

**UNAUDITED HALF YEAR FINANCIAL STATEMENT AND RELATED ANNOUNCEMENT
FOR THE PERIOD ENDED 30 JUNE 2016**

PART I INFORMATION REQUIRED FOR ANNOUNCEMENTS OF HALF YEAR RESULTS

1(a)(i) **An income statement (for the group) together with a comparative statement for the corresponding period of the immediately preceding financial year**

Consolidated statement of comprehensive income

| | Group | | Change |
|---|-----------------------|----------------|---------------|
| | 6 months ended | | |
| | 30 June | | |
| | 2016 | 2015 | |
| | S\$'000 | S\$'000 | % |
| Revenue | 46,321 | 40,688 | 13.8 |
| Cost of sales | (28,347) | (31,135) | (9.0) |
| Gross profit | 17,974 | 9,553 | 88.2 |
| Other operating income | 406 | 215 | 88.8 |
| Marketing and distribution expenses | (676) | (455) | 48.6 |
| Administrative and operating expenses | (11,485) | (9,868) | 16.4 |
| Total Operating expenses | (12,161) | (10,323) | 17.8 |
| Finance costs | (413) | (180) | 129.4 |
| Share of results of associate, net of tax | (82) | - | 100.0 |
| Profit/(Loss) before income tax | 5,724 | (735) | n.m. |
| Income tax expense | (1,026) | - | 100.0 |
| Profit/(Loss) for the period | 4,698 | (735) | n.m. |
| Other comprehensive income for the period, net of tax | | | |
| Items that may be reclassified subsequently to profit or loss: | | | |
| Exchange difference on translation of foreign operations, net of tax amounting to \$Nil (2015: \$Nil) | (1,797) | 97 | n.m. |
| Total comprehensive income for the period | 2,901 | (638) | n.m. |
| Profit attributable to: | | | |
| Owners of the parent | 4,742 | (713) | n.m. |
| Non-controlling interests | (44) | (22) | 100.0 |
| Profit/(Loss) for the period | 4,698 | (735) | n.m. |
| Total comprehensive income attributable to: | | | |
| Owners of the parent | 2,945 | (616) | n.m. |
| Non-controlling interests | (44) | (22) | 100.0 |
| | 2,901 | (638) | |
| Gross profit margin | 38.8% | 23.5% | 65.1 |
| Profit/(Loss) before tax margin | 12.4% | -1.8% | n.m. |
| Net profit/(loss) attributable to owners of the parent as a percentage of revenue | 10.2% | -1.8% | n.m. |
| Additional Information: | | | |
| Profit/(Loss) from operation is determined after charging/(crediting): | | | |
| Amortisation expense | 338 | - | 100.0 |
| Depreciation of property, plant and equipment | 1,167 | 400 | 191.8 |
| Foreign exchange loss (net) | 347 | 173 | 100.6 |
| Government grants | (320) | (123) | 160.2 |
| Property, plant and equipment written off | 97 | - | 100.0 |

1 **A statement of financial position (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year**

