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

(Incorporated in Bermuda with limited liability)

(Stock Code: 8080)

INTERIM RESULTS
FOR THE SIX MONTHS ENDED 30TH SEPTEMBER 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.

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 the continuing turbulence in the global economy, the management continues to step up actions to maintain and grow revenue streams and manage costs prudently. Two of our three businesses continuing their positive financial results trend in the three months ended 30th September 2011 (the "second quarter"). We have successfully added new products to our businesses during the six months ended 30th September 2011 (the "half year period") as well as implement systems and process to improve efficiency and competitiveness. One key change to highlight from the corresponding period last year is that the results of TK Chemical Corporation ("TKC") is no longer included in the half year period after the successful disposal last year.

Due to the uncertainty in the economy, we expect slowing customer demand and volatility in supply costs which will provide pressure on operating margins in the coming quarters. We continue to monitor the economy and execute our strategic growth plans while managing risk.

HIGHLIGHTS

NAS Financial Highlights

- During the half year period, the Group recorded an unaudited consolidated revenue of approximately HK$1,095,124,000 from continuing operations, representing a decrease of approximately 11.4% from the corresponding period last year.

- Total unaudited consolidated net loss attributable to shareholders of the Company for the half year period was approximately HK$18,012,000, versus an unaudited consolidated net profit of approximately HK$11,339,000 for the corresponding period last year. This was principally due to the exclusion of the profit contribution of approximately HK$14,200,000 from TKC, a jointly-controlled entity disposed of 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$0.1105 as at 30th September 2011, which reflected a decrease of HK$0.0004 from the corresponding figure of approximately HK$0.1109 as at 30th June 2011.

Division Financial Highlights

- During the half year period, revenue and net profit generated from the hi-tech distribution and services division were approximately HK$551,596,000 and HK$16,407,000 respectively.

- During the half year period, the Group shared 40% revenue and net profit of our jointly-controlled fishmeal and seafood product division of approximately HK$471,545,000 and HK$3,298,000 respectively.

- During the half year period, revenue generated from the branded food division was approximately HK$71,983,000 with a narrowing loss to approximately HK$11,012,000.

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 six months and three months ended 30th September 2011 together with the comparative unaudited figures for the corresponding periods in 2010:

UNAUDITED CONDENSED CONSOLIDATED INCOME STATEMENT

		For the six months ended 30th September		For the three months ended 30th September	
		2011	2010	**2011**	2010
	Notes	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*
		(Unaudited)	(Unaudited)	**(Unaudited)**	(Unaudited)
Continuing operations					
Revenue	*3*	**1,095,124**	1,235,409	**552,219**	779,141
Cost of sales		**(952,324)**	(1,069,572)	**(476,992)**	(685,203)
Gross profit		**142,800**	165,837	**75,227**	93,938
Other income and gains, net		**7,733**	18,873	**3,440**	11,365
Selling and distribution expenses		**(103,332)**	(105,907)	**(56,197)**	(57,600)
General and administrative expenses		**(65,942)**	(72,308)	**(30,981)**	(38,719)
Operating profit/(loss)		**(18,741)**	6,495	**(8,511)**	8,984
Finance income	*4*	**8,313**	2,792	**4,788**	1,410
Finance costs	*4*	**(7,035)**	(7,279)	**(3,589)**	(2,968)
Profit/(loss) before income tax from continuing operations		**(17,463)**	2,008	**(7,312)**	7,426
Income tax expense	*5*	**(1,042)**	(4,963)	**(713)**	(2,708)
Profit/(loss) for the period from continuing operations		**(18,505)**	(2,955)	**(8,025)**	4,718
Discontinued operation					
Profit for the period from a discontinued operation	*6*	**—**	14,200	**—**	—
Profit/(loss) for the period		**(18,505)**	11,245	**(8,025)**	4,718

	Note	For the six months ended 30th September		For the three months ended 30th September	
		2011	2010	**2011**	2010
		HK$'000	*HK$'000*	***HK$'000***	*HK$'000*
		(Unaudited)	(Unaudited)	**(Unaudited)**	(Unaudited)
Profit/(loss) for the period attributable to:					
— Shareholders of the Company		**(18,012)**	11,339	**(7,993)**	4,810
— Non-controlling interests		**(493)**	(94)	**(32)**	(92)
		(18,505)	11,245	**(8,025)**	4,718
Earnings/(loss) per share attributable to shareholders of the Company *(expressed in HK cents per share)*	*7*				
Basic and diluted					
— For profit/(loss) for the period		**(0.13)**	0.08	**(0.06)**	0.04
— For profit/(loss) for the period from continuing operations		**(0.13)**	(0.02)	**(0.06)**	0.04

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	For the six months ended 30th September		For the three months ended 30th September	
	2011	2010	**2011**	2010
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*
	(Unaudited)	(Unaudited)	**(Unaudited)**	(Unaudited)
Profit/(loss) for the period	**(18,505)**	11,245	**(8,025)**	4,718
Other comprehensive income/(loss):				
Available-for-sale financial assets:				
Reclassification adjustments for gains included in the condensed consolidated income statement as a result of the disposal	**(1,143)**	—	**—**	—
Changes in fair value	**—**	(778)	**—**	(656)
Currency translation differences:				
Reclassification adjustments for exchange differences included in the condensed consolidated income statement upon the disposal of a jointly-controlled entity	**—**	50,420	**—**	50,420
Currency translation differences of foreign operations	**5,448**	(4,275)	**3,161**	20,746
Other comprehensive income for the period, net of income tax of nil	**4,305**	45,367	**3,161**	70,510
Total comprehensive income/(loss) for the period	**(14,200)**	56,612	**(4,864)**	75,228
Total comprehensive income/(loss) for the period attributable to:				
— Shareholders of the Company	**(13,758)**	56,706	**(4,831)**	75,320
— Non-controlling interests	**(442)**	(94)	**(33)**	(92)
	(14,200)	56,612	**(4,864)**	75,228

