

NORTH ASIA STRATEGIC HOLDINGS LIMITED

北亞策略控股有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 8080)

FIRST QUARTERLY RESULTS FOR THE THREE MONTHS ENDED 30TH JUNE 2011

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.

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This announcement, for which the directors (the “Directors” or the “Board”) of North Asia Strategic Holdings Limited 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 of Hong Kong Limited (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 the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this announcement misleading.

* For identification purpose only

With continuing turbulence in the global financial markets, management continues to focus on actions to capture market share, diversify revenue streams and manage costs cautiously. We have successfully added new products and suppliers to business during the three months ended 30th June 2011 (the “quarter”) with two of our three existing businesses continued their financial results improvement trend in the quarter over preceding quarter. We continue to monitor the economy and accelerate the growth plans. One key change to highlight from the corresponding period last year is the results of TK Chemical Corporation (“TKC”) which no longer included in the quarter after the successful sale last year. We look forward to continuing growth in our existing operations as well as adding new investments to our business in the coming quarters to add to our business performance. Our continuing goal is to increase company value for all of our stakeholders.

HIGHLIGHTS

NAS Financial Highlights

- During the quarter, the Group recorded an unaudited consolidated revenue of approximately HK\$542,905,000 from continuing operations, representing an increase of approximately 19.0% from the corresponding period last year.
- Total unaudited consolidated net loss attributable to shareholders of the Company for the quarter was approximately HK\$10,019,000, versus an unaudited consolidated net profit of approximately HK\$6,529,000 for the corresponding period last year. This was principally due to the profit contribution from TKC, a 33.74% jointly-controlled entity disposed by the Group in mid-July 2010 which was included in the corresponding period last year.
- Unaudited consolidated net asset value attributable to shareholders of the Company per ordinary share was approximately HK\$0.1109 as at 30th June 2011, which reflected a decrease of HK\$0.0005 from the corresponding figure of approximately HK\$0.1114 as at 31st March 2011.

Division Financial Highlights

- During the quarter, revenue and net profit generated from the hi-tech distribution and services division were approximately HK\$251,966,000 and HK\$6,074,000 respectively.
- During the quarter, the Group shared 40% revenue and net profit of our jointly-controlled fishmeal and seafood product division of approximately HK\$254,941,000 and HK\$1,625,000 respectively.
- During the quarter, revenue generated from the branded food division was approximately HK\$35,999,000 with narrowing loss of approximately HK\$5,677,000.

RESULTS

The following are the unaudited condensed consolidated results of North Asia Strategic Holdings Limited (the “Company” or “NAS”) and its subsidiaries and jointly-controlled entities (collectively, the “Group”) for the three months ended 30th June 2011 together with the comparative unaudited figures for the corresponding period in 2010:

UNAUDITED CONDENSED CONSOLIDATED INCOME STATEMENT

	Notes	For the three months ended 30th June	
		2011 HK\$'000 (Unaudited)	2010 HK\$'000 (Unaudited)
Continuing operations			
Revenue	3	542,905	456,268
Cost of sales		(475,332)	(384,369)
Gross profit		67,573	71,899
Other income and gains, net		4,293	7,508
Selling and distribution expenses		(47,135)	(48,307)
General and administrative expenses		(34,961)	(33,589)
Operating loss		(10,230)	(2,489)
Finance income	4	3,525	1,382
Finance costs	4	(3,446)	(4,311)
Loss before income tax from continuing operations		(10,151)	(5,418)
Income tax expense	5	(329)	(2,255)
Loss for the period from continuing operations		(10,480)	(7,673)
Discontinued operation			
Profit for the period from a discontinued operation	6	—	14,200
Profit/(loss) for the period		(10,480)	6,527
Profit/(loss) for the period attributable to:			
— Shareholders of the Company		(10,019)	6,529
— Non-controlling interests		(461)	(2)
		(10,480)	6,527
Earnings/(loss) per share attributable to shareholders of the Company (<i>expressed in HK cents per share</i>)	7		
Basic and diluted			
— For profit/(loss) for the period		(0.07)	0.05
— For loss for the period from continuing operations		(0.07)	(0.05)

