

**QUARTERLY FINANCIAL STATEMENTS AND DIVIDEND ANNOUNCEMENT FOR THE YEAR ENDED
31 DECEMBER 2015**

Part 1

**INFORMATION REQUIRED FOR ANNOUNCEMENT OF QUARTERLY (Q1, Q2, Q3 AND Q4), HALF-
YEAR AND FULL YEAR RESULTS**

Explanatory notes:

On 9 April 2015, the Company announced that it has requested for mandatory trading suspension over the Company's shares from the Singapore Exchange Securities Trading Limited ("SGX-ST"). On 14 April 2015, the Company announced that it will be engaging an independent auditor to conduct a special audit to, *inter alia*, review and/or ascertain (as the case may be) the accounts and transactions of the Group, and whether there are any irregularities in the accounts and transactions of the Group for the financial years ended 31 December 2013 and 2014. On 3 July 2015, the new Board ("Current Board" or "Board") announced that the Company has appointed Baker Tilly Consultancy (Singapore) Pte Ltd as its independent auditor ("Special Auditor") to carry out an independent review of the disbursements of the Company and its subsidiaries, namely Trechance Holdings Limited and Futura Asset Holdings Pte Ltd ("Futura"), for the financial years ended 31 December 2013 and 2014.

Based on the findings of the Special Auditor announced by the Company on 24 November 2015, the Special Auditors analysed the Company's investment and fund raising transactions, namely (i) divestment of the titanium dioxide business, (ii) acquisition and proposed divestment of Trechance Holdings Limited and its subsidiaries, (iii) acquisition and disposal of Yess Le Green Pte. Ltd. and West Themes Pte. Ltd., (iv) acquisition of Futura Asset Holdings Pte Ltd, (v) severance payments and (vi) disbursements, in order to understand the disbursements made in context.

The Special Auditor noted weaknesses and/or lapses in corporate governance, internal controls and possible non-compliance with the Catalist Rules and has advised the Current Board to seek legal advice and follow up on the various matters noted in the report of the Special Auditor ("Special Audit Report").

Following the receipt of the Special Audit Report, the Board implemented a new governance framework, new internal controls, new operating procedures, new compliance rules and new IT guidelines. The Board then appointed Baker Tilly Consultancy (Singapore) Pte Ltd ("Baker Tilly") to review and evaluate the adequacy and effectiveness of the Company's system of internal controls and work procedures and processes. This review is to ensure that the internal controls established are adequate to ensure the integrity of the Company's financial statements, security of the Company's assets, proper operation of the Company's business and that the Company is in compliance with all laws and regulations.. The review has been completed. The Board is looking at the recommendations made by Baker Tilly to further strengthen and enhance the Company's internal controls. Baker Tilly is also assisting the Board in implementing an enterprise risk management ("ERM"). The Board has been actively looking at the issues that the Company is currently facing including those raised by the Special Auditor, and has appointed various professionals, including Drew & Napier LLC, Shanghai Yuan Tai Law Offices and Angela Wang & Co, Solicitors to look into the various matters, including but not limited to taking legal actions or reporting the incident(s) to the relevant authorities. As updated in an announcement made on 18 January 2016, the Board has signed a settlement agreement with Dr In Nany Sing Charlie, New

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Inspiration Development Limited (“New Inspiration”) and West Themes Pte Ltd (“West Themes”) on the recovery of S\$1.5 million relating to the proposed disposal of the Serangoon Road Property held by West Themes. Dr. Charlie In, New Inspiration and West Themes have agreed to take all necessary steps to ensure that the sale proceeds from any sale of the Serangoon Road Property (“Sale Proceeds”) are paid directly to the Company. If the Sale Proceeds are less than the aforesaid sum of S\$1.5 million, Dr. Charlie In and New Inspiration are jointly and severally obliged to pay the Company the difference between the Sale Proceeds and the sum of S\$1.5 million within 30 days from the date of completion of the sale of the Serangoon Road Property.

The Company also wishes to highlight that the preparation of the comparative financial information for FY2014 is subject to the Limitations (as defined in Item 5 of this announcement). In light of the above, the comparative financial information disclosed in this announcement may be subject to further adjustments and revisions and the directors would like to advise shareholders to act with caution and take into consideration the Limitations when reviewing such financial information.

1 (a) (i) An income statement (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.

