



NO SIGNBOARD HOLDINGS LTD.

Analysts & Investors Dialogue Session
29 June 2018

Disclaimer

This presentation and the information contained herein are provided solely for information purposes, and are not to be construed as a solicitation of an offer to buy or sell any securities or other financial instruments of No Signboard Holdings Ltd. (the “Company”) in Singapore or any other jurisdiction. No representation or warranty is made or implied concerning, and the Company assumes no responsibility for, the accuracy, completeness, reliability or comparability of the information or opinions contained herein. The Company undertakes no obligation to update the information contained herein.

This presentation may contain forward looking statements including statements regarding the Company’s current intent, belief or expectations with respect to its businesses and operations, market conditions, results of operations and financial condition. Actual results, performance or events may differ materially from those in such statements as a result of, among others, factors, changing business or other market conditions and the prospects for growth anticipated by the management of the Company. The Company does not undertake any obligation to release the result of any revisions to these forward looking statements to reflect events or circumstances after the date hereof to reflect the occurrence of unanticipated events. Past performance is not a reliable indication of future performance.

無招牌



NEW CORPORATE UPDATES

Our C-Suite Level Management



Sam Lim
*Executive Chairman &
Chief Executive Officer*

- More than 20 years of F&B experience
- 3rd generation of the seafood business
- Instrumental in establishing NSB's reputation as one of the best-known seafood restaurant chains in Singapore



Voon Sze Yin
Chief Financial Officer

- More than 17 years of financial experience
- 7 years of F&B experience, previous CFO of another SGX-listed F&B company
- Responsible for oversight of financial functions



Lim Lay Hoon
Chief Operating Officer

- More than 20 years of F&B experience
- 3rd generation of the seafood business
- Responsible for day-to-day running of business operations in Singapore

Our New Management Additions



Arthur Quek

Executive VP, Beer Business

- More than 20 years of experience with international breweries
- Will be assisting in the development and strategy of our beer business



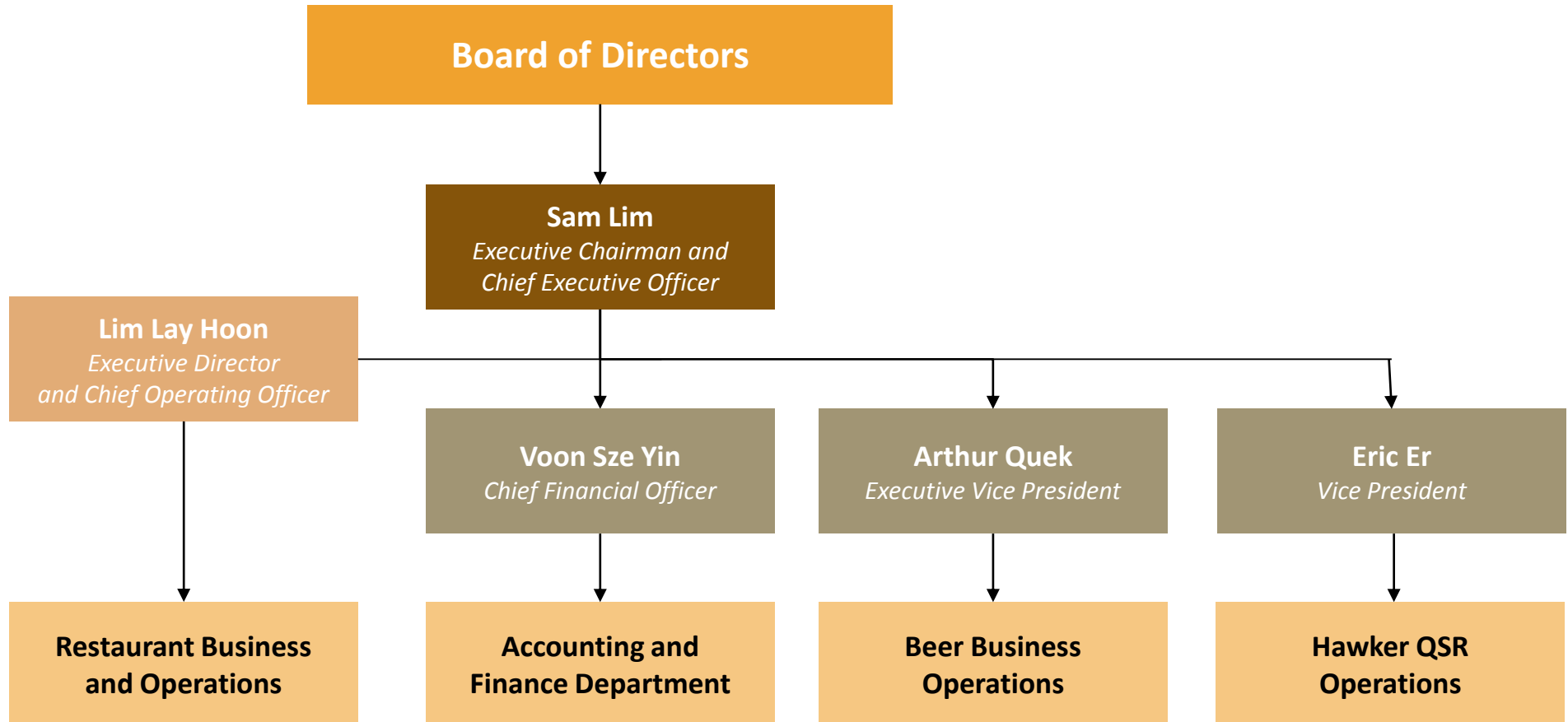
Eric Er

VP, Hawker QSR

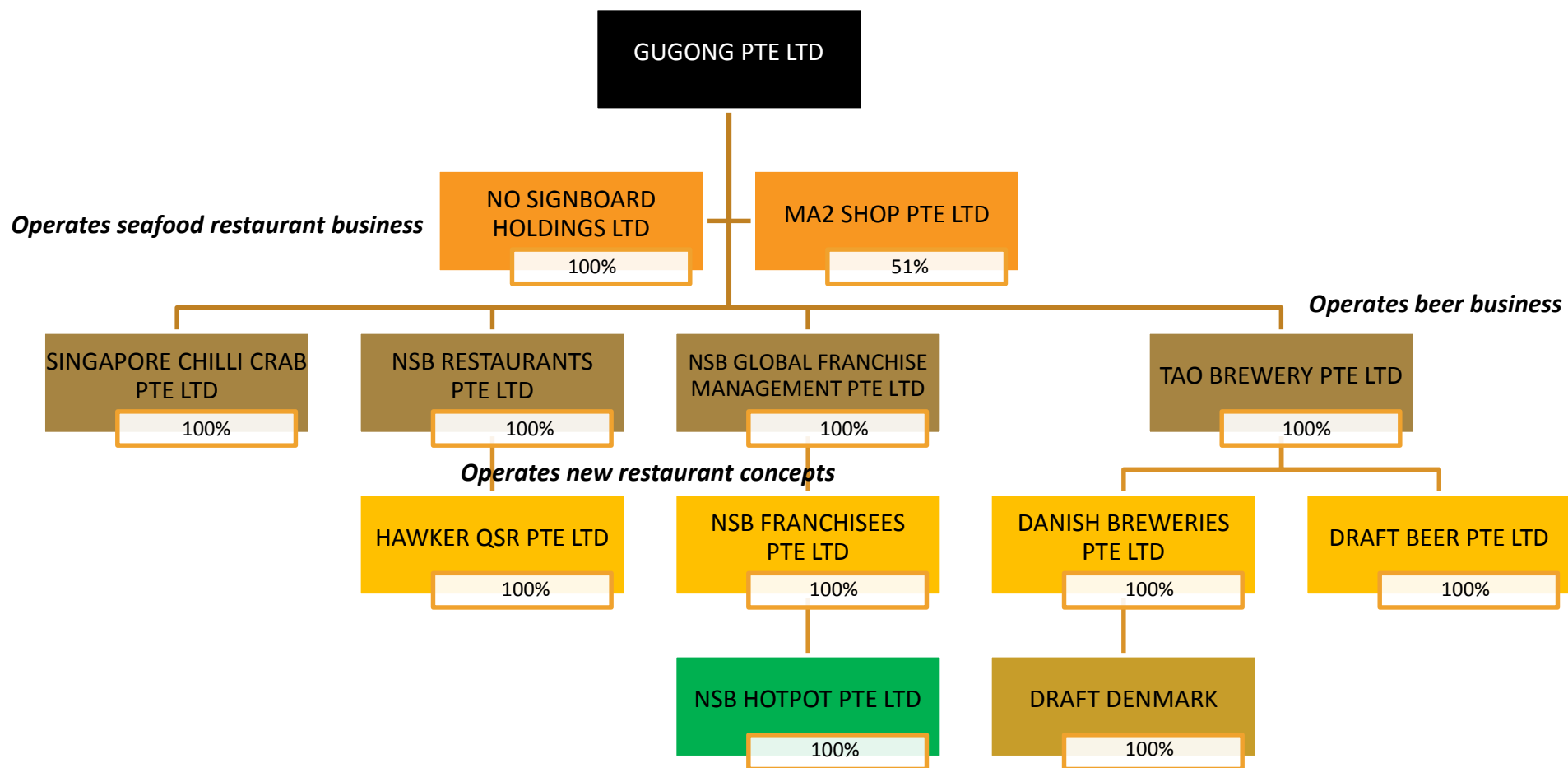
- More than 20 years of experience, specialising in the fast food industry
- Will manage and oversee the operations of the Group's new fast food business – Hawker QSR

