

NEWS RELEASE

CEDAR STRATEGIC TO RAISE UP TO S\$14.7 MILLION IN NET PROCEEDS FROM RIGHTS ISSUE

- ***Issue price of S\$0.005 is a 37.5% discount to the closing price of S\$0.008 per share;***
- ***Proactive move to strengthen financial position and capital base to grow its real estate development and investment business;***
- ***Enters into a framework agreement with leading global construction firm, China Gezhouba Group Company Limited, to undertake the Group's future real estate development projects in the People's Republic of China (the "PRC") as main contractor.***

Singapore, August 19, 2013 – Cedar Strategic Holdings Ltd. ("Cedar Strategic" or the "Company" and together with its subsidiaries, the "Group"), today proposed to undertake a renounceable non-underwritten rights issue (the "Rights Issue") of up to 3,002,217,514 new ordinary shares in the capital of the Company (the "Rights Shares") at an issue price of S\$0.005 per Rights Share (the "Issue Price"), on the basis of one Rights Share for every two existing ordinary shares in the capital of the Company (the "Shares") held by entitled shareholders as at a books closure date to be determined by the Directors (the "Books Closure Date"). The Issue Price represents a 37.5% discount to the last transacted price of S\$0.008 per Share on August 16, 2013.

Assuming that the Rights Issue is fully subscribed ("Maximum Subscription Scenario", which assumes that all exercisable instruments convertible into Shares are exercised prior to the Books Closure Date), the net proceeds arising from the Rights Issue, after deducting estimated costs and expenses, is approximately S\$14.7 million.

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 in the Company). An application will be made to the SGX-ST for the listing and quotation of the Rights Shares on the Catalist board. An appropriate announcement on the outcome of the application will be made in due course.

Framework Agreement

The Company today also announced that it has entered into a Framework Agreement with China Gezhoubu Group Company Limited (“Gezhoubu”), naming Gezhoubu as its main contractor for all its real estate and infrastructure construction projects in the PRC for a three-year period. The collaboration with and appointment of Gezhoubu is in line with the Group’s ambitions to establish itself as a regional real estate player, having announced plans that it had entered into a conditional Sale and Purchase Agreement (“SPA”) to acquire leading Guizhou property player Hua Cheng group on May 22, 2013.

Gezhoubu is the listed entity of China Gezhoubu Group Corporation (“CGGC”). A leading global construction player, Hubei-based CGGC is internationally renowned for its work on the Three Gorges Dam Project on the Yangtze River, widely considered to be a feat of mankind and presently the largest hydropower project in the world. CGGC’s business covers 31 provinces, municipalities and autonomous regions in the PRC, with a global reach extending to over 70 countries in Asia, the Middle East, Africa and the United States of America. According to the Engineering News Record (“ENR”) of McGraw-Hill Construction, CGGC was the 42nd largest contractor by revenue in the world in 2012 (based on earnings of approximately US\$6.2 billion in 2011)¹ in ENR’s “Top 225 Global Contractors”, an annual poll of global construction players.

¹ Source: <http://enr.construction.com/toplists/Top-Global-Contractors/001-100.asp>

Dr Charlie In, Cedar Strategic's Executive Chairman said, "The Rights Issue will provide our shareholders with the opportunity to participate in the expected growth of the Company, as we embark on the next phase of our development plans, giving teeth to the SPA and the framework agreement with Gezhoubu."

"Though initially capital intensive, we firmly believe the acquisition of Hua Cheng group will offer Cedar Strategic a profitable business that will provide us with steady revenue streams, giving us a platform to extend our property development business in the PRC. Our partnership with the reputable Gezhoubu is testament to our commitment to further develop this aspect of the business and signals confidence in Cedar Strategic's property footprint in the PRC."

NB:

This news release should be read in conjunction with the Company's announcements to shareholders dated August 19, 2013, posted on SGXNET.

About Cedar Strategic Holdings Ltd.