	Group		
	Full Year Ended 31/12/2015	Full Year Ended 31/12/2014	Increase/ (Decrease)
	RMB '000	RMB '000	%
Revenue	26,298	170,669	(84.6%)
Cost of Sales	(25,368)	(110,690)	(77.1%)
Gross Profit	930	59,979	(98.4%)
Other Income [@]	21,872	90	n.m.*
Distribution Costs	(2,478)	-	n.m.
Administration Expenses [#]	(11,426)	(25,176)	(54.6%)
Other non-operating expenses	(2,275)	(284,742)	(99.2%)
Finance Costs	-	(3,056)	(100.0%)
Profit/(Loss) before taxation	6,623	(252,905)	n.m.
Taxation	373	-	n.m.
Profit/(Loss) for the year	6,996	(252,905)	n.m.
Attributable to:			
Owners of the Company	7,498	(252,905)	n.m.
Non-Controlling Interests	(502)	-	n.m.
	6,996	(252,905)	n.m.

n.m. : not meaningful

*: in excess of 100%

@: Included under Other Income for FY2015 was a negative goodwill of RMB 21.2 million which arose from the acquisition of Huizhou Daya Bay Mei Tai Cheng Property Development Co., Limited ("Daya Bay")

[#]: Details of one-off expenses included under Administration Expenses in FY2015

	RMB '000
- <i>Special audit</i>	(1,350)
- <i>Acquisition expenses</i>	(1,005)
- <i>Introducer fee for Investment</i>	(472)
	<u>(2,827)</u>

1 (a) (ii) Included in the determination of (loss)/profit before taxation are the following items:

	Group		
	Full Year Ended 31/12/2015	Full Year Ended 31/12/2014	Increase/ (Decrease)
	RMB '000	RMB '000	%
Amortisation of intangible assets	-	(2)	(100.0%)
Depreciation of property, plant & equipment	(294)	(3,791)	(92.2%)
Gain on disposal of property, plant & equipment	141	-	n.m.
Property, plant & equipment written off	-	(21)	(100.0%)
Impairment losses on property, plant & equipment	-	(72,817)	(100.0%)
Impairment losses on net current assets of PRC entities	-	(15,645)	(100.0%)
Impairment losses on consideration receivable from TCI	-	(189,912)	(100.0%)
Impairment losses on other receivables	(2,261)	(6,347)	(64.4%)
Fair value gain on investment properties	400	-	n.m.
Exchange loss, net	(237)	(827)	(71.3%)
Interest Income	15	3	n.m.*
Rental Income	896	33	n.m.*
Negative goodwill	21,202	-	n.m.

A statement of comprehensive income (for the Group), together with a comparative statement for the corresponding period of the immediately preceding financial year.

	Group		
	Full Year Ended 31/12/2015	Full Year Ended 31/12/2014	Increase/ (Decrease)
	RMB '000	RMB '000	%
Profit/(Loss) for the year	6,996	(252,905)	n.m.
Other Comprehensive income			
Currency translation differences arising from consolidation			
- losses	(5)	(3)	66.7%
Total Comprehensive Income/(Loss) for the year	6,991	(252,908)	n.m.
Attributable to:			
Owners of the Company	7,493	(252,908)	n.m.
Non-controlling interests	(502)	-	n.m.
	6,991	(252,908)	n.m.

1 (b) (i) A balance sheet (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year.

	Group		Company	
	31-Dec-15 RMB'000	31-Dec-14 RMB'000	31-Dec-15 RMB'000	31-Dec-14 RMB'000
ASSETS				
Non-Current Assets				
Property, Plant and Equipment	6,305	170	549	170
Investment properties	265,500	-	-	-
Investments in Subsidiaries	-	-	467	467
Total Non-Current Assets	271,805	170	1,016	637
Current Assets				
Development properties	169,085	-	-	-
Trade and Other Receivables	15,443	7,328	5,711	7,328
Cash and Cash Equivalents	18,356	987	544	22
	202,884	8,315	6,255	7,350
Total Assets	474,689	8,485	7,271	7,987
EQUITY				
Capital and Reserves :				
Share Capital	471,355	471,355	471,355	471,355
Capital Reduction Reserve	79,151	79,151	79,151	79,151
Capital Reserve	10,453	-	-	-
Warrant Reserve	14,167	14,167	14,167	14,167
Foreign Currency Translation Reserve	26,752	26,757	26,760	26,760
Accumulated Losses	(580,787)	(588,285)	(598,918)	(586,640)
Equity attributable to equity holders of the Company	21,091	3,145	(7,485)	4,793
Non-Controlling Interests	44,467	-	-	-
Total Equity	65,558	3,145	(7,485)	4,793

1 (b) (i) A balance sheet (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year (cont...)