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	For the three months ended	
	30th June	
	2011	2010
	<i>HK\$'000</i>	<i>HK\$'000</i>
	(Unaudited)	(Unaudited)
Profit/(loss) for the period	<u>(10,480)</u>	<u>6,527</u>
Other comprehensive income/(loss):		
Reclassification adjustment for gains included in the condensed consolidated income statement as a result of the disposal of available-for-sale financial assets	(1,143)	—
Changes in fair value of available-for-sale financial assets	—	(122)
Currency translation differences of foreign operations	<u>2,287</u>	<u>(25,021)</u>
Other comprehensive income/(loss) for the period, net of income tax of nil	<u>1,144</u>	<u>(25,143)</u>
Total comprehensive loss for the period	<u>(9,336)</u>	<u>(18,616)</u>
Total comprehensive loss for the period attributable to:		
— Shareholders of the Company	(8,927)	(18,614)
— Non-controlling interests	<u>(409)</u>	<u>(2)</u>
	<u>(9,336)</u>	<u>(18,616)</u>

Notes:

1. GENERAL INFORMATION

The Group is principally engaged in the following businesses:

- **Hi-tech distribution and services:** 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;
- **Fishmeal and seafood product:** refining and sale of fish oil, processing and sale of fishmeal, manufacturing and sale of aquatic feed products, aquaculture and processing and sale of seafood;
- **Branded food:** developing and operating Burger King restaurants in Hong Kong and Macau; and
- Investment holding.

The Company is a limited liability company incorporated in Bermuda as an exempted company under the Companies Act 1981. The address of its registered office is Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda and of its principal place of business is 11th Floor, The Centrium, 60 Wyndham Street, 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 Hong Kong dollars and all values are rounded to the nearest thousand, unless otherwise stated.

This unaudited condensed consolidated financial information has been approved for issue by the Company’s Board of Directors on 12th August 2011.

2. BASIS OF PREPARATION

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”).

This unaudited condensed consolidated financial information does not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group’s annual financial statements for the year ended 31st March 2011.

The accounting policies adopted in the preparation of this unaudited condensed consolidated financial information are consistent with those followed in the preparation of the Group's annual financial statements for the year ended 31st March 2011, except for the adoption of the following new and revised standards and interpretations for the first time for the current period's financial information:

HKFRS 1 Amendments	Amendments to HKFRS 1 <i>First-time Adoption of Hong Kong Financial Reporting Standards — Limited exemption from Comparative HKFRS 7 Disclosures for First-time Adopters</i>
HKAS 24 (Revised)	<i>Related Party Disclosures</i>
HK(IFRIC) — Int 14 Amendments	Amendments to HK(IFRIC) — Int 14 <i>Prepayments of a Minimum Funding Requirement</i>
HK(IFRIC) — Int 19	<i>Extinguishing Financial Liabilities with Equity Instruments</i>
<i>Improvements to HKFRSs 2010</i>	Amendments to a number of HKFRSs issued in May 2010

The adoption of these new and revised standards and interpretations has had no significant impact on the Group.

3. REVENUE

Revenue represents sales of goods, revenue from branded food operation, commission and other income. The amounts of each category of revenue recognised during the period from continuing operations are as follows:

	For the three months ended	
	30th June	
	2011	2010
	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)
Sales of goods	505,746	421,618
Revenue from branded food operation	35,998	30,988
Commission and other income	1,161	3,662
	542,905	456,268

4. FINANCE INCOME AND COSTS

An analysis of finance income and costs from continuing operations is as follows:

	For the three months ended 30th June	
	2011	2010
	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)
Finance income:		
Interest income from bank deposits	1,486	1,382
Net foreign exchange gains on financing activities	2,039	—
	<u>3,525</u>	<u>1,382</u>
Finance costs:		
Interest on bank loans	3,445	2,368
Net foreign exchange losses on financing activities	—	1,942
Interest on finance lease obligations	1	1
	<u>3,446</u>	<u>4,311</u>

5. INCOME TAX EXPENSE

The Company is exempted from taxation in Bermuda until 2016. Hong Kong profits tax has been calculated at the rate of 16.5% (2010: 16.5%) on the estimated assessable profit for the period.

Subsidiaries and jointly-controlled entities established in the Mainland China are subject to the Mainland China enterprise income tax at the standard rate of 25% (2010: 25%). Certain of these entities in Mainland China have been granted a five-year transitional period with a progressive tax rate from 15% to 25% from 1st January 2008.