- ✓ Dedicated and **experienced** management team
- ✓ Equipped with in-depth knowledge of F&B industry to **identify industry trends** and respond strategically
- ✓ Committed to **spearhead** business **growth** and execute future plans

Our New Management Structure



Our New Corporate Structure

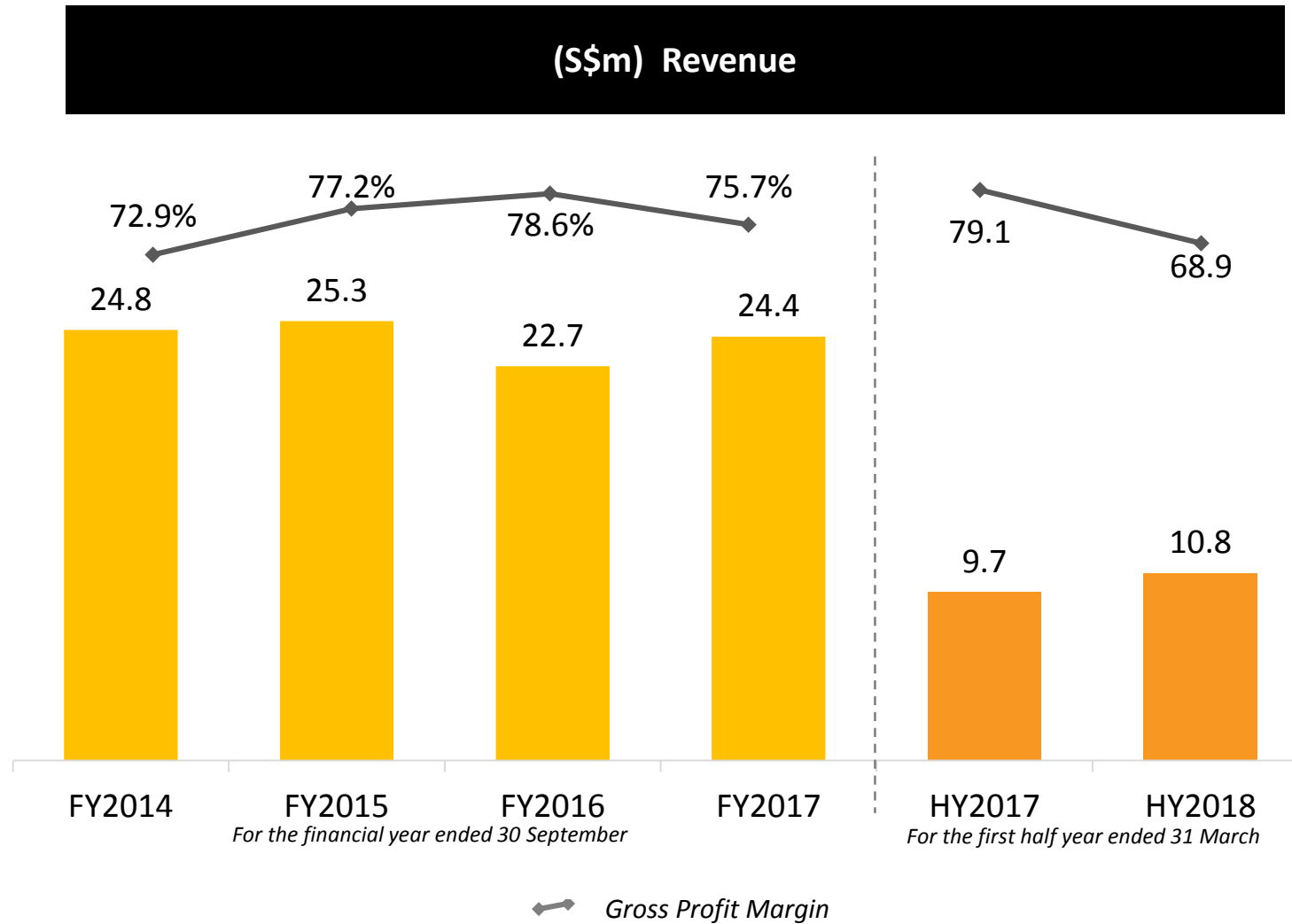


無招牌



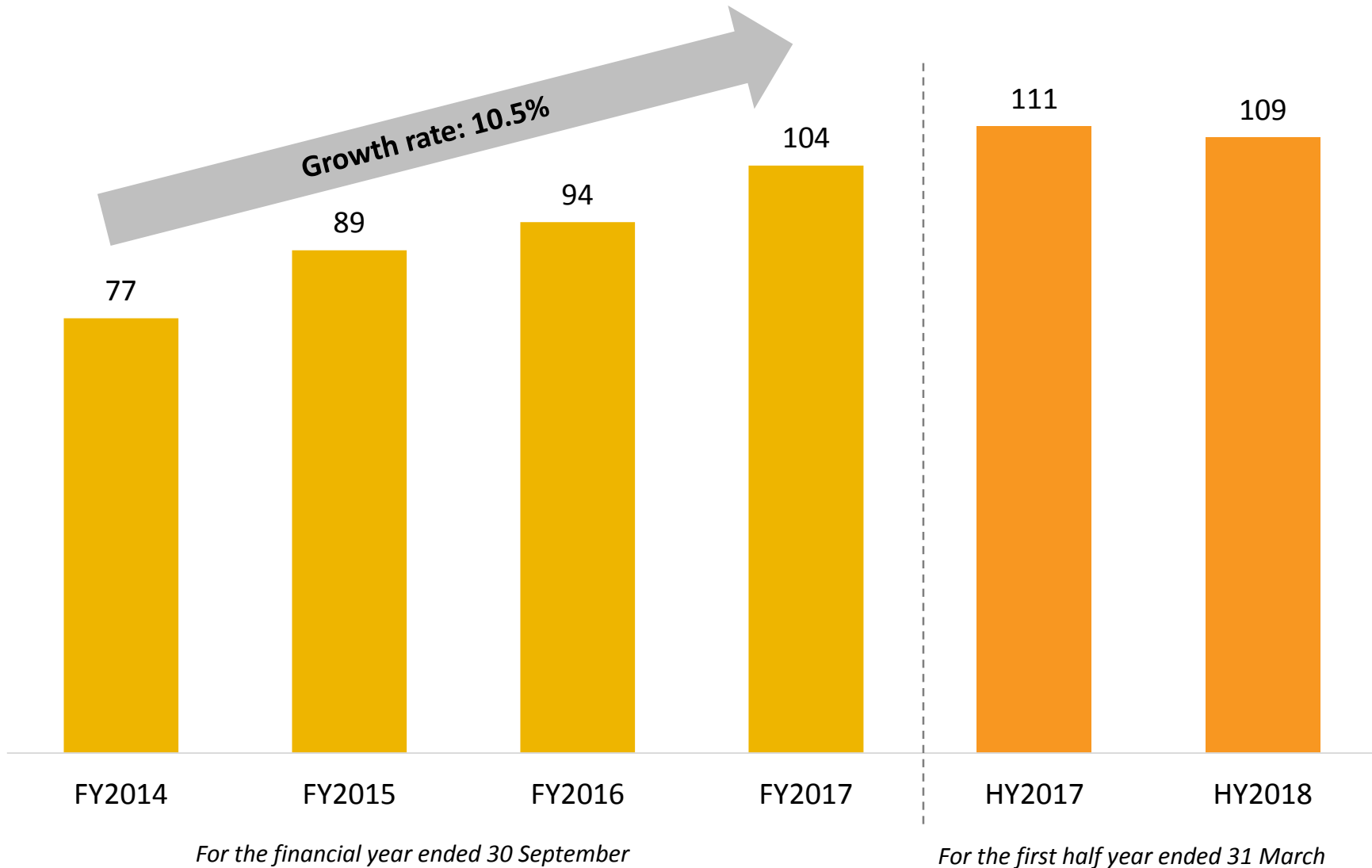
HY2018 FINANCIAL HIGHLIGHTS

Strong Margins Backed by High Customer Spending

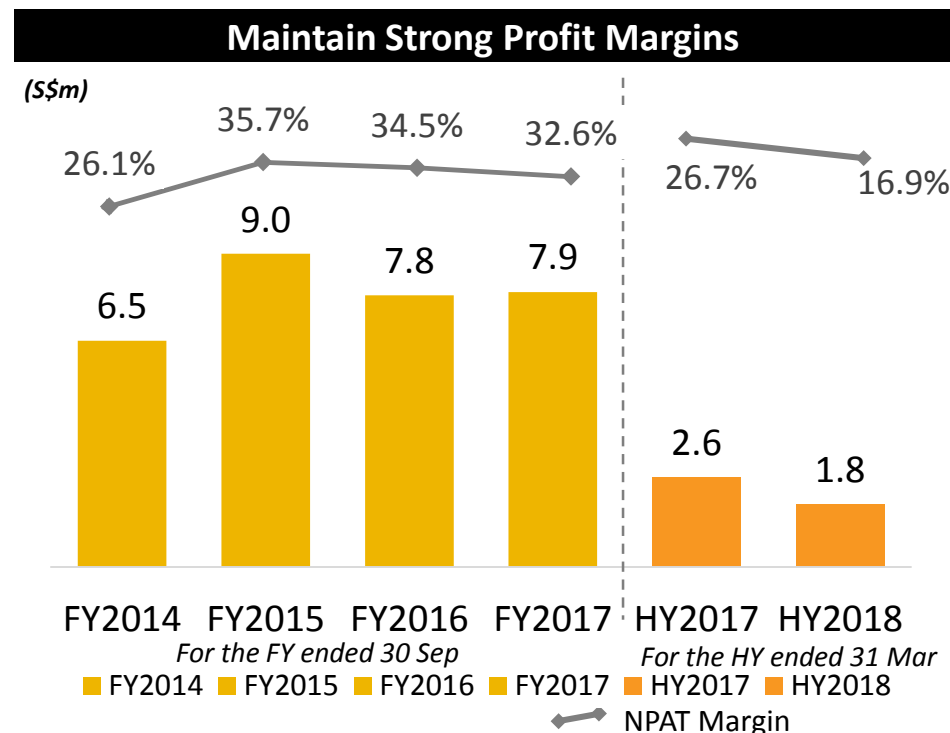