	Group		Company	
	31-Dec-15 RMB'000	31-Dec-14 RMB'000	31-Dec-15 RMB'000	31-Dec-14 RMB'000
LIABILITIES				
Non-Current Liabilities				
Trade and Other Payables	101,980	-	-	-
Provisions	135	-	135	-
Deferred tax liabilities	32,320	-	-	-
Total Non-Current Liabilities	134,435	-	135	-
Current Liabilities				
Trade and Other Payables	241,357	5,340	5,032	3,194
Financial Liabilities	9,589	-	9,589	-
Current tax payable	10,940	-	-	-
Deferred tax liabilities	12,810	-	-	-
Total Current Liabilities	274,696	5,340	14,621	3,194
Total Liabilities	409,131	5,340	14,756	3,194
Total Equity and Liabilities	474,689	8,485	7,271	7,987

1 (b) (ii) Aggregate amount of group's borrowings and debt securities

	Group 31-Dec-2015		Group 31-Dec-2014	
	Secured RMB'000	Unsecured RMB'000	Secured RMB'000	Unsecured RMB'000
Amount repayable in one year or less, or on demand				
Financial Liabilities	-	9,589	-	-
	-	9,589	-	-

There are no borrowings or debt securities repayable after one year as at 31 December 2015 and 31 December 2014.

Details of any collateral

Not Applicable

1 (c) A cash flow statement (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.

	Group	
	Full Year Ended 31/12/2015	Full Year Ended 31/12/2014
	RMB '000	RMB '000
Cash Flows from Operating Activities		
Profit/(Loss) before taxation	6,623	(252,905)
Adjustments for :		
Amortisation of Intangible Assets	-	2
Depreciation of property, plant and equipment	294	3,791
Gain on disposal of property, plant and Equipment	(141)	-
Property, plant and equipment written off	-	21
Negative goodwill	(21,202)	-
Impairment losses on property, plant and Equipment	-	72,817
Impairment losses on net current assets of PRC subsidiaries	-	15,645
Impairment loss on consideration receivables from a vendor	-	189,912
Impairment loss on other receivables	2,261	6,347
Fair value gain on investment properties	(400)	-
Interest Income	(15)	(3)
Interest expenses	-	600
Operating (loss)/profit before Working Capital changes	(12,580)	36,227
Trade and Other Receivables	238	(187,621)
Trade and Other Payables	(17,365)	14,083
Development Properties	20,629	98,907
Net Cash used in Operating Activities	(9,078)	(38,404)
Cash Flows from Investing Activities		
Acquisition of Daya Bay (Note A)	17,262	-
Interest received	15	3
Purchase of Plant and Equipment	(607)	(302)
Proceeds from disposal of property, plant and Equipment	188	-
Net Cash generated from/(used in) Investing Activities	16,858	(299)
Cash Flows from Financing Activities		
Issue of ordinary shares	-	22,609
Loan from investors	9,589	-
Repayment of financial liabilities	-	(17,337)
Net Cash generated from Financing Activities	9,589	5,272

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Net increase/(decrease) in Cash and Cash Equivalents	17,369	(33,431)
Cash and Cash equivalents at beginning of year	987	34,421
Exchange differences on translation of Cash and Cash equivalents at beginning of year	-	(3)
Cash and Cash Equivalents at end of year	<u>18,356</u>	<u>987</u>

Note A

On 4 November 2015, the Group acquired 60% of the equity interest in Huizhou Daya Bay Mei Tai Cheng Property Development Co., Limited ("Daya Bay"). The effect of cash flow arising from the acquisition of 60% equity interests in Daya Bay, is set out below:

	Group
	Full Year Ended
	31/12/2015
	RMB'000
Property, Plant and Equipment	5,872
Investment properties	265,100
Development properties	189,714
Trade and Other Receivables	10,615
Cash and Cash Equivalents	17,262
Deferred tax liabilities	(46,593)
Trade and Other Payables	(319,697)
Current tax payable	(9,850)
Identifiable net assets acquired	<u>112,423</u>
Less: Non-controlling interests	(44,969)
Negative goodwill	<u>(21,202)</u>
Total consideration	46,252
Consideration payable	(46,252)
Cash and cash equivalent of the subsidiary acquired	<u>17,262</u>
Acquisition of subsidiary, net of cash acquired	<u>17,262</u>

- 1 (d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalization issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.**

Consolidated Statement of Changes in Equity for the years ended 31 December 2015 and 31 December 2014 - Group