Statements of Financial Position

| | Group | | Company | |
|--|----------------|---------------|---------------|---------------|
| | 30 Jun 2016 | 31 Dec 2015 | 30 Jun 2016 | 31 Dec 2015 |
| | S\$'000 | S\$'000 | S\$'000 | S\$'000 |
| ASSETS | | | | |
| Non-Current | | | | |
| Property, plant and equipment | 31,618 | 16,032 | - | - |
| Goodwill | 3,576 | 2,935 | - | - |
| Other intangible assets | 6,497 | 6,835 | - | - |
| Investment in subsidiaries | - | - | 35,579 | 34,885 |
| Investment in an associate | 294 | 376 | - | - |
| Prepayments | 693 | 969 | - | - |
| | <u>42,678</u> | <u>27,147</u> | <u>35,579</u> | <u>34,885</u> |
| Current | | | | |
| Inventories | 486 | 191 | - | - |
| Amounts due from contract customers | 12,278 | 6,906 | - | - |
| Trade and other receivables | 27,540 | 29,050 | 27,030 | 16,108 |
| Cash and cash equivalents | 31,929 | 24,269 | 433 | 777 |
| | <u>72,233</u> | <u>60,416</u> | <u>27,463</u> | <u>16,885</u> |
| TOTAL ASSETS | <u>114,911</u> | <u>87,563</u> | <u>63,042</u> | <u>51,770</u> |
| EQUITY | | | | |
| Capital and Reserves | | | | |
| Share capital | 50,373 | 38,006 | 50,373 | 38,006 |
| Reserves | 14,249 | 11,560 | 1,085 | 552 |
| Equity attributable to owners of the parent | <u>64,622</u> | <u>49,566</u> | <u>51,458</u> | <u>38,558</u> |
| Non-controlling interest | 409 | 452 | - | - |
| TOTAL EQUITY | <u>65,031</u> | <u>50,018</u> | <u>51,458</u> | <u>38,558</u> |
| LIABILITIES | | | | |
| Non-Current | | | | |
| Finance lease obligations | 47 | 168 | - | - |
| Deferred taxation liabilities | 937 | 937 | - | - |
| | <u>984</u> | <u>1,105</u> | <u>-</u> | <u>-</u> |
| Current | | | | |
| Amounts due to contract customers | 3,342 | 849 | - | - |
| Trade and other payables | 21,522 | 23,806 | 5,184 | 5,212 |
| Bank borrowings | 19,327 | 8,196 | 2,900 | 4,500 |
| Loan from ultimate holding company | 3,500 | 3,500 | 3,500 | 3,500 |
| Finance lease obligations | 33 | 76 | - | - |
| Provision for taxation | 1,172 | 13 | - | - |
| | <u>48,896</u> | <u>36,440</u> | <u>11,584</u> | <u>13,212</u> |
| TOTAL EQUITY AND LIABILITIES | <u>114,911</u> | <u>87,563</u> | <u>63,042</u> | <u>51,770</u> |

^{1(b)(ii)} **Aggregate amount of group's borrowings and debts securities**

| | Group | |
|--|---------------|---------------|
| | 30 Jun 2016 | 31 Dec 2015 |
| | S\$'000 | S\$'000 |
| Amount repayable within one year: | | |
| - secured | 19,360 | 8,272 |
| - unsecured | 3,500 | 3,500 |
| | <u>22,860</u> | <u>11,772</u> |
| Amount repayable after one year but within five years: | | |
| - secured | 47 | 168 |
| - unsecured | - | - |
| | <u>47</u> | <u>168</u> |

Details of any collateral

The bank loans are secured by corporate guarantees.

The finance lease obligations of the Group are secured by the rights to the leased motor vehicles.

1 (c) A statement of cash flows (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year

