

**THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.**

It contains important information and should be read in its entirety. If you are in any doubt about what action you should take, you should consult your professional adviser without delay.

Further copies of this document can be obtained from the office of the Scheme Manager, DHC Capital Pte Ltd, at #43-01 UOB Plaza 1, 80 Raffles Place, Singapore 048624 during normal business hours (other than a Saturday, a Sunday or a public holiday) or upon request from the email address david.chew@dhccapital.com.

Unless otherwise defined, the distributed terms used throughout this document (the “**Explanatory Statement**”) shall bear the same meanings as defined in the Scheme of Arrangement dated 22 August 2022 enclosed herein at **Appendix A**.

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**EXPLANATORY STATEMENT**

To

**SCHEME OF ARRANGEMENT**

**PURSUANT TO SECTION 210 OF THE COMPANIES ACT 1967**

Between

**NO SIGNBOARD HOLDINGS LTD**  
(UEN No. 201715253N)

And

**ITS CREDITORS**  
(as defined in the Scheme)

The action that the Creditors should take is set out in this Explanatory Statement. As a Creditor, you are requested to complete and return the Proof of Debt Form enclosed with the Scheme in accordance with the instructions and notes contained therein.

Dated this 22nd day of August 2022

## IMPORTANT NOTICE

Explanatory Statement pursuant to Section 211 of the Companies Act 1967 explaining the effects of the Scheme of Arrangement proposed by No Signboard Holdings Ltd (the “**Company**”).

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1. This Explanatory Statement is being distributed to all Creditors (as defined in the Scheme of Arrangement (“**Scheme**”) dated 22 August 2022 enclosed herein at **Appendix A**, which collectively constitute the “**Scheme Document**”) of the Company solely for the purposes of the Scheme.
2. Nothing in this Scheme Document or any other document issued with or appended to it should be relied on for any purpose other than to make a decision with respect to the Scheme.
3. The information contained in this Scheme Document has been prepared based upon information available to the Company as of the date of the Scheme Document. The Company has taken reasonable steps to ensure that this Scheme Document contains the information reasonably necessary to enable the Creditors to make an informed decision about the effect of the Scheme on them.
4. Nothing contained in this Scheme Document shall be deemed to be a forecast, projection or estimate of the Company’s future financial performance or that of the Company.
5. Except as provided for below, this Explanatory Statement is for the exclusive use of the persons to whom it is addressed and their advisers and shall not be copied, reproduced or distributed to any other person without the prior written consent of the Company and/or the Scheme Manager. The information contained in this Explanatory Statement is confidential and provided solely for the purposes mentioned above. Recipients of this Explanatory Statement are required to keep this information confidential and use it only for the purposes of consideration of the Scheme.
6. This Explanatory Statement contains extensive and detailed information and should be read in its entirety. If you are in doubt about this document or as to the action which you should take, you should consult your financial or investment adviser, bank manager, solicitor or other professional adviser immediately. You should note that the Explanatory Statement is not intended to constitute professional advice and that you should seek your own professional advice in relation to the Scheme.
7. The actions required to be taken by Creditors are set out in this Explanatory Statement. You are asked to complete and return as soon as possible the Proof of Debt form in accordance with the instructions set out herein. Failure to take action could have consequences in respect of your rights against the Company.
8. While the Company and/or the Scheme Manager have taken reasonable care in the preparation of the information provided herein, no representation or warranty is made that the information contained herein in the Explanatory Statement and the Scheme is accurate or complete.
9. The Explanatory Statement and the proposed Scheme are to be taken as mutually explanatory of one another but in the event of any conflict or inconsistency between the Explanatory Statement and the Scheme, the terms of the Scheme shall prevail.

**10. CREDITORS' ATTENTION IS DRAWN TO CERTAIN RISKS ASSOCIATED WITH THE SCHEME AND THE RESTRUCTURING THAT ARE SET OUT IN THE EXPLANATORY STATEMENT OF THE SCHEME DOCUMENT**

**11. Important Information:**

- (a) **Date and time for lodgment of the Proof of Debt Form for the purposes of voting on the Scheme (i.e. Proof of Debt Voting Cut-Off Date): 2 September 2022, by no later than 4:00 p.m.**
- (b) **Date and time for lodgment of the Proxy Form for the purposes of voting on the Scheme (i.e. Proof of Debt Voting Cut-Off Date): 2 September 2022, by no later than 4:00 p.m.**
- (c) **Date and time for lodgment of the Proof of Debt Form for the purposes of participating in the Scheme (if not already lodged in accordance with Paragraph 11(a) of this notice) (i.e. Proof of Debt Long Stop Date): 10 October 2022, by no later than 4:00 p.m.**
- (d) **Place to submit Proof of Debt Form and Proxy Form: (a) DHC Capital Pte Ltd, #43-01 UOB Plaza 1, 80 Raffles Place, Singapore 048624 or (b) email to [david.chew@dhccapital.com](mailto:david.chew@dhccapital.com). E-mail is preferred. A confirmation e-mail will be sent to the sender to acknowledge receipt of the relevant documents sent.**

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## CONTACT DETAILS

<b>The Company</b>	No Signboard Holdings Ltd
<b>Specified Address</b>	10 Ubi Crescent, #03-02 Ubi Techpark, Singapore 408564
<b>Contact Details</b>	Tel: (65) 6749 9959
<b>Contact Persons</b>	Ms Lok Pei San

<b>The chairman of the Scheme Meeting and Scheme Manager</b>	Mr David Chew c/o DHC Capital Pte Ltd
<b>Specified Address</b>	#43-01 UOB Plaza 1, 80 Raffles Place, Singapore 048624
<b>Specified Email Address</b>	<a href="mailto:david.chew@dhccapital.com">david.chew@dhccapital.com</a>
<b>Contact Persons</b>	Mr David Chew

<b>Legal Advisors</b>	Morgan Lewis Stamford LLC
<b>Specified Address</b>	10 Collyer Quay, #27-00, Ocean Financial Centre, Singapore 049315
<b>Contact Details</b>	Tel: (65) 6389 3000
<b>Contact Persons</b>	Mr Jonathan Tang

**EXPECTED TIMETABLE**

<b>Action</b>	<b>Time / Date</b>
Proof of Debt Form for the purposes of voting on the Scheme (i.e. Proof of Debt Voting Cut-Off Date)	2 September 2022 not later than 4:00 p.m.
Proxy Form for the purposes of voting on the Scheme (i.e. Proof of Debt Voting Cut-Off Date)	2 September 2022 not later than 4:00 p.m.
Proof of Debt Long Stop Date (last day for lodgment of the Proof of Debt Form for the purposes of participating in the Scheme)	10 October 2022 not later than 4:00 p.m.
Scheme Meeting	11 October 2022 at 10:00 a.m.
Court hearing to sanction the Scheme (if approved at the Scheme Meeting)	To be announced
Scheme Effective Date	To be announced
End of Moratorium	29 October 2022

## SUMMARY OF ACTIONS TO BE TAKEN

Detailed instructions on the actions to be taken by Creditors are set out in this Scheme Document and are summarised below.

### ***Summary of actions to be taken***

Detailed instructions on the actions to be taken by Creditors are set out in Appendix A (*The Scheme*), Annex 1 (*Proof of Debt Form*) and Annex 2 (*Proxy Form*) of this Scheme Document and are summarised below:

1. Read this document as a whole, in conjunction with the documents that accompany it (including the Proof of Debt Form and Proxy Form).
2. If you are a Creditor and wish to vote in respect of the Scheme, you must complete the Proof of Debt Form set out in this Scheme Document (*Proof of Debt Forms*) and Proxy Form set out in this Scheme Document (*Proxy Forms*). Please return the completed Proof of Debt Form as soon as possible and in any event, so as to be received by 4pm (Singapore time) on 2 September 2022 (i.e. Proof of Debt Voting Cut-Off Date). Please return the completed Proxy Form as soon as possible and in any event, so as to be received by 4pm (Singapore time) on 2 September 2022 (i.e. Proof of Debt Voting Cut-Off Date). Please return the Proof of Debt Form and Proxy Form to: (a) DHC Capital Pte Ltd, #43-01 UOB Plaza 1, 80 Raffles Place, Singapore 048624 or (b) email to [david.chew@dhccapital.com](mailto:david.chew@dhccapital.com) (i.e. the Specified Email Address). E-mail is preferred. A confirmation e-mail will be sent to the sender to acknowledge receipt of the relevant documents sent.
3. If you are a Creditor and intend to participate in the Scheme and do not wish to vote in respect of the Scheme, you must complete the Proof of Debt Form set out in this Scheme Document (*Proof of Debt Forms*) and return the completed Proof of Debt Form so as to be received by 4pm (Singapore time) on 10 October 2022 (i.e. Proof of Debt Long Stop Date). Please return the Proof of Debt Form to: (a) DHC Capital Pte Ltd, #43-01 UOB Plaza 1, 80 Raffles Place, Singapore 048624 or (b) email to [david.chew@dhccapital.com](mailto:david.chew@dhccapital.com) (i.e. the Specified Email Address). E-mail is preferred. A confirmation e-mail will be sent to the sender to acknowledge receipt of the relevant documents sent.
4. Before the Scheme can become effective and binding on the Company and its Creditors, the Scheme must be approved by a majority in number representing three-fourths in value of each class of Creditors casting their votes at a meeting of the Company's creditors to be separately convened.

If you are in any doubt as to what action you should take in connection with this Scheme Document, the proposals contained in it or the documents that accompany it, you are recommended to seek professional advice immediately from your financial and/or legal adviser.

## **EXPLANATORY STATEMENT**

(In compliance with Section 211 of the Companies Act, Chapter 50 of Singapore  
(the "**Companies Act**")

To: The Creditors

Dear Sir/Madam,

### **1. INTRODUCTION**

- 1.1 Capitalised terms used herein shall unless otherwise defined have the same meaning attributed to them under the Scheme.
- 1.2 This Explanatory Statement is issued pursuant to Section 211 of the Companies Act 1967. The purpose of this Explanatory Statement is to explain the background and effect of the Scheme on which the approval of the Court will subsequently be sought.
- 1.3 Please note that this Explanatory Statement does not form the basis of the legal contract between the Company and the Creditors. The legally binding contract between the Company and the Creditors in the event the proposed scheme of arrangement is approved is the Scheme. This Explanatory Statement has been prepared on a best efforts basis, without any warranty as to the accuracy or completeness of the information provided herein. The Scheme Manager reserve the right to amend or supplement this Explanatory Statement and/or the information contained herein.
- 1.4 This Explanatory Statement is for the exclusive use of the Creditors to whom it is addressed and their advisers and shall not be copied, reproduced or distributed to any other person without the prior written consent of the Company. The information contained in the Explanatory Statement is confidential and provided solely for the purposes mentioned above. Recipients of this Explanatory Statement are required to keep this information confidential and use it only for the purposes of considering the Scheme.

### **2. GENERAL BACKGROUND**

#### **2.1 What is a Scheme of Arrangement?**

Under Singapore law, a scheme of arrangement of the kind proposed here is an arrangement provided for under Section 210 of the Companies Act to take effect between a company and its creditors.

A scheme of arrangement becomes legally binding on all creditors to whom it is intended to apply if:

- 2.1.1 it is approved by a majority in number (over 50%) and representing at least three-fourths (that is, 75%) in value of each class of creditors, voting in person or by proxy, have voted in favour of the scheme of arrangement;
- 2.1.2 the Court subsequently approves the scheme of arrangement; and
- 2.1.3 a sealed copy of the order of Court sanctioning the scheme of arrangement is lodged with the Registrar of Companies.

Once a scheme of arrangement becomes legally binding, it will bind the company and all the scheme creditors according to its terms, including those scheme creditors who did not vote on the scheme or who voted against it.

## 2.2 What are Creditors required to do?

- 2.2.1 A meeting of the Company's Creditors will be convened, whereby each Creditor will have the opportunity to vote on the terms of the proposed Scheme of Arrangement in accordance with the value of its debt owed to it by the Company.
- 2.2.2 There is enclosed in **Annex 1 of the Scheme** a Proof of Debt to be submitted to the Scheme Manager at the Specified Address / the Specified Email Address in respect of a Creditor's Claim. There is also enclosed in **Annex 2 of the Scheme** a Proxy Form to be submitted to the Scheme Manager at the Specified Address / the Specified Email Address.
- 2.2.3 If you are a Creditor and wish to vote in respect of the Scheme, you must complete the Proof of Debt Form and submit it to the Scheme Manager by the Proof of Debt Voting Cut-Off Date (that is, not later than 4:00 p.m. on 2 September 2022). If a Creditor wishes to appoint a proxy to vote on his or her behalf at the Scheme Meeting, the Creditor should complete the Proxy Form and return the Proxy Form together with the Proof of Debt Form to the Scheme Manager by the Proof of Debt Voting Cut-Off Date (that is, not later than 4.00 pm on 2 September 2022).
- 2.2.4 The latest the Proof of Debt Form can be submitted to the Scheme Manager at the Specified Address / the Specified Email Address is the Proof of Debt Long Stop Date (that is, 4.00 pm on 10 October 2022 being the date immediately prior to the Scheme Meeting).
- 2.2.5 Please note that failure to return the Proof of Debt by the Proof of Debt Long Stop Date will result in the Creditor being deemed to have irrevocably, unconditionally and permanently waived (i) its right to vote on the Scheme; and (ii) its right to any distribution, payment or benefits under this Scheme. Any Claim of a Creditor against the Company which is not lodged by the Creditor on or before the Proof of Debt Long Stop Date shall be forever waived, released, discharged and extinguished and the Creditor shall not have any rights, interests and claims whatsoever against the Company in respect of such Claim.

## 2.3 Background

- 2.3.1 The Company is a company listed on the Catalist Board of the SGX-ST ("**SGX**"). It is principally engaged in (a) the restaurant business; and (b) the beer business, which promotes and distributes the Draft Denmark brand of beer.
- 2.3.2 The Company was incorporated in Singapore on 1 June 2017 under the name "No Signboard Holdings Pte. Ltd.". On 6 November 2017, the Company was converted into a public company limited by shares with the name changed to "No Signboard Holdings Ltd".
- 2.3.3 The Company is an investment holding company and sits at the top of a chain of



wholly-owned subsidiaries (collectively, the “**Group**”). Notably, two of its wholly-owned (whether directly or indirectly) subsidiaries, NSB Hotpot Pte Ltd (“**NSB Hotpot**”) and NSB Restaurants Pte Ltd (“**NSB Restaurants**”) are operating subsidiaries that operate the Company’s two operating restaurants. NSB Hotpot and NSB Restaurants are also proposing separate schemes of arrangements to their own creditors, which will be interlinked with the proposed Scheme to be proposed to the Creditors set out at Annex A herein.

*Financial position of the Company*

2.3.4 The Company has no secured creditors. As at 26 April 2022 (i.e. shortly before the Company’s application for moratorium relief in HC/OA 90/2022), the Company had a total sum of cash-at-bank held in accounts with OCBC of SGD 229,808.73.

2.3.5 As at 13 May 2022, the total quantum of the Company’s debt was SGD 1,519,501.09 (“**Total Liabilities**”). The Company’s top twenty creditors are as follows:

Table 1

S/No.	Creditor Name	Debt (SGD)
1.	Gibson, Dunn & Crutcher LLP	275,514.63
2.	Ernst & Young LLP	196,366.40
3.	The Esplanade Co Ltd	151,482.10
4.	Jim Foods Supplier	88,903.87
5.	WongPartnership LLP	80,673.76
6.	Eunoia Pte Ltd	68,306.13
7.	Foo Kon Tan Advisory Services Pte Ltd	63,665.00
8.	Alric Projects Pte Ltd	62,400.00
9.	Type A Pte Ltd	57,149.47
10.	PrimePartners Corporate Finance Pte Ltd	52,809.68
11.	Link Work Studio Pte. Ltd.	44,709.78
12.	Wong Tan & Molly Lim LLC	38,855.21
13.	First Tech Electrical Pte Ltd	36,915.00
14.	Pacificlight Energy Pte Ltd	24,231.68
15.	Wtml Management Services Pte Ltd	20,696.39
16.	RSM Corporate Advisory Pte Ltd	19,286.75

S/No.	Creditor Name	Debt (SGD)
17.	EY Corporate Advisors Pte Ltd	18,030.57
18.	Peter Seafood Supplier	17,578.16
19.	Tan Siang Kim Vegetable & Fruits Supplier	17,087.80
20.	Deloitte & Touche LLP	14,406.48

*Poor financial performance and suspension of trading*

2.3.6 COVID-19 negatively affected the Company and the Group. The Company and the Group has faced and continues to face significant challenges in both maintaining its operations (while hemorrhaging operational costs) as well as its share price, which has fallen significantly since the onset of the COVID-19 pandemic.