The Group	Share capital RMB'000	Capital reduction reserve RMB'000	Capital reserve RMB'000	Statutory common reserve RMB'000	Share option reserve RMB'000	Warrant reserve RMB'000	Exchange fluctuation reserve RMB'000	Accumulated losses RMB'000	Total attributable to equity holders of the company RMB'000	Non-controlling interests RMB'000	Total equity RMB'000
Balance at 1 January 2014	462,913	79,151	-	971	2,587	-	26,760	(338,938)	233,444	-	233,444
Total comprehensive income for the year	-	-	-	-	-	-	(3)	(252,905)	(252,908)	-	(252,908)
Transactions with owners, recognised directly in equity											
Contributions by and distributions to owners											
Issue of ordinary shares	8,442	-	-	-	-	14,167	-	-	22,609	-	22,609
Equity-settled share options cancelled	-	-	-	-	(2,587)	-	-	2,587	-	-	-
Total contributions by and distributions to owners	8,442	-	-	-	(2,587)	14,167	-	2,587	22,609	-	22,609
Changes in ownership interest in subsidiaries											
Loss of control in subsidiaries	-	-	-	(971)	-	-	-	971	-	-	-
Balance at 31 December 2014	471,355	79,151	-	-	-	14,167	26,757	(588,285)	3,145	-	3,145
Total comprehensive income for the year	-	-	-	-	-	-	(5)	7,498	7,493	(502)	6,991
Transactions with owners											
Acquisition of a subsidiary with non-controlling interests	-	-	-	-	-	-	-	-	-	44,969	44,969
Contributions by related parties of non-controlling interests	-	-	10,453	-	-	-	-	-	10,453	-	10,453
Balance at 31 December 2015	471,355	79,151	10,453	-	-	14,167	26,752	(580,787)	21,091	44,467	65,558

1 (d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalization issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year. (cont...)

Consolidated Statement of Changes in Equity for the years ended 31 December 2015 and 31 December 2014 - Company

The Company	Share Capital	Capital Reduction Reserve	Share Option Reserve	Warrant Reserve	Foreign Currency Translation Reserve	Accumulated Losses	Total Equity attributable to equity holders of the Company
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Balance at 1 January 2014	462,913	79,151	2,587	-	26,760	(345,149)	226,262
Issue of ordinary shares	8,442	-	-	14,167	-	-	22,609
Equity-settled share option expenses Cancelled	-	-	(2,587)	-	-	2,587	-
Total Comprehensive Income for the year	-	-	-	-	-	(244,078)	(244,078)
Balance at 31 December 2014	471,355	79,151	-	14,167	26,760	(586,640)	4,793
Total Comprehensive Income for the year	-	-	-	-	-	(12,278)	(12,278)
Balance at 31 December 2015	471,355	79,151	-	14,167	26,760	(598,918)	(7,485)

- 1 (d)(ii) Details of any changes in the issuer’s share capital arising from right issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles, as well as the number of shares held as treasury shares, if any, against the total number of issued shares, excluding treasury shares of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.**

	Number of shares
Share Capital	
Ordinary shares issued and fully paid	
Balance as at 31 December 2015	7,966,782,808

There were no changes to share capital of the Company during the quarter ended 31 December 2015.

As at 31 December 2015, convertibles (including options to subscribe for ordinary shares in our Company) that remained outstanding are as follows:

	As at 31 Dec 2015 No. of Shares	As at 31 Dec 2014 No. of Shares
Warrants granted on 15 April 2013 (expire on 14 April 2016)	250,000,000	250,000,000
Warrants granted on 12 June 2014 (expire on 11 June 2017)	1,277,777,777	1,277,777,777
	1,527,777,777	1,527,777,777

The Company did not hold any treasury shares as at 31 December 2015 and 31 December 2014.

- 1(d)(iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at end of the immediately preceding year**

The Company’s total number of issued shares (excluding treasury shares) as at 31 December 2015 is 7,966,782,808 (31 December 2014 : 7,966,782,808)

- 1(d)(iv) A statement showing all sales, transfer, disposal, cancellation and/or use of treasury shares at the end of the financial period reported on.**

Not Applicable. The Company does not hold any treasury shares.

2. **Whether the figures have been audited or reviewed, and in accordance with which auditing standard or practice.**

The figures have not been audited or reviewed by the auditors.

3. **Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of a matter).**

Not Applicable.

4. **Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.**

Except for the adoption of the Amendments to FRSs applicable for the financial year beginning on or after 1 January 2015, the same accounting policies and methods of computation have been applied. The adoption of Amendments to FRSs did not have any effect on the financial performance or position of the Group.

5. **If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of the change.**

The Group has adopted all the amendments to FRSs that are effective for the annual periods beginning on or after 1 January 2015. The adoption of these standards and interpretations did not have any effect on the financial performance or position of the Group.

In addition, the background and limitations relating to the preparation of the comparative financial information for FY2014 are described under the *basis for disclaimer of opinion* of the Independent Auditors' Report by Foo Kon Tan LLP dated 24 November 2015 ("Limitations").

Cautionary Note

In view of the matters described under the Limitations, the Company is unable to ascertain the impact, if any, on the comparative financial results for FY2014 and there is no assurance that there are no material facts not known to the current management that may require the FY2014 financial results to be further adjusted. The Company has also appointed various professionals such as Drew & Napier LLC, Shanghai Yuan Tai Law Offices and Angela Wang & Co, Solicitors to look into the various matters noted in the Special Audit Report, including but not limited to taking legal actions or reporting the incident(s) to the relevant authorities. In the Independent Auditors' Report, the auditors have highlighted various matters which resulted in their inability to provide a basis for an audit opinion. In this regard, they brought some of these discrepancies to the attention of the relevant authorities in accordance with the statutory obligations imposed on them as auditors of the Company.

