

The whole of this document must be returned to be valid.
本文件必須整份交回方為有效。

Form A
表格甲

Provisional Allotment Letter No.
暫定配額通知書編號



IMPORTANT
重要提示

THIS PROVISIONAL ALLOTMENT LETTER ("PAL") IS VALUABLE AND TRANSFERABLE AND REQUIRES YOUR IMMEDIATE ATTENTION. THE OFFER CONTAINED IN THIS PAL AND THE ACCOMPANYING FORM OF APPLICATION FOR EXCESS RIGHTS SHARES ("EAF") EXPIRES AT 4:00 P.M. ON WEDNESDAY, 12 AUGUST 2015.

本暫定配額通知書(暫定配額通知書)有價值及可轉讓,閣下並須即時處理。本暫定配額通知書及隨附額外供股股份申請表格(額外供股股份申請表格)所載之認購邀請於二零一五年八月十二日(星期三)下午四時正截止。IF YOU ARE IN ANY DOUBT ABOUT ANY CONTENTS OF THIS PAL, YOU SHOULD OBTAIN INDEPENDENT PROFESSIONAL ADVICE. IF YOU HAVE SOLD OR TRANSFERRED ALL OF YOUR SHARES OF THE COMPANY, YOU SHOULD AT ONCE HAND THE PROSPECTUS AND THIS PAL AND THE ACCOMPANYING EAF TO THE PURCHASER(S) OR THE TRANSFEREE(S) OR TO THE BANK, LICENSED SECURITIES DEALER OR OTHER AGENT THROUGH WHOM THE SALE OR TRANSFER WAS EFFECTED FOR TRANSMISSION TO THE PURCHASER(S) OR THE TRANSFEREE(S).

閣下對本暫定配額通知書之任何內容如有任何疑問,應獲取獨立專業意見。閣下如已將名下之本公司股份全部出售或轉讓,應立即將章程及本暫定配額通知書及隨附之額外供股股份申請表格送交買主或承讓人,或送交經手買賣或轉讓之銀行、持牌證券商或其他代理人,以便轉交買主或承讓人。

Hong Kong Exchanges and Clearing Limited, The Stock Exchange of Hong Kong Limited and Hong Kong Securities Clearing Company Limited take no responsibility for the contents of the Prospectus Documents, make no representation as to their 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 the Prospectus Documents.

香港交易及結算所有限公司、香港聯合交易所有限公司及香港中央結算有限公司對章程文件之內容概不負責,對其準確性或完整性亦不發表任何聲明,並表明不會就因章程文件全部或任何部分內容或因倚賴該等內容而引致之任何損失承擔任何責任。

Terms defined in the prospectus of China Strategic Holdings Limited (the "Company") dated 29 July 2015 (the "Prospectus") have the same meanings herein, unless the context requires otherwise.

除文義另有所指外,中策集團有限公司(「本公司」)於二零一五年七月二十九日刊發之章程(「章程」)所界定詞語於本通知書內具有相同涵義。

Dealings in the Shares and the Rights Shares in their nil-paid and fully-paid forms may be settled through CCASS and you should consult your licensed securities dealer, bank manager, solicitor, professional accountant or other professional advisers for details of those settlement arrangements and how such arrangements may affect your rights and interests.

股份以及未繳股款及繳足股款供股股份之買賣可透過中央結算系統進行交易,閣下應就該等交易安排之詳情及該等安排可能對閣下之權利及權益構成之影響,諮詢閣下之持牌證券商、銀行經理、律師、專業會計師或其他專業顧問。

Subject to the granting of the listing of, and permission to deal in, the Rights Shares in both nil-paid and fully-paid forms on the Stock Exchange as well as compliance with the stock admission requirements of HKSCC, the Rights Shares in both nil-paid and fully-paid forms will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from their respective commencement dates of dealings on the Stock Exchange or such other date as determined by HKSCC. Settlement of transactions between participants of the Stock Exchange on any trading day is required to take place in CCASS on the second trading day thereafter. All activities under CCASS are subject to the General Rules of CCASS and CCASS Operational Procedures in effect from time to time.

