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## **CHINA STRATEGIC HOLDINGS LIMITED**

**(中策集團有限公司)**

*(Incorporated in Hong Kong with limited liability)*

(Stock Code: 235)

### **CLARIFICATION ANNOUNCEMENT**

Reference is made to the circular of the Company dated 14 September 2007 regarding the Second Share Placing and the CN Placing. The Board would like to clarify certain information contained therein.
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#### **CLARIFICATION**

Reference is made to the circular of China Strategic Holdings Limited (the “Company”) dated 14 September 2007 (the “Circular”) regarding the Second Share Placing and the CN Placing. Capitalised terms used herein shall have the same meanings as defined in the Circular.

The Board would like to clarify that an independent non-executive Director, Mr. Chan Sek Nin, Jackey is a beneficial owner of 4,000,000 underlying Shares in respect of the options granted under the Share Option Scheme, with the options being exercisable at HK\$0.724 per Share and expiring on 9 July 2012. Accordingly, the interests and short positions of the Directors and the chief executive of the Company and their respective associates in the Shares, underlying Shares and debentures of the Company or any of its associated corporations (within the meaning of part XV of the SFO) which are required: (a) to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which he is taken or deemed to have under such provisions of the SFO); (b) pursuant to section 352 of the SFO, to be entered in the register referred to therein;

or (c) to be notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuer as at the Latest Practicable Date under the section headed “Disclosure of Interests” in the Appendix to the Circular as released on the website of the Stock Exchange at 10:31 p.m. on 13 September 2007 shall be as follows:

<b>Name</b>	<b>Nature of interests</b>	<b>Number of Shares (Long position)</b>	<b>Number of underlying Shares in respect of the options granted under the Share Option Scheme</b>	<b>Percentage of shareholding (approximate)</b>
Mr. Gao Yang (Note 1)	Interests of controlled corporation	125,782,321	Nil	28.54
Mr. Kwok Ka Lap, Alva (Note 2)	Beneficial owner	Nil	4,000,000	0.91
Ms. Chan Ling, Eva (Note 3)	Beneficial owner	Nil	4,400,000	0.99
Mr. Wong King Lam, Joseph (Note 4)	Beneficial owner	Nil	4,000,000	0.91
Mr. Sin Chi Fai (Note 5)	Beneficial owner	Nil	4,000,000	0.91
Mr. Chan Sek Nin, Jackey (Note 6)	Beneficial owner	Nil	4,000,000	0.91

*Notes:*

1. These Shares are held by Nation Field Limited, the entire issued share capital of which is held by Mr. Gao Yang, an executive Director of the Company.
2. The options were granted to Mr. Kwok Ka Lap, Alva to subscribe for Shares. The options were exercisable at HK\$0.724 per Share and will expire on 9 July 2012.
3. The options were granted to Ms. Chan Ling, Eva to subscribe for Shares. The options were exercisable at HK\$0.724 per Share and will expire on 9 July 2012.
4. The options were granted to Mr. Wong King Lam, Joseph to subscribe for Shares. The options were exercisable at HK\$0.724 per Share and will expire on 9 July 2012.

5. The options were granted to Mr. Sin Chi Fai to subscribe for Shares. The options were exercisable at HK\$0.724 per Share and will expire on 9 July 2012.
6. The options were granted to Mr. Chan Sek Nin, Jackey to subscribe for Shares. The options were exercisable at HK\$0.724 per Share and will expire on 9 July 2012.

Save as disclosed above, as at the Latest Practicable Date, none of the Directors and the chief executive of the Company had any interest or short position in the Shares, underlying Shares and debentures of the Company or any of its associated corporations (within the meaning of part XV of the SFO) which are required: (a) to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which he is taken or deemed to have under such provisions of the SFO); (b) pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (c) to be notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuer.

All information relating to the interest of Directors (including the interest of Mr. Chan Sek Nin, Jackey) has been included in the printed copy of the Circular dispatched to the Shareholders on 14 September 2007.

On behalf of the board of directors of  
**China Strategic Holdings Limited**  
**Chow Kam Wah**  
*Director*

Hong Kong, 14 September 2007

*As at the date of this announcement, the board of directors of the Company comprises Mr. Gao Yang, Mr. Kwok Ka Lap, Alva, Ms. Chan Ling, Eva, Mr. Chow Kam Wah and Mr. Lee Sun Man as executive directors, and Mr. Wong King Lam, Joseph, Mr. Sin Chi Fai and Mr. Chan Sek Nin, Jackey as independent non-executive directors.*