6. Earnings per ordinary share of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends:-
- (a) Based on the weighted average number of ordinary shares on issue; and
(b) On a fully diluted basis (detailing any adjustments made to the earnings).

	Group	
	Full Year Ended 31/12/2015	Full Year Ended 31/12/2014
<i>(Loss)/Profit per ordinary share:</i>		
(i) Based on weighted average no. of ordinary shares in issue (fen)	0.09	(3.42)
(ii) On a fully diluted basis (fen)	0.09	(3.42)
<i>Number of shares in issue:</i>		
(i) Based on weighted average no. of ordinary shares in issue (in million)	7,967	7,400
(ii) On a fully diluted basis (in million)	7,967	7,400

Earnings/(loss) per ordinary share is calculated based on the Group's profit/(loss) for the financial period attributable to the shareholders of the Company divided by the weighted average number of ordinary shares in issue during the period under review.

Diluted earnings/(loss) per ordinary share is calculated based on the same basis as earnings/(loss) per share by adjusting the weighted average number of ordinary shares to include the outstanding warrants and options deemed converted up to the respective reporting periods. In 2015, the diluted loss per share is the same as basic loss per share as the Group does not have any dilutive capital instruments.

7. Net asset value (for the issuer and group) per ordinary share based on issued share capital (excluding treasury shares) of the issuer at the end of the :
- (a) current financial period reported on; and
(b) immediately preceding financial year.

	Group		Company	
	31-Dec -15	31-Dec-14	31-Dec -15	31-Dec-14
Net Asset Value (RMB'000)	65,558	3,145	(7,485)	4,793
Based on existing issued share capital (fen per share)	0.82	0.04	(0.09)	0.06
Net Asset Value has been computed based on the share capital of (in million of shares)	7,967	7,967	7,967	7,967

8. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:
- (a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and
- (b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.

Explanatory Note

The comparative consolidated financial statements of the Group for FY2014 contained the results of the following entities, (i) Guizhou Cedar Huacheng Investment Management Co., Ltd, (ii) Guiyang Shunhe Real Estate Development Co., Ltd, (iii) Guizhou Shengxiang Investment Management Co., Ltd and (iv) Guizhou Huamao Assets Operation Management Co., Ltd (collectively known as "PRC entities" or the "Investees") which were wholly-owned subsidiaries for the period from 1 January 2014 to 30 September 2014. No accounting records were furnished to the current management in Singapore for the period from 1 October 2014 to 31 December 2014 in respect of the PRC entities following the resignation of the entire finance team in the People's Republic of China ("PRC").

Due to the unavailability of the accounting records and the loss of control of the PRC entities (as the Company no longer has the practical ability to direct the relevant activities of the said PRC entities), the Company eventually made full impairment provisions in 4Q2014 on (i) property, plant and equipment (RMB 72.8 million) and (ii) carrying amounts of the net current assets (RMB 15.6 million) comprising gross current assets of RMB 489.7 million and gross current liabilities of RMB 474.1 million, based on the management accounts of the PRC entities as at 30 September 2014.

Review of Financial Performance (FY2015 vs FY2014)

Note: Significant changes in revenues, cost of sales, other income and expenses during the financial year under review were mainly attributed to maiden consolidation of Daya Bay's financial performance in 4Q2015.

	Group		Remarks
	FY2015	FY2014	
	RMB '000	RMB '000	
Revenue	26,298	170,669	→ Decrease in Revenue and Gross Profit
Cost of Sales	(25,368)	(110,690)	
Gross Profit	930	59,979	→ 1. Not comparable → 2. FY2015 contributed by Daya Bay project → 3. FY2014 contributed by Trechance Group's "Xiao Cheng Gu Shi" project whose contributions were fully impaired in 4Q2014 due to loss of control
Other Income	21,872	90	
Distribution Costs	(2,478)	-	
Administration Expenses	(11,426)	(25,176)	→ Increase in Other Income
Other non-operating expenses	(2,275)	(284,742)	
Finance Costs	-	(3,056)	→ Increase in Distribution Costs
Profit/(Loss) before taxation	6,623	(252,905)	
Taxation	373	-	→ Decrease in Administrative Expenses
Profit/(Loss) for the year	6,996	(252,905)	
			→ Decrease in Non-Operating Expenses
			→ Decrease in Finance Costs

Revenue for FY2015 was contributed by Daya Bay, which was acquired on 4 November 2015, arising from the sale of property units in the Daya Bay project of RMB 25.5 million and rental of holiday apartments of RMB 0.8 million whilst revenue for FY2014 was contributed by the Trechance Group arising mainly from the sale of property units in the “Xiao Cheng Gu Shi” project. Gross profit of approximately RMB 0.9 million (FY2014: RMB 60.0 million) was recorded for FY2015, after deducting direct costs of approximately RMB 25.4 million (FY2014: RMB 110.7 million) for the same year. Direct cost of RMB 25.4 million (FY2014: RMB 110.7 million) for FY2015 was derived mainly from the cost of property units in the respective projects sold.

