

**Unaudited Condensed Interim Financial Statements  
For the Third Quarter and Nine months period ended 30 June 2022**

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Pursuant to Rule 705(2C) of the Listing Manual Section B: Rules of Catalist (“**Catalist Rules**”), the Singapore Exchange Regulation requires the Company to continue to announce its quarterly financial statements with effect from 7 February 2020, in view of the disclaimer of opinion in the Company’s Audit Report for the financial year ended 30 September 2021 (“**FY2021**”) dated 14 October 2022.

*This announcement has been prepared by the Company and its contents have been reviewed by the Company’s Sponsor for compliance with the relevant rules of the SGX-ST. The Sponsor has not independently verified the contents of this announcement. This has not been examined or approved by the SGX-ST and the SGX-ST assume 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.*

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**CONDENSED INTERIM CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE THIRD QUARTER AND NINE MONTHS PERIOD ENDED 30 JUNE 2022**

	GROUP					
	Third Quarter ended 30 June		Increase (Decrease)	9 months ended 30 June		Increase (Decrease)
	2022	2021		2022	2021	
	(unaudited)	(unaudited)	%	(unaudited)	(unaudited)	%
\$	\$	%	\$	\$	%	
<b>Revenue</b>	991,106	1,773,876	(44.1)	4,537,188	6,434,843	(29.5)
Other income	147,322	752,894	(80.4)	2,466,324	1,803,127	36.8
Raw materials and consumables used	(187,478)	(684,165)	(72.6)	(1,136,889)	(2,237,927)	(49.2)
Changes in inventories	(58,781)	93,247	(163.0)	(180,032)	5,561	N.M
Employee benefits expense	(608,662)	(1,512,141)	(59.7)	(3,300,624)	(5,000,858)	(34.0)
Rental income	-	279,629	N.M	106,538	580,943	(81.7)
Rental expense	(124,442)	(144,889)	(14.1)	(496,140)	(423,902)	17.0
Depreciation and amortisation expense	(323,239)	(941,820)	(65.7)	(1,045,225)	(3,014,954)	(65.3)
Impairment of plant and equipment	(74,832)	(455,828)	(83.6)	(348,656)	(455,828)	(23.5)
Impairment of other assets	-	(22,354)	N.M	-	(22,354)	N.M
Other operating expenses	(987,241)	(714,351)	38.2	(2,606,723)	(2,179,750)	19.6
Finance costs	(34,148)	(75,795)	(54.9)	(154,948)	(247,917)	(37.5)
<b>Loss before income tax</b>	(1,260,396)	(1,651,697)	(23.7)	(2,159,187)	(4,759,016)	(54.6)
Income tax	-	-	N.M.	-	-	N.M
<b>Loss for the period</b>	(1,260,396)	(1,651,697)	(23.7)	(2,159,187)	(4,759,016)	(54.6)
<b>Items that may be reclassified subsequently to profit or loss</b>	23,194	(24,842)	N.M.	11,677	(45,549)	N.M
Exchange differences on translation of foreign operations	(1,237,202)	(1,676,539)	(26.2)	(2,147,510)	(4,804,565)	(55.3)
<b>Total comprehensive income for the period</b>						
<b>Loss attributable to:</b>						
Owners of the Company	(1,260,396)	(1,651,697)	(23.7)	(2,159,187)	(4,759,016)	(54.6)
Non-controlling interests	-	-	N.M.	-	-	N.M
	(1,260,396)	(1,651,697)	(23.7)	(2,159,187)	(4,759,016)	(54.6)
<b>Total comprehensive income attributable to:</b>						
Owners of the Company	(1,237,202)	(1,676,539)	(26.2)	(2,147,510)	(4,804,565)	(55.3)
Non-controlling interests	-	-	N.M.	-	-	N.M
	(1,237,202)	(1,676,539)	(26.2)	(2,147,510)	(4,804,565)	(55.3)
N.M.: Not meaningful						

The accompanying accounting policies and explanatory notes form an integral part of the condensed financial statements.

**CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION**

	Note	Group		Company	
		30/06/2022	30/09/2021	30/06/2022	30/09/2021
		(unaudited)	(audited)	(unaudited)	(audited)
		\$	\$	\$	\$
<b><u>ASSETS</u></b>					
<b>Current assets</b>					
Cash and bank balances		374,547	2,727,025	248,711	2,048,549
Pledged deposit		-	3,000,000	-	3,000,000
Trade and other receivables	6	148,889	915,359	79,171	616,476
Amount due from subsidiaries	7	-	-	-	-
Inventories		84,813	425,093	-	45,494
Grant receivables		4,049	142,513	-	98,196
Total current assets		612,298	7,209,990	327,882	5,808,715
<b>Non-current assets</b>					
Other receivables	6	163,480	292,465	-	-
Intangible asset	8	-	22,827	-	-
Plant and equipment	9	679,940	1,150,773	-	-
Right-of-use assets		2,077,329	2,751,393	-	-
Amount due from subsidiaries	7	-	-	403,805	556,240
Investment in subsidiaries		-	-	103	105
Total non-current assets		2,920,749	4,217,458	403,908	556,345
<b>Total assets</b>		<b>3,533,047</b>	<b>11,427,448</b>	<b>731,790</b>	<b>6,365,060</b>
<b><u>LIABILITIES AND EQUITY</u></b>					
<b>Current liabilities</b>					
Trade and other payables	10	3,049,667	3,569,768	1,951,714	1,652,052
Lease liabilities		963,832	1,937,084	52,072	440,486
Contract liabilities	10	-	241,985	-	-
Amount due to holding company		100,960	99,581	100,960	44,851
Loan and borrowings – current portion	11	2,450,000	3,172,712	2,450,000	3,172,712
Provisions		29,085	209,986	26,814	152,814
Income tax payable		-	-	-	-
Total current liabilities		6,593,544	9,231,116	4,581,560	5,462,915
<b>Non-current liabilities</b>					
Provisions		175,621	246,122	76,706	76,706
Lease liabilities		1,286,635	2,262,953	-	14,640
Loan and borrowings	11	-	2,062,500	-	2,062,500
Total non-current liabilities		1,462,256	4,571,575	76,706	2,153,846
<b>Equity</b>					
Share capital	12	25,181,005	25,181,005	25,181,005	25,181,005
Capital reserve		(695,938)	(695,938)	2,063,751	2,063,751
Accumulated losses		(28,932,942)	(26,773,755)	(31,171,232)	(28,496,457)
Translation reserve		(74,878)	(86,555)	-	-
Total equity		(4,522,753)	(2,375,243)	(3,926,476)	(1,251,701)
<b>Total liabilities and equity</b>		<b>3,533,047</b>	<b>11,427,448</b>	<b>731,790</b>	<b>6,365,060</b>

