

QUARTERLY FINANCIAL STATEMENTS AND DIVIDEND ANNOUNCEMENT FOR THE PERIOD ENDED 30 SEPTEMBER 2016

Part 1

INFORMATION REQUIRED FOR ANNOUNCEMENT OF QUARTERLY (Q1, Q2, Q3 AND Q4), HALF-YEAR AND FULL YEAR RESULTS

BACKGROUND NOTE TO ASSIST THE UNDERSTANDING OF THIS ANNOUNCEMENT:

On 9 April 2015, the Company announced that it has requested for mandatory trading suspension over the Company's shares from the Singapore Exchange Securities Trading Limited ("SGX-ST"). On 14 April 2015, the Company announced that it will be engaging an independent auditor to conduct a special audit to, *inter alia*, review and/or ascertain (as the case may be) the accounts and transactions of the Group, and whether there are any irregularities in the accounts and transactions of the Group for the financial years ended 31 December 2013 and 2014. On 3 July 2015, the new Board (being all new directors unrelated to the previous Board, the "Board") announced that the Company has appointed Baker Tilly Consultancy (Singapore) Pte Ltd as its independent auditor ("Special Auditor") to carry out an independent review of the disbursements of the Company and its subsidiaries, namely Trechance Holdings Limited and Futura Asset Holdings Pte Ltd ("Futura"), for the financial years ended 31 December 2013 and 2014.

The Special Auditors analysed the Company's investment and fund raising transactions, namely (i) divestment of the titanium dioxide business, (ii) acquisition and proposed divestment of Trechance Holdings Limited and its subsidiaries, (iii) acquisition and disposal of Yess Le Green Pte. Ltd. and West Themes Pte. Ltd., (iv) acquisition of Futura Asset Holdings Pte Ltd, (v) severance payments and (vi) disbursements, in order to understand the disbursements made in context.

The Special Audit Report, as announced by the Company on 24 November 2015, noted weaknesses and/or lapses in corporate governance, internal controls and possible non-compliance with the Catalist Rules and advised the new Board to seek legal advice and follow up on the various matters noted.

Following the receipt of the Special Audit Report, the Board implemented a new governance framework, new internal controls, new operating procedures, new compliance rules and new IT guidelines. The Board then appointed Baker Tilly Consultancy (Singapore) Pte Ltd ("Baker Tilly") to review and evaluate the adequacy and effectiveness of the Company's system of internal controls and work procedures and processes. This review is to ensure that the internal controls established are adequate to ensure the integrity of the Company's financial statements, security of the Company's assets, proper operation of the Company's business and that the Company is in compliance with all laws and regulations. The review has been completed. Whilst the review found the new frameworks and controls adequate, there were a few recommendations to further strengthen and enhance the Company's internal controls. Accordingly, the Board has been working with management to implement the same. The Board has also commissioned Baker Tilly to help management implement an enterprise risk management ("ERM") system.

The Board is also actively looking at other issues raised by the Special Auditor, and has appointed various professionals, including Drew & Napier LLC, Shanghai Yuan Tai Law Offices, Angela Wang & Co, Solicitors and Hill and Associates Ltd to consider the various matters, including but not limited to taking legal actions or reporting the incident(s) to the relevant authorities. As updated in the announcements made on 18 January 2016, 6 April 2016, 1 August 2016, 2 September 2016 and 4 November 2016, the Board has signed settlement agreements with Dr In Nany Sing Charlie ("Charlie In"), New Inspiration Development Limited ("New Inspiration") and West Themes Pte Ltd ("West Themes") on the recovery of the sale consideration

receivable of SGD1.5 million resulting from the divestment of Yess Le Green Pte. Ltd. and West Themes (“SGD1.5 Million Receivable”) through the proposed disposal of the property located at 1120 and 1120A Serangoon Road, Singapore 328205 (“Serangoon Road Property”) held by West Themes. The only asset that West Themes currently owns is the Serangoon Road Property. The Company has discovered, through the due diligence conducted on West Themes that the current valuation of the Serangoon Road Property is S\$1,000,000 and that West Themes has outstanding liabilities such as tax liabilities and liabilities arising from non-compliance with legal requirements. The Board has therefore concluded that the overall value of the West Themes Shares to the Company is less than S\$1,000,000 and therefore accepted a proposal by Charlie In to pay S\$1,100,000 to the Company in full and final settlement of all disputes relating to the SGD1.5 Million Receivable. As part of the settlement, Charlie In has agreed to waive, forego and not make any claims against the Company and/or its subsidiaries for any sums allegedly owed to him. The amount of S\$1,100,000 has been received on 3 November 2016.