Other income increased from RMB 90,000 in FY2014 to RMB 21.9 million in FY2015 mainly due to the recognition of negative goodwill of RMB 21.2 million arising from the acquisition of 60% equity interests in Daya Bay. Other income in FY2015 also included a gain on disposal of motor vehicle of RMB 141,000.

Distribution costs of RMB 2.5 million in FY2015 arose from the sale of property units in the Daya Bay project.

Administration expenses decreased from RMB 25.2 million in FY2014 to RMB 11.4 million in FY2015, mainly due to the deconsolidation of the PRC entities following the loss of control of the said PRC entities in 4Q2014, partially offset by the inclusion of administrative expenses incurred by Daya Bay.

Other non-operating expenses of RMB 2.3 million was incurred in FY2015 mainly due to partial impairment provision made on the consideration receivable from New Inspiration (which arose from the disposal of subsidiaries in FY2013). Other non-operating expenses of RMB 284.7 million was recorded in FY2014 as the Company made full impairment provisions on (i) property, plant and equipment (RMB 72.8 million) and (ii) carrying amounts of the net current assets (RMB 15.6 million), based on the management accounts of the PRC entities as at 30 September 2014 due to the unavailability of the accounting records and the loss of control of the PRC entities as the Company no longer has the practical ability to direct the relevant activities of the said PRC entities. Impairment losses on consideration receivables from the vendor of the Trechance Group of RMB 189.9 million and impairment losses on other receivables of RMB 6.3 million were also recognised in FY2014.

Finance costs and depreciation of property, plant and equipment also decreased in FY2015 compared to FY2014 mainly due to the deconsolidation of the PRC entities, partially offset by the inclusion of expenses incurred by Daya Bay. The one-off acquisition expenses in FY2015 was incurred for the acquisition of Yess Le Green Pte. Ltd. (incurred but not accrued in previous year), West Themes (incurred but not accrued in previous year) and Daya Bay.

Review of Financial Position (31 December 2015 vs 31 December 2014)

Note: Significant changes in financial position during the financial year under review were mainly attributed to maiden consolidation of Daya Bay’s financial position as at 31 December 2015.

Property, plant and equipment (“PPE”) and trade and other receivables rose to RMB 6.3 million and RMB 15.4 million respectively as at 31 December 2015 on the maiden consolidation of Daya Bay’s financial position. The group recorded investment and development properties of RMB 265.5 million and RMB 169.1 million respectively on consolidation of Daya Bay’s financial position. The investment and development properties are now recorded at fair value after the Purchase Price Allocation exercise conducted by an independent professional valuer.

Trade and other payables, current tax payable and deferred tax liabilities increased mainly on the maiden consolidation of Daya Bay's financial position. Provision for reinstatement costs of RMB 135,000 (classified as non-current liability) was made in FY2015. In July 2015, the Company secured short term loans amounting to a total of about S\$2.0 million (equivalent to RMB 9.6 million).

As at 31 December 2015, current liabilities exceeded current assets by RMB 71.8 million, mainly due to deposits received amounting to RMB 80.0 million which would be reversed upon handover of the property units in the Daya Bay project to the buyers and S\$2.0 million (equivalent to RMB 9.6 million) of short term loan which would be converted into equity once trading of the Company's share resumes, subject to the requisite approval-in-principle for the issuance of new shares.

Cash Flow

Net cash used in operating activities was approximately RMB 9.1 million for FY2015 (largely as a result of the operating loss and working capital changes) whilst net cash used in operating activities was approximately RMB 38.4 million for FY2014 (largely as a result of the net loss before taxation and working capital changes). There was a net cash inflow from investing activities of RMB 16.9 million for FY2015 arising mainly from the acquisition of Daya Bay, which was partially offset by purchase of furniture and office equipment and capitalization of office renovation. Net cash generated from financing activities was RMB 9.6 million for FY2015 arising from short term loans of about S\$2.0 million (equivalent to RMB 9.6 million), whilst net cash generated from financing activities was RMB 5.3 million for FY2014 from the proceeds from an issue of ordinary shares, which was partially offset by the repayment of a financial liability.

9. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.

Not applicable.

10. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the company operates and any known factors or events that may affect the company in the next reporting period and the next 12 months.

