of the Group's share of TKC's identifiable assets acquired and liabilities and contingent liabilities assumed could only be determined on a provisional basis pending completion of the fair value appraisal process. The Group is still in the process of identifying and valuing intangible assets that can be recognised separately from goodwill.

Set forth below is a preliminary calculation of goodwill:

	HK$'000
Purchase consideration	
Cash consideration	376,288
Direct cost relating the acquisition	12,983
	389,271
Less: 33.74% share of fair value of net assets acquired and determined on a provisional basis	(192,757)
Goodwill and other intangible assets	196,514

In connection with the acquisition of 33.74% of the ordinary shares of TKC, the Group entered into various option arrangements with the major shareholders of TKC in relation to the future disposal of the Group's interests in TKC upon occurrence of certain future events within the three years from 30th June 2008. These options are classified as derivatives. They are accounted for at fair value initially. Subsequent changes in fair value are recognised through the income statement. Management is in the process of determining the fair values of these options.

BUSINESS REVIEW

Financial and Business Performance

For the three months ended 31st December 2008 (the "third quarter") and nine months ended 31st December 2008 (the "9-month period"), the Group recorded unaudited consolidated revenue from continuing operations of approximately HK$543,169,000 and HK$1,738,913,000, an increase of approximately 78.2% and 79.1% respectively from the corresponding periods last year. Such increase was mainly due to our share of post-acquisition revenue of approximately HK$352,757,000 and HK$873,679,000 for the third quarter and the 9-month period respectively from our chemical operation division operated through TK Chemical Corporation ("TKC"), the 33.74% jointly controlled entity in Korea acquired by the Group on 30th June 2008.

The unaudited profit/loss figures of each major business division disclosed below do not include any intra-group charges, as they are eliminated upon consolidation.

Surface mount technology ("SMT") trading division

This division recorded a net loss of approximately HK$17,561,000 on revenue of approximately HK$79,828,000 for the third quarter and a net loss of approximately HK$9,510,000 on revenue of approximately HK$519,744,000 for the 9-month period, versus a net loss of approximately HK$5,010,000 on revenue of approximately HK$206,538,000 and a net loss of approximately HK$7,021,000 on revenue of approximately HK$694,607,000 in the corresponding periods last year. The increase of net loss was mainly attributable to the delay, cancellation or slow down of orders for this division's products by customers due to uncertain economic situation and outlook which led to a drop in the division's revenue. Although gross profit margin for the third quarter and the 9-month period exceeded that of the corresponding periods in last year by approximately 4.8% and 4.1% respectively, gross profit generated in these two periods were offset by the reduced turnover and operating expenses. In addition, the appreciation of Japanese Yen ("JPY") against United States Dollars ("US$") in the third quarter caused the division to have exchange losses from operations totaling approximately HK$10,440,000, which was more than the net exchange gain totaling approximately HK$3,795,000 brought forward from the first two quarters of current fiscal year, resulting in an exchange loss of approximately HK$6,645,000 for the 9-month period.

The above exchange loss of approximately HK$6,645,000 for the 9-month period comprised mainly an unrealized exchange loss of approximately HK$5,076,000 and a realized exchange loss of approximately HK$1,569,000. The unrealized exchange loss of approximately HK$5,076,000 resulted from the imbalance in net JPY position of approximately JPY662,274,000 at end of the third quarter and the appreciation of JPY against US$ by approximately 10% from April to December 2008. Although the division has started to match a higher proportion of its trade receivables against its trade payables in JPY in current fiscal year than in the last fiscal year, the significant drop in turnover in the third quarter as mentioned above led to a longer working capital cycle. This led to an imbalance in the net JPY position at the end of the third quarter as total outstanding JPY trade payables exceeded the total outstanding JPY trade receivables. Due to the appreciation of JPY against US$, realized exchange loss was recognized upon settlement of the JPY trade payables recorded by this division in HK$ in the third quarter as the JPY trade payables were first recorded by the division in the first half of current fiscal year at a lower exchange rate in HK$.

As the trade payables are mainly denominated in JPY and there was a significant drop in revenue for the third quarter, we have requested this division's management to take the following actions to reduce the risk of foreign exchange exposure and to return to profitability:

(i) Diversify our products portfolio and exercise strict cost cutting measures;

(ii) Diversify our customer mix and start to sell more products to the customers in those sectors which are expected to benefit from stimulus programs, especially in China;

(iii) Continue to match a high proportion of its trade receivables against its trade payables in JPY;

(iv) Order goods from overseas suppliers only if the corresponding indent sales contracts are confirmed by customers and first down payment of at least 10% of the sales contract value has been received from the customer;

(v) Shorten the working capital cycle to increase JPY cash balance to settle JPY trade payables;

(vi) Explore with new suppliers for other products to change the billing currency to US$ to the extent of minimizing the net liabilities in JPY; and

(vii) Enter into hedging arrangements to minimize the risk arising from the fluctuation of JPY against US$ in the future, subject to prior approval by NAS' management.

