

*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)**

### PROFIT WARNING

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

The Board wishes to inform the Shareholders and potential investors that it is expected that the Group will record a material loss on financial assets at fair value through profit or loss for the financial year ended 31 December 2011 as compared to a gain on financial assets at fair value through profit or loss for the corresponding financial year ended 31 December 2010.

This profit warning announcement is only based on preliminary review on the management accounts of the Group, which have not been confirmed nor audited by the Company's auditors.

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

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

Based on preliminary review by the Company's management on the management accounts of the Group, the board of directors of the Company (the “**Board**”) wishes to inform the shareholders of the Company (the “**Shareholders**”) and potential investors that it is expected that the Group will record a material loss on

financial assets at fair value through profit or loss for the financial year ended 31 December 2011 as compared to a gain on financial assets at fair value through profit or loss for the corresponding financial year ended 31 December 2010 as a result of the recent downturn in the financial market.

This profit warning announcement is only based on preliminary review on the management accounts of the Group, which have not been confirmed nor audited by the Company's auditors.

The Company is in the process of finalizing the annual results of the Group for the financial year ended 31 December 2011. The audited results announcement of the Group for the financial year ended 31 December 2011 is expected to be announced before the end of March 2012.

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

By Order of the Board  
**China Strategic Holdings Limited**  
**Ma Si Hang, Frederick**  
*Chairman*

Hong Kong, 12 January 2012

*As at the date hereof, the board of directors of the Company comprises Mr. Or Ching Fai, Ms. Chiu Ching Ching, Mr. Yau Wing Yiu, Mr. Hui Richard Rui, Ms. Chan Ling, Eva and Mr. Chow Kam Wah as executive directors of the Company, Mr. Ma Si Hang, Frederick as a non-executive director of the Company and Ms. Ma Yin Fan, Mr. Chow Yu Chun, Alexander and Mr. Leung Hoi Ying as independent non-executive directors of the Company.*