2.3.7 The Group's restaurants rely heavily on tourist income, especially those from the PRC. Since the onset of travel restrictions due to COVID-19, this source of revenue generation has significantly declined. As a result, the Company and the Group closed all three of the Group's No Signboard Seafood restaurants, the latest being the closure of the outlet at the Esplanade Mall, among other things.

*HC/OA 90/2022*

2.3.8 On 29 April 2022, *vide* HC/OA 90/2022, the Company filed for *inter alia* moratorium relief under HC/OA 90/2022 ("**OA 90**"). At the same time, the Company also sought orders for super-priority for rescue financing to be granted to it under Section 67 of the Insolvency, Restructuring and Dissolution Act 2018 *vide* HC/SUM 1712/2022 ("**SUM 1712**") filed in OA 90.

2.3.9 The substantive reliefs sought in OA 90 and SUM 1712 were granted by the Honourable Justice Pang Khang Chau at the hearing of the same on 26 May 2022. The moratorium under the orders expires on 29 October 2022.

### 3. SALIENT TERMS OF THE SCHEME

#### 3.1 Scheme Overview

3.1.1 Under the Scheme, the Participating Creditors will have the choice of two options to fully settle their Approved Claim:

3.1.1.1 "**Option 1**" – the payment in cash by the Company to the Participating Creditor of 15% of their Approved Claim ("**Cash Distribution**");

3.1.1.2 "**Option 2**" – the issue of shares ("**Scheme Shares**") in the Company equivalent in value to 50% of their Approved Claim. The Scheme Shares thus issued will be subject to a moratorium on sale for a period of 1 year.

3.1.2 In consideration whereof, the Participating Creditor will agree that its claim against

the Company is fully and finally settled and compromised, and releases the Company from all liability attaching or arising thereto in relation to the Approved Claim. The Participating Creditor will also agree not to bring any proceedings against the Company arising from or in relation to the Approved Claim.

### 3.2 Creditors and Participating Creditors

3.2.1 The Scheme shall apply to all Creditors, including inter-company creditors and related entity creditors (e.g. entities related to directors, employees and shareholders of the Company) and excluding Excluded Creditors. However, only Participating Creditors shall be entitled to receive payment under the terms of the Scheme.

3.2.2 A “Creditor” is defined as a creditor of the Company, including, for the avoidance of doubt, inter-company and related-entity creditors. A “Participating Creditor” is defined as a Creditor with an Approved Claim, and the debt shall form part of the Company’s Scheme Liabilities.

### 3.3 Claims

3.3.1 A “Claim” is defined as a claim of a Creditor against the Company or any portion thereof arising from or relating to contracts or transactions entered into with the Company (whether the claim is present or contingent or whether liquidated or sounding only in damages).

3.3.2 An “Approved Claim” is defined as the Claim of a Creditor against the Company to the extent admitted by the Scheme Manager pursuant to Clause 5.3 of the Scheme, or established by the Creditor in proceedings in accordance with Clause **Error! Reference source not found.** of the Scheme.

### 3.4 The Noel Investment

3.4.1 The Company has entered into an agreement (the “**Implementation Agreement**”) with Gazelle Ventures Pte Ltd (“**GV**” or the “**Investor**”). The Implementation Agreement was signed on 30 June 2022.

3.4.2 The Implementation Agreement governs and sets out the salient terms of the agreement between the Company and GV for the investment (the “**Noel Investment**”) of up to SGD 5,000,000 (the “**Full Investment Amount**”) by GV into the Company. The Full Investment Amount comprises the following components:

3.4.2.1 an initial amount of SGD 500,000 (the “**Consideration Subscription Amount**”) by way of a subscription of new shares in the Company (“**Shares**”) to be allotted and issued by the Company to the Investor (the “**Subscription**”); and

3.4.2.2 the remaining SGD 4,500,000 (the “**Additional Investment Amount**”) by way of a subscription of convertible redeemable preference shares (the “**CRPS Subscription**”).

3.4.3 Of the Consideration Subscription Amount, an initial amount of up to SGD 450,000 (“**Emergency Funding**”) will be extended to the Company on a super-priority basis

pursuant to the Company's successful application for enhanced priority on repayment of the Emergency Funding in SUM 1712.

- 3.4.4 Following the Completion of the Subscription, the Investor would hold 75% of the enlarged share capital of the Company. The Subscription will only be completed after the issue of the Scheme Shares under the Scheme to the Participating Creditors who have opted to compromise their debts by Option 2 of the Scheme.
- 3.4.5 Under the terms of the CRPS Subscription in the Implementation Agreement, GV has agreed to subscribe for, and the Company has agreed to allot and issue to the Investor, 145,000,000 convertible redeemable preference shares ("**Convertible Redeemable Preference Shares**") at an issue price of SGD 0.031 per Convertible Redeemable Preference Share (the "**CRPS Issue Price**"), in consideration for the Additional Investment Amount of SGD 4,500,000.
- 3.4.6 The Convertible Redeemable Preference Shares may be converted at GV's election into Shares in the Company ("**Conversion Shares**"), with such number of Conversion Shares to be determined as follows (the "**Formula**"):

$$\text{Number of Conversion Shares} = (A \times C) / B$$

Where:

A = CRPS Issue Price

B = S\$0.031 (the "**Conversion Price**"), which has been determined after taking into account, *inter alia*, the price per Share pursuant to completion of the Share Consolidation (as defined below); and

C = Number of Convertible Redeemable Preference Shares to be converted.

- 3.4.7 The Conversion Shares, when allotted and issued, will be validly issued and fully paid Shares which shall be free from all claims, mortgages, charges, liens and other encumbrances whatsoever and shall rank *pari passu* in all respects with the existing Shares, except that they will not rank for any dividend, right, allotment or other distributions, the record date for which falls before the date of allotment and issue of such Shares.
- 3.4.8 GV may elect to convert all of the Convertible Redeemable Preference Shares into Conversion Shares in accordance with the Formula, on or prior to the 2nd anniversary of the completion date ("**Completion Date**") of the Implementation Agreement ("**Conversion Period**") by giving at least 15 days' written notice to the Company (the "**Conversion Notice**").
- 3.4.9 The Convertible Redeemable Preference Shares shall not have any voting rights, are not transferable, and will not be listed.

### 3.5 **Conditions Precedent**

The Scheme is subject to the following conditions precedent being met (to be read collectively

as follows):

**Conditions Precedent Relating to the Court Proceedings**

- 3.5.1 the Court-ordered moratorium in OA 90 remaining in place until 29 October 2022 and any subsequent application for the extension of the said moratorium is approved by the Court;
- 3.5.2 leave being granted by the Court to convene a meeting (the “**Scheme Meeting**”) of the Company’s Creditors under Section 210(1) of the Companies Act;
- 3.5.3 the Participating Creditors at the Scheme Meeting having approved the terms of the Scheme;
- 3.5.4 the approval by the creditors of NSB Hotpot and NSB Restaurants in their respective schemes of arrangement to be proposed to their creditors pursuant to separate scheme creditors’ meetings held under Section 210(1) of the Companies Act;
- 3.5.5 the sanction by the General Division of the High Court in relation to the Scheme, and the corresponding sanctions to be obtained for the respective schemes of NSB Hotpot and NSB Restaurants;
- 3.5.6 a copy of the order of Court made under subsection 210(3AB)(c) of the Companies Act 1967 is lodged with the Registrar;

**Conditions Precedent Before the Scheme Effective Date**

- 3.5.7 the execution of the Implementation Agreement;
- 3.5.8 the completion of financial, legal and other due diligence on the Group and the results of such due diligence being reasonably satisfactory to the Investor;
- 3.5.9 approval for (i) the Scheme, (ii) the Subscription and the allotment and issue of the Subscription Shares, (iii) the appointment of 2 directors nominated by the Investor to the Board of the Company, (iv) the CRPS Subscription and the allotment and issue of the Convertible Redeemable Preference Shares, (v) the amendment of the Company’s constitution (“**Constitution**”) as required to reflect the provisions of the Implementation Agreement (including but not limited to the rights of the holders of Convertible Redeemable Preference Shares), (vi) the transfer of controlling interest resulting from the allotment and issue of the Subscription Shares and the Convertible Redeemable Preference Shares, (vii) such other transactions contemplated in connection with the Scheme and the Investment having been obtained from Shareholders at an EGM to be convened, including but not limited to the Share Consolidation (as defined below) and any approval required pursuant to Rule 811 of the Listing Manual in the event that the issue price for the Subscription Shares or the CRPS is at a discount exceeding 10% of weighted average price for trades done on the SGX-ST for the full market day of the date of the Implementation Agreement and/or the Conversion Price for the Convertible Redeemable Preference Shares is at more than 10% discount to the prevailing market price of the Shares prior to the signing of the Implementation Agreement;

- 3.5.10 the Constitution having been amended as required to reflect the provisions of the Implementation Agreement, including but not limited to the rights of the holders of Convertible Redeemable Preference Shares, and the amended Constitution to be adopted by the Company in a form acceptable to the Parties on or prior to the Completion Date;
- 3.5.11 approval for the waiver of their rights to receive a mandatory general offer from the Investor and its concert parties for the remaining Shares not already owned or controlled by the Investor and its concert parties arising from and in connection with the Investor's subscription of the Subscription Shares and Convertible Redeemable Preference Shares ("**Whitewash Resolution**") having been obtained from Shareholders who are deemed independent for the purpose of voting on the Whitewash Resolution ("**Independent Shareholders**") at an EGM to be convened;
- 3.5.12 the SIC having granted the Investor and its concert parties a whitewash waiver of the obligation of the Investor and its concert parties to make a mandatory general offer under Rule 14 of the Singapore Code on Take-overs and Mergers (the "**Take-over Code**") for the remaining Shares not already owned or controlled by the Investor and its concert parties arising from or in connection with the Investor's subscription of the Subscription Shares and Convertible Redeemable Preference Shares (the "**Whitewash Waiver**") and the Whitewash Waiver not having been revoked or amended as at the Completion Date and, where such Whitewash Waiver is subject to conditions, such conditions being reasonably acceptable to the Investor;
- 3.5.13 the termination of all other agreements, arrangements or transactions with any third party, in relation to any funding, rescue funding, white knight arrangements, and any investments or acquisition of Shares in the Company within a time period which is acceptable by the Investor in its sole discretion (acting reasonably), and/or the provision of undertakings to similar effect;
- 3.5.14 any third party, regulatory or tax consents or approvals necessary for the Scheme and the Investment having been obtained and not withdrawn, including but not limited to any approval from statutory authorities, the Company's Sponsor, the SGX-ST and the SIC, and such consents and approval remaining in full force and effect;
- 3.5.15 approval for the resumption of trading of the Shares on the SGX-ST being obtained from the SGX-ST and such approval not having been revoked or amended as at the Completion Date and, where such approval is subject to conditions, such conditions being reasonably acceptable to the Investor;
- 3.5.16 approval in-principle for the listing and quotation of the Subscription Shares on the Catalist of the SGX-ST being obtained from the SGX-ST and such approval not having been revoked or amended as at the Completion Date and, where such approval is subject to conditions, such conditions being reasonably acceptable to the Investor;
- 3.5.17 there being no material adverse change in the business, operations, assets, position, profits or prospect of the Group between the date of the Implementation Agreement and the Completion Date;
- 3.5.18 the Company remaining listed on the SGX-ST and there being no notice or proposal

for the delisting of the Company; and

3.5.19 the Noel Investment not being prohibited, materially restricted or materially delayed by any statute, order, rule, regulation or directive by any legislative, executive or regulatory body or authority which is applicable to any party to the Investment.

### 3.6 **Classification of Creditors in the Scheme**

3.6.1 All of the Company's Participating Creditors shall be voting in one class.

### 3.7 **Excluded Creditors**

3.7.1 The following Creditors of the Company will be excluded from the operation of the Scheme:

3.7.1.1 Amounts owed and accruing to employees of the Company (including CPF contributions as and where applicable) and the Company's independent non-executive directors;

3.7.1.2 Essential suppliers of food and produce necessary for the continued operation of the Company's two restaurants run by NSB Hotpot and NSB Restaurants;

3.7.1.3 Creditors owed operating or other similar costs and expenses incurred after the Ascertainment Date (as defined in the Scheme);

3.7.1.4 Professional fees incurred in relation to the preparation of, implementation of, and entry into the Scheme;

3.7.1.5 The Overseas Chinese Banking Corporation Ltd; and

3.7.1.6 Gazelle Ventures Pte Ltd in respect of the Emergency Funding.

### 3.8 **Distribution under the Scheme**

The Participating Creditors will agree to compromise their claims under the Scheme in consideration for receiving the following distribution under the terms of the Scheme:

3.8.1 The payment of the Cash Distribution by the Company to the Participating Creditor of 15% of Approved Claim, i.e. Option 1; or

3.8.2 The issue of Scheme Shares in the Company equivalent in value to 50% of Approved Claim. The Scheme Shares thus issued will be subject to a moratorium on sale for a period of 1 year, i.e. Option 2.

3.8.3 Option 1 will be funded by the Additional Investment Amount. The Participating Creditors will be paid the cash component within 28 days from the Effective Date of the Scheme.

3.8.4 The Scheme Shares will be ordinary shares of the Company and will rank *pari passu* in all respects with the other ordinary shares in the share capital of the Company. The conversion price of the Scheme Shares to be issued will be SGD 0.031, being the

last traded share price before the suspension of trading of the Company on 24 January 2022.

3.8.5 If the Participating Creditor does not indicate a preference within the Proof of Debt, the Participating Creditor will be deemed to have expressed a preference to be issued Scheme Shares under Option 2

3.8.6 The Scheme Shares will be subject to a moratorium on the disposal of the Scheme Shares (whether on the open market or otherwise) for a period of 1 year.

### 3.9 **The Investor**

3.9.1 The Investor is Gazelle Ventures Pte Ltd.

### 3.10 **Key Timelines for the Scheme**

3.10.1 **Proof of Debt Voting Cut-Off Date (last day for lodgment of the Proof of Debt Form and the Proxy Form for the purposes of voting in the Scheme):** 2 September 2022 not later than 4:00 pm.

3.10.2 **Proof of Debt Long Stop Date (last day for lodgment of the Proof of Debt Form for the purposes of participating in the Scheme):** 10 October 2022 not later than 4:00 pm.

3.10.3 **Scheme Meeting:** 11 October 2022 at 10:00 a.m.

3.10.4 **Court hearing for the sanction of the Scheme:** To be announced.

3.10.5 **Scheme Effective Date:** To be announced.

3.10.6 **End of Moratorium:** 29 October 2022

### 3.11 **Discharge and Extinguishment of Claims**

3.11.1 Unless otherwise expressly provided for in the Scheme, each Participating Creditor shall accept the payments under the Scheme and/or the issuance of Scheme Shares under the terms of the Scheme in full satisfaction and complete discharge of all Claims and all interest, costs, charges, fees and expenses incurred in connection therewith.

3.11.2 Upon receiving the consideration under the Scheme, all Claims and any and all liabilities accruing to the Creditors shall forever be waived, released, discharged and extinguished and each Creditor shall surrender its rights to collect any and all sums allegedly owing from the Company to each Creditor irrespective of whether a Claim has been submitted, such claim has been adjudicated, or otherwise.

### 3.12 **Interest**

3.12.1 All claims for any interest (whether contractual, default, penalty or otherwise), costs, fees and expenses accruing after the Ascertainment Date arising from, in connection with or relating to any Claims shall not be payable by the Company.



3.12.2 Upon Completion, all such claims for interest, costs, fees and expenses after the Ascertainment Date shall be waived by the Creditors and shall be deemed to be forever extinguished.

### 3.13 **Termination of the Scheme**

3.13.1 The Scheme shall terminate immediately and absolutely upon any events set out in Clause 9 of the Scheme.

3.13.2 Unless expressly stated otherwise in the Scheme, in the event of any breach or non-compliance of any terms of the Scheme, the Company shall rectify such breach or non-compliance within thirty (30) Business Days from the date of such breach or non-compliance. No breach of the Scheme shall be regarded as having occurred if rectified within such time period.