Fishmeal and fish oil trading division

For this division operated through our 40% jointly controlled investment in Coland Group Limited ("Coland"), the Group shared a net loss of approximately HK$12,286,000 on revenue of approximately HK$100,336,000 for the third quarter and a net loss of approximately HK$4,142,000 on revenue of approximately HK$328,194,000 for the 9-month period, versus a net profit of approximately HK$861,000 on revenue of approximately HK$97,534,000 and net loss of approximately HK$6,407,000 on revenue of approximately HK$275,713,000 in corresponding periods last year. A net loss for the third quarter was mainly attributable to the significant drop in the market price of brown fishmeal throughout the third quarter caused by reduced demand of brown fishmeal in China and volatility of global commodity prices. As a result, brown fishmeal was sold at a loss in the third quarter to ensure this division maintains good working capital.

Chemical operation division

For our chemical division conducted through TKC, we shared 33.74% of its net loss of approximately HK$3,831,000 on revenue of approximately HK$352,757,000 for the third quarter and a net loss of approximately HK$17,253,000 on revenue of approximately HK$873,679,000 for the 9-month period. Although it recorded positive operating profit of approximately HK$13,048,000 and HK$33,283,000 for the third quarter and the 9-month period respectively, these operating profits were offset by exchange loss of approximately HK$12,957,000 and HK$37,348,000 in these respective periods, resulting in the loss in these periods.

The exchange loss was mainly due to the rapid and sizable depreciation of Korean Won ("KRW") against other major foreign currencies by approximately 20% from July to December 2008. In addition, the US$ trade payables at 31st December 2008 exceeded the US$ trade receivables as at that day, resulting in an imbalance in the US$ position in TKC's balance sheet on 31st December 2008 of approximately US$39 million. As disclosed in our Interim Report 2008/09, the US$ imbalance position was approximately US$61 million at 30th September 2008 and we had requested TKC management to take several actions, including shortening the working capital cycle and keeping more cash in US$, to reduce the risk of foreign currency exposure. TKC's management has taken most of our proposed actions and as a result, TKC's US$ imbalance position was reduced by approximately US$22 million from approximately US$61 million at 30th September 2008 to US$39 million at 31st December 2008 and the total exchange loss recorded by TKC was reduced by approximately 46.9% from HK$24,391,000 for the quarter ended 30th September 2008 to approximately HK$12,957,000 in the third quarter.

Given the uncertain global economic situation and uncertainty in the currency movement between US$ and KRW, we have requested TKC's management to take the following actions to reduce the risk of foreign currency exposure:

(i) Continue to shorten TKC's working capital cycle to increase US$ cash balance;

(ii) Continue to keep more cash balance in US$; and

(iii) Continue to explore with suppliers to change the billing currency to KRW to the extent of minimizing the net liabilities in foreign currency.

In summary, the Group recorded an unaudited net loss attributable to equity holder of approximately HK$66,604,000 for the 9-month period, representing an increase of approximately 50.5% over net loss of approximately HK$44,260,000 for the corresponding period last year. The increased net loss was mainly resulted from the share of post-acquisition loss of TKC of approximately HK$17,253,000 in the 9-month period and increased net loss of our SMT trading division by approximately HK$2,490,000 over that of corresponding period last year.

OUTLOOK

Overall summary

We expect the disruption in the global economy to continue in 2009, especially in the first half of the year. This will offer challenges to our businesses in the coming quarters, from cautious customer demand and pressure on margins. Our companies are leaders in their respective markets and our focus will be to manage cash, costs & risks and to build strength during these times by working with our management teams to improve capability and efficiency. At the same time, the economic climate offers attractively valued investment opportunities and we will continue to seek potential investments to grow value and capabilities.

SMT trading division

Our customer focus continues to be in the electronics manufacturing industry in China, India and Vietnam, where both international and domestic demand will continue although at a reduced rate in the medium term. We expect our customers will continue to be more cautious in their capital investment plan, especially in first half of 2009. In addition, they are demanding more efficient equipment and services that can help their businesses during this economic downturn.

With this outlook, we are focusing on the following areas to strengthen our leading position in the industry: (1) enhance our sales and servicing teams, (2) diversify our portfolio with complementary products and services, (3) balance our customer mix with customers in the mobile phone sector and those in the sectors which are expected to benefit stimulus programs (especially in China), such as automotive electronics, consumer electronics and telecom networks systems. With this approach, we will continue to minimize the impact from the economic downturn and strengthen our position for the recovery. At the same time we will also continue to monitor our working capital, gross profit margin, operating costs and foreign exchange risk closely to improve our cashflow and profitability.

Fishmeal and fish oil trading division

The demand for higher-margin white fishmeal and its market price are improving and we expect the demand and market price will stabilize in first half of 2009.

The demand for brown fishmeal and aquatic feeds have been increasing since January 2009. This is due to an annual seasonal increase in demand and also increase in demand from pig farms who have started to use more fishmeal in pig feeds due to higher soybean meal price. We expect these trends to continue and help stabilize the market for brown fishmeal demand and price.

Demand for our raw and processed fish oil from overseas customers remains strong and we expect that this will continue to help improving our profitability.

We will continue to take a cautious approach in monitoring our trading operation, which are affected by the recent volatility of food prices. Construction of our fish fillet factory in Wuhan of China is near completion and we expect that it will start operation in the first half of 2009. This new downstream business line will help diversifying the risk of our current cyclical trading business and position us to move into higher value-added margin businesses in the future.