The accompanying accounting policies and explanatory notes form an integral part of the condensed financial statements.

**CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY**

	Group				
	Share capital	Capital reserve	Translation reserve	Accumulated losses	Total
	\$	\$	\$	\$	\$
<b>Balance at 1 October 2020 (audited)</b>	25,181,005	(695,938)	(15,740)	(17,661,580)	6,807,747
Total comprehensive loss for the year					
Loss for the period	-	-	-	(4,759,016)	(4,759,016)
Other comprehensive loss	-	-	(45,549)	-	(45,549)
Total	-	-	(45,549)	(4,759,016)	(4,804,565)
<b>Balance at 30 June 2021 (unaudited)</b>	25,181,005	(695,938)	(61,289)	(22,420,596)	2,003,182
<hr/>					
<b>Balance at 1 October 2021 (audited)</b>	25,181,005	(695,938)	(86,555)	(26,773,755)	(2,375,243)
Total comprehensive loss for the year					
Loss for the period	-	-	-	(2,159,187)	(2,159,187)
Other comprehensive loss	-	-	11,677	-	11,677
Total	-	-	11,677	(2,159,187)	(2,147,510)
<b>Balance at 30 June 2022 (unaudited)</b>	25,181,005	(695,938)	(74,878)	(28,932,942)	(4,522,753)

	Company			
	Share capital	Capital reserve	Accumulated losses	Total
	\$	\$	\$	\$
<b>Balance as at 1 October 2020 (audited)</b>	25,181,005	2,063,751	(18,318,625)	8,926,131
Loss for the year, representing total comprehensive loss for the period	-	-	(4,525,089)	(4,525,089)
<b>Balance as at 30 June 2021 (unaudited)</b>	25,181,005	2,063,751	(22,843,714)	4,401,042
<hr/>				
<b>Balance at 1 October 2021 (audited)</b>	25,181,005	2,063,751	(28,496,457)	(1,251,701)
Loss for the year, representing total comprehensive loss for the period	-	-	(2,674,775)	(2,674,775)
<b>Balance as at 30 June 2022 (unaudited)</b>	25,181,005	2,063,751	(31,171,232)	(3,926,476)

The accompanying accounting policies and explanatory notes form an integral part of the condensed financial statements.

**CONDENSED INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS**  
**FOR THE THIRD QUARTER AND NINE MONTHS PERIOD ENDED 30 JUNE 2022**

	Group			
	Third Quarter ended 30 June		9 months ended 30 June	
	2022	2021	2022	2021
	(unaudited)	(unaudited)	(unaudited)	(unaudited)
Note	\$	\$	\$	\$
<b>Operating activities</b>				
Loss before income tax	(1,260,396)	(1,651,697)	(2,159,187)	(4,759,016)
Adjustments for:				
Depreciation and amortisation expense	323,239	941,820	1,045,225	3,014,954
Allowance for expected credit loss	-	35,740	(460)	35,740
Impairment of other assets	-	22,354	-	22,354
Gain on disposal of plant and equipment	(63,397)	-	(72,318)	(2,300)
Write-off of plant and equipment	1,600	12,791	60,782	12,791
Write-off of inventories	-	2,046	19,890	46,435
Write-off of trade and other receivables	440,977	-	440,977	-
Impairment loss on plant and equipment	74,832	455,828	348,655	455,828
Gain on early termination of leases	-	(341,033)	(13,031)	(533,430)
Foreign exchange	23,192	(25,860)	11,677	(46,526)
Interest income	(80)	(849)	(203)	(3,331)
Gain on liquidation of subsidiaries	-	-	(1,596,795)	-
Interest expense	34,148	75,795	154,948	247,917
Operating cash flows before movements in working capital	(425,885)	(473,065)	(1,759,840)	(1,508,584)
Changes in working capital				
Trade and other receivables	211,195	417,938	459,560	243,985
Inventories	58,780	(70,352)	229,189	(72,768)
Other assets	-	35,487	-	114,288
Trade and other payables	244,169	(1,156,087)	112,948	(2,207,537)
Contract liabilities	-	(27,131)	-	(32,310)
Amount due to holding company	32,069	53,018	56,109	132,976
Provisions	-	(27,605)	(155,770)	(21,936)
Cash used in operations	120,328	(1,247,797)	(1,057,804)	(3,351,886)
Income tax paid	-	(4,410)	-	(10,459)
Net cash generated/ (used in) operating activities	120,328	(1,252,207)	(1,057,804)	(3,362,345)
<b>Investing activities</b>				
Purchase of plant and equipment	-	(133,092)	(44,667)	(226,661)
Deposit for purchase of plant and equipment	-	43,099	-	-
Proceeds from disposal of plant and equipment	93,393	30,867	202,618	33,167
Interest received	80	849	203	3,331
Liquidation of subsidiaries, net cash outflow	-	-	(182,819)	-
Net cash generated/ (used in) investing activities	93,473	(58,277)	(24,665)	(190,163)