Consolidated Statement of Cash Flows

| | Group | |
|--|-----------------------|----------------|
| | 6 months ended | |
| | 30 June | |
| | 2016 | 2015 |
| | S\$'000 | S\$'000 |
| Operating Activities | | |
| Profit/(Loss) before income tax | 5,724 | (735) |
| Adjustments for:- | | |
| Depreciation of property, plant and equipment | 1,120 | 387 |
| Depreciation of property, plant and equipment charged to cost of sales | 47 | 13 |
| Interest income | (31) | (24) |
| Interest expense | 413 | 180 |
| Property, plant and equipment written off | 97 | - |
| Share on loss from associates | 82 | - |
| Amortisation expenses | 338 | - |
| Operating cash flows before working capital changes | 7,790 | (179) |
| Changes in working capital: | | |
| Inventories | (296) | 146 |
| Trade and other receivables | 1,960 | (3,422) |
| Amounts due from contract customers, net | (2,822) | 4,537 |
| Trade and other payables | (3,083) | (4,679) |
| Cash generated from/(used in) operations | 3,549 | (3,597) |
| Interest paid | (413) | (180) |
| Income taxes refund/(paid), net | 171 | (213) |
| Net cash generated from/(used in) operating activities | 3,307 | (3,990) |
| Investing Activities | | |
| Purchase of property, plant and equipment | (17,686) | (362) |
| Investment in an associate | - | (360) |
| Interest received | 31 | 24 |
| Net cash used in investing activities | (17,655) | (698) |
| Financing Activities | | |
| Proceeds on issuance of shares | 12,501 | - |
| Share issued expense | (391) | - |
| Capital contribution by non-controlling interest of subsidiary | 2 | - |
| Repayment of finance lease obligations | (165) | (30) |
| Proceeds from bank borrowings | 19,923 | 4,620 |
| Repayment of bank borrowings | (8,792) | (3,630) |
| Dividend paid to owners of the parent | - | (885) |
| Net cash generated from financing activities | 23,078 | 75 |
| Net change in cash and cash equivalents | 8,730 | (4,613) |
| Cash and cash equivalents at beginning of the financial period | 24,269 | 23,881 |
| Exchange differences on re-translation of cash and cash equivalents at beginning of year | (1,070) | 173 |
| Cash and cash equivalents at end of the financial period | 31,929 | 19,441 |

- 1 A statement (for the issuer and group) showing either (i) all changed in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year

Statements of Changes in Equity

| Group (S\$'000) | Attributable to owners of the parent | | | | | | | | |
|--|--------------------------------------|-------------------|-------------------|----------------------|-----------------------------------|---|---------|--------------------------|--------------|
| | Share capital | Retained earnings | Statutory reserve | Share option reserve | Translation of foreign operations | Premium paid on acquisition of non-controlling interest | Total | Non-controlling interest | Total equity |
| 2015 | | | | | | | | | |
| As at 1 January 2015 | 14,602 | 12,451 | 149 | 565 | (2,647) | (10) | 25,110 | 490 | 25,600 |
| Loss for the period | - | (713) | - | - | - | - | (713) | (22) | (735) |
| Other comprehensive income | - | - | - | - | 97 | - | 97 | - | 97 |
| Total comprehensive income for the period | - | (713) | - | - | 97 | - | (616) | (22) | (638) |
| Dividends | - | (885) | - | - | - | - | (885) | - | (885) |
| Transfer of share options reserve | - | 34 | - | (34) | - | - | - | - | - |
| As at 30 June 2015 | 14,602 | 10,887 | 149 | 531 | (2,550) | (10) | 23,609 | 468 | 24,077 |
| 2016 | | | | | | | | | |
| As at 1 January 2016 | 38,006 | 12,742 | 149 | 262 | (1,582) | (10) | 49,567 | 451 | 50,018 |
| Profit for the period | - | 4,742 | - | - | - | - | 4,742 | (44) | 4,698 |
| Other comprehensive income | - | - | - | - | (1,797) | - | (1,797) | - | (1,797) |
| Total comprehensive income for the period | - | 4,742 | - | - | (1,797) | - | 2,945 | (44) | 2,901 |
| Issue of new shares | | | | | | | | | |
| - Share placements | 10,609 | - | - | - | - | - | 10,609 | - | 10,609 |
| - Exercised of share options | 1,501 | - | - | - | - | - | 1,501 | - | 1,501 |
| Transfer on Exercised of share options | 257 | - | - | (257) | - | - | - | - | - |
| Capital contribution by non-controlling interest of subsidiary | - | - | - | - | - | - | - | 2 | 2 |
| As at 30 June 2016 | 50,373 | 17,484 | 149 | 5 | (3,379) | (10) | 64,622 | 409 | 65,031 |