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					
	3rd Qtr Ended 30/9/2016	3rd Qtr Ended 30/9/2015	Increase/ (Decrease)	YTD 3rd Qtr Ended 30/9/2016	YTD 3rd Qtr Ended 30/9/2015	Increase/ (Decrease)
	RMB '000	RMB '000	%	RMB '000	RMB '000	%
Revenue	47,704	-	n.m.	114,846	-	n.m.
Cost of Sales	(28,408)	-	n.m.	(77,189)	-	n.m.
Gross Profit	19,296	-	n.m.	37,657	-	n.m.
Other Income	51	159	(67.9%)	102	175	(41.7%)
Distribution Costs	(3,878)	-	n.m.	(6,318)	-	n.m.
Administration Expenses [#]	(3,056)	(2,748)	11.2%	(10,100)	(4,580)	n.m.*
Finance Costs	(1,889)	-	n.m.	(5,668)	-	n.m.
Profit /(Loss) before taxation	10,524	(2,589)	n.m.	15,673	(4,405)	n.m.
Taxation	(3,541)	-	n.m.	(7,320)	-	n.m.
Profit /(Loss) for the period	6,983	(2,589)	n.m.	8,353	(4,405)	n.m.
Attributable to:						
Owners of the Company	2,484	(2,589)	n.m.	(431)	(4,405)	(90.2%)
Non-Controlling Interests	4,499	-	n.m.	8,784	-	n.m.
	6,983	(2,589)	n.m.	8,353	(4,405)	n.m.

n.m. : not meaningful

*: in excess of 100%

[#] Details of one-off gains/(expenses)

included under Administration Expenses

*Write back of amounts due
to an ex-director*

2,252

2,252

Acquisition expenses

(255)

(478)

Introducer fee for Investment

(472)

(472)

Special audit

(542)

(542)

2,252

(1,269)

2,252

(1,492)

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

	Group					
	3rd Qtr Ended 30/9/2016	3rd Qtr Ended 30/9/2015	Increase/ (Decrease)	YTD 3rd Qtr Ended 30/9/2016	YTD 3rd Qtr Ended 30/9/2015	Increase/ (Decrease)
	RMB '000	RMB '000	%	RMB '000	RMB '000	%
Depreciation of property, plant & equipment	(217)	(32)	n.m.*	(665)	(134)	n.m.*
Gain on disposal of property, plant & equipment	-	141	(100.0%)	-	141	(100.0%)
Write back of receivables	-	-	-	-	16	(100.0%)
Write back of amounts due to an ex-director	2,252	-	n.m.	2,252	-	n.m.
Exchange gain/(loss), net	(527)	(22)	n.m.*	(327)	(161)	n.m.*
Interest Income	51	-	n.m.	102	-	n.m.
Imputed interest expense	(1,889)	-	n.m.	(5,668)	-	n.m.
Rental income	2,482	18	n.m.*	7,438	18	n.m.*

n.m. : not meaningful

*: in excess of 100%

A statement of comprehensive income (for the Group), together with a comparative statement for the corresponding period of the immediately preceding financial year.

