

CEDAR STRATEGIC HOLDINGS LTD.

(Incorporated in the Republic of Singapore)
(Company Registration No. 198003839Z)

PROPOSED RENOUNCEABLE NON-UNDERWRITTEN RIGHTS ISSUE OF UP TO 5,822,280,292 NEW ORDINARY SHARES IN THE CAPITAL OF THE COMPANY – RELEVANT WARRANTS

1. INTRODUCTION

The Board of Directors (“**Directors**”) of Cedar Strategic Holdings Ltd. (the “**Company**”, and together with its subsidiaries, the “**Group**”) refers to the Company’s announcement dated 29 June 2016 (Announcement Reference No.: SG160629RHDINZUO) (the “**Previous Announcement**”) in relation to the proposed renounceable non-underwritten rights issue (the “**Rights Issue**”) of up to 5,822,280,292 new ordinary shares in the capital of the Company (“**Rights Shares**”), at an issue price of S\$0.0036 for each Rights Share (the “**Issue Price**”), on the basis of one (1) Rights Share for every two (2) existing ordinary shares in the issued and paid up capital of the Company (the “**Shares**”) held by Entitled Shareholders as at the date and time to be determined by the Directors, at and on which the register of members and the transfer books of the Company will be closed to determine the provisional allotments of Rights Shares of the Entitled Shareholders (the “**Books Closure Date**”) under the Rights Issue, fractional entitlements to be disregarded.

All capitalised terms used and not defined herein shall bear the same meanings ascribed to them in the Previous Announcement, unless the context otherwise requires.

2. RELEVANT WARRANTS

On 12 June 2014, the Company had allotted and issued an aggregate of 1,277,777,777 new Shares at an issue price of S\$0.0036 per subscription Share to Sinowealth Capital Limited, Jadeite Capital, and Mr Christopher Chong Meng Tak (collectively, the “**Warrantholders**”), with 1,277,777,777 detachable Relevant Warrants, on the basis of one (1) free Relevant Warrant for every one (1) such subscription Share, and each Relevant Warrant carrying the right to subscribe for one (1) new Share at an exercise price of S\$0.0036. The Relevant Warrants are not listed.

Pursuant to the terms and conditions of the Relevant Warrants (the “**Terms and Conditions**”), the Company is not required to make adjustments to the exercise price as well as the number of the Relevant Warrants as a result of the Rights Issue. As at the date of this announcement, all 1,277,777,777 of the Relevant Warrants remain outstanding and unexercised.

The Company’s auditors have on 5 August 2016 certified that the no adjustment is required in accordance with the Terms and Conditions.

3. INTERESTS OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

None of the Directors and substantial Shareholders of the Company has any interest, direct or indirect, in the Rights Issue (other than through their respective shareholdings, warrant holdings, and options in the Company).

4. **RESPONSIBILITY STATEMENT**

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this announcement and confirm after making all reasonable enquiries that, to the best of their knowledge and belief, this announcement constitutes full and true disclosure of all material facts about the Rights Issue, the Company and its subsidiaries, and the Directors are not aware of any facts the omission of which would make any statement in this announcement misleading. Where information in this announcement has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in this announcement in its proper form and context.

By Order of the Board

Christopher Chong Meng Tak
Non-Executive Chairman

5 August 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 SGX-ST. The Company's 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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