## 4. **RATIONALE FOR THE SCHEME**

4.1 The Scheme is proposed as part of the Company's, NSB Hotpot's, and NSB Restaurants' collective efforts to restructure their existing debts. The restructuring is key to and a condition precedent of the Noel Investment, which will see the injection of up to SGD 5 million to support the Company's continued operations and expansion of its business.

4.2 In securing the Noel Investment, the Company hopes to settle all outstanding claims and move forward in a new direction under the Investor's majority shareholding.

## 5. **ACTIONS TO BE TAKEN IN IMPLEMENTING THE SCHEME**

### 5.1 **Convening of a Meeting of the Company's Creditors**

5.1.1 The Company has applied for leave to convene a meeting of the Company's Creditors ("**Scheme Meeting**") in order for them to vote on the terms of the Scheme.

5.1.2 Once the Scheme Meeting has been convened, the outcome of the Scheme Meeting will be reported to the Court.

5.1.3 Following this, should the terms of the Scheme find statutory approval from the Company's Creditors, the Company shall apply for the Court's approval of the Scheme pursuant to Section 210(4) of the Companies Act 1967, with such date to be announced in due course.

### 5.2 **Proof of Debt and Proxy**

5.2.1 Creditors who wish to vote in the Scheme must first submit a Proof of Debt in respect of their Claims to the Scheme Manager at the Specified Address or via the Specified Email by the Proof of Debt Voting Cut-Off Date.

5.2.2 All Proofs of Debt must be submitted by the Proof of Debt Long Stop Date (i.e. one business day before the Scheme Meeting).

5.2.3 **Any Creditor who fails to submit a Proof of Debt on or before the Proof of Debt**

**Voting Cut-Off Date shall not be entitled to vote (subject to the chairman of the Scheme Meeting discretion). Any Creditor who fails to submit a Proof of Debt on or before the Proof of Debt Long Stop Date shall not be entitled to participate in the Scheme.**

5.2.4 Creditors who wish to appoint a proxy to vote on his or her behalf at the Scheme Meeting should complete the Proxy Form and return the Proxy Form together with the Proof of Debt Form to the Scheme Manager at the Specified Address or via the Specified Email by the Proof of Debt Voting Cut-Off Date.

### **5.3 Adjudication of Proofs of Debt**

5.3.1 The Proofs of Debt shall be adjudicated by the Scheme Manager for the purposes of determining the Approved Claims. The adjudication shall be carried out as follows:

5.3.1.1 The Scheme Manager shall be entitled to have regard to all relevant information whether supplied by the Creditor or otherwise made available to the Scheme Manager, and where applicable, be entitled to set-off any mutual credits, mutual debits or other mutual dealings between the Company and any Creditor such that only the balance shall be used for the purposes of calculating and determining the value of such Creditor's Claim and/or Approved Claim (if any).

5.3.1.2 By twenty-eight (28) days before the Scheme Meeting, the Scheme Manager shall complete the adjudication of all the proofs of debt filed by Creditors for the purposes of voting at the Scheme Meeting, and send in writing the results of adjudication of the Proofs of Debts to every Creditor who has filed a Proof of Debt for the purposes of voting at the Scheme Meeting.

5.3.1.3 Any Disputing Creditor objecting to the decision of the Scheme Manager as regards its Claim or the value of its Approved Claim (if any):

5.3.1.3.1 shall not later than fourteen (14) days before the date of the Scheme Meeting, send a written request to the Scheme Manager at the Specified Address seeking agreement for the appointment of an Independent Assessor; or

5.3.1.3.2 shall not later than fourteen (14) days before the date of the Scheme Meeting, make an application to the Court for the appointment of an Independent Assessor pursuant to Section 68(9)(b) of the IRDA; and

5.3.1.3.3 shall comply with such determination on costs or order for costs in respect of all costs and expenses incurred and determined to be payable by that Creditor in relation to, pursuant to or arising from such dispute resolution proceedings or application to the Court to determine the dispute;

5.3.1.3.4 agrees that any amount of costs and expenses payable by the Company pursuant to a determination of or an order for costs in relation to or arising from such dispute resolution proceedings or application to the Court to determine the dispute, shall be added

to the Approved Claim of the Creditor to be dealt with in accordance with the terms of the Scheme; and

5.3.1.3.5 agrees that the Scheme Manager shall not be liable to that Creditor for any and all costs, fees and expenses incurred by that Creditor in disputing such decision or determination and in relation to or arising from its commencement of dispute resolution proceedings or application to the Court.

5.3.2 Any Creditor who fails to comply with the above provisions shall be deemed to have admitted and accepted the decision or determination of the Scheme Manager as regards its Claim in its Proof of Debt and the amount(s) of its Approved Claim.

5.3.3 Each Creditor shall promptly provide the Scheme Manager with all such information and documents requested by the Scheme Manager (as the case may be) which are relevant to its Claim in its Proof of Debt, or to the determination of the amount of its Approved Claim (if any).

#### 5.4 **Approval by the Court**

5.4.1 Provided that the Scheme is approved by the requisite majority of Creditors at the Scheme Meeting, Creditors are also entitled to attend the hearings of the application to the Court to approve the Scheme.

5.4.2 Creditors will be informed of the hearing of the application to the Court to approve the Scheme and will be provided with the relevant court papers upon request.

5.4.3 The Company may consent to any modification of or addition to the Scheme of any condition which the Court may think fit to approve or impose.

5.4.4 When the Scheme becomes effective and binding on the Commencement Date, it will be binding on all Creditors (including Creditors who fail to submit a Proof of Debt on or before the Proof of Debt Long Stop Date in accordance with the terms of the Scheme) whether or not a Creditor voted in favour or against, or abstained from the vote to approve the Scheme.

5.4.5 On the completion of the Conditions Precedent, the Scheme shall become effective on the Scheme Effective Date and the terms of the Scheme as set out at *inter alia* paragraphs 3.8 to 3.13 above shall apply (i.e. the distribution as contemplated at paragraph 3.8 above shall only commence on the Scheme Effective Date (and not the Commencement Date)).

#### 6. **LIQUIDATION SCENARIO**

6.1 DHC Capital Pte Ltd ("**DHC Capital**") was engaged by the Company to prepare an analysis of the potential realization of the Company's assets in a liquidation scenario. Based on DHC Capital's analysis, the expected recovery to unsecured creditors of the Company in the event of the Company's liquidation will be nil. Accordingly, the Company considers that the adoption of the proposed Scheme by the Creditors would result in a greatly increased realization for the Creditors than would be achieved should the Company be wound up and would represent the best available outcome for Creditors. Annexed hereto at **APPENDIX B** is a copy of the

liquidation analysis prepared by DHC Capital.

## **7. RISK FACTORS**

- 7.1 In considering whether to vote in favour of the Scheme, each Creditor should carefully consider all the information contained in this document in particular the matters set out herein. This summary of risk factors is not exhaustive and Creditors should also consider all other risks relevant in the circumstances.
- 7.2 Even if the appropriate level of support is obtained from the Creditors (which cannot be assured), approval of the Scheme is at the discretion of the Court. Whilst the Company believes that the relevant statutory formalities have been complied with, the Court could determine that the information contained in the Scheme document is inadequate, that the solicitation of votes was improper due to the inadequacy of disclosure or for other reasons, and/or could determine that the Scheme fails to meet various other requirements, and require amendments or modifications which might not be acceptable to the Company or the Creditors or may not be accomplished in a timely manner. The Court could also differ from the selection and/or classification of creditors of the Company as Creditors.
- 7.3 Further, appeals or requests for other reviews in respect of the Scheme and appeals against the Order of Court sanctioning the Scheme could delay the effectiveness of the Scheme.
- 7.4 The success of the Scheme is also subject to the conditions precedent referenced in paragraph 3.5 herein being met.

## **8. CONCLUSION AND RECOMMENDATION**

- 8.1 The proposed Scheme, if approved and implemented, will allow the Creditors of the Company to obtain a recovery in the proportion set out in the Scheme, and would result in a better recovery for the Company's Creditors than should the Company be wound up.
- 8.2 Accordingly, the Company recommends that the Creditors vote in favour of the Scheme.

Dated this 22nd day of August 2022

Yours faithfully,  
**The Board of Directors**  
**No Signboard Holdings Ltd**

**APPENDIX A**

**SCHEME OF ARRANGEMENT**

**SCHEME OF ARRANGEMENT**

**PURSUANT TO SECTION 210 OF THE COMPANIES ACT 1967**

Between

**NO SIGNBOARD HOLDINGS LTD**  
(UEN No. 201715253N)

And

**ITS CREDITORS**  
(as defined in the Scheme)

22 August 2022

## 1. Definitions

- 1.1 In this Scheme, except where the context or subject matter otherwise indicates or requires, words shall have the same meaning attributed to them by the Companies Act (Cap. 50) (the “**Act**”) and/or the Insolvency, Restructuring and Dissolution Act 2018 (where applicable) (the “**IRDA**”).
- 1.2 Words denoting the singular number only shall, where applicable, include the plural number and *vice versa*, and words denoting persons only shall, where applicable, include firms and corporations.
- 1.3 Words importing any gender shall, where applicable, include the other gender and references to any person shall, where applicable, include that person’s successor and permitted assigns.
- 1.4 Any reference to a statutory provision shall include such provision and any regulations made in pursuance thereof as may from time to time be modified or re-enacted whether before or after the date of this Scheme.
- 1.5 Any reference in this Scheme to a time of day shall be a reference to Singapore time, unless otherwise stated.
- 1.6 The following words and phrases in this Scheme (as defined below) shall have the meanings set out opposite them:

<b>Word/Phrase</b>	<b>Definition</b>
“ACRA”	The Accounting and Corporate Regulatory Authority of Singapore.
“Act”	The Companies Act, Chapter 50 of Singapore, as amended or modified from time to time.
“Additional Investment Amount”	SGD 4,500,000
“Approved Claim”	The Claim of a Creditor against the Company to the extent admitted by the Scheme Manager pursuant to Clause 5.3 of the Scheme, or established by the Creditor in proceedings in accordance with Clause <b>Error! Reference source not found.</b> of the Scheme.
“Ascertainment Date”	Means 29 April 2022
“Business Day”	A day (other than a Saturday or Sunday or public holiday) on which commercial banks are open for business in Singapore.
“Cash Distribution”	As defined at 3.12.1.
“Catalist”	The Catalist Board of the SGX-ST.

“Catalist Rules”	The Catalist Rules issued by the SGX-ST.
“Commencement Date”	The date on which the Scheme, if approved, becomes effective and binding in accordance with the Act, save that in the event of an appeal against the Court’s approval of the Scheme, the Commencement Date shall be such date as the Court of Appeal of the Republic of Singapore may determine for the purpose of the Scheme upon the disposal of such appeal.
“Consideration Subscription Amount”	SGD 500,000
“Claim”	The claim of a Creditor against the Company (which is not an Excluded Claim) arising out of any contract or transaction, act or omission of the Company occurring on or before the Ascertainment Date, including any interest, default interest, fees, commissions and penalties arising out of such claim, whether the claim be actual, present, future or contingent or whether liquidated or sounding only in damages, and whether in contract or tort or howsoever arising).
“Companies Regulations”	The regulations promulgated under the Act.
“Company”	No Signboard Holdings Ltd
“Companies Act”	The Companies Act 1967.
“Completion”	The date on which all of the Company’s liabilities and obligations in respect of all Approved Claims are fully discharged in accordance with the provisions of this Scheme.
“Constitution”	The Constitution of the Company.
“Conversion Shares”	Shares issued to the Investor following its election to convert the CRPS into shares in the Company. Conversion Shares will be validly issued and fully paid Shares which shall be free from all claims, mortgages, charges, liens and other encumbrances whatsoever and shall rank <i>pari passu</i> in all respects with the existing Shares, except that they will not rank for any dividend, right, allotment or other distributions, the record date for which falls before the date of allotment and issue of such Share.
“Court”	The General Division of the High Court of the Republic of Singapore.

“Court Order”	The order of Court approving the Scheme.
“Court Proceedings”	The Company’s applications in HC/OA 90/2022 and its application for leave to convene a meeting of its creditors under Section 210(1) of the Companies Act, and any and all related proceedings and applications made thereto.
“Creditor”	A creditor of a Company who has a Claim.
“CRPS”	Convertible Redeemable Preference Shares.
“CRPS Issue Price”	The issue price for the CRPS.
“CRPS Subscription”	CRPS issued to the Investor pursuant in consideration of the Additional Investment under the Noel Investment
“Disputed Claim”	Any portion of a Claim stated in a Proof of Debt which is disputed by the Scheme Manager to be due or payable, whether in whole or in part.
“Disputing Creditor”	A Creditor who disputes the decision of the Scheme Manager as regards its Claim or the value of its Approved Claim.
“EGM”	An Extraordinary General Meeting of the Company’s Shareholders.
“Emergency Funding”	SGD 450,000, which was extended to the Company on a super-priority basis pursuant to (i) the Super Priority Financing Agreement entered into between the Investor and the Company; and (ii) the order of Court in HC/SUM 1712/2022 dated 26 May 2022.
“Excluded Claim”	Claims by Excluded Creditors
“Excluded Creditors”	Creditors listed at 3.10 of the Scheme.
“Formula”	<p>The formula for which the CRPS may be converted into Conversion Shares in the Company, being:</p> $\text{Number of Conversion Shares} = (A \times C) / B$ <p>Where:</p> <p>A = CRPS Issue Price</p> <p>B = S\$0.031 (the “<b>Conversion Price</b>”), which has been determined after taking into account, <i>inter alia</i>, the</p>



	price per Share pursuant to completion of the Share Consolidation (as defined below); and
	C = Number of Convertible Redeemable Preference Shares to be converted.
“Full Investment Amount”	Up to SGD 5,000,000
“Group”	The Company and its subsidiaries.
“Implementation Agreement”	The Implementation Agreement entered into between the Company and the Investor dated 30 June 2022.
“Independent Assessor”	An assessor appointed under Clause 5.
“Independent Shareholders”	Shareholders who are deemed to be independent for the purpose of voting on the Whitewash Resolution.
“Investor”	Gazelle Ventures Pte Ltd
“IRDA”	The Insolvency, Restructuring and Dissolution Act 2018, as amended or modified from time to time.
“LQN”	Listing and Quotation Notice.
“Moratorium”	The moratorium relief granted by the Court in HC/OA 90/2022.
“Noel Investment”	The investment of up to SGD 5,000,000 by the Investor.
“Notice of Disagreement”	The notice issued by a Disputing Creditor to contest the decision of an Independent Assessor.
“NSB Hotpot”	NSB Hotpot Pte Ltd.
“NSB Restaurants”	NSB Restaurants Pte Ltd.
“OCBC”	The Oversea-Chinese Banking Corporation Ltd.
“Ordinary Resolution”	A resolution passed at any Creditors’ Meeting with the support of a majority in number of the Participating Creditors present and voting (either in person or by proxy) on the resolution and whose Approved Claims at that time in aggregate constitute more than 50% of the total Approved Claims of the Participating Creditors present and voting on the resolution.
“Participating Creditor”	A Creditor who has an Approved Claim.
“Proof of Debt”	A proof of debt of a Creditor in respect of its Claim as

at 29 April 2022 in the form annexed at **Annex 1 of the Scheme** or in such other form as may be acceptable to the Scheme Manager.

“Proof of Debt Voting Cut-Off Date”	4:00 p.m. on 2 September 2022.
“Proof of Debt Long Stop Date”	4:00 p.m. on 10 October 2022.
“Resumption of Trading Proposal”	The Company’s proposal to be submitted to the SGX for approval to resume trading in the Company’s Shares.
“Scheme”	This scheme of arrangement dated 22 August 2022 (or as amended from time to time) proposed in accordance with Section 210 of the Act.
“Scheme Effective Date”	The date on which the Scheme is to be implemented following the fulfilment of the Conditions Precedent listed in the Scheme. The date of completion of the last Conditions Precedent will be the date of the Scheme Effective Date
“Scheme Liabilities”	The total liabilities to be compromised under the Scheme.
“Scheme Manager”	Means Mr David Chew of DHC Capital Pte Ltd
“Scheme Meeting”	A meeting of Participating Creditors convened in accordance with Clause 10 of the Scheme.
“Scheme Period”	The period of time between Commencement Date and Termination Date.
“Scheme Shares”	Shares issued pursuant to the Scheme.
“SGX”	The SGX-ST.
“Share” or “Shares”	Ordinary shares in the Company.
“SIC”	The Securities Industry Council of Singapore.
“Subscription Agreement”	The Subscription Agreement to be entered into between the Company and the Investor in relation to the Noel Investment.
“Take-Over Code”	The Singapore Code on Take-overs and Mergers.
“Termination Date”	The date on which the Scheme is terminated pursuant to Clause 9 of the Scheme.