As at 31 December 2015, approximately RMB 323.4 million of gross development value comprising 572 units (24,953 sqm) of the Daya Bay project have been sold. In accordance to the Group's revenue recognition policy, only 317 units at the project level and post-acquisition sales of 48 units or approximately RMB 25.5 million (post-acquisition sales) have been recognized in FY2015. Revenue for the remaining 255 units is expected to be progressively recognized in the first half of 2016 ("1H2016") upon handover of the units or one month after notification to buyers to take over the units, whichever occurs earlier.

The Group's core business lies in investing in quality assets in emerging markets, with particular focus on development properties, investment properties and other related businesses. The first investment was made at Daya Bay, Huizhou. According to data provided by Huizhou Municipal Bureau of Statistics, residential sales in FY2015 amounted to RMB 75.8 billion, a year-on-year increase of 41.7%. Particularly, the Daya Bay area is showing a situation of supply shortage as

saleable housing area stood at 2.6 million square metres, with inventory cycle declining to 6.6 months as compared to the normal range of 15 months¹.

The introduction of social and economic reforms has led to the transformation of business and regulatory landscapes. Following a series of favourable monetary and regulatory measures such as the easing of property purchase restrictions and lowering of interest rates by central bank, new home prices rose² in January 2016 for the sixth straight month. More recently in February 2016, China's central bank stepped up support for the property market by lowering the minimum required mortgage down payment for first- and second-home purchases³.

The Group's growth strategy is two-pronged with focus on the combination of long term recurring income and short term development profit. In the meantime, the Group remains committed to generating steady operating cash flows while streamlining costs for the eventual turnaround of the Group's business.

11. Dividend

(a) Current Financial Period Reported On
Any dividend declared for the current financial period reported on?

No dividend has been declared or recommended.

(b) Corresponding Period of the Immediately Preceding Financial Year
Any dividend declared for the corresponding period of the immediately preceding financial year?

No dividend was declared or recommended.

(c) Date payable

Not applicable.

(d) Books closure date

Not applicable.

12. If the group has obtained a general mandate from shareholders for IPTs, the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.

The Group has not obtained a general mandate from shareholders for Interested Party Transactions.

13. Disclosure on the status on the use of proceeds raised from IPO and any offerings pursuant to Chapter 8 and whether the use of the proceeds is in accordance with the stated use. Where the proceeds have been used for working capital purposes, a breakdown with specific details on how the proceeds have been applied must be disclosed.

¹ “房地产库存量已经悄然回归合理水平”, 地产中国网, 26 February 2016

² “China new home prices up in January, rising for 6th straight month”, The Straits Times, 1 February 2016

³ “China eases mortgage down payment to 20% for first homes”, Bloomberg, 2 February 2016

The details of the net proceeds utilized as at 31 December 2015 are as follows:

Intended Use	Amount Allocated	Amount Utilised
	S\$'000	S\$'000
Real estate development and/or investment in real estate assets	4,350	4,350

Pursuant to the terms of the Subscription Agreements, the Company raised the sum of S\$4,600,000 by issuing an aggregate of 1,277,777,777 new shares in the share capital of the Company at an issue price of S\$0.0036 per share, with 1,277,777,777 free detachable unlisted warrants, on the basis of one (1) free warrant for every one (1) share at an exercise price of S\$0.0036 on 29 August 2014. The net proceeds of approximately S\$4,350,000 (after deducting estimated expenses of approximately S\$250,000) as at 29 August 2014 had been fully utilised to fund the development of real estate projects and/or investment in real estate and/or related assets (i.e. payment made in connection with the acquisition of Trechance Holdings Ltd. and its subsidiaries). The Current Board however noted that the Company's announcement dated 29 August 2014 may contain factual inaccuracies as payment amounting to S\$752,096 may have already been paid out of the aforesaid proceeds prior to the said announcement.

14. Segmented revenue and results for operating segments (of the group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediately preceding year.

For management purposes, the Group is organised into business segments as the Group's risks and rates of return are affected predominantly by differences in the products produced. The operating businesses are organised and managed separately according to the nature of the products produced, with each segment representing a strategic business unit that offers different products and serves different markets.

The Group's business is organised into three business segments, namely:-

- (i) Property development - relates to the development of properties for sale
- (ii) Property investment - relates to the business of investing in properties to earn rentals and for capital appreciation
- (iii) Corporate – comprises Corporate Office which incurs general corporate expenses and inactive entities in the Group

The Group accounts for inter-segment transactions on terms agreed between parties. Inter-segment transactions comprising advances between segments are eliminated on consolidation.

Segment revenue and expenses:

Segment revenue and expenses are the operating revenue and expenses reported in the consolidated statement of comprehensive income that are directly attributable to a segment and the relevant portion of such revenue and expense that can be allocated on a reasonable basis to a segment.