Branded food division

In this economic climate, the quick service restaurant business is expected to have increased demand as consumers look to lower cost alternatives for dining out. Our third and fourth Burger King restaurant was opened in Wanchai and Mongkok in November and December 2008. These districts are renowned tourist spots and commercial district in Hong Kong. We intend to open at least five more restaurants, primarily in the business district, shopping areas and tourists spots in the coming months. We will continue to monitor the operation of this division closely to achieve profitability at restaurant level by the end of current fiscal year.

Chemical operation division

Overall, the continuing economic downturn is expected to reduce customer demand and put downward trend on prices. This will be further affected by competition and decreasing raw material prices. However, with the depreciation of the Korean Won, our competitive position will be strengthened versus competitors in other countries and margins will improve from lower cost and we will be in position to take advantage of the demand from the distributors and the down stream manufacturers who are exhausting their buffer stock.

For spandex, due to the seasonal peak of textile demand, we expect increasing demand although at a lower rate for the year. Due to the production decrease by about 50% in the world, decreasing price of the raw materials, and with the exit of several marginal Chinese players from the spandex market we expect the market will recover but in a slow pace.

Polyester business should also see good seasonal demand for textile but will continue to face strong competition and lower prices. The demand will be helped by polyester replacing the demand of some of the more expensive materials such as cotton, wool, and nylon.

For PET resin, we expect the demand will decrease in this period as the demand for bottles will be reduced under the current global economic depression. Competitors will continue to produce at the already reduced capacity to maintain the balance between demand and supply.

As with many companies in the Korean economy, the near term market will be a challenging environment to manage the working capital requirements and debt management. The key focus of the executive team will be to work with suppliers and creditors to manage through short term cash flow issues by negotiating flexible and revised payment schedules and to obtain shareholders' support for working capital requirement. Additionally, the business will work to strengthen its position in the market by operational improvements to reduce costs and manage risks stemming from the volatility of the currency and input costs.

Our focus with all our portfolio companies will be to build strength during these economic times by working with our management teams to improve operations, manage risk and closely monitor cash flow. We are well positioned in market leadership and financial resources to manage through this downturn and build stronger positions in the marketplace.

Our investment strategy

The current economic environment has opened up attractive new opportunities for us, as valuations have come down and well-managed companies are looking for capital. We will continue to seek attractive investments to grow shareholder value and capabilities that can complement our existing businesses.

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES

As at 31st December 2008, the Directors and chief executive of the Company and their respective associates had the following 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 Securities and Futures Ordinance (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:

Long positions in the shares and underlying shares of the Company

(a) The approximate percentage of shareholdings set out below is based on 95,794,716 ordinary shares (each the "share" or "ordinary share") in issue as at 31st December 2008, not on the total number of issued shares upon full conversion of the preference shares and the convertible bonds (the "Convertible Bonds") as set out in the circular to shareholders dated 20th June 2005.

Name of Director	Capacity	Number of ordinary shares held	Number of underlying shares held	Total	Approximate % of shareholdings[a]	*Note*
Mr. Andrew Yao Cho Fai ("Mr. Yao")	Interest of controlled corporation	4,255,789	—	4,255,789	4.44%	*1*

Note:

1. These interests represented:

    (i) a deemed interest in 1,598,113 shares of the Company owned by Huge Top Industrial Ltd. ("Huge Top"). Mr. Yao directly holds approximately 11.91% and indirectly through Perfect Capital International Corp. ("Perfect Capital") owns approximately 42.86% of the issued share capital of Huge Top. Mr. Yao owns the entire issued share capital of Perfect Capital and is one of the two directors of Huge Top. Accordingly, Mr. Yao was deemed, under the SFO, to have an interest in these shares of the Company held by Huge Top;

    (ii) a deemed interest in 1,633,676 shares of the Company owned by TN Development Limited ("TN"). Van Shung Chong (B.V.I.) Limited ("VSC BVI") owns 54% of the issued share capital of TN and Mr. Yao owns 10% of the issued share capital of TN. Mr. Yao is one of the two directors of TN. VSC BVI is a wholly-owned subsidiary of Van Shung Chong Holdings Limited ("VSC") of which Huge Top owns approximately 45.47%. Accordingly, Mr. Yao was deemed, under the SFO, to have an interest in these shares of the Company held by TN; and

    (iii) an interest in 1,024,000 shares of the Company owned by Right Action Offshore Inc. ("Right Action"). Mr. Yao owns the entire issued share capital of Right Action and is also the sole director of that company.

Save as disclosed above, as at 31st December 2008, none of the Directors and the chief executive of the Company or their respective associates had any interests or short positions in the securities of the Company or its associated corporations (within the meaning of Part XV of the SFO) which were required (i) to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO, including interests and short positions which they were deemed or taken to have under such provisions of the SFO, or (ii) pursuant to Section 352 of the SFO, to be entered in the register referred to therein, or (iii) pursuant to the rules 5.46 to 5.67 of the GEM Listing Rules relating to securities transactions by directors of listed companies to be notified to the Company and the Stock Exchange.