	Group					
	3rd Qtr Ended 30/9/2016	3rd Qtr Ended 30/9/2015	Increase/ (Decrease)	YTD 3rd Qtr Ended 30/9/2016	YTD 3rd Qtr Ended 30/9/2015	Increase/ (Decrease)
	RMB '000	RMB '000	%	RMB '000	RMB '000	%
Profit/(Loss) for the period	6,983	(2,589)	n.m.	8,353	(4,405)	n.m.
Other Comprehensive income						
Currency translation differences arising from consolidation	(3)	(6)	(50.0%)	27	(19)	n.m.
- Profit / (Losses)	-	-	-	-	-	-
- reclassification	-	-	-	-	-	-
Total Comprehensive Income/(Loss) for the period	6,980	(2,595)	n.m.	8,380	(4,424)	n.m.
Attributable to:						
Owners of the Company	2,481	(2,595)	n.m.	(404)	(4,424)	90.9%
Non-controlling interests	4,499	-	n.m.	8,784	-	n.m.
	6,980	(2,595)	n.m.	8,380	(4,424)	n.m.

n.m. : not meaningful

*: in excess of 100%

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.

	Group		Company	
	30-Sep-16 RMB'000	31-Dec-15 RMB'000	30-Sep-16 RMB'000	31-Dec-15 RMB'000
ASSETS				
Non-Current Assets				
Property, Plant and Equipment	5,735	6,305	445	549
Investment Properties	265,500	265,500	-	-
Investments in Subsidiaries	-	-	467	467
Total Non-Current Assets	271,235	271,805	912	1,016
Current Assets				
Development Properties	93,819	169,085	-	-
Trade and Other Receivables	20,069	15,443	6,229	5,711
Cash and Cash Equivalents	129,981	18,356	100,168	544
Total Assets	515,104	474,689	107,309	7,271
EQUITY				
Capital and Reserves :				
Share Capital	589,640	471,355	589,640	471,355
Capital Reduction Reserve	79,151	79,151	79,151	79,151
Capital Reserve	10,453	10,453	-	-
Share-based Payment Reserve	694	-	694	-
Warrant Reserve	14,167	14,167	14,167	14,167
Foreign Currency Translation Reserve	26,779	26,752	26,760	26,760
Accumulated Losses	(581,218)	(580,787)	(608,581)	(598,918)
Equity attributable to equity holders of the Company	139,666	21,091	101,831	(7,485)
Non-Controlling Interests	53,251	44,467	-	-
Total Equity	192,917	65,558	101,831	(7,485)

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...)

	Group		Company	
	30-Sep-16 RMB'000	31-Dec-15 RMB'000	30-Sep-16 RMB'000	31-Dec-15 RMB'000
LIABILITIES				
Non-Current Liabilities				
Provisions	135	135	135	135
Deferred Tax Liabilities	38,817	45,130	-	-
Financial Liabilities	105,899	101,980	-	-
Total Non-Current Liabilities	144,851	147,245	135	135
Current Liabilities				
Trade and Other Payables	124,481	170,916	5,343	14,621
Deposits from Customers on Purchase of Development Properties	35,179	80,030	-	-
Current Tax Payable	17,676	10,940	-	-
Total Current Liabilities	177,336	261,886	5,343	14,621
Total Liabilities	322,187	409,131	5,478	14,756
Total Equity and Liabilities	515,104	474,689	107,309	7,271

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

	Group 30-Sep-2016		Group 31-Dec-2015	
	Secured RMB'000	Unsecured RMB'000	Secured RMB'000	Unsecured RMB'000
Amount repayable in one year or less, or on demand				
Financial Liabilities	-	-	-	9,589
	-	-	-	9,589

There are no borrowings or debt securities repayable after one year as at 30 September 2016 and 31 December 2015.