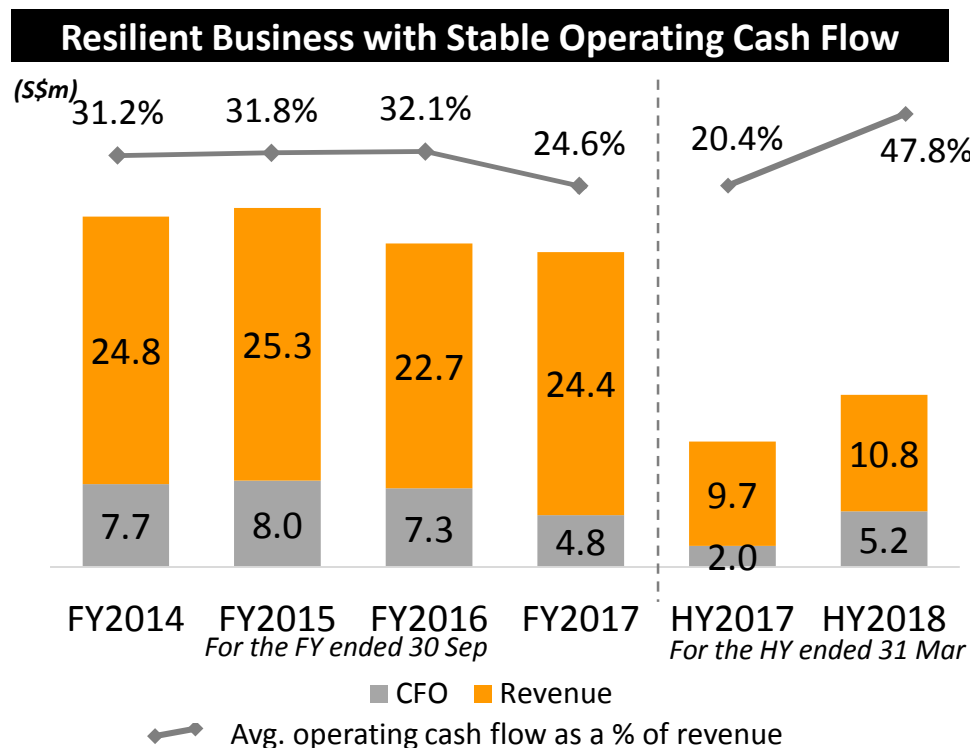


Strong Margins Backed by High Customer Spending

(S\$) Average Spend per Customer



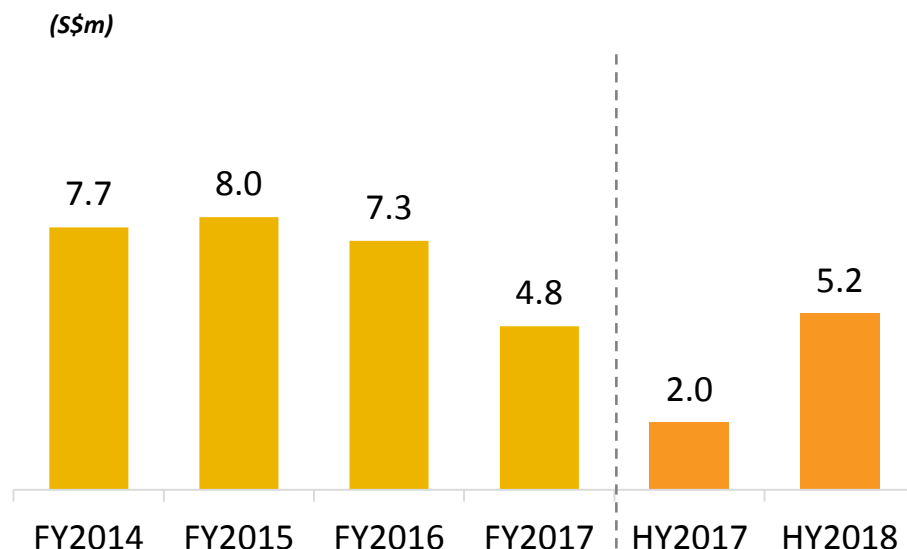
Cash Generating & Resilient Business Model



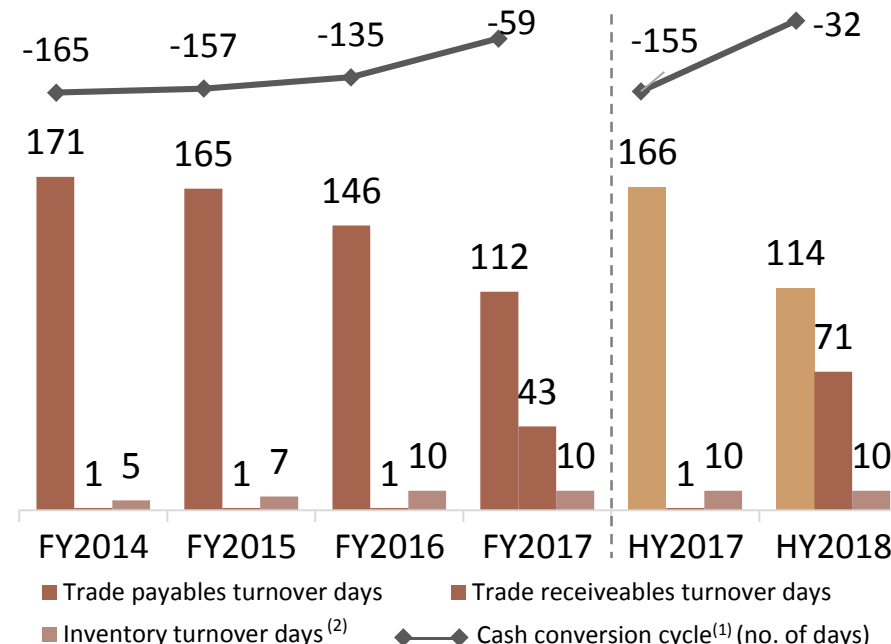
- **Proven track record** of profitability in the last 10 years, notwithstanding the competitive F&B sector and economic downturns
 - Established brand and reputation amongst customers
 - Cautious approach on outlet expansion
 - Prudent cost management