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

The amounts of income tax expense recorded in the unaudited condensed consolidated income statement from continuing operations represent:

	For the three months ended	
	30th June	
	2011	2010
	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)
Current taxation		
Hong Kong profits tax		
— current period	—	207
— overprovision in prior periods	—	150
Mainland China enterprise income tax		
— current period	215	2,143
Overseas taxation	85	—
Deferred taxation	29	(245)
	<u>329</u>	<u>2,255</u>

6. DISCONTINUED OPERATION

On 30th April 2010, the Group entered into an agreement to dispose of its entire shareholding in TK Chemical Corporation (“TKC”) in the Republic of Korea (the “Transaction”). Details of the Transaction are disclosed in the Company’s announcement dated 4th May 2010 and the Company’s circular dated 22nd June 2010. The disposal of TKC was completed on 13th July 2010.

The shared results of TKC’s operation for the period ended 30th June 2010 are presented below:

	For the three months ended 30th June 2010 HK\$'000 (Unaudited)
Revenue	498,285
Expenses	(461,105)
Finance costs	<u>(3,109)</u>
Profit of the discontinued operation	34,071
Provision for remeasurement to fair value less costs to sell	<u>(12,200)</u>
Profit before income tax from the discontinued operation	21,871
Income tax expense	<u>(7,671)</u>
Profit for the period from the discontinued operation	<u><u>14,200</u></u>
Earnings per share, from discontinued operation:	
Basic and diluted (<i>HK cents</i>)	<u><u>0.10</u></u>

7. EARNINGS/(LOSS) PER SHARE

Basis earnings/(loss) per share

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

	For the three months ended 30th June					
	Continuing operations (Unaudited)	2011 Discontinued operation (Unaudited)	Total (Unaudited)	Continuing operations (Unaudited)	2010 Discontinued operation (Unaudited) <i>(Note 6)</i>	Total (Unaudited)
Profit/(loss) for the period <i>(HK\$'000)</i>	(10,480)	—	(10,480)	(7,673)	14,200	6,527
Loss for the period attributable to non-controlling interests <i>(HK\$'000)</i>	461	—	461	2	—	2
Profit/(loss) attributable to shareholders of the Company <i>(HK\$'000)</i>	(10,019)	—	(10,019)	(7,671)	14,200	6,529
Weighted average number of ordinary shares in issue	13,576,469,421	—	13,576,469,421	13,596,763,487	13,596,763,487	13,596,763,487
Basic earnings/(loss) per share <i>(HK cents)</i>	<u>(0.07)</u>	<u>—</u>	<u>(0.07)</u>	<u>(0.05)</u>	<u>0.10</u>	<u>0.05</u>

Diluted earnings/(loss) per share

No adjustment has been made to the basic earnings per share amounts presented for the three months ended 30th June 2011 and 2010 as the Group did not have any potentially dilutive ordinary shares during the three months ended 30th June 2011 and 2010.

8. DIVIDENDS

The Directors do not recommend the payment of an interim dividend for the three months ended 30th June 2011 (2010: Nil).

9. SHARE CAPITAL AND RESERVES

Movements in share capital and reserves are as follows:

	(Unaudited)					Total <i>HK\$'000</i>
	Attributable to shareholders of the Company					
	Share capital <i>HK\$'000</i>	Other reserves <i>HK\$'000</i>	Retained profits/ (accumulated losses) <i>HK\$'000</i>	Sub-total <i>HK\$'000</i>	Non- controlling interests <i>HK\$'000</i>	
Balances at 1st April 2011	135,968	1,261,616	117,059	1,514,643	4,416	1,519,059
Comprehensive income/(loss)						
Loss for the period	—	—	(10,019)	(10,019)	(461)	(10,480)
Other comprehensive income/(loss):						
Reclassification adjustment for gains included in the condensed consolidated income statement as a result of the disposal of available- for-sale financial assets	—	(1,143)	—	(1,143)	—	(1,143)
Currency translation differences of foreign operations	—	2,235	—	2,235	52	2,287
Total comprehensive income /(loss) for the period	—	1,092	(10,019)	(8,927)	(409)	(9,336)
Share repurchase	—	(180)	—	(180)	—	(180)
Cancellation for share repurchase	(204)	1,444	(1,240)	—	—	—
Capital contribution from non-controlling interests	—	—	—	—	193	193
Balances at 30th June 2011	135,764	1,263,972	105,800	1,505,536	4,200	1,509,736

(Unaudited)

