



CHINA STRATEGIC HOLDINGS LIMITED

(Incorporated in Hong Kong with limited liability)

(stock code: 235)

APPOINTMENT OF EXECUTIVE DIRECTOR

The board of directors (the “Board”) of China Strategic Holdings Limited (the “Company”) announces that Mr. Li Bo (“Mr. Li”) has been appointed as an executive director of the Company with effect from 7th January, 2005.

Mr. Li, aged 33, graduated from Beijing Foreign Studies University with bachelor’s degree. Mr. Li has financial management experience in a textile company, management experience in public company and experience in the field of M&A business. Mr. Li has served a Hi-tech company in the PRC, meanwhile involved in managing a subsidiary listed as an A-share company, and preparing listing procedure of that Hi-tech company on Hong Kong stock market. Mr. Li had served governmental departments with experience of dealing with diplomatic affairs. Mr. Li had engaged in the research of capital markets and privatization of countries in transition. Mr. Li had also worked at the representative office in Beijing for an US securities company, providing consulting advisory services for Chinese clients intending to go public in the USA.

There is no service contract entered into between the Company and Mr. Li. He will have no fixed term of service with the Company and will hold office until the next annual general meeting of the Company and will be eligible for re-election at the meeting in accordance with the Articles of Association of the Company. His emoluments will be determined and subject to review by the Board of the Company from time to time by reference to his duties and responsibilities with the Company.

Save as disclosed above, Mr. Li does not have any directorships in any listed companies in the past three years. He has not previously held any position with the Company or its subsidiary and, save as disclosed above, does not have any relationship with any directors, senior management or substantial or controlling shareholders of the Company. As at the date of this announcement, Mr. Li does not have any interests in shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance.

The Board would like to take this opportunity to express our warmest welcome to Mr. Li for joining the Company.

By Order of the Board of
China Strategic Holdings Limited
Chan Yan Yan, Jenny
Secretary

Hong Kong, 12th January, 2005

As at the date of this announcement, the board of directors of the Company comprises Dr. Chan Kwok Keung, Charles, Dr. Yap, Allan, Ms. Chau Mei Wah, Rosanna, Ms. Chan Ling, Eva and Mr. Li Bo as executive directors, Mr. Chan Kwok Hung and Mr. Lui Siu Tsuen, Richard as alternate directors to Dr. Chan Kwok Keung, Charles and Dr. Yap, Allan respectively and Mr. David Edwin Bussmann, Ms. Fung Wan Yiu, Agnes and Mr. Wong King Lam, Joseph as independent non-executive directors.