

NO SIGNBOARD HOLDINGS LTD.
(Company Registration No. 201715253N)
(Incorporated in Singapore)

**PROPOSED PLACEMENT OF 77,777,778 NEW ORDINARY SHARES IN THE SHARE CAPITAL
OF NO SIGNBOARD HOLDINGS LTD. AT S\$0.045 FOR EACH PLACEMENT SHARE**

1. BACKGROUND

- 1.1 The Board of Directors (the “**Board**” or the “**Directors**”) of No Signboard Holdings Ltd. (the “**Company**”, together with its subsidiaries, the “**Group**”) wishes to announce that the Company has today entered into a subscription agreement for the issue and allotment of new ordinary shares in the capital of the Company (the “**Subscription Agreement**”) with Henry Chandra Tjiang (the “**Investor**”).
- 1.2 Pursuant to the terms of the Subscription Agreement, the Company proposes to raise additional capital by issuing an aggregate of 77,777,778 new ordinary shares in the share capital of the Company (the “**Placement Shares**”) to the Investors (the “**Proposed Placement**”). The total consideration for the Proposed Placement is S\$3,500,000. The total number of Placement Shares represents approximately 14.4% of the share capital of the Company on an enlarged basis following the Proposed Placement.

2. RATIONALE FOR THE PROPOSED PLACEMENT

- 2.1 The business environment for the food and beverage (“**F&B**”) industry in the Group’s key market of Singapore has been challenging since the onset of the COVID-19 pandemic (the “**Pandemic**”) in early 2020. The closure of borders to tourism in Singapore has significantly impacted the Group’s operations in Singapore, which relies on tourists as a major source of revenue. Limitations on restaurant capacity and dine-in patrons due to the protracted safe-distancing and default work-from-home measures have also exacerbated the challenges faced by the Group and the wider F&B industry in Singapore.
- 2.2 Since the onset of the Pandemic, the Group has been conscientiously managing its operating costs and has taken measured steps to review and implement cost cutting and control measures to conserve cash to meet its working capital requirements. However, the impact of the Pandemic on the Group’s revenue and cashflow has continued to erode the Group’s cash reserves. At the same time, the Group continues to explore suitable opportunities to strengthen its competitive edge in its existing business and expand its F&B business both in Singapore and overseas. The Group has opened a new outlet with a new concept at Northpoint in September 2021. Accordingly, the Company proposes to enter into the Proposed Placement for expansion of its business and to supplement the Group’s cash reserves and improve the Group’s financial position as it tides through this challenging period.

3. TERMS OF THE PROPOSED PLACEMENT PURSUANT TO THE SUBSCRIPTION AGREEMENT

3.1 Issue Price

The Placement Shares shall be allotted and issued at an issue price of S\$0.045 per Placement Share (the “**Issue Price**”). The Issue Price was arrived at following arm’s length negotiations between the Company and the Investor with reference to the recent trading prices of the Shares, and represents a premium of approximately 13.9% to the volume weighted average price of S\$0.0395 for trades done on the shares of the Company (the “**Shares**”) on Catalist board of the Singapore Exchange Securities Trading Limited (“**SGX-ST**”) on 30 September 2021 (being the last full market day on which shares of the Company were traded preceding the day on which the Subscription Agreement was signed).

3.2 The Placement Shares

The Placement Shares shall, when issued, be free from all claims, charges, liens and other Encumbrances whatsoever and shall rank *pari passu* in all respects with and carry all rights similar to the Shares existing as at the date of the allotment and issue of the Placement Shares, provided that, subject to completion of the subscription and issuance of the Placement Shares in accordance with the Subscription Agreement (the “**Completion**”), the Placement Shares shall rank for, including, without limitation, any entitlements, distributions, dividends or rights, the record date in respect of which falls on or after the date of Completion (the “**Completion Date**”).

Pursuant to the allotment and issue of the Placement Shares, the Company’s issued and paid-up share capital will increase from 462,392,475 Shares as at the date of this announcement to 540,170,253 Shares (the “**Enlarged Share Capital**”). The Company does not hold any treasury shares.

3.3 Conditions Precedent under the Subscription Agreement

The Proposed Placement is subject to, amongst others, the satisfaction of following conditions precedent on or before 10 December 2021 (the “**Long Stop Date**”):

- (a) the submission to the SGX-ST of the additional listing confirmation by the Sponsor (as defined below) and the receipt of the listing and quotation notice (“**LQN**”) from the SGX-ST for the listing and quotation of the Subscription Shares on Catalist;
- (b) the receipt of all necessary approvals, consents or waivers from any governmental body, regulatory authority or other third party for the Subscription (where applicable and as the case may be), and if such approvals, consents or waivers are granted subject to conditions, such conditions being acceptable to the party on which such conditions are imposed, and if any conditions are required to be satisfied by Completion, such conditions being so satisfied;
- (c) the representations and warranties of the Company and the Investor set out in the Subscription Agreement being true and accurate in all material respects as at the date of this Announcement and the Completion Date; and
- (d) the issuance and subscription of the Subscription Shares not being prohibited by any injunction, legal restraint, prohibition, statute, order, rule or regulation promulgated after the date of this Announcement by any legislative, executive or regulatory body or authority of Singapore or any other relevant jurisdiction or any court of competent jurisdiction which is applicable to the Company.

