

The Stock Exchange of Hong Kong Limited (the "Stock Exchange") takes no responsibility for the contents of this announcement, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.

NORTH ASIA STRATEGIC HOLDINGS LIMITED

北亞策略控股有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 8080)

**MONTHLY ANNOUNCEMENT
RELATING TO OUTSTANDING CONVERTIBLE BONDS**

The Board announces that none of the HK\$20 million Convertible Bonds issued by the Company on 8th August 2005 to the Ajia Parties have been converted during the period from 1st to 31st December 2005, and there has been no issue of New Shares by the Company during the same period.

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

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

The Board announces that:

- (i) none of the Convertible Bonds have been converted during the period from 1st to 31st December 2005;
- (ii) the Convertible Bonds outstanding remain to be HK\$20 million as at 31st December 2005;

- (iii) there have been no New Shares issued pursuant to other transactions during the same period, including New Shares issued pursuant to the exercise of options under any share option scheme(s) of the Company; and
- (iv) the total issued share capital of the Company as at 1st and 31st December 2005 were 95,794,716 New Shares.

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

Hong Kong, 3rd January 2006

As at the date of this announcement, the Board comprises Mr. Göran Sture Malm (Chairman), Mr. Chow Savio Sing Nam (Chief Executive Officer), Mr. Cho Henry Kim, Mr. Andrew Cho Fai Yao and Mr. Desmond Hay Ching Fu (being the executive directors), Mr. Philip King Huen Ma, Mr. Kenny King Ching Tam and Mr. Edgar Chi Ping Kwan (being the independent non-executive directors).

This announcement, for which the directors of the Company 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 for the purpose of giving information with regard to the Company. The directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief: (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.

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

**For identification purpose only*