Cash Generating with Low Gearing

Strong Cash Flow from Operations



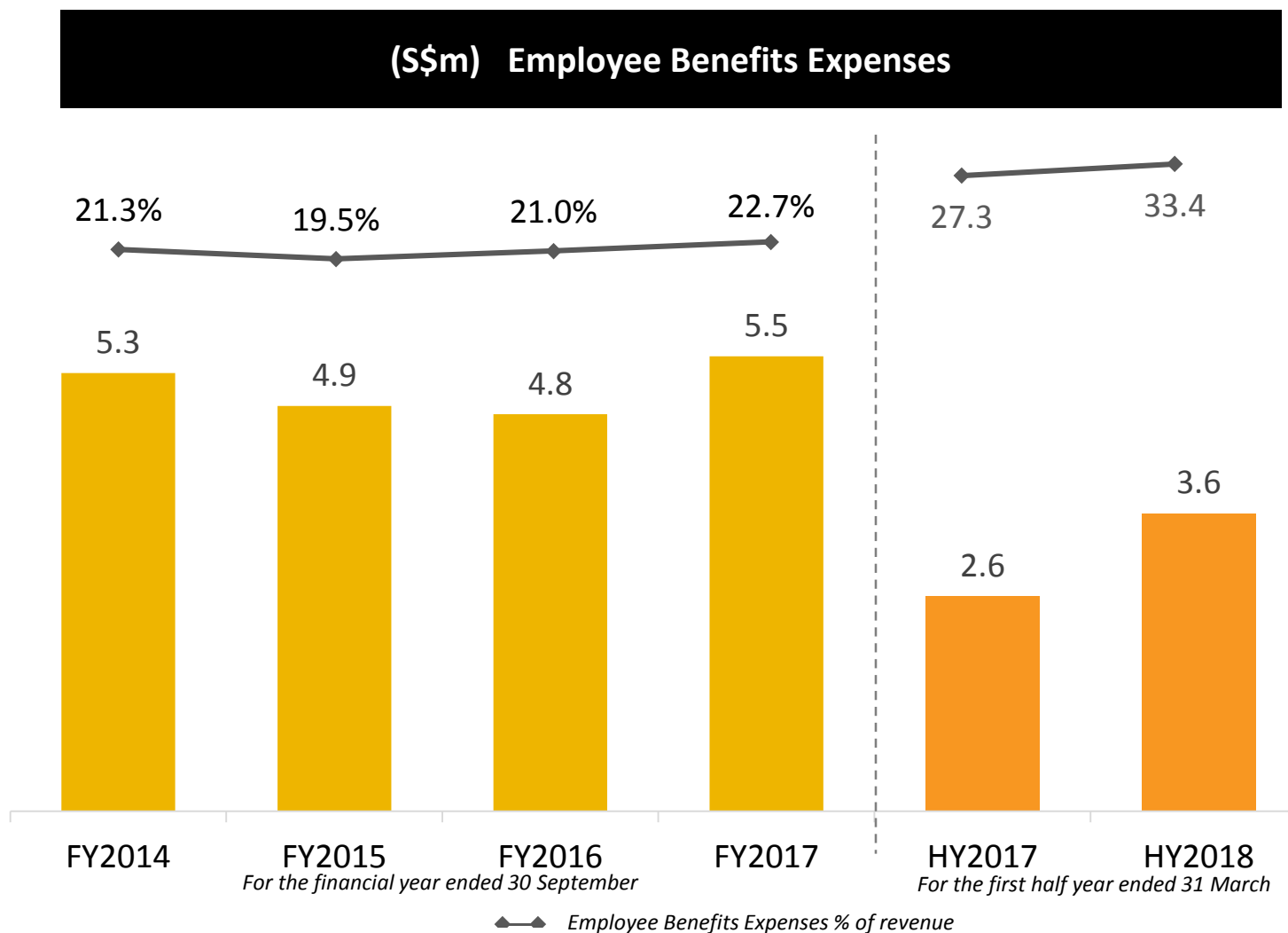
Cash Conversion Cycle



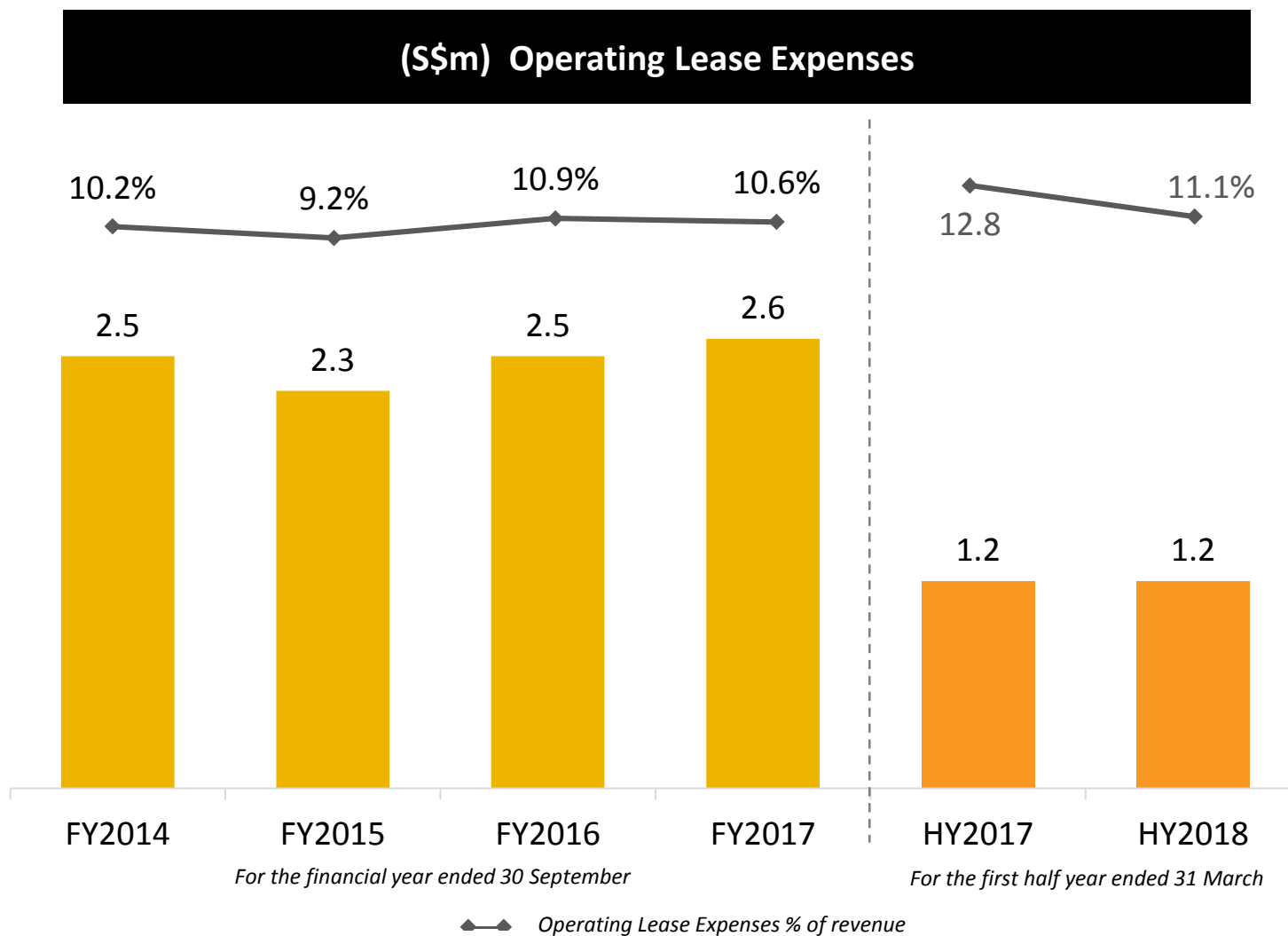
- **Positive operating cash** and **negative cash conversion cycle** provide us with the necessary cash resources for business expansion and working capital
- Minimal debt of c.1.9m⁽³⁾ provide **significant headroom** for Company to gear up for capex and improve returns on equity
- Capacity to pay dividends to reward shareholders

Note: (1) Calculated by: (trade receivables turnover + inventories turnover) minus trade payables turnover; (2) Inventories of the beer business comprise promotional merchandise, including beer glasses, coasters and umbrellas, which are not items for sale. Accordingly, computation of inventory turnover days is not relevant for the beer business; (3) Drawdown of c.1.9m of multi-currency advance facility