**CONDENSED INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS (cont'd)**  
**FOR THE PERIOD ENDED 30 JUNE 2022**

	Group			
	Third Quarter ended 30 June		9 months ended 30 June	
	2022 (unaudited) \$	2021 (unaudited) \$	2022 (unaudited) \$	2021 (unaudited) \$
<b>Financing activities</b>				
Proceeds from short-term loans	-	-	-	2,000,000
Proceeds from super priority financing	200,000	-	200,000	-
Repayment of short-term loans	(187,500)	(72,747)	(2,985,212)	(782,142)
Repayment of lease liabilities	(256,007)	(644,073)	(1,329,849)	(2,334,686)
Pledged deposit	-	-	3,000,000	-
Interest portion of lease liabilities	(22,938)	(42,217)	(85,915)	(152,401)
Interest paid on bank borrowings	(11,210)	(33,578)	(69,033)	(95,516)
Net cash used in financing activities	(277,655)	(792,615)	(1,270,009)	(1,364,745)
Net decrease in cash and cash equivalents	(63,854)	(2,103,099)	(2,352,478)	(4,917,253)
Cash and cash equivalents at beginning of period	438,401	10,107,626	2,727,025	12,921,780
Cash and cash equivalents at end of period	374,547	8,004,527	374,547	8,004,527
<b>Note A</b>				
Purchase of plant and equipment (Note 10)	97,427	290,056	387,584	503,987
Less non-cash movement:				
Provision for reinstatement costs	-	(6,591)	146,852	21,936
Payable to suppliers of plant and equipment	(97,427)	(150,373)	(489,769)	(299,262)
	-	133,092	44,667	226,661

*The accompanying accounting policies and explanatory notes form an integral part of the condensed financial statements.*

## **NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**

### **1. Corporate information**

No Signboard Holdings Ltd. (the "Company") was incorporated on 1 June 2017 in the Republic of Singapore with its principal place of business and registered office at 10 Ubi Crescent, #03-02 Ubi Techpark, Singapore 408564.

The condensed financial statements for the nine months ended 30 June 2022 comprise of the Company and its subsidiaries (collectively, the "Group").

The principal activities of the Group and Company are those relating to the management and operation of food & beverage outlets and investment holding.

### **2. Basis of preparation**

#### **2.1 Statement of compliance**

The condensed financial statements for the nine months ended 30 June 2022 have been prepared in accordance with Singapore Financial Reporting Standards (International) ("SFRS(I)") 1-34 *Interim Financial Reporting* issued by the Accounting Standards Council Singapore. The condensed financial statements do not include all the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group's financial position and the performance of the Group since the last annual financial statements for the year ended 30 September 2021.

The condensed financial statements are presented in Singapore dollar which is the Company's functional currency.

Other than the adoption of the amended standards as set out in Note 2.4, there were no changes in accounting policies and methods of computation adopted in the financial statements for the current reporting period as compared to the most recent audited annual financial statements as at 30 September 2021, which were in accordance with SFRS(I)s.

#### **2.2 Basis of measurement**

The condensed financial statements have been prepared on the historical cost basis except as otherwise described in the notes below.

The condensed financial statements have been prepared on a going concern basis as the Board is of the view that based on the assumption that the restructuring exercise and proposed Investment as disclosed below will be completed successfully, and that the Group will be able to generate cashflows from operations to meet the Group's working capital requirements and to operate as a going concern.

#### **2.3 Uses of estimates and judgements**

The preparation of the condensed financial statements in conformity with SFRS(I) requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

The significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the year ended 30 September 2021.



**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (cont'd)**

**2.3 Uses of estimates and judgements (cont'd)**

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment within the next reporting period are included in the following notes:

- Note 6 – Provision for expected credit losses of trade and other receivables
- Note 7 - Impairment of investments and recoverability of amounts due from subsidiaries; key assumptions underlying recoverable amounts
- Note 9 - Depreciation of plant and equipment
- Note 8, 9 - Impairment of right-of-use assets, plant and equipment and intangible assets of seafood restaurants and other restaurants business: key assumptions underlying recoverable amounts
- Note 10 - Classification and recognition of upfront sponsorship, volume rebates and promotional support

**2.4 Changes in accounting policies**

**New and amended standards adopted by the Group**

A number of amendments to Standards have become applicable for the current reporting year. The Group did not have to change its accounting policies or make retrospective adjustments as a result of adopting those standards.