	Attributable to shareholders of the Company					Total <i>HK\$'000</i>
	Share capital <i>HK\$'000</i>	Other reserves <i>HK\$'000</i>	Retained profits/ (accumulated losses) <i>HK\$'000</i>	Sub-total <i>HK\$'000</i>	Non- controlling interests <i>HK\$'000</i>	
Balances at 1st April 2010	135,968	2,010,137	(139,170)	2,006,935	3,237	2,010,172
Comprehensive income/(loss)						
Profit/(loss) for the period	—	—	6,529	6,529	(2)	6,527
Other comprehensive loss:						
Changes in fair value of available-for-sale financial assets	—	(122)	—	(122)	—	(122)
Currency translation differences of foreign operations	—	(25,021)	-	(25,021)	—	(25,021)
Total comprehensive income/(loss) for the period	—	(25,143)	6,529	(18,614)	(2)	(18,616)
Balances at 30th June 2010	<u>135,968</u>	<u>1,984,994</u>	<u>(132,641)</u>	<u>1,988,321</u>	<u>3,235</u>	<u>1,991,556</u>

BUSINESS REVIEW

Our Strategy

Our Group is focused on identifying and investing in high potential, mid-market companies in North Asia (Greater China, Korea and Japan). Our aim is to work with our portfolio companies to grow and build the next level of value in terms of size, cross-border access, new products/technologies, management capabilities and partnership/alliances. We believe in an active, close working relationship with our investee companies, where we can assist with experience, network and capital. We continuously look for good companies with partnership minded owners and management teams, especially synergistic companies where we can add value to the business.

Financial and Business Performance

As we continue to monitor costs and productivity, the focus of our existing businesses for the quarter was on accelerating their execution plans to add new products, capabilities and skills to increase new revenue streams and enhance market position.

For the quarter under review, the Group recorded an unaudited consolidated revenue of approximately HK\$542,905,000 from continuing operations, representing a 19.0% and a 36.3% growth respectively from the corresponding period last year and the preceding quarter. The Group recorded an unaudited consolidated net loss of approximately HK\$10,019,000 for the quarter, as compared to an unaudited consolidated net profit of approximately HK\$6,529,000 for the corresponding period last year. This year to year difference mainly results from profit of approximately HK\$14,200,000 from our discontinued operation in TKC which is no longer included in the quarter results as well as negative impact of heavy rain in China in June 2011 on the business of our fishmeal and seafood product division.

Below is a summary of the financial and business performance of each major business division. The unaudited profit/loss figures disclosed below do not include any intra-group charges, as they are eliminated upon consolidation.

Fishmeal and Seafood Product Division

Our fishmeal and seafood product division conducted business through our 40% jointly-controlled company, Coland Group Limited (“Coland”). Coland continues to focus on serving the growing need for its products in the aquatic and pig farms and consumer sector in the Chinese, American and European markets. Today, it is one of the leading providers and processors of fishmeal, aquatic feed and fish oil in Asia. With its investments in new fish oil refinery and storage facilities, Coland is a leader in product quality and has one of the largest fish oil storage and processing capabilities in Asia today.

During the quarter, the demand for fishmeal and fish oil by customers in the aquaculture industry in China was affected by heavy rain and flooding in Southern and Eastern China in June 2011 which impacted fish and shrimp breeding farms. This also led to price volatility, which affected Coland's sales and margin in this segment. Overseas demand for Coland's processed fish oil products remained strong but the market price was affected by increased global supply of fish oil after 2-month fishing season in Peru in early June 2011. We shared 40% unaudited revenue of approximately HK\$254,941,000 with a net profit of approximately HK\$1,625,000 for the quarter, versus revenue of approximately HK\$100,019,000 and a net profit of approximately HK\$11,703,000 for the corresponding period last year.

Going forward, we foresee encouraging rebound in demand for our fishmeal, fish oil and feeds products in the domestic market in the near term and we will continue to take a well balanced approach in monitoring our operation and growing our processed product businesses.

Hi-tech Distribution and Services Division

Our hi-tech distribution and services division conducted business through our wholly-owned subsidiary, American Tec Company Limited ("American Tec"). American Tec is a leader in Asia in the distribution, sales and service of surface mount technology (SMT) equipment, with a history of more than 20 years serving its customers in the hi-technology sector. Our team of more than 250 engineers and customer care staff are located in more than 25 cities in China, Vietnam and India. Our customers include most of the major telecom and electronic equipment manufacturers in the world. We are especially well positioned with the growing base of Chinese manufacturers. Our suppliers include leading equipment and solutions manufacturers from Asia, the United States and Europe.