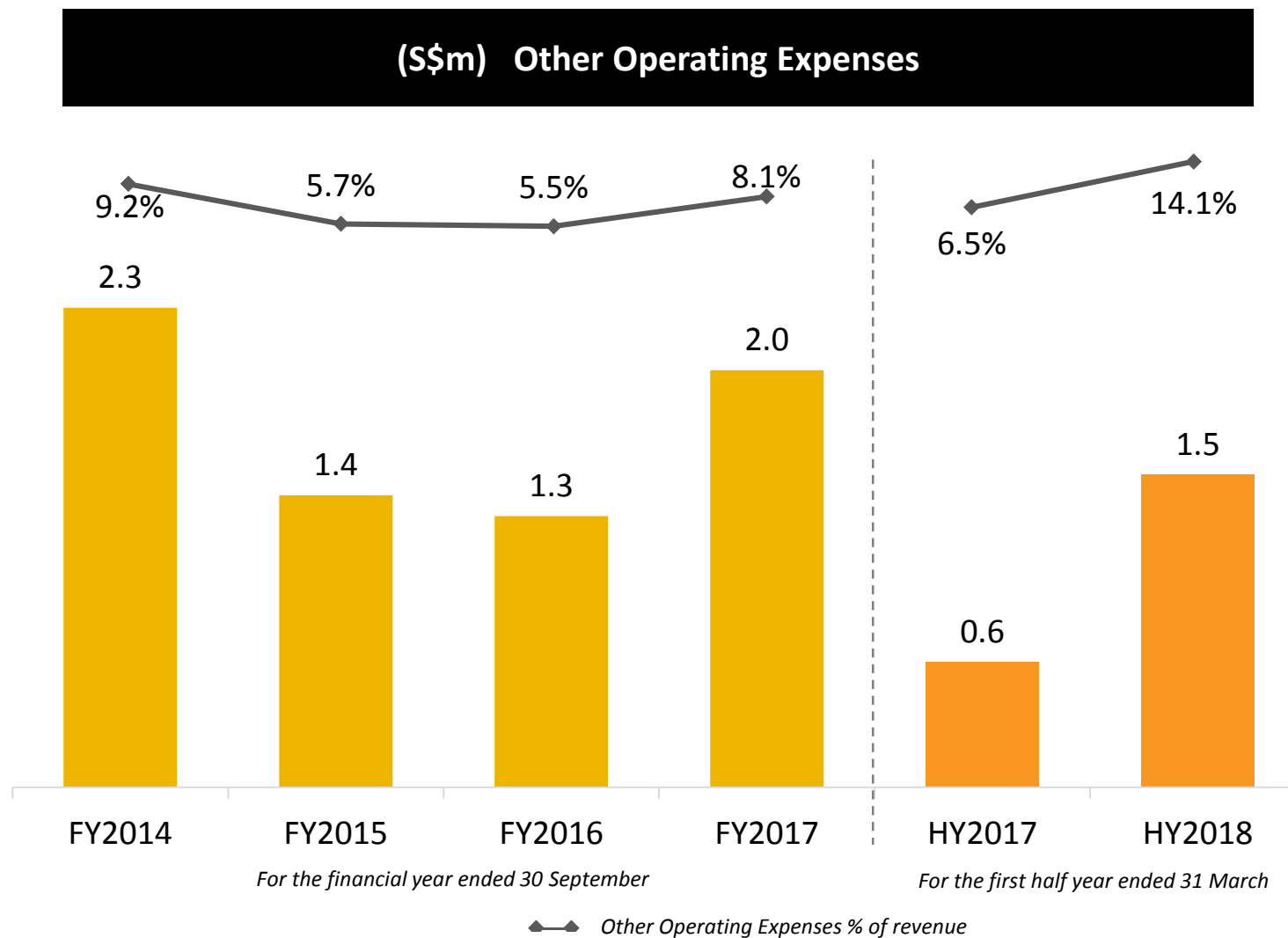
Prudent Cost Management



Prudent Cost Management

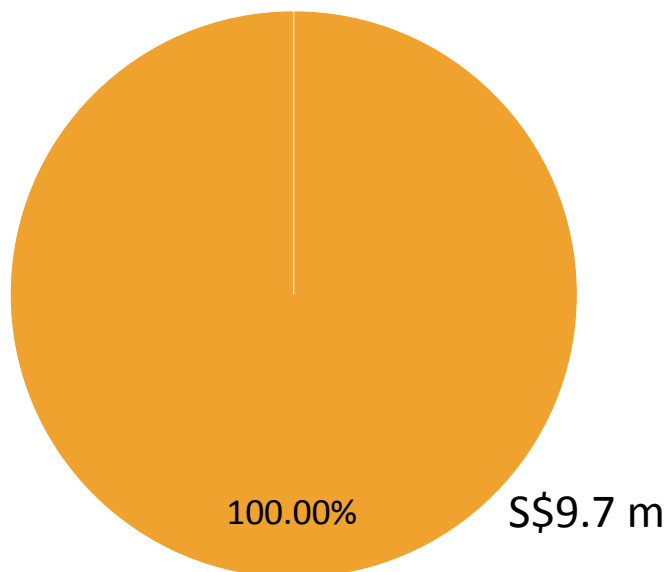


Prudent Cost Management



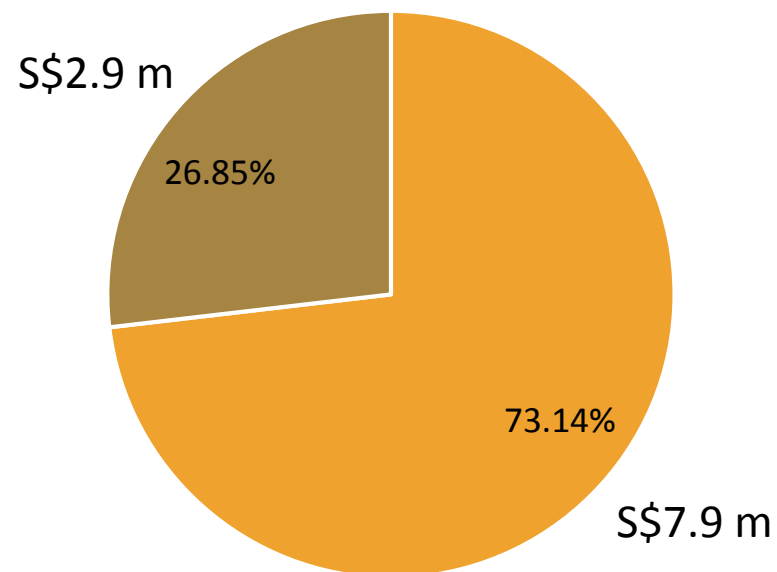
Revenue Breakdown by Segments

HY2017 Revenue



■ Restaurant Business

HY2018 Revenue



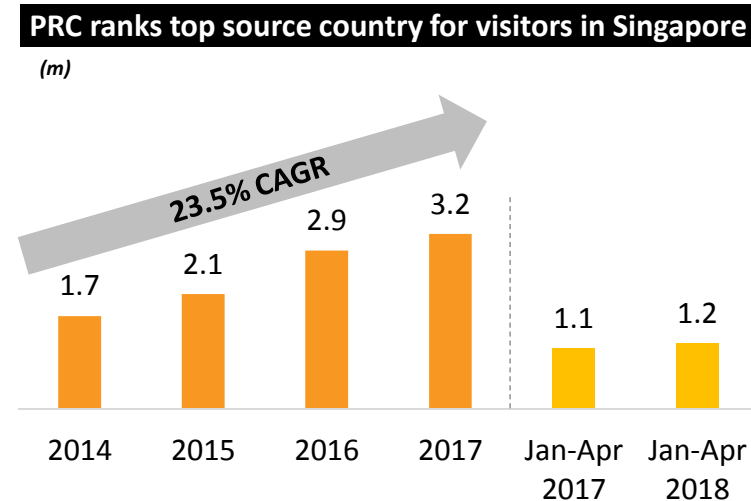
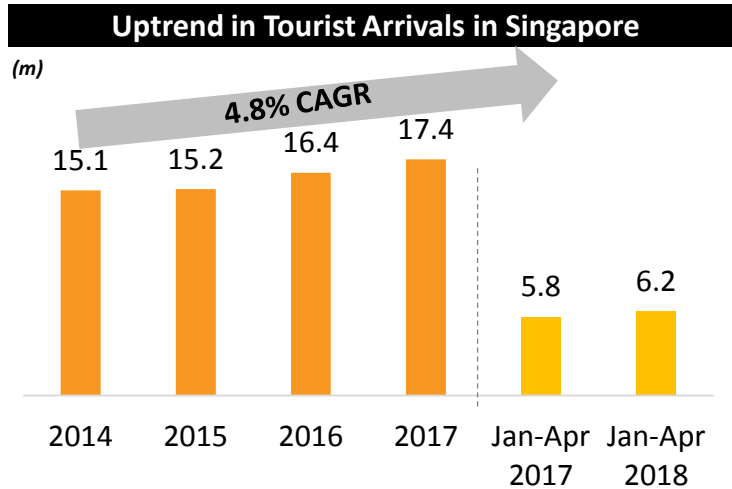
■ Restaurant Business ■ Beer Business