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Notes	**As at 30th September 2011 *HK$'000* (Unaudited)**	As at 31st March 2011 *HK$'000* (Audited)
ASSETS			
Non-current assets			
Property, plant and equipment	*9*	**153,905**	148,364
Investment property	*9*	**2,185**	2,172
Leasehold land under operating leases and land use rights	*9*	**18,029**	17,721
Intangible assets	*9*	**394,179**	394,946
Available-for-sale financial assets		**—**	2,109
Deferred tax assets		**27,119**	27,089
Other non-current assets		**10,533**	11,316
		605,950	603,717
Current assets			
Inventories		**343,562**	248,138
Biological assets		**7,596**	8,499
Trade and other receivables	*10*	**322,027**	201,937
Pledged bank deposits		**134,641**	96,416
Cash and cash equivalents		**935,094**	983,549
		1,742,920	1,538,539
Total assets		**2,348,870**	2,142,256
EQUITY			
Equity attributable to shareholders of the Company			
Share capital	*12*	**135,764**	135,968
Reserves	*12*	**1,364,801**	1,378,675
		1,500,565	1,514,643
Non-controlling interests	*12*	**4,167**	4,416
Total equity		**1,504,732**	1,519,059

	Note	As at 30th September 2011 HK$'000 (Unaudited)	As at 31st March 2011 HK$'000 (Audited)
LIABILITIES			
Current liabilities			
Borrowings		**340,169**	234,300
Trade and other payables	*11*	**484,206**	365,313
Derivative financial instruments		**452**	1,089
Income tax liabilities		**1,676**	4,577
		826,503	605,279
Non-current liabilities			
Borrowings		**9,819**	11,903
Deferred tax liabilities		**149**	545
Deferred income		**3,840**	1,666
Other non-current liabilities		**3,827**	3,804
		17,635	17,918
Total liabilities		**844,138**	623,197
Total equity and liabilities		**2,348,870**	2,142,256
Net current assets		**916,417**	933,260
Total assets less current liabilities		**1,522,367**	1,536,977

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	(Unaudited)				
	Attributable to shareholders of the Company				
	Share capital	Reserves	Sub-total	Non-controlling interests	Total
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
Balances at 1st April 2010	135,968	1,870,967	2,006,935	3,237	2,010,172
Comprehensive income/(loss)					
Profit/(loss) for the period	—	11,339	11,339	(94)	11,245
Other comprehensive income/(loss)					
Changes in fair value of available-for-sale financial assets	—	(778)	(778)	—	(778)
Currency translation differences:					
Reclassification adjustments for exchange differences included in the condensed consolidated income statement upon the disposal of a jointly-controlled entity	—	50,420	50,420	—	50,420
Currency translation differences of foreign operations	—	(4,275)	(4,275)	—	(4,275)
Total other comprehensive income	—	45,367	45,367	—	45,367
Total comprehensive income/(loss) for the period	—	56,706	56,706	(94)	56,612
Balances at 30th September 2010	135,968	1,927,673	2,063,641	3,143	2,066,784

	(Unaudited)				
	Attributable to shareholders of the Company				
	Share capital	Reserves	Sub-total	Non-controlling interests	Total
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
Balances at 1st April 2011	**135,968**	**1,378,675**	**1,514,643**	**4,416**	**1,519,059**
Comprehensive income/(loss)					
Loss for the period	—	**(18,012)**	**(18,012)**	**(493)**	**(18,505)**
Other comprehensive income/(loss)					
Reclassification adjustments 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	—	**5,397**	**5,397**	**51**	**5,448**
Total other comprehensive income	—	**4,254**	**4,254**	**51**	**4,305**
Total comprehensive loss for the period	—	**(13,758)**	**(13,758)**	**(442)**	**(14,200)**
Share repurchase	—	**(285)**	**(285)**	—	**(285)**
Cancellation for share repurchased	**(204)**	**169**	**(35)**	—	**(35)**
Capital contribution from non-controlling interests	—	—	—	**193**	**193**
Balances at 30th September 2011	**135,764**	**1,364,801**	**1,500,565**	**4,167**	**1,504,732**

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	For the six months ended 30th September	
	2011	2010
	HK$'000	*HK$'000*
	(Unaudited)	(Unaudited)
Net cash used in operating activities	**(107,547)**	(103,547)
Net cash generated from/(used in) investing activities	**(42,134)**	357,947
Net cash generated from financing activities	**102,072**	60,986
Increase/(decrease) in cash and cash equivalents	**(47,609)**	315,386
Cash and cash equivalents at 1st April	**982,703**	1,133,009
Cash and cash equivalents at 30th September	**935,094**	1,448,395
Analysis of balances of cash and cash equivalents		
Cash at banks and on hand	**447,646**	947,122
Non-pledged time deposits with original maturity of three months or less when acquired	**487,448**	502,012
Bank overdrafts	**—**	(739)
	935,094	1,448,395

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 Bermuda 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 10th November 2011.