“Total Liabilities”	The total liabilities of the Company as at 29 April 2022.
“Whitewash Resolution”	The whitewash resolution to be obtained from Independent Shareholders of the Company.
“Whitewash Waiver”	The waiver to be granted by the SIC.
<b>Currencies, Units and Others</b>	<b>Definition</b>
“%”	Per centum or percentage
“S\$” or “SGD”	Singapore dollars, the lawful currency of Singapore.

## 2. Preamble

- 2.1 The Company was incorporated in Singapore on 1 June 2017 under the name “No Signboard Holdings Pte. Ltd.”. On 6 November 2017, the Company was converted into a public company limited by shares, listed on the Catalist Board of the SGX-ST with the name changed to “No Signboard Holdings Ltd”. The registered office of the Company is 10 Ubi Crescent, #03-02 Ubi Techpark, Singapore 408564.
- 2.2 The Company’s total issued share capital is \$26,165,233 comprising 462,392,475 Shares (excluding treasury shares). The Company’s 20 largest shareholders are as follows:

No.	Name	No. of Shares
1	Gugong Pte Ltd	253,899,980
2	Su Haijin	92,478,495
3	DBS Nominees (Private) Limited	8,928,300
4	OCBC Securities Private Limited	4,282,300
5	Goi Seng Hui	4,200,500
6	United Overseas Bank Nominees (Private) Limited	3,901,500
7	Raffles Nominees (Pte.) Limited	2,721,500
8	Phillip Securities Pte Ltd	2,667,200
9	Ang Yee Lim	2,572,100
10	CGS-CIMB Securities (Singapore) Pte. Ltd.	2,177,900
11	Maybank Securities Pte. Ltd.	2,071,700
12	Chua Eng Hock	1,837,000
13	UOB Kay Hian Private Limited	1,607,000
14	Yeo Nak Keow	1,546,400
15	Teng Teck Seng	1,512,000
16	Tai Geck Kee	1,482,800
17	Lim & Tan Securities Pte Ltd	1,409,800
18	Liew Chow Fong Or Koh Guan Lai	1,350,000
19	Lee Sze Kian	1,219,000
20	Citibank Nominees Singapore Pte Ltd	1,169,400
<b>Total Top 20 Shareholders</b>		<b>393,034,875</b>

- 2.3 The Company is an investment holding company and sits at the top of a chain of wholly-owned subsidiaries (collectively, the “**Group**”). Notably, two of its wholly-owned (whether directly or indirectly) subsidiaries, NSB Hotpot and NSB Restaurants are operating subsidiaries that operate the Company’s two operating restaurants.
- 2.4 NSB Hotpot and NSB Restaurants are also proposing separate schemes of arrangements to their own creditors, which will be interlinked with the Company’s Scheme.

Financial Position

- 2.5 COVID-19 negatively affected the Company and the Group. The Company and the Group has faced and continues to face significant challenges in both maintaining its operations (while hemorrhaging operational costs) as well as its share price, which has fallen significantly since the onset of the COVID-19 pandemic.
- 2.6 The Group’s restaurants rely heavily on tourist income, especially those from the PRC. Since the onset of travel restrictions due to COVID-19, this source of revenue generation has significantly declined. As a result, the Company and the Group closed all three of the Group’s No Signboard Seafood restaurants, the latest being the closure of the outlet at the Esplanade Mall, among other things.
- 2.7 The Company’s Shares have been suspended from trading on the Catalist Board of the SGX since 24 January 2022.
- 2.8 The Company has no secured creditors. As at 26 April 2022 (i.e. shortly before the Company’s application for moratorium relief in HC/OA 90/2022), the Company had a total sum of cash-at-bank held in accounts with OCBC of SGD 229,808.73.
- 2.9 As at 13 May 2022, the total quantum of the Company’s debt was SGD 1,1519,501.09 (“**Total Liabilities**”). The Company’s top twenty creditors are as follows:

S/No.	Creditor Name	Debt (SGD)
1.	Gibson, Dunn & Crutcher LLP	275,514.63
2.	Ernst & Young LLP	196,366.40
3.	The Esplanade Co Ltd	151,482.10
4.	Jim Foods Supplier	88,903.87
5.	WongPartnership LLP	80,673.76
6.	Eunoia Pte Ltd	68,306.13
7.	Foo Kon Tan Advisory Services Pte Ltd	63,665.00
8.	Alric Projects Pte Ltd	62,400.00
9.	Type A Pte Ltd	57,149.47
10.	PrimePartners Corporate Finance Pte Ltd	52,809.68
11.	Link Work Studio Pte. Ltd.	44,709.78
12.	Wong Tan & Molly Lim LLC	38,855.21
13.	First Tech Electrical Pte Ltd	36,915.00

S/No.	Creditor Name	Debt (SGD)
14.	Pacificlight Energy Pte Ltd	24,231.68
15.	Wtml Management Services Pte Ltd	20,696.39
16.	RSM Corporate Advisory Pte Ltd	19,286.75
17.	EY Corporate Advisors Pte Ltd	18,030.57
18.	Peter Seafood Supplier	17,578.16
19.	Tan Siang Kim Vegetable & Fruits Supplier	17,087.80
20.	Deloitte & Touche LLP	14,406.48
	<b>Total</b>	

### HC/OA 90/2022

- 2.10 On 29 April 2022, *vide* HC/OA 90/2022, the Company filed for *inter alia* moratorium relief under HC/OA 90/2022 (“**OA 90**”). At the same time, the Company also sought orders for super-priority for rescue financing to be granted to it under Section 67 of the Insolvency, Restructuring and Dissolution Act 2018 *vide* HC/SUM 1712/2022 (“**SUM 1712**”) filed in OA 90.
- 2.11 The substantive reliefs sought in OA 90 and SUM 1712 were granted by the Honourable Justice Pang Khang Chau at the hearing of the same on 26 May 2022. The moratorium under the orders expires on 29 October 2022.

### 3. **Scheme Overview**

- 3.1 The Scheme is proposed as part of the Group’s boarder effort to restructure all its existing liabilities in connection with the Noel Investment. The Scheme is one of three, with NSB Hotpot and NSB Restaurants proposing the passage of individual schemes to each of their own creditors on materially similar terms as the Scheme. The total debt to be restructured across the three schemes is approximately SGD 2.3 million.
- 3.2 Each of the three schemes (this Scheme, and the schemes to be proposed to their creditors by NSB Hotpot and NSB Restaurants) are inter-conditional. Creditors’ approval and the Court’s sanction of each of the three schemes are conditions precedent to each of the schemes. In other words, if any of the three schemes fail – the broader restructuring effort will fail.

### The Noel Investment

- 3.3 The Company has entered into the Implementation Agreement with Gazelle Ventures Pte Ltd (the “**Investor**”). The Implementation Agreement was signed on 30 June 2022.
- 3.4 The investment into the Company has been termed the “**Noel Investment**”.
- 3.5 Under the Noel Investment, the Company and the Investor have agreed that upon the fulfilment of various conditions precedent, the Full Investment Amount of up to the total sum of SGD 5,000,000 will be invested by the Investor into the Company. The Full Investment Amount will be extended to the Company in the following manner:
- 3.5.1 an initial Consideration Subscription Amount of S\$500,000 by way of a subscription of new Shares in the Company to be allotted and issued by the Company to the Investor;

and

- 3.5.2 the remaining Additional Investment Amount of S\$4,500,000 by way of a subscription of convertible redeemable preference shares (i.e. the “**CRPS Subscription**”)
- 3.6 Of the Consideration Subscription Amount, the Emergency Funding of an initial amount of up to SGD 450,000 will be extended to the Company on a super-priority basis pursuant to the Company’s successful application for enhanced priority on repayment of the Emergency Funding in SUM 1712.
- 3.7 Following the Completion of the Subscription, the Investor would hold 75% of the enlarged share capital of the Company. The Subscription will only be completed after the issue of the Scheme Shares under the Scheme to the Participating Creditors who have opted to compromise their debts by Option 2 of the Scheme.
- 3.8 Under the terms of the CRPS Subscription in the Implementation Agreement, GV has agreed to subscribe for, and the Company has agreed to allot and issue to the Investor, 145,000,000 Convertible Redeemable Preference Shares at an issue price of S\$0.031 per Convertible Redeemable Preference Share.
- 3.9 The Convertible Redeemable Preference Shares may be converted at GV’s election into Conversion Shares in the Company with such number of Conversion Shares to be determined through the Formula. The Conversion Shares, when allotted and issued, will be validly issued and fully paid Shares which shall be free from all claims, mortgages, charges, liens and other encumbrances whatsoever and shall rank *pari passu* in all respects with the existing Shares, except that they will not rank for any dividend, right, allotment or other distributions, the record date for which falls before the date of allotment and issue of such Shares. The Convertible Redeemable Preference Shares shall not have any voting rights, are not transferable, and will not be listed.

Excluded Creditors

- 3.10 The following Creditors of the Company will be excluded from the operation of the Scheme:
- 3.10.1 Amounts owed and accruing to employees of the Company (including CPF contributions as and where applicable) and the Company’s independent non-executive directors;
- 3.10.2 Essential suppliers of food and produce necessary for the continued operation of the Company’s two restaurants run by NSB Hotpot and NSB Restaurants;
- 3.10.3 Creditors owed operating or other similar costs and expenses incurred after the Ascertainment Date;
- 3.10.4 Professional fees incurred in relation to the preparation of, implementation of, and entry into the Scheme;
- 3.10.5 OCBC; and
- 3.10.6 Gazelle Ventures in respect of the Emergency Funding.

### Compromise mechanism

- 3.11 The Scheme shall apply to all Creditors, including inter-company creditors and related entity creditors (e.g. entities related to directors, employees and shareholders of the Company) and excluding Excluded Creditors. However, only Participating Creditors shall be entitled to receive payment under the terms of the Scheme.
- 3.12 Under the Scheme, the Participating Creditors will have the choice of two options to fully settle their Approved Claims:
- 3.12.1 “**Option 1**” – the payment in cash by the Company to the Participating Creditor of 15% of their Approved Claim (“**Cash Distribution**”)
- 3.12.2 **Option 2** – the issue of shares (“**Scheme Shares**”) in the Company equivalent in value to 50% of their Approved Claim. The Scheme Shares thus issued will be subject to a moratorium on sale for a period of 1 year.
- 3.13 Following the implementation of the Scheme and in consideration thereof, the Participating Creditor will agree that its claim against the Company is fully and finally settled and compromised, and releases the Company from all liability attaching or arising thereto in relation to the claim. The Participating Creditor will also agree not to bring any proceedings against the Company arising from or in relation to their Approved Claim.

### Distribution and time frame

- 3.14 The Participating Creditors will agree to compromise their claims under the Scheme in consideration for receiving the following distribution under the terms of the Scheme:
- 3.14.1 The payment of the Cash Distribution by the Company to the Participating Creditor under Option 1; or
- 3.14.2 The issue of Scheme Shares in the Company under Option 2.
- 3.14.3 Option 1 will be funded by the Additional Investment Amount. The Participating Creditors who have elected to participate in the Cash Distribution will be paid the cash component within 28 days from the Scheme Effective Date.
- 3.14.4 The Scheme Shares will be ordinary shares of the Company and will rank *pari passu* in all respects with the other ordinary shares in the share capital of the Company. The conversion price of the Scheme Shares to be issued will be SGD 0.031, being the last traded share price before the suspension of trading of the Company on 24 January 2022. They will be issued within 28 days from the Scheme Effective Date.
- 3.14.5 If the Participating Creditor does not indicate a preference within the Proof of Debt, the Participating Creditor will be deemed to have expressed a preference to be issued Scheme Shares under Option 2
- 3.14.6 The Scheme Shares will be subject to a moratorium on the disposal of the Scheme Shares (whether on the open market or otherwise) for a period of 1 year.

Discharge, release, and waiver

- 3.15 Following the sanction of the Scheme and its conditions precedent (detailed below) and the acceptance of the distribution under either of Options 1 or 2 described above:
- 3.15.1 The Creditors shall accept the payments and benefits under this Scheme given to them in full satisfaction and complete discharge of all Claims and all interest, costs, charges, fees and expenses incurred in connection therewith;
- 3.15.2 All Claims from the Creditors shall forever be waived, released, discharged and extinguished;
- 3.15.3 All claims for any interest (whether contractual, default, penalty or otherwise), costs, fees and expenses accruing after the Ascertainment Date arising from, in connection with or relating to any Claims shall not be payable by the Company; and
- 3.15.4 Upon Completion, all such claims for interest, costs, fees and expenses shall be waived by the Creditors and shall be deemed to be forever extinguished.

Key timelines for the Scheme

- 3.16 The following are the key indicative timelines for the Scheme:
- 3.16.1 **Proof of Debt Voting Cut-Off Date (last day for lodgment of the Proof of Debt Form and the Proxy Form for the purposes of voting in the Scheme):** 2 September 2022 not later than 4:00 pm.
- 3.16.2 **Proof of Debt Long Stop Date (last day for lodgment of the Proof of Debt Form for the purposes of participating in the Scheme):** 10 October 2022 not later than 4:00 pm.
- 3.16.3 **Scheme Meeting:** 11 October 2022 at 10:00 a.m.
- 3.16.4 **Court hearing for the sanction of the Scheme (if approved at the Scheme Meeting):** To be announced.
- 3.16.5 **Scheme Effective Date:** To be announced.
- 3.16.6 **End of Moratorium:** 29 October 2022

Termination

- 3.17 The Scheme shall terminate immediately and absolutely upon any events set out in Clause 9 of the Scheme.



- 3.18 Unless expressly stated otherwise in the Scheme, in the event of any breach or non-compliance of any terms of the Scheme, the Company shall rectify such breach or non-compliance within thirty (30) Business Days from the date of such breach or non-compliance. No breach of the Scheme shall be regarded as having occurred if rectified within such time period.

