

**Financial Statement Announcement for First Quarter ended 31 March 2014**

**Part 1**

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

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

	<b>Group</b>		
	<b>Quarter Ended 31/3/2014</b>	<b>Quarter Ended 31/3/2013</b>	<b>Increase/ (Decrease)</b>
	RMB '000	RMB'000	%
<b>Revenue</b>	<b>36,620</b>	<b>407</b>	<b>n.m.*</b>
Direct Cost	(25,349)	(885)	n.m.*
<b>Gross Profit/(Loss)</b>	<b>11,271</b>	<b>(478)</b>	<b>n.m.</b>
Other Income	4,440	266	n.m.*
Distribution Expenses	(133)	(38)	n.m.*
Administration Expenses	(7,266)	(6,773)	7%
Other operating (expenses)/income	-	-	
Finance Cost	(4)	(91)	(96%)
<b>Profit/(Loss) before income tax</b>	<b>8,308</b>	<b>(7,114)</b>	<b>n.m.</b>
Income Tax	-	-	-
<b>Profit/(Loss) for the period</b>	<b>8,308</b>	<b>(7,114)</b>	<b>n.m.</b>
<b>Profit/(Loss) attributable to :</b>			
Equity holders of the Company	8,308	(7,114)	n.m.
	8,308	(7,114)	n.m.
Non-Controlling Interests	-	-	-

n.m. not meaningful

\*: in excess of 100%

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

	<b>Group</b>		
	<b>Quarter Ended 31/3/2014</b>	<b>Quarter Ended 31/3/2013</b>	<b>Increase/ (Decrease)</b>
	RMB'000	RMB'000	%
Amortisation of intangible assets	(2)	(6)	(67%)
Depreciation of plant & equipment	(7)	(1,322)	(99%)
Depreciation of Investment Properties	(1,371)	-	n.m.
Exchange gain/(loss), net	(149)	(823)	(82%)
Interest Income	4,440	1,027	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.**

	<b>Group</b>		
	<b>Quarter Ended 31/3/2014</b>	<b>Quarter Ended 31/3/2013</b>	<b>Increase/ (Decrease)</b>
	RMB'000	RMB'000	%
<b>Profit/(Loss) for the period</b>	8,308	(7,114)	n.m.
<b>Other Comprehensive income</b>			
Currency translation differences arising from consolidation			
- Profit/(losses)	-	-	-
<b>Total Comprehensive Income for the period</b>	<b>8,308</b>	<b>(7,114)</b>	<b>n.m.</b>

n.m. not meaningful  
 \*: in excess of 100%

**CEDAR STRATEGIC HOLDINGS LTD.**  
**Company Registration No. 198003839Z**

**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.**

	<b>Group</b>		<b>Company</b>	
	<b>31-Mar-14</b>	<b>31-Dec-13</b>	<b>31-Mar-14</b>	<b>31-Dec-13</b>
	RMB'000	RMB'000	RMB'000	RMB'000
<b>ASSETS</b>				
<b>Non-Current</b>				
Intangible Assets	-	2	-	2
Investment Properties	74,886	76,257	28	-
Plant and Equipment	244	240	-	24
	<b>75,130</b>	<b>76,499</b>	<b>28</b>	<b>26</b>
<b>Investments</b>				
Investments in HC Group	-	-	22,500	22,500
	-	-	<b>22,500</b>	<b>22,500</b>
<b>Total Non-Current Assets</b>	<b>75,130</b>	<b>76,499</b>	<b>22,528</b>	<b>22,526</b>
<b>Current Assets</b>				
Trade and Other Receivables	599,645	587,530	218,077	207,417
Inventories	227,506	250,199	-	-
Cash and Cash Equivalents	22,579	34,422	13,415	22,004
	<b>849,730</b>	<b>872,151</b>	<b>231,492</b>	<b>229,421</b>
<b>Total Assets</b>	<b>924,860</b>	<b>948,650</b>	<b>254,020</b>	<b>251,947</b>
<b>Equity</b>				
<b>Capital and Reserves :</b>				
Share Capital	462,913	462,913	462,913	462,913
Warrant Reserve	-	-	-	-
Capital Reduction Reserve	79,151	79,151	79,151	79,151
Share Option Reserve	2,134	2,587	2,134	2,587
Foreign Currency Translation Reserve	25,700	25,700	31,371	31,371
Accumulated Profit/(Losses)	(326,649)	(335,634)	(347,782)	(349,760)
<b>Equity attributable to equity holders of the Company</b>	<b>243,249</b>	<b>234,717</b>	<b>227,787</b>	<b>226,262</b>
Non-Controlling Interests	-	-	-	-
<b>Total Equity</b>	<b>243,249</b>	<b>234,717</b>	<b>227,787</b>	<b>226,262</b>

