

NO SIGNBOARD HOLDINGS LTD.
(Company Registration No. 200504595D)
(Incorporated in the Republic of Singapore)

**UPDATE TO SHAREHOLDERS ON ONGOING DISPUTES AND TRADING RESUMPTION
PROPOSAL AND RECEIPT OF NOTICE OF REQUISITION**

1. Introduction

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

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

2. Update on the Group's business

- 2.1 The Board wishes to update Shareholders on the status of the Group's business.
- 2.2 As announced by the Company on 31 March 2022, in order to rationalise the Company's business and manage its costs, the Company has closed its loss-making F&B outlets and has commenced the liquidation of various loss-making and non-core subsidiaries.
- 2.3 As at the date of this announcement, the Company currently operates two F&B outlets, namely Little Sheep Hotpot at Orchard Gateway and nosignboard Sheng Jian at Northpoint City. It is the Board's intention to operate the Group's streamlined businesses with funds provided by the Investor in order to resuscitate the Group's businesses and to effect a resumption of the trading of the Shares, which the Board views as being in the best interests of the Company (including its employees), its Scheme Creditors and minority Shareholders
- 2.4 Under the terms of the Implementation Agreement, completion (including the issuance of the Subscription Shares to the Investor, and the payment by the Investor of the Full Investment Amount) was conditional upon the fulfilment (or waiver) of certain conditions precedent. Notwithstanding that not all of the conditions precedent were fulfilled, to demonstrate its support and commitment in respect of the Company's application for the trading resumption, the Investor has to-date paid to the Company the Full Investment Amount comprising S\$5,000,000 in order to support the Company's ongoing cash flow requirements. The Full Investment Amount is held in a bank account of the Company that is controlled by the Investor.
- 2.5 Post resumption of trading, the Company intends to undergo a re-branding exercise which may include the re-naming of its existing brands. The Board has also been actively searching for acquisition targets and is in the final stages of discussions to acquire two F&B businesses. It is intended that the acquisitions will be funded by the Full Investment Amount.

- 2.6 While the dispute with GuGong (an entity controlled by the Company's Executive Chairman and Chief Executive Officer, Mr Lim Yong Sim) is ongoing, the Group is facing significant operational issues at the same time. Mr Lim is a joint signatory of certain of the Group's operational bank accounts. The differing opinions between the Board and Mr Lim and coupled with the serious financial challenges faced by the Group has made it more difficult for the Group to pay the salaries of certain Group employees and/or creditors of the Group.
- 2.7 As set out in the Company's announcements dated 23 May 2023, 26 May 2023 and 14 June 2023, the Group has received various requests and demands for payment.
- 2.8 On 26 May 2023, the Company announced that the Investor has requested the return of the balance of the Full Investment Amount until the conditions precedent under the Implementation Agreement are fulfilled or waived. As a matter of goodwill and in demonstration of support for the Company, the Investor has now agreed to release an amount of approximately S\$60,000 in order to pay the salaries of the Group's employees for the month of May and an additional amount of approximately S\$90,000 in order to pay the Group's landlords and other creditors. Such amounts will be paid out of the Full Investment Amount.
- 2.9 In addition, as at the date of this announcement, franchise fees amounting to S\$103,440 remain due and owing to the Company under a franchise agreement dated 1 November 2017 for the "No Signboard" restaurant at 414 Geylang Road, Singapore 389392 (the "**Mattar Road Restaurant**"). On 14 June 2023, the Company issued a letter to the Mattar Road Restaurant demanding repayment of such sums, which has been made more urgent given the financial position of the Company.
- 2.10 With regards to the Implementation Agreement, the Investor and the Company are working closely together to try to resolve all outstanding issues and fulfil (or waive) all the outstanding conditions precedent so as to effect completion as soon as possible. This includes revising the trade resumption proposal which will set out the plans to inject fresh related businesses into the Group. A resumption of trading would also allow the Company to raise further funds from the secondary market, if necessary.
- 2.11 The Board hopes to obtain Shareholders' support with the view to resuscitating the Company's business via the above measures.

3. Update on ongoing dispute with GuGong

- 3.1 The Board also wishes to update Shareholders on the ongoing disputes between GuGong and the Company.
- 3.2 As at the date of this announcement, GuGong has commenced the following proceedings (the "**Proceedings**") against the Company:
- 3.2.1 GuGong's application to the General Division of the High Court of the Republic of Singapore (the "**High Court**") for an interim injunction against the Proposed Transactions and the Proposed Whitewash Resolution (both as defined in the Circular) pending the determination of the dispute in respect of the IP SPA between the Company and GuGong by way of arbitration administered by the Singapore International Arbitration Centre (the "**Arbitration**") or until further order;

