

MANDATORY UNCONDITIONAL CASH OFFER

by



CREDIT SUISSE (SINGAPORE) LIMITED

(Company Registration No.: 197702363D)
(Incorporated in the Republic of Singapore)

for and on behalf of

WEST KNIGHTON LIMITED

(BVI Company No.: 1991027)
(Incorporated in the British Virgin Islands)

to acquire all the issued and paid-up ordinary shares in the capital of



CITYNEON HOLDINGS LIMITED

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

other than those already owned, controlled or agreed to be acquired by
West Knighton Limited

OFFER ANNOUNCEMENT

1. INTRODUCTION

- 1.1 **The Acquisition.** Credit Suisse (Singapore) Limited ("**Credit Suisse**") wishes to announce, for and on behalf of West Knighton Limited (the "**Offeror**"), that the Offeror has on 29 October 2018 purchased from Lucrum 1 Investment Limited (the "**Seller**") an aggregate of 168,692,268 ordinary shares (the "**Sale Shares**") in the capital of Cityneon Holdings Limited (the "**Company**"), representing approximately 68.95% of the total number of issued and paid-up ordinary shares in the capital of the Company¹(the "**Shares**"), for an aggregate consideration of S\$219,299,948.40 (the "**Consideration**"), being S\$1.30 for each Sale Share (the "**Acquisition**").

The Acquisition was made pursuant to a sale and purchase agreement dated 26 October 2018 and entered into between the Offeror and the Seller for the sale and purchase of the Sale Shares (the "**SPA**"), and was effected by way of an off-market transfer of securities. The Consideration was satisfied by (a) the issue of a cashier's order for S\$22,000,000, being approximately 10% of the Consideration, by a licensed bank in Singapore and made payable to the Seller, and (b) the issue of

¹ All percentage shareholdings of Shares in this Announcement are computed on the basis of 244,656,195 Shares as at the date of this Announcement. Figures are rounded to the nearest 2 decimal places.

an interest-free promissory note by the Offeror to the Seller in respect of the balance of the Consideration. The promissory note is payable on 29 April 2019 (6 months after its issue date) or such earlier date as the Offeror may elect.

Prior to the Acquisition, the Offeror did not own or control any Shares. As a result of the Acquisition, the Offeror owns, controls or has agreed to acquire an aggregate of 168,692,268 Shares, representing approximately 68.95% of the total number of issued Shares.

1.2 Mandatory Offer. As a consequence of the Acquisition, the Offeror is required to make a mandatory unconditional cash offer ("**Offer**") for all the Shares, other than those already owned, controlled or agreed to be acquired by the Offeror ("**Offer Shares**"), in accordance with Section 139 of the Securities and Futures Act, Chapter 289 of Singapore and Rule 14 of the Singapore Code on Takeovers and Mergers ("**Code**").

2. THE OFFER

2.1 Offer Terms. Subject to the terms and conditions to be set out in the formal offer document to be issued by Credit Suisse for and on behalf of the Offeror ("**Offer Document**"), the Offeror will make the Offer for the Offer Shares in accordance with Section 139 of the Securities and Futures Act, Chapter 289 of Singapore and Rule 14 of the Code on the following basis:

(a) **Offer Price.**

For each Offer Share: S\$1.30 in cash (the "Offer Price")

The Offeror DOES NOT intend to increase the Offer Price. Therefore, in accordance with Rule 20.2 of the Code, the Offeror will not be allowed to subsequently amend the terms of the Offer, including the Offer Price, in any way.

(b) **No Encumbrances.** The Offer Shares will be acquired:

- (i) fully paid-up;
- (ii) free from all claims, liens, equities, mortgages, charges, pledges, encumbrances, rights of pre-emption and other third party rights or interests of any nature whatsoever; and
- (iii) together with all rights, benefits and entitlements attached thereto as at the date of this Announcement (the "**Announcement Date**") and thereafter attaching to thereto (including the right to receive and retain all dividends, rights, returns of capital and other distributions (if any) which may be announced, declared, made or paid thereon by the Company on or after the Announcement Date).