INTERESTS OR SHORT POSITIONS OF OTHER PERSONS

As at 31st December 2008, so far as is known to the Directors and chief executive of the Company, the following persons (other than the Directors and chief executive of the Company whose interests were disclosed above) had interests or short positions in the shares and/or underlying shares of the Company which were recorded in the register required to be kept under section 336 of the SFO:

Long positions in the shares and underlying shares[(b)] of the Company

(b) The underlying shares referred to in the following table (other than those referred to in notes 1 and 4 below) arise as a result of the conversion rights attaching to the preference shares issued by the Company under the placement as disclosed in the circulars dated 24th January 2006, 17th August 2007 and 23rd November 2007. The preference shares shall be automatically converted into ordinary share, credited as fully paid, at the conversion ratio of one preference share for one ordinary share in accordance with the terms of the preference shares. Those underlying shares referred in notes 1 and 4 below arise as a result of the conversion of the Convertible Bonds.

(c) The approximate percentage of shareholdings set out below is based on 95,794,716 ordinary shares in issue as at 31st December 2008, not on the total number of issued shares upon full conversion of the preference shares and the Convertible Bonds.

Substantial shareholders (interests related to ordinary shareholders)

Name	Capacity	Number of ordinary shares held	Number of underlying shares held	Total	Approximate % of shareholdings[(c)]	*Note*
Mr. Moses Tsang Kwok Tai ("Mr. Tsang")	Beneficial owner	19,693,486	39,386,973	59,080,459	61.68%	*1*
	Interest of controlled corporation	509,400	—	509,400	0.53%	*2*
	Interest of a discretionary trust	—	148,659,004	148,659,004	155.18%	*3*
				208,248,863	217.39%	

Name	Capacity	Number of ordinary shares held	Number of underlying shares held	Total	Approximate % of shareholdings[(c)]	*Note*
North Asia Strategic Acquisition Corp. ("NASAC")	Beneficial owner	44,163,474	88,326,947	132,490,421	138.31%	*4*
North Asia Strategic Advisors ("NASA")	Interest of controlled corporation	44,163,474	245,039,565	289,203,039	301.90%	*4, 5, 24 & 30*
Ajia Partners Inc. ("API")	Interest of controlled corporation	44,163,474	245,039,565	289,203,039	301.90%	*4 to 6, 24 & 30*

Substantial shareholders (interest related to preference shareholders)

Name	Capacity	Number of ordinary shares held	Number of underlying shares held	Total	Approximate % of shareholdings[(c)]	*Note*
The Goldman Sachs Group, Inc.	Interest of controlled corporation	—	2,477,650,064	2,477,650,064	2,586.42%	*7*
National Nominees Limited ("NNL")	Nominee	—	2,041,884,817	2,041,884,817	2,131.52%	*8*
Military Superannuation and Benefits Board of Trustees No 1	Trustee	—	2,041,884,817	2,041,884,817	2,131.52%	*8*
Fortis Investment NL Holding N.V.	Beneficial owner	—	1,238,825,032	1,238,825,032	1,293.21%	
C.L Davids Fond og Samling	Beneficial owner	—	1,061,780,105	1,061,780,105	1,108.39%	
Woori Bank ("Woori")	Beneficial owner	—	792,848,020	792,848,020	827.65%	*9*
Woori Finance Holdings Co., Ltd.	Interest of controlled corporation	—	792,848,020	792,848,020	827.65%	*9*
United Overseas Bank Limited	Beneficial owner	—	743,295,019	743,295,019	775.92%	
J.T. International Asset Management Corp.	Beneficial owner	—	542,344,186	542,344,186	566.15%	
Oikos Asia Fund ("Oikos")	Beneficial owner	—	495,530,013	495,530,013	517.28%	*10*
Realdania	Beneficial owner	—	408,376,963	408,376,963	426.30%	

Name	Capacity	Number of ordinary shares held	Number of underlying shares held	Total	Approximate % of shareholdings[(c)]	*Note*
Banca Monte Dei Paschi Di Siena Spa	Beneficial owner	—	247,765,006	247,765,006	258.64%	
Grand Loyal (China) Limited ("Grand Loyal")	Nominee	—	247,765,006	247,765,006	258.64%	*11*
Mr. Ho Yiu Wing	Interest of controlled corporation	—	247,765,006	247,765,006	258.64%	*11*
Grand Partners Group Limited ("Grand Partners")	Nominee	—	247,765,006	247,765,006	258.64%	*12*
Mr. William Doo Wai Hoi	Interest of controlled corporation	—	247,765,006	247,765,006	258.64%	*12*
Mozart Verwaltungsgesellschaft mbH ("Mozart")	Beneficial owner	—	204,188,482	204,188,482	213.15%	*13*
Dr. Thomas Helmut Jetter	Interest of controlled corporation	—	204,188,482	204,188,482	213.15%	*13*
Bankpension	Beneficial owner	—	204,188,482	204,188,482	213.15%	
Fubon Bank (Hong Kong) Limited	Beneficial owner	—	199,233,717	199,233,717	207.98%	
Chevalier International Holdings Limited ("Chevalier")	Beneficial owner	—	198,212,005	198,212,005	206.91%	*14*
Mr. Chow Yei Ching	Interest of controlled corporation	—	198,212,005	198,212,005	206.91%	*14*
Ms. Miyakawa Michiko	Family interest	—	198,212,005	198,212,005	206.91%	*14*
K.B. (C.I.) Nominees Limited ("KBCI")	Beneficial owner	—	182,524,084	182,524,084	190.54%	*15*
Frank Nominees Limited ("Frank")	Beneficial owner	—	104,495,497	104,495,497	109.08%	*16*
Kleinwort Benson ("KB")	Interest of controlled corporation	—	287,019,581	287,019,581	299.62%	*15 & 16*

