

*The Stock Exchange of Hong Kong Limited takes no responsibility for the contents of this announcement, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.*



## CHINA STRATEGIC HOLDINGS LIMITED

(中策集團有限公司)

*(Incorporated in Hong Kong with limited liability)*

(Stock Code : 235)

### MONTHLY ANNOUNCEMENT ON CONVERSION OF CONVERTIBLE NOTES

This announcement is made pursuant to the paragraph of “Dilution Effect on Shareholders” in the Circular in relation to, among other things, placing of the Convertible Notes.

Reference is made to the circular of China Strategic Holdings Limited (the “Company”) dated 14 September 2007 (the “Circular”). Unless otherwise specified, terms used herein shall have the same meanings as those defined in the Circular.

This announcement is made pursuant to the paragraph of “Dilution Effect on Shareholders” in the Circular in relation to, among other things, placing of the Convertible Notes. The details regarding the status of conversion of the Convertible Notes and Shares issued in the month of June 2008 are as follows:

- (a) no conversion of the Convertible Notes was made by the holders of the Convertible Notes during the period from 1 June 2008 to 30 June 2008 (the “**Relevant Period**”);
- (b) the principal amount of the Convertible Notes outstanding as at 30 June 2008 was HK\$1,320,000,000;
- (c) there was no new share issued pursuant to other transactions during the Relevant Period; and

(d) the total issued share capital of the Company as at the commencement and the last day of June 2008 was 2,028,797,543 Shares in the amount of HK\$202,879,754.30.

By Order of the Board  
**China Strategic Holdings Limited**  
**Chow Kam Wah**  
*Director*

Hong Kong, 3 July 2008

*As at the date of this announcement, the Board comprises Ms. Chiu Ching Ching, Mr. Wong Ah Chik, Mr. Zhang Hong Ren, Ms. Chan Ling, Eva, Mr. Lee Sun Man and Mr. Chow Kam Wah as executive Directors, and Ms. Ma Yin Fan, Mr. Phillip Fei and Mr. Leung Hoi Ying as independent non-executive Directors.*