#### 4. **Conditions Precedent**

The Scheme is subject to the following conditions precedent being met (to be read collectively as follows):

##### **Conditions Precedent relating to the Court Proceedings**

- 4.1.1 the Court-ordered moratorium in OA 90 remaining in place until 29 October 2022 and any subsequent application for the extension of the said moratorium is approved by the Court;
- 4.1.2 leave being granted by the Court to convene a meeting (the “**Scheme Meeting**”) of the Company’s Creditors under Section 210(1) of the Companies Act;
- 4.1.3 the Participating Creditors at the Scheme Meeting having approved the terms of the Scheme;
- 4.1.4 the approval by the creditors of NSB Hotpot and NSB Restaurants in their respective schemes of arrangement to be proposed to their creditors pursuant to separate scheme creditors’ meetings held under Section 210(1) of the Companies Act;
- 4.1.5 the sanction by the General Division of the High Court in relation to the Scheme, and the corresponding sanctions to be obtained for the respective schemes of NSB Hotpot and NSB Restaurants;
- 4.1.6 a copy of the order of Court made under subsection 210(3AB)(c) of the Companies Act 1967 is lodged with the Registrar;

##### **Conditions Precedent before the Scheme Effective Date**

- 4.1.7 the execution of the Implementation Agreement;
- 4.1.8 the completion of financial, legal and other due diligence on the Group and the results of such due diligence being reasonably satisfactory to the Investor;
- 4.1.9 approval for (i) the Scheme, (ii) the Subscription and the allotment and issue of the Subscription Shares, (iii) the appointment of 2 directors nominated by the Investor to the Board of the Company, (iv) the CRPS Subscription and the allotment and issue of the Convertible Redeemable Preference Shares, (v) the amendment of the Company’s constitution (“**Constitution**”) as required to reflect the provisions of the Implementation Agreement (including but not limited to the rights of the holders of Convertible Redeemable Preference Shares), (vi) the transfer of controlling interest resulting from the allotment and issue of the Subscription Shares and the Convertible

Redeemable Preference Shares, (vii) such other transactions contemplated in connection with the Scheme and the Investment having been obtained from Shareholders at an EGM to be convened, including but not limited to the Share Consolidation (as defined below) and any approval required pursuant to Rule 811 of the Listing Manual in the event that the issue price for the Subscription Shares or the CRPS is at a discount exceeding 10% of weighted average price for trades done on the SGX-ST for the full market day of the date of the Implementation Agreement and/or the Conversion Price for the Convertible Redeemable Preference Shares is at more than 10% discount to the prevailing market price of the Shares prior to the signing of the Implementation Agreement;

- 4.1.10 the Constitution having been amended as required to reflect the provisions of the Implementation Agreement, including but not limited to the rights of the holders of Convertible Redeemable Preference Shares, and the amended Constitution to be adopted by the Company in a form acceptable to the Parties on or prior to the Completion Date;
- 4.1.11 approval for the waiver of their rights to receive a mandatory general offer from the Investor and its concert parties for the remaining Shares not already owned or controlled by the Investor and its concert parties arising from and in connection with the Investor's subscription of the Subscription Shares and Convertible Redeemable Preference Shares ("**Whitewash Resolution**") having been obtained from Shareholders who are deemed independent for the purpose of voting on the Whitewash Resolution ("**Independent Shareholders**") at an EGM to be convened;
- 4.1.12 the SIC having granted the Investor and its concert parties a whitewash waiver of the obligation of the Investor and its concert parties to make a mandatory general offer under Rule 14 of the Singapore Code on Take-overs and Mergers (the "**Take-over Code**") for the remaining Shares not already owned or controlled by the Investor and its concert parties arising from or in connection with the Investor's subscription of the Subscription Shares and Convertible Redeemable Preference Shares (the "**Whitewash Waiver**") and the Whitewash Waiver not having been revoked or amended as at the Completion Date and, where such Whitewash Waiver is subject to conditions, such conditions being reasonably acceptable to the Investor;
- 4.1.13 the termination of all other agreements, arrangements or transactions with any third party, in relation to any funding, rescue funding, white knight arrangements, and any investments or acquisition of Shares in the Company within a time period which is acceptable by the Investor in its sole discretion (acting reasonably), and/or the provision of undertakings to similar effect;
- 4.1.14 any third party, regulatory or tax consents or approvals necessary for the Scheme and the Investment having been obtained and not withdrawn, including but not limited to any approval from statutory authorities, the Company's Sponsor, the SGX-ST and the SIC, and such consents and approval remaining in full force and effect;
- 4.1.15 approval for the resumption of trading of the Shares on the SGX-ST being obtained from the SGX-ST and such approval not having been revoked or amended as at the Completion Date and, where such approval is subject to conditions, such conditions being reasonably acceptable to the Investor;

- 4.1.16 approval in-principle for the listing and quotation of the Subscription Shares on the Catalist of the SGX-ST being obtained from the SGX-ST and such approval not having been revoked or amended as at the Completion Date and, where such approval is subject to conditions, such conditions being reasonably acceptable to the Investor;
- 4.1.17 there being no material adverse change in the business, operations, assets, position, profits or prospect of the Group between the date of the Implementation Agreement and the Completion Date;
- 4.1.18 the Company remaining listed on the SGX-ST and there being no notice or proposal for the delisting of the Company; and
- 4.1.19 the Noel Investment not being prohibited, materially restricted or materially delayed by any statute, order, rule, regulation or directive by any legislative, executive or regulatory body or authority which is applicable to any party to the Investment.

## **5. Proof of Debt; Determination of Entitlement for Voting and Approved Claims**

- 5.1 Each Creditor of the Company shall submit and deliver to the Scheme Manager a Proof of Debt in respect of its Claim on or before the Proof of Debt Voting Cut-Off Date for the purposes of voting on the Scheme; or the Proof of Debt Long Stop Date for the purposes of participating in the Scheme. Creditors who wish to appoint a proxy to vote on his or her behalf at the Scheme Meeting should complete the Proxy Form and return the Proxy Form together with the Proof of Debt to the Scheme Manager at the Specified Address or via the Specified Email by the Proof of Debt Voting Cut-Off Date. The Scheme Manager will have discretion to accept Proxy Forms received after the Proof of Debt Voting Cut-Off Date and prior to the Scheme Meeting.
- 5.2 Creditors who have not submitted a Proof of Debt on or before the Proof of Debt Voting Cut-Off Date shall not be entitled to vote on the Scheme (subject to the chairman of the Scheme Meeting discretion). Creditors who have not submitted a Proof of Debt on or before the Proof of Debt Long Stop Date shall not be entitled to the receipt of any distribution, payments or benefits under this Scheme. Any Claim of a Creditor against the Company which is not lodged by the Creditor through the submission of a Proof of Debt on or before the Proof of Debt Long Stop Date shall be forever waived, released, discharged and extinguished, and that Creditor shall not have any rights, interests and claims whatsoever against the Company in respect of such Claim.
- 5.3 The Proofs of Debt shall be adjudicated by the Scheme Manager for the purposes of determining the Approved Claims. The adjudication shall be carried out as follows:
  - 5.3.1 The Scheme Manager shall be entitled to have regard to all relevant information whether supplied by the Creditor or otherwise made available to the Scheme Manager, and where applicable, be entitled to set-off any mutual credits, mutual debits or other mutual dealings between the Company and any Creditor such that only the balance shall be used for the purposes of calculating and determining the value of such Creditor's Claim and/or Approved Claim (if any).
  - 5.3.2 By twenty-eight (28) days before the Scheme Meeting, the Scheme Manager shall complete the adjudication of all the proofs of debt filed by Creditors for the purposes of voting at the Scheme Meeting, and send in writing the results of adjudication of the

Proofs of Debts to every Creditor who has filed a Proof of Debt for the purposes of voting at the Scheme Meeting.

5.3.3 Any Disputing Creditor objecting to the decision of the Scheme Manager as regards its Claim or the value of its Approved Claim (if any):

5.3.3.1 shall not later than fourteen (14) days before the date of the Scheme Meeting, send a written request to the Scheme Manager at the Specified Address seeking agreement for the appointment of an Independent Assessor; or

5.3.3.2 shall not later than fourteen (14) days before the date of the Scheme Meeting, make an application to the Court for the appointment of an Independent Assessor pursuant to Section 68(9)(b) of the IRDA; and

5.3.3.3 shall comply with such determination on costs or order for costs in respect of all costs and expenses incurred and determined to be payable by that Creditor in relation to, pursuant to or arising from such dispute resolution proceedings or application to the Court to determine the dispute; and

5.3.3.4 agrees that any amount of costs and expenses payable by the Company pursuant to a determination of or an order for costs in relation to or arising from such dispute resolution proceedings or application to the Court to determine the dispute, shall be added to the Approved Claim of the Creditor to be dealt with in accordance with the terms of the Scheme; and

5.3.3.5 agrees that the Scheme Manager shall not be liable to that Creditor for any and all costs, fees and expenses incurred by that Creditor in disputing such decision or determination and in relation to or arising from its commencement of dispute resolution proceedings or application to the Court.

5.3.4 The written request mentioned in Clause 5.3.3.1 must nominate a person to be appointed as the Independent Assessor and state the Dispute that the Independent Assessor (if appointed) is to adjudicate.

5.3.5 The Independent Assessor shall be appointed:

5.3.5.1 By the agreement in writing by all parties to the Dispute; or

5.3.5.2 If no such agreement as per Clause 5.3.5.1 can be reached, by the Court on the application of:

(i) any party to the Dispute; or

(ii) the Scheme Manager.

5.3.6 The Scheme Manager must, as soon as practicable after the appointment of an Independent Assessor provide the relevant Proof of Debt to the Independent Assessor.

5.3.7 The Independent Assessor, shall, not later than seven (7) days after being provided with the relevant Proof of Debt

- 5.3.7.1 make a decision on the Dispute that the Independent Assessor was appointed to adjudicate; and
- 5.3.7.2 send a written notice of the decision, together with the reasons for the decision, to the Scheme Manager and the Disputing Creditor(s).
- 5.3.8 Where a Disputing Creditor, the Company or the Scheme Manager disagree with any decision of an Independent Assessor on the Dispute that the Independent Assessor was appointed to adjudicate, the Scheme Manager or the Disputing Creditor may file a notice of disagreement (the “**Notice of Disagreement**”) regarding that decision, together with a statement of the reason(s) for the disagreement, for consideration by the Court when the Court hears an application for the Court’s approval under Section 210(4) of the Companies Act of the Scheme.
- 5.3.9 The party who files the Notice of Disagreement must send the Notice of Disagreement and the accompanying statement to the Company and the Scheme Manager, unless the Notice of Disagreement is filed by the Scheme Manager together with:
  - 5.3.9.1 the agreement of all Disputing Creditors (where the Independent Assessor is appointed by the agreement of those Disputing Creditors); or
  - 5.3.9.2 the Court (where the independent Assessor is appointed by the Court).
- 5.3.10 The remuneration of the Independent Assessor is to be:
  - 5.3.10.1 fixed by:
    - (i) the agreement of all parties to the Dispute (where the Independent Assessor is appointed by the agreement of those parties); or
    - (ii) the Court (where the Independent Assessor is appointed by the Court); and
  - 5.3.10.2 unless the Court otherwise orders, borne by the Disputing Creditor in relation to the Dispute.
- 5.3.11 For the avoidance of doubt, the Scheme Manager will not be required to delay or postpone the implementation of this Scheme, or the taking of any necessary steps thereunder, by the fact that there is pending an application to an Independent Assessor or to the Court in respect of any decision of the Scheme Manager or an Independent Assessor.
- 5.3.12 Any Creditor who fails to comply with the above provisions shall be deemed to have admitted and accepted the decision or determination of the Scheme Manager as regards its Claim in its Proof of Debt and the amount(s) of its Approved Claim.
- 5.3.13 Each Creditor shall promptly provide the Scheme Manager with all such information and documents requested by the Scheme Manager (as the case may be) which are relevant to its Claim in its Proof of Debt, or to the determination of the amount of its Approved Claim (if any).

5.3.14 For the purposes of adjudicating the Claim that is contingent in nature, the Scheme Manager shall ascertain the Approved Claim by application of a just estimate of the value of the Claim. Where a Creditor has more than one Claim against the Company which relates to a contingent or future debt as at the Ascertainment Date and which has been admitted by the Scheme Manager, it shall be open to the Scheme Manager to make different just estimates of each contingent claim.

## **6. Cash Distribution under Option 1 / Issue of Scheme Shares under Option 2**

### **Cash Distribution**

6.1 Within 28 Business Days of the Scheme Effective Date, the Company shall pay the Cash Distribution to each Participating Creditor amounting to its entitlement under the Scheme.

6.2 Payment of the Cash Distribution by the Company under this Scheme shall be made by cheque or by bank transfer to a bank account designated by the Participating Creditor, provided that the fees and expenses incurred in connection with such bank transfer shall be borne by the Participating Creditor and will be deducted from any sum payable to the Participating Creditor under this Scheme.

### **Issuance of Scheme Shares**

6.3 Within 28 Business Days of the Scheme Effective Date, the Company shall issue the Scheme Shares amounting to each Participating Creditor according to its entitlement under the Scheme. The Scheme Shares, once issued, will be subject to the terms and the restrictions set out at Clauses 3.14.4 and 3.14.5 herein.

6.4 If the Participating Creditor does not indicate a preference within the Proof of Debt, the Participating Creditor will be deemed to have expressed a preference to be issued Scheme Shares under Option 2

### **General**

6.5 If for any reason whatsoever, the payment of the Cash Distribution or the issue of the Scheme Shares to a Participating Creditor pursuant to this Scheme is not received by that Participating Creditor and such non-receipt is not the result of any fault on the part of the Company, such Participating Creditor shall be deemed to have waived all its rights in relation to that payment or issue upon the expiry of six (6) months from the date of such payment or issue being made.

## **7. Restraint of Proceedings During the Scheme Period**

7.1 During the Scheme Period, no Creditor shall, whether directly or indirectly, take any steps to initiate, commence, procure, or continue any legal or other proceedings against the Company or any of their assets and properties in respect of the indebtedness of the Company in any jurisdiction including, but not limited to, court action (including winding up proceedings, judicial management and any analogous proceedings in any other jurisdiction), arbitration, the appointment of a receiver or receiver and manager, and/or the enforcement of any judgment, court order or arbitral award.

7.2 Unless otherwise expressly provided for in the Scheme, the Creditors shall accept the payments under the Cash Distribution and/or the issuance of the Scheme Shares (as the case

may be) given to them in full satisfaction and complete discharge of all Claims and all interest, costs, charges, fees and expenses incurred in connection therewith.

7.3 For the avoidance of doubt, nothing in this Scheme shall affect, fetter or limit the Company' rights that it may have at law in relation to any claims or legal proceedings against any Creditor.

7.4 Any Creditor who receives or recovers, at any time, on or after Commencement Date, from the Company any sum in discharge of any portion of its Approved Claim, shall within two (2) Business Days after it receives or recovers such sum (other than the payments made pursuant to this Scheme), notify the relevant Company of the amount and currency so received, how it was received or recovered and whether it represents principal or interest or other sums. Such Creditor shall, within two (2) Business Days after receiving a request from the Company, pay to the Company an amount equal to the sum so received or recovered (free and clear of all deductions or withholdings) and that Company shall cause such monies from the Creditor to be utilised for the Cash Distribution to be made under Clause 6 of this Scheme.

## 8. **Scheme Manager**

8.1 Mr David Chew c/o DHC Capital Pte Ltd shall be appointed the Scheme Manager with the duties set out in this Clause 8 herein on and from the Commencement Date until the Termination Date.

8.2 The Scheme Manager shall be entitled to such reasonable fees and remuneration for his performance of duties and services as Scheme Manager and for taking any action that is required, authorized or empowered to take under or in respect of this Scheme as may be agreed with the Company or determined by the Court.

8.3 The Scheme Manager may at any time and from time to time delegate their powers and functions under this Scheme to any natural person(s).

8.4 The Scheme Manager shall oversee the Company's implementation of and compliance with the provisions of this Scheme and shall have the power to do all such things as they may consider necessary or desirable towards that end, including without limitation:

8.4.1 the power to appoint an agent to carry out or to assist them in carrying out any of their functions;

8.4.2 the power to delegate the performance of any of their duties and the exercise of any of their powers to a suitably qualified person; and

8.4.3 the power to engage professional advisors including without limitation accountants, solicitors or counsel, whether practising within Singapore or outside Singapore.

8.5 Any natural person(s) to whom the Scheme Manager may delegate their powers under Clause 8.4.2 may likewise exercise the same powers of delegation as are vested in the Scheme Manager by this Clause 8.

8.6 In exercising their powers and carrying out their duties under this Scheme, the Scheme Manager shall at all times act independently of the Company and its stakeholders. Nothing in this Scheme shall at any time be construed as creating any obligation on the part of the Scheme Manager to act as agent for or on behalf of the Company or any of the Creditors.

- 8.7 The Scheme Manager disclaims all personal liability under any contract, agreement or other arrangement entered into on behalf of the Company, or with regard to any other act or omission to act, in connection with this Scheme.
- 8.8 The Scheme Manager shall not be responsible:
- 8.8.1 For the adequacy, accuracy and/or completeness of any information (whether oral or written) supplied by the Scheme Manager, the Company or any other person given in or in connection with this Scheme; or
- 8.8.2 For the legality, validity, effectiveness, adequacy or enforceability of this Scheme or any other agreement, arrangement or document entered into, made or executed in anticipation of or in connection with this Scheme.
- 8.9 The Scheme Manager shall not be liable to any Creditors for any and all losses, damages, charges, costs and expenses of whatsoever nature which such Creditors may sustain, incur or suffer in connection with our arising from any act or commission on its part in connection with the exercise of their powers in the performance of their duties under this Scheme unless such losses, damage, charges, costs or expense arise out of the negligence, fraud or wilful default of the Scheme Manager.
- 8.10 The Company shall at all times indemnify and keep harmless the Scheme Manager and their delegate appointed under Clause 8.4.2 from and against any and all losses, damage, charges, costs and expenses of whatsoever nature which he may at any time and from time to time sustain, incur or suffer at any time, whether before or after the Termination Date, in connection with the exercise of their powers in the performance of their duties under this Scheme unless such losses, damage, charges, costs or expense arise out of the negligence, fraud or wilful default of the Scheme Manager.
- 8.11 The Scheme Manager will not be responsible for any delay (or related consequences) in crediting an account with any amount required to be paid to any Creditors under this Scheme if the Scheme Manager has taken all necessary steps as soon as reasonably practicable to comply with the regulations or operating procedures of any bank used by the Scheme Manager for that purpose.
- 8.12 To the extent that, in the Scheme Manager's reasonable opinion, there is any doubt as to whether the Scheme Manager may execute, perform or do any act, matter or thing under the powers conferred upon them under the Scheme, then that act, matter or thing may only be executed, performed or done with the authority of such Creditors at a meeting called pursuant to Clause 10.
- 8.13 To the extent that, in the Scheme Manager's reasonable opinion, there is any doubt as to whether the execution, performance or action by the Scheme Manager under the powers conferred upon them give rise to a conflict or potential conflict of interest as between the Company and the Creditors, the Scheme Manager shall as soon as practicable inform the Directors and the Creditors of such conflict or potential conflict of interest and shall not be obliged to take any action until the conflict or potential conflict of interest is resolved between the Company (acting through the Directors) and the authority of such Creditors at a meeting called pursuant to Clause 10.