Note:

- (1) Danish Breweries was acquired in June 2017, the revenue contribution for four months in FY2017 was S\$3.1 m.
- (2) HY2018 consists of revenue contribution for five months, commencing from November 2017 (following the completion of the restructuring exercise) until March 2018

Tourism Driven Seafood Restaurant Business

Singapore: One of Asia Pacific's leading tourism hub



- Singapore has seen an **uptrend in tourist arrivals** with CAGR of 4.8% for the past 4 years
 - This is attributable to **significant growth of PRC tourist arrivals** with a strong CAGR of 23.5% for the same period
- Our Group has leveraged this uptrend and its brand reputation and popularity to **attract patronage** from tourists with **high spending power**
 - Our restaurants received the Certificate of Popularity For the Year of 2017 by Dianping.com (大众点评), one of the largest restaurant and lifestyle review sites in China based on popular votes by PRC travellers

Source: Singapore Tourism Board

無招牌



no signboard seafood

無招牌海鮮

since 1982

BEER BUSINESS



The Objectives

01

Identify key challenges for  business

Propose action plan to accelerate business growth

02

03

Get alignment from key stakeholders on proposed action plan



The 3 Key Challenges



- Lack of leadership
- Low team morale
- Capability
- Distributor partner

- Brand image & positioning
- Distribution
- Pricing
- SKUs

- Demand & Forecast
- COGS
- ATL & BTL Spend (MOA)
- Contract management (outlet & brewery)
- AP management

Proposed Action Plan : People

01

Recruit the right people into the team

Review compensation plan for the team

02

03

Assess current distributor partner performance



Proposed Action Plan : Products / Brands

01

Review brand image & positioning

Define price & channel strategy

02

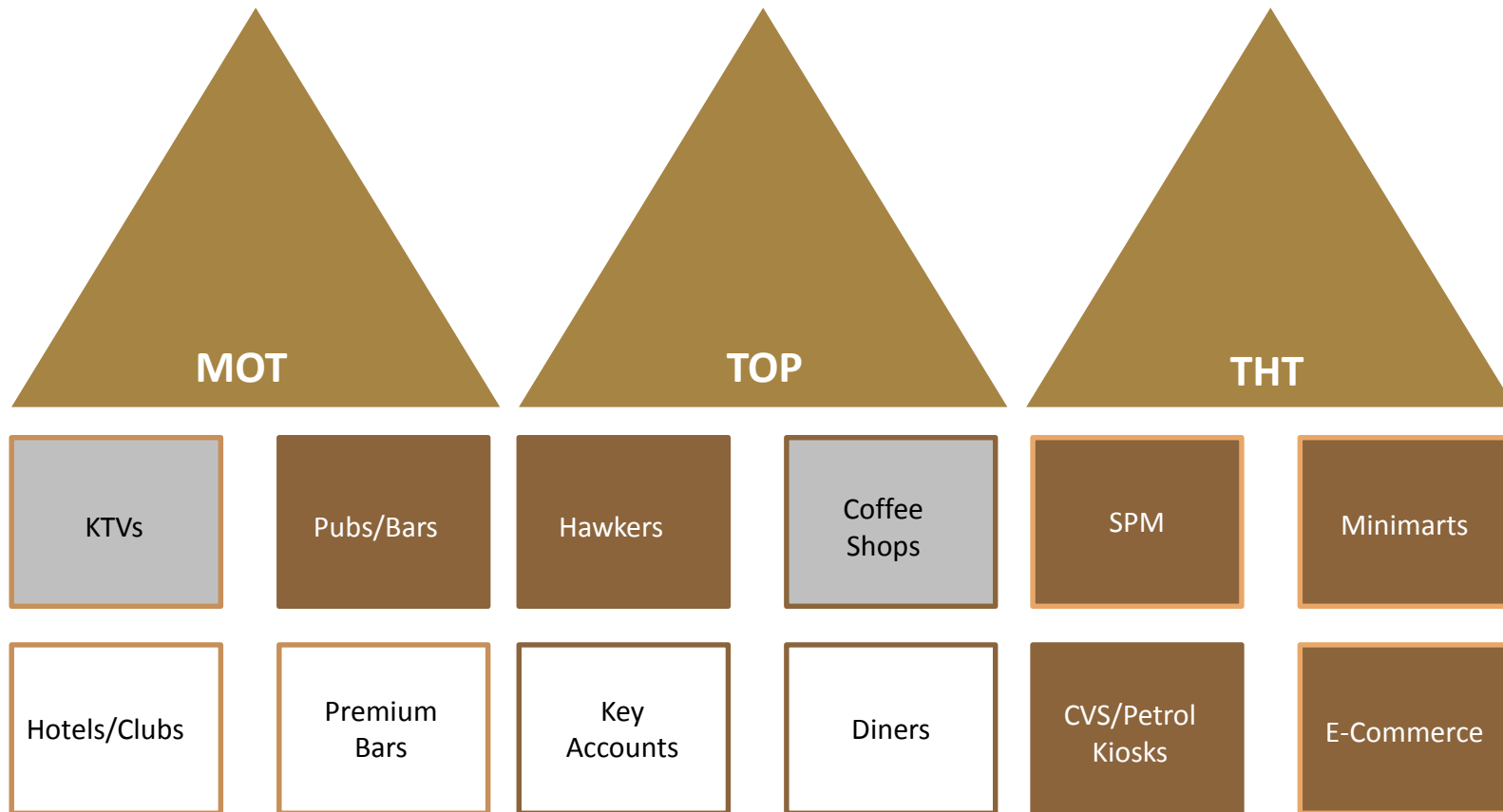
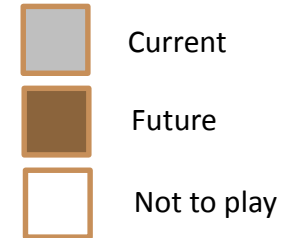
03

Review SKU mix & distribution strategy



The Channel Strategy

Where to play ?



