
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

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If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult your licensed securities dealer, other licensed corporation, bank manager, solicitor, professional accountant, or other professional adviser.

If you have sold or transferred all your shares in North Asia Strategic Holdings Limited, you should at once hand this circular and the accompanying proxy form to the purchaser or transferee or to the bank, licensed securities dealer, other licensed corporation or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

North Asia Strategic Holdings Limited

北亞策略控股有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 8080)

**PROPOSED CHANGE OF AUDITOR,
RE-ELECTION OF RETIRING DIRECTOR
AND
NOTICE OF SPECIAL GENERAL MEETING**

A notice convening a Special General Meeting of North Asia Strategic Holdings Limited to be held at 78th Floor, The Center, 99 Queen's Road Central, Hong Kong on Monday, 27th October 2008 at 2:30 p.m. is set out in this circular. Whether or not you are able to attend the meeting, you are requested to complete the accompanying form of proxy in accordance with the instructions printed thereon and return it to the branch share registrar, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong as soon as possible and in any event not later than 48 hours before the time appointed for the holding of the meeting or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the meeting or any adjournment thereof should you so wish.

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquires, confirm that, to the best of their knowledge and belief: (i) the information contained in this circular is accurate and complete in all material respects and not misleading; (ii) there are no other matters the omission of which would make any statement in this circular misleading; and (iii) all opinions expressed in this circular have been arrived at after due and careful consideration and are founded on bases and assumptions that are fair and reasonable.

This circular 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.

CHARACTERISTICS OF GEM

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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DEFINITIONS

In this circular, the following expressions have the following meanings, unless the context requires otherwise:

“Board”	the board of Directors
“Company”	North Asia Strategic Holdings Limited, a company incorporated in Bermuda with limited liability whose issued Shares are listed on GEM (stock code: 8080)
“Director(s)”	the director(s) of the Company
“E&Y”	Ernst & Young, Certified Public Accountants
“GEM”	the Growth Enterprise Market of the Stock Exchange
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Mr. Saliling”	Mr. John Saliling, an Executive Director and the Chief Executive Officer of the Company
“PwC”	PricewaterhouseCoopers, Certified Public Accountants
“Share(s)”	the ordinary share(s) of HK\$0.01 each in the issued share capital of the Company
“Shareholders”	the holders of the Shares
“Special General Meeting”	the special general meeting of the Company to be held at 78th Floor, The Center, 99 Queen’s Road Central, Hong Kong on Monday, 27th October 2008
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

North Asia Strategic Holdings Limited
北亞策略控股有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 8080)

Executive Directors:

Mr. Göran Sture Malm (*Chairman*)
Mr. Savio Chow Sing Nam (*Deputy Chairman*)
Mr. John Saliling (*Chief Executive Officer*)

Registered Office:

Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

Non-executive Directors:

Mr. Andrew Yao Cho Fai
Mr. Takeshi Kadota

*Head Office and Principal Place
of Business in Hong Kong:*

78th Floor, The Center
99 Queen's Road Central
Hong Kong

Independent Non-executive Directors:

Mr. Philip Ma King Huen
Mr. Kenny Tam King Ching
Mr. Edgar Kwan Chi Ping
Mr. Yu Wang Tak

10th October 2008

*To the Shareholders and,
for information only, the holders of the Preference Shares
and the Convertible Bonds*

Dear Sir or Madam,

**PROPOSED CHANGE OF AUDITOR,
RE-ELECTION OF RETIRING DIRECTOR
AND
NOTICE OF SPECIAL GENERAL MEETING**

1. INTRODUCTION

The Company announced on 6th October 2008 that PwC resigned as the auditor of the Group with effect from 3rd October 2008 and the Board proposed to appoint E&Y as the auditor of the Company to fill the casual vacancy following the resignation of PwC and to hold office until the conclusion of the next annual general meeting of the Company, subject to the approval of the Shareholders at the Special General Meeting.

* For identification purpose only

LETTER FROM THE BOARD

The Company also announced on 27th August 2008 that Mr. John Saliling was appointed as an Executive Director and the Chief Executive Officer of the Company with effect from 29th August 2008. In accordance with the Bye-laws of the Company, Mr. Saliling will retire at the Special General Meeting and, being eligible, will offer himself for re-election.

The purpose of this circular is to provide you with further information of the change of auditor and the re-election of the retiring Director, and to give you notice of the Special General Meeting.

