

**Financial Statement Announcement for Third Quarter ended 30 September 2013**

**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.**

	Group			Group		
	3rd Qtr Ended 30/9/2013	3rd Qtr Ended 30/9/2012	Increase/ (Decrease) %	YTD 3rd Qtr Ended 30/9/2013	YTD 3rd Qtr Ended 30/9/2012	Increase/ (Decrease) %
	RMB '000	RMB '000	%	RMB '000	RMB '000	%
<b>Revenue</b>	<b>675</b>	-	n.m.	<b>1,682</b>	-	n.m.
Direct Cost	(1,229)	-	n.m.	(3,261)	-	n.m.
<b>Gross Profit/(Loss)</b>	<b>(554)</b>	-	n.m.	<b>(1,579)</b>	-	n.m.
Other Income	2,518	172	n.m.*	5,576	37,381	(85%)
Distribution Expenses	(88)	-	n.m.	(383)	-	n.m.
Administration Expenses	(6,367)	(5,073)	26%	(17,936)	(14,996)	20%
Other operating (expenses)/income	(3)	(297)	(99%)	(3)	2,819	n.m.
Finance Cost	(125)	-	n.m.	(356)	-	n.m.
<b>Profit/(Loss) before income tax</b>	<b>(4,619)</b>	<b>(5,198)</b>	<b>(11%)</b>	<b>(14,681)</b>	<b>25,204</b>	<b>n.m.</b>
Income Tax	-	-	-	-	-	-
<b>Profit/(Loss) after income tax from continuing operations</b>	<b>(4,619)</b>	<b>(5,198)</b>	<b>(11%)</b>	<b>(14,681)</b>	<b>25,204</b>	<b>n.m.</b>
<b>Loss from discontinued operations</b>	-	<b>(21,818)</b>	n.m.	-	<b>(30,370)</b>	n.m.
<b>Profit/(Loss) for the period</b>	<b>(4,619)</b>	<b>(27,016)</b>	<b>(83%)</b>	<b>(14,681)</b>	<b>(5,166)</b>	<b>n.m.*</b>
<b>Profit/(Loss) attributable to :</b>						
Equity holders of the Company						
Continuing	(4,619)	(5,197)	(11%)	(14,681)	25,205	n.m.*
Discontinued	-	(21,824)	n.m.	-	(30,339)	n.m.
	<b>(4,619)</b>	<b>(27,021)</b>	<b>(83%)</b>	<b>(14,681)</b>	<b>(5,134)</b>	<b>n.m.*</b>
<b>Non-Controlling Interests</b>						
Continuing	-	-	-	-	-	-
Discontinued	-	5	n.m.	-	(32)	n.m.
	-	5	n.m.	-	(32)	n.m.

