

## UPDATE ON ONGOING DISPUTES AND SETTLEMENT OFFER

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### 1. Introduction

The Board of Directors (the "**Board**") of No Signboard Holdings Ltd. (the "**Company**", and together with its subsidiaries, the "**Group**") refers to the Company's announcements dated 31 March 2022, 1 July 2022, 6 July 2022, 14 July 2022, 27 July 2022, 22 August 2022, 23 August 2022, 12 October 2022, 26 October 2022, 31 October 2022, 2 November 2022, 3 November 2022, 8 December 2022, 9 December 2022, 3 March 2023, 9 March 2023, 26 April 2023, 23 May 2023, 24 May 2023, 26 May 2023, 14 June 2023 and 19 June 2023 (the "**Announcements**") and the Company's circular to Shareholders dated 8 November 2022 (the "**Circular**").

*Unless otherwise defined, all capitalised terms used in this announcement shall bear the same meanings ascribed to them in the Announcements and in the Circular.*

### 2. Attempts at amicable settlement

2.1 As disclosed by the Company on 19 June 2023, in line with the Board's (with the exception of Mr Lim Yong Sim) intention since April 2023 to settle amicably with GuGong and Mr Lim, the Board had, on 18 June 2023, made a final attempt to settle by making the following offer to GuGong and Mr Lim (the "**Final Settlement Offer**"):

2.1.1 the parties shall agree to reinstate the IP SPA and ICA and resume their respective obligations and liabilities under the said agreements, as if the same had never been terminated ("**Option A**"); or

2.1.2 in the alternative, that GuGong pay the Company a sum of S\$300,000 for the purchase of the Intellectual Property (as defined in the IP SPA) and for the Company to pay GuGong a sum of S\$365,000 in full and final settlement of the Proceedings.

2.2 The Final Settlement Offer was open for acceptance until 5 p.m. on 21 June 2023 (Wednesday).

2.3 As at the deadline, there was no acceptance of the Final Settlement Offer, although the Company had received requests for clarifications from GuGong.

2.4 The Board is disappointed that the Final Settlement Offer was not accepted by the deadline, in particular, as Option A represents the reinstatement of the original agreements which were terminated. In addition to the mediation, the Company has tried to reach out to Mr Lim on various occasions (including through the efforts of the Independent Directors). However, such overtures to meet and discuss differences with a view to amicable settlement for the benefit of the Company, its creditors, minority shareholders and employees were not successful. The Company will continue to engage GuGong and its lawyer in the discussion with a view to reach an in-principle agreement by 26 June 2023 (Monday).

- 2.5 This short time frame is in consideration of the Company's serious financial challenges, including the potential withdrawal of financial support from the Investor given the circumstances.

**3. Impact of ongoing disputes on the trading resumption and the operations of the Company**

- 3.1 The ongoing disputes have hampered the Board's efforts to obtain a resumption of trading and have undermined the Investor's and the Board's efforts to resuscitate the Company.

- 3.2 The Board is conscious of its fiduciary duties owed to various stakeholders, being the creditors, minority shareholders and employees and continues to view a resumption of trading as beneficial to the Company and its various stakeholders for the following reasons:

3.2.1 A resumption of trading would benefit Scheme Creditors as it is a condition precedent under the Scheme, which would allow the Company to effect the Scheme, including the payment of the cash distribution to Scheme Creditors who had elected for Option 1 under the Scheme. A resumption of trading would also benefit creditors who are not Scheme Creditors, as the Board would be able to more effectively move forward with its plans to improve the cashflow position of the Company;

3.2.2 A resumption of trading would benefit Shareholders who would be able to realise the residual value of their Shares upon such resumption. Shareholders would be able to trade their Shares and participate in any future upside of the Company;

3.2.3 the Company would be able to issue and allot the Subscription Shares to the Investor, which would allow the Company to move forward with its future plans to further strengthen cashflow and preserve the jobs of the Group's employees;

In this connection, the Board views supporting the Company's existing streamlined business as important as well, as it is critical for the Company to have a viable business in order to resume trading.

- 3.3 In addition to delaying the resumption of trading, the ongoing disputes have impacted the Company's operations and business:

3.3.1 Since entering into the Implementation Agreement with the Investor, significant progress has been made by the Board in terms of improving the cashflow position of the Company and stabilizing the operations at the Group's existing outlets. The ongoing disputes and the resultant actions however have disrupted the Group's operations and caused concerns with the Group's employees and suppliers, amongst others;

3.3.2 To ensure the sustainability of the business going forward, the Board had initiated discussions with potential landlords with a view to open additional new outlets. However, due to the ongoing disputes, the Board had no choice but to put these discussions on hold;

3.3.3 In order to enhance Shareholder value, the Board is also in the process of evaluating the acquisition of new businesses that are cashflow positive and are profitable. The uncertain situation as a result of the ongoing disputes has adversely impacted the ability of the Board to make progress on such acquisitions.

3.4 The Board will continue to act honestly and diligently in discharging their duties and will provide further updates to the Shareholders when there are material developments on this matter.

**4. Update on amounts due to the Company from Mattar Road No Signboard Seafood Restaurant**

The Board also wishes to update Shareholders that it had, on 22 June 2023, served a statutory demand on Mattar Road No Signboard Seafood Restaurant for an amount of S\$103,440 representing outstanding franchise fees due to the Company under a franchise agreement dated 1 November 2017. The Board will update Shareholders as and when there are material developments on this matter.

**5. Conclusion**

The Board continues to believe that it is in the best interests of Shareholders to actively work towards completion under the Implementation Agreement and that a resumption of the trading of the Shares is in the best interests of the Company (including its employees), its Scheme Creditors and minority Shareholders.

**6. Cautionary statement**

**Notwithstanding that the Shares have been suspended from trading since 24 January 2022, Shareholders and potential investors are advised to read this announcement and any further announcements made by the Company carefully. Shareholders and potential investors are advised to refrain from taking any action with respect to their securities in the Company which may be prejudicial to their interests, and to exercise caution when dealing in the securities of the Company. Shareholders and potential investors should consult their stockbrokers, bank managers, solicitors or other professional advisers if they have any doubt about the actions they should take.**

**BY ORDER OF THE BOARD**

Lim Teck-Ean  
Non-Executive Director  
23 June 2023

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*This announcement has been reviewed by the Company's sponsor, PrimePartners Corporate Finance Pte. Ltd. (the "**Sponsor**"). It has not been examined or approved by the Singapore Exchange Securities Trading Limited (the "**Exchange**") and the Exchange 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.*

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