2. PROPOSED CHANGE OF AUDITOR

The Company announced on 6th October 2008 that PwC resigned as the auditor of the Group with effect from 3rd October 2008 and the Board proposed to appoint E&Y as the auditor of the Group.

PwC was re-appointed as the auditor of the Company at the last annual general meeting of the Company held on 31st July 2008 to hold office until the conclusion of the next annual general meeting of the Company. The Company received a letter of resignation from PwC in respect of their resignation as auditor of the Company with effect from 3rd October 2008. The Company is incorporated under the laws of Bermuda and to the knowledge of the Board, there is no requirement under the laws of Bermuda for the resigning auditor to confirm whether or not there is any circumstance connected with their resignation which they consider should be brought to the attention of the Shareholders. PwC has therefore not issued such confirmation. To the best knowledge of the Directors, there are no circumstances in respect of the change of auditor which they consider should be brought to the attention of the Shareholders.

In accordance with the Bye-laws of the Company, if the office of auditor becomes vacant by the resignation of the auditor, the Directors shall as soon as practicable convene a special general meeting to fill the casual vacancy. The Board proposed to appoint E&Y as the auditor of the Company to fill the casual vacancy and to hold office until the conclusion of the next annual general meeting of the Company. The appointment of E&Y in place of PwC is subject to the approval by the Shareholders at the Special General Meeting.

At present, certain of the Group's jointly controlled entities have appointed E&Y as their auditors. The Board is of the opinion that the appointment of the same audit firm across the Group including its jointly controlled entities would help to improve overall efficiency with a more streamlined audit process and reduce cost in terms of management time and professional fees.

LETTER FROM THE BOARD

3. RE-ELECTION OF RETIRING DIRECTOR

In accordance with Bye-law 86(2) of the Bye-laws of the Company, the Directors have the power at any time and from time to time to appoint any person as a Director, either to fill a casual vacancy or as an addition to the Board. Any Directors so appointed shall hold office only until the next general meeting of the Company and shall then be eligible for re-election at that meeting. Accordingly, Mr. Saliling who was appointed as an Executive Director and the Chief Executive Officer by the Board on 29th August 2008 will retire at the Special General Meeting and, being eligible, will offer himself for re-election.

Details of Mr. Saliling that are required to be disclosed under the GEM Listing Rules are set out below:

Mr. John Saliling, aged 44, joined the Company in August 2008 and leads the team to drive operational performance, strategic growth and new investment for the portfolio. Mr. Saliling has over 23 years of business management, operations and execution experience in China, India, Korea, Japan, Singapore, United States and Europe. Prior to the Company, Mr. Saliling was the managing director of Cisco Systems (“Cisco”) consulting group for Asia Pacific, working with government ministries and leading companies across industries. Before Cisco, Mr. Saliling held senior operating positions in enterprise software and consumer/B2B internet companies in Asia Pacific as the chief executive officer of Similan.com Pte. Ltd. and chief operating officer of Eutech Cybernetics Inc.. He also worked as a principal, leading the hi-tech strategy practice in Asia for Booz Allen & Hamilton, a global consulting firm. Mr. Saliling is a Knight scholar and holds a Master of Business Administration degree in finance, a Master of Engineering and a Bachelor of Science degree from Cornell University. Mr. Saliling is a member of the remuneration committee and the compliance officer of the Company.

Under the service contract with Mr. Saliling, he is entitled to an emolument of HK\$2,730,000 per annum which was determined by the remuneration committee on the basis of his level of responsibilities and by reference to market benchmark. The service contract is for a period of three years commencing on 29th August 2008 and is subject to retirement and re-election at the annual general meeting in accordance with the Company’s Bye-laws.

Mr. Saliling did not hold any directorship in any listed companies over the past three years. He does not have any relationship with any Directors, senior management, substantial or controlling shareholders of the Company nor does he have any interest (within the meaning of Part XV of the Securities and Futures Ordinance) in the shares of the Company.

LETTER FROM THE BOARD

Save as disclosed above, the Board believes that there is no other matter concerning Mr. Saliling that needs to be brought to the attention of the Shareholders nor is there any information that are required to be disclosed pursuant to the requirements of rule 17.50(2) of the GEM Listing Rules in relation to his re-election.

4. SPECIAL GENERAL MEETING

A notice of the Special General Meeting is set out on page 7 of this circular. At the Special General Meeting, ordinary resolutions will be proposed to approve the appointment of auditor and the re-election of retiring Director.