2. BASIS OF PREPARATION

The unaudited condensed consolidated financial information has been prepared in compliance with Hong Kong Accounting Standards ("HKAS") 34: *Interim Financial Reporting* issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and 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 *First-time Adoption of Hong Kong Financial Reporting Standards — Limited exemption from Comparative HKFRS 7 Disclosures for First-time Adopters*
HKAS 24 (Revised)	*Related Party Disclosures*
HK(IFRIC)-Int 14 Amendment	Amendments to HK(IFRIC) — Int 14 *Prepayments of a Minimum Funding Requirement*
HK(IFRIC)-Int 19	*Extinguishing Financial Liabilities with Equity Instruments*
Improvements to HKFRSs 2010	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 AND SEGMENT INFORMATION

3.1 Revenue

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

	For the six months ended 30th September		**For the three months ended 30th September**	
	2011	2010	**2011**	2010
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*
	(Unaudited)	(Unaudited)	**(Unaudited)**	(Unaudited)
Sales of goods	**1,014,695**	1,154,992	**508,949**	733,374
Revenue from branded food operation	**71,983**	70,032	**35,985**	39,044
Commission and other service income	**8,446**	10,385	**7,285**	6,723
	1,095,124	1,235,409	**552,219**	779,141

3.2 Operating segment information

For management purpose, the Group, including its jointly-controlled entities, is organised into four major reportable operating segments — hi-tech distribution and services, fishmeal and seafood product, branded food, and chemical operations (discontinued). The hi-tech distribution and services, fishmeal and seafood product, and chemical (discontinued) operating segments derive revenue from the sale of goods. Branded food operation segment derives revenue through the operation of quick food hamburger restaurants in Hong Kong under the Burger King brand.

Management monitors the results of the Group's operating segments separately for the purpose of making decisions about resources allocation and performance assessment. Segment performance is evaluated based on reportable segment profit/(loss), which is a measure of adjusted profit/(loss) before income tax. The adjusted profit/(loss) before income tax is measured consistently with the Group's profit/(loss) before income tax except that finance income, finance costs as well as head office and corporate expenses are excluded from such measurement.

Segment assets consist primarily of property, plant and equipment, investment property, leasehold land under operating leases and land use rights, intangible assets, non-current deposits, inventories, biological assets and trade and other receivables. Unallocated assets comprise deferred tax assets, pledged bank deposits, available-for-sale financial assets, cash and cash equivalents, and corporate and others.

Capital expenditure comprises additions to property, plant and equipment, investment property, leasehold land under operating leases and land use rights, and intangible assets.

	Six months ended 30th September 2011 (Unaudited)			
	Continuing operations			
	Hi-tech distribution and services operation *HK$'000*	Fishmeal and seafood product operation *HK$'000*	Branded food operation *HK$'000*	Total *HK$'000*
Revenue				
— Sales to external customers	**551,596**	**471,545**	**71,983**	**1,095,124**
Segment results before amortisation of intangible assets	**17,903**	**4,854**	**(12,814)**	**9,943**
Amortisation of intangible assets	**—**	**(524)**	**(243)**	**(767)**
Segment results	**17,903**	**4,330**	**(13,057)**	**9,176**
Finance income				**8,313**
Finance costs				**(7,035)**
Corporate and other unallocated expenses				**(27,917)**
Loss before income tax				**(17,463)**
Income tax expense				**(1,042)**
Loss for the period				**(18,505)**
Capital expenditure	**1,533**	**9,386**	**3**	**10,922**
Depreciation on:				
Segment assets	**2,502**	**2,917**	**5,568**	**10,987**
Corporate and other unallocated assets				**141**
				11,128
Amortisation	**—**	**709**	**243**	**952**
Write-down of inventories to net realisable value, net	**4,655**	**6,779**	**—**	**11,434**
Provision for/(write-back of) impairment of receivables, net	**(1,052)**	**1,198**	**—**	**146**
Gain on disposal of available-for-sale financial assets	**970**	**—**	**—**	**970**

	Six months ended 30th September 2010 (Unaudited)					
	Continuing operations				Discontinued operation	
	Hi-tech distribution and services operation *HK$'000*	Fishmeal and seafood product operation *HK$'000*	Branded food operation *HK$'000*	Sub-total *HK$'000*	Chemical operation *HK$'000*	Total *HK$'000*
Revenue						
— Sales to external customers	941,266	224,111	70,032	1,235,409	498,285	1,733,694
Segment results before amortisation of intangible assets	32,079	23,169	(19,208)	36,040	39,727	75,767
Amortisation of intangible assets	—	(1,324)	(250)	(1,574)	(2,794)	(4,368)
Segment results	32,079	21,845	(19,458)	34,466	36,933	71,399
Finance income				2,792	247	3,039
Finance costs				(7,279)	(3,109)	(10,388)
Provision for remeasurement to fair value less costs to sell				—	(12,200)	(12,200)
Corporate and other unallocated expenses				(27,971)	—	(27,971)
Profit before income tax				2,008	21,871	23,879
Income tax expense				(4,963)	(7,671)	(12,634)
Profit/(loss) for the period				(2,955)	14,200	11,245
Capital expenditure	2,727	5,291	4,471	12,489	—	12,489
Depreciation on:						
Segment assets	6,565	2,334	5,979	14,878	11,209	26,087
Corporate and other unallocated assets				70	—	70
				14,948	11,209	26,157
Amortisation	—	1,324	250	1,574	2,794	4,368
Write down/(write-back) of inventories to net realisable value, net	4,654	(4,709)	—	(55)	507	452
Provision for/(write-back of) impairment of receivables, net	78	(138)	—	(60)	813	753