待未繳股款及繳足股款供股股份獲批准於聯交所上市及買賣,且在遵守香港結算股份收納規定之情況下,未繳股款及繳足股款供股股份將獲香港結算接納為合資格證券,自開始於聯交所各自買賣之日期或香港結算釐定之任何其他日期起,可於中央結算系統內寄存、結算及交收。聯交所參與者之間於任何一個交易日之交易,須於其後第二個交易日在中央結算系統內交收。中央結算系統內之一切活動均須根據不時生效之中央結算系統一般規則及中央結算系統運作規則進行。

A copy of each of the Prospectus Documents, together with the documents mentioned in the paragraph headed "Documents delivered to the Registrar of Companies" in appendix III to the Prospectus, have been registered by the Registrar of Companies in Hong Kong as required by Section 38D of the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32 of the laws of Hong Kong). Neither the Securities and Futures Commission nor the Registrar of Companies in Hong Kong takes any responsibility for the contents of any of the Prospectus Documents.

各份章程文件及於章程附錄三「送呈公司註冊處處長之文件」一段所述之文件,已依據公司(清盤及雜項條文)條例(香港法例第32章)第38D條向香港公司註冊處處長登記。香港證券及期貨事務監察委員會及公司註冊處處長對任何章程文件之內容概不負責。



CHINA STRATEGIC HOLDINGS LIMITED
中策集團有限公司
(Incorporated in Hong Kong with limited liability)
(於香港註冊成立之有限公司)
(Stock Code: 235)
(股份代號: 235)

Share registrar and transfer office:

股份過戶登記處:

Tricor Standard Limited

Level 22

Hopewell Centre

183 Queen's Road East

Hong Kong

卓佳標準有限公司

香港

皇后大道東183號

合和中心22樓

RIGHTS ISSUE OF 3,329,237,945 RIGHTS SHARES
ON THE BASIS OF ONE (1) RIGHTS SHARE
FOR EVERY TWO (2) SHARES HELD ON THE RECORD DATE
AT HK\$0.15 PER RIGHTS SHARE
BY QUALIFYING SHAREHOLDERS
PAYABLE IN FULL ON ACCEPTANCE

按合資格股東

於記錄日期每持有兩(2)股股份

獲發一(1)股供股股份之基準,

以每股供股股份0.15港元

發行3,329,237,945股供股股份進行供股

供股股款須於接納時繳足

PROVISIONAL ALLOTMENT LETTER
暫定配額通知書

Registered office:

註冊辦事處:

Rooms 3206-3210, 32nd Floor

China Resources Building

26 Harbour Road

Wanchai

Hong Kong

香港

灣仔

港灣道26號

華潤大廈

32樓3206至3210室

29 July 2015

二零一五年七月二十九日

Name(s) and address of the Qualifying Shareholder(s) 合資格股東姓名及地址

Blank box for Qualifying Shareholder(s) name and address.

Total number of Shares registered in your name(s) on 28 July 2015

於二零一五年七月二十八日以閣下名下登記之股份總數

Blank box for Total number of Shares registered in your name(s) on 28 July 2015.

BOX A
甲欄

Number of Rights Shares provisionally allotted to you subject to payment in full on acceptance by no later than 4:00 p.m. on Wednesday, 12 August 2015
暫定配發予閣下之供股股份總數,惟須於二零一五年八月十二日(星期三)下午四時正前接納時繳足股款方可作實

BOX B
乙欄

Total subscription money payable
應繳認購款項總額

BOX C
丙欄
HK\$
港元

Blank box for Total subscription money payable.

Contact Telephone No.:
聯絡電話:

Blank box for Contact Telephone No.

