



CITYNEON HOLDINGS LIMITED
Company Registration No. 199903628E
Incorporated in the Republic of Singapore

**RENOUNCEABLE NON-UNDERWRITTEN RIGHTS ISSUE –
USE OF PROCEEDS AND COMPLETION OF ACQUISITION**

*Unless otherwise defined, all terms used herein shall bear the same meaning ascribed to them in the offer information statement dated 1 September 2015 (the "**Offer Information Statement**").*

The Company refers to the announcements in relation to the Rights Issue dated 2 April 2015, 2 June 2015, 16 July 2015, 5 August 2015, 20 August 2015, 21 August 2015, 27 August 2015, 1 September 2015, 21 September 2015, 25 September 2015 and 28 September 2015 (the "**Announcements**").

1. USE OF PROCEEDS

The Board of Directors is pleased to announce that S\$10.0 million (which is equivalent to 63.6% of the gross proceeds) will be used to fund the completion consideration amount in relation to the Acquisition.

The above utilisation of proceeds from the Rights Issue stated above is in accordance with the stated use and in accordance with the percentage allocations stated in the Offer Information Statement.

The remaining gross proceeds from the Rights Issue of approximately S\$5.71 million (which is equivalent to 36.4% of the gross proceeds) have been earmarked to pay the estimated fees and expenses incurred or to be incurred by the Company in connection with the Acquisition and the Rights Issue, and for the Company's working capital purposes. The Company will make periodic announcements on the utilisation of the remaining gross proceeds as and when such remaining Rights Issue proceeds are materially disbursed.

2. COMPLETION OF THE ACQUISITION

The Board of Directors is pleased to announce that the conditions set out in the SPA have been fulfilled (or waived in accordance with the terms of the SPA), and the Acquisition was completed today.

Following from the Circular and the Announcements dated 2 April 2015, 2 June 2015 and 20 August 2015 and pursuant to discussions between the Company, Philadelphia Investments Ltd (the "**Vendor**") and Tan Aik Ti, Ron the following conditions, among others, were waived or varied:

- (a) Victory Hill Exhibitions Pte. Ltd. having entered into (i) an exhibition agreement with TSX Operating Company, LLC, the terms of which are substantially similar to the exhibition agreement dated 14 March 2014 between Victory Hill Exhibitions, LLC, and

TSX Operating Company, LLC (save as varied in a manner acceptable to the Company (acting reasonably)); and (ii) an exhibition participation agreement with an individual, the terms of which shall be substantially similar to the exhibition participation agreement dated 1 May 2014 between Victory Hill Exhibitions, LLC, and an individual (save as varied in a manner acceptable to the Company (acting reasonably));

- (b) each of the relevant insurance binders and policies entered into by Victory Hill Exhibitions, LLC as set out in the SPA having been transferred by way of assignment or novation from Victory Hill Exhibitions, LLC to the Victory Hill Exhibitions Pte. Ltd. (which will become the insured) on such terms acceptable to the Company (acting reasonably);
- (c) the issue of the Consideration Shares will not result in the post-Completion public float of the Company being less than 10%; and
- (d) the Company shall, on the completion of the Rights Issue (including the receipt by the Company of all proceeds of the Rights Issue in available funds) or date of completion of the Asset Transfer (provided that written notice of at least two business days prior to completion of the Asset Transfer is given to the Company), whichever is later, deposit the completion consideration amount into an escrow account with an escrow agent to be jointly appointed by the Company and the Vendor. The escrow agreement to be entered into between the escrow agent, the Company and the Vendor shall provide that, save with the joint consent of both the Company and the Vendor, the escrow agent shall (i) hold the completion consideration amount in escrow until Completion, and (ii) pay the completion consideration amount to the Vendor and/or its nominee on Completion as instructed by the Company, or if Completion does not take place by the Long Stop Date, to pay the completion consideration amount to the Company as soon as reasonably practicable after the Long Stop Date, as instructed by the Company.

The abovementioned waivers were made pursuant to (a) the present business arrangements of Victory Hill Exhibitions Pte. Ltd., *inter alia*, that certain exhibition agreements and insurance policies have expired or been amended, and that the escrow arrangement is not required as the Asset Transfer has taken place on Completion, and (b) the suspension of trading of shares in the Company on the SGX-ST.

Accordingly, the Company has paid S\$10.0 million in cash (Completion Consideration Amount) and allotted and issued the 45,000,000 Consideration Shares to the Vendor, as full satisfaction of the purchase consideration.

Following the allotment and issuance of the Consideration Shares, the total number of issued and paid-up Shares increased from 175,818,795 Shares to 220,818,795 Shares. The Consideration Shares represent approximately 20.3% of the enlarged number of issued and paid-up Shares in the capital of the Company following the allotment and issuance of the Consideration Shares.

The Consideration Shares are expected to be listed and quoted on the Mainboard of the SGX-ST on or around 2 October 2015.

Following from the Announcements dated 21 September 2015, 25 September 2015, and 28 September 2015, pursuant to the allocation of Consideration Shares, the percentage of shares held by the public as at the close of business on 30 September 2015 is approximately 5.0% and is therefore less than requisite 10% public float requirement under Rule 723 of the Listing Manual. The Shares has been suspended since 28 September 2015.

The Company will continue to work with its various stakeholders, including Laviani Pte. Ltd., to comply with the public float requirements and for the Shares to resume trading as soon as possible.

Meanwhile, Shareholders and potential investors are advised to exercise caution when dealing in the Company's securities. When in any doubt, Shareholders and potential investors are advised to seek independent advice from their stock brokers, bank managers, solicitors or other professional advisers.

By Order of the Board
CITYNEON HOLDINGS LIMITED

Cho Form Po
Company Secretary
30 September 2015