**3 Segment information**

Group	Revenue		Net loss	
	Group			
	9 months ended 30 June		9 months ended 30 June	
	2022	2021	2022	2021
	(unaudited)	(unaudited)	(unaudited)	(unaudited)
	\$	\$	\$	\$
Seafood Restaurant business	694,239	2,210,665	(391,773)	(406,697)
Other Restaurant business	3,703,937	3,856,730	(531,132)	(652,659)
Beer business	139,012	367,448	(156,526)	(353,809)
	<u>4,537,188</u>	<u>6,434,843</u>	<u>(1,079,211)</u>	<u>(1,413,165)</u>
Gain on liquidation of subsidiaries			1,596,795	-
Impairment loss on plant and equipment			(348,655)	(455,828)
Impairment loss on other assets			-	(22,354)
Other operating expenses			(732,705)	(353,266)
Corporate office expenses			(1,440,666)	(2,269,817)
Interest income			203	3,331
Finance costs			(154,948)	(247,917)
Loss before tax			<u>(2,159,187)</u>	<u>(4,759,016)</u>
Income tax credit / (expense)			-	-
Loss after tax			<u>(2,159,187)</u>	<u>(4,759,016)</u>

**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (cont'd)**

**3 Segment information (cont'd)**

	<b>Group</b>	
	<b>30/06/2022 (unaudited) \$</b>	<b>30/09/2021 (audited) \$</b>
<u>Segment assets</u>		
Seafood Restaurant business	332,593	5,846,608
Other Restaurant business	3,199,398	5,440,730
Beer business	1,056	140,110
	3,533,047	11,427,448
<u>Segment liabilities</u>		
Seafood Restaurant business	4,720,934	7,663,170
Other Restaurant business	3,320,515	5,400,591
Beer business	14,351	738,929
	8,055,800	13,802,691

<b>Group</b>	<b>Depreciation and amortisation expense</b>		<b>Capital expenditure</b>	
	<b>9 months ended 30 June</b>			
	<b>2022 (unaudited) \$</b>	<b>2021 (unaudited) \$</b>	<b>30/06/2022 (unaudited) \$</b>	<b>30/09/2021 (audited) \$</b>
Seafood Restaurant business	50,723	335,494	50,054	238,757
Other Restaurant business	984,508	2,587,197	337,530	718,889
Beer business	9,994	92,263	-	7,777
	1,045,223	3,014,954	387,584	965,423

Reportable segment

Information reported to the Group's chief operating decision maker for the purposes of resource allocation and assessment of segment performance is specifically focused on the restaurant business and beer business which forms the basis of identifying the operating segments of the Group under SFRS(I) 8 *Operating Segments*.

The accounting policies of the reportable segment are the same as the Group's accounting policies. Segment results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items comprise income tax.

**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (cont'd)**

**3 Segment information (cont'd)**

Geographical information

The Group operates in Singapore and the People's Republic of China.

The following table provides an analysis of the Group's revenue from external customers based on the geographical location where revenue is generated:

	<b>Group</b>	
	<b>Sales revenue by geographical market</b>	
	<b>9 months ended 30 June</b>	
	<b>2022</b>	<b>2021</b>
	<b>(unaudited)</b>	<b>(unaudited)</b>
	\$	\$
Singapore	4,537,188	5,925,356
People's Republic of China	–	509,487
	<hr/>	<hr/>
	4,537,188	6,434,843
	<hr/> <hr/>	<hr/> <hr/>

The following is an analysis of the carrying amount of non-current assets analysed by the geographical location in which the assets are located:

	<b>Group</b>	
	<b>Non-current assets</b>	
	<b>30/06/2022</b>	<b>30/09/2021</b>
	<b>(unaudited)</b>	<b>(audited)</b>
	\$	\$
Singapore	2,920,749	4,217,458
People's Republic of China	–	–
	<hr/>	<hr/>
	2,920,749	4,217,458
	<hr/> <hr/>	<hr/> <hr/>

Non-current assets information presented above consist of non-current other receivables, plant and equipment, right-of-use assets and intangible assets as presented in the consolidated statement of financial position.

Information about major customers

There is no single major customer that contributed more than 5% of the Group's total revenue. The revenue is spread over a broad base of customers.

**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (cont'd)**

**4 Financial assets and liabilities**

Set out below is an overview of the financial assets and financial liabilities of the Group as at 30 June 2022 and 30 September 2021:

	Group		Company	
	30/06/2022 (unaudited) \$	30/09/2021 (audited) \$	30/06/2022 (unaudited) \$	30/09/2021 (audited) \$
<b>Financial assets</b>				
At amortised cost:				
Trade and other receivables	261,386	1,033,693	476,956	518,946
Cash and bank balances	374,547	5,727,025	352,345	5,048,549
Pledged deposit	–	–	–	–
Amount due from subsidiaries	–	–	508,342	556,240
<b>Total undiscounted financial assets</b>	<b>635,933</b>	<b>6,760,718</b>	<b>1,337,643</b>	<b>6,123,735</b>
<b>Financial liabilities</b>				
At amortised cost:				
Loans and borrowings	2,450,000	5,235,212	2,437,500	5,235,212
Trade and other payables	3,049,667	3,569,769	1,774,485	1,652,052
Amount due to holding company	100,960	99,581	68,891	44,851
Lease liabilities	2,351,499	4,200,037	89,044	455,126
<b>Total undiscounted financial liabilities</b>	<b>7,952,126</b>	<b>13,104,599</b>	<b>4,369,920</b>	<b>7,387,241</b>

**5 Loss before income tax**

Includes the following:

following:

	Group			
	3 <sup>rd</sup> Quarter ended 30 June		9 months ended 30 June	
	2022 (unaudited) \$	2021 (unaudited) \$	2022 (unaudited) \$	2021 (unaudited) \$
Franchise fee income	36,000	36,000	108,000	108,000
JSS grant	5,410	180,582	98,412	795,485
Write-off of inventories	-	(12,791)	(19,890)	(12,791)
Depreciation and amortisation expenses:				
Amortisation of intangible assets (Note 8)	-	(17,120)	(22,827)	(51,361)
Depreciation of plant and equipment (Note 9)	(98,551)	(325,721)	(348,334)	(934,855)
Depreciation of right-of-use assets	(224,688)	(598,978)	(674,064)	(2,028,738)