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**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...)**

	<b>Group</b>		<b>Company</b>	
	<b>31-Mar-14</b>	<b>31-Dec-13</b>	<b>31-Mar-14</b>	<b>31-Dec-13</b>
	<b>RMB'000</b>	<b>RMB'000</b>	<b>RMB'000</b>	<b>RMB'000</b>
<b>Liabilities</b>				
<b>Current Liabilities</b>				
Trade and Other Payables	366,323	364,732	8,620	8,348
Advances from customers	231,138	267,779		
Provision for Taxation	45,949	43,495	-	-
Borrowings	17,612	17,338	17,613	17,337
Deferred Income	20,589	20,589	-	-
<b>Total Current Liabilities</b>	<b>681,611</b>	<b>713,933</b>	<b>26,233</b>	<b>25,685</b>
<b>Total Liabilities</b>	<b>681,611</b>	<b>713,933</b>	<b>26,233</b>	<b>25,685</b>
<b>Total Equities and Liabilities</b>	<b>924,860</b>	<b>948,650</b>	<b>254,020</b>	<b>251,947</b>

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

	<b>Group</b>		<b>Group</b>	
	<b>31-Mar-14</b>		<b>31-Dec-2013</b>	
	<b>Secured</b>	<b>Unsecured</b>	<b>Secured</b>	<b>Unsecured</b>
	<b>RMB'000</b>	<b>RMB'000</b>	<b>RMB'000</b>	<b>RMB'000</b>
<b>Amount repayable in one year or less, or on demand</b>				
Convertible Bonds	-	17,612	-	17,337
	-	17,612	-	17,337

**Details of any collateral**

Not Applicable

**CEDAR STRATEGIC HOLDINGS LTD.**  
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**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	
	Quarter Ended 31/3/2014	Quarter Ended 31/3/2013
	RMB '000	RMB '000
<b>Cash Flows from Operating Activities</b>		
Profit/(Loss) before income tax	8,308	(7,114)
Adjustments for :		
Amortisation of Intangible Assets	2	6
Depreciation of Plant and Equipment	7	1,322
Depreciation of Investment Properties	1,371	11
Exchange Differences	-	1,766
Other Taxes	2,454	
Interest Income	(4,440)	(1,027)
Operating Profit/(Loss) before Working Capital changes	7,702	(5,036)
Inventories	22,692	-
Trade and Other Receivables	(7,673)	(2,258)
Trade and Other Payables	(35,051)	3,707
Cash generated from/(used in) operations	(12,330)	(3,587)
Income Tax refund/(paid)	-	-
<b>Net Cash generated from/(used in) Operating Activities</b>	(12,330)	(3,587)
<b>Cash Flows from Investing Activities</b>		
Interest Received	-	-
Purchase of Plant and Equipment	(11)	-
Acquisition of subsidiary (net of cash acquired)	-	(5,002)
<b>Net Cash generated from Investing Activities</b>	(11)	(5,002)
<b>Cash Flows from Financing Activities</b>		
Proceeds from bank overdraft	-	-
Bank Deposit pledged	-	-
<b>Net Cash (used in)/generated from Financing Activities</b>	-	-
<b>Net (decreased)/increase in Cash and Cash equivalents</b>	(12,341)	(8,589)
Cash and Cash equivalents at beginning of period	34,422	66,241
Exchange differences on translation of Cash and Cash equivalents at beginning of period	498	-
Cash and Cash Equivalents at end of Period	22,579	57,652