n.m. not meaningful

\*: in excess of 100%

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

	Group			Group		
	3rd Qtr Ended 30/9/2013	3rd Qtr Ended 30/9/2012	Increase/ (Decrease)	YTD 3rd Qtr Ended 30/9/2013	YTD 3rd Qtr Ended 30/9/2012	Increase/ (Decrease)
	RMB'000	RMB'000	%	RMB'000	RMB'000	%
Amortisation of intangible assets	(21)	(6)	n.m.*	(58)	(26)	n.m.*
Depreciation of plant & equipment	(112)	(5)	n.m.*	(1,527)	(20)	n.m.*
Equity-settled share-based payment transactions	(1,689)	(1,234)	(37%)	(1,689)	(1,787)	(5%)
Exchange gain/(loss), net	(382)	1,104	n.m.	(476)	3,335	n.m.
Interest Income	2,522	136	n.m.*	6,070	234	n.m.*
Negative Goodwill	-	-	-	-	37,015	n.m.
Gain on disposal of subsidiaries	-	119	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			Group		
	3rd Qtr Ended 30/9/2013	3rd Qtr Ended 30/9/2012	Increase/ (Decrease)	YTD 3rd Qtr Ended 30/9/2013	YTD 3rd Qtr Ended 30/9/2012	Increase/ (Decrease)
	RMB'000	RMB'000	%	RMB'000	RMB'000	%
<b>Profit/(Loss) for the period</b>	<b>(4,619)</b>	<b>(27,016)</b>	<b>(83%)</b>	<b>(14,681)</b>	<b>(5,166)</b>	<b>n.m.*</b>
<b>Other Comprehensive income</b>						
Currency translation differences arising from consolidation						
- Profit/(losses)	-	(5,389)	n.m.	-	(540)	n.m.
- reclassification	-	4,415	n.m.	-	-	-
<b>Total Comprehensive Income for the period</b>	<b>(4,619)</b>	<b>(27,990)</b>	<b>(83%)</b>	<b>(14,681)</b>	<b>(5,706)</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>30-Sep-13</b>	<b>31-Dec-12</b>	<b>30-Sep-13</b>	<b>31-Dec-12</b>
	<b>RMB'000</b>	<b>RMB'000</b>	<b>RMB'000</b>	<b>RMB'000</b>
<b>ASSETS</b>				
<b>Non-Current</b>				
Intangible Assets	80,007	24	80,007	24
Investment Properties	2,044	-	-	-
Plant and Equipment	3,609	38	26	38
Goodwill on Acquisition of YLG/WT	21,929	-	-	-
Long Term Receivables	100,000	-	100,000	-
	<b>207,589</b>	<b>62</b>	<b>180,033</b>	<b>62</b>
<b>Investments</b>				
Investments in YESS/West	-	-	31,545	-
	-	-	<b>31,545</b>	-
<b>Total Non-Current Assets</b>	<b>207,589</b>	<b>62</b>	<b>211,578</b>	<b>62</b>
<b>Current Assets</b>				
Assets Held For Sale	-	147,975	-	28,839
Trade and Other Receivables	13,427	2,576	12,367	2,576
Cash and Cash Equivalents	12,734	66,241	12,220	66,241
	<b>26,161</b>	<b>216,792</b>	<b>24,587</b>	<b>97,656</b>
<b>Total Assets</b>	<b>233,750</b>	<b>216,854</b>	<b>236,165</b>	<b>97,718</b>
<b>Equity</b>				
<b>Capital and Reserves :</b>				
Share Capital	445,608	407,932	445,608	407,932
Warrant Reserve	(1,683)	2,920	(1,683)	2,920
Capital Reduction Reserve	79,151	79,151	79,151	79,151
Statutory Common Reserve	-	2,198	-	-
Share Option Reserve	1,696	4,132	1,696	4,132
Foreign Currency Translation Reserve	25,886	25,925	31,371	26,760
Accumulated Profit/(Losses)	(423,147)	(417,719)	(447,333)	(428,639)
<b>Equity attributable to equity holders of the Company</b>	<b>127,511</b>	<b>104,539</b>	<b>108,810</b>	<b>92,256</b>
Non-Controlling Interests	-	13,013	-	-
<b>Total Equity</b>	<b>127,511</b>	<b>117,552</b>	<b>108,810</b>	<b>92,256</b>

**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 .... (cont...)**

	<b>Group</b>		<b>Company</b>	
	<b>30-Sep-13</b>	<b>31-Dec-12</b>	<b>30-Sep-13</b>	<b>31-Dec-12</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	11,615	5,462	9,676	5,462
Provision for Taxation	94	-	-	-
Borrowings	10,080	-	10,080	-
Term Loan	88	-	-	-
Deferred Income	84,323	-	107,599	-
Liabilities Held for Sale	-	93,840	-	-
<b>Total Current Liabilities</b>	<b>106,200</b>	<b>99,302</b>	<b>127,355</b>	<b>5,462</b>
<b>Long-Term Liabilities</b>				
Deferred Taxation	39	-	-	-
<b>Total Long Term Liabilities</b>	<b>39</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Liabilities</b>	<b>106,239</b>	<b>99,302</b>	<b>127,355</b>	<b>5,462</b>
<b>Total Equities and Liabilities</b>	<b>233,750</b>	<b>216,854</b>	<b>236,165</b>	<b>97,718</b>