Segment assets and liabilities:

Segment assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Capital expenditure includes the total cost incurred to acquire plant and equipment directly attributable to a segment.

The management monitors the operating results of the operating segments for the purpose of making decisions about resource allocation and performance assessment.

Information regarding the results of each reportable segment is included below. Performance is measured based on segment profit before income tax, as included in the internal management reports that are reviewed by the management. Segment profit is used to measure performance as management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries.

Segment profit is used to measure performance as management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operates with these industries. Segment results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items comprise mainly corporate assets (primarily in the Company's headquarters), head office expenses, and tax assets and liabilities.

Geographically, the non-current assets and operations of the Group are primarily located in the PRC.

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	Property development		Property investment		Corporate		Eliminations		Total	
	Group 2015 RMB'000	Group 2014 RMB'000	Group 2015 RMB'000	Group 2014 RMB'000	Group 2015 RMB'000	Group 2014 RMB'000	Group 2015 RMB'000	Group 2014 RMB'000	Group 2015 RMB'000	Group 2014 RMB'000
Segment revenue	25,500	170,669	798	-	-	-	-	-	26,298	170,669
Results										
Segment (loss)/profit	(2,701)	55,143	658	-	(13,206)	(308,138)	-	-	(15,249)	(252,995)
Other income	415	-	-	-	21,457	90	-	-	21,872	90
(Loss)/profit before taxation	(2,286)	55,143	658	-	8,251	(308,048)	-	-	6,623	(252,905)
Taxation	538	-	(165)	-	-	-	-	-	373	-
(Loss)/profit for the year	(1,748)	55,143	493	-	8,251	(308,048)	-	-	6,996	(252,905)
Attributable to:										
Owners of the Company	(1,049)	55,143	296	-	8,251	(308,048)	-	-	7,498	(252,905)
Non-controlling interests	(699)	-	197	-	-	-	-	-	(502)	-
Assets and liabilities										
Segment assets	202,405	-	265,500	-	6,784	8,485	-	-	474,689	8,485
Segment liabilities	313,964	-	32,320	-	62,847	5,340	-	-	409,131	5,340

15. In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the operating segments.

Revenue and earnings for the property development segment for FY2015 was contributed from the sale of property units in the Daya Bay project, which was acquired on 4 November 2015. For FY2014, revenue and earnings for the property development segment was contributed by the Trechance Group, arising mainly from the sale of property units in the “Xiao Cheng Gu Shi” project. Revenue and earnings for the property investment segment for FY2015 came from the renting out of holiday apartments at Daya Bay.

Other Income for corporate segment in FY2015 included a negative goodwill of RMB 21.2 million which arose from the acquisition of Daya Bay. The loss for Corporate segment of RMB 308 million in FY2014 was mainly due to the impairment provisions on (i) property, plant and equipment (RMB 72.8 million) and (ii) carrying amounts of the net current assets (RMB 15.6 million), based on the management accounts of the PRC entities as at 30 September 2014 due to the unavailability of the accounting records and the loss of control of the PRC entities as the Company no longer has the practical ability to direct the relevant activities of the said PRC entities. Impairment losses on consideration receivables from the vendor of the Trechance Group of RMB 189.9 million and impairment losses on other receivables of RMB 6.3 million also contributed to the loss in FY2014.

16. A breakdown of sales as follows :

	Latest Financial Year RMB'000	Group Previous Financial Year RMB'000	% Increase/ (Decrease)
a. Sales reported for the first half year (January to June)	-	45,269	(100.0%)
b. Operating profit/(loss) after tax before deducting minority interest reported for the first half year (January to June)	(1,816)	8,800	n.m.
c. Sales reported for the second half year (July to December)	26,298	125,400	(79.0%)
d. Operating profit/(loss) after tax before deducting minority interest reported for the second half year (July to December)	8,812	(261,705)	n.m.

n.m. : not meaningful

* : in excess of 100%

17. A breakdown of the total annual dividend (in dollar value) for the issuer’s latest full year and its previous full year as follows :-

Not applicable as the Company did not declare any dividends in the latest full year and its previous full year.

- 18. Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704(10) in the format below. If there are no such persons, the issuer must make an appropriate negative statement.**

Not applicable as there are no such persons occupying a managerial position in the issuer or any of its principal subsidiaries as at the date of this announcement.

ON BEHALF OF THE DIRECTORS

Christopher Chong Meng Tak
Non-Executive Chairman

BY ORDER OF THE BOARD
15 February 2016

This announcement has been prepared by the Company and its contents have been reviewed by the Company's Sponsor, Stamford Corporate Services Pte Ltd, for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited (the "Exchange"). The Company's Sponsor has not independently verified the contents of this announcement.

This announcement has not been examined or approved by the Exchange and the Exchange 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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