During the quarter, this division recorded an unaudited net profit of approximately HK\$6,074,000 on unaudited revenue of approximately HK\$251,966,000. The quarter's sales decreased by about 22.5% compared to the corresponding period last year mainly due to the historically high demand experienced during the corresponding period last year after the rebound from the global economic recession last year but grew approximately 9.0% quarter on quarter. With American Tec's focus on building diversified revenue streams from distribution, services/solutions, new products and complementary segments and improving margins in the quarter, net profit also increased by approximately 23.7% compared to the preceding quarter. With its leading market position, during the quarter, American Tec signed distribution and service agreements with leading suppliers in the hi-tech sector including SMT, semi-conductors and computers.

We anticipate moderate demand in the telecom and electronic sector in the coming months, with orders led mainly by domestic customers. We expect positive earnings and revenue trend of this division to continue in the near term but we expect to see competitive response from our competitors on pricing which may impact our profit margin. Our management team will continue to focus on the following areas to further build on our great distribution and sales capability in China, Vietnam and India which serve majority of leading manufacturing customers in hi-tech industry in the world:

- Strengthen and consolidate our leading position in our market sector
- Accelerate the growth of higher-margin revenue streams from services/solutions, new products and complementary segments
- Monitor and manage our costs and foreign exchange exposure cautiously
- Invest in internal processes to enhance service and support to our customers and suppliers

Branded Food Division

Burger King is a leading global brand that provides one of the best burgers and other quick service foods in the restaurant market. The Group has franchise rights to grow the business in Hong Kong and Macau. Today, we operate 15 restaurants in renowned retail locations, commercial districts and residential districts in Hong Kong, including Tsim Sha Tsui, Wanchai, Mongkok, Fortress Hill, Hung Hom, Shatin, Causeway Bay, Admiralty, Tsuen Wan, Wong Tai Sin, Sheung Shui, Tseung Kwan O and Tuen Mun. We have also won a number of awards in Hong Kong as one of the best quick service restaurants and best tasting burgers in the city.

The business is still working to breakeven, which will come with increasing the scale and the number of stores that will lead to more brand awareness and reduced costs. The management team has been focusing on a number of key areas:

- Increasing the quarter's sales with ticket count up more than 20% over the preceding quarter
- Local store marketing
- New product introductions
- Cost reduction on supply chain
- Skill and staff enhancement

The division recorded an unaudited revenue of approximately HK\$35,999,000 with narrowing loss of approximately HK\$5,677,000 for the quarter, compared with unaudited revenue of approximately HK\$30,988,000 with net loss of approximately HK\$7,252,000 for the corresponding period last year. With continuous improvement of the business by the management team, the sales were increased by 16.2% year on year and traffic count up by approximately 32.3%. Operating loss at restaurant level (excluding one-off store closure cost) was further reduced by approximately 31.7% year on year and approximately 6.8% in the quarter compared to the preceding quarter. In response to pressure from rising costs under the current inflationary environment for food, the minimum wage law and the competitive response to our growth, we continue to prudently build our Burger King brand presence and improve operating efficiency.

Burger King continues to provide superior products in the market place with a great brand, and we will continue to execute plans to achieve financial performance improvement.

OUTLOOK

Although the global economy has not fully stabilized and we continue to monitor the risks to the business, we are continuing to observe continual improvement in customer demand:

- Improving demand for our SMT equipment from local and multinational smartphone manufacturers in China
- Demand for our fishmeal, fish oil and feeds in China has started to rebound in July 2011
- Summer season attracting good demand for our branded food business

The Group has confidence that the portfolio companies are in a strong position to take advantage of the growth of their respective sectors and will continue to build up momentum to growth from strength to strength. The Group will continue to prudently leverage on its core competence, strength and expertise to tap the investment opportunities in other attractive sectors in North Asia in a dynamic, yet meticulous, manner to create values and maximize returns for shareholders and the Group.

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

As at 30th June 2011, 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 of the Company

Name of Director	Capacity	Number of ordinary shares held	Approximate percentage of shareholdings	<i>Note</i>
Mr. Göran Sture Malm ("Mr. Malm")	Interest of controlled corporation	94,127,499	0.69%	<i>1</i>

Note:

1. Mr. Malm was beneficially interested in these shares through his controlling company Windswept Inc.

Save as disclosed above, as at 30th June 2011, 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) 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 the rules 5.46 to 5.67 of the GEM Listing Rules relating to securities transactions by Directors.