TO ACCEPT THIS PROVISIONAL ALLOTMENT OF THE RIGHTS SHARES IN FULL YOU MUST LODGE THIS DOCUMENT INTACT WITH THE COMPANY'S SHARE REGISTRAR AND TRANSFER OFFICE, TRICOR STANDARD LIMITED ("THE REGISTRAR") AT LEVEL 22, HOPEWELL CENTRE, 183 QUEEN'S ROAD EAST, HONG KONG, TOGETHER WITH A REMITTANCE IN HONG KONG DOLLARS FOR THE FULL AMOUNT SHOWN IN BOX C ABOVE SO AS TO BE RECEIVED BY NOT LATER THAN 4:00 P.M. ON WEDNESDAY, 12 AUGUST 2015. ALL REMITTANCES MUST BE MADE IN HONG KONG DOLLARS AND MUST BE FORWARDED EITHER BY CHEQUE DRAWN ON A BANK ACCOUNT WITH, OR BY A CASHIER'S ORDER ISSUED BY, A LICENSED BANK IN HONG KONG. ALL SUCH CHEQUES OR CASHIER'S ORDERS MUST BE MADE PAYABLE TO "CHINA STRATEGIC HOLDINGS LIMITED - PAL A/C" AND CROSSED "ACCOUNT PAYEE ONLY". INSTRUCTIONS ON TRANSFER AND SPLITTING ARE SET OUT OVERLEAF. NO RECEIPT WILL BE GIVEN FOR SUCH REMITTANCES.

閣下如全數接納此供股股份之暫定配額,必須將本文件整份連同以港元繳付之上列兩欄所示全數款項,於二零一五年八月十二日(星期三)下午四時正前送達本公司之股份過戶登記處(過戶登記處)卓佳標準有限公司(地址為香港皇后大道東183號合和中心22樓)。所有款項須以港元繳付,並須以香港之持牌銀行戶口開出之支票或發出之銀行本票支付。所有該等支票或銀行本票須註明抬頭人為「中策集團有限公司-暫定配額」,並須以「只准入抬頭人賬戶」方式劃線開出。有關轉讓及拆分之指示載於背頁,而繳款將不會獲發收據。

DEALINGS IN THE RIGHTS SHARES IN THEIR NIL-PAID FORM WILL TAKE PLACE FROM FRIDAY, 31 JULY 2015 TO FRIDAY, 7 AUGUST 2015 (BOTH DAYS INCLUSIVE). IF THE CONDITIONS OF THE RIGHTS ISSUE ARE NOT FULFILLED OR WAIVED (AS APPLICABLE) AT OR BEFORE 4:00 P.M. ON MONDAY, 17 AUGUST 2015 (OR SUCH LATER TIME AS THE COMPANY AND THE UNDERWRITER MAY AGREE IN WRITING), OR IF THE UNDERWRITER TERMINATE OR RESCIND THE UNDERWRITING AGREEMENT IN ACCORDANCE WITH THE TERMS THEREOF PRIOR TO THE LATEST TIME FOR TERMINATION, THE RIGHTS ISSUE WILL NOT PROCEED. ANY PERSONS CONTEMPLATING DEALING IN THE SHARES PRIOR TO THE DATE ON WHICH CONDITIONS OF THE RIGHTS ISSUE ARE FULFILLED OR WAIVED (AS APPLICABLE) OR ON THE DATE WHICH THE UNDERWRITER'S RIGHT OF TERMINATION OF THE UNDERWRITING AGREEMENT CEASES, AND/OR DEALINGS IN THE NIL-PAID RIGHTS SHARES, ARE ACCORDINGLY SUBJECT TO THE RISK THAT THE RIGHTS ISSUE MAY NOT BECOME UNCONDITIONAL OR MAY NOT PROCEED. ANY SHAREHOLDERS OR OTHER PERSONS CONTEMPLATING ANY DEALINGS IN THE SHARES AND/OR THE RIGHTS SHARES IN THEIR NIL-PAID FORM ARE RECOMMENDED TO CONSULT THEIR OWN PROFESSIONAL ADVISERS.