The Market Pricing Landscape

Mainstream + or Premium – price positioning



Proposed Action Plan : Performance

01

Drive distribution in profitable channel

Improve SKU line-up to deliver business growth

02

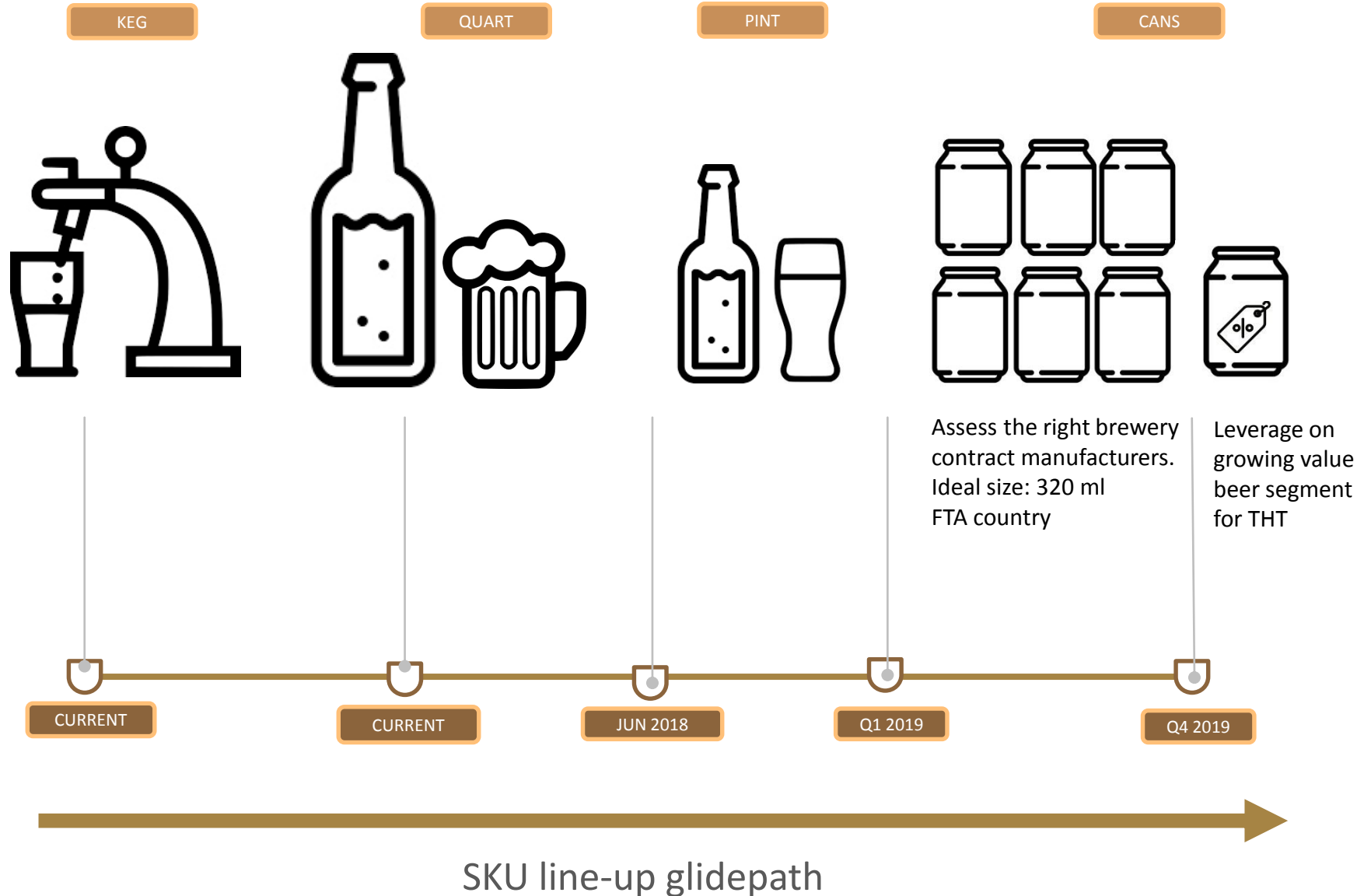
03

Review current brewery partner costing & agreement



The SKU Expansion

Strengthen SKU line-up to deliver business growth



無招牌



LITTLE SHEEP HOT POT

About 小肥羊 (“Little Sheep”)



Established in Baotou (包头), Inner Mongolia, China in 1999, Little Sheep is a restaurant chain with a mission to introduce Mongolian culture and food in different countries. With 280 outlets throughout China, USA, Canada and Japan, Little Sheep is a growing restaurant chain to deliver the best hot pot in town. Little Sheep specialises in a traditional Inner Mongolian hot pot cuisine featuring table top cooking served in a metal pot filled with herbs and spices.



For more information, please visit <https://www.littlesheephotpot.com/>

The Franchise Agreement



The Agreement started on 18 June 2018 for a period of 10 years ending in 17 June 2028

No Signboard reserves the right to operate and use “Little Sheep’s” brand name and concept in Singapore

No Signboard is expected to open at least one hot pot restaurant per year for the next five years



Rationale for Entering the Hot Pot Market



Growing Demand for Quality Hot Pot Restaurants in Singapore

Understanding and Familiarity of Singapore's F&B Market and Singaporean Consumer Preferences

To Add Diversity in Group's Restaurant Business Portfolio

To Grow Total Number of Restaurants Under Management and to Increase Revenue Base

Complementary to the Group's **Draft Beer** Business and to Leverage on Franchisor's Distribution

Competitive Landscape of the Hot Pot Market in Singapore

	Restaurant	No. of Outlets	Flagship Store	Avg Spend/pax
1	Hai Di Lao <i>Market Leader</i>	8 outlets	313 Somerset	S\$45.00++/pax
2	Beauty in the Pot <i>By Taste Paradise</i>	3 outlets	The Centrepont	S\$25.00++/pax
3	J-Pot <i>By Jumbo Group</i>	2 outlets	Vivocity	S\$25.00++/pax
4	Chong Qing Hot Pot <i>In Singapore since 1994</i>	1 outlet	Tanglin SC	S\$35.90++/pax
5	Guo Fu <i>Serves Xiao Long Baos</i>	1 outlet	Chinatown	S\$35.00++/pax

Source:

10 Best Steamboat Restaurants in Singapore Worth Queuing For, Sethlui.com
10 Best Hotpot Restaurants In Singapore, danielfooddiary.com

Competitive Landscape of the Hot Pot Market in Singapore

	Restaurant	No. of Outlets	Flagship Store	Avg Spend/pax
6	Imperium Treasure Steamboat <i>By Imperium Treasure Group</i>	2 outlets	Ion Orchard	S\$49.00++/pax
7	Hai Xian Lao <i>Specialize in Seafood</i>	1 outlet	Wilkie Edge	S\$34.80++/pax
8	Shi Li Fang <i>Taiwanese Hotpot</i>	1 outlet	Orchard Central	S\$20.00++/pax
9	Hua Ting Steamboat <i>Cantonese Style Hotpot</i>	1 outlet	Orchard Road	S\$34.00++/pax
10	Crystal Jade Steamboat <i>By Crystal Jade Group</i>	1 outlet	Plaza Singapura	S\$30.80++/pax

Source:

10 Best Steamboat Restaurants in Singapore Worth Queuing For, Sethlui.com
10 Best Hotpot Restaurants In Singapore, danielfooddiary.com

無招牌



HAWKER QSR

About Hawker QSR



- First Asian Fast Food chain in Singapore
- Target to open 1 outlet in 2018 , and 3 outlets in early 2019
- Offering Hawker-themed Burgers, Wraps etc. with an authentic local spot-on taste
- Halal
- Super Convenience with 24/7 and Delivery
- Complete dining experience with Free Wifi and Charging stations, Ipad

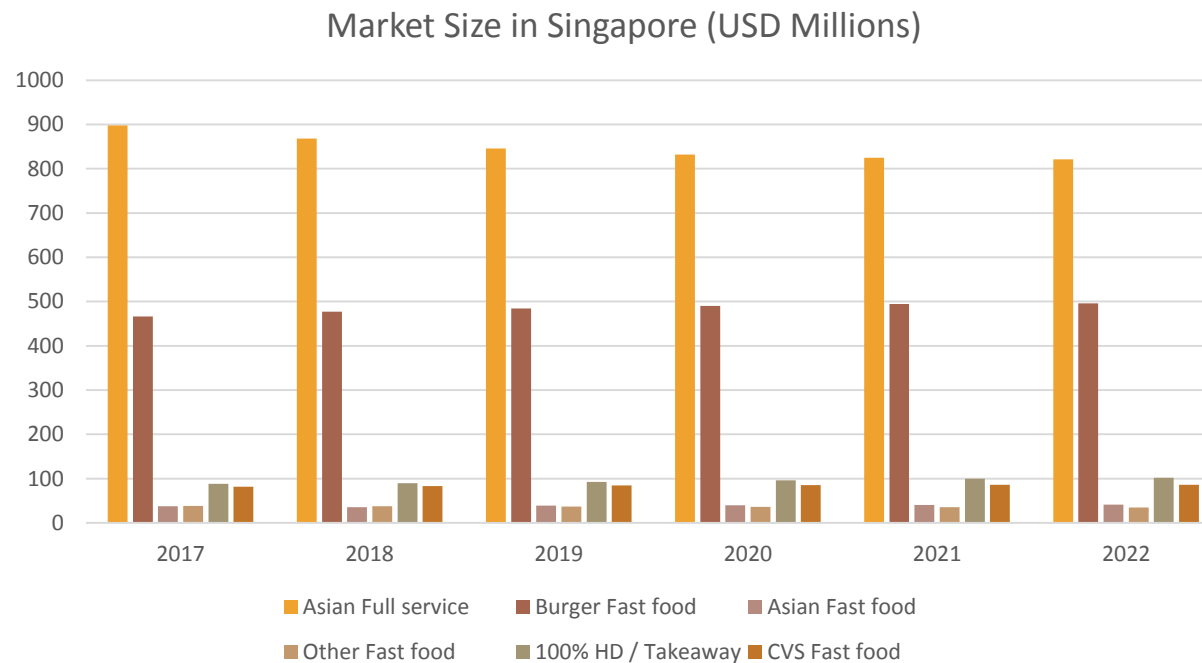


**Quick Look at
Singapore's Statistics
& Eating
Establishment
Landscape**

Fast Food Segment Growth in Singapore

Fast Food Growth in Singapore

The most obvious growth is in Home Delivery and Takeaway; We see a gradual growth in Asian Fast Food together with Burger Fast Food and Convenient stores (CVS)