Details of any collateral

Not Applicable

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			
	3rd Qtr Ended 30/9/2016	3rd Qtr Ended 30/9/2015	YTD 3rd Qtr Ended 30/9/2016	YTD 3rd Qtr Ended 30/9/2015
	RMB '000	RMB '000	RMB '000	RMB '000
Cash Flows from Operating Activities				
Profit/(Loss) before taxation	10,524	(2,589)	15,673	(4,405)
Adjustments for:				
Depreciation of property, plant and equipment	217	32	665	134
Gain on disposal of property, plant and equipment	-	(141)	-	(141)
Write back of receivables	-	-	-	(16)
Write back of amounts due to an ex-director	(2,252)	-	(2,252)	-
Equity settled share-based compensation expense	463	-	694	-
Interest Income	(51)	-	(102)	-
Imputed interest expenses	1,889	-	5,668	-
Operating profit/(loss) before Working Capital changes	10,790	(2,698)	20,346	(4,428)
Trade and Other Receivables	(2,073)	(372)	(2,374)	(89)
Trade and Other Payables	(54,048)	(668)	(83,446)	763
Development Properties	28,078	-	75,266	-
Cash used in operations	(17,253)	(3,738)	9,792	(3,754)
Income Tax paid	(300)	-	(6,897)	-
Net Cash generated from/(used in) Operating Activities	(17,553)	(3,738)	2,895	(3,754)
Cash Flows from Investing Activities				
Purchase of Plant and Equipment	(11)	(332)	(95)	(332)
Proceeds from disposal of property, plant and equipment	-	188	-	188
Interest received	51	-	102	-
Net Cash generated from/(used in) Investing Activities	40	(144)	7	(144)
Cash Flows from Financing Activities				
Issue of ordinary shares	90,701	-	108,696	-
Loan from investors	-	9,288	-	9,288
Net Cash generated from Financing Activities	90,701	9,288	108,696	9,288
Net increase/(decrease) in Cash and Cash equivalents	73,188	5,406	111,598	5,390
Cash and Cash equivalents at beginning of period	56,796	958	18,356	987
Exchange differences on translation of Cash and Cash equivalents at beginning of period	(3)	(2)	27	(15)
Cash and Cash Equivalents at end of period	129,981	6,362	129,981	6,362

- 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 periods ended 30 September 2016 and 30 September 2015 - Group

The Group	Share capital RMB'000	Capital reduction reserve RMB'000	Capital Reserve RMB'000	Share-based Payment reserve RMB'000	Warrant reserve RMB'000	Exchange fluctuation reserve RMB'000	Accumulated losses RMB'000	Total attributable to equity holders of the company RMB'000	Non- controlling interests RMB'000	Total equity RMB'000
Balance at 1 January 2016	471,355	79,151	10,453	-	14,167	26,752	(580,787)	21,091	44,467	65,558
Total comprehensive income/(loss) for the period	-	-	-	-	-	30	(2,915)	(2,885)	4,285	1,400
Transactions with owners, recognised directly in equity										
Contributions by and distributions to owners										
Issue of ordinary shares	27,584	-	-	-	-	-	-	27,584	-	27,584
Share-based payments	-	-	-	231	-	-	-	231	-	231
Balance at 30 June 2016	498,939	79,151	10,453	231	14,167	26,782	(583,702)	46,021	48,752	94,773
Total comprehensive income/(loss) for the period	-	-	-	-	-	(3)	2,484	2,481	4,499	6,980
Transactions with owners, recognised directly in equity										
Contributions by and distributions to owners										
Issue of ordinary shares	90,701	-	-	-	-	-	-	90,701	-	90,701
Share-based payments	-	-	-	463	-	-	-	463	-	463
Balance at 30 September 2016	589,640	79,151	10,453	694	14,167	26,779	(581,218)	139,666	53,251	192,917
The Group	Share capital RMB'000	Capital reduction reserve RMB'000	Capital reserve RMB'000	Share-based Payment reserve RMB'000	Warrant reserve RMB'000	Exchange fluctuation reserve RMB'000	Accumulated losses RMB'000	Total attributable to equity holders of the company	Non- controlling interests RMB'000	Total equity RMB'000
Balance at 1 January 2015	471,355	79,151	-	-	14,167	26,757	(588,285)	3,145	-	3,145
Total comprehensive loss for the period	-	-	-	-	-	(13)	(1,816)	(1,829)	-	(1,829)
Balance at 30 June 2015	471,355	79,151	-	-	14,167	26,744	(590,101)	1,316	-	1,316
Total comprehensive loss for the period	-	-	-	-	-	(6)	(2,589)	(2,595)	-	(2,595)
Balance at 30 September 2015	471,355	79,151	-	-	14,167	26,738	(592,690)	(1,279)	-	(1,279)

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. (cont...)