未繳股款供股股份將於二零一五年七月三十一日(星期五)至二零一五年八月七日(星期五)(包括首尾兩天)進行買賣。倘於二零一五年八月十七日(星期一)下午四時正或本公司與包銷商可能書面協定之較後時間)或之前,任何供股條件未能獲達成或豁免(如適用),或倘包銷商於最後截止時限前根據包銷協議所載之條款終止或撤銷包銷協議,供股將不會進行。於直至供股之所有條件獲達成或豁免(如適用)日期前或於包銷協議項下包銷商之終止權終止之日或前,任何供股條件未能獲達成或豁免(如適用)之任何人士,將相應承擔供股可能不會成為無條件或可能不會進行之風險。認買賣股份及/或未繳股款供股股份之股東或其他人士應諮詢彼等之專業顧問。

IF THE RIGHTS ISSUE DOES NOT PROCEED, THE MONIES RECEIVED IN RESPECT OF ACCEPTANCES OF THE RIGHTS SHARES WILL BE REFUNDED TO THE QUALIFYING SHAREHOLDERS OR SUCH OTHER PERSONS TO WHOM THE RIGHTS SHARES IN THEIR NIL-PAID FORM HAVE BEEN VALIDLY TRANSFERRED OR, IN THE CASE OF JOINT ACCEPTANCES, TO THE FIRST-NAMED PERSON WITHOUT INTEREST, BY MEANS OF CHEQUES DESPATCHED BY ORDINARY POST AT THE RISK OF SUCH QUALIFYING SHAREHOLDERS OR SUCH OTHER PERSONS TO THEIR REGISTERED ADDRESSES ON OR BEFORE THURSDAY, 20 AUGUST 2015.

倘供股未能進行,則就接納供股股份所收取之款項將於二零一五年八月二十日(星期四)或之前不計利息以支票方式退還予合資格股東或已獲有效轉讓未繳股款供股股份之其他人士(倘為聯名接納人,則為名列首位之人士),並以平郵寄往彼等之登記地址,郵險風險概由該等合資格股東或該等其他人士承擔。

NO RECEIPT WILL BE GIVEN. 本公司將不另發收據。

IN THE EVENT OF A TRANSFER OF RIGHT(S) TO SUBSCRIBE FOR RIGHTS SHARE(S), HONG KONG AD VALOREM STAMP DUTY IS PAYABLE ON EACH SALE AND EACH PURCHASE. A GIFT OR A TRANSFER OF BENEFICIAL INTEREST OTHER THAN BY WAY OF SALE IS ALSO LIABLE TO HONG KONG AD VALOREM STAMP DUTY. EVIDENCE OF PAYMENT OF HONG KONG AD VALOREM STAMP DUTY WILL BE REQUIRED BEFORE REGISTRATION OF ANY TRANSFER OF THE ENTITLEMENTS(S) TO THE RIGHTS SHARE(S) REPRESENTED BY THIS PAL. 在轉讓認購供股股份之權利時，每宗買賣均須繳納香港從價印花稅。餽贈或轉讓（並非以出售方式）實益擁有之權益亦須繳納香港從價印花稅。在登記轉讓本暫定配額通知書所列任何供股股份之權利之前，須出示已繳納香港從價印花稅之證明。

Form B

表格乙

FORM OF TRANSFER AND NOMINATION

轉讓及提名表格

(To be completed and signed only by Qualifying Shareholder(s) who wish(es) to transfer all of his/her/its/their right(s) to subscribe for the Rights Shares comprised herein)
(僅供擬將其/彼等於本表格所列認購供股股份之權利全數轉讓之合資格股東填寫及簽署)

To: **The Directors**
CHINA STRATEGIC HOLDINGS LIMITED

致：中策集團有限公司
列位董事

Dear Sirs or Madams,
I/We hereby transfer all of my/our rights to subscribe for the Rights Shares comprised in this PAL to the person(s) accepting the same and signing the registration application form (Form C) below.

