

# CEDAR STRATEGIC HOLDINGS LTD.

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

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## LOAN FROM CONTROLLING SHAREHOLDER

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### 1. INTRODUCTION

The Board of Directors (the "**Board**") of Cedar Strategic Holdings Ltd. (the "**Company**") wishes to announce that it has entered into a loan agreement (the "**Agreement**") dated 17 October 2016 with Mr Luo Shandong (the "**Lender**"), pursuant to which the Lender has agreed to grant the Company a loan of an aggregate principal amount of up to US\$5,000,000 (the "**Loan**").

### 2. THE LENDER

Mr Luo Shandong is a controlling shareholder<sup>1</sup> of the Company and as at the date of this announcement has a direct and indirect interest in an aggregate of 4,307,234,923 shares in the capital of the Company representing approximately 27.7% of the entire issued share capital of the Company.

*Note:*

- Pursuant to Listing Manual Section B: Rules of Catalist (the "**Catalist Rules**"), a "controlling shareholder" is defined as a person who: (a) holds directly or indirectly 15% or more of the nominal amount of all voting shares in the company. The Singapore Exchange Securities Trading Limited ("**SGX-ST**") may determine that a person who satisfies this paragraph is not a controlling shareholder; or (b) in fact exercises control over a company*

### 3. RATIONALE AND BENEFIT

In line with the Company's growth strategy, the Company is seeking to acquire a controlling interest in a development in Yangon, Myanmar via the proposed acquisition of up to 100% of the issued share capital of DAS Pte. Ltd. (the "**Proposed Acquisition**"). The Company intends to obtain the Loan to supplement its cash resources for the Proposed Acquisition. DAS Pte. Ltd. holds 70% of the entire issued share capital of Uni Global Power Pte. Ltd. which in turn holds 70% equity interest of Golden Land Real Estate Development Co., Ltd. Golden Land Real Estate Development Co., Ltd. is the owner and developer of the said development in Yangon, Myanmar.

Please refer to the announcement released on the same date as this Announcement for further details regarding the Proposed Acquisition.

### 4. TERMS AND CONDITIONS

The terms and conditions of the Loan were negotiated and agreed upon by the parties on an arm's length basis.

The salient terms and conditions of the Facility are set out below:

Principal Amount: up to US\$5,000,000

Interest: The rate of interest payable on the Loan or any part of it shall be a fixed rate of 6% per annum. Interest is to be paid to the Lender annually in arrears within 30 days from the end of each year during the Term.

Term:	18 months from the date the Loan is disbursed. The Term may be further extended by mutual agreement.
Repayment of Loan:	Subject to the provisions of the Agreement and taking into account any portion of the Loan that has been prepaid, the outstanding Loan and all outstanding interest accrued thereon shall be repaid in full at the end of the Term.
Prepayment:	The Company may (at its absolute discretion) prepay the Loan and all interest accrued thereon in whole or in part. No fees, expenses or charges shall be levied by the Lender on any amounts prepaid by the Company.

## 5. INTERESTED PERSON TRANSACTION

Mr Luo Shandong is a controlling shareholder of the Company. Accordingly, the Company Mr Luo Shandong is an “interested person” for the purposes of Chapter 9 of the Catalist Rules.

The interested person transaction value (representing the amount at risk to the Company) in relation to the Loan is US\$450,000 (approximately RMB3,028,500<sup>1</sup>), assuming the maximum loan of US\$5 million is drawn down with no extension of the Term and no portion of the Loan is prepaid by the Company at any time during the Term. The interest is computed as follows:

Principal amount of US\$5,000,000 x 6% per annum x 18 months = US\$450,000

*Note:*

1. Based on the exchange rate of US\$1.00: RMB\$6.73 as at 14 October 2016

The interested person transaction value in relation to the Loan exceeds 3% of the Group’s latest audited net tangible assets (“**Group NTA**”) of approximately RMB65.56 million as at 31 December 2015.

Save as disclosed above, there are no other interested person transactions entered into by the Group with Mr Luo Shandong or his associates for the financial year ending 31 December 2016 (up to the date of this announcement).

The interested person transaction value in relation to the Loan does not exceed 5% of the Group NTA. As such, the Company is not required to seek Shareholders’ approval pursuant to Rule 906(1)(b) of the Catalist Rules for entry into of the Agreement.

The Audit Committee of the Company is of the view that the Loan has been entered into on normal commercial terms, and is not prejudicial to the interests of the Company and its minority shareholders.

None of the directors of the Company has any interest, direct or indirect (other than through their respective shareholdings in the Company), in the Loan.

### By Order of the Board

Christopher Chong Meng Tak  
Non-Executive Chairman

17 October 2016

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*This announcement has been prepared by the Company and its contents have been reviewed by the Company’s sponsor, RHT Capital Pte. Ltd. (the “**Sponsor**”), for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited (“**SGX-ST**”). The 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.*

*The details of the contact person for the Sponsor is:*

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