INTERESTS OR SHORT POSITIONS OF OTHER PERSONS

As at 30th June 2011, 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 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 of the Company

Substantial shareholders of the Company

Name	Capacity	Number of ordinary shares held	Approximate percentage of shareholdings	Note
The Goldman Sachs Group, Inc.	Interest of controlled corporation	2,477,650,064	18.25%	1
Military Superannuation and Benefits Board of Trustees No 1	Trustee	2,041,884,817	15.04%	2

Other Shareholders of the Company

Name	Capacity	Number of ordinary shares held	Approximate percentage of shareholdings	Note
C.L Davids Fond og Samling	Beneficial owner	1,061,780,105	7.82%	
Woori Bank	Beneficial owner	792,848,020	5.84%	3
Woori Finance Holdings Co., Ltd.	Interest of controlled corporation	792,848,020	5.84%	3
United Overseas Bank Limited	Beneficial owner	743,295,019	5.47%	

Notes:

1. The Goldman Sachs Group, Inc. was deemed to be interested in these shares through its indirect subsidiary, Goldman Sachs (Asia) Finance.

2. These shares were held by Military Superannuation and Benefits Board of Trustees No 1 as a trustee for an Australian pension scheme.
3. Woori Finance Holdings Co., Ltd. was deemed to be interested in these shares through its controlling company, Woori Bank.

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 30th June 2011.

SHARE OPTION SCHEME

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 caliber 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 30th June 2011, 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 30th June 2011, no share options have been granted pursuant to the Best Creation Scheme.

COMPETING INTERESTS

As at 30th June 2011, 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 statement of financial position as at 30th June 2011 of Coland, of which the Group has an equity interest of 40%, as required therein under rule 17.24 of GEM Listing Rules:

	<i>HK\$ '000</i>
Non-current assets	310,562
Inventories	701,360
Cash and cash equivalents	62,763
Other current assets	587,833
Bank borrowings	(767,796)
Other current liabilities	(401,253)
Other non-current liabilities	(5,847)
	<hr/>
Net assets	<u>487,622</u>

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

During the three months ended 30th June 2011, the Company repurchased a total of 2,000,000 ordinary shares of the Company on the Stock Exchange. These shares together with 18,360,000 ordinary shares repurchased by the Company during the month of March 2011 were cancelled by the Company on 29th April 2011. Details are the repurchases were set out as follows:

Month of repurchase	Number of shares repurchased	Price per share		Aggregate
		Highest	Lowest	price paid*
		<i>HK\$</i>	<i>HK\$</i>	<i>HK\$</i>
April 2011	2,000,000	0.072	0.071	143,944

* *Excluding transaction cost*

Save as disclosed above, neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities for the three months ended 30th June 2011.

CODE ON CORPORATE GOVERNANCE PRACTICES

The Company endeavours in maintaining 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. Except for the deviation described below, no Director of the Company is aware of any information which would reasonably indicate that the Company is not, or was not at any time during the three months ended 30th June 2011, acting in compliance with the Code.

Code provision A.4.1 stipulates that non-executive directors should be appointed for specific terms. However, Mr. Jason Matthew Brown and Mr. James Tsiolis, non-executive Directors elected by the shareholders at the annual general meeting and special general meeting of the Company on 27th September 2010 and 1st December 2010 respectively have not been appointed for a specific terms but are subject to retirement by rotation and re-election at annual general meeting in accordance with the Bye-laws of the Company.

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 three independent non-executive Directors and is chaired by Mr. Kenny Tam King Ching who has appropriate professional qualifications and experience in financial matters. The terms of reference of the audit committee are aligned with the provisions set out in the Code. 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 three months ended 30th June 2011 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, 12th August 2011

As at the date of this announcement, the Board comprises two Executive Directors, namely Mr. Göran Sture Malm (Chairman) and Mr. John Saliling (Chief Executive Officer); four Non-executive Directors, namely Mr. Andrew Yao Cho Fai, Mr. James Tsiolis, Mr. Jason Matthew Brown and Mr. Takeshi Kadota; and three Independent Non-executive Directors, namely Mr. Yu Wang Tak (Deputy Chairman), Mr. Kenny Tam King Ching and Philip Ma King Huen.

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.