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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)

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 announcements of the Company dated 1 September 2010 and 6 September 2010 respectively, both 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, shortly after the 6 September 2010 announcement made earlier today, the Company has received a formal notification from the Ministry of Economic Affairs of Taiwan in relation to the Regulators' Decision. The notification stated that, as the Acquisition involves the operation of life insurance business which is a "regulated foreign investment" and that no permission or consent was given by the relevant regulator following its review, it was thus resolved that the Acquisition not be approved. The notification further stated that an appeal may be filed within 30 days from the day following receipt of the notification.

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 announcements of the Company dated 1 September 2010 and 6 September 2010 respectively, both in relation to the 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, shortly after the 6 September 2010 announcement made earlier today, the Company has received a formal notification from the Ministry of Economic Affairs of Taiwan in relation to the Regulators’ Decision. The notification stated that, as the Acquisition involves the operation of life insurance business which is a “regulated foreign investment” and that no permission or consent was given by the relevant regulator following its review, it was thus resolved that the Acquisition not be approved. The notification further stated that an appeal may be filed within 30 days from the day following receipt of the notification.

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.