



CHINA STRATEGIC HOLDINGS LIMITED

(Incorporated in Hong Kong with limited liability)

(stock code: 235)

CHANGE OF DIRECTORS

The Board of Directors (the “Board”) of China Strategic Holdings Limited (the “Company”) is pleased to announce that Mr. Sin Chi Fai has been appointed as an independent non-executive director of the Company and a member of the audit committee with effect from 19th January, 2005.

Mr. Sin Chi Fai, aged 44, a director and a shareholder of a Singapore company engaged in the distribution of data storage media and computer related products in Asian countries. Mr. Sin obtained a diploma in Banking from The Hong Kong Polytechnic (now known as The Hong Kong Polytechnic University). He has over 10 years’ experience in banking field and has 10 years’ sales and marketing experience in information technology industries.

Mr. Sin has been appointed as an independent non-executive director of Wing On Travel (Holdings) Limited and Capital Estate Limited. All of the above companies are public companies whose shares are listed on The Stock Exchange of Hong Kong Limited. Save as disclosed above, Mr. Sin does not have any directorship in any listed companies in the past three years. He has not previously held any position with the Company or its subsidiaries and, save as disclosed above, does not have any relationships with any directors, senior management or substantial or controlling shareholders of the Company. As at the date of this announcement, Mr. Sin does not have any interests in shares of the Company within the meaning of Part XV of the Securities and Future Ordinance.

There is no service contract entered into between the Company and Mr. Sin. 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. Mr. Sin will be entitled to an annual director’s fee of Singapore dollars 10,000.00 for the performance of his duties as an independent non-executive and a member of audit committee of the Company (subject to review by the Board from time to time).

Save as disclosed above, there are no other matters in relation to the appointment of Mr. Sin that need to be brought to the attention of the shareholders of the Company.

The Board wishes to express its warmest welcome to Mr. Sin for joining the Company.

The Board also announces that Ms. Fung Wan Yiu, Agnes has resigned as an independent non-executive director and a member of the audit committee of the Company with effect from 19th January, 2005. The reason for Ms. Fung’s resignation is that she is a partner of a legal firm that has from time to time rendered legal services to the substantial shareholder of the Company and its connected person, she may not be able to satisfy the requirements of independence under the recent amendments to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, which came into effect on 31st March, 2004. Ms. Fung has confirmed that she has no disagreement with the Board and there are no matters that need to be brought to the attention of the shareholders of the Company or The Stock Exchange of Hong Kong Limited upon her resignation.

The Board would like to take this opportunity to express its sincere gratitude to Ms. Fung for her valuable contribution to the Company during the tenure of her service.

As at the date of this announcement, the Board comprises of:—

Executive Directors:

Dr. Chan Kwok Keung, Charles

Dr. Yap, Allan

Ms. Chau Mei Wah, Rosanna

Ms. Chan Ling, Eva

Mr. Li Bo

Mr. Chan Kwok Hung

(Alternate to Dr. Chan Kwok Keung, Charles)

Mr. Lui Siu Tsuen, Richard

(Alternate to Dr. Yap, Allan)

Independent Non-Executive Directors:

Mr. David Edwin Bussmann

Mr. Wong King Lam, Joseph

Mr. Sin Chi Fai

By order of the Board

Chan Yan Yan, Jenny

Secretary

Hong Kong, 19th January, 2005