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

	<b>Group</b>		<b>Group</b>	
	<b>30-Sep-13</b>		<b>31-Dec-2012</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	-	10,080	-	-
Standard Chartered Bank Term Loan	-	88	-	-
Bank Overdraft	-	-	42,747	-
(Included in Liabilities Held for Sale)				
	-	10,168	42,747	-

**Details of any collateral**

The bank overdraft facility in the Company's subsidiary is secured by :

1. A corporate guarantee from the Company; and
2. A charge over the cash deposits of the Company.

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

**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		Group	
	3rd Qtr Ended 30/9/2013 RMB '000	3rd Qtr Ended 30/9/2012 RMB '000	YTD 3rd Qtr Ended 30/9/2013 RMB '000	YTD 3rd Qtr Ended 30/9/2012 RMB '000
<b>Cash Flows from Operating Activities</b>				
Profit/(Loss) before income tax	(4,619)	(27,016)	(14,681)	(5,166)
Adjustments for :				
Negative Goodwill	-	-	-	(37,015)
Equity settled Share-based payments	1,689	1,234	1,689	1,787
Amortisation of Intangible Assets	(10)	6	16	26
Gain on disposal of subsidiaries		(119)		(119)
Depreciation of Plant and Equipment	101	5	1,527	20
Depreciation of Investment Properties	16	-	42	-
Taxation payment	(521)		(521)	
Exchange Differences	(3,034)	-	(3,320)	-
Interest Income	(2,521)	(54)	(6,070)	(234)
Operating (Loss) before Working Capital changes	(8,899)	(25,944)	(21,318)	(40,701)
Trade and Other Receivables	(8,092)	24,669	(5,538)	(15,025)
Trade and Other Payables	13,448	(4,874)	10,692	9,094
Inventories	-	658	-	(576)
Cash generated from/(used in) operations	(3,543)	(5,491)	(16,164)	(47,208)
Income Tax paid	-	-	-	-
<b>Net Cash generated from/(used in) Operating Activities</b>	<b>(3,543)</b>	<b>(5,491)</b>	<b>(16,164)</b>	<b>(47,208)</b>
<b>Cash Flows from Investing Activities</b>				
Interest Received	-	584	-	234
Purchase of Plant and Equipment	(280)	-	(280)	(7)
Acquisition of subsidiary (net of cash acquired)	-	-	(5,002)	4,438
<b>Net Cash generated from Investing Activities</b>	<b>(280)</b>	<b>54</b>	<b>(5,282)</b>	<b>4,665</b>
<b>Cash Flows from Financing Activities</b>				
Proceeds from warrants conversion	5,453	-	11,329	353
Proceeds from bank overdraft	-	-	-	43,396
Repayment of bank borrowings	(88)	-	(43,390)	(12,804)
Bank Deposit pledged	-	-	-	(48,624)
<b>Net Cash (used in)/generated from Financing Activities</b>	<b>5,365</b>	<b>-</b>	<b>(32,061)</b>	<b>(17,679)</b>
<b>Net (decreased)/increase in Cash and Cash equivalents</b>	<b>1,542</b>	<b>(5,437)</b>	<b>(53,507)</b>	<b>(60,222)</b>
Cash and Cash equivalents at beginning of period	11,192	25,525	66,241	80,533
Exchange differences on translation of Cash and Cash equivalents at beginning of period	-	(15)	-	(238)
Cash and Cash Equivalents at end of Period	12,734	20,073	12,734	20,073