**CEDAR STRATEGIC HOLDINGS LTD.**  
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**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 quarter ended 31 March 2014 - Group***

	Share Capital & Warrants Reserve RMB'000	Capital Reduction Reserve RMB'000	Statutory Common Reserve RMB'000	Share Option Reserve RMB'000	Warrant Reserve RMB'000	Foreign Currency Translation Reserve RMB'000	Accumulated Losses RMB'000	Total Equity attributable to equity holders of Company RMB'000	Non- Controlling Interests RMB'000	Total Equity RMB'000
<b>Q1FY14</b>										
<b>Balance at January 1, 2014</b>	<b>462,913</b>	<b>79,151</b>	-	<b>2,587</b>	-	<b>25,700</b>	<b>(335,634)</b>	<b>234,717</b>	-	<b>234,717</b>
Net profit/(Loss) for the period	-	-	-	-	-	-	8,308	8,308	-	8,308
Adjustment of employee's share option	-	-	-	(453)	-	-	453	-	-	-
Reclassification adjustments	-	-	-	-	-	-	-	-	-	-
Translation of foreign currency :	-	-	-	-	-	-	224	224	-	224
<b>Balance at March 31, 2014</b>	<b>462,913</b>	<b>79,151</b>	-	<b>2,134</b>	-	<b>25,700</b>	<b>(326,649)</b>	<b>243,249</b>	-	<b>243,249</b>
<b>Balance at January 1, 2013</b>	<b>407,932</b>	<b>79,151</b>	<b>2,198</b>	<b>4,132</b>	<b>2,920</b>	<b>25,925</b>	<b>(417,719)</b>	<b>104,539</b>	<b>13,013</b>	<b>117,552</b>
Net profit/(Loss) for the period	-	-	-	-	-	-	(7,114)	(7,114)	-	(7,114)
Other Comprehensive Income :										
Translation of foreign currency :	-	-	-	-	-	(2,018)	-	(2,018)	-	(2,018)
Adjustment of valuation of Employee's Share Option	-	-	-	(3,115)	-	-	3,115	-	-	-
Adjustment of valuation of Warrants	-	-	-	-	(622)	-	622	-	-	-
Disposal of Subsidiary	-	-	(2,198)	-	-	-	15,211	13,013	(13,013)	-
<b>Balance at 31 March 2013</b>	<b>407,932</b>	<b>79,151</b>	-	<b>1,017</b>	<b>2,298</b>	<b>23,907</b>	<b>(405,885)</b>	<b>108,420</b>	-	<b>108,420</b>

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***Consolidated Statement of Changes in Equity for the quarter ended 31 March 2014 - Company***