**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (cont'd)**

**6 Trade and other receivables**

	Group		Company	
	30/06/2022 (unaudited)	30/09/2021 (audited)	30/06/2022 (unaudited)	30/09/2021 (audited)
	\$	\$	\$	\$
Trade receivables:				
Third parties	26,629	525,391	2,326	3,358
Less: Loss allowances	(3,740)	(411,208)	–	–
	22,889	114,183	2,326	3,358
GST recoverable	1,395	39,001	23,997	34,888
	24,284	153,184	26,322	38,246
Other receivables:				
Third parties	23,898	185,317	23,898	97,597
Refundable security deposits	214,599	773,001	8,420	417,991
Prepayments	49,589	135,130	20,532	62,642
	288,085	1,093,448	52,849	578,230
Less: Loss allowances	–	(38,808)	–	–
	288,085	1,054,640	52,849	578,230
Less: Non- current portion refundable security deposits	(163,480)	(292,465)	–	–
	(163,480)	(292,465)	–	–
Current portion	148,890	915,359	79,171	616,476

**Expected credit loss (“ECL”) assessment**

Loss allowance for trade receivables has always been measured at an amount equal to lifetime expected credit losses (ECL). The ECL on trade receivables are estimated by reference to past default experience of the debtor and an analysis of the debtor’s current financial position, adjusted for factors that are specific to the debtors, general economic conditions of the industry in which debtors operate as at the reporting date.

There has been no change in the estimation techniques or significant assumptions made during the current reporting year.

A trade or other receivable is written off when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect recovery.

**7 Amount due from subsidiaries**

	Company	
	30/06/2022 (unaudited)	30/09/2021 (audited)
	\$	\$
Amount due from subsidiaries (non-trade)	16,465,040	16,617,484
Loss: Loss allowance	(16,061,243)	(16,061,243)
	403,805	556,240

**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (cont'd)**

The table below shows the movement in lifetime ECL that has been recognised for amount due from subsidiaries in accordance with SFRS(I) 9:

	<b>Company</b>	
	<b>Lifetime ECL (Credit-impaired)</b>	
	<b>30/06/2022 (unaudited)</b>	<b>30/09/2021 (audited)</b>
	\$	\$
Balance as at 1 October	16,061,243	11,882,912
Charge for the period/year	–	4,178,331
Balance as at 31 June/ 30 September	16,061,243	16,061,243

**8 Intangible assets**

<b>Group</b>	<b>Trademark \$</b>	<b>Franchise licenses \$</b>	<b>Total \$</b>
<b>Cost:</b>			
At 1 October 2020, 30 September 2021 and 30 June 2022	620,000	986,373	1,606,373
<b>Accumulated amortisation:</b>			
At 1 October 2020	–	157,003	157,003
Additions	–	68,482	68,482
At 30 September 2021	–	225,485	225,485
Additions	–	22,827	22,827
At 30 June 2022	–	248,312	248,312
<b>Accumulated impairment:</b>			
At 1 October 2020	620,000	264,399	884,399
Additions	–	473,662	473,662
At 30 September 2021 and 30 June 2022	620,000	738,061	1,358,061
<b>Carrying amount:</b>			
At 30 June 2022 (unaudited)	–	–	–
At 30 September 2021 (audited)	–	22,827	22,827

The intangible asset - franchise license is amortised over its useful lives of 5 to 10 years (2021: 5 to 10 years). The amortisation expense has been included in the line item "depreciation and amortisation expense" in profit or loss.

During the period ended 30 June 2022, the Group carried out a review of the recoverable amount on the intangible asset – franchise licenses and an impairment loss of \$Nil (3Q2021: \$Nil) was recognised as at 30 June 2022.

**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (cont'd)**

**9 Plant and equipment**

During the period ended 30 June 2022, the Group acquired plant and equipment with an aggregate cost of \$387,584 (9M2021: \$503,987). Cash payments of \$44,667 (9M2021: \$226,661) were made to purchase property, plant and equipment.

The cost of plant and equipment is depreciated on straight-line basis over their estimated useful lives. The Group reviews the estimated useful lives of the plant and equipment at the end of each reporting year. Management has assessed and determined the useful lives of plant and equipment to be 3 to 5 years.

**Impairment of plant and equipment of seafood restaurants and other restaurants business**

The assessment for impairment of plant and equipment is based on cash generating units ("CGU") comprising the seafood restaurants, other restaurants and beer business. The impairment of plant and equipment during period ended 30 June 2022 represents the write-down of the carrying values of certain plant and equipment in the seafood restaurants, other restaurants and beer business to their recoverable amounts. In light of the COVID-19 pandemic, the deterioration of its earnings and closure of outlets led to indicators of impairment on the plant and equipment relating to seafood restaurants and other restaurants. As at the reporting date, management recognised an impairment loss on the Group's plant and equipment of an impairment loss of \$348,656 (9M2021: \$455,828).

**10 Trade, other payables and contract liabilities**

Included in other payable are accruals relating to contracts entered into by the Group with customers in the beer business segment with upfront sponsorship, volume rebates and promotional support expenses. As of 30 June 2022, accruals for volume rebates and upfront sponsorship and contract liabilities on promotional support expenses amount to \$Nil (30/09/2021: \$420,452) as the subsidiary was put into liquidation.

