

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

Response to SGX-ST Queries

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 announcement dated 1 July 2022 (the “**1 July Announcement**”) in relation to the Company’s entry into the Implementation Agreement with Gazelle Ventures Pte. Ltd. (the “**Investor**”).

Unless otherwise defined in this announcement, all capitalised terms used herein shall bear the meanings given in the 1 July Announcement.

The Company has received the following queries from the Singapore Exchange Securities Trading Limited (“**SGX-ST**”) in relation to the Implementation Agreement entered into by the Company and the Investor. Under the Implementation Agreement, the Investor will invest a sum of up to S\$5 million into the Company (the “**Investment**”). In connection with the Investment, the Company is also proposing to undertake a share consolidation of every 6 existing shares into 1 share (“**Share Consolidation**”).

The Company has set out its responses below:

QUERY 1

Out of the S\$5 million investment, S\$450K will be extended by the Investor as emergency rescue financing to the Company (the “Emergency Funding”) as a matter of priority and as an interim measure to obtain immediate and urgent short-term financing for the Company’s working capital requirements, which was announced on 25 May 2022. To-date, the Company has received S\$200,000 of the Emergency Funding.

- **Is the remaining amount of S\$250K sufficient for the Company’s current operational needs?**

Company’s response

As at the date of this announcement, the Company has 2 restaurants which are operational and revenue generating. Any cash flow shortfall which the Company’s operations cannot support will be supplemented by the Emergency Funding. Based on the current operations and cash flow projections of the Company, it is estimated that the remaining amount of S\$250,000 would be sufficient to meet current operational needs for 1 to 2 months from the time of the cash injection. As such, the Company is working towards the completion of the Restructuring Exercise so that the remaining S\$4.55 million can be invested into the Company as soon as possible. In view of this, the Company is in close and constant discussions with the Investor who has been made aware of the current cash flow situation of the Company.

QUERY 2

In the Implementation Agreement, S\$500K shall be provided by way of issuing new shares to the Investor and S\$4.5 million will be provided by way of issuing convertible redeemable preference shares (collectively, the “Proposed Subscription”). The Proposed Subscription is subject to shareholders’ approval.

The Company is also currently in the process of a court-supervised restructuring exercise which will include a scheme of arrangement with the Scheme Creditors to reorganize the Company’s liabilities and deleverage the balance sheet of the Group (the “Scheme”). The Company has appointed DHC Capital Pte. Ltd. as the IFA and Scheme Manager.

Other than subject to shareholders’ approval, the S\$5 million investment is also subject to, *inter alia* :

- Approval being obtained from the Scheme Creditors for the Scheme;
- Approval being obtained from SGX RegCo for the Company’s trading resumption proposal;
- AIP being obtained from SGX for the listing and quotation of the Subscription Shares;
- The Company remaining listed on SGX-ST.

In view of the above, please set out in details the Company’s plans and milestones and indicative timeline leading to the completion of the Proposed Subscription (including the Share Consolidation).

Company’s response

The Company’s key milestones and the indicative timeline for the completion of the Investment (including the Share Consolidation) is as follows:

Milestones	Indicative timeline
Application to Court for leave to convene the Scheme Meeting(s)	By or around 16 July 2022
Whitewash Waiver outcome from SIC	By or around 30 July 2022
Creditors’ meeting and EGM to seek Shareholders’ for approval of, amongst others: <ul style="list-style-type: none">- Scheme and the Issue of Shares to Scheme Creditors pursuant to the Scheme- Issue of the Subscription Shares and Convertible Redeemable Preference Shares pursuant to the Companies Act and the Catalist Rules (including as an interested person transaction)	By or around 30 September 2022

<ul style="list-style-type: none"> - Transfer of controlling interest to the Investor arising from the allotment and issue of the Subscription Shares and Convertible Redeemable Preference Shares - Amendment of the Constitution to reflect the rights of the holders of Convertible Redeemable Preference Shares - Share Consolidation - Whitewash Resolution - Such other transactions contemplated in connection with the Proposed Transactions 	
Court hearing to approve Scheme	By or around 20 October 2022
Moratorium end date	29 October 2022
Issuance of the Shares to the Scheme Creditors (if any), the Share Consolidation and the issuance of the Subscription Shares and Convertible Redeemable Preference Shares (i.e. the Investment) ^{1 2}	7 November 2022 ²

QUERY 3

In the event the Company is unable to complete any of the above milestones, does the Company have any backup financing plans?

Company's response

In the event that the Company is unable to complete any of the above key milestones in relation to the Proposed Transactions, the Company will discuss with the Investor on alternative options including the possibility of seeking additional funding, if available, or seek alternative sources of funding should the need arise.

¹ As disclosed in the 1 July Announcement, subject to Shareholders' approval for the relevant matters having been obtained at the EGM, the Company will proceed to first complete the issuance of Shares issued to the Scheme Creditors under the Scheme (if any), followed by the completion of the Share Consolidation, and then followed by the issuance of the Subscription Shares and the Convertible Redeemable Preference Shares. The issuance of the Subscription Shares and the Convertible Redeemable Preference Shares shall take place simultaneously.

² Subject to receipt of SGX-ST's approval for the resumption of trading of the shares on the SGX-ST and the listing and quotation notice ("**LQN**") for the shares under the Proposed Transaction.

QUERY 4

Please explain if the S\$5 million Investment will be sufficient to resolve the going concern issue for the Company, and if the Company has any other plans to help resolve its going concern issue.

Company's response

The funds from the Investment are intended to provide the Company with the required funds for working capital purposes and to settle its liabilities upon the successful implementation and completion of the Restructuring Exercise. The Company and Investor had agreed on the Investment sum of S\$5 million after detailed discussions on, *inter alia*, the business and operational needs of the Company, the financial situation of the Company and a cash flow projection prepared by the Company. Pursuant to these discussions between the Company, Investor and creditors of the Company, the Company has also commenced a court-supervised restructuring exercise which will include proposing a Scheme to its creditors to reorganize its liabilities and deleverage the balance sheet of the Group.

In view of the above and based on the current cash flow projections of the Company, the Company is cautiously optimistic that the Investment will be sufficient in meeting the working capital requirements and to operate as a going concern, while the Company works with the Investor on business and operational strategies to turn the Company around.

As at the date of this announcement and barring unforeseen circumstances, the Board is also of the same view and 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.

However, as mentioned in Query 3 above, if the Investment sum proceeds are not sufficient due to a delay in the timeline, the Company will speak to and engage discuss with the Investor on alternative options including the possibility of seeking additional funding. if available, or seek alternative sources of funding should the need arise.

The Board would like to emphasize that there is no certainty or assurance that the Proposed Transactions, including the Investment and the Share Consolidation, will be consummated or completed.

The Company will keep Shareholders of updated as and when there are further material developments in relation to the Scheme and the Proposed Transactions.

Notwithstanding that the shares in the Company have been suspended from trading since 24 January 2022, shareholders and potential investors of the Company are advised to read this announcement and any further announcements made by the Company carefully. Shareholders and potential investors of the Company 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 of the Company 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 Yong Sim (Lin Rongsen)
Executive Chairman and Chief Executive Officer

6 July 2022

*This announcement and its contents have 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**"). 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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