



PAUL Y. - ITC CONSTRUCTION HOLDINGS LIMITED
(Incorporated in Bermuda with limited liability)
Stock code: 498



HANNY HOLDINGS LIMITED
(Incorporated in Bermuda with limited liability)
Stock code: 275



CHINA STRATEGIC HOLDINGS LIMITED
(Incorporated in Hong Kong with limited liability)
Stock code: 235

JOINT ANNOUNCEMENT

Hanny, Paul Y and China Strategic wish to inform the public of the status of the Possible Acquisition.

Reference is made to the announcements issued by China Strategic Holdings Limited (“**China Strategic**”) dated 15th October, 2004, 15th November 2004 and 31st December, 2004 respectively, the announcement of Hanny Holdings Limited (“**Hanny**”) dated 15th October, 2004, the joint announcement of Paul Y. - ITC Construction Holdings Limited (“**Paul Y**”) and ITC Corporation Limited dated 15th October, 2004, the joint announcement of China Strategic and Wing On Travel (Holdings) Limited dated 30th November, 2004 and the joint announcements of China Strategic, Hanny and Paul Y dated 21st January, 2005 and 21st February, 2005 respectively regarding, among others, a possible acquisition (the “**Possible Acquisition**”) by a third party (the “**First Potential Purchaser**”) of some or all of the interests of Hanny and Paul Y in China Strategic.

China Strategic has been informed by each of Hanny and Paul Y, and each of Hanny and Paul Y wishes to announce, that its negotiation with the First Potential Purchaser regarding the Possible Acquisition was terminated on 2nd March, 2005. However, Hanny and Paul Y have commenced negotiation with another interested party (the “**Second Potential Purchaser**”) on a possible acquisition of a controlling stake in China Strategic by the Second Potential Purchaser. Hanny and Paul Y are in active negotiation with the Second Potential Purchaser but no terms of the acquisition have been agreed and the acquisition may or may not proceed.

As the proposed acquisition by the Second Potential Purchaser may or may not proceed, the respective shareholders of Paul Y, Hanny and China Strategic and the potential investors are advised to exercise caution when dealing in the shares of Paul Y, Hanny and China Strategic.

By Order of the Board of
Paul Y. - ITC Construction Holdings Limited
Wong Lai Kin, Elsa
Company Secretary

By Order of the Board of
Hanny Holdings Limited
Cheng Wai Chu, Judy
Company Secretary

By Order of the Board of
China Strategic Holdings Limited
Chan Yan Yan, Jenny
Company Secretary

Hong Kong, 3rd March, 2005

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

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

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

As at the date of this announcement, the directors of Paul Y are as follows:

Executive Directors:

Dr. Chan Kwok Keung, Charles
Mr. Lau Ko Yuen, Tom
Mr. Chan Fut Yan
Ms. Chau Mei Wah, Rosanna
Mr. Cheung Hon Kit

Non-executive Director:

Mr. Cheung Ting Kau, Vincent

Independent Non-executive Directors:

Mr. Kwok Shiu Keung, Ernest
Mr. Chan Shu Kin
Dr. Chow Ming Kuen, Joseph

As at the date of this announcement, the directors of Hanny are as follows:

Executive Directors:

Dr. Chan Kwok Keung, Charles
Dr. Yap, Allan
Mr. Lui Siu Tsuen, Richard
Mr. Chan Kwok Hung

Non-executive Directors:

Mr. Fok Kin-ning, Canning
Mr. Ip Tak Chuen, Edmond
Mr. Cheung Hon Kit
Ms. Shih, Edith
(Alternate to Mr. Fok Kin-ning, Canning)

Independent Non-executive Directors:

Mr. Yuen Tin Fan, Francis
Mr. Kwok Ka Lap, Alva
Mr. Wong King Lam, Joseph

As at the date of this announcement, the directors of China Strategic are as follows:

Executive Directors:

Dr. Chan Kwok Keung, Charles
Dr. Yap, Allan
Ms. Chau Mei Wah, Rosanna
Ms. Chan Ling, Eva
Mr. Li Bo
Mr. Chan Kwok Hung
(Alternate to Dr. Chan Kwok Keung, Charles)
Mr. Lui Siu Tsuen, Richard
(Alternate to Dr. Yap, Allan)

Independent Non-executive Directors:

Mr. David Edwin Bussmann
Mr. Wong King Lam, Joseph
Mr. Sin Chi Fai

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