**11 Borrowings**

	<b>Group and Company</b>	
	<b>30/06/2022</b>	<b>30/09/2021</b>
	<b>(unaudited)</b>	<b>(audited)</b>
	\$	\$
Bank loans	2,250,000	5,235,212
Loan from super priority financing	200,000	-
<b>Total</b>	<b>2,450,000</b>	<b>5,235,212</b>
Current portion	2,450,000	3,172,712
Non-current portion	-	2,062,500
	<b>2,450,000</b>	<b>5,235,212</b>

The Group is required to maintain a tangible net worth of more than \$10,000,000 as at the end of the reporting period. As at 30 June 2022, the Group had fully repaid the bank loan with the bank covenant. The loan of \$2,250,000 was presented as current liabilities as at 30 June 2022 as the Group is still in discussion with the banker on the repayment terms of the outstanding amounts.

**Details of any collaterals**

Excluded from the borrowings above are lease liabilities of \$2.3 million under SFRS(I) 16 arising from lease contracts for restaurant premises and office equipment used in its operations.

**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (cont'd)**

**12 Share capital**

	Group and Company			
	30/06/2022		30/09/2021	
	Number of ordinary shares	\$ (unaudited)	Number of ordinary shares	\$ (audited)
Issued and paid-up:				
At beginning and end of the financial year	462,392,475	25,181,005	462,392,475	25,181,005

There is no change in the Company's share capital since the end of the previous period reported on.

As at 30 June 2022 and 30 September 2021, the Company's issued and paid-up capital was \$25,181,005.

There are no outstanding convertibles, shares held as treasury shares and subsidiary holdings as at 30 June 2022 and 30 September 2021.

There are no treasury shares held by the Company.

As at the end of the current financial year reported on, there were no sales, transfers, cancellation and/or use of subsidiary holdings.

**13 Loss per share**

	Group			
	3 <sup>rd</sup> Quarter ended 30 June 2022		9 months ended 30 June 2021	
	(unaudited)	(unaudited)	(unaudited)	(unaudited)
Earnings (loss) per ordinary share (cents):-				
(a) Based on the weighted average number of ordinary shares in issue; and	(0.27)	(0.36)	(0.47)	(1.03)
(b) On a fully diluted basis	(0.27)	(0.36)	(0.46)	(1.03)

**14 Net asset value per share**

	Group		Company	
	30/06/2022 (unaudited)	30/09/2021 (audited)	30/06/2022 (unaudited)	30/09/2021 (audited)
Net asset value per ordinary share based on existing issued share capital (cents)	(0.98)	(0.51)	(0.85)	(0.27)
No. of shares	462,392,475	462,392,475	462,392,475	462,392,475



**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (cont'd)**

**15 Significant related parties transactions**

In addition to those related party information disclosed in Other Information – Note 6, the following significant transactions between the Group and related parties took place at terms agreed between the parties during the financial period:

	Group			
	3 <sup>rd</sup> Quarter ended 30 June		9 months ended 30 June	
	2022 (unaudited)	2021 (unaudited)	2022 (unaudited)	2021 (unaudited)
Franchise fee income from related party A	36,000	36,000	108,000	108,000
Rental expense to related party A	(36,000)	(36,000)	(108,000)	(108,000)
Sale of beer to related party A	-	1,530	1,500	7,838
Sale of live seafood to related party A	-	1,111	-	1,111

Related party A: Mattar Road No Signboard Seafood Restaurant [Company owned by relatives of director - Lim Yong Sim (Lin Rongsen)].

**16 Subsequent events**

There are no known subsequent events which led to adjustments to this set of interim financial statements.

**OTHER INFORMATION**

- The condensed consolidated statement of financial position of No Signboard Holdings Ltd. (the "Company", together with its subsidiaries, the "Group") as at 30 June 2022 and the related condensed consolidated statement of profit or loss and other comprehensive income, condensed consolidated statements of changes in equity and condensed consolidated cash flow statement for the three months then ended and the selected explanatory notes (the "Condensed Financial Statements") have not been audited or reviewed by the Company's auditors.

**Where the latest financial statements are subject to an adverse opinion, qualified opinion or disclaimer of opinion:**

- Updates on the efforts taken to resolve each outstanding audit issue.**
- Confirmation from the Board that the impact of all outstanding audit issues on the financial statements have been adequately disclosed.**

**This is not required for any audit issue that is a material uncertainty relating to going concern.**

- The independent auditor of the Company, Messrs Ernst & Young LLP, have in their Independent Auditor's Report for the financial year ended 30 September 2021 ("FY2021") dated 14 October 2022 expressed a disclaimer of opinion in respect of i) Impairment assessment of the Group's and Company's plant and equipment and, right-of-use assets, and the Company's amount due from subsidiaries and ii) use of going concern assumption.

The Group and Company has put through all the adjustments recommended by the auditors in the financial year ended 30 September 2021.

For the financial period ended 30 June 2022, the management of the Company has assessed the impairment of the Group's and Company's plant and equipment and right-of-use assets, and the Company's amount due from subsidiaries for the period and has made the necessary adjustments.

In addition, the Company has entered into an Implementation Agreement dated 30 June 2022 with Gazelle Ventures Pte Ltd (the "Investor") pursuant to which the Investor agrees to invest up to S\$5m into the Company upon completion of the Proposed Investment. The Company is cautiously optimistic that the funds from the Investment will be sufficient to assist in meeting the Group's working capital requirements and operate as a going concern.

- There are no outstanding audit issues for the financial year ended 31 September 2021. The Board confirms that the impact of the audit issues (if any) on the financial statements has been adequately disclosed.