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

**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 30 September 2013 - 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 holders of Company RMB'000	Non-Controlling Interests RMB'000	Total Equity RMB'000
<b>Q3FY13</b>										
<b>Balance at July 1, 2013</b>	<b>413,808</b>	<b>79,151</b>	-	<b>1,696</b>	<b>(4,159)</b>	<b>24,888</b>	<b>(403,055)</b>	<b>112,330</b>	-	<b>112,330</b>
Net profit/(Loss) for the period	-	-	-	-	-	-	(2,930)	(2,930)	-	(2,930)
Other Comprehensive Income :										
Translation of foreign currency	-	-	-	-	-	998	-	998	-	998
Adjustment of valuation of Employee's Share Option	-	-	-	-	-	-	-	-	-	-
Adjustment of valuation of Warrants	-	-	-	-	-	-	-	-	-	-
Acquisition of YLG/WT	13,117	-	-	-	-	-	(1,457)	11,659	-	11,659
Issues of Staff Incentives Shares	1,689	-	-	-	-	-	(1,689)	-	-	-
Exercise of Warrants	16,994	-	-	-	2,476	-	(14,016)	5,454	-	5,454
<b>Balance at September 30, 2013</b>	<b>445,608</b>	<b>79,151</b>	-	<b>1,696</b>	<b>(1,683)</b>	<b>25,886</b>	<b>(423,147)</b>	<b>127,511</b>	-	<b>127,511</b>
<b>Balance at July 1, 2012</b>	<b>409,942</b>	<b>79,151</b>	<b>2,198</b>	<b>3,319</b>	-	<b>22,312</b>	<b>(342,777)</b>	<b>174,145</b>	<b>13,014</b>	<b>187,159</b>
Equity-settled share-based payment transactions	-	-	-	223	-	-	-	223	-	223
Issue of ordinary shares arising :										
Translation of foreign currency	-	-	-	-	-	(974)	-	(974)	-	(974)
Disposal of Subsidiary	-	-	-	-	-	-	-	-	17	17
Total Comprehensive Income for the year	-	-	-	-	-	-	(27,021)	(27,021)	5	(27,016)
<b>Balance at September 30, 2012</b>	<b>409,942</b>	<b>79,151</b>	<b>2,198</b>	<b>3,542</b>	-	<b>21,338</b>	<b>(369,798)</b>	<b>146,373</b>	<b>13,036</b>	<b>159,409</b>

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

**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 30 September 2013 - 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>Q3FY13</b>							
<b>Balance at July 1, 2013</b>	413,808	79,151	1,696	(4,159)	31,371	(428,927)	92,941
Adjustment valuation of Employee's Share Options	-	-	-	-	-	-	-
Issue of Ordinary Shares arising from Exercise of Warrants	16,994	-	-	2,475	-	(14,016)	5,453
Adjustment of valuation of warrants	-	-	-	-	-	-	-
Acquisition of YLG/WT	13,117	-	-	-	-	(1,457)	11,659
Issues of Staff Incentives Shares	1,689	-	-	-	-	(1,689)	-
Translation of Foreign Currency	-	-	-	-	-	-	-
Total Comprehensive Income for the year	-	-	-	-	-	(1,245)	(1,245)
<b>Balance at September 30, 2013</b>	<b>445,608</b>	<b>79,151</b>	<b>1,696</b>	<b>(1,683)</b>	<b>31,371</b>	<b>(447,334)</b>	<b>108,810</b>
<b>Balance at July 1, 2012</b>	409,942	79,151	3,319	-	26,760	(383,912)	135,260
Equity-settled Share-based payment transactions	-	-	223	-	-	-	223
Issue of ordinary shares arising from -exercise of warrants	-	-	-	-	-	-	-
Translation of Foreign Currency	-	-	-	-	-	-	-
Total Comprehensive Income for the year	-	-	-	-	-	(5,263)	(5,263)
<b>Balance at September 30, 2012</b>	<b>409,942</b>	<b>79,151</b>	<b>3,542</b>	<b>-</b>	<b>26,760</b>	<b>(389,175)</b>	<b>130,220</b>