| Company (S\$'000) | Share capital | Share option reserve | Retained earnings | Total |
|---|---------------|----------------------|-------------------|--------|
| 2015 | | | | |
| As at 1 January 2015 | 14,602 | 667 | 1,335 | 16,604 |
| Total comprehensive income for the period | - | - | 313 | 313 |
| Dividends | - | - | (885) | (885) |
| Transfer of share options reserve | - | 24 | 24 | 48 |
| As at 30 June 2015 | 14,602 | 691 | 787 | 16,080 |
| 2016 | | | | |
| As at 1 January 2016 | 38,006 | 434 | 118 | 38,558 |
| Total comprehensive income for the period | - | - | 790 | 790 |
| Issue of new shares | | | | |
| - Share placements | 10,609 | - | - | 10,609 |
| - Exercised of share options | 1,501 | - | - | 1,501 |
| Transfer on Exercised of share options | 257 | (257) | - | - |
| As at 30 June 2016 | 50,373 | 177 | 908 | 51,458 |

1 (d)(ii) **Details of any changes in the company's share capital arising from rights 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 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**

Share Capital

The movements in the number of ordinary share are as follows:

| | 2016 | 2015 |
|---------------------------------------|-------------|------------|
| As at 1 January | 220,818,795 | 88,525,400 |
| Issued due to share options exercised | 3,827,400 | - |
| Issued due to share placement | 20,000,000 | - |
| As at 30 June | 244,646,195 | 88,525,400 |

The movements in the share capital as as follows:

| | 2016 S\$ | 2015 S\$ |
|--|-------------|-------------|
| As at 1 January | 38,006,064 | 14,602,328 |
| Issued due to share options exercised | 1,500,976 | - |
| Transfer of share option reserve to share capital on exercise of options | 257,106 | - |
| Issued due to share placement | 11,000,000 | - |
| Share issued expenses | (391,559) | - |
| As at 30 June | 50,372,587 | 14,602,328 |

Share Options

The movements in the number of share options are as follows:

| | 2016 | 2015 |
|------------------|-------------|-----------|
| As at 1 January | 3,874,400 | 4,530,400 |
| Lapsed/forfeited | (5,000) | (185,000) |
| Exercised | (3,827,400) | - |
| As at 30 June | 42,000 | 4,345,400 |

Since the end of the previous financial year, no new share option was granted during the financial period. There were 42,000 (30/06/2015: 4,345,400) share options under the Scheme granted by the Company as at 30 June 2016.

1 (d)(iii) **Total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.**

| | Group and Company | |
|---|-------------------|-------------|
| | 30 Jun 2016 | 31 Dec 2015 |
| Total number of issued shares excluding treasury shares | 244,646,195 | 220,818,795 |

- 1 **A statement showing all sales, transfers, disposals, cancellation and/or use of treasury shares as at the end of the current (d)(iv) financial period reported on.**

Treasury shares

As at 30 June 2016, the Company did not hold any treasury shares.

- 2 **Whether the figures have been audited, or reviewed and in accordance with which standard or practice [e.g. Singapore Standard on Auditing 910 (Engagements to Review Financial Statements), or an equivalent standard]**

The figures have not been audited nor reviewed by the Company's auditors.

- 3 **Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of matter)**

Not Applicable.

- 4 **Whether the same accounting policies and method of computation as in the issuer's most recently audited annual financial statements have been applied**

The Group has applied the same accounting policies and methods of computation in the financial statements for the current reporting period compared with the audited annual financial statements for the financial year ended 31 December 2015, except for the adoption of certain revised Financial Reporting Standards (~~FRS~~) and interpretations to FRS (~~INT FRS~~) that became effective for the annual period beginning on 1 January 2016. The adoption of the revised FRS and INT FRS did not result in substantial changes to the Group's and the Company's accounting policies.

- 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, the change**

There are no changes in the accounting policies and methods of computations.