The segment assets at the end of the reporting period are as follows:

	Hi-tech distribution and services operation	Fishmeal and seafood product operation	Branded Food operation	Total
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*
As at 30th September 2011 (Unaudited)				
Segment assets	**605,335**	**582,245**	**59,042**	**1,246,622**
Unallocated assets:				
Deferred tax assets				**27,119**
Cash and cash equivalents				**935,094**
Pledged bank deposits				**134,641**
Corporate and others				**5,394**
Total assets per the unaudited condensed consolidated statement of financial position				**2,348,870**

	Hi-tech distribution and services operation	Fishmeal and seafood product operation	Branded Food operation	Total
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*
As at 31st March 2011 (Audited)				
Segment assets	512,851	449,393	65,173	1,027,417
Unallocated assets:				
Deferred tax assets				27,089
Cash and cash equivalents				983,549
Pledged bank deposits				96,416
Available-for-sale financial assets				2,109
Corporate and others				5,676
Total assets per the audited consolidated statement of financial position				2,142,256

Geographical information

(a) Revenue from external customers

The Group's activities are conducted predominantly in Hong Kong and Mainland China. Revenue by geographical location is determined on the basis of the destination of shipment of goods for hi-tech distribution, fishmeal and seafood product, as well as the location of service performed for branded food.

The following table provides an analysis of the Group's revenue by geographical location:

	For the six months ended 30th September			
	2011		2010	
	HK$'000		*HK$'000*	
	(Unaudited)		(Unaudited)	
	Continuing operations	**Discontinued operation**	Continuing operations	Discontinued operation
Hong Kong	**190,705**	—	70,032	—
Mainland China	**868,565**	—	1,150,378	10,807
Republic of Korea	—	—	—	366,750
Asia — Others	**157**	—	929	58,689
Others	**35,697**	—	14,070	62,039
Total revenue	**1,095,124**	—	1,235,409	498,285

(b) Non-current assets

The non-current assets information is based on the location of assets and excludes financial instruments and deferred tax assets.

The following table provides an analysis of the Group's non-current assets as at the end of the reporting period by geographical location:

	As at 30th September 2011	As at 31st March 2011
	HK$'000	*HK$'000*
	(Unaudited)	(Audited)
Hong Kong	**435,499**	437,726
Mainland China	**142,961**	136,256
Asia — Others	**371**	537
	578,831	574,519

Information about major customer

For the six months ended 30th September 2011, there was no single customer accounted for 10% or more of the Group's revenue. For the six months ended 30th September 2010, revenue from countinuing operations of approximately HK$123,858,000 was derived from sales by the hi-tech distribution and services operation segment to a single customer.

4. FINANCE INCOME AND COSTS

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

	For the six months ended 30th September		**For the three months ended 30th September**	
	2011	2010	**2011**	2010
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*
	(Unaudited)	(Unaudited)	**(Unaudited)**	(Unaudited)
Finance income:				
Interest income from bank deposits	**3,130**	2,792	**1,644**	1,410
Net foreign exchange gains on financing activities	**5,183**	—	**3,144**	—
	8,313	2,792	**4,788**	1,410
Finance costs:				
Interest on bank loans	**7,033**	3,680	**3,588**	1,312
Net foreign exchange losses on financing activities	—	1,988	—	46
Interest on finance lease obligations	**2**	1,611	**1**	1,610
	7,035	7,279	**3,589**	2,968

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 six months ended 30th September		**For the three months ended 30th September**	
	2011	2010	**2011**	2010
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*
	(Unaudited)	(Unaudited)	**(Unaudited)**	(Unaudited)
Current taxation				
Hong Kong profits tax				
— current period	**860**	4,307	**191**	4,100
— overprovision in prior periods	**—**	—	**—**	(150)
Mainland China enterprise income tax				
— current period	**82**	4,192	**(568)**	2,049
Overseas taxation		—		—
Deferred taxation	**100**	(3,536)	**1,090**	(3,291)
	1,042	4,963	**713**	2,708

6. DISCONTINUED OPERATION

On 30th April 2010, the Group entered into an agreement to dispose of its entire 33.74% shareholding in TK Chemical Corporation ("TKC") which is incorporated 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 six months ended 30th September 2010 are presented below:

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

7. EARNINGS/(LOSS) PER SHARE

Basic 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 six months ended 30th September 2011			For the three months ended 30th September 2011		
	Continuing operations (Unaudited)	**Discontinued operation (Unaudited) *(Note 6)***	**Total (Unaudited)**	**Continuing operations (Unaudited)**	**Discontinued operation (Unaudited) *(Note 6)***	**Total (Unaudited)**
Loss for the period *(HK$'000)*	**(18,505)**	**—**	**(18,505)**	**(8,025)**	**—**	**(8,025)**
Loss for the period attributable to non-controlling interests *(HK$'000)*	**493**	**—**	**493**	**32**	**—**	**32**
Loss attributable to shareholders of the Company *(HK$'000)*	**(18,012)**	**—**	**(18,012)**	**(7,993)**	**—**	**(7,993)**
Weighted average number of ordinary shares in issue	**13,576,390,973**	**13,576,390,973**	**13,576,390,973**	**13,576,313,378**	**13,576,313,378**	**13,576,313,378**
Basic loss per share *(HK cents)*	**(0.13)**	**—**	**(0.13)**	**(0.06)**	**—**	**(0.06)**