敬啟者：
本人/吾等茲將本暫定配額通知書所列本人/吾等可認購供股股份之權利全數轉讓予接受此權利並簽署以下登記申請表格(表格丙)之人士。

1. _____ 2. _____ 3. _____ 4. _____

Signature(s) (all joint Shareholders must sign) 簽署 (所有聯名股東均須簽署)

Date 日期：二零一五年 _____, 2015

Note: Hong Kong ad valorem stamp duty is payable in connection with the transfer of your rights to subscribe for the Rights Shares.
附註：轉讓 閣下可認購有關供股股份之權利須繳納香港從價印花稅。

Form C

表格丙

REGISTRATION APPLICATION FORM

登記申請表格

(To be completed and signed only by the person(s) to whom the rights to subscribe for the Rights Shares have been transferred)
(僅供承讓認購供股股份權利之人士填寫及簽署)

To: **The Directors**
CHINA STRATEGIC HOLDINGS LIMITED

致：中策集團有限公司
列位董事

Dear Sirs or Madams,
I/We request you to register the number of Rights Shares mentioned in Box B of Form A in my/our name(s) and I/we agree to accept the same on the terms embodied in this PAL and the Prospectus and subject to the articles of association of the Company.

敬啟者：
本人/吾等謹請 閣下將表格甲內乙欄所列之供股股份數目以本人/吾等名義登記，本人/吾等同意按照本暫定配額通知書及章程所載之條款，並在 貴公司之組織章程細則限制下接納該等股份。

Existing Shareholder(s)
Please mark "X" in this box
現有股東請在本欄內填上「X」符號

--

To be completed in block letters in **ENGLISH**. Joint applicants should give address of the first-named applicant only.
請用英文大楷填寫。聯名申請人只須填報首名申請人之地址。

Name in English 英文姓名	Family name 姓氏	Other names 名字	Name in Chinese 中文姓名
Name continuation and/or names of joint applicants (if required) 續姓名及/或聯名 申請人姓名 (如有需要)			
Address (joint applicants should give address of the first-named applicant only) 地址 (聯名申請人 只須填報首名申請人之地址)			
Occupation 職業		Tel. no. 電話號碼	
Dividend Instructions 股息指示			
Name & address of bank 銀行名稱及地址			Bank account no. 銀行戶口號碼
	Account type 賬戶類別	For office use only 公司專用	

1. _____ 2. _____ 3. _____ 4. _____

Signature(s) (all joint applicants must sign) 簽署 (所有聯名申請人均須簽署)

Date 日期：二零一五年 _____, 2015

Note: Hong Kong ad valorem stamp duty is payable in connection with the transfer of your rights to subscribe for the Rights Shares.
附註：轉讓 閣下可認購有關供股股份之權利須繳納香港從價印花稅。



CHINA STRATEGIC HOLDINGS LIMITED

中策集團有限公司

(Incorporated in Hong Kong with limited liability)

(Stock Code: 235)

29 July 2015

Dear Qualifying Shareholders,

Reference is made to the prospectus dated 29 July 2015 (the "Prospectus") despatched to the shareholders of China Strategic Holdings Limited (the "Company") in relation to the Rights Issue. Terms defined in the Prospectus have the same meanings when used herein unless the context otherwise requires. In accordance with the terms and subject to the conditions set out in the Prospectus, the Directors have provisionally allotted to you the number of Rights Shares on the basis of one (1) Rights Share for every two (2) existing Shares held and registered in your name(s) as at 28 July 2015. Your holding of Shares as at 28 July 2015 is set out in Box A and the number of Rights Shares provisionally allotted to you is set out in Box B.

The Prospectus Documents have not been and will not be registered under the applicable securities legislation of any jurisdiction other than Hong Kong.