- 6 **Earnings per ordinary share of the group for the current period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends:-**

| | <u>Group</u> | |
|---|-----------------------|--------------------|
| | <u>6 months ended</u> | |
| | <u>30 Jun 2016</u> | <u>30 Jun 2015</u> |
| | (cents) | (cents) |
| EPS (based on consolidated net profit attributable to owners of the parent) | | |
| - Basic earnings/(loss) per share (cents) ⁽¹⁾ | 2.1 | (0.8) |
| - Diluted earnings/(loss) per share (cents) ⁽²⁾ | 2.1 | (0.8) |

Note

- 1 Basic earnings per share is computed based on the weighted average number of shares in issue during the financial period of 228,838,995 (30/06/2015: 88,525,400).
- 2 Diluted earnings per share is computed based on the weighted average number of ordinary shares after adjusting for the effects of potential dilutive ordinary shares during the period of 228,880,995 (30/06/2015: 88,525,400).

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

| NET ASSET VALUE PER SHARE | <u>Group</u> | | <u>Company</u> | |
|--|--------------------|--------------------|--------------------|--------------------|
| | <u>30 Jun 2016</u> | <u>31 Dec 2015</u> | <u>30 Jun 2016</u> | <u>31 Dec 2015</u> |
| | (cents) | (cents) | (cents) | (cents) |
| Net assets value per share based on existing issued share capital as at the respective dates | 26 | 22 | 21 | 17 |

Net asset value per share is computed based on the number of issued shares of 244,646,195 as at 30 June 2016 (31 December 2015: 220,818,795).

- 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 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. Any material factors that affected the cash flows, working capital, assets or liabilities of the group during the current financial period reported on

Revenue

| | Group | | |
|--|----------------|---------------|-------------|
| | 6 months ended | | Change |
| | 30 June | | |
| | 2016 | 2015 | |
| | S\$'000 | S\$'000 | % |
| <u>By Business Units ("BU")</u> | | | |
| Exhibition Services ("EX") | 16,647 | 12,493 | 33.3 |
| Experiential Environment ("EE") | 11,425 | 15,181 | (24.7) |
| Event Management ("EM") | 2,331 | 6,852 | (66.0) |
| Interior Architecture ("IA") | 5,672 | 6,162 | (8.0) |
| Intellectual Properties Rights ("IPR") | 10,246 | - | 100.0 |
| Total | <u>46,321</u> | <u>40,688</u> | <u>13.8</u> |

The Group's revenue for Financial Period ended 30 June 2016 ("1H2016") increased by 13.8% to S\$46.3 million compared to S\$40.7 million recorded in the previous corresponding period ended 30 June 2015 ("1H2015").

Higher revenue is mainly contributed by the Intellectual Properties Rights ("IPR"), a new business unit arose from the acquisition of Victory Hill Exhibitions Pte Ltd ("VHE"), which was completed on 30 September 2015. Revenue from IPR were mainly generated from both the travelling exhibitions and permanent exhibition.

Revenue from EX increased by 33% mainly from the delivery of a few major shows such as Food and Hotel Asia 2016, CommunicAsia 2016 and Bahrain International Air Show in 1H2016.

Gross Profit

Gross profit surged by 88.2% from S\$9.6 million in 1H2015 to S\$18.0 million in 1H2016, mainly contributed by IPR. Aggregate Gross Profit Margin ("GPM") of the 4 BU has improved to 25% in the period under review from 23% in 1H2015. The improvement is mainly driven by certain projects with better GPM in EX and EE.

Other Operating Income

| | Group | | |
|------------------------------|----------------|------------|-------------|
| | 6 months ended | | Change |
| | 30 June | | |
| | 2016 | 2015 | |
| | S\$'000 | S\$'000 | % |
| Bank interest income | 31 | 24 | 29.2 |
| Government grants | 320 | 123 | 160.2 |
| Rental income | 44 | 49 | (10.2) |
| Miscellaneous income | 11 | 19 | (42.1) |
| Total other operating income | <u>406</u> | <u>215</u> | <u>88.8</u> |

Other operating income increased to S\$0.4 million in 1H2016 from S\$0.2 million in 1H2015, mainly derived from government grants.