	For the six months ended 30th September 2010			For the three months ended 30th September 2010		
	Continuing operations (Unaudited)	Discontinued operation (Unaudited) *(Note 6)*	Total (Unaudited)	Continuing operations (Unaudited)	Discontinued operation (Unaudited) *(Note 6)*	Total (Unaudited)
Profit/(loss) for the period *(HK$'000)*	(2,955)	14,200	11,245	4,718	—	4,718
Loss for the period attributable to non-controlling interests *(HK$'000)*	94	—	94	92	—	92
Profit/(loss) attributable to shareholders of the Company *(HK$'000)*	(2,861)	14,200	11,339	4,810	—	4,810
Weighted average number of ordinary shares in issue	13,596,763,487	13,596,763,487	13,596,763,487	13,596,763,487	13,596,763,487	13,596,763,487
Basic earnings/(loss) per share *(HK cents)*	(0.02)	0.10	0.08	0.04	—	0.04

Diluted earnings/(loss) per share

No adjustment has been made to the basic earnings/(loss) per share amounts presented for the six months and three months ended 30th September 2011 and 2010 as the Group did not have any potentially dilutive ordinary shares in issue during the six months and three months ended 30th September 2011 and 2010.

8. DIVIDENDS

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

9. CAPITAL EXPENDITURE

	Property, plant and equipment *HK$'000* (Unaudited)	Investment property *HK$'000* (Unaudited)	Leasehold land under operating leases and land use rights *HK$'000* (Unaudited)	Intangible assets *HK$'000* (Unaudited)	Total *HK$'000* (Unaudited)
At 1st April 2011	**148,364**	**2,172**	**17,721**	**394,946**	**563,203**
Additions	**10,922**	**—**	**—**	**—**	**10,922**
Disposals	**(184)**	**—**	**—**	**—**	**(184)**
Depreciation/amortisation	**(11,088)**	**(40)**	**(185)**	**(767)**	**(12,080)**
Transfer from inventories	**3,389**	**—**	**—**	**—**	**3,389**
Exchange realignments	**2,502**	**53**	**493**	**—**	**3,048**
At 30th September 2011	**153,905**	**2,185**	**18,029**	**394,179**	**568,298**
At 1st April 2010	704,313	2,183	20,835	582,049	1,309,380
Additions	12,294	—	—	195	12,489
Disposal of a jointly-controlled entity	(510,510)	—	—	(175,028)	(685,538)
Disposals	(5,628)	—	—	(42)	(5,670)
Depreciation/amortisation	(25,913)	(39)	(205)	(4,368)	(30,525)
Transfer to inventories	(988)	—	—	—	(988)
Exchange realignments	(29,786)	31	173	(6,747)	(36,329)
At 30th September 2010	143,782	2,175	20,803	396,059	562,819

10. TRADE AND OTHER RECEIVABLES

	As at 30th September 2011 *HK$'000* **(Unaudited)**	As at 31st March 2011 *HK$'000* (Audited)
Trade and bills receivables	**277,553**	164,679
Less: Impairment of trade receivables	**(7,590)**	(7,454)
Trade and bills receivables, net	**269,963**	157,225
Prepayments, deposits and other receivables	**52,064**	44,712
	322,027	201,937

The Group's trading terms with its customers are mainly on letters of credit or documents against payment, in some cases granting a credit period of 30 to 90 days, except for new customers, where payment in advance is normally required. An aging analysis of trade and bills receivables is as follows:

	As at 30th September 2011 *HK$'000* **(Unaudited)**	As at 31st March 2011 *HK$'000* (Audited)
90 days or less	**246,095**	132,844
91 to 180 days	**16,137**	18,925
181 to 270 days	**4,469**	2,774
271 to 365 days	**1,155**	1,136
Over 365 days	**2,107**	1,546
	269,963	157,225

The Group seeks to maintain strict control over its outstanding receivables to minimise credit risk. Overdue balances are reviewed regularly by senior management. Since the Group's trade receivables relate to a large number of diversified customers, there is no significant concentration of credit risk.