- 8.14 The Scheme Manager may apply to Court for directions in relation to any particular matter arising in connection with the carrying out of their powers or functions under this Scheme or the interpretation of any specific provision of this Scheme and shall do all such things as the Court may direct.
- 8.15 The Scheme Manager may resign at any time after the Commencement Date if he gives at least 30 days' prior written notice to the Company. The resignation of the Scheme Manager shall not take effect unless and until a new scheme manager is appointed. The resigning Scheme Manager may appoint a successor scheme manager, who shall have the capacity and experience to undertake the duties undertaken by the Scheme Manager.

## 9. **Termination of the Scheme**

9.1 The Scheme shall terminate by performance when:

- 9.1.1 The Cash Distribution has been effected to the Participating Creditors in accordance with Clause 6.1 herein and the Scheme Shares have been issued to the Participating Creditors in accordance with Clauses 6.2 and 6.3 herein, and the Scheme Manager (acting reasonably) has thereafter certified under hand that the above distributions have been duly made;
- 9.1.2 The Company obtains an order of the Court directing that the Scheme be terminated by performance; or
- 9.1.3 There has been any non-payment to Participating Creditors in accordance with Clause 6 of this Scheme, and such non-compliance has not been rectified in accordance with Clause 10.3 below or waived pursuant to a Special Resolution passed at a Creditors' Meeting within thirty (30) Business Days of the non-compliance. For the purposes of this sub-clause, "non-payment" includes both non-payment of the Cash Distribution and the issue of the Scheme Shares as contemplated at Clause 6 of the Scheme.

(Each referred to as the "**End Date**")

9.2 Upon the End Date:

- 9.2.1 The Scheme shall cease and terminate;
- 9.2.2 The Scheme Manager shall cease to have any further rights, obligations and liabilities under the Scheme; and
- 9.2.3 The Participating Creditors' obligations as set out at Clause 7.1 herein shall be discharged and come to an end.
- 9.3 Unless expressly stated otherwise in this Scheme, in the event of any breach or non-compliance of any terms of the Scheme, the Company shall rectify such breach or non-compliance within thirty (30) Business Days from the date of such breach or non-compliance. No breach of the Scheme shall be regarded as having occurred if rectified within such time period.
- 9.4 The Company shall have the option to terminate the Scheme should there be a breach or

failure by any Creditor to comply with, adhere to and/or perform its obligations under Clauses 3.15 and/or **Error! Reference source not found.** of this Scheme.

9.5 In the event that the Scheme is terminated pursuant to Clause 9.1.3 above, the Scheme shall cease to be binding on the Creditors and each Creditor shall be entitled to exercise any and all of its rights, powers and remedies against the Company as if this Scheme was never proposed but each Creditor in so exercising its rights, power and remedies as aforesaid shall give credit to the Company for all sums and shares received from the Company under this Scheme in reduction or discharge of that Creditor's Claim.

## 10. **Creditors' Meetings**

10.1 During the Scheme Period, the Company and/or the Scheme Manager may, whenever it thinks fit or appropriate, convene a meeting of the Company's Creditors ("**Creditors' Meeting**") to propose an Ordinary Resolution or (if required by its Articles of Association and/or the Act and/or this Scheme) a Special Resolution as the Company and/or the Scheme Manager may in their sole discretion deem fit, in respect of any matters arising in connection with the terms and/or implementation of the Scheme.

10.2 During the Scheme Period, the Company shall convene a Creditors' Meeting upon the submission of a written request from any one or more Creditors whose Approved Claims subsisting at the relevant time in aggregate constitute not less than twenty percent (20%) of the total Approved Claims of its class of Creditors subsisting at such relevant time. In the event that the Company fails to convene and hold a Creditors' Meeting within thirty (30) days after the date of any request of such Creditors, then those requesting Creditors may convene a Creditors' Meeting.

10.3 Unless expressly stated that a Special Resolution is required, the Participating Creditors shall have the power by Ordinary Resolution to approve any variation and/or decision to be taken regarding this Scheme.

10.4 The following provisions shall apply to any Creditors' Meeting:

10.4.1 Any accidental omission to give notice of meeting or the non-receipt of notice by any Participating Creditor shall not invalidate any meeting or the proceedings thereat.

10.4.2 Any notice of meeting shall be accompanied by a proxy form to be issued by the Company and each Participating Creditor shall, at least twenty-four (24) hours before the Creditors' Meeting, lodge the proxy form with the Scheme Manager at the Specified Address. If a Participating Creditor fails to lodge a proxy form at least twenty four (24) hours before the Creditors' Meeting, that Participating Creditor shall not be entitled to vote at the Creditors' Meeting unless so admitted to vote at the discretion of the chairman of the Creditors' Meeting.

10.4.3 Any Participating Creditor which is not a natural person must appoint a proxy to attend and vote on its behalf at all Creditors' Meetings and any Participating Creditor may appoint any natural person to be its proxy or attorney to attend and vote on its behalf at any or all Creditors' Meetings. No Participating Creditor shall be entitled to appoint more than one (1) proxy or attorney to attend and vote at any Creditors' Meeting and the proxy or attorney shall not be allowed to attend and vote at any Creditors' Meeting except in the absence of its appointor. A Participating Creditor may revoke the

appointment of any person as its proxy or attorney by giving written notice thereof to the Scheme Manager.

- 10.4.4 At any such meeting, two (2) Participating Creditors present in person or by proxy shall form a quorum for the transaction of business and no business shall be transacted at any meeting unless the requisite quorum is present at the commencement of business.
- 10.4.5 The Scheme Manager shall be entitled to nominate the chairman of the meeting, but if no representative of the Scheme Manager is present within thirty (30) minutes of the time appointed for the holding of the meeting, the Participating Creditors present in person or by proxy shall choose one of their number to be chairman.
- 10.4.6 If within half an hour from the time appointed for any meeting, a quorum of Participating Creditors is not present, the meeting shall stand adjourned to such place and time at the discretion of the chairman, and if at such adjourned meeting, a quorum is still not present, one (1) Participating Creditor shall form a quorum and may transact any business which a Creditors' Meeting is competent to transact.
- 10.4.7 The chairman may, with consent of the Participating Creditors present at the meeting, adjourn the meeting from time to time and from place to place, to a place and time determined by the Scheme Manager.
- 10.4.8 Any meeting at which it is proposed to: (i) pass an Ordinary Resolution shall be called by giving at least fourteen (14) Business Days' notice in writing to the Participating Creditors; and/or (ii) pass a Special Resolution shall be called by giving at least twenty-one (21) Business Days' notice in writing to the Participating Creditors.

## **11. Modifications or Amendments to the Scheme**

- 11.1 All procedural amendments, including any extension or abridgment of time in connection with anything to be done under the Scheme (save in respect of any payment obligations of the Company under the Scheme), shall be approved by Ordinary Resolution passed by the Participating Creditors at a Creditors' Meeting.
- 11.2 All substantive modifications and/or amendments to and decisions to be taken regarding the Scheme shall be approved by Special Resolution passed by the Participating Creditors at a Creditors' Meeting. Any proposed modification, amendment and/or decision to be taken with respect to any payment obligations of the Company under the Scheme shall be regarded as a substantive modification and/or amendment to the Scheme.
- 11.3 Save as provided for under Clauses 11.1 and 11.2 above, any modifications and/or amendments to the terms of the Scheme and any decisions to be taken regarding the Scheme shall be approved by Ordinary Resolution passed by the Participating Creditors at a Creditors' Meeting.
- 11.4 For the avoidance of doubt and subject to Clauses 11.1 and 11.2 above, the Scheme Manager shall determine whether a proposed modification, amendment and/or decision to be taken regarding the Scheme is procedural or substantive in nature or otherwise, and any such determination by the Scheme Manager shall be conclusive and binding on all parties to the Scheme.

## **12. Costs**

12.1 Save as otherwise ordered by the Court, the Company shall pay in full all of its costs, charges, expenses and disbursements incurred in connection with the negotiation, preparation and implementation of the Scheme as and when they arise, including, but not limited to the cost of holding its respective Creditors' Meeting and obtaining the Court Order.

**13. Performance of obligations on dates other than a Business Day**

13.1 If any obligation is to be performed under the terms of the Scheme on a date other than a Business Day, the relevant obligation shall be performed on the next Business Day.

**14. Notices**

14.1 Every notice to be given to a Creditor under this Scheme shall be in writing and sent by normal post at the address of the Creditor last known to the Scheme Manager or by electronic mail to the Creditors for whom the Scheme Manager have an e-mail address in their records, which e-mail address the Scheme Manager understands to be the last known e-mail address(es) of that Creditor or any director, employee, agent, solicitor or authorized representative of that Creditor.

14.2 Any such notice shall be deemed to have been duly served (if given by electronic mail) immediately via the electronic mail, from the intended recipient (or if given by letter) seven (7) days after posting it shall be sufficient to show that the envelope containing the same was duly addressed, stamped and posted regardless of whether the said notice be actually received and whether the said notice is returned to the Scheme Manager.

**15. Severability**

15.1 If any provision in this Scheme shall be held to be invalid, illegal or unenforceable, in whole or in part, the provision shall apply with whatever deletion or modification as necessary so that the provision is legal, valid and enforceable and gives effect to the commercial intentions of the Creditors and the Company.

15.2 To the extent it is not possible to delete or modify the provision in whole or in part, under Clause 15.1, then such provision or part of it shall, to the extent that it is invalid, illegal or unenforceable, be deemed not to form part of this Scheme and the validity, legality and enforceability of the remainder of this Scheme shall, subject to any deletion or modification made under Clause 15.1, not be affected.

**16. Proper Law and Jurisdiction**

16.1 This Scheme shall be exclusively governed by the laws of the Republic of Singapore.

16.2 The parties to this Scheme (including the Company, the Scheme Manager and the Creditors) hereby irrevocably submit to the exclusive jurisdiction of the courts of Singapore in relation to any legal actions or proceedings arising out of or in connection with this Scheme.

**17. Contracts (Rights of Third Parties) Act, Cap 53B**

17.1 Save as expressly provided for in the Scheme, a person who is not a party to this Scheme has no right under the Contracts (Rights of Third Parties) Act, Chapter 53B of Singapore, to enforce any term of this Scheme.

18. **Personal Data Protection Act 2012 (No. 26 of 2012)**
- 18.1 Each Creditor represents, warrants and undertakes to the Company and the Scheme Manager that any personal data of any individual provided under and in connection with the Scheme has been obtained with such individual's consent and hereby consents on behalf of such individual to the collection, use and disclosure of his personal data by the Company and the Scheme Manager in accordance with the provisions of the Personal Data Protection Act 2012 (No. 26 of 2012).
- 18.2 Any consent given under the Scheme in relation to personal data shall survive death, incapacity, bankruptcy or insolvency of any such individual and the termination or expiration of the Scheme. For the purposes hereunder, "personal data" has the meaning ascribed to it in the Personal Data Protection Act 2012 (No. 26 of 2012).

**Annex 1**  
**Proof of Debt Form**

INSOLVENCY, RESTRUCTURING AND DISSOLUTION ACT 2018

PROOF OF DEBT FORM

1 Case Number

2 Name of Company

HC/OA 383/2022	NO SIGNBOARD HOLDINGS LTD
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3 Particulars of Creditor Claiming Debt

Name of Creditor:
IC/Passport No./Company/Business Registration No.
Postal Address ( <i>Please see note a</i> ) :
Contact Nos. (Tel/Pager/HP):
Email Address:
Creditor's Reference No. ( <i>Please see note b</i> ) :

4 Particulars of Debts

Date Debt Incurred	Details of Debt ( <i>Please see notes c, d &amp; e</i> )	Currency	Amount (\$)
Total Amount of Debt Claimed (In Figures):			
Total Amount of Debt Claimed (In Words):			

5 Particulars of Interest / Late Charge (*Please indicate "NIL" if interest / late charge is not applicable*)

Date Debt Incurred	Details of Interest / Late Charge ( <i>Please see note g</i> )	Currency	Amount (\$)

6 Security Held (*Please indicate "NIL" if no securities are held by creditor*)

Brief Description & Value of Securities :
-------------------------------------------

**7 Particulars of Person Authorised To Complete This Proof of Debt Form**  
(If same as in box 3 above, please indicate "see box 3 above")

Name :

NRIC No./Passport No.:

Relationship to Creditor:  
(State whether director/employee/solicitors/accountant, etc)

Name of Company/Firm:  
(Where applicable)

Contact Nos. (Tel/pager/HP):

Email Address:

**8 Signature of Creditor/Person Authorised To Complete This Proof Of Debt Form**

8.1 I declare that to the best of my knowledge and belief, the company owes the creditor the amount claimed in box 4.

8.2 I declare that I am duly authorised, by the creditor/under the seal of the creditor company, to complete this proof of debt form.

Signature : \_\_\_\_\_ Date :    /    /  
(Day)(Month)(Year)

**WARNING**

**Lodging a false proof of debt is a criminal offence punishable with fine or imprisonment or both**

**Notes:**

- a. Please inform the Company of any changes in address.
- b. Please indicate the reference number that will be quoted in future correspondences with the Company
- c. Examples of Debts are:
  - Goods Supplied            - Services Rendered            - GST
  - Wages and Salaries       - Personal Loan                - Overdraft facilities
  - Income Tax                - Property Tax                 - CPF                                - Others (please specify)
- d. Please attach copies of documents substantiating the debt. The onus is upon the creditor to prove the debt.
- e. For claims made by an authorised person on behalf of a group of workmen and others employed by the company, please provide a schedule reflecting the name, identification/passport no., address, debt description, period for which wages are due and amount due, for each individual workman/employee.
- f. Please state whether the amount claimed includes goods and services tax, and if so, the amount of the tax.
- g. Please provide a brief description on the terms of the interest / late charge and attach copies of documents substantiating the amount.



## DISTRIBUTION UNDER THE SCHEME

Please indicate herewith if your elected choice is to:

**Option 1:** Receive the Cash Distribution under Clauses 6.1 and 6.2 of the Scheme

**Option 2:** Be issued Scheme Shares under Clause 6.3 of the Scheme

### OPTION 1

Please provide the Scheme Manager with the following information for the purposes of the Cash Distribution:

- a. The name of the Payee, if the Cash Distribution is to be made by cheque; and

<b>Payee Name:</b>	
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- b. The following details of the designated bank account for the Cash Distribution to be made by bank transfer:

<b>Account Name:</b>	
<b>Account No:</b>	
<b>Beneficiary Bank:</b>	
<b>Bank Address:</b>	
<b>SWIFT Code</b>	
<b>Reference:</b>	
<b>FOR GIRO ONLY</b>	
<b>Account No:</b>	
<b>Bank Code</b>	
<b>Branch Code</b>	

## OPTION 2

Please provide the Scheme Manager with the following information for the purposes of the issuance of the Scheme Shares:

<b>CDP Account Name:</b>	
<b>CDP Account Number:</b>	
<b>FOR NOMINEES ONLY</b>	
<b>Nominee CDP Account Name:</b>	
<b>Nominee CDP Account Number:</b>	

## IMPORTANT INFORMATION

The completed Proof of Debt (with the relevant supporting documents) can be submitted in either hard copy or via email to David Chew ([david.chew@dhccapital.com](mailto:david.chew@dhccapital.com)). Email is preferred. A confirmation e-mail will be sent to the sender to acknowledge receipt of the relevant documents sent. Hard copy Proof of Debt are to be sent to: DHC Capital Pte Ltd, #43-01 UOB Plaza 1, 80 Raffles Place, Singapore 048624

The deadline for the submission of the completed Proof of Debt (with relevant supporting documents) for the purpose of voting (i.e. the Proof of Debt Voting Cut-Off Date) is 2 September 2022 at 4:00 p.m. (Singapore time). If you do not intend to vote on the Scheme and merely wish to receive distributions thereunder (if the Scheme is duly passed and comes into effect), you may submit your completed Proof of Debt (with relevant supporting documents) by 10 October 2022 at 4:00 p.m. (Singapore time) instead (i.e. the Proof of Debt Long Stop Date).