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

**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.**

<b>Share Capital</b>	<b>Number of shares</b>
<b>Ordinary shares issued and fully paid</b>	
Balance as at 1 July 2013	5,296,935,029
Issuance of new shares for Staff Incentives Shares	50,000,000
Issue of new shares arising from exercise of warrants	282,500,000
Balance as at 30 September 2013	5,629,435,029

Saved as disclosed above, there were no changes to share capital during the quarter ended 30 September 2013

As at 30 September 2013, the convertibles of our Company that remained outstanding are as follows:

	<b>As at 30 Sept 2013</b>	<b>As at 30 Sept 2012</b>
	<b>No. of Shares</b>	<b>No. of Shares</b>
Share Options granted on 29 September 2009 (exercisable on and after 29 September 2010)	-	3,000,000
Share Options granted on 25 May 2010 (exercisable on and after 25 May 2011)	10,000,000	15,000,000
Share Options granted on 25 May 2010 (exercisable on and after 25 May 2012)	3,000,000	33,000,000
Share Options granted on 30 August 2012 and April 2013 (exercisable on and after 30 August 2013)	326,000,000	-
Warrants granted on 22 February 2012 (expire on 21 February 2015)	-	582,500,000
Warrants granted on 28 January 2013 (expire on 27 January 2016)	250,000,000	-
	589,000,000	633,500,000

In November 2012 the Company announced that 253,818,894 warrants which had not been exercised by the Exercise Date had lapsed, and are now invalid. The Company confirmed that there are no other outstanding convertibles.



- 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 30 September 2013 is 5,629,435,029 (31 December 2012 : 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 2012.

- 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		Group	
	3rd Qtr Ended 30/9/2013	3rd Qtr Ended 30/9/2012	YTD 3rd Qtr Ended 30/9/2013	YTD 3rd Qtr Ended 30/9/2012
<b>Profit/(Loss) per ordinary share:</b>				
(i) Based on weighted average no. of ordinary shares in issue (fen)	(0.09)	(0.12)	(0.29)	0.57
(ii) On a fully diluted basis (fen)	(0.07)	(0.11)	(0.25)	0.51
<b>Number of shares in issue:</b>				
(i) Based on weighted average no. of ordinary shares in issue (in million)	5,397	4,421	5,028	4,419
(ii) On a fully diluted basis (in million)	6,183	4,901	5,915	4,898

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	
	30-Sep-13	31-Dec-12	30-Sep-13	31-Dec-12
Net Asset Value (RMB'000)	112,330	104,539	92,941	92,256
Based on existing issued share capital (fen per share)	2.27	2.22	1.93	1.96
Net Asset Value has been computed based on the share capital of (in million of shares)	5,629	4,708	5,629	4,708

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 operating revenue of approximately RMB0.7 million for the three months ended 30 September 2013 ("3Q2013"), a slight improvement over RMB0.6 million recorded for the three months ended 30 June 2013 ("2Q2013"). Operating revenue in 3Q2013 was mainly due to rental income and student hostel fees contributed by Yess Le Green Pte. Ltd. ("YLG") and West Themes Pte. Ltd. ("WT"). Direct cost relates mainly to rental and maintenance costs of YLG's property located at Telok Kurau. No revenue was recorded in 3Q2012 as the Group was in the midst of the disposal of its titanium dioxide business, which has since been completed.

Other income of approximately RMB2.5 million was recorded in 3Q2013, derived mainly from interest income on the long term receivables from Trechance Holdings Limited (of approximately RMB2.5 million). Distribution expenses of RMB0.1 million relates mainly to travel expenses in line with the Group's efforts to source for potential property projects. Administration expenses of approximately RMB6.48 million comprised mainly of corporate head office expenses and costs relating to the issuance of staff incentives shares of RMB1.69million. Finance cost of RMB0.1 million was due to the interest on the bonds issued to the vendor for the acquisition of YLG and WT. Amortisation of intangible assets of RMB0.02 million relate to the depreciation for the investment properties of YLG and WT. Exchange losses of approximately RMB0.4 million in 3Q2013 were mainly due to the weakening of the RMB versus the Singapore dollar.