11. TRADE AND OTHER PAYABLES

	As at 30th September 2011	As at 31st March 2011
	HK$'000	*HK$'000*
	(Unaudited)	(Audited)
Trade and bills payables	**386,610**	254,851
Receipts in advance, other payables and accruals	**97,596**	110,462
	484,206	365,313

The aging analysis of trade and bills payables is as follows:

	As at 30th September 2011	As at 31st March 2011
	HK$'000	*HK$'000*
	(Unaudited)	(Audited)
90 days or less	**379,727**	248,812
91 to 180 days	**1,862**	1,359
181 to 270 days	**782**	727
271 to 365 days	**416**	86
Over 365 days	**3,823**	3,867
	386,610	254,851

12. SHARE CAPITAL AND RESERVES

Movements in share capital and reserves are as follows:

	(Unaudited)					
	Attributable to shareholders of the Company					
	Share capital *HK$'000*	Other reserves *HK$'000*	Retained profit/ (accumulated losses) *HK$'000*	Sub-total *HK$'000*	Non-controlling interests *HK$'000*	Total *HK$'000*
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	—	—	(18,012)	(18,012)	(493)	(18,505)
Other comprehensive income/(loss):						
Reclassification adjustments for gains included in the condensed consolidated income statement as a result of the disposal of available-for-sales financial assets	—	(1,143)	—	(1,143)	—	(1,143)
Currency translation differences of foreign operations	—	5,397	—	5,397	51	5,448
Total comprehensive income/(loss) for the period	—	4,254	(18,012)	(13,758)	(442)	(14,200)
Share repurchase	—	(285)	—	(285)	—	(285)
Cancellation for share repurchased	(204)	1,409	(1,240)	(35)	—	(35)
Capital contribution from non-controlling interests	—	—	—	—	193	193
Balances at 30th September 2011	**135,764**	**1,266,994**	**97,807**	**1,500,565**	**4,167**	**1,504,732**

During the six months ended 30th September 2011, the Company repurchased a total of 6,510,000 ordinary shares of the Company on the Stock Exchange. On 29th April 2011, the Company cancelled 18,360,000 ordinary shares repurchased by the Company in March 2011 and 2,000,000 ordinary shares repurchased in April 2011.

Subsequent to the end of reporting period, the Company repurchased 11,130,000 ordinary shares of the Company on the Stock Exchange in October 2011. These shares, together with 4,510,000 ordinary shares repurchased in September 2011 were cancelled by the Company on 31st October 2011. Upon cancellation of the 4,510,000 shares repurchased, the issued share capital of the Company was reduced by the par value of HK$45,000 (or HK$156,000, if including the 11,130,000 shares repurchased subsequent to the reporting period). The premium paid on the repurchase of the 4,510,000 shares of HK$94,000 (or HK$300,000, if including the 11,130,000 shares repurchased subsequent to the end of the reporting period) was charged to the accumulated losses of the Company.

	(Unaudited)					
	Attributable to shareholders of the Company					
	Share capital *HK$'000*	Other reserves *HK$'000*	Retained profit/ (accumulated losses) *HK$'000*	Sub-total *HK$'000*	Non-controlling interests *HK$'000*	Total *HK$'000*
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	—	—	11,339	11,339	(94)	11,245
Other comprehensive income/(loss):						
Changes in fair value of available-for-sale financial assets	—	(778)	—	(778)	—	(778)
Currency translation differences:						
Reclassification adjustments for exchange differences included in the condensed consolidated income statement upon the disposal of a jointly-controlled entity	—	50,420	—	50,420	—	50,420
Currency translation differences of foreign operations	—	(4,275)	—	(4,275)	—	(4,275)
Total comprehensive income/(loss) for the period	—	45,367	11,339	56,706	(94)	56,612
Balances at 30th September 2010	135,968	2,055,504	(127,831)	2,063,641	3,143	2,066,784

13. RELATED PARTY TRANSACTIONS

The following is a summary of the significant transactions carried out with related parties during the six months ended 30th September 2010:

	For the six months ended 30th September 2010 *HK$'000* (Unaudited)
Name of related party/Nature of transaction	
Ajia Partners (HK) Limited ("APHK") *(a)*	
— Rental expense charged to the Group	1,183
— Administrative services fee charged to the Group	498
North Asia Strategic Advisor ("NASA") *(b)*	
— Service fees charged to the Group	19,226

Notes:

(a) During the period from 1st April 2010 to 30th September 2010, certain directors of the Company were also directors of APHK. In the opinion of the directors of the Company, both NAS and APHK are subject to common significant influence during such period. The Group entered into two administrative service agreements with APHK, under which APHK for provision of general administrative services by APHK during the periods from 1st July 2009 to 30th June 2010 and from 1st July 2010 to 30th June 2011, for a monthly service fee of approximately HK$83,000. In addition, the Group entered into a sub-tenancy agreement with, inter alia, APHK for sub-leasing of office space from 1st April 2008 to 31st March 2011 at a monthly rental of approximately HK$190,000.

(b) During the period from 1st April 2010 to 30th September 2010, certain directors of the Company were also directors of NASA. In the opinion of the directors of the Company, both NAS and NASA are subject to common significant influence during such period. The Group entered into a service agreement with NASA, under which the Group has agreed to pay NASA (i) an annual service fee of 2% of the aggregate subscription price less aggregate amount of salaries and other remuneration paid to certain employees of the Group for the provision of services in capital raising, research, investor sourcing, investment sourcing, investment analysis or due diligence and financial advisory service by NASA; (ii) an annual incentive fee equals to 20% of the amount by which net assets at the end of each financial year exceed the greater of the highest level of the net assets of the Group and the aggregate amount of capital drawn down and injected into the Company arranged by NASA, compounded annually at the rate of 5%; and (iii) a placing fee of 0.5% of the gross proceeds of placement of preference shares or any other equity or equity-linked securities of the Group arranged by NASA.

During the six months ended 30th September 2011, neither APHK nor NASA are considered to be related parties of the Company, and the aforesaid transactions are no longer related party transactions of the Company.

BUSINESS REVIEW

Our Strategy

Our Group is focused on working 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.