	Share Capital & Warrants Reserve RMB'000	Capital Reduction Reserve RMB'000	Share Option Reserve RMB'000	Warrant Reserve RMB'000	Foreign Currency Translation Reserve RMB'000	Accumulated Losses RMB'000	Total Equity attributable to equity holders of the Company RMB'000
<b>Q1FY14</b>							
<b>Balance at January 1, 2014</b>	<b>462,913</b>	<b>79,151</b>	<b>2,587</b>	<b>-</b>	<b>31,371</b>	<b>(349,760)</b>	<b>226,262</b>
Adjustment of employee's share option	-	-	(453)	-	-	453	-
Translation of Foreign Currency	-	-	-	-	-	-	-
Net Profit/(Loss) for the period	-	-	-	-	-	1,525	1,525
<b>Balance at March 31, 2014</b>	<b>462,913</b>	<b>79,151</b>	<b>2,134</b>	<b>-</b>	<b>31,371</b>	<b>(347,782)</b>	<b>227,787</b>
<b>Balance at January 1, 2013</b>	<b>409,589</b>	<b>79,151</b>	<b>4,132</b>	<b>2,920</b>	<b>26,760</b>	<b>(428,639)</b>	<b>92,256</b>
Adjustment valuation of Employee's Share Options	-	-	-	(622)	-	-	(622)
Issue of Ordinary Shares arising from Exercise of Warrants	-	-	(3,115)	-	-	3,737	622
Issue of Warrants	-	-	-	-	-	-	-
Translation of Foreign Currency	-	-	-	-	4,611	(4,611)	-
Total Comprehensive Income for the year	-	-	-	-	-	(3,984)	(3,984)
<b>Balance at March 31, 2013</b>	<b>407,962</b>	<b>79,151</b>	<b>1,017</b>	<b>2,298</b>	<b>31,371</b>	<b>(433,497)</b>	<b>88,272</b>

**1 (d)(ii) Details of any changes in the Company’s Share Capital arising from right issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares or 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 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 March 2014 6,689,005,031

There were no changes to share capital during the quarter ended 31 March 2014

As at 31 March 2014, convertibles (including options to subscribe for ordinary shares in our Company) that remained outstanding are as follows:

	<b>As at 31 Mar 2014</b>	<b>As at 31 Mar 2013</b>
	<b>No. of Shares</b>	<b>No. of Shares</b>
Share Options granted on 25 May 2010 (exercisable on and after 25 May 2011)	10,000,000	10,000,000
Share Options granted on 25 May 2010 (exercisable on and after 25 May 2012)	-	3,000,000
Share Options granted on 30 August 2012 (exercisable on and after 30 August 2013)	107,000,000	175,000,000
Warrants granted on 28 January 2013 (expire on 27 January 2016)	250,000,000	-
	367,000,000	188,000,000

**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 March 2014 is 6,689,005,031 (31 March 2013 : 4,707,935,029)



**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.**

The Group has applied the same accounting policies and method of computation in the financial statements for the current financial period compared with the audited financial statements for the financial year ended 31 December 2013.

**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.**

Not Applicable

**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	
	Quarter Ended 31/3/2014	Quarter Ended 31/3/2013
<b>Profit/(Loss) per ordinary share:</b>		
(i) Based on weighted average no. of ordinary shares in issue (fen)	0.124	(0.160)
(ii) On a fully diluted basis (fen)	0.117	(0.139)
<b>Number of shares in issue:</b>		
(i) Based on weighted average no. of ordinary shares in issue (in million)	6,689	4,457
(ii) On a fully diluted basis (in million)	7,099	5,101

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.

**7. Net asset value (for the issuer and group) per ordinary share based on issued share capital of the issuer at the end of the :**

- (a) current financial period reported on; and  
(b) immediately preceding financial year.

	Group		Company	
	31-Mar-14	31-Dec-13	31-Mar-14	31-Dec-13
Net Asset Value (RMB'000)	242,651	234,118	227,787	226,262
Based on existing issued share capital (fen per share)	3.63	3.50	3.41	3.38
Net Asset Value has been computed based on the share capital of (in million of shares)	6,689	6,689	6,689	6,689

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.**

#### **INCOME STATEMENT**

The Group recorded 1Q2014 revenue of approximately RMB36.6 million which was mainly due to contribution from the sales of property units in the "Xiao Cheng Gu Shi" project, compared to 1Q2013 revenue of RMB0.4 million from the business of Yess Le Green Pte. Ltd. and West Themes Pte Ltd, which had since been disposed of. Gross profit of approximately RMB11.3 million was recorded for 1Q2014, after deducting direct costs of approximately RMB25.3 million for the same period.