If any dividend, right, return of capital or other distribution is announced, declared, paid or made by the Company on or after the Announcement Date, the Offeror reserves the right to reduce the Offer Price by the amount of such dividend, right, return of capital or other distribution.

(c) **Unconditional Offer.** The Offer will be **unconditional in all respects.**

3. FINANCIAL EVALUATION OF THE OFFER

The Offer Price represents the following premium over or discount to the historical transacted prices of the Shares on the Singapore Exchange Securities Trading Limited ("**SGX-ST**"):

Description	Benchmark Price (\$) ⁽¹⁾	Premium over / (discount to) the Benchmark Price (%) ⁽²⁾
Last transacted price per Share on 24 October 2018 (being the last full day of trading in the Shares prior to the trading halt by the Company on 25 October 2018) (the " Last Trading Date ")	1.260	3.2
Volume-weighted average price (" VWAP ") of the Shares for the 1-month period up to and including the Last Trading Date	1.217	6.8
VWAP of the Shares for the 3-month period up to and including the Last Trading Date	1.162	11.9
VWAP of the Shares for the 6-month period up to and including the Last Trading Date	1.124	15.7
VWAP of the Shares for the 12-month period up to and including the Last Trading Date	1.091	19.2

Notes:

(1) Based on data extracted from Bloomberg L.P. and with the figures rounded to the nearest 3 decimal places.

(2) Figures rounded to the nearest 1 decimal place.

4. INFORMATION ON THE OFFEROR

4.1 The Offeror. The Offeror is a special purpose vehicle incorporated under the laws of the British Virgin Islands (the "**BVI**") on 3 September 2018 for the purposes of the Acquisition and the Offer. The Offeror has not carried on any business since its incorporation, except to enter into certain arrangements in connection with the Acquisition and the Offer.

As at the Announcement Date, the Offeror has an issued and paid-up capital of USD 100 divided into 100 ordinary shares. The shareholders of the Offeror are East Lavington Limited ("**East Lavington**") and Thunderlane Ventures Limited ("**Thunderlane Ventures**"), which own 80% and 20% of the Offeror respectively.

The directors of the Offeror are Ko Chun Shun Johnson ("**Johnson Ko**"), Tan Aik Ti, Ron ("**Ron Tan**") and Ko Wing Yan Samantha.

4.2 The Offeror Shareholders. East Lavington is an investment holding company incorporated under the laws of the BVI and is a wholly-owned subsidiary of Golden Commence Developments Limited ("**Golden Commence**"). Golden Commence is an investment holding company incorporated under

the laws of the BVI and its sole shareholder and director is Johnson Ko. Johnson Ko, aged 67, is a Hong Kong-based entrepreneur and professional investor, and is currently an independent non-executive director of Meitu, Inc., (stock code: 1357.HK), the deputy chairman and an executive director of Frontier Services Group Limited (stock code: 500.HK), a non-executive director of KuangChi Science Limited (stock code: 439.HK), and a non-executive director of Yunfeng Financial Group Limited (stock code: 376.HK), all of which are listed on the Main Board of The Stock Exchange of Hong Kong.

Thunderlane Ventures is an investment holding company incorporated under the laws of the BVI and its sole shareholder and director is Ron Tan, who is also the Executive Chairman and Group Chief Executive Officer of the Company.

5. INFORMATION ON THE COMPANY

The Company is a public company limited by shares and was incorporated in Singapore on 28 June 1999. Its shares have been listed on the Main Board of the SGX-ST since 22 January 2008, and prior to that, were listed on SGX Sesdaq from 7 December 2005.

The Company and its subsidiaries (collectively, the "**Group**") are principally engaged in the provision of quality customer and brand experiences in the fields of interior architecture, events, exhibitions and intellectual property rights from major studios.