No person receiving a copy of the Prospectus or a PAL or an EAF in any territory outside Hong Kong may treat it as an offer or invitation to apply for the Rights Shares unless in the relevant territory, such an offer or invitation could lawfully be made without compliance with any registration or other legal or regulatory requirements. It is the responsibility of any person outside Hong Kong wishing to make an application for the Rights Shares to satisfy himself/herself/itself as to the observance of the laws and regulations of all relevant territories or jurisdictions, including the obtaining of any governmental or other consents, and to pay taxes, duties and other amounts required to be paid in any such territory or jurisdiction in connection therewith. The Company reserves the right to refuse to accept any application for Rights Shares where it believes that doing so would violate the applicable securities legislation or other laws or regulations of any jurisdiction.

No provisional allotment of Rights Shares has been made to the Non-Qualifying Shareholders and no PAL or EAF is being sent to them. The Company will send copies of the Prospectus to the Non-Qualifying Shareholders for their information only. Arrangements will be made for the Rights Shares which would otherwise have been provisionally allotted to the Non-Qualifying Shareholders to be sold in the market in their nil-paid form as soon as practicable after dealings in the nil-paid Rights Shares commence, if a premium (net of expenses) can be obtained. The proceeds of such sale, less expenses, of more than HK\$100 will be paid to the Non-Qualifying Shareholders pro-rata to their shareholdings held at the Record Date, individual amounts of HK\$100 or less will be retained for the benefit of the Company.

When issued, allotted and fully paid, the Rights Shares will rank pari passu in all respects with the Shares in issue. Holders of fully-paid Rights Shares will be entitled to receive all future dividends and distributions which may be declared, made or paid on or after the date of allotment of the fully-paid Rights Shares.

PROCEDURE FOR ACCEPTANCE

To take up your provisional allotment in full, you must lodge the whole of this PAL intact with the Registrar, Tricor Standard Limited at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong, together with a remittance for the full amount payable on acceptance, as set out in Box C, so as to be received by no later than 4:00 p.m. on Wednesday, 12 August 2015. All remittances must be made by cheque or cashier's order in Hong Kong dollars. Cheques must be drawn on an account with, and cashier's orders must be issued by, a licensed bank in Hong Kong and made payable to "CHINA STRATEGIC HOLDINGS LIMITED – PAL A/C" and crossed "ACCOUNT PAYEE ONLY". Such payment will constitute acceptance of the provisional allotment of Rights Shares on the terms of this PAL and the Prospectus and subject to the articles of association of the Company. No receipt will be given for such remittances. All enquiries in connection with this PAL should be addressed to the Registrar at the above address.

It should be noted that unless this PAL, together with the appropriate remittance for the amount shown in Box C, has been received as described above by no later than 4:00 p.m. on Wednesday, 12 August 2015 whether by the original allottee or any person to whom the rights have been validly transferred, this provisional allotment and all rights hereunder will be deemed to have been declined and will be cancelled. The Company is not obliged to treat but may at its sole discretion treat a PAL as valid and binding on the person(s) by whom and on whose behalf is lodged even if such PAL is not completed in accordance with the relevant instructions.

EXCESS RIGHTS SHARES

If you are a Qualifying Shareholder and wish to apply for any Rights Shares in addition to those provisionally allotted to you, you should complete and sign the accompanying EAF as indicated therein and lodge it, together with a separate remittance for the full amount payable on application in respect of the excess Rights Shares applied for, with the Registrar, Tricor Standard Limited at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong, so as to be received by no later than 4:00 p.m. on Wednesday, 12 August 2015. All remittances must be made by cheque or cashier's order in Hong Kong dollars. Cheques must be drawn on an account with, and cashier's orders must be issued by, a licensed bank in Hong Kong and made payable to "CHINA STRATEGIC HOLDINGS LIMITED – EAF A/C" and crossed "ACCOUNT PAYEE ONLY".