Name	Capacity	Number of ordinary shares held	Number of underlying shares held	Total	Approximate % of shareholdings[c]	*Note*
Asia Internet Capital Ventures LP ("AICV")	Beneficial owner	—	148,659,004	148,659,004	155.18%	*17*
Asia Internet Capital Management LLC	Interest of controlled corporation	—	148,659,004	148,659,004	155.18%	*17*
EC.com Inc.	Interest of controlled corporation	—	148,659,004	148,659,004	155.18%	*17*
Smart Channel Investments Inc.	Interest of controlled corporation	—	148,659,004	148,659,004	155.18%	*17*
MKT Holdings (Cayman Islands) LLC	Interest of controlled corporation	—	148,659,004	148,659,004	155.18%	*17*
HSBC International Trustee Limited	Trustee	—	148,659,004	148,659,004	155.18%	*17*
Gentfull Investment Limited ("Gentfull")	Beneficial owner	—	148,659,004	148,659,004	155.18%	*18*
Ms. Vivien Chen Wai Wai	Interest of controlled corporation	—	148,659,004	148,659,004	155.18%	*18*
Doutdes S.P.A. ("Doutdes")	Beneficial owner	—	148,659,004	148,659,004	155.18%	*19*
UFI Filters SPA	Interest of controlled corporation	—	148,659,004	148,659,004	155.18%	*19*
GGG SPA	Interest of controlled corporation	—	148,659,004	148,659,004	155.18%	*19*
G.G.G. S.A.	Beneficial owner	—	99,106,003	99,106,003	103.46%	*20*
Mr. Giorgio Girondi	Interest of controlled corporation	—	247,765,007	247,765,007	258.64%	*19 & 20*
UBS España, S.A. ("UBS")	Nominee	—	128,441,377	128,441,377	134.08%	*21*
Ms. Angeles González Garcia	Interest of controlled corporation	—	49,553,001	49,553,001	51.73%	*21*
Mr. Jorge Garcia González	Interest of controlled corporation	—	49,553,001	49,553,001	51.73%	*21*
Sphirantes	Nominee	—	49,553,001	49,553,001	51.73%	*21*

Name	Capacity	Number of ordinary shares held	Number of underlying shares held	Total	Approximate % of shareholdings[c]	*Note*
Mr. Cesar Molinas Sanz	Beneficial owner	—	17,343,550	17,343,550	18.10%	*21*
Duserali, S.L.	Beneficial owner	—	14,865,900	14,865,900	15.52%	*21*
Mr. Antonio Del Cano Barbón	Interest of controlled corporation	—	14,865,900	14,865,900	15.52%	*21*
Mr. Ramón Suarez Beltrán	Beneficial owner	—	9,910,600	9,910,600	10.35%	*21*
Mr. Ricardo Sanz Ferrer	Beneficial owner	—	9,910,600	9,910,600	10.35%	*21*
Mr. Miguel Orúe-Echeverria	Beneficial owner	—	9,910,600	9,910,600	10.35%	*21*
ALCO Beteiligungsgesellschaft mbH ("ALCO")	Beneficial owner	—	122,513,089	122,513,089	127.89%	*22*
Albert Büll Kommanditgesellschaft ("ABK")	Interest of controlled corporation	—	122,513,089	122,513,089	127.89%	*22*
Mr. Albert Henri Karl Büll	Interest of controlled corporation	—	122,513,089	122,513,089	127.89%	*22*
Wittelsbacher Ausgleichsfonds	Beneficial owner	—	122,513,089	122,513,089	127.89%	
Timeless Enterprises Limited ("Timeless")	Beneficial owner	—	99,106,003	99,106,003	103.46%	*23*
Kenthomas Company Limited	Nominee	—	99,106,003	99,106,003	103.46%	*23*
Henry Kim Cho ("Mr. Cho")	Interest of controlled corporation	—	99,106,003	99,106,003	103.46%	*23*
North Asia Strategic Acquisition Corp. 2 ("NASAC 2")	Beneficial owner	—	98,502,618	98,502,618	102.83%	*24*
KKR Group Investments II LLC ("KKR")	Beneficial owner	—	89,080,460	89,080,460	92.99%	*25*
Mr. George Rosenberg Roberts	Interest of controlled corporation	—	89,080,460	89,080,460	92.99%	*25*