Based on a search conducted at the Accounting and Corporate Regulatory Authority of Singapore on the Announcement Date, the Company has an issued and paid-up share capital of S\$51,927,353.10 comprising 244,656,195 Shares. Based on publicly available information, the Company does not have any outstanding instruments convertible into, rights to subscribe for, and options in respect of, securities which carry voting rights.

Based on publicly available information, the board of directors of the Company comprises:

- (a) Ron Tan (Executive Chairman);
- (b) Duan Mengying (Non-executive Director);
- (c) Hooi Hing Lee (Lead Independent Non-executive Director);
- (d) Kwok Chi Shing (Independent Non-executive Director); and
- (e) Poon Lai Yin Michael (Independent Non-executive Director).

6. RATIONALE FOR THE OFFER AND THE OFFEROR'S INTENTIONS IN RELATION TO THE COMPANY

6.1 Compliance with the Code. As set out in paragraph 1 of this Announcement, the Offeror is making the Offer in compliance with the requirements of the Code.

6.2 Intention to Delist and Privatise the Company. The Offeror is making the Offer with a view to delist and privatise the Company. The Offeror is of the view that the delisting and privatisation of the Company will provide the Offeror and the Company with greater control and management flexibility in the implementation of strategic initiatives and/or operational changes of the Group, as well as dispense with compliance costs associated with the maintenance of its listed status.

6.3 Opportunity for Shareholders to Realise their Investment in Cash at a Premium. As set out in paragraph 3 of this Announcement, the Offer Price represents a premium of approximately 6.8%, 11.9%, 15.7% and 19.2% over the VWAP of the Shares for the 1-month, 3-month, 6-month and 12-month periods respectively up to and including the Last Trading Date. The Offer Price is also at a premium to the highest ever closing price of the Company.

The Offer therefore presents shareholders of the Company (the "**Shareholders**") with an opportunity to realise their entire investment in the Shares in cash at a premium over the prevailing trading prices of the Shares without incurring brokerage and other trading costs.

6.4 Offeror's Intentions in Relation to the Company. The Offeror presently has no intention to (a) introduce any major changes to the business of the Company, (b) re-deploy the fixed assets of the Group, or (c) discontinue the employment of the employees of the Group, other than in the normal course of business. However, the Offeror retains the flexibility at any time to consider any options or opportunities which may present themselves and which the Offeror regards to be in the interests of the Offeror and/or the Company. Following the close of the Offer, the Offeror will undertake a comprehensive review of the businesses of the Company and the review will help the Offeror to determine the optimal business strategy for the Company.

7. LISTING STATUS AND COMPULSORY ACQUISITION

7.1 Listing Status. Under Rule 1105 of the Listing Manual of the SGX-ST (the "**Listing Manual**"), upon an announcement by the Offeror that acceptances have been received pursuant to the Offer that bring the holdings owned by the Offeror and parties acting in concert with it to above 90% of the total number of issued Shares (excluding treasury shares), the SGX-ST may suspend the trading of the Shares on the SGX-ST until such time as it is satisfied that at least 10% of the total number of issued Shares (excluding treasury shares) are held by at least 500 Shareholders who are members of the public. Under Rule 1303(1) of the Listing Manual, where the Offeror succeeds in garnering acceptances exceeding 90% of the total number of issued Shares (excluding treasury shares), thus causing the percentage of the total number of issued Shares (excluding treasury shares) held in public hands to fall below 10%, the SGX-ST will suspend trading of the Shares only at the close of the Offer.

In addition, under Rule 724(1) of the Listing Manual, if the percentage of the total number of issued Shares (excluding treasury shares) held in public hands falls below 10%, the Company must, as soon as practicable, announce that fact and the SGX-ST may suspend the trading of all the Shares. Rule 724(2) of the Listing Manual states that the SGX-ST may allow the Company a period of three (3) months, or such longer period as the SGX-ST may agree, to raise the percentage of Shares in public hands to at least 10%, failing which the Company may be delisted from the SGX-ST.