Consolidated Statement of Changes in Equity for the periods ended 30 September 2016 and 30 September 2015 - Company

The Company	Share Capital	Capital Reduction Reserve	Share-based Payment Reserve	Warrant Reserve	Foreign Currency Translation Reserve	Accumulated Losses	Total Equity attributable to equity holders of the Company
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Balance at 1 January 2016	471,355	79,151	-	14,167	26,760	(598,918)	(7,485)
Issue of ordinary shares	27,584	-	-	-	-	-	27,584
Share-based payments	-	-	231	-	-	-	231
Total Comprehensive loss for the period	-	-	-	-	-	(5,531)	(5,531)
Balance at 30 June 2016	498,939	79,151	231	14,167	26,760	(604,449)	14,799
Issue of ordinary shares	90,701	-	-	-	-	-	90,701
Share-based payments	-	-	463	-	-	-	463
Total Comprehensive loss for the period	-	-	-	-	-	(4,132)	(4,132)
Balance at 30 September 2016	589,640	79,151	694	14,167	26,760	(608,581)	101,831
The Company							
	Share Capital	Capital Reduction Reserve	Share-based Payment Reserve	Warrant Reserve	Foreign Currency Translation Reserve	Accumulated Losses	Total Equity attributable to equity holders of the Company
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Balance at 1 January 2015	471,355	79,151	-	14,167	26,760	(586,640)	4,793
Total Comprehensive loss for the period	-	-	-	-	-	(1,779)	(1,779)
Balance at 30 June 2015	471,355	79,151	-	14,167	26,760	(588,419)	3,014
Total Comprehensive loss for the period	-	-	-	-	-	(2,463)	(2,463)
Balance at 30 September 2015	471,355	79,151	-	14,167	26,760	(590,882)	551

- 1 (d)(ii) Details of any changes in the issuer’s share capital arising from right issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for 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 well as the number of shares held as treasury shares, if any, against the total number of issued shares, excluding treasury shares of the issuer, 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.

	Number of shares
Share Capital	
Ordinary shares issued and fully paid	
Balance as at 1 July 2016	10,366,782,808
Issue of 5,183,391,404 rights shares at an issue price of S\$0.0036 per share (“Rights Issue”), allotted and issued on 19 September 2016	5,183,391,404
Balance as at 30 September 2016	15,550,174,212

Saved as disclosed above, there were no changes to share capital during the quarter ended 30 September 2016.

As at 30 September 2016, convertibles (including options to subscribe for ordinary shares in our Company) that remained outstanding are as follows:

	As at 30 September 2016 No. of Shares	As at 30 September 2015 No. of Shares
Warrants granted on 15 April 2013 (expired on 14 April 2016)	-	250,000,000
Warrants granted on 12 June 2014 (expiring on 11 June 2017)	1,277,777,777	1,277,777,777
Share Options granted on 17 May 2016 (expiring on 16 May 2026)	400,000,000	-
	1,677,777,777	1,527,777,777

The Company did not hold any treasury shares as at 30 September 2016 and 30 September 2015.

- 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 2016 is 15,550,174,212 (31 December 2015: 7,966,782,808).

- 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.

Except for the adoption of the Amendments to FRSs applicable for the financial year beginning on or after 1 January 2016, the same accounting policies and methods of computation have been applied. The adoption of Amendments to FRSs did not have any effect on the financial performance or position of the Group.

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.

The Group has adopted all the amendments to FRSs that are effective for the annual periods beginning on or after 1 January 2016. The adoption of these standards and interpretations did not have any effect on the financial performance or position of the Group.

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			
	3 rd Qtr Ended 30/9/2016	3 rd Qtr Ended 30/9/2015	YTD 3 rd Qtr Ended 30/9/2016	YTD 3 rd Qtr Ended 30/9/2015
	<i>Profit/(Loss) per ordinary share:</i>			
(i) Based on weighted average no. of ordinary shares in issue (fen)	0.02	(0.03)	-*	(0.05)
(ii) On a fully diluted basis (fen)	0.02	(0.03)	-*	(0.05)

*: less than (0.01)

Number of shares in issue:

(i) Based on weighted average no. of ordinary shares in issue (in million)	11,043	7,967	9,793	7,967
(ii) On a fully diluted basis (in million)	11,043	7,967	9,793	7,967

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. In 2016, the diluted loss per share is the same as basic loss per share as the Group does not have any dilutive capital instruments.