Expenses

| | Group | | |
|---------------------------------------|----------------|---------------|-------------|
| | 6 months ended | | Change |
| | 30 June | | |
| | 2016 | 2015 | |
| | S\$'000 | S\$'000 | % |
| Marketing and distribution expenses | 676 | 455 | 48.6 |
| Administrative and operating expenses | 11,485 | 9,868 | 16.4 |
| Total Operating Expenses | <u>12,161</u> | <u>10,323</u> | <u>17.8</u> |
| Finance cost | 413 | 180 | 129.4 |
| Total Expenses | <u>12,574</u> | <u>10,503</u> | <u>19.7</u> |

Marketing and Distribution Expenses

Marketing and distribution expenses increased by approximately S\$0.2 million in the financial period under review mainly due to cost incurred by IPR in promoting its business.

Administrative and Operating Expenses

The Group's administrative and operating expenses increased by S\$1.6 million from S\$9.9 million in 1H2015 to S\$11.5 million in 1H2016. The increase was due to higher staff cost of S\$0.6 million, insurance, legal and professional services of S\$0.6 million and amortisation of intangible assets amounting to S\$0.3 million.

Finance costs

Finance cost increased by approximately S\$0.2 million to S\$0.4 million in 1H2016 due to interest incurred on new bank borrowings obtained to build the interactive exhibition sets under IPR business.

Share of results of Associate

In 1H2016, the associate company which is operating a business of renting seating galleries has incurred a loss. Hence, with our 30% shareholdings, our share of loss was S\$82,000.

Income tax expenses

In 1H2016, there was a tax provision of S\$1.0 million on profits generated by IPR business.

Profit for the period

After considering the above factors, the Group has generated net profit after tax of approximately S\$4.7 million, reversing the loss of S\$0.7 million in 1H2015.

Review of Financial Position

Net assets value (%NAV+) of the Group as at 30 June 2016 was S\$64.6 million. This translates into 26 cents per ordinary share. The increase in NAV was partly driven by profits generated in 1H2016. Share capital increased following a share placement with an issue of 20,000,000 new shares in May 2016. There was also 3,827,400 new shares issued for employees share options exercised by staff in 1H2016. Number of shares increased from 220,818,795 as at 31 December 2015 to 244,646,195 as at 30 June 2016.

The major movements in balance sheet items are summarised as follows:

- (i) Increase in Property, Plant & Equipment (%PPE+) from S\$16.0 million to approximately S\$31.6 million mainly due to cost incurred in the interactive exhibition sets build for both permanent set in Treasure Island, Las Vegas and travelling set in Paris. Cost were also incurred in renovation of the exhibition space in Treasure Island.
- (ii) After amortisation, the Intangible assets reduced from S\$6.8 million to S\$6.5 million. Intangible assets arose from the acquisition of VHE on the contractual rights on license.
- (iii) Inventories increased from S\$0.2 million as at 31 December 2015 to S\$0.5 million as at 30 June 2016 mainly due to merchandises purchased for our Avenger S.T.A.T.I.O.N. in Treasure Island.
- (iv) Decrease in trade and other receivables from S\$29.1 million to S\$27.5 million was mainly due to payments received from clients. Collections were used to pay creditors, hence trade and other payables decreased from S\$23.8 million as at 31 December 2015 to S\$21.5 million as at 30 June 2016
- (v) Increase in amount due from contract customers arose from more work done for the on-going projects at period ended 30 June 2016 compared to 31 December 2015.
- (vi) Cash and cash equivalent increased from S\$24.3 million as at 31 December 2015 to \$31.9 million as at 30 June 2016 after receiving net proceeds from share placement completed in May 2016 of approximately S\$10.6 million. The Group has also used cash collected to paydown trade facilities owed to the banks.
- (vii) Increase in amount due to contracts customers mainly due to contract costs provided for project works carried out.
- (viii) Bank borrowings increased by S\$11.1 million from S\$8.2 million as at 31 December 2015 to S\$19.3 million as at 30 June 2016. The increase was mainly due to fresh loans drawdown for use in building new interactive exhibition assets and renovation cost incurred on the permanent exhibitions venue at Treasure Island.
- (ix) Provision for taxation increased mainly for tax provided on net profit generated by IPR business unit.