In the event that trading of Shares on the SGX-ST is suspended pursuant to Rule 724(1), Rule 1105 or Rule 1303(1) of the Listing Manual, the Offeror does not intend to undertake or support any action for any such trading suspension by the SGX-ST to be lifted. It is the intention of the Offeror to privatise the Company and to delist the Company from the SGX-ST (including by way of a voluntary delisting from the SGX-ST pursuant to Rules 1307 and 1309 of the Listing Manual), should the option be available to the Offeror.

7.2 Compulsory Acquisition. Pursuant to Section 215(1) of the Companies Act, Chapter 50 of Singapore (the "**Companies Act**"), if the Offeror receives valid acceptances of the Offer and/or acquires such number of Offer Shares from the date of the despatch of the Offer Document otherwise than through valid acceptances of the Offer in respect of not less than 90% of the total number of issued Shares (excluding treasury shares and other than those already held by the Offeror, its related

corporations or their respective nominees as at the date of the Offer), the Offeror will be entitled to exercise the right to compulsorily acquire all the Shares of Shareholders who have not accepted the Offer ("**Dissenting Shareholders**") on the same terms as those offered under the Offer.

In such event, the Offeror intends to exercise its right to compulsorily acquire all the Offer Shares not acquired under the Offer. The Offeror will then proceed to delist the Company from the SGX-ST.

Dissenting Shareholders have the right under and subject to Section 215(3) of the Companies Act, to require the Offeror to acquire their Shares at the Offer Price in the event that the Offeror, its related corporations or their respective nominees acquire, pursuant to the Offer, such number of Shares which, together with the Shares held by the Offeror, its related corporations or their respective nominees, comprise 90% or more of the total number of issued Shares. Dissenting Shareholders who wish to exercise such right are advised to seek their own independent legal advice.

8. DISCLOSURE OF HOLDINGS AND DEALINGS

8.1 Holdings and Dealings in Relevant Securities. Save as disclosed in the Schedule to this Announcement, as at the Announcement Date, based on the latest information available to the Offeror, none of:

- (a) the Offeror and its directors;
- (b) East Lavington and its directors;
- (c) Thunderlane Ventures and its directors;
- (d) Golden Commence and its directors; and
- (e) Credit Suisse,

(collectively, the "**Relevant Persons**"),

- (i) owns, controls or has agreed to acquire any (a) Shares, (b) securities which carry voting rights in the Company, or (c) convertible securities, warrants, options or derivatives in respect of the Shares or securities which carry voting rights in the Company (collectively, the "**Relevant Securities**"); or
- (ii) has dealt for value in any Relevant Securities during the 6-month period preceding the Announcement Date ("**Reference Period**").

8.2 Other Arrangements. The Sale Shares acquired by the Offeror pursuant to the Acquisition have been charged in favour of Triple Wise Asset Holdings Ltd., as the Sale Shares continue to be security for a loan facility granted in favour of the Company prior to the Acquisition.

Save as disclosed in this paragraph 8.2, as at the Announcement Date, based on the latest information available to the Offeror, none of the Relevant Persons has:

- (a) entered into an arrangement (whether by way of option, indemnity or otherwise) in relation to any Relevant Securities which might be material to the Offer;
- (b) received any irrevocable undertaking from any party to accept the Offer;

- (c) granted any security interest in respect of any Relevant Securities in favour of another person, whether through a charge, pledge or otherwise;
- (d) borrowed any Relevant Securities from another person (excluding borrowed Relevant Securities which have been on-lent or sold); and
- (e) lent any Relevant Securities to another person.

8.3 Further Enquiries. In the interests of confidentiality, the Offeror has not made enquiries in respect of certain other persons who are or may be presumed to be acting in concert with the Offeror in connection with the Offer. Similarly, Credit Suisse has not made enquires in respect of certain persons who are or may be presumed to be acting in concert with Credit Suisse in connection with the Offer. Further enquiries will be made of such persons and the relevant disclosures will be made in the Offer Document.

