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CHINA STRATEGIC HOLDINGS LIMITED

(Incorporated in Hong Kong with limited liability)

RESULTS OF THE EGM ON RIGHTS ISSUE WITH THE ISSUE OF THE BONUS WARRANTS THE WHITEWASH WAIVER AND GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES

At the EGM of the Company held on 4th June, 2002, the resolutions proposed to approve, inter alias, the Rights Issue with the issue of Bonus Warrants and the Whitewash Waiver, were not passed by the Shareholders at the EGM of the Company. However, the resolutions on the general mandates to issue and repurchase shares were passed by the Shareholders at the EGM of the Company.

The Board refers to the circular of the Company dated 10th May, 2002 (the “Circular”). Terms defined in the Circular shall have the same meanings when used herein unless the context requires otherwise.

RESULTS OF THE EGM

At the EGM of the Company held on 4th June, 2002, the resolutions proposed to approve, inter alias, the Rights Issue with the issue of Bonus Warrants and the Whitewash Waiver, were not passed by the Shareholders at the EGM of the Company. However, the resolutions on the general mandates to issue and repurchase shares were passed by the Shareholders at the EGM of the Company. The resolutions relating to the Rights Issue with the issue of Bonus Warrants and the Whitewash Waiver, which were taken by way of poll, were voted down by three shareholders with an aggregate of 148,072,634 Shares, representing 99.9% of the shareholding voted in respect of such resolutions at the EGM. The resolutions on the general mandates to issue and repurchase shares, which were taken by way of show of hands, were approved by the shareholders in person in the proportion of 2:1.

As the Rights Issue cannot proceed, the Company is now considering other alternatives to meet the funding requirement as mentioned in the Circular. Further announcement will be made as soon as practicable.

By Order of the Board of
China Strategic Holdings Limited
Lien Kait Long
Executive Director

Hong Kong, 4th June, 2002

The directors of the Company jointly and severally accept full responsibility for the accuracy of the information contained in this announcement and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this announcement have been arrived at after due and careful consideration and there are no other facts not contained in this announcement, the omission of which would make any statement in this announcement misleading.

Please also refer to the published version of this announcement in The Standard.