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華人策略控股有限公司

Chinese Strategic Holdings Limited

(Incorporated in Bermuda with limited liability)

(Stock Code: 8089)

SUPPLEMENTAL ANNOUNCEMENT IN RELATION TO DECISION OF THE STOCK EXCHANGE ON GEM RULE 17.26

Reference is made to the announcement of Chinese Strategic Holdings Limited (the “**Company**”) dated 5 March 2021 (the “**Announcement**”) in relation to, among other things, the Decision. Terms used herein shall have the same meanings as defined in the Announcement unless otherwise stated.

The Board would like to supplement that in arriving at the Decision, the Stock Exchange has considered the followings:

1. the principal business of the Company and its subsidiaries (the “**Group**”) from time to time, including (i) properties investments (the “**Properties Investments Business**”); (ii) loan financing and securities trading (the “**Loan Financing Business**”); (iii) trading of tea leaves (the “**Tea Leaves Trading Business**”); (iv) dealing in and advising on securities and asset management (the “**Advisory Business**”); and (v) agency services to the biotech company (the “**Agency Services Business**”);
2. the revenue from Properties Investments Business was minimal and continued to decline with small property portfolio. The Group has no intention to expand its property portfolio, and the rental income for 2021 is forecasted to be minimal. Also, the Stock Exchange considered that the plan to diversify the business model of the Properties Investments Business is preliminary and not certain whether it could be eventually materialised in improving the level of operation of the Company;
3. the scale of the Loan Financing Business remains small and with highly concentrated loan portfolio and has been loss-making or generating minimal segment profit since 2017. The plan of the Company in this segment is generic without concrete details;

4. a segment loss was recorded for the Tea Leaves Trading Business and there was minimal segment profit since its commencement in 2017. The Stock Exchange concerned on the business substance and the viability and sustainability. Also, the Stock Exchange considered the business improvement plan for the Tea Leaves Trading Business is preliminary and lack concrete details, and unclear that whether the Company would be able to expand its customer base or secure new or recurring orders that substantially improve the business scale and performance;
5. other than the Properties Investments Business, Loan Financing Business and Tea Leaves Trading Business, the Stock Exchange is concerned that other business activities of the Group including (i) the Advisory Business; and (ii) the Agency Services Business, are not of their substance and/or viable and sustainable; and
6. the level of assets of the Group may not enable the Company to carry out businesses with sufficient level of operations to justify its continued listing.
7. Overall, the Stock Exchange is concerned whether the Company's scale and performance can be substantially improved.

Save as disclosed above, all other information and content set out in the Announcement remain unchanged and shall continue to be valid for all purposes. This supplemental announcement is supplemental to and should be read in conjunction with the Announcement.

Further announcements will be made by the Company as and when appropriate and in accordance with the requirements of the GEM Listing Rules. Shareholders who have any queries about the implication of the Decision are advised to obtain appropriate professional advice.

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

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

Hong Kong, 8 March 2021

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

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 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 Listed Company Information" 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.