Name	Capacity	Number of ordinary shares held	Number of underlying shares held	Total	Approximate % of shareholdings[c]	*Note*
Mr. Henry Roberts Kravis	Interest of controlled corporation	—	89,080,460	89,080,460	92.99%	*25*
GAUD Holding B.V. ("GAUD")	Beneficial owner	—	81,675,393	81,675,393	85.26%	*26*
Ms. Dorothée Emma Margaretta Goldschmeding	Interest of controlled corporation	—	81,675,393	81,675,393	85.26%	*26*
Ms. Sabine Marie Antoinette Goldschmeding	Interest of controlled corporation	—	81,675,393	81,675,393	85.26%	*26*
Ms. Anna Petra Elisabeth Goldschmeding	Interest of controlled corporation	—	81,675,393	81,675,393	85.26%	*26*
Mr. Frederik Harold Fentener van Vlissingen	Beneficial owner	—	78,544,061	78,544,061	81.99%	
Jajebi Holding B.V. ("Jajebi")	Beneficial owner	—	68,062,822	68,062,822	71.05%	*27*
Mr. Jan van Seumeren	Interest of controlled corporation	—	68,062,822	68,062,822	71.05%	*27*
Latoer Holding B.V. ("Latoer")	Beneficial owner	—	68,062,822	68,062,822	71.05%	*28*
Mr. Roderik Johannes Rolanda van Seumeren	Interest of controlled corporation	—	68,062,822	68,062,822	71.05%	*28*
NUI Holding B.V. ("NUI")	Beneficial owner	—	68,062,822	68,062,822	71.05%	*29*
Mr. Patrick Jolyon van Seumeren	Interest of controlled corporation	—	68,062,822	68,062,822	71.05%	*29*
North Asia Strategic Acquisition Corp. 3 ("NASAC 3")	Beneficial owner	—	58,210,000	58,210,000	60.77%	*30*
Rawlco Capital Ltd. ("Rawlco")	Beneficial owner	—	49,553,001	49,553,001	51.73%	*31*
Mr. Gordon Stanley Rawlinson	Interest of controlled corporation	—	49,553,001	49,553,001	51.73%	*31*
Fides Management Services Limited ("Fides")	Nominee	—	57,172,775	57,172,775	59.68%	*32*

Name	Capacity	Number of ordinary shares held	Number of underlying shares held	Total	Approximate % of shareholdings[(c)]	*Note*
Mr. Willem Auke Hekstra	Beneficial owner	—	16,335,079	16,335,079	17.05%	*32*
Clover Three Investments Ltd. ("Clover")	Beneficial owner	—	10,209,424	10,209,424	10.66%	*32*
Mr. Jan de Marez Oijens	Interest of controlled corporation	—	10,209,424	10,209,424	10.66%	*32*
Mr. Pieter de Marez Oijens	Interest of controlled corporation	—	10,209,424	10,209,424	10.66%	*32*

Other persons (interests related to preference shareholders)

Name	Capacity	Number of ordinary shares held	Number of underlying shares held	Total	Approximate % of shareholdings[(c)]	*Note*
Mr. Christopher McLeod	Beneficial owner	—	8,167,540	8,167,540	8.53%	*32*
Mr. Menno de Kuyer	Beneficial owner	—	6,125,654	6,125,654	6.39%	*32*
Mr. Martijn Sven van der Veen	Beneficial owner	—	6,125,654	6,125,654	6.39%	*32*
Mr. David Flemming	Beneficial owner	—	6,125,654	6,125,654	6.39%	*32*
Mr. Fernando Rueda Sabater	Beneficial owner	—	7,432,950	7,432,950	7.76%	*21*
Mr. Richardo de Ponga Bianco	Beneficial owner	—	5,946,360	5,946,360	6.21%	*21*

Notes:

1. Mr. Tsang was directly interested in 19,693,486 shares and a further 39,386,973 underlying shares which may fall to be issued if the Convertible Bonds are converted at the initial conversion price of HK$0.1566.

2. These 509,400 shares were directly held by Oboe Development Trading Limited, which was wholly owned by Mr. Tsang.

3. Mr. Tsang was deemed to be interested in 148,659,004 underlying shares by virtue of his being a founder of a discretionary trust, the trustee of which was HSBC International Trustee Limited ("HSBC Trustee"). HSBC Trustee, through its controlling interests in Asia Internet Capital Management LLC which acted as the investment manager of AICV, was deemed to be interested in 148,659,004 underlying shares. These 148,659,004 underlying shares are the same underlying shares referred to in note 17 below. Mr. Tsang was therefore deemed, under the SFO, to be interested in an aggregate of 208,248,863 shares.

4. NASAC was directly interested in 44,163,474 shares and a further 88,326,947 underlying shares which may fall to be issued if the Convertible Bonds are converted at an initial conversion price of HK$0.1566. Accordingly, NASAC was deemed to be interested in a total of 132,490,421 shares.

5. NASA held the single voting participating share of NASAC and the single ordinary voting share of each of NASAC 2 and NASAC 3, NASA was therefore deemed to be interested in 289,203,039 shares.

6. API is the controlling company of NASA which in turn controls 100% voting capital of each of NASAC, NASAC 2 and NASAC 3. API was therefore deemed to be interested in 289,203,039 shares.