Listed on the Catalist of the Singapore Exchange Securities Trading Limited, Cedar Strategic Holdings Ltd. was incorporated in Singapore on 17 October 1980. Cedar Strategic currently owns Yess Le Green Pte. Ltd. ("YLG") and West Themes Pte. Ltd. ("WT"), two companies in the real estate industry principally engaged in the business of asset management. YLG and WT specialise in the enhancement of assets, refurbishment and leasing of commercial properties in Singapore. YLG also operates a student hostel on one of its properties. Cedar Strategic has also completed the purchase of a 25% economic interest in a piece of land in Kaiyang County, Guizhou Province in the PRC.

In line with the Group's ongoing business transformation, Cedar Strategic has plans to acquire the Hua Cheng group, a major real estate group ranked amongst the top three based in Guizhou Province, PRC. Going forward, the Group will focus on expanding its footprint in the real estate sector in the PRC, Singapore and in the region, striving to maximise Shareholders' value in the longer term.

About China Gezhouba Group Company Limited

Listed on the Shanghai Stock Exchange in September 2007, Hubei-based Gezhouba is the listed entity of China Gezhouba Group Corporation (“CGGC”) (中国葛洲坝集团公司).

Between the 1970s and 1980s, CGGC set over 100 national records in the Gezhouba Project, a leading dam project that pushed Chinese hydropower technology onto the world stage. In the 2000s, CGGC became internationally renowned for its work on the Three Gorges Dam Project on the Yangtze River, presently the largest hydropower project in the world. According to the Engineering News Record (“ENR”) of McGraw-Hill Construction, CGGC was the 42nd largest contractor by revenue in the world in 2012 (based on earnings of approximately US\$6.2 billion in 2011)² in ENR’s “Top 225 Global Contractors”, an annual poll of global construction players.

CGGC’s business covers 31 provinces, municipalities and autonomous regions in the PRC, with a global reach extending to over 70 countries in Asia, the Middle East, Africa and the United States of America. In 2012, CGGC was ranked No. 216 amongst the “Top 500 Chinese Enterprises” and topped the list of “100 Most Competitive Chinese Construction Enterprises” in the country. Over the years, CGGC has been consistently awarded an AAA credit rating by the China International Contractors Association.

Holding over 100 high-level professional qualifications, including that of Special-Level General Contractor of Water Conservancy and Hydropower Projects, CGGC has more than 36,000 incumbent employees, 17,000 professional technicians, 50,000 sets of construction equipment, and is capable of excavating and filling 200 million cubic metres of earth and stone, casting 18 million square metres of concrete, manufacturing and installing 210,000 tons of metal structures, completing 9 million kilowatts of installed capacity, and producing 187,000 tons of industrial explosives and 20 million tons of cement per year.

² Source: <http://enr.construction.com/toplists/Top-Global-Contractors/001-100.asp>

Leveraging on CGGC's rich construction heritage and strong track record in the PRC, Gezhouba was placed seventh in a 2009 ranking of the "20 Most Competitive Chinese Listed Companies" and its stock (SHA: 600068) is component of several major stock indices, including the SHSE-SZSE300, CCGINK, SSE Central SOEs 50, CSI Central SOEs Composite Index, CSI Central SOEs 100 Index and SSE Constituent Index.

Primarily engaged in civil engineering projects that include power plants, dams, roads and bridges, Gezhouba has also invested and expanded into real estate development. Through CGGC, Gezhouba's business in the real estate sector has grown rapidly, with over 200 hectares in its land bank. Some of its landmark commercial and residential projects include the Gezhouba Tower in Beijing, Gezhouba Tower in Shanghai, GZB International Plaza in Wuhan, Wuhan Century Garden in Wuhan, and the Gezhouba Jinxiu Series of Projects in Hubei.

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094/13/001/CSHL
August 19, 2013

This news release 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 news release.

This news release 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 news release.

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