7. **Net asset value (for the issuer and group) per ordinary share based on issued share capital (excluding treasury shares) of the issuer at the end of the:**
(a) current financial period reported on; and
(b) immediately preceding financial year.

	Group		Company	
	30-Sep-16	31-Dec-15	30-Sep-16	31-Dec-15
Net Asset Value (RMB'000)	192,917	65,558	101,831	(7,485)
Based on existing issued share capital (fen per share)	1.24	0.82	0.65	(0.09)
Net Asset Value has been computed based on the share capital of (in million of shares)	15,550	7,967	15,550	7,967

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.

Review of Financial Performance (3Q2016 vs 3Q2015)

Note: Significant changes in revenues, cost of sales, other income and expenses during the financial period under review were mainly attributed to consolidation of Daya Bay project's financial performance in 3Q2016.

Further note: Due to the nature of the industry that the Company operates in, recognition of revenue from the sale of properties is driven by project hand-over. Consequently, quarterly results may not be a good indication of profitability trend.

Revenue

	Group					
	3rd Qtr Ended 30/9/2016	3rd Qtr Ended 30/9/2015	Increase/ (Decrease)	YTD 3rd Qtr Ended 30/9/2016	YTD 3rd Qtr Ended 30/9/2015	Increase/ (Decrease)
	RMB '000	RMB '000	%	RMB '000	RMB '000	%
Sale of Properties	45,222	-	n.m.	107,408	-	n.m.
Rental Income	2,482	-	n.m.	7,438	-	n.m.
Revenue	47,704	-	n.m.	114,846	-	n.m.

Revenue for 3Q2016 was contributed by Daya Bay, which was acquired on 4 November 2015, arising from the sale of property units in the Daya Bay project of RMB 45.2 million and rental of 399 units of holiday apartments (held as investment properties) of RMB 2.4 million. The Group did not generate any revenue for 3Q2015.

The Group booked revenue, and therefore profits, for units sold (i.e. units where the sale and purchase agreement have already been signed) on the earlier of handing over of the property units or one month after notification to buyers to take over the property units. 61 units worth approximately RMB 45.2 million were recognized or booked as revenue in 3Q2016. The 399 units of holiday apartments held as investment properties have given us a fixed monthly rental income of RMB 2,000 per room since December 2015, amounting to RMB 2.4 million for 3Q2016.

Gross Profit

Gross profit of approximately RMB 19.3 million was recorded for 3Q2016, after deducting direct costs (consisting mainly of cost of the property units sold) of approximately RMB 28.4 million.

Other Income

Other income decreased from RMB 159,000 in 3Q2015 to RMB 51,000 in 3Q2016 as there was a gain on disposal of motor vehicle of RMB 141,000 in 3Q2015.

Distribution Costs

Distribution costs of RMB 3.9 million in 3Q2016 arose from the sale of property units in the Daya Bay project and these expenses comprise primarily of salaries and related costs for the sales and marketing staff, travelling and transportation costs, commissions and marketing expenses.

Administration Expenses

Administration expenses increased from RMB 2.7 million in 3Q2015 to RMB 3.1 million in 3Q2016, mainly due to: (i) administrative expenses incurred by the Daya Bay project and (ii) employing staff in China to oversee the Daya Bay project. In September 2016, following the signing of the 2nd settlement deed with an ex-director of the Company, in which the ex-director agreed to waive, forego and not make any claims against the Company and/or its subsidiaries for any sums allegedly owed to him ("Concluded Claims"), provisions relating to the Concluded Claims previously made by the Company amounting to approximately RMB 2.3 million have been written back in 3Q2016.

Finance Costs

The finance costs of RMB 1.9 million in 3Q2016 pertained to imputed interest expenses (which have no cash flow impact) arising from the agreed deferred payment of the consideration for the acquisition of Daya Bay and interest-free loans from certain related parties of Daya Bay, the latter to be repaid by end of 2017.

