

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim 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)

ANNOUNCEMENT

This announcement is made by the Company pursuant to Rule 13.09(1) of the Listing Rules.

Reference is made to the circular of the Company dated 27 February 2010 in relation to, among other things, the Acquisition of approximately 97.57% of the issued and outstanding share capital of Nan Shan by PNS Holding. Reference is also made to the announcement of the Company dated 1 September 2010 in relation to press releases issued on 31 August 2010 by each of the Financial Supervisory Commission of Taiwan and the Investment Commission of Taiwan stating that the application by PNS Holding in respect of the Acquisition has been rejected.

The Board wishes to inform the Shareholders and potential investors that as at the time of release of this Announcement, (i) the Company has still not received a formal notification from FSC and/or IC regarding the Regulators' Decision; (ii) AIG has indicated its current view that it would be in the best interests of the parties to terminate the Share Purchase Agreement; and (iii) discussions between the Company and Primus have been ongoing but based on the information presently made available to the Company, the Company has not been able to reach a consensus with Primus as to how to proceed.

Shareholders and potential investors are reminded to exercise caution when dealing in the shares of the Company.

This announcement is made by China Strategic Holdings Limited (the “**Company**”) pursuant to Rule 13.09(1) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”).

Reference is made to the circular of the Company dated 27 February 2010 in relation to, among other things, the acquisition (the “**Acquisition**”) of approximately 97.57% of the issued and outstanding share capital of Nan Shan Life Insurance Company, Ltd. (“**Nan Shan**”) by Primus Nan-Shan Holding Company Ltd. (“**PNS Holding**”). Reference is also made to the announcement of the Company dated 1 September 2010 in relation to press releases issued on 31 August 2010 by each of the Financial Supervisory Commission of Taiwan (“**FSC**”) and the Investment Commission of Taiwan (“**IC**”) stating that the application by PNS Holding in respect of the Acquisition has been rejected (the “**Regulators’ Decision**”).

The Board wishes to inform the Shareholders and potential investors that as at the time of release of this Announcement, (i) the Company has still not received a formal notification from FSC and/or IC regarding the Regulators’ Decision; (ii) the American International Group Inc. (“**AIG**”) has indicated its current view that it would be in the best interests of the parties to terminate the share purchase agreement entered into between PNS Holding and AIG and dated 13 October 2009 in respect of the Acquisition (the “**Share Purchase Agreement**”); and (iii) discussions between the Company and Primus Financial Holdings Limited (“**Primus**”) have been ongoing but based on the information presently made available to the Company, the Company has not been able to reach a consensus with Primus as to how to proceed.

SUSPENSION AND RESUMPTION OF TRADING

At the request of the Company, trading in the shares of the Company (the “**Shares**”) was suspended from 2:30 p.m. on 31 August 2010 pending the issue of this announcement. An application has been made by the Company to The Stock Exchange of Hong Kong Limited for the trading in the Shares to resume from 2:30 p.m. on 6 September 2010, following the publication of this announcement.

Shareholders and potential investors are reminded to exercise caution when dealing in the Shares.

The Company will make further announcements as and when necessary in order to keep the market informed.

On behalf of the Board
China Strategic Holdings Limited
Ma Si Hang, Frederick
Chairman

Hong Kong, 6 September 2010

As at the date hereof, the Board comprises Mr. Or Ching Fai, Ms. Chiu Ching Ching, Mr. Yau Wing Yiu, Mr. Hui Richard Rui, Ms. Chan Ling, Eva, Mr. Lee Sun Man and Mr. Chow Kam Wah as executive Directors, Mr. Ma Si Hang, Frederick as a non-executive Director and Ms. Ma Yin Fan, Mr. Phillip Fei and Mr. Leung Hoi Ying as independent non-executive Directors.