

CITYNEON HOLDINGS LIMITED

Company Registration No. 199903628E
(Incorporated in the Republic of Singapore)

USE OF PROCEEDS FROM PLACEMENT OF SHARES

The Board of Directors (the "**Board**") of Cityneon Holdings Limited (the "**Company**") refers to the Company's announcements dated 5 May 2016, 11 May 2016, 17 May 2016 and 18 May 2016 relating to, *inter alia*, the placement of up to 20,000,000 new ordinary shares in the capital of the Company (the "**Placement**").

The Board wishes to provide an update on the use of the net proceeds raised by the Company from the Placement which amounted to approximately \$10.6 million (after deducting estimated expenses pertaining to the Placement of approximately \$0.4 million) as follows:

Intended purposes	Amount allocated S\$ (Million)	Amount utilised as at the date of this announcement S\$ (Million)	Balance as at the date of this announcement S\$ (Million)
New immersive attraction sets builds	5.00	2.87	2.13
Business expansion into China	3.00	-	3.00
General working capital (including expansion of management and creative team):	2.60		1.11
- Payroll and related expenses of operations and creative team		0.46	
- General and administrative overheads		0.67	
- Avengers S.T.A.T.I.O.N. upgrade and construction		0.36	
Total	10.60	4.36	6.24

The above utilisation of net proceeds is in accordance with the intended purposes and percentage allocation stated in the Company's announcement dated 5 May 2016. The Company will continue to provide updates on the use of the net proceeds as and when such proceeds have been materially disbursed.

By Order of the Board
CITYNEON HOLDINGS LIMITED

Cho Form Po
Company Secretary
31 August 2016