7. These underlying shares were held by Goldman Sachs (Asia) Finance, a company controlled by The Goldman Sachs (Asia) Finance Holdings L.L.C.. The Goldman Sachs Group, Inc. was deemed to have interests in these underlying shares through its direct subsidiary, The Goldman Sachs Global Holdings L.L.C., and its indirect subsidiary, The Goldman Sachs & Co., which was in turn the controlling company of The Goldman Sachs (Asia) Finance Holdings L.L.C.. Accordingly, all these parties were deemed, under the SFO, to have an interest in these underlying shares by virtue of their respective corporate interests in Goldman Sachs (Asia) Finance.

8. These underlying shares were held by NNL, a nominee for Military Superannuation and Benefits Board of Trustees No 1 as a trustee for an Australian pension fund.

9. These underlying shares were held by Woori, a company controlled by Woori Finance Holdings Co., Ltd.

10. These underlying shares were held by Oikos, a company controlled by Walkers SPV Limited.

11. These underlying shares were held by Grand Loyal, a company controlled by Mr. Ho Yiu Wing. Accordingly, Mr. Ho was taken to be interested in these underlying shares under the SFO by virtue of his interests in Grand Loyal.

12. These underlying shares were held by Grand Partners, a company controlled by Mr. William Doo Wai Hoi. Accordingly, Mr. Doo was taken to be interested in these underlying shares under the SFO by virtue of his interests in Grand Partners.

13. These underlying shares were held by Mozart, a company controlled by Dr. Thomas Helmut Jetter. Accordingly, he was taken to be interested in these underlying shares under the SFO by virtue of his interests in Mozart.

14. These underlying shares were held by Chevalier, a company 55.73% controlled by Mr. Chow Yei Ching and Ms. Miyakawa Michiko. Accordingly, both were taken to be interested in these underlying shares under the SFO by virtue of their interests in Chevalier.

15. These underlying shares were held by KBCI, a company controlled by KB. Accordingly, KB was taken to be interested in these underlying shares under the SFO by virtue of its corporate interests in KBCI.

16. These underlying shares were held by Frank, a company controlled by KB. Accordingly, KB was taken to be interested in these underlying shares under the SFO by virtue of its corporate interests in Frank.

17. These underlying shares were held by AICV which was managed by Asia Internet Capital Management LLC, a company 99% controlled by EC.com Inc.. HSBC Trustee was deemed to have interests in these underlying shares through its direct wholly-owned subsidiary MKT Holdings (Cayman Islands) LLC and its indirect wholly-owned subsidiary Smart Channel Investments Inc.. Smart Channel Investments Inc. had controlling interests in EC.com Inc.. Accordingly, all these parties were deemed, under the SFO, to have an interest in these underlying shares by virtue of their respective corporate interests in AICV. These underlying shares are the same underlying shares referred to in note 3 above.

18. These underlying shares were held by Gentfull, a company 100% controlled by Ms. Vivien Chen Wai Wai. Accordingly, Ms. Chen was taken to be interested in these underlying shares under the SFO by virtue of her interests in Gentfull.

19. These underlying shares were held by Doutdes, a company 83.98% controlled by UFI Filters SPA which was in turn controlled by GGG SPA, a company controlled by Mr. Giorgio Girondi. Accordingly, all these parties were taken to be interested in these underlying shares under the SFO by virtue of their corporate interests in Doutdes.

20. These underlying shares were held by G.G.G. S.A., a company 100% controlled by Mr. Giorgio Girondi. Accordingly, Mr. Girondi was taken to be interested in these underlying shares under the SFO by virtue of his interests in G.G.G. S.A.

21. These underlying shares were held by UBS. Of these underlying shares, 49,553,001 underlying shares were held by Sphirantes, a company controlled by Ms. Angeles González Garcia and Mr. Jorge Garcia González; 17,343,500 underlying shares were held by Mr. Cesar Molinas Sanz; 14,865,900 underlying shares were held by Duserali, S.L., a company controlled by Mr. Antonio Del Cano Barbón; each of Messrs. Ramón Suarez Beltrán, Ricardo Sanz Ferrer and Miguel Orúe-Echeverria held 9,910,600 underlying shares; 7,432,950 underlying shares were held by Mr. Fernando Rueda Sabater; and 5,946,360 underlying shares were held by Mr. Richardo de Ponga Bianco.

22. These underlying shares were held by ALCO, a company controlled by ABK which in turn controlled by Mr. Albert Henri Karl Büll. Accordingly, both were taken to be interested in these underlying shares under the SFO by virtue of their interests in ALCO.

23. These underlying shares were held by Timeless, a company controlled by Mr. Cho through Kenthomas Company Limited. Accordingly, Mr. Cho was taken to be interested in these underlying shares under the SFO by virtue of his interests in Timeless.

24. These underlying shares were held by NASAC 2. NASA controls 100% of the ordinary voting share capital of NASAC 2 and was therefore deemed to be interested in these underlying shares under the SFO by virtue of its corporate interests in NASAC 2.

25. These underlying shares were held by KKR, a company controlled by Messrs. George Rosenberg Roberts and Henry Roberts Kravis. Accordingly, all these parties were taken to be interested in these underlying shares under the SFO by virtue of their interests in KKR.

26. These underlying shares were held by GAUD, a company controlled by Ms. Dorothée Emma Margaretta Goldschmeding, Ms. Sabine Marie Antoinette Goldschmeding and Ms. Anna Petra Elisabeth Goldschmeding. Accordingly, all these parties were taken to be interested in these underlying shares under the SFO by virtue of their interests in GAUD.

