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FOR IMMEDIATE RELEASE

Cedar Strategic wins the heart of Yangon with proposed stake in US\$694 million *Golden City* project

- The acquisition will be executed in two phases, with the consideration amounting to an aggregate value of US\$24.9 million
- First phase will involve the purchase of shares from various vendors, and is expected to complete by end 2016; remaining shares will be purchased in the second phase, subject to shareholder's approval at an EGM to be convened in 1Q2017
- Strategic opportunity in Myanmar taps on the luxury real estate market where there is a lack of quality supply; aligns with the Group's focus on emerging markets

SINGAPORE, 17 October 2016 – Catalyst-listed Cedar Strategic Holdings Ltd. ("CSH" or the "Company", and together with its subsidiaries, the "Group") is pleased to announce that it has successfully entered into a Sale and Purchase Agreement pursuant to which CSH will acquire all of the issued and paid-up shares of DAS Pte. Ltd. ("DAS") for approximately US\$24.9 million (the "Proposed Acquisition"). DAS currently holds a 70% controlling stake in Uni Global Power Pte. Ltd. ("UGP"), which in turn owns a 70% stake in the developer of *Golden City*, a mixed-use luxury development project with a floor area of approximately 335,284 square metres, in the affluent Yankin township of Yangon, Myanmar.

The Proposed Acquisition will be executed in two phases. Phase One entails the purchase of approximately 75% of the shares of DAS from various vendors, and is expected to be completed by the end of 2016. Subsequently, Phase Two involves further acquisition of the remaining shares in DAS from one of the principal founders of *Golden City* project, D3 Capital Limited ("D3") who is a long-term investor in Myanmar. This is subject to shareholders' approval at an Extraordinary General Meeting ("EGM") expected to be convened in 1Q2017. CSH expects to finance the purchase for both phases through a combination of internal resources and a loan from the Company's controlling shareholder, Mr. Luo Shandong. The total consideration amounting to an aggregate value of US\$24.9 million will give CSH a 49% effective stake in the *Golden City* project.

Nestled in the heart of Yangon's most exclusive residential and commercial enclave, the prime site for the *Golden City* project boasts an expansive land area of 33,849 square meters, with the breathtaking Inya Lake and Shwedagon Pagoda in its backdrop. After the Proposed Acquisition, project development will ensue to add residential, retail, and commercial units. Upon the completion of project development in three to five years' time, the US\$694.0 million gross development value (GDV) of *Golden City* will likely benefit from project's close proximity to some of Yangon's most prestigious real estate and lifestyle amenities including five-star hotels, fine dining, and international schools, as well as notable office headquarters, such as Unilever, Keppel, and LG.

Regarding the Proposed Acquisition, **Mr. Thiam Hee Tan, Executive Director and Chief Executive Officer of CSH**, said, "*Staying aligned to the Group's growth strategy that focuses on development and investment properties in emerging countries, we have earmarked the acquisition of DAS to be our gateway to Yangon's luxury real estate market. We are excited to collaborate with D3 on the iconic Golden City project and trust that their unparalleled insights and knowledge about the project will be key to synergy creation.*"

Commenting on the merits of working with CSH, **Ms. Daphne Teo, Chief Investment Officer of D3** said, "*Recent transactions relating to the partial sale of D3's interest value Golden City's aggregate*

equity at approximately S\$150 million. Moving forward, we have decided to embark on this opportunity for excellent returns with CSH as our strategic partner because we are confident that CSH will be able to take this project to the next level, given their strong focus and commitment to emerging Asian markets. D3 will continue to expand its investment activities in Myanmar, and look forward to exploring even more opportunities for collaboration with CSH.”

Since opening up to foreign direct investments in recent years, Myanmar is poised to accelerate the process of urbanisation and potentially quadruple its GDP to reach US\$200.0 billion by 2030¹. At the same time, the Yangon real estate market is struggling to keep up with the estimated 8.0% per annum GDP growth rate, of which Yangon is contributing about 20.0%. Specifically, the luxury housing supply has immense growth potential, given that Myanmar’s middle and affluent classes are expected to double in size to approximately 15.0% of the population by 2020².

Mr. Tan further said, *“Driven by the lack of quality supply, Yangon’s luxury real estate market presently witnesses strong uptake in demand by the increasing affluent locals. Given Yangon’s rapid transformation into a key residential and commercial powerhouse, we anticipate that the valuation of the Golden City project will continue to appreciate along with the surrounding area’s growth. We are thus drawn to the proposed acquisition’s potential as it promises high development margins and yields. To enhance shareholder value and cement the Group’s position as a niche property developer in emerging cities, we will continue to be selective about our acquisitions while seeking out even more strategic opportunities.”*

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About Cedar Strategic Holdings Ltd

Listed on the Catalist board of the Singapore Exchange Securities Trading Limited, Cedar Strategic Holdings Ltd. (CSH) was incorporated in Singapore on 17 October 1980. Formerly known as China Titanium Ltd., the Company adopted the name Cedar Strategic Holdings Ltd. on 7 December 2012 following the restructuring of its business model. Going forward, the Group intends to continue to focus on property investment and development and related businesses.

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This announcement has been prepared by the Company and its contents have been reviewed by the Company’s sponsor, RHT Capital Pte. Ltd. (the “Sponsor”), for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited (“SGX-ST”). The Sponsor has not independently verified the contents of this announcement.

This announcement has not been examined or approved by the SGX-ST and the SGX-ST assumes no responsibility for the contents of this announcement, including the correctness of any of the statements or opinions made or reports contained in this announcement.

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¹ Based on a McKinsey & Company report titled, “Myanmar’s moment: Unique opportunities, major challenges”

² Based on a Boston Consulting Group report titled, “Vietnam and Myanmar: Southeast Asia’s New Growth Frontiers”