3.4 Completion

Completion is scheduled to take place on the date falling no later than three (3) business days immediately following the satisfaction of the conditions precedents as set out in paragraph 3.3 above (or such other date as the Company and the Investor may agree).

4. THE INVESTOR

- 4.1 The Investor is an Indonesian private investor with business interests in food manufacturing based in Indonesia. The Investor was identified as a potential investor through the network of Lim Yong Sim, the Executive Chairman and Chief Executive Officer of the Company, and expressed an interest in investing in the Company. The Investor is investing in the Company for his own account as a principal and will not hold the Placement Shares as a nominee for any third party. As at the date of this announcement, the Investor does not hold any Shares.
- 4.2 No introductory fees of any kind were paid by the Company and/or its Directors for the Proposed Placement.
- 4.3 The Investor does not have any connection (including business relationships) with the Company, its Directors and substantial shareholders, and is not a person to whom the Company is prohibited from issuing shares to, as provided for by Rule 812 of the Catalist Rules.
- 4.4 The Investor has had no previous business, commercial, trade dealings or any other connection with the Group, the Directors and controlling shareholders of the Company.

5. USE OF PROCEEDS

- 5.1 Following the Proposed Placement, the Company will use the proceeds of the Proposed Placement to fund the establishment of new chains of restaurants and to provide a buffer for the Company's future working capital requirements. The funds will also be used to pursue new business opportunities.
- 5.2 The estimated amount of proceeds from the Proposed Placement (net of estimated expenses of approximately S\$80,000) is approximately S\$3,420,000 (the "**Net Proceeds**").
- 5.3 The Company intends to utilise the Net Proceeds in the manner set out below:

Use of Net Proceeds	Allocation (%)
Establishing new chains of restaurants	Approximately 60% - 70%
General working capital	Approximately 30% - 40%

- 5.4 The Company will make periodic announcements on the utilisation of the Net Proceeds from the Proposed Placement as and when the funds are materially disbursed and whether such use is in accordance with the stated use and in accordance with the percentage allocated. The Company will also provide a status report on the use of the proceeds raised from the Proposed Placement in the Company's interim and full year financial statements issued under Rule 705 of the Catalist Rules and the Company's annual report. Where the proceeds are used for working capital purposes, the Company will provide a breakdown with specific details on how the proceeds have been applied in the announcements and the status report. Where there is any material deviation from the stated use of proceeds, the Company will announce the reasons for such deviation.
- 5.5 Pending the deployment of the proceeds from the Proposed Placement, such proceeds may be placed as deposits with financial institutions or invested in short term money markets or debt instruments or for any other purposes on a short-term basis as the Directors may deem fit, from time to time.

6. FINANCIAL EFFECTS OF THE PROPOSED PLACEMENT

- 6.1 The financial effects of the Proposed Placement set out below are for illustrative purposes only and are based on the audited financial statements of the Company for the financial year ended 30 September 2020 ("**FY2020**") on the following bases and assumptions:

- (a) the Net Proceeds from the Proposed Placement is approximately S\$3,420,000;
- (b) the financial effect on the consolidated net tangible assets ("**NTA**") per Share is computed based on the assumption that the Proposed Placement was completed on 30 September 2020; and
- (c) the financial effect on the earnings per Share ("**EPS**") is computed based on the assumption that the Proposed Placement was completed on 1 October 2019.

6.2 NTA

	FY2020 ⁽¹⁾	
	Before	After
NTA (S\$'000) ⁽²⁾	6,808	10,228
Number of Shares ('000)	462,392	540,170
Share capital (S\$'000)	25,181	28,601
NTA per Share (cents)	1.47	1.89

Notes:

- (1) Assuming the Proposed Placement was completed on 30 September 2020.
- (2) NTA means total assets less the sum of total liabilities, non-controlling interests and intangible assets (net of non-controlling interests).

6.3 EPS

	FY2020 ⁽¹⁾	
	Before	After
(Loss) attributable to shareholders (S\$'000)	9,840	9,840
Weighted average number of Shares ('000)	462,392	540,170
Basic EPS (cents)	-2.13	-1.82

Notes:

- (1) Assuming the Proposed Placement was completed on 1 October 2019.

7. AUTHORITY FOR THE ISSUE OF THE PLACEMENT SHARES

- 7.1 The Placement Shares will be issued pursuant to the authority granted by shareholders under the share issue mandate (the "**Share Issue Mandate**") approved pursuant to Section 161 of the Companies Act (Chapter 50) of Singapore and Rule 806(2) of the Catalist Rules at the annual general meeting held on 29 January 2021 (the "**2021 AGM**").
- 7.2 As at the date of the 2021 AGM, the Company had 462,392,475 Shares in issue. As at the date of this announcement, no Shares or securities convertible into Shares had been issued pursuant to the Share Issue Mandate. Accordingly, up to 231,196,237 new Shares may be issued on a non-*pro rata* basis pursuant to the Share Issue Mandate.