**Annex 2**  
**Proxy Forms**

**NO SIGNBOARD HOLDINGS LTD**  
(Singapore UEN No. 201715253N)  
(the “Company”)

**PROXY FORM FOR SCHEME MEETING**

*Note: Please refer to the Company’s notice of a scheme meeting (“Scheme Meeting”) to be held at Goodman Arts Centre, 90 Goodman Road, Singapore 439053 (or such other date or place as may be fixed by the Company and notified to scheme creditors on 11 October 2022, 10:00 a.m. and at any adjournment thereof, for the purpose of considering and, if thought fit, approving (with or without modification) the scheme of arrangement (the “Scheme”) referred to in the said notice convening the Scheme Meeting.*

Capitalised terms used herein but not defined shall have the meanings given to them in the Notice of Scheme Meeting.

We, \_\_\_\_\_, of \_\_\_\_\_, being a Creditor of the Company, hereby appoint the following as our proxy (the “Proxy”) to attend the Scheme Meeting or any adjournment thereof:

Name	Address	NRIC / Passport No.

Note: If no name is entered above, the Chairman will be appointed as Proxy.

The Proxy is authorized to vote on our behalf in favour of (“FOR”) or against (“AGAINST”) the Scheme as hereunder indicated.

Note: If you leave both boxes blank, your proxy will have complete discretion as to how to vote on your behalf and such vote, once cast by your proxy, will be binding on you. Where your proxy is the Chairman and you leave both boxes blank, such vote will be cast **FOR** the Scheme (for the avoidance of doubt, if the Chairman is your proxy and you have voted AGAINST the Scheme, such vote will be cast AGAINST the Scheme). **DO NOT TICK IN BOTH BOXES AS THIS WILL INVALIDATE YOUR VOTE.**

FOR (Please indicate with a tick)	OR	AGAINST (Please indicate with a tick)

Signature: \_\_\_\_\_ Date: \_\_\_\_\_

Print NAME: \_\_\_\_\_

Capacity to sign (i.e. designation) \_\_\_\_\_

**IMPORTANT INFORMATION**

The completed Proxy Form can be submitted in either hard copy or via email to David Chew ([david.chew@dhccapital.com](mailto:david.chew@dhccapital.com)). Email is preferred. A confirmation e-mail will be sent to the sender to acknowledge receipt of the relevant documents sent. Hard copy Proxy Forms are to be sent to: DHC Capital Pte Ltd, #43-01 UOB Plaza 1, 80 Raffles Place, Singapore 048624.

The deadline for the submission of the completed Proxy Form for the purpose of voting is 2 September 2022 at 4:00 p.m. (Singapore time) (i.e. the Proof of Debt Voting Cut-Off Date).

**APPENDIX B**  
**LIQUIDATION SCENARIO**

# No Signboard Holdings Ltd

## Liquidation Analysis



# Important notice

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- ▶ This report was prepared for No Signboard Holdings Ltd (“**NSB**”) to provide information to creditors and a basis for NSB to have a discussion with its creditors regarding the proposed debt restructuring via scheme of arrangement. It should not be used or relied upon for any other purpose.
- ▶ We have relied upon information provided by NSB and discussions with NSB’s management, key employees and advisors. We do not accept responsibility for such information, which remains the responsibility of NSB. We have not independently verified its accuracy or completeness nor have we undertaken an audit of the information made available. Our work done is not, and under no circumstances should it be construed, as an audit or a review made in accordance with the Singapore Standards on Auditing.
- ▶ We may perform research and analysis using publicly available information drawn from a wide range of databases and on-line information services which are available to us. We will not independently verify, or accept any responsibility or liability for independently verifying, any such information nor do we make any representation as to the accuracy or completeness of the information.
- ▶ Our work was concluded on the date of this report. We have not updated our report for events occurring subsequent to this date and we assume no responsibility and are not required to update, revise or reaffirm our report to reflect events or developments subsequent to the date of our report.
- ▶ Any estimates, projections or prospective financial information contained in this report have been prepared by the management of NSB, prepared by external third parties and provided to us by NSB, were obtained from publicly available sources or are based on estimates and assumptions regarding the outcome and timing of future events, which may or may not occur as assumed and consequently the actual results achieved may materially differ from those presented in this report. We accept no liability for any loss or damage which may result from your reliance on any research, analyses or information so supplied.
- ▶ No representation or warranty, expressed or implied, is made and no responsibility is taken or accepted by DHC Capital Pte Ltd, its directors, partners, employees, consultants or advisors or any other persons as to the accuracy or completeness of this report and so far as permitted by law, no responsibility or liability is accepted for the accuracy or for any errors, omissions or misstatements, negligent or otherwise, related thereto.
- ▶ This report is private and confidential and information contained in this report includes material non-public information regarding NSB and its subsidiaries and should not be disseminated without our prior written consent.
- ▶ This report is addressed to NSB. We do not accept any responsibility to any other party to whom our report is shown or to whose hands it may come (“**unauthorised persons**”). Unauthorised persons agree that they place reliance at their own risk and that DHC Capital Pte Ltd, its partners, employees, consultants and agents neither owe nor accept any duty of care or responsibility to them and shall not be liable in respect of any loss, damage or expense of any nature which is caused by any use the unauthorised persons may make of this report. If unauthorised persons choose to rely in any way on the contents of this report, they do so entirely at their own risk and we assume no responsibility whatsoever in respect of or arising out of or in connection with the contents of this report.

# Cover letter

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14 July 2022

No Signboard Holdings Ltd  
10 Ubi Crescent  
Ubi TechPark  
#03-02 Lobby A  
Singapore 408564

Dear Sirs

## LIQUIDATION ANALYSIS

DHC Capital Pte Ltd has been engaged by No Signboard Holdings Ltd (“NSB”) to prepare a liquidation analysis report in relation to the debt restructuring of NSB.

### Purpose of this report

This report was prepared for NSB to provide information to creditors on the recovery to creditors under a liquidation scenario and provide a basis for NSB to have a discussion with its creditors regarding a proposed scheme of arrangement. It should not be used or relied upon for any other purpose.

### Use of the report

This report is strictly private and confidential and information contained in this report includes material non-public information regarding NSB and should not be disseminated without our prior written consent.

We accept no responsibility or liability to any person other than to NSB and accordingly if other parties choose to place reliance in any way on the contents of this report, they do so entirely at their own risk and DHC Capital Pte Ltd, its partners, employees, consultants and agents neither owe nor accept any duty of care or responsibility to them and shall not be liable in respect of any loss, damage or expense of any nature which is caused by any use such other parties may make of this report.

### Limitations

We have relied upon information provided by NSB and discussions with NSB’s management, key employees and advisors and other publicly available information. We have not independently verified the accuracy or completeness of the information nor have we undertaken an audit of the information. Consequently, our work done is not, and under no circumstances should it be construed, as an audit and we give no assurance on such information. The contents of the report and key findings were reviewed by NSB’s management. Comments from NSB’s management on factual accuracy have been sought and incorporated where applicable.

### Structure of the report

The report is divided into three sections. Each page is headed by a headline which is intended to be an introduction to the page and should be read in conjunction with the page as a whole.

Yours sincerely

*David Chew*

David Chew  
Partner  
DHC Capital Pte Ltd



# Contents

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- ▶ Abbreviations
- ▶ Section 1: Approach and methodology
- ▶ Section 2: Estimated return to creditors
- ▶ Section 3: Key assumptions

# Abbreviations

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**Entity**  
**NSB** No Signboard Holdings Ltd  
**NSB Group** Group of entities comprising NSB and its subsidiaries

**Other Group Entities**

**DBPL** Danish Breweries Pte Ltd  
**HQPL** Hawker QSR Pte Ltd  
**NSBH** NSB Hotpot Pte Ltd  
**NSBR** NSB Restaurants Pte Ltd

**Other Entities**

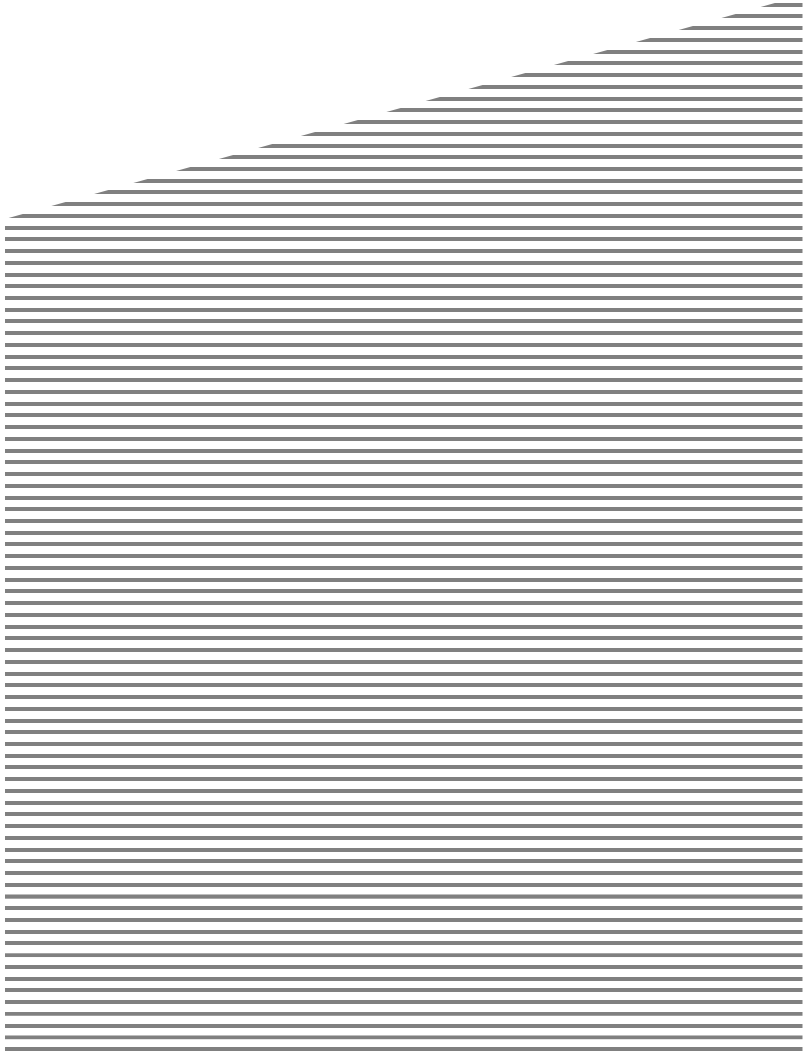
**DHC Capital** DHC Capital Pte Ltd

**Other Abbreviations**

**ERV** Estimated realisable value  
**NBV** Net book value  
**\$** Singapore dollars

Section 1

# Approach and methodology



# Approach and methodology

- ▶ We have prepared a liquidation analysis illustrating the estimated returns to creditors in a theoretical liquidation of NSB and NSB Group. Our approach and details on the methodology underlying the liquidation scenario are set out below:

## Key considerations

- ▶ The liquidation analysis assumes a theoretical liquidation of NSB and NSB Group with liquidators appointed to each legal entity simultaneously. This involves cessation of trading and the realisation of assets as part of an immediate break-up of the NSB Group
- ▶ The liquidation analysis is based on the un-audited balance sheet as at 31 May 2022 (being the latest available accounts)

## Liquidation priority

- ▶ The liquidation analysis starts by determining the estimated realisable value of the assets of the NSB Group taking into consideration the conditions under which that value may be realised (typically a forced sale or recovery of assets under insolvency) and adding any inter-company returns / distributions (see below for further information)
- ▶ For each entity in the NSB Group, creditor claims are then mapped against these value pools and then systematically distributed according to the local insolvency regime. This typically defines the distribution in a ranking priority starting with secured creditors (if any), then preferential creditors (cost and expenses of the insolvency, including the liquidator's remuneration, employees and taxes) ahead of unsecured creditors<sup>1</sup>. Any residual (surplus) amount is assumed to be distributed to its parent company (i.e. the shareholder of each entity)
- ▶ The output of the liquidation analysis typically shows the distribution and % "return" available to secured (if any) and unsecured creditors. The distribution to unsecured creditors is determined by the total amount available for unsecured creditors, after accounting for amounts owing to secured creditors (if any) and preferential creditors. The % return to each unsecured creditor is obtained by dividing the total amount available for unsecured creditors by the aggregate of the entity's unsecured liabilities
- ▶ Due to the inter-company claims, the % "return" calculation are a recurring (circular) process and as a result balances are constantly adjusted due to the receipt of inter-company returns (distributions) and the redistribution to unsecured creditors. We have used a macro to execute this function and the result is equivalent to setting the circular calculation to 10,000 iterations, which makes the resulting figures converging to their limits

### Notes:

1. We note that certain entities in the NSB Group are incorporated in jurisdictions outside Singapore. We have not performed a legal review on the local insolvency regime for each of the jurisdictions where entities are incorporated and have applied a similar distribution priority ranking for entities in such jurisdictions. We also note that in certain jurisdictions there may be practical challenges under the specific local insolvency regime, which may impact recovery value

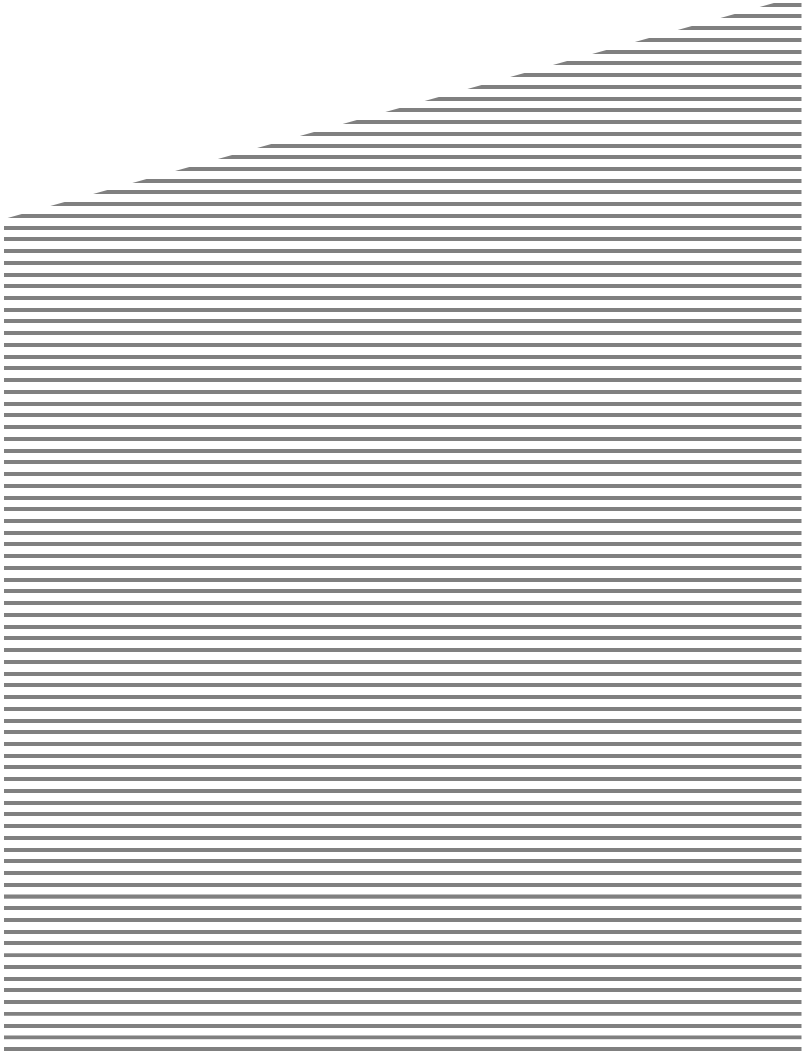
# Approach and methodology

## Key considerations

- Asset recovery estimates**
- ▶ Our analysis is based upon assumed realisations for assets. To calculate these realisations, assets in different categories (except inter-company receivables and investments in subsidiaries) have been assigned with different estimated recovery rates (as a %)
  - ▶ Estimated recovery values for assets are based on applying the estimated recovery rate to the NBV of the asset. We have relied upon the descriptions in the line items in each entities balance sheet and have not independently verified the existence or value of these assets, nor have we carried out a formal valuation exercise on any of these assets
  - ▶ The estimated realisable value in the liquidation analysis is highly sensitive to the recovery assumptions and changes to these key assumptions could lead to a materially different outcome. The estimated realisable value for assets in a liquidation relate to the future and actual results may be different from those presented in this report because events and circumstances frequently do not occur as expected, and the differences may be material. By its very nature, liquidation analysis cannot be regarded as an exact science and the conclusions arrived at in many cases will necessarily be subjective and dependent on the exercise of individual judgement. As such, DHC Capital's liquidation analysis serves only as a reference tool
- Time value of money**
- ▶ The liquidation analysis does not take into account the time value of money. The insolvency of NSB Group may take time due to the challenges of dealing with the complex and multi location operations of the NSB Group and accordingly distributions would likely be made over a long period of time during which interest could accrue on certain claims
- Taxes**
- ▶ No capital gains tax has been assumed on asset realisations on the assumption that realised value is less than the tax base cost. We note that the tax carrying value may materially differ from the NBV and therefore there could be capital gains charges which would reduce recoveries