Others

Taxation and depreciation of property, plant and equipment increased in 3Q2016 compared to 3Q2015 mainly due to the inclusion of expenses incurred by or relating to the Daya Bay project.

Review of Financial Position (30 September 2016 vs 31 December 2015)

Property, plant and equipment decreased mainly due to the depreciation charges in 9M2016. Development properties and deposits from customers on purchase of development properties decreased as the property units sold were progressively recognized as income upon handover. Trade and other receivables increased mainly due to higher trade receivables partially offset by lower deposits and prepayments for the Daya Bay project.

Deferred tax liabilities decreased as the development property units were progressively sold, thereby reducing the deferred tax liabilities recognized for the development properties. Financial liabilities relate to the interest-free loans granted by certain related parties of Daya Bay and the increase in financial liabilities in 9M2016 was caused by the unwinding of the discounts in 9M2016. Trade and other payables decreased mainly due to lower trade payables for the Daya Bay project and repayment of the investment amounts received from directors in 9M2016. Current tax payable increased mainly due to contributions from the Daya Bay project in 9M2016.

Cash Flow (3Q2016 vs 3Q2015)

Net cash used in operating activities was approximately RMB 17.6 million for 3Q2016 due mainly to the changes in working capital. The net cash used in operating activities was approximately RMB 3.7 million for 3Q2015 because of the net loss before taxation and changes in working capital. Net cash generated from financing activities was RMB 90.7 million for 3Q2016 arising from the proceeds from the Rights Issue. The Company has raised net proceeds of approximately S\$18.46 million (after deducting estimated expenses of approximately S\$0.2 million) from the Rights Issue by issuing 5,183,391,404 rights shares at an issue price of S\$0.0036 per share. The 5,183,391,404 Rights Shares have been allotted and issued on 19 September 2016.

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

Not applicable.

- 10. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the company operates and any known factors or events that may affect the company in the next reporting period and the next 12 months.**

As at 30 September 2016, approximately RMB 391.5 million of gross development value comprising 661 units (29,192 sqm) out of a total 717 units¹ for the Daya Bay project have been sold. However, in accordance with the Group's revenue recognition policy, 61 units worth approximately RMB 45.2 million have been recognized in 3Q2016, which brings the total to 485 units recognized as at 30 September 2016. Barring any issues arising in handing over of the units, revenue for the remaining 176 units already sold (ie. Sale and Purchase Agreement signed and deposit received) is expected to be progressively recognized in the subsequent two quarters.

The Group is involved in property investment and development with focus on investing in quality assets within emerging cities. The Group's first project is based in Daya Bay District, Huizhou, Guangdong Province, PRC.

¹ As at 30 June 2016, total revised apartments for sale stands at 717 units due to reallocation of units. This excludes investment properties of 399 units.

Based on data from the National Statistics Bureau (“NBS”), new home prices in China’s 70 major cities witnessed a growth of 11.2% in September year-on-year, which is 2.0% higher than the preceding month as well as the fastest on record. However, cooling measures, which include buying limits and increased down-payment ratios, were introduced by the Chinese government in late September and early October. They potentially resulted in a decline in price growth by an average of 2.5%, in the first half of October in 15 tier-1 and tier-2 cities.

(Source: “China September home prices rise at record rate, stretching affordability further”, Reuters, 21 October 2016)

However, from the mid-October findings by the NBS, it appears that since the cooling measures are location-specific, their effects are likewise not uniform across China. For instance, in tier-2 and tier-3 cities such as Zhengzhou and Wuxi, property prices still increased by more than 4.0%. This is in line with experts’ opinion that tightening in the major cities may compel buyers to move into smaller cities, and that lower tier cities with high inventory will continue to witness the slackening of regulations. Given the volatile conditions of China’s property market in the near term, the Group is more committed to its overarching strategy of diversifying exposure by exploring new development projects in other geographical regions.