- 3.2.2 GuGong's application to the High Court for an order for the reinstatement of the Independent Contractor Agreement ("**ICA**") between the Company and GuGong, among others; and
- 3.2.3 the Arbitration.
- 3.3 As disclosed by the Company on 24 May 2023, the Board had indicated its agreement to reinstate the ICA and the IP SPA and continues to proactively engage with GuGong and their lawyers in order to negotiate a settlement with GuGong. This includes obtaining independent legal advice on the Proceedings and discussions with GuGong and their lawyers on potential settlement terms, including attendance at a mediation conducted at the Singapore International Mediation Centre. The Company has also on 18 June 2022, issued the Settlement Offer (as defined below). Please refer to paragraph 5 for more information.
- 4. Notice of Requisition**
- 4.1 Notwithstanding the attempts at reaching a resolution with Mr Lim, the Board wishes to update Shareholders that the Company had, on 16 June 2023, received a letter and notice of requisition for extraordinary general meeting ("**EGM**", and such notice the "**Notice of Requisition**") from GuGong.
- 4.2 The Notice of Requisition requests the Company to convene an EGM to be held as soon as practicable but, in any event, not later than two months after the receipt by the Company of the requisition, to pass the following resolutions:
- 4.2.1 to remove Lim Teck-Ean, Tan Keng Tiong, Alvin, Lo Kim Seng, Francis Ding Yin Kiat, Benjamin Cho Kuo Kwang and any Director of the Company who may be appointed between 16 June 2023 and the date of the EGM with effect from the date of the EGM;
- 4.2.2 to appoint Lim Lay Hoon, Choo Cheng San, Cheo Tian Feng, Cheo Bee Hwa and Lim Yi (the "**New Board**") with effect from the date of the EGM; and
- 4.2.3 to annul the earlier resolutions that were passed in the Company's extraordinary general meeting held on 30 November 2022, namely:
- (a) The Proposed Share Consolidation;
 - (b) The Proposed Subscription Shares Allotment;
 - (c) The Proposed CRPS Allotment and The Proposed Conversion Shares Allotment;
 - (d) The Proposed Transfer of Controlling Interest;
 - (e) The Proposed Whitewash Resolution; and
 - (f) The Proposed Amendments to the Constitution.
- 4.3 The Board is currently seeking legal advice in relation to the Notice of Requisition. As the New Board consist of persons related to Mr Lim, it is unclear how the New Board would comply with Principle 2 of the Code of Corporation Governance 2018, which requires the Board to have an appropriate level of independence and diversity of thought and background in its composition

to enable it to make decisions in the best interests of the Company. The appointment of the New Board is also subject to the Nominating Committee's and the Sponsor's review and assessment.

- 4.4 The Board will provide further updates to the Shareholders when there are material developments on this matter.

5. Settlement Offer

- 5.1 In line with the Board's efforts to reach a settlement with GuGong and Mr Lim, the Board wishes to update Shareholders that the Company had, on 18 June 2023, issued an offer to settle with GuGong and Mr Lim (the "**Settlement Offer**"), whereunder:

5.1.1 the parties shall agree to reinstate the IP SPA and ICA and resume their respective obligations and liabilities under the said agreements, as if the same had never been terminated; or

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

- 5.2 The Settlement Offer is open for acceptance up until 21 June 2023 (Wednesday), 5pm. This time frame is in consideration of the Company's serious financial challenges, including the potential withdrawal of support from the Investor given the circumstances. Should the Investor enforce its demand for a return of the Full Investment Amount, the Company's financial position would be materially impacted, including its ability to meet its financial obligations as they fall due.

- 5.3 The Board notes that (i) notwithstanding several attempts to settle the ongoing disputes with GuGong and Mr Lim; (ii) the fact that Shareholders had on 30 November 2022 approved, *inter alia*, the allotment and issue of Subscription Shares to the Investor; (iii) the fact that the Scheme Creditors had on 11 October 2022 approved the Scheme dated 22 August 2022 between the Company and its Scheme Creditors and the Scheme was sanctioned by the High Court of Singapore on 28 October 2023, among others, Mr Lim's actions against the Company have impeded the Board's progress in carrying out its objectives as stated in paragraph 2.3 of this announcement. These actions include, to the Board's knowledge, writing to the SGX-ST to state his non-support (without giving any reasons) and taking out the injunction referred to in paragraph 3.2.1 of this announcement in an attempt to nullify the Proposed Transactions and the Proposed Whitewash Resolution. In addition, he has persistently called for the closing of the Group's remaining businesses.

- 5.4 This is contrary to the Board's stated objectives, which is to operate the Group's streamlined businesses with funds provided by the Investor despite the fact that the issuance of the Subscription Shares to the Investor has not been formally effected, in order to resuscitate the Group's businesses and to effect a resumption of the trading of the Shares which the Board views as being in the best interests of the Company (including its employees), its Scheme Creditors and minority Shareholders. As the continued obstruction is delaying completion of the Proposed Transactions and the formal issuance of the Subscription Shares to the Investor, the Investor has not committed to further releases of its funds which the Group needs to continue its operations.

6. Conclusion

The Board believes that it is in the best interests of Shareholders to actively work towards completion under the Implementation Agreement and that a resumption of the trading of the Shares is in the best interests of the Company (including its employees), its Scheme Creditors and minority Shareholders. The Company will make further announcements as and when there are material developments.

7. Cautionary statement

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

BY ORDER OF THE BOARD

Lim Teck-Ean
Non-Executive Director
19 June 2023

*This announcement has been reviewed by the Company's sponsor, PrimePartners Corporate Finance Pte. Ltd. (the "**Sponsor**"). It has not been examined or approved by the Singapore Exchange Securities Trading Limited (the "**Exchange**") and the Exchange assumes no responsibility for the contents of this announcement, including the correctness of any of the statements or opinions made or reports contained in this announcement.*

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