Financial and Business Performance

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

The Group recorded an unaudited consolidated revenue of approximately HK$1,095,124,000 from continuing operations for the half year period, representing a 11.4% decrease from the corresponding period last year but 1.7% growth quarter-on-quarter. This year to year difference on top line sales was mainly due to the exceptional surge in demand in American Tec Company Limited ("American Tec") for its surface mount technology ("SMT") equipment experienced during the corresponding period last year resulting from pent up demand from global economic recovery. The Group recorded an unaudited consolidated net loss of approximately HK$18,012,000 for the half year period, as compared to an unaudited consolidated net profit of approximately HK$11,339,000 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 half yearly results, as well as the volatility of fishmeal pricing in our fishmeal and seafood product division. Without the inclusion of TKC, the unaudited consolidated revenue grew 1.7% quarter-on-quarter and the total unaudited net loss was improved by 20.2% to approximately HK$7,993,000 in the second quarter from actions to streamline operations and manage costs.

Below is a summary of the 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.

Hi-tech Distribution and Services Division

Our hi-tech distribution and services division conducted business through our wholly-owned subsidiary, American Tec. American Tec is a leader in Asia in the distribution, sales and service of SMT equipment, with a history of more than 20 years serving its customers in the hi-technology sector. Our team of more than 200 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 second quarter, this division recorded an unaudited net profit of approximately HK$10,333,000 on unaudited revenue of approximately HK$299,630,000. Sales grew approximately 18.9% quarter on quarter but the half year period's net sales of approximately HK$551,596,000 decreased by about 41.4% compared to the corresponding period last year mainly due to the historically exceptional surge in demand for SMT equipment experienced during the corresponding period last year after the rebound from the global economic recession last year.

With American Tec's focus on building diversified revenue streams from distribution, services/solutions, new products and complementary segments and improving margins in the second quarter, net profit also increased by approximately 70.1% compared to the preceding quarter. With its leading market position, during the half year period, American Tec signed new distribution and service agreements with leading SMT, semiconductors and software suppliers in the hi-tech sector.

With the continuing turbulence in the global economy, we expect cautious customer demand on capital investment and pressure on margins in near team. 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 a number 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 for our customers and suppliers

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, United States 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 half year period, 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. Although demand for our brown fishmeal had started to rebound in July 2011, there was a significant drop in the market price of brown fishmeal throughout the second quarter, which was caused by increased global supply and volatility of global commodity prices. As a result, brown fishmeal was sold at a loss in the second quarter to ensure this division maintains good working capital. As a result, we shared 40% unaudited revenue of approximately HK$471,545,000 with a net profit of approximately HK$3,298,000 for the half year period, versus revenue of approximately HK$224,111,000 with a net profit of approximately HK$15,580,000 for the corresponding period last year.

Going forward, we foresee rebound in market price of brown fishmeal in the near term but slowdown in demand for our fishmeal, fish oil and feeds products in the domestic market due to the cold weather. We will continue to take a well balanced approach in monitoring our operation and growing our processed product businesses.

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, Hunghom, 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 profitability will come with increasing the scale and the number of stores which will in turn lead to more brand awareness and reduced costs. Over the past six months, the management has taken a prudent approach to new store openings due to increased rentals in the market. The management team has been focusing on a number of key areas in existing stores.

- Local store marketing

- New product introductions

- Cost reduction on supply chain

- Skill and staff enhancement

The division recorded an unaudited revenue of approximately HK$71,983,000 with narrowing loss of approximately HK$11,012,000 for the half year period, compared with unaudited revenue of approximately HK$70,032,000 with net loss of approximately HK$16,084,000 for the corresponding period last year. With continuous improvement of the business by the management team, the sales were increased by 2.8% year on year and traffic count up by approximately 15.7%. Operating loss at restaurant level (excluding one-off store closure cost) was further reduced by approximately 23.4% year on year and approximately 5.2% in the second 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.

Financial Resources, Liquidity and Charges on Assets

As at 30th September 2011, NAS Group had bank and cash balances of approximately HK$1,069,735,000 (31st March 2011: HK$1,079,965,000), of which approximately HK$134,641,000 (31st March 2011: HK$96,416,000) was pledged to secure trade financing facilities of HK$1,079,692,000 (31st March 2011 HK$857,899,000) granted by banks to its Group companies for trust receipts loans, mortgage loans and bank borrowings. These banking facilities were also secured by (a) bank deposits, (b) corporate guarantees provided by NAS, (c) the Group's inventories held under trust receipts bank loan arrangement, (d) buildings, (e) investment property, and (f) leasehold land and land use rights payments.

As at 30th September 2011, the Group had borrowings of approximately HK$349,988,000 (31st March 2011: HK$246,203,000). The gearing ratio (borrowings divided by equity attributable to shareholders of the Company) of the Group was 0.23 as at 30th September 2011, as compared to 0.16 as at 31st March 2011.

Foreign Currency Exposure

The business of the Group was primarily transacted in HK$, US$, Yen and Renminbi. The Group's cash and bank deposits, including pledged bank deposits, were mainly denominated in HK$. The foreign currency exposure of the Group is mainly driven by its business divisions. The Group attempts to minimise its foreign currency exposure through (i) matching its payables for purchases against its receivables on sales and (ii) maintain sufficient foreign currency cash balances to settle the foreign currency payables. We will continue to monitor closely the exchange rate between US$ and Yen and will make necessary hedging arrangements to minimise its foreign currency exposure arising from foreign currency fluctuation in the future.