Section 2

# Estimated return to creditors



# Estimated return to creditors

## Return to NSB unsecured creditors

- ▶ Subject to the assumptions set out in our report, the estimated return to unsecured creditors of NSB is zero cents in the dollar and the return to NSB shareholders is zero in a liquidation scenario
- ▶ The estimated amount realised for creditors of NSB is approximately \$285,452

No Signboard Holdings Ltd		
Liquidation Analysis		
	NBV (\$)	ERV (\$)
<b>Total amount realised for creditors</b>	2,664,623	285,452
<b>Less: Super priority creditor</b>		(450,000)
<b>Less: Preferential creditors</b>		(268,366)
- Liquidation cost of realisation, fees and disbursements		(57,090)
- Employees and taxes		(211,276)
<b>Total amount available for unsecured creditors</b>		(432,914)
<b>Total unsecured creditors</b>		4,046,648
<b>Estimated return to unsecured creditors</b>		0%

# Estimated return to creditors

## Return to NSBR unsecured creditors

- ▶ Subject to the assumptions set out in our report, the estimated return to unsecured creditors of NSBR is zero cents in the dollar in a liquidation scenario
- ▶ The estimated amount realised for creditors of NSBR is approximately \$113,784

NSB Restaurants Pte Ltd		
Liquidation Analysis	NBV (\$)	ERV (\$)
<b>Total amount realised for creditors</b>	1,522,204	113,784
<b>Less: Preferential creditors</b>		<b>(164,447)</b>
- Liquidation cost of realisation, fees and disbursements		(22,757)
- Employees and taxes		(141,690)
<b>Total amount available for unsecured creditors</b>		<b>(50,662)</b>
<b>Total unsecured creditors</b>		<b>3,126,455</b>
<b>Estimated return to unsecured creditors</b>		<b>0%</b>



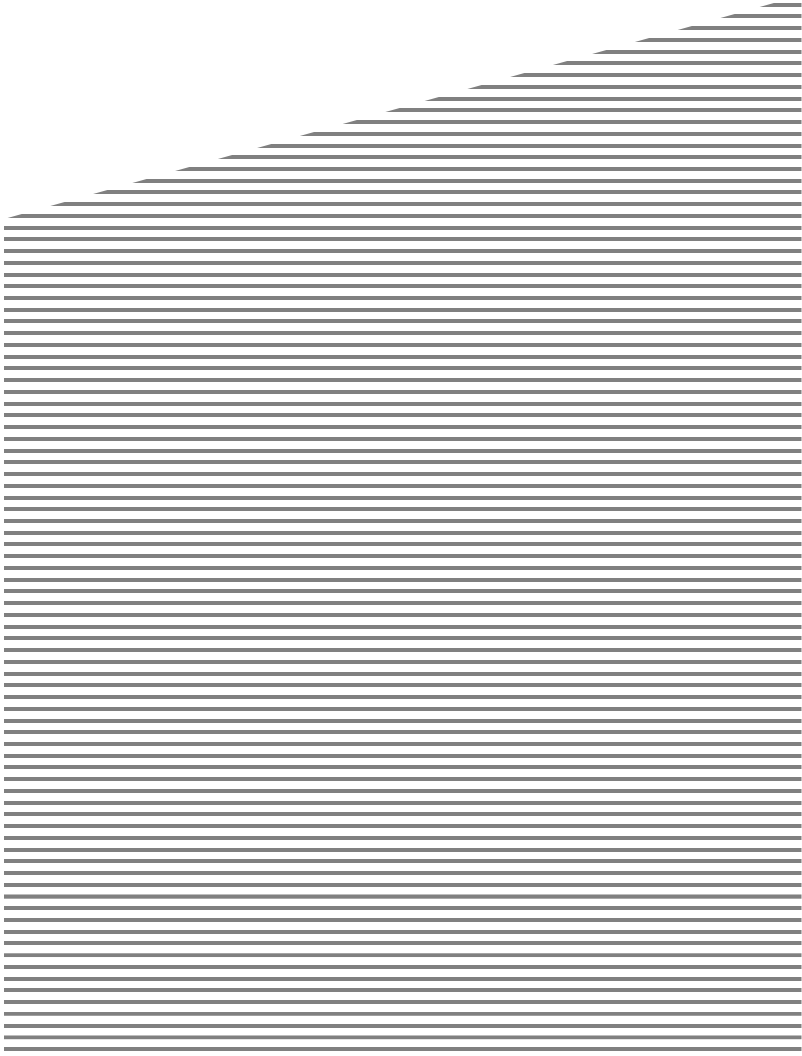
# Estimated return to creditors

## Return to NSBH unsecured creditors

- ▶ Subject to the assumptions set out in our report, the estimated return to unsecured creditors of NSBH is zero cents in the dollar in a liquidation scenario
- ▶ The estimated amount realised for creditors of NSBH is approximately \$130,903

NSB Hotpot Pte Ltd		
Liquidation Analysis		
	NBV (\$)	ERV (\$)
<b>Total amount realised for creditors</b>	1,988,018	130,903
<b>Less: Preferential creditors</b>		(142,688)
- Liquidation cost of realisation, fees and disbursements		(26,181)
- Employees and taxes		(116,507)
<b>Total amount available for unsecured creditors</b>		(11,785)
<b>Total unsecured creditors</b>		5,016,386
<b>Estimated return to unsecured creditors</b>		<b>0%</b>

# Key assumptions



# Key assumptions

- ▶ The key assumptions of the liquidation analysis are set out below:

## Key assumptions

**Corporate structure** ▶ We have focused on the 3 main entities in the NSB Group (NSB, NSBH and NSBR) for our analysis

▶ DBPL and HQPL were excluded from the liquidation analysis as they were placed into insolvent liquidation prior to 31 May 2022

**Asset recoveries** ▶ We have assumed the recovery rates for the following asset categories:

- ▶ Cash and bank balances: 100%
- ▶ Trade receivables: Between 50% and 75%
- ▶ Other receivables: Between 10% and 60%. Includes, but not limited to, deposits for utilities, service providers, office rent, restaurant rent and insurance prepayments. We discounted the recovery as NSB Group may incur offsets for (i) disputes with counter-parties whose contracts are likely to be terminated by insolvency and (ii) offsets where the counter-party is also a creditor and seek to set off the funds on hand against liabilities owed
- ▶ Inventories: Between 10% and 50%. Includes beverage items (e.g. canned drinks), consumables (e.g. partitioned lunch box sets) and food items. We discounted the recovery for consumables and food items due to the perishable nature of the food items and food safety issues
- ▶ Grant receivables: 50%
- ▶ Other assets: 50%
- ▶ Other receivables - non current: Between 0% and 50%
- ▶ Right-of-use assets: 0%. This represents the right to use leased assets. The asset is recorded as an asset and depreciated on a straight-line basis. We discounted the recovery as the right to use relates to leased premises and whose contracts are likely to be terminated by insolvency
- ▶ Motor vehicle, plant and equipment and kitchen equipment and utensils: Between 25% and 50%. Discounted recovery to reflect forced asset sale in a liquidation and certain restaurant assets are fixed as part of the renovation and cannot be removed for sale
- ▶ Renovation: 0%. NSB Group has leases for the office and for restaurant locations. We discounted the recovery as these renovations are on leased premises and whose contracts are likely to be terminated by insolvency

# Key assumptions

## Key assumptions

### Asset recoveries

- ▶ We have assumed the recovery rates for the following asset categories:
  - ▶ Construction in progress: 0%. This relates to IT platform specific to NSB Group's requirements for customer relationship management, loyalty program, SAP and online market place
  - ▶ Investments in subsidiaries: Amount is determined by the liquidation analysis if there is any residual (surplus) amount after unsecured creditors are paid in full
  - ▶ Amounts due from inter-company: Refers to inter-company receivables due from companies in the NSB Group. Amount is determined by the liquidation analysis based on the distribution to unsecured creditors on an entity basis

### Listing status

- ▶ We have assumed zero value for the listing status due to the premise of liquidation of NSB

### Security

- ▶ There are no secured creditors in the NSB Group
- ▶ There are creditors that hold security deposits in cash pursuant to rental agreements, lease agreements or similar contractual arrangements. We have assumed that such creditors have the right of set off

### Super priority creditor

- ▶ We have assumed that the super priority creditor ranks ahead of preferential creditors for \$450,000 pursuant to the Court order
- ▶ As at the date of this report, the full amount of the super priority rescue financing of \$450,000 has been drawn

# Key assumptions

## Key assumptions

- Preferential creditors**
- ▶ Creditors whose debts are typically paid in priority over unsecured creditors under the local insolvency regime. These typically include: (i) the costs and expenses of the insolvency including the remuneration of the liquidator, (ii) employees for wages or salary, retrenchment benefits or ex-gratia payments, work injury compensation, employee superannuation or provident funds and vacation leave and (iii) taxes
  - ▶ **Liquidation costs:** We have assumed an amount for the liquidator's cost of realisation, fees and disbursements based on a fixed percentage of the assets realised<sup>1</sup>
  - ▶ **Employees:** We have assumed that employees are terminated upon insolvency and paid statutory entitlements. There were overdue employee salaries and entitlements as at 31 May 2022 and these have been included as preferential debts. Employee retrenchment payments are based on 1 month severance payments to employees<sup>2</sup>. We have not performed a review on the employee entitlements upon termination nor have we engaged third party experts to review the employee entitlements. The number of employees as at 30 June 2022 is 44 across the NSB Group
  - ▶ **Taxes:** Taxes under GST accounts were recorded as preferential debts ahead of unsecured creditors. We were informed by NSB that there are no income taxes due because of the operating losses incurred. We have not performed a tax review nor have we engaged third party experts to review the tax position
- Creditors**
- ▶ Total unsecured creditors includes: (i) loans, (ii) trade creditors, other creditors, accruals and provisions, (iii) inter-company creditors and related party creditors, (iv) lease liabilities and (v) contingent liabilities (includes, but not limited to contractual obligations under lease and rental agreements) as at 31 May 2022. The total unsecured creditors was based on the un-audited balance sheet and information provided by NSB. The inter-company creditor position was based on a matrix of balances provided by NSB. Contingent liabilities where the quantum of claim was not crystallised or not currently quantified were not included
- Legal**
- ▶ We have not undertaken a legal review in respect of set-off arrangements (or the absence thereof), contingent claims that may crystallise on an insolvency or on other legal matters for the purposes of this report

**Notes:**

1. This assumption does not include the cost expected to be incurred by the liquidator to retain a small number of employees for a short period to assist in the realisation of assets, obtain key information and wind down entity operations and third-party service providers such as sales agents and legal counsel
2. We have excluded any adjustments in relation to the statutory cap for employee claims

## **DHC Capital | Restructuring | Capital Raising | Accelerated M&A | Expert Testimony | Board & Executive Appointments**

### **About DHC Capital**

DHC Capital is an investment banking and financial advisory firm specialising in solving critical business challenges due to liquidity pressures or financial stress and distress.

DHC Capital provides independent and conflict-free advice on financial and operational restructuring to corporates, creditors, investors and other stakeholders, both in and out of Court. DHC Capital also advises clients on structuring and executing bespoke capital raising and accelerated M&A transactions to meet short term liquidity requirements, raise capital to unlock shareholder value or meet growth objectives. DHC Capital will further provide directors or executives into corporates involved in a restructuring process or on behalf of creditors and investors to monitor and protect their investments.

For further information, please visit [www.dhccapital.com](http://www.dhccapital.com).

### **DHC Capital Pte Ltd**

DHC Capital Pte Ltd is a company incorporated in Singapore and has lodged with the Monetary Authority of Singapore (MAS) that it is an exempt person providing corporate finance advisory services.

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**APPENDIX C**

**NOTICE OF SCHEME MEETING**

**IN THE GENERAL DIVISION OF THE HIGH COURT OF THE  
REPUBLIC OF SINGAPORE**

HC/OA 353/2022

In the matter of Section 210 of the Companies Act  
1967

And

In the matter of **NO SIGNBOARD HOLDINGS  
LTD**  
(Singapore UEN No. 201715253N)

**NOTICE OF SCHEME MEETING**

**NOTICE IS HEREBY GIVEN** that a meeting (the “**Scheme Meeting**”) of the Creditors (as defined in the scheme of arrangement dated 22 August 2022 proposed by No Signboard Holdings Ltd (the “**Company**”) (the “**Scheme**”)) will be held at Goodman Arts Centre, 90 Goodman Road, Singapore 439053 (or such other place as may be fixed by the Company and notified to its Creditors) on **11 October 2022** at **10:00 a.m.** for the purpose of considering and, if thought fit, agreeing (with or without modification) the Scheme pursuant to Section 210 of the Companies Act 1967 (the “**Companies Act**”).

The Scheme Meeting is convened pursuant to an Order of Court dated 16 August 2022 and Mr David Chew, c/o DHC Capital Pte Ltd, shall act as the chairperson of the Scheme Meeting (the “**Chairman**”) and report the results of the Scheme Meeting to the Court.

The Scheme, the Explanatory Statement and the Proxy Forms (as defined in the Scheme) required to be furnished pursuant to Section 211 of the Companies Act are incorporated into the Scheme Document of which this Notice forms part of. Copies of the Scheme Document have been dispatched to each Creditor via email, and are also available in hard copy for collection by any Creditor at #43-01 UOB Plaza 1, 80 Raffles Place, Singapore 048624 during normal business hours on any day prior to 11 October 2022, or in soft copy from the Chairman on request by sending an email to [david.chew@dhccapital.com](mailto:david.chew@dhccapital.com) requesting for the same.




Creditors are to file their proofs of debt (“**Proof(s)**”) by 4:00 p.m. on 2 September 2022. For the purpose of voting at the Scheme Meeting, every Creditor shall lodge a Proof in respect of the financial obligations owed to it by the Company in accordance with the instructions in the relevant Proof form, either in hard copy or via email to [david.chew@dhccapital.com](mailto:david.chew@dhccapital.com). Hard copies of Proofs are to be sent to DHC Capital Pte Ltd, of #43-01 UOB Plaza 1, 80 Raffles Place, Singapore 048624.

Creditors who do not file their Proofs by 4:00 p.m. on 2 September 2022 will (subject to the Chairman’s discretion) not be entitled to vote at the Scheme Meeting. If a Creditor does not intend to vote on the Scheme and merely wishes to receive distributions thereunder (if the Scheme is duly passed and comes into effect), the Creditor may submit its completed Proof (with relevant supporting documents) by 4:00 p.m. on 10 October 2022.

If a Creditor does not file a Proof, it may not be entitled to any payments or distributions made pursuant to the Scheme. In such event, all their claims against the Company as well as obligations the Company has towards them will be forever varied, waived, released, discharged and/or extinguished in accordance with the Scheme terms, and the Creditor shall not have any rights, interests and claims whatsoever against the Company in respect of any such claims.

A Creditor may vote in person at the Scheme Meeting or appoint one proxy to attend and vote on his behalf, using the appropriate Proxy Form contained in the Scheme Document. Proxy Forms must be lodged either in hard copy and sent to DHC Capital Pte Ltd, of #43-01 UOB Plaza 1, 80 Raffles Place, Singapore 048624, or via email to [david.chew@dhccapital.com](mailto:david.chew@dhccapital.com) by 4:00 p.m. on 2 September 2022. Any submission of Proxy Forms after this date will only be processed at the Chairman’s discretion.

Dated this 22<sup>nd</sup> day of August 2022



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**SOLICITORS FOR THE APPLICANT  
MORGAN LEWIS STAMFORD LLC**