

CEDAR STRATEGIC HOLDINGS LTD.

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

UPDATE TO THE DISPOSAL OF YESS LE GREEN PTE LTD AND WEST THEMES PTE LTD

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

The Board of Directors (the “**Board**”) of Cedar Strategic Holdings Limited (the “**Company**”) refers to the Company’s announcement released on 24 November 2015 (the “**Previous Announcement**”) relating to the release of the Special Audit Report by the Special Auditor and in particular, the issue relating to the recoverability of the SGD1.5 Million Receivable.

As disclosed in the Previous Announcement, the Special Auditor observed that Charlie and/or New Inspiration (as the case may be) would be the party obligated to pay the SGD1.5 Million Receivable for and on behalf of YESS Management in connection with the divestment of YESS+WT. Arising from the aforesaid, the Board had sent a demand letter to Charlie to inform him, *inter alia*, that the Company will look to him to repay the SGD1.5 Million Receivable if it is unable to recover the same.

The Board now wishes to announce that the Company has signed a settlement agreement with Charlie, New Inspiration and WT (collectively, the “**Parties**” and each, a “**Party**”) in connection with the SGD1.5 Million Receivable. The salient terms of the aforesaid settlement are as follows:

- (a) Subject to the below terms being fulfilled, the Parties agree to a full and final settlement of any and all disputes, claims and/or counter claims between each Party in relation to the SGD1.5 Million Receivable.
- (b) The Company shall arrange for the sale of the property located at 1120 and 1120A Serangoon Road, Singapore 328205 (the “**Serangoon Road Property**”) and Charlie, New Inspiration and WT shall have no claim whatsoever against the Company and its agent in relation to any sale of the Serangoon Road Property.
- (c) Charlie, New Inspiration and WT shall take all necessary steps to ensure that the sale proceeds from any sale of the Serangoon Road Property (the “**Sale Proceeds**”) are paid directly to the Company. The Company shall then pay WT any part of the Sale Proceeds which exceeds the SGD1.5 Million Receivable.
- (d) If the Sale Proceeds are less than the SGD1.5 Million Receivable, Charlie and New Inspiration shall pay the Company the difference between the Sale Proceeds and the SGD1.5 Million Receivable within 30 days from the date of completion of the sale of the Serangoon Road Property.

- (e) If the sale of the Serangoon Road Property is not completed by 29 February 2016, the SGD1.5 Million Receivable shall become immediately due and owing from Charlie and New Inspiration to the Company.

The Company will keep its Shareholders informed on any updates relating to the abovementioned settlement.

By Order of the Board

Christopher Chong Meng Tak
Non-Executive Chairman
18 January 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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