8. ADDITIONAL LISTING APPLICATION

The Company will be making an application to the SGX-ST via the Company's sponsor, RHT Capital Pte. Ltd. (the "**Sponsor**"), for the listing and quotation of the Placement Shares on the Catalist board of the SGX-ST. The Company will make the necessary announcement(s) once the LQN is obtained from the SGX-ST.

9. WORKING CAPITAL AND GOING CONCERN

In accordance with Rule 810(1)(c) of the Catalist Rules, the Directors are of the reasonable opinion that, and after taking into consideration:

- (a) the Group's cash and cash equivalents;
- (b) the Group's present bank facilities; and
- (c) the Net Proceeds;

that the working capital available to the Group is sufficient to meet the Group's present requirements.

10. INTERESTS OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

The Company's substantial shareholders' shareholdings before and after the Proposed Placement are set out below:

	Before the Proposed Placement ⁽³⁾		After the Proposed Placement ⁽⁴⁾	
	Direct Interest	Deemed Interest	Direct Interest	Deemed Interest
Directors				
Lim Yong Sim (Lin Rongsen) ⁽¹⁾⁽²⁾	537,900 (0.12%)	253,899,980 (54.91%)	537,900 (0.10%)	253,899,980 (47.00%)
Lo Kim Seng	-	-	-	-
Lim Lay Hoon (Lin Liyun) ⁽²⁾	-	-	-	-
Francis Ding Yin Kiat	-	-	-	-
Benjamin Cho Kuo Kwang	-	-	-	-
Substantial Shareholders				
Gugong Pte Ltd ⁽¹⁾	253,899,980 (54.91%)	-	253,899,980 (47.00%)	-
Su Haijin	92,478,495 (20.00%)	-	92,478,495 (17.12%)	-
Henry Chandra Tjiang	-	-	(77,777,778) (14.40%)	-

Notes:

- (1) Lim Yong Sim (Lin Rongsen) is deemed to be interested in the Shares held by GuGong Pte Ltd by virtue of Section 7 of the Companies Act (Chapter 50).
- (2) Lim Yong Sim (Lin Rongsen) and Lim Lay Hoon (Lin Liyun) are siblings.

- (3) Based on the existing and paid-up capital of 462,392,475 Shares as at the date of this announcement.
- (4) Based on the enlarged share capital of 540,170,253 Shares immediately following the allotment and issuance of 77,777,778 Placement Shares.

11. CONFIRMATION BY DIRECTORS

None of the Directors or substantial shareholders of the Company or their respective associates has any interest, direct or indirect in the Proposed Placement other than through their respective shareholdings in the Company (if any).

12. DIRECTORS' SERVICE CONTRACTS

No persons is proposed to be appointed as a director of the Company in connection with the Proposed Placement.

13. NO PROSPECTUS OR OFFER INFORMATION STATEMENT TO BE ISSUED

The Proposed Placement will be undertaken pursuant to Section 272B of the Securities and Futures Act (Chapter 289) of Singapore. As such, no prospectus or offer information statement will be lodged with the Monetary Authority of Singapore in connection with the Proposed Placement.

14. CAUTIONARY STATEMENT

Shareholders should note that the Proposed Placement is subject to various conditions, and there is no certainty or assurance as at the date of this announcement that the Proposed Placement will be completed. In the event that the conditions of the Placement Agreement are not satisfied by the Long Stop Date, the Proposed Placement may be terminated.

Shareholders should consult their stock brokers, bank managers, solicitors or other professional advisers if they have any doubt about the actions that they should take. The Company will make the necessary announcements as and when there are any material updates in relation to the Proposed Placement or the plans of the Company.

15. RESPONSIBILITY STATEMENT

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this announcement and confirm after making all reasonable enquiries, that to the best of their knowledge and belief, this announcement constitutes full and true disclosure of all material facts about the Proposed Placement, the Company and its subsidiaries, and the Directors are not aware of any facts the omission of which would make any statement in this announcement misleading. Where information in the announcement has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in this announcement in its proper form and context.

16. DOCUMENTS AVAILABLE FOR INSPECTION

A copy of the Subscription Agreement is available for inspection at the Company's registered office at 10 Ubi Crescent #03-02 Lobby A, Ubi Techpark Singapore (408564) during normal business hours for a period of three (3) months commencing from the date of this announcement.

By Order of the Board

Lim Yong Sim (Lin Rongsen)
Executive Chairman and Chief Executive Officer

30 September 2021

*This announcement has been prepared by the Company and its contents have been reviewed by the Company's Sponsor, RHT Capital Pte. Ltd. ("**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.

The contact person for the Sponsor is Mr Khong Choun Mun, Registered Professional, RHT Capital Pte. Ltd., 6 Raffles Quay, #24-02, Singapore 048580, sponsor@rhtgoc.com