8.4 Disclosure of Dealings. In accordance with the Code, the associates (as defined under the Code, and which includes all substantial shareholders) of the Company and the Offeror are hereby reminded to disclose their dealings in any securities of the Company under Rule 12 of the Code.

9. CONFIRMATION OF FINANCIAL RESOURCES

Credit Suisse, as exclusive financial adviser to the Offeror in connection with the Offer, confirms that sufficient financial resources are available to the Offeror to satisfy full acceptances of the Offer for the Offer Shares on the basis of the Offer Price.

10. OFFER DOCUMENT

Further information on the Offer will be set out in the Offer Document. The Offer Document, which will set out the full terms and conditions of the Offer and enclose the appropriate form(s) of acceptance of the Offer, will be despatched to the Shareholders not earlier than 14 days and not later than 21 days from the Announcement Date. The Offer will remain open for acceptances by Shareholders for a period of at least 28 days from the date of posting of the Offer Document.

Shareholders are advised to exercise caution and seek appropriate independent professional advice when dealing in the Shares.

11. OVERSEAS SHAREHOLDERS

11.1 Overseas Jurisdictions. This Announcement does not constitute an offer to sell or the solicitation of an offer to subscribe for or buy any security, nor is it a solicitation of any vote or approval in any jurisdiction, nor shall there be any sale, issuance or transfer of the securities referred to in this Announcement in any jurisdiction in contravention of applicable laws. The Offer will be made solely by the Offer Document and the relevant form(s) of acceptance accompanying the Offer Document, which will contain the full terms and conditions of the Offer, including details of how the Offer may be accepted.

The release, publication or distribution of this Announcement in certain jurisdictions may be restricted by law and therefore persons in any such jurisdictions into which this Announcement is released, published or distributed should inform themselves about and observe such restrictions.

Copies of this Announcement and any formal documentation relating to the Offer are not being, and must not be, directly or indirectly, mailed or otherwise forwarded, distributed or sent in or into or from any jurisdiction where the making of or the acceptance of the Offer would violate the law of that

jurisdiction ("**Restricted Jurisdiction**") and the Offer will not be made to, nor will the Offer be capable of acceptance by, any person within any Restricted Jurisdiction if the offer to and/or acceptance by such person will violate the laws of the Restricted Jurisdiction. Persons receiving such documents (including custodians, nominees and trustees) must not mail or otherwise forward, distribute or send them in or into or from any Restricted Jurisdiction.

The Offer (unless otherwise determined by the Offeror and permitted by applicable law and regulation) will not be made, directly or indirectly, in or into, or by the use of mails of, or by any means or instrumentality (including without limitation, telephonically or electronically) of interstate or foreign commerce of, or any facility of a national, state or other securities exchange of, any Restricted Jurisdiction and the Offer will be not capable of acceptance by any such use, means, instrumentality or facilities.

13.2 Overseas Shareholders. The availability of the Offer to Shareholders whose addresses are outside Singapore as shown in the register of members of the Company or in the records of The Central Depository (Pte) Limited, as the case may be (each, an "**Overseas Shareholder**") may be affected by the laws of the relevant overseas jurisdictions in which they are located. Accordingly, Overseas Shareholders should inform themselves of, and observe, any applicable legal requirements in the relevant overseas jurisdictions. **For the avoidance of doubt, the Offer is open to all Shareholders holding Offer Shares, including those to whom the Offer Document and relevant form(s) of acceptance may not be sent.** Further details in relation to Overseas Shareholders will be contained in the Offer Document.

12. RESPONSIBILITY STATEMENT

The directors of the Offeror (including those who may have delegated detailed supervision of this Announcement) have taken all reasonable care to ensure that the facts stated and all opinions expressed in this Announcement are fair and accurate and that no material facts have been omitted from this Announcement, the omission of which would make any statement in this Announcement misleading, and they jointly and severally accept responsibility accordingly.