TRANSFER

If you wish to transfer all of your rights to subscribe for the Rights Shares provisionally allotted to you hereunder, you must complete and sign the form of transfer and nomination (Form B) and hand this PAL to the transferee(s) or to through whom you are transferring your rights. The transferee(s) must then complete and sign the registration application form (Form C) and lodge this PAL intact together with a remittance for the full amount payable on acceptance as set out in Box C with the Registrar, Tricor Standard Limited at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong, so as to be received by no later than 4:00 p.m. on Wednesday, 12 August 2015. It should be noted that Hong Kong ad valorem stamp duty is payable in connection with the transfer of your rights to subscribe for the relevant Rights Shares and the acceptance by the transferee(s) of such rights.

SPLITTING

If you wish to accept only part of your provisional allotment or transfer part of your rights to subscribe for the Rights Shares provisionally allotted hereunder, or to transfer your rights to more than one person, this PAL must be surrendered and lodged for cancellation by no later than 4:30 p.m. on Tuesday, 4 August 2015 with the Registrar, Tricor Standard Limited at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong, who will cancel this original PAL and issue new PALs in the denominations required, which will be available for collection at the Registrar after 9:00 a.m. on the second Business Day after the surrender of this original PAL.

TERMINATION OF THE UNDERWRITING AGREEMENT

It should be noted that the Rights Shares will be dealt in their nil-paid form from 31 July 2015 to 7 August 2015, both dates inclusive. Shareholders should note that dealings in such Rights Shares in their nil-paid form and the Shares will take place while the conditions to which the Underwriting Agreement is subject remain unfulfilled. Any Shareholder or other person dealing in the Shares up to the date on which all conditions to which the Rights Issue is subject are fulfilled (which is expected to be 17 August 2015), and dealings in the Rights Shares in their nil-paid form, will accordingly bear the risk that the Rights Issue will not become unconditional and may not proceed. Any Shareholder or other person contemplating selling or purchasing Shares or Rights Shares in their nil-paid form, who is in any doubt about his/her/its position, is recommended to consult his/her/its own professional adviser.

In particular, the Directors would like to draw your attention to the fact that if, prior to the Latest Time For Termination: (A) in the absolute opinion of the Underwriter, the success of the Rights Issue would be materially and adversely affected by (i) the introduction of any new regulation or any change in existing law or regulation (or the judicial interpretation thereof) or other occurrence of any nature whatsoever after the signing of the Underwriting Agreement; (ii) the occurrence of any local, national or international event or change (whether or not forming part of a series of events or changes occurring after the signing of the Underwriting Agreement or continuing after the signing of the Underwriting Agreement) of a political, military, financial, economic or other nature, or in the nature of any local, national or international outbreak or escalation of hostilities or armed conflict, or affecting local securities markets; (iii) any material adverse change after the signing of the Underwriting Agreement in the business or in the financial or trading position of any member of the Group; (iv) any act of God, war, riot, public disorder, civil commotion, fire, flood, explosion, epidemic, terrorism, strike or lock-out occurred after the signing of the Underwriting Agreement; (v) after signing of the Underwriting Agreement, there occurs or comes into effect the imposition of any moratorium, suspension or material restriction on trading in securities generally or the Company's securities on the Stock Exchange whether due to exceptional financial circumstances or otherwise, which event or events is or are in the absolute opinion of the Underwriter: (a) likely to have a material adverse effect on the business or financial or trading position or prospects of the Group as a whole; or (b) likely to have a material adverse effect on the success of the Rights Issue or the level of the Rights Shares taken up; or (c) make it inappropriate, inadvisable or inexpedient to proceed further with the Rights Issue; or (D) any breach of any of the warranties or undertakings or any omission to observe any of the obligations or undertakings contained in the Underwriting Agreement comes to the knowledge of the Underwriter; or (C) any Specified Event comes to the knowledge of the Underwriter, the Underwriter shall be entitled by notice in writing to the Company, served prior to the Latest Time for Termination, to terminate the Underwriting Agreement.