## OTHER INFORMATION (cont'd)

### 2. Review of Group Performance

#### Consolidated Statement of Profit or Loss

##### Revenue

For the nine months period ended 30 June 2022 ("9M2022"), overall revenue of \$4.5 million was 29.5% lower as compared to \$6.4 million in the previous comparative period (3Q2022: 44.1% lower). The reduction is mainly attributable to:

- i) lower seafood restaurant sales by \$1.5million in 9M2022, period on period (3Q2022: \$NIL million) due to travel restrictions and safe distancing regulations implemented due to the COVID-19 pandemic as the outlets were not able to operate on the same level as prior to the onset of COVID-19 and the ongoing travel restrictions have significantly reduced the tourist footfall at the outlets and the closure of the Vivocity outlet in November 2021 and closure of Esplanade outlet in March 2022;
- ii) lower Hotpot sales by \$0.6 million in 9M2022 due to closure of the One Fullerton outlet in November 2021, 3Q2022 Hotpot sales was slightly higher by \$0.1 million due to increased number of customers at Orchard Gateway outlet due to the relaxation safe distancing regulations;
- iii) lower sales from quick-serve restaurants by \$1.1 million in 9M2022 (3Q2022: \$NIL million) due to closure of the Mom's Touch outlets and the subsidiary, Hawker QSR Pte Ltd was put under the voluntary creditors' liquidation in February 2022; and
- iv) lower sales from Beer business by \$0.2 million in 9M2022 (3Q2022: \$NIL million) as most of the outlets where its beer is distributed are closed during this period and the subsidiary, Danish Breweries Pte Ltd was put under the voluntary creditors' liquidation in March 2022.

The reduction was offset by sales from the new business concept, nosignboard Sheng Jian of \$1.5 million in 9M2022 (3Q2022: \$0.4 million) which accounted for 33.2% of the total revenue for 9M2022 (9M2022: 44.1%).

##### Other Income

Other income increased in 9M2022 due to the one-off gain on liquidation of subsidiaries amounting to \$1.6 million.

##### Raw materials and consumables used and changes in inventories

Total raw materials and consumables used and changes in inventories reduced by 41.0% in 9M2022 (3Q2022: 58.3%) in as compared to previous period due to a corresponding decrease in revenue.

##### Employee benefits expense, rental income and expense, and Other operating expenses

Employee benefits reduced by 34% in 9M2022 (3Q2022: 59.7%) as compared to previous period, which is aligned with the decrease in headcount and related staff costs as a result of outlets closure.

Other operating expenses increased by 19.6% in 9M2022 (3Q2022: 38.2%) as compared to previous period, which is due to increase in professional and legal fees incurred for corporate restructuring and fund-raising exercise.

Rental income was \$106.5K in 9M2022 (3Q2022: \$NIL) due to more rental rebates received from the landlords which is offset by the higher rental expenses incurred in 9M2022 due to Esplanade's lease was not capitalised as a right of use assets. The Group did not receive any rental income in the 3Q2022.

##### Depreciation and amortisation expenses

The decrease in depreciation and amortisation expense to \$1.0 million in 9M2022 (9M2021: \$3.0 million) and \$0.3 million in 3Q2022 (3Q2021: \$0.9 million) was mainly due to termination/expiry of leases and plant and equipment and right-of-use assets that have been fully written down/impaired as at the end of the previous financial year.

##### Finance costs

Finance costs comprise of interest portion of lease liabilities which has decreased to \$86k in 9M2022 (3Q2022: \$23k). This was offset by a decrease in interest on bank borrowing to \$69k in 9M2022 (3Q2022: \$11K) due to repayment of bank borrowings during the period.

## **OTHER INFORMATION (cont'd)**

### Loss before income tax and loss for the period

The Group has reported a loss before income tax of \$2.2 million in 9M2022 (9M2021: \$4.8 million) due to loss of revenue arising from the effects of the COVID-19 pandemic on the Group's various business segments and outlets closure. This is offset by a gain on liquidation of subsidiaries in 2Q2022 of \$1.6 million.

## **Consolidated Statement of Financial Position**

### **The Group**

#### Current assets

Current assets declined from \$7.2 million as at 30 September 2021 ("FY2021") to \$0.6 million as at 30 June 2022 ("FY2022"), mainly due to the decrease in cash and bank balances and pledged deposit, which has been utilized to support the Group's operations and the full repayment of a bank loan.

#### Non-current assets

There is decrease in non-current assets from \$4.2 million as at FY2021 to \$2.9 million as at FY2022. This was mainly due to a decrease in Right-of-use ("ROU") assets of \$0.7 million and a decrease in plant and equipment of \$0.5 million due to depreciation.

#### Current liabilities

Current liabilities decreased from \$9.2 million as at FY2021 to \$6.6 million as at FY2022 mainly due to decrease in current lease liabilities of \$1.0 million and decrease of trade and other payables by \$0.5 million due to de-recognition of liabilities from the liquidation of subsidiaries and decrease in short-term bank borrowing of \$0.7 million due to repayment during the year.

#### Non-current liabilities

The decrease in non-current liabilities from \$4.6 million as at FY2021 to \$1.5 million as at FY2022 was mainly due to the decrease in non-current lease liabilities of \$0.9 million due to de-recognition of liabilities from the liquidation of subsidiaries and decrease in bank borrowing of \$2.1 million due to reclassification of loan from non-current to current.

### **The Company**

There is a decrease in total assets from \$6.4 million as at FY2021 to \$0.7 million as at FY2022. This was mainly due to decrease in cash and bank balances of \$1.8 million and decrease in pledged deposit of \$3 million.