(Sources: “China’s housing frenzy starts to calm”, Financial Times, 21 October 2016; “Chinese property market sees effects of cooling measures just weeks after record price gains”, South China Morning Post, 25 October 2016)

Further to imposing strict home purchasing restrictions on the 4th of October, the Shenzhen city government raised the appraisal value of pre-owned apartments by up to 20 percent. Increasing appraisal values will, in turn, cause taxes and dues paid by homeowners and purchasers when pre-owned homes are traded, to spike and ultimately lead to a decline in the trading volumes of pre-owned homes. By hiking the cost of home trading, the Shenzhen city government had hoped to discourage speculative buying.

(Source: “Home prices expected to drop further”, Shenzhen Daily, 10 November 2016)

On 17 October 2016, the Company announced that it has entered into several sale and purchase agreements to acquire 100% of DAS Pte. Ltd. which holds a 49% beneficial equity interest in Golden Land Real Estate Development Co. Ltd. (“Golden Land”) (the “Proposed Acquisition”). Golden Land owns the US\$694 million mixed-use luxury development project with gross floor area of approximately 335,284 square metres in the Yankin township of Yangon, Myanmar (the “Golden City Project”), Myanmar’s first foreign developed luxury mixed-use development and one of the leading real estate projects in Yangon.

The Proposed Acquisition is in line with the Group’s growth strategy that focuses on development and investment properties in emerging countries. Supported by a stable political landscape, the Golden City Project has the potential to generate good development returns and yield. Further, given the strategic location and the timing of the Proposed Acquisition, the Company believes that the Proposed Acquisition will bolster the Group’s real estate portfolio and enhance shareholders’ value. As a portion of the shares currently held in DAS Pte. Ltd. are held by an associate of a director of the Company and will constitute an interested person transaction for the purposes of Listing Manual Section B: Rules of Catalyst, the completion of the acquisition of such portion of shares is subject to shareholders’ approval for which an extraordinary general meeting will be convened. Save for this, the Proposed Acquisition is expected to be completed on or before 15 December 2016.

Barring any unforeseen circumstances which include any adverse movements in the forex market or a deterioration of China's macroeconomic environment, the Directors expect the group to remain profitable in FY2016.

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

Christopher Chong Meng Tak and Tan Thiam Hee, being two of the Directors of Cedar Strategic Holdings Ltd. (the "Company"), do hereby confirm on behalf of the Board of Directors of the Company that, to the best of the Board's knowledge, nothing has come to the attention of the Board which may render the unaudited financial information for the 3rd quarter ended 30 September 2016 to be false or misleading in any material aspect.

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.

14. Disclosure on the status on the use of proceeds raised from IPO and any offerings pursuant to Chapter 8 and whether the use of the proceeds is in accordance with the stated use. Where the proceeds have been used for working capital purposes, a breakdown with specific details on how the proceeds have been applied must be disclosed.

The details of the net proceeds utilized as at 31 October 2016 are as follows:

Intended Use	Amount Allocated	Amount Utilised
	S\$'000	S\$'000
Funding of the Daya Bay Acquisition	10,000	10,000
To fund the development of other real estate projects and/or investment in real estate and/or related assets aside from the Daya Bay Acquisition	6,000	6,000
General working capital, including to fund the salaries of the Group's employees, legal and professional fees, following up on the findings from the special audit conducted on the disbursements of the Group and strengthening corporate governance of the Group as well as ancillary expenses for the Group	2,460	-
Total net proceeds	18,460	16,000

Pursuant to the Rights Issue, the Company had raised net proceeds of approximately S\$18.46 million (after deducting estimated expenses of approximately S\$0.2 million) from the Rights Issue by issuing 5,183,391,404 rights shares at an issue price of S\$0.0036 per share. The 5,183,391,404 Rights Shares have been allotted and issued on 19 September 2016. As at 31 October 2016, the net proceeds of approximately S\$18.46 million has been utilised as above and the use of the proceeds is in accordance with the intended use as stated in the offer information statement dated 24 August 2016.

15. Confirmation that the issuer had procured undertakings from all its directors and executive officers.

The Company confirms that it had procured undertakings from all its directors and executive officers in accordance with Rule 720(1) of the Catalist Rules.

ON BEHALF OF THE DIRECTORS

Christopher Chong Meng Tak
 Non-Executive Chairman

BY ORDER OF THE BOARD
11 November 2016

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.

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