Where any information has been extracted or reproduced from published or otherwise publicly available sources (including without limitation, information relating to the Company), the sole responsibility of the directors of the Offeror has been to ensure, through reasonable enquiries, that such information is accurately and correctly extracted from such sources or, as the case may be, accurately reflected or reproduced in this Announcement.

Issued by
CREDIT SUISSE (SINGAPORE) LIMITED

For and on behalf of
WEST KNIGHTON LIMITED
29 October 2018

Any enquiries relating to this Announcement or the Offer should be directed during office hours to the following:

Credit Suisse (Singapore) Limited
Investment Banking and Capital Markets
Tel: (65) 6212 2000

Forward-Looking Statements

All statements other than statements of historical facts included in this Announcement are or may be forward-looking statements. Forward-looking statements include but are not limited to those using words such as "aim", "seek", "expect", "anticipate", "estimate", "believe", "intend", "project", "plan", "strategy", "forecast" and similar expressions or future or conditional verbs such as "will", "would", "should", "could", "may" and "might". These statements reflect the Offeror's current expectations, beliefs, hopes, intentions or strategies regarding the future and assumptions in light of currently available information. Such forward-looking statements are not guarantees of future performance or events and involve known and unknown risks and uncertainties. Accordingly, actual results or outcomes may differ materially from those described in such forward-looking statements. Shareholders and investors should not place undue reliance on such forward-looking statements, and none of the Offeror or Credit Suisse undertakes any obligation to update publicly or revise any forward-looking statements, subject to compliance with all applicable laws and regulations and/or rules of the SGX-ST and/or any other regulatory or supervisory body or agency.

SCHEDULE

DETAILS OF HOLDINGS AND DEALINGS IN RELEVANT SECURITIES

1. Holdings of Relevant Securities by the Relevant Persons

The holdings of Shares by the Relevant Persons as at the date of this Announcement are set out below.

Name	Direct Interest		Deemed Interest		Total Interest	
	No. of Shares	% ⁽¹⁾	No. of Shares	% ⁽¹⁾	No. of Shares	% ⁽¹⁾
Offeror	168,692,268	68.95	-	-	168,692,268	68.95
East Lavington ⁽²⁾	-	-	168,692,268	68.95	168,692,268	68.95
Golden Commence ⁽²⁾	-	-	168,692,268	68.95	168,692,268	68.95
Johnson Ko ⁽²⁾	-	-	168,692,268	68.95	168,692,268	68.95
Thunderlane Ventures ⁽³⁾	-	-	168,692,268	68.95	168,692,268	68.95
Ron Tan ⁽³⁾	-	-	168,692,268	68.95	168,692,268	68.95

Notes:

- (1) Based on 244,656,195 Shares in issue as at the Announcement Date.
- (2) Johnson Ko is the sole shareholder of Golden Commence, which in turn owns 100% of East Lavington. East Lavington owns 80% of the Offeror. Accordingly, by virtue of Section 7 of the Companies Act, Johnson Ko, Golden Commence and East Lavington are deemed to be interested in the 168,692,268 Shares held by the Offeror.
- (3) Ron Tan is the sole shareholder of Thunderlane Ventures, which in turn owns 20% of the Offeror. Accordingly, by virtue of Section 7 of the Companies Act, Ron Tan and Thunderlane Ventures are deemed to be interested in the 168,692,268 Shares held by the Offeror.

2. Dealings in Relevant Securities by the Relevant Persons

The dealings in the Relevant Securities by the Relevant Persons during the Reference Period are set out below.

Name	Date	No. of Shares Acquired	No. of Shares Disposed	Transaction Price per Share (S\$)
Offeror	29 October 2018	168,692,268 ⁽¹⁾	-	1.30

Note:

- (1) Being the Sale Shares which the Offeror acquired pursuant to the Acquisition.