Total liabilities decrease from \$7.6 million as at FY2021 to \$4.7 million as at FY2022 mainly due to a decrease in lease liabilities of \$0.4 million and bank borrowings of \$3.0 million due to repayment which is offset by the increase in trade and other payables of \$0.3 million, due to slower repayment.

## **Consolidated Statement of Cash Flows**

The Group's net cash used in operating activities amounted to \$1.1 million in 9M2022 (9M2021: \$3.4 million) and cash inflow of \$0.1 million in 3Q2022 (3Q2021: \$1.3 million) mainly attributable to working capital usage for restaurant and beer business.

The Group's net cash used in investing activities amounted to \$25K in 9M2022 (9M2022: \$0.2 million) and a cashflow inflow of \$93K in 3Q2022 (3Q2021: outflow of \$58K), mainly due to purchase of plant and equipment and the de-recognition of plant and equipment arising from the liquidation of subsidiaries which is offset by the proceeds from sales of plant and equipment in 3QFY2022.

The Group's net cash used in financing activities amounted to \$1.3 million in 9M2022 (3Q2022: \$0.3 million) mainly due to the payment of short-term bank loans of \$3.0 million in 9M2022 (3Q2022: \$0.2 million) against the pledged deposit and payment of lease liabilities of \$1.3 million in 9M2022 (3Q2022: \$0.3 million). This was offset by the super priority financing provided of \$200K provided by the investor in 3Q2022.

As at 30 June 2022, the Group's cash and cash equivalents stood at \$0.4 million.

**OTHER INFORMATION (cont'd)**

**3. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results**

There was no forecast made.

**4. A commentary at the date of the announcement of the significant trends and 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**

The Group expects the operating environment of the local food and beverage industry to remain challenging in the next 12 months, due to uncertain economic outlook aggravated by high inflation and risks of recession that has dampened consumers' demand and spending.

In view of the headwinds ahead, the Group has been conscientiously managing its costs and is taking measured steps on reviewing and implementing various cost-cutting and cost control measures. The Group's current priority is to preserve cash to support working capital requirements, continue to keep operating costs low and to ensure that the Group has sufficient resources to tide through this period while the Group is in the process of a court-supervised restructuring exercise which includes the Scheme, to reorganize the Group's liabilities and deleverage the balance sheet of the Group ("Restructuring Exercise").

At the Scheme Meetings held on 11 October 2022, the Scheme Creditors have approved the schemes between the Scheme Companies and Scheme Creditors and the Court has on 28 October 2022 granted Orders of Court sanctioning the Schemes under Section 210 of the Companies Act so as to be binding on the Scheme Companies and their Scheme Creditors.

In addition, the Company has entered into an Implementation Agreement with Gazelle Ventures Pte Ltd (the "Investor") pursuant to which the Investor agrees to invest up to S\$5m into the Company upon completion of the Proposed Investment.

The Company is in the midst of preparing the application for the resumption of trading of the Shares (the "Trading Resumption Application"), the circular and relevant documents for the purpose of convening the EGM to seek approval from Shareholders for the Proposed Transactions. The EGM will be held on 30<sup>th</sup> November 2022 and the Company aims to submit the resumption proposal as soon as possible.

**5. Dividend**

**(a) Current Financial Period Reported On**

**Any dividend declared for the current financial period reported on?**

No

**(b) Corresponding Period of the Immediately Preceding Financial Year**

**Any dividend declared for the corresponding period of the immediately preceding financial year?**

No

**(c) Date payable**

N.A.

**(d) Record date**

N.A.

**If no dividend has been declared (recommended), a statement to that effect and the reason(s) for the decision.**

The Company has reviewed its dividends payment and no dividend has been declared or recommended by the board of directors ("Board" or "Directors") for the financial period ended 30 June 2022 as there are no distributable profits.

**OTHER INFORMATION (cont'd)**

**6. Interested person transactions**

The Company has not obtained a general mandate from shareholders for Interested Person Transactions (“IPTs”).

The aggregate value of interested person transactions entered into during year ended 30 June 2022 is as follows:

Name of interested person	Aggregate value of all interested person transactions during the financial period under review (excluding transactions less than S\$100,000 and transactions conducted under shareholders’ mandate pursuant to Rule 920)	Aggregate value of all interested person transactions conducted under shareholders’ mandate pursuant to Rule 920 (excluding transactions less than S\$100,000)
GuGong Pte. Ltd.	\$34,200 <sup>(1)</sup>	Not applicable

Note:

<sup>(1)</sup> During the period, the Company and Group has:

- (i) a payable of \$34,200 as rental expense to GuGong Pte. Ltd. (“GuGong”) for the lease of its corporate office.

**7. Disclosures on Incorporation of Entities, Acquisition and Realisation of Shares pursuant to Catalist Rule 706A**

There are no incorporation of entities, acquisition or realization of shares during third quarter and nine months ended 30 June 2022.

**8. Confirmation Pursuant to Rule 705(5) of SGX-ST Listing Manual Section B: Rule of Catalist**

To the best of our knowledge, nothing has come to the attention of the Board of Directors which may render the unaudited financial results of the Company for the third quarter and nine months ended 30 June 2022 presented in this announcement, to be false or misleading in any material aspect.

**9. Confirmation of undertaking from directors and executive officers**

The Company confirms that it has procured undertakings from all its Directors and Executive Officers in the required format set out in Appendix 7H under Rule 720(1).

**ON BEHALF OF THE BOARD OF DIRECTORS**

Lim Yong Sim (Lin Rongsen)  
CEO and Executive Chairman

Singapore  
21 November 2022