27. These underlying shares were held by Jajebi, a company controlled by Mr. Jan van Seumeren. Accordingly, he was taken to be interested in these underlying shares under the SFO by virtue of his interests in Jajebi.

28. These underlying shares were held by Latoer, a company controlled by Mr. Roderik Johannes Rolanda van Seumeren. Accordingly, he was taken to be interested in these underlying shares under the SFO by virtue of his interests in Latoer.

29. These underlying shares were held by NUI, a company controlled by Mr. Patrick Jolyon van Seumeren. Accordingly, he was taken to be interested in these underlying shares under the SFO by virtue of his interests in NUI.

30. These underlying shares were held by NASAC 3. NASA controls 100% of the ordinary voting share capital of NASAC 3 and was therefore deemed to be interested in these underlying shares under the SFO by virtue of its corporate interests in NASAC 3.

31. These underlying shares were held by Rawlco, a company controlled by Mr. Gordon Stanley Rawlinson. Accordingly, he was taken to be interested in these underlying shares under the SFO by virtue of his interests in Rawlco.

32. These underlying shares were held by Fides and beneficially owned by Mr. Willem Auke Hekstra, Clover, Mr. Christopher McLeod, Mr. Menno de Kuyer, Mr. Martijn Sven van der Veen, Mr. David Flemming and Mr. David Koker respectively. Clover was controlled by Messrs. Jan de Marez Oijens and Pieter de Marez Oijens. Accordingly, both were taken to be interested in these 10,209,424 underlying shares under the SFO by virtue of their interests in Clover.

Save as disclosed above, the Directors and the chief executive of the Company were not aware of any person (other than the Directors or chief executive of the Company the interests of which were disclosed above) who has an interest or short position in the securities of the Company that were required to be entered in the register of the Company pursuant to section 336 of the SFO as at 31st December 2008.

SHARE OPTION SCHEMES

On 10th June 2002, the shareholders approved the adoption of a share option scheme (the "2002 Scheme"). Under the terms of the 2002 Scheme, the Board may at its discretion offer share options to any employee, agent, consultant or representative, including any Executive or Non-executive Director, of any member of the Group or any other person who satisfies the selection criteria as set out in the 2002 Scheme. The principal purpose of the 2002 Scheme is to provide incentives to participants to contribute to the Group and/or to enable the Group to recruit and/or to retain high-calibre employees and attract human resources that are valuable to the Group. The 2002 Scheme shall be valid and effective for a period of ten years commencing on the adoption date. As at 31st December 2008, no share options have been granted by the Company pursuant to the 2002 Scheme.

On 31st October 2006, the Company approved a share option scheme (the "Best Creation Scheme") adopted by Best Creation Investments Limited ("Best Creation"), a wholly-owned subsidiary of the Company, allowing its board of directors to grant options to subscribe for shares in Best Creation to the selected participants under such scheme as incentives or rewards for their contribution to the Best Creation group. The Best Creation Scheme has a life of ten years commencing on the adoption date of 31st October 2006. As at 31st December 2008, no share options have been granted pursuant to the Best Creation Scheme.

COMPETING INTERESTS

As at 31st December 2008, none of the Directors or substantial shareholders of the Company or any of their respective associates has engaged in any business that competes or may compete with the business of the Group or has any other conflict of interests with the Group.

CONTINUING DISCLOSURE UNDER RULE 17.24 OF THE GEM LISTING RULES

The following is an unaudited condensed consolidated balance sheet as at 31st December 2008 of Coland Group Limited, a jointly controlled entity, of which the Group has an equity interest of 40%, as required therein under rule 17.24 of the GEM Listing Rules:

	HK$'000
Non-current assets	145,116
Inventories	468,342
Cash and cash equivalents	62,715
Other current assets	284,140
Bank borrowings	(545,752)
Other current liabilities	(67,594)
Net assets	346,967

PURCHASES, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

Neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities for the nine months ended 31st December 2008.

CODE ON CORPORATE GOVERNANCE PRACTICES

The Company is committed to ensuring high standards of corporate governance in the interests of shareholders, and follows the principles set out in the Code on Corporate Governance Practices (the "Code") contained in Appendix 15 of the GEM Listing Rules. The Company has complied with the code provisions set out in the Code throughout the nine months ended 31st December 2008.

AUDIT COMMITTEE

The Company has established an audit committee with written terms of reference that set out the authorities and duties of the committee adopted by the Board. The committee comprises four independent Non-executive Directors and is chaired by Mr. Kenny Tam King Ching who has appropriate professional qualifications and experience in financial matters.

Under the terms of reference which are aligned with the code provisions set out in the Code contained in the GEM Listing Rules, the committee's principal duties are to ensure the adequacy and effectiveness of the accounting and financial controls of the Group, oversee the performance of internal control systems and financial reporting process, monitor the integrity of the financial statements and compliance with statutory and listing requirements and to oversee independence and qualifications of the external auditors.

The unaudited condensed consolidated financial information for the nine months ended 31st December 2008 of the Company now reported on have been reviewed by the audit committee.

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

Hong Kong, 23rd January 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), 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 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.