A form of proxy for use at the Special General Meeting is accompanying this circular. Whether or not you are able to attend the meeting, you are requested to complete the accompanying form of proxy and return it in accordance with the instructions printed thereon to the branch share registrar of the Company, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, as soon as possible and in any event not less than 48 hours before the time appointed for the holding of the Special General Meeting. Completion and return of the form of proxy will not preclude you from attending and voting in person at the Special General Meeting or any adjourned meeting should you so wish.

5. RIGHT TO DEMAND A POLL

Pursuant to Bye-law 66 of the Bye-laws of the Company, a resolution put to the vote of a general meeting shall be decided on a show of hands unless voting by way of a poll is required by the rules of the Stock Exchange or (before or on the declaration of the result of the show of hands or on the withdrawal of any other demand for a poll) a poll is demanded:

- (a) by the chairman of such meeting; or
- (b) by at least three members present in person (or in the case of a member being a corporation by its duly authorised representative) or by proxy for the time being entitled to vote at the meeting; or
- (c) by a member or members present in person (or in the case of a member being a corporation by its duly authorised representative) or by proxy and representing not less than one-tenth of the total voting rights of all members having the right to vote at the meeting; or

LETTER FROM THE BOARD

- (d) by a member or members present in person (or in the case of a member being a corporation by its duly authorised representative) or by proxy and holding shares in the Company conferring a right to vote at the meeting being shares on which an aggregate sum has been paid up equal to not less than one-tenth of the total sum paid up on all shares conferring that right; or
- (e) if required by the rules of the Stock Exchange, by any Director or Directors who, individually or collectively, hold proxies in respect of shares representing 5% or more of the total voting rights at such meeting.

A demand by a person as proxy for a member or in the case of a member being a corporation by its duly authorised representative shall be deemed to be the same as a demand by a member.

6. RECOMMENDATION

The Directors consider that the appointment of E&Y as auditor of the Company and the re-election of Mr. John Saliling as a Director of the Company are in the best interests of the Company and its Shareholders as a whole. Accordingly, the Directors recommend the Shareholders to vote in favour of the resolutions to be proposed at the Special General Meeting.

Yours faithfully,

On behalf of the Board

North Asia Strategic Holdings Limited

John Saliling

Executive Director and Chief Executive Officer

NOTICE OF SPECIAL GENERAL MEETING

North Asia Strategic Holdings Limited 北亞策略控股有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 8080)

NOTICE IS HEREBY GIVEN THAT a special general meeting of North Asia Strategic Holdings Limited (the “Company”) will be held at 78th Floor, The Center, 99 Queen’s Road Central, Hong Kong on Monday, 27th October 2008 at 2:30 p.m. for the purpose of considering and, if thought fit, passing with or without amendments, the following resolutions as ordinary resolutions:

ORDINARY RESOLUTIONS

1. “**THAT** Ernst & Young be and is hereby appointed as auditor of the Company to fill the casual vacancy following the resignation of PricewaterhouseCoopers and to hold office until the conclusion of the next annual general meeting of the Company at a fee to be fixed by the Board of Directors of the Company.”
2. “**THAT** Mr. John Saliling be re-elected as a Director of the Company.”

By Order of the Board
North Asia Strategic Holdings Limited
Lam Yee Fan
Company Secretary

Hong Kong, 10th October 2008

Registered Office:
Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

*Head Office and Principal Place of Business
in Hong Kong:*
78th Floor, The Center
99 Queen’s Road Central
Hong Kong

* *For identification purpose only*

NOTICE OF SPECIAL GENERAL MEETING

Notes:

1. Any member entitled to attend and vote at the meeting convened by this notice is entitled to appoint one or, if he/she holds two or more shares, more than one proxy to attend and to vote instead of him/her. A proxy need not be a member of the Company.
2. To be valid, this form of proxy, together with the relevant power of attorney or other authority (if any) under which it is signed (or a certified true copy thereof) must be deposited at the Company's branch share registrar, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, not less than 48 hours before the time appointed for holding of the meeting or any adjourned meeting, as the case may be.
3. Completion and return of the form of proxy will not preclude a member of the Company from attending and voting in person at the meeting or any adjournment thereof and, in such event, the authority of the proxy shall be deemed to be revoked.
4. In case of joint holders of a share, any one of such joint holders may vote, either in person or by proxy, in respect of such share as if he/she were solely entitled thereto. If more than one of such joint holders are present at the meeting, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders. For this purpose, seniority shall be determined by the order in which the names stand in the register of members of the Company in respect of the joint holding.