Cash Flows Review

As at 30 June 2016, the Group recorded net cash generated from operating activities of S\$3.3 million.

- Net cash generated from trade and other receivables amounting to S\$2.0 million in 1H2016 due to more collections from debtors compared to 1H2015.
- Amount due from contract customers recorded a net decrease in cash of S\$2.8 million due to more provisions on work done for 1H2016 compared to a year ago.
- The net cash used in trade and other payables of S\$3.1 million in 1H2016 was lower than 1H2015, this indicated lesser trade creditors and project costs were paid in the period under review compared to a year ago.

The Group recorded net cash used in investing activities amounted to approximately S\$17.7 million in 1H2016 mainly for cost incurred on property, plant and equipment for building interactive exhibition assets, including renovation cost for rental space in Treasure Island, Las Vegas. In 1H2015 an amount of approximately S\$360,000 was invested into a newly set-up associated company but none for current financial period under review.

The Group recorded net cash generated from financing activities of approximately S\$23.1 million in 1H2016 mainly cash of S\$12.5 million contributed by net proceeds from share placement and employee share options exercised by some staff. There were bank borrowings and trade facilities of S\$19.9 million drawdown for building interactive exhibition assets and project purpose which was partially offset by repayments of bank borrowings of S\$8.8 million.

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

There is no forecast or prospect statement previously disclosed to shareholders.

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

Following the acquisition of Victory Hill Exhibitions Pte. Ltd (%HE+) in September 2015, the Group has embarked its journey onto ownership of Intellectual Property Rights (%IPR+) and operating the immersive attractions exhibitions.

The Group has marked its maiden foray in Las Vegas with the official opening of our Avengers Station immersive attraction in Treasure Island Hotel & Casino along the Las Vegas Strip on 22 June 2016.

On the other hand, our 4BU's operating landscape remains challenging on the back of the uncertain global economic outlook. However, riding on the increasing interest of our IPR business, which can also create awareness for the Group's 4BU as well as enhancing the brand name of Cityneon, hence provide business opportunities in Singapore and overseas market.

The Group will continue to seek opportunities to extend our business, to further strengthen our business performances.

11 If a decision regarding dividend has been made:-

(a) Current Financial Period reported on

Any dividend declared for the current financial period reported on? No

(b) Any dividend declared for the corresponding period of the immediately preceding financial year? No

(c) Date payable

Not applicable.

(d) Books closure date

Not applicable.

12 If no dividend has been declared / recommended, a statement to that effect

No dividend has been declared or recommended in the current reporting period.

13 Interested Person Transactions

| Name of Interested Person | Aggregate value of all interested person transactions during the year under review (excluding transactions less than S\$100,000 and transactions conducted under shareholdersq mandate pursuant to Rule 920) | Aggregate value of all interested person transactions conducted under shareholdersq mandate pursuant to Rule 920 (excluding transactions less than S\$100,000) |
|----------------------------------|---|---|
| | \$'000 | \$'000 |
| Star Media Group Berhad | NA | NA |

14 Confirmation by the Board pursuant to Rule 705(5) of the listing manual

We, Lew Weng Ho and Tan Aik Ti Ron, being Directors of Cityneon Holdings Limited (the "Company"), do hereby confirm, for and on behalf of the Board of Directors of the Company, that, to the best of our knowledge, nothing has come to the attention of the Board which may render the unaudited half year results for the financial period ended 30 June 2016 to be false or misleading in any material aspect.

For and on behalf of the Board of Directors

Lew Weng Ho
Non-Executive Chairman

Tan Aik Ti Ron
Executive Director

15 Confirmation that issuer has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7.7) under Rule 720(1).

The Company has procured undertakings from all directors and executive officers (in the format set out in Appendix 7.7) under Rule 720(1).

ON BEHALF OF THE BOARD

Lew Weng Ho
Non-Executive Chairman
11 August 2016