Employee Information

As at 30th September 2011 the Group employed 1,087 staff in its continuing operations (as at 30th September 2010: 1,046). Total staff costs including contribution to retirement benefit schemes incurred during the six months ended 30th September 2011 amounted to approximately HK$59,246,000 (2010: HK$52,449,000).

Capital commitments

There was no material change in capital commitments since 31st March 2011.

Operating lease commitments

As at 30th September 2011, the Group had total future minimum lease payments under non-cancellable operating leases falling due as follows:

	As at 30th September 2011 *HK$'000* **(Unaudited)**	As at 31st March 2011 *HK$'000* (Audited)
Within one year	**27,836**	29,468
In the second to fifth years, inclusive	**18,717**	20,411
After five years	**115**	124
	46,668	50,003

OUTLOOK

Overall summary

We expect the disruption in the global economy caused by the euro zone crisis and the depressed economy in the United States to continue in the remaining calendar year and into 2012. This will offer challenges for 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 and risks and to build strength during these times by working with our management teams to improve capability and efficiency.

Hi-tech Distribution and Services Division

In the near term, we expect our customers to be more cautious in their capital investment plan, with impact on revenue and margins in the second half of the current fiscal year. 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: accelerate the growth of higher-margin revenue streams from services/solutions, new products and complementary segments and enhance our sales and servicing teams. With this approach, we will work 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 protect our cash flow and profitability.

Fishmeal and Seafood Product Division

In the second half of current fiscal year, the demand will be mixed across our product portfolio and we expect the volatility of global food prices to continue. Although the market price of brown fishmeal has been rebounding and stabilizing since early October 2011, the demand for brown fishmeal and aquatic feeds has been decreasing since then due to the cold weather in China. Processed fish oil continues to be in high demand, especially from local customers in China, and we expect prices to remain attractive. We will continue to take a cautious approach in managing our trading and processing operation.

Construction of our new fish oil refinery in Fuzhou of China is near completion and we expect it will start trail production this year. We expect the global demand for fish oil will continue to be strong, especially the local demand in China. This fish oil refinery business line will help strengthening our revenue stream and improve our profitability in the future.

Branded Food Division

In this economic climate, the quick service restaurant business is expected to have increased demand as people look to lower cost alternatives for dining out. We will continue to monitor the operation of this division closely to achieve profitability at restaurant level in near term.

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

As at 30th September 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	*Note*
Mr. Göran Sture Malm ("Mr. Malm")	Interest of controlled corporation	94,127,499	0.69%	*1*

Note:

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

Save as disclosed above, as at 30th September 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 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 September 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 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 September 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 September 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 September 2011, no share options have been granted pursuant to the Best Creation Scheme.

COMPETING INTERESTS

As at 30th September 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 September 2011 of Coland, 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	321,859
Inventories	802,968
Cash and cash equivalents	119,421
Other current assets	634,485
Bank borrowings	(811,898)
Other current liabilities	(557,881)
Other non-current liabilities	(10,077)
Net assets	498,877

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

During the six months ended 30th September 2011, the Company repurchased a total of 6,510,000 ordinary shares of the Company on the Stock Exchange. Details of which are set out below:

Month of repurchase	Number of shares repurchased	Price per share Highest	Price per share Lowest	Aggregate price paid*
		(HK$)	*(HK$)*	*(HK$)*
April 2011	2,000,000	0.072	0.071	143,944
September 2011	4,510,000	0.033	0.030	139,090
	6,510,000			283,034

* *Excluding transaction cost*

On 29th April 2011, the Company cancelled 18,360,000 ordinary shares repurchased by the Company in March 2011 and 2,000,000 ordinary shares repurchased in April 2011.

Subsequent to the reporting period, the Company repurchased 11,130,000 ordinary shares of the Company on the Stock Exchange in October 2011. These shares, together with 4,510,000 ordinary shares repurchased in September 2011 were cancelled by the Company on 31st October 2011.

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 six months ended 30th September 2011 and up to the date of this announcement.

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 six months ended 30th September 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 general meetings of the Company have not been appointed for a specific terms but are subject to retirement by rotation and re-election at annual general meetings in accordance with the Bye-laws of the Company.

CODE OF CONDUCT REGARDING SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the required standard of dealing set out in rules 5.48 to 5.67 of the GEM Listing Rules (the "Required Standard") as the code of conduct regarding securities transactions by the Directors of the Company. Having made specific enquiry to all Directors of the Company, all Directors confirmed that they had complied with the Required Standard throughout the six months ended 30th September 2011.

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 six months ended 30th September 2011 of the Company now reported on have been reviewed by the audit committee.

On behalf of the Board
North Asia Strategic Holdings Limited
Göran Sture Malm
Chairman and Executive Director

Hong Kong, 10th November 2011

As at the date of this announcement, the Board comprises Mr. Göran Sture Malm (Chairman and Executive Director); Mr. Yu Wang Tak (Deputy Chairman and Independent Non-executive Director); Mr. James Tsiolis, Mr. Jason Matthew Brown and Mr. Takeshi Kadota (being Non-executive Directors); and Mr. Kenny Tam King Ching and Philip Ma King Huen (being Independent Non-executive Directors).

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.