Consequently, the Group narrowed its net loss from approximately RMB27 million in 3Q2012 to RMB4.6 million in 3Q2013.

#### **BALANCE SHEET**

Total assets increased from RMB216.9 million as at 31 December 2012 to RMB233.8 million as at 30 September 2013, mainly due to an increase in non-current assets, comprising mostly of intangible assets of RMB80.0 million, which is the Group's 25% economic interest in the land located in Kaiyang County, Guizhou Province, long term receivables of RMB100.0 million, which is the loan to Trechance Holdings Limited, goodwill arising from the acquisition of YLG and WT of RMB21.9 million, investment properties of RMB2 million and plant and equipment of RMB3.6 million.

Current assets declined from RMB216.8 million as at 31 December 2012 to RMB26.2 million as at 30 September 2013 primarily due to the disposal of the Group's previous titanium dioxide business (the "Disposal") which resulted in a decrease in assets held for sale from approximately RMB148.0 million as at 31 December 2012 to nil as at 30 September 2013. Trade and other receivables increased from approximately RMB2.6 million to RMB13.4 million, comprising mainly of payment of professional fees related to the ongoing acquisition of Trechance Holdings Limited. Cash and cash equivalents decreased from approximately RMB66.2 million as at 31 December 2012 to approximately RMB12.7 million as at 30 September 2013, mainly due to the repayment of a bank loan to the Group's previous subsidiaries related to the Disposal.

Total liabilities increased from RMB99.3 million to RMB106.2 million mainly due to deferred income of RMB84.3 million (recognised upon the Disposal), increase in trade and other payables of RMB6.2 million and borrowings of RMB10 million, which were the bonds issued to the vendor for the acquisition of YGL and WT. These were offset by the decrease in liabilities held for sale from RMB93.8 million as at 31 December 2012 to nil (pursuant to the Disposal) as at 30 September 2013. YLG has an unsecured term loan with Standard Chartered Bank which will be fully repaid in the first quarter of 2014. The deferred taxation of RMB0.039 million arose from the acquisition of WT.

The Group had a negative working capital of RMB80 million mainly due to (i) the deferred income of RMB84.3 million; (ii) increase of trade payables of RMB6.2 million; and (iii) issuance of bonds of RMB10 million to the vendor of YLG and WT.

#### **CASH FLOW**

Net cash used in operating activities was RMB3.5 million in 3Q2013, an improvement compared with an outflow of RMB5.5 million in 3Q2012, supported by higher working capital in the quarter under review. Net cash generated from financing activities was RMB5.4 million in 3Q2013, mainly due to the conversion of warrants.

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

As announced by the Company on 26 August 2013 and 29 October 2013, the Company has varied the terms of the acquisition of Trechance Holdings Limited ("Trechance") such that the assets held by Trechance through its subsidiaries in the People's Republic of China (the "PRC") at the point of completion of the acquisition is less than what was originally envisaged and disclosed in paragraph 10 of the Company's results announcement for 2Q2013. The rationale for this variation has been fully explained and set out in the Company's announcement of 26 August 2013 and should be read in its full context therein.

- 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.**

As announced on 29 October 2013, the Company has completed the acquisition of Trechance and its subsidiaries (the "Trechance Group"). With the completion of this acquisition, the Group has secured a foothold in the real estate industry in Guizhou Province in the PRC. As such, the Group expects the main portion of its future revenue to be generated from PRC real estate going forward. The Group plans to focus in this area and continue to look for suitable acquisition targets.

- 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 30 June 2013 to be false or misleading.

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

- 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.

ON BEHALF OF THE DIRECTORS

IN NANY SING CHARLIE  
Executive Chairman

YIN ZHENWEI JOYCE  
Executive Director

**BY ORDER OF THE BOARD**  
**Date : 08 November 2013**

*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.*

*The contact period for the Company's Sponsor is Mr Ng Joo Khin  
Telephone number : 63893000  
Email: jookhin.ng@stamfordlaw.com.sg*