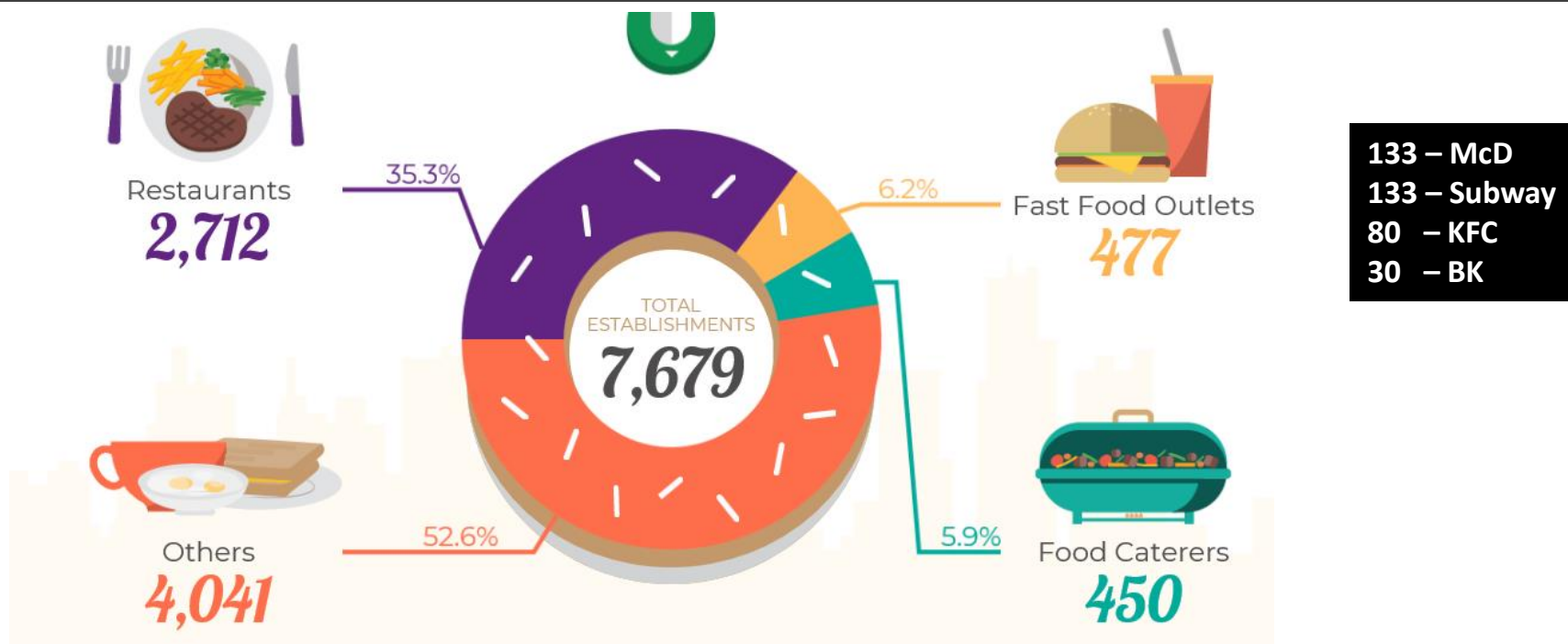


Source: Fast Food in Singapore 2017, Euromonitor

Fast Food Market in Singapore

IEO market is growing and Singaporean eat out 70-80% of their meal

6.2% of Total Eating Establishment is from Fast Food (2016)



<https://www.singstat.gov.sg/statistics/visualising-data/infographics/food-and-beverage>

Our Business Strategy

Our Big Bet



- ❖ Clear Differentiation in term of food offering among competitors
- ❖ Halal to capture the Muslim consumers
- ❖ Super Convenience with 24/7 and Home Delivery



Our Competitors and their Menu

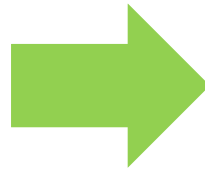
Their Strength and Core menu



Seasonal Offering



Serving Food That is Close to Singaporean's Hearts



Why Food Delivery?

- Rapid rise of food delivery business and new sales growth for F&B
- Change of consumer behavior and lifestyle
- Consumers' acceptance to food delivery and willing to pay more for the convenience
- Typical food delivery contributes about 30-50% of total sales per QSR outlet
- High demand of Fast Food orders received across Delivery vendors
- Hawker will partner with key food delivery players - Food Panda, Deliveroo and GrabFood, target to achieve 20% Delivery sales contribution for each outlet



Store Format & Capex

Standard Store

- ❖ Size : 1200 – 1500sqft with 50-80 seats
- ❖ Dessert Centre and Drive thru for suitable location
- ❖ Capex per store @ \$500k

Small Footprint Store

- ❖ Size : <1000 sqft
- ❖ Lower capex
- ❖ Targeting high traffic food courts in transport hub locations, possible tapping on their seating

Rationale for Entering the Fast Food Business



To Cater to Consumers Seeking Local Flavoured Fast Food, Convenience and Speed of Meals

To Tag on Popular Food Delivery Platforms like GrabFood, Food Panda and Deliveroo to Generate More Outside Sales Not Restricted by Seating Capacity for Dine-in Outlets

To Ride on the Growth and Volume of Food Delivery Platforms and Rising Trend Towards Asian Fast Food

To Add Diversity to the Group's Restaurant Business Portfolio and to Increase Revenue Base

To Enter Into a F&B Business that is Fast-moving & Higher Table Turnaround, Shorter Meal Times

無招牌



GLOBAL EXPANSION STRATEGY & PLANS

Franchising, Acquisitions, JVs or Strategic Alliances

Organic Overseas Expansion through Franchise Model

- To explore opportunities for collaboration with high popularity F&B brands overseas and bring the said brands into Singapore and other Southeast Asia regions through franchise model (“**Franchised Brand**”)
- At the same time, we can also use our partnership with the said brands to bring our No Signboard, Draft Beer and other upcoming brands of the Group to the overseas outlets of the Franchised Brand.
- This will strengthened our growth in terms of both sales and profitability
- Further enhance our visibility abroad and help overseas business development and expansion



Franchising, Acquisitions, JVs or Strategic Alliances

Overseas Expansion through M&A, JVs or Strategic Alliances

- Explore potential mergers, acquisitions, joint ventures or strategic alliances that will help expand existing businesses, expand into new markets or geographical area, or gain competitive advantage
- The combination of organic and inorganic growth is ideal because it can diversify the revenue base without relying on existing businesses to increase market share



Although the Company will explore all growth and expansion opportunities and projects, management will carefully study and consider before making any investment decisions to ensure that the interests of the Company and its shareholders are protected

無招牌



KEY INVESTMENT MERITS

Key Investment Merits

1

Well-Known & Established F&B Player in Singapore



2

Restaurants Are Strategically Located in High Profile Landmark Locations to Capture Human Traffic



3

Direct & Key Beneficiary of Singapore's Tourism Market



4

Cash Rich, Resilient & Sustainable Business Model



5

Diversifying & Growing Revenue Streams via Adding New Restaurants & Concepts to Portfolio



Key Investment Merits

6

Growth Phase in Company's History Driven by M&A, JVs, Strategic Alliances & Overseas Expansion Plans



7

Aspirations as an Emerging International Beer Giant through Enhanced Geographic & Local Distribution



8

Ability to Leverage on Business Partners and Platforms while Harnessing Synergies Between Business Segments



9

Dedicated, Experienced and Proven Key Management



10

Founding Family Members in Key Executive Roles to drive the Group's business forward

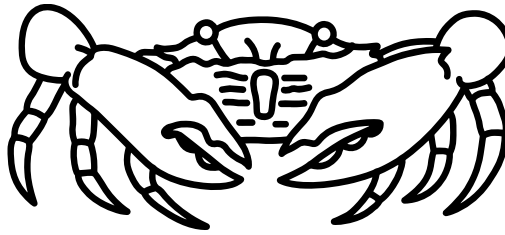


無招牌



no signboard seafood
無招牌海鮮
since 1982

Q&A



no signboard seafood

無招牌海鮮

since 1981



Contact Details:

Romil Singh / El Lee / Colin Lum

Financial PR

4 Robinson Road, #04-01, Singapore 048543

Tel: +65 6438 2990 Fax: +65 6438 0064

Website: <http://www.financialpr.com.sg>

Email: nsb@financialpr.com.sg

Thank You