Other income of approximately RMB4.4 million for 1Q2014 was derived mainly from interest income arising from the receivables due from the vendor of the Trechance Group. The Group also incurred administration expenses of approximately RMB7.3 million, representing an increase of approximately 7.3% over 1Q2013. The increase in administration expenses was due mainly to the administrative cost of the acquired property business.

Depreciation of plant & equipment had decreased by 99% in 1Q2014 mainly due to the divestment of the Group's titanium dioxide business. As for depreciation of Investment Properties, there was an increase in 1Q2014 of RMB1.4 million mainly due to the acquisition of the Trechance Group, which holds properties under the "Xiao Cheng Gu Shi" project.

#### **BALANCE SHEET**

Total assets decreased from RMB948.7 million as at 31 December 2013 to RMB924.9 million as at 31 March 2014, mainly due to reduction in inventories from RMB250.2 million to RMB227.5 million. Total liabilities decreased from RMB713.9 million as at 31 December 2013 to RMB681.6 million as at 31 March 2014, mainly due to decrease in advances from customers from RMB267.8 million to RMB231.1 million arising from the reclassification of advances from customers to revenue.

The Group's inventories decreased from RMB250.2 million as at 31 December 2013 to RMB227.5 million as at 31 March 2014, mainly due to sales of properties in 1Q2014.

The Group's borrowing increased from RMB17.3 million as at 31 December 2013 to RMB17.6 million as at 31 March 2014, mainly due to adjustments made in connection with exchange differences as the borrowing is in Singapore Dollars and RMB has depreciated against Singapore Dollars.

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The Group's net tangible assets increased from RMB234.7 million in 31 December 2013 to RMB243.2 million as at 31 March 2014 mainly due to a net profit of RMB8.3 million recorded for 1Q2014.

The Group had a positive working capital of RMB168.1 million as at 31 March 2014.

**CASH FLOW**

Cash generated from operating activities before working capital changes was RMB7.7 million for 1Q2014 compared to cash outflow of RMB5.0 million for 1Q2013. The Group recorded net outflow of cash of RMB12.3 million mainly due to the settlement of trade and other payables offset by with the movement of inventories and trade and other receivables.

There was outflow of RMB0.011 million for investing activities and no cash flow movements for financing activities for 1Q2014. Net cash outflow for 1Q2014 was RMB12.3 million, compared to a net cash outflow of RMB8.6 million in 1Q2013.

The cash and cash equivalents balance was approximately RMB22.6 million as at 1Q2014.

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

Nil.

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

The Group expects the main portion of its revenue for the current financial year to be generated from the ongoing real estate projects of the Trechance Group, in particularly from the "Xiao Cheng Gu Shi" project. The Group plans to continue to look for suitable acquisition targets and/or real estate projects or investments, with a primary focus on PRC real estate.

- 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. Negative assurance confirmation on interim financial results under SGX Listing Rule 705(5) of the Listing Manual**

The Directors confirm that, to the best of their knowledge, nothing has come to the attention of the Board of Directors which may render the financial results for the quarter ended 31 March 2014 to be false or misleading.

**13. 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.

**14. 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.**

The details of the proceeds utilized as at 31 March 2014 are as follows :

<b>Intended Use</b>	<b>Amount Allocated</b>	<b>Amount Utilised</b>
	<b>(\$ million)</b>	<b>(\$ million)</b>
Real estate development and/or investment in real estate assets	Up to S\$3.46	S\$0.615
Working capital purposes	Up to S\$1.49	-
Rights Issue expenses	S\$0.35	S\$0.135
Total (Gross Proceeds/Total Utilised)	S\$5.30	S\$0.750

ON BEHALF OF THE DIRECTORS

IN NANY SING CHARLIE  
Executive Chairman

**BY ORDER OF THE BOARD**  
**Date : 15 May 2014**

*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 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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