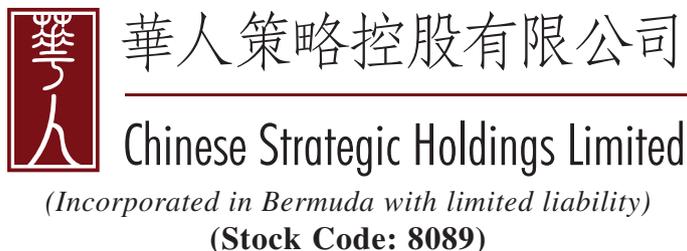


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This announcement appears for information purposes only and does not constitute an invitation or offer to acquire, purchase or subscribe for the securities of the Company.



CLARIFICATION ANNOUNCEMENT

Reference is made to the announcement of Chinese Strategic Holdings Limited (the “**Company**”) dated 10 April 2017 (the “**Announcement**”) in relation to, among other things, the proposed Open Offer, the proposed Share Consolidation and the change of board lot size. Unless otherwise defined, words and expressions used herein shall have the same meanings as those defined in the Announcement.

As disclosed in the Announcement, the Company proposes to change the board lot size for trading in the Shares on the Stock Exchange from 2,000 Shares (or 200 Consolidated Shares upon the Share Consolidation becoming effective) to 1,800 Consolidated Shares after and conditional upon the Share Consolidation becoming effective. It was stated in the Announcement that the issue of the Offer Shares may bring about a downward adjustment in the trading price of the Shares on the Stock Exchange and the change in board lot size for trading in the Offer Shares on the Stock Exchange would increase the trading amount for each board lot which would reduce the transaction costs per Share for dealing in the Offer Shares. As a result, the change in board lot size for trading in the Offer Shares on the Stock Exchange would enable the Company to comply with the trading requirements under the GEM Listing Rules.

The Company would clarify that in replacement of the abovementioned reasons, in considering the size of the new board lot, the Company had taken into account the potential odd lots of Shares/ Consolidated Shares that may be created as a result of the proposed Open Offer and the proposed Share Consolidation. In balancing the interest of (i) the participating Shareholders who will hold 3,000 Shares for every board lot of 2,000 Shares they hold on the Record Date; and (ii) the non-participating Shareholders who will continue to hold 2,000 Shares for every board lot of 2,000 Shares they hold on the Record Date, the Company proposed to change the board lot size from 2,000 Shares per board lot to the least common multiple of 2,000 Shares and 3,000 Shares, subject to the minimum board lot value of HK\$2,000 as required under the GEM Listing Rules. Based on the above and taking into account the effect of the proposed Share Consolidation, the Company is of the view that new board lot size of 1,800 Consolidated Shares will minimise the creation of odd lots while meeting the requirement of the GEM Listing Rules.

By Order of the Board
Chinese Strategic Holdings Limited
Lam Kwok Hing Wilfred
Chairman and Executive Director

Hong Kong, 12 April 2017

As at the date hereof, the Company's executive Directors are Mr. Lam Kwok Hing Wilfred, J.P., (Chairman), Ms. Chan Shui Sheung Ivy and Mr. Mok Tsan San; and the independent non-executive Directors are Ms. Yuen Wai Man and Mr. Chow Fu Kit Edward.

This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive, and that there are no other matters the omission of which would make any statement herein or this announcement misleading.

This announcement will remain on the "Latest Company Announcement" page of the GEM website at www.hkgem.com for at least 7 days and the Company website at www.chinesestrategic.com from the date of its publication.