Any such notice shall be served by the Underwriter prior to the Latest Time for Termination.

Upon giving of such notice pursuant to the Underwriting Agreement, all obligations of the Underwriter and the Company under the Underwriting Agreement shall cease and determine (without prejudice to the rights of any party in respect of antecedent breach) provided that the Company shall remain liable to pay to the Underwriter such fees and expenses (other than the underwriting commission) payable by the Company pursuant to the Underwriting Agreement. If the Underwriter exercises such right, the Rights Issue will not proceed.

Full details of the terms of the termination of the Underwriting Agreement are set out in the Prospectus.

CHEQUES OR CASHIER'S ORDERS

All cheques and cashier's orders will be presented for payment immediately following receipt and all interest earned on such monies (if any) will be retained for the benefit of the Company. If any cheque or cashier's order lodged with this PAL is not honoured upon first presentation, this PAL is liable to be rejected, and in that event the provisional allotment and all rights given pursuant to it will be deemed to have been declined and will be cancelled. Completion and return of this PAL together with a cheque or cashier's order in payment for the Rights Shares provisionally allotted hereunder will constitute a warranty by the applicant that the cheque or cashier's order will be honoured on first presentation.

SHARE CERTIFICATES

It is expected that certificates for the fully-paid Rights Shares will be despatched to you by the Registrar by ordinary post at your own risk on Thursday, 20 August 2015.

EFFECT OF BAD WEATHER

If there is a "black" rainstorm warning or a tropical cyclone warning signal number 8 or above in force in Hong Kong ("Bad Weather") at any time before 12:00 noon and no longer in force after 12:00 noon on Wednesday, 12 August 2015, the latest time for acceptance of and payment for the Rights Shares will be extended to 5:00 p.m. on the same day. If there is Bad Weather in force in Hong Kong at any time between 12:00 noon and 4:00 p.m. on Wednesday, 12 August 2015, the latest time for acceptance of and payment for the Rights Shares will be rescheduled to 4:00 p.m. on the following Business Day which does not have either of those warnings in force at any time between 9:00 a.m. and 4:00 p.m..

GENERAL

Lodgment of this PAL with, where relevant, the form of transfer and nomination (Form B) purporting to have been signed by the person(s) in whose favour this PAL has been issued shall be conclusive evidence of the title of the party or parties lodging it to deal with the same and to receive split letters of allotment and/or certificates for Rights Shares.

This PAL and any acceptance of the offer contained herein shall be governed by, and construed in accordance with, the laws of Hong Kong.

Further copies of the Prospectus giving details of the Rights Issue are available from the Registrar, Tricor Standard Limited at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong, during normal business hours.

PERSONAL DATA COLLECTION – PAL

By completing, signing and submitting the forms accompanying this PAL, you agree to disclose to the Company, the Registrar and/or their respective advisers and agents personal data and any information which they require about you or the person(s) for whose benefit you have made the acceptance of the provisional allotment of Rights Shares. The Personal Data (Privacy) Ordinance provides the holders of securities with rights to ascertain whether the Company or the Registrar hold their personal data, to obtain a copy of that data, and to correct any data that is inaccurate. In accordance with the Personal Data (Privacy) Ordinance, the Company and the Registrar have the right to charge a reasonable fee for the processing of any data access request. All requests for access to data or correction of data or for information regarding policies and practices and the kinds of data held should be addressed to the Company, at its principal place of business in Hong Kong at Rooms 3206-3210, 32/F., China Resources Building, 26 Harbour Road, Wanchai, Hong Kong, or as notified from time to time in accordance with applicable law, for the attention of the company secretary or (as the case may be) the Registrar at its address set out above.

Yours faithfully,
For and on behalf of the Board of
CHINA STRATEGIC HOLDINGS LIMITED
Or **Ching Hai**
Chairman