

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

BUSINESS UPDATES

*Unless otherwise defined, all capitalised terms used in this announcement shall have the same meanings ascribed to them in the announcements dated 31 March 2020, 15 May 2020 and 28 May 2020 (the “**Previous Announcements**”)*

Following from the extension of the Circuit Breaker period till 1 June 2020, the Singapore Government announced on 19 May 2020 that Singapore will embark on a three-phased approach to progressively resume activities safely. The first phase (“**Phase 1**”) commenced on 2 June 2020 and was planned to last for at least four weeks, subject to improvements in containing the COVID-19 situation. Similar to the extended circuit breaker period, food and beverages outlets were only permitted to continue to provide takeaway and delivery options in Phase 1.

On 15 June 2020, the Singapore Government announced that Phase 2 of the country's reopening will start after 18 June 2020 and retail outlets will be allowed to reopen with safe distancing measures in place, dining in at F&B outlets will be permitted with a restriction on the number of diners per table as part of the safe distancing measures.

In view of the above, the Board wishes to update the Company's shareholders on its state of affairs and business updates:

- 1) From 19 June 2020 onwards, all the Group's outlets except for the outlet at Clark Quay Central, will be opened;
- 2) As previously disclosed in the Previous Announcements, the Clark Quay Central outlet had remained closed since April 2020, in light of the impact of travel bans that resulted in reduced tourist footfall, combined with dining-restrictions. Factoring the above developments of Phase 2, The Group, having reviewed the possibility that it may take months before Phase 3 can begin and the uncertainty of when and the extent that the border controls and travel entry restrictions imposed on visitors into Singapore can be lifted, is of the view that the Clarke Quay outlet should continue to remain closed as it would be an operational cost saving as compared to re-opening and operating it. Notwithstanding, the Group is currently in discussions with the landlord on the possibility of a lease termination for this outlet. As the other Group outlets will remain open, the Group can focus its efforts and resources operating the other outlets until further review of the impact of the evolving COVID-19 situation.
- 3) The Group will also commence catering services after obtaining its catering licences for No Signboard Seafood and Little Sheep Hotpot, in addition to our existing dine in, takeaway and delivery options. The Group is of the view that the cost of setting up and operating the catering services will not have a material impact to the financial position of the Group as it is using the existing resources such as the kitchens at the respective

outlets and existing employees that are currently working at the respective outlets to run the operations.

Amidst the adverse impact of the COVID-19 pandemic, the Group has intensified its efforts to control costs and intends to keep its operations in Singapore lean. The Group will prioritise its resources on tackling immediate challenges brought about by the COVID-19 pandemic and will adopt a cautious and prudent approach in managing its restaurants portfolio in Singapore and overseas in the near term and will negotiate best possible terms upon renewal and/or entering into new leases.

Financial Impact

As the COVID-19 situation continues to evolve, the extent of any financial impact for the full financial year is difficult to ascertain at present. Nonetheless, consistent with majority of similar businesses operating in the same sector, the Group expects both revenue and operating profits to be affected, contributed largely by travel entry restrictions imposed on visitors into Singapore that resulted in the substantial decrease in the number of tourist coming to Singapore combined with our restaurant and outlets being only limited to takeaways and online sales, without dine-in sales, during the Circuit Breaker period and since the commencement of Phase 1.

At this juncture, even as Singapore enters into Phase 2 with progressive reopening of businesses with safe distancing measures in place, it is difficult to ascertain the full financial impact of the COVID-19 on the financial performance of the Group for the third quarter ending 30 June 2020 and the full financial year ending on 30 September 2020. The Group has been vigilant in conserving its cash flow and managing its balance sheet and will continue to preserve liquidity and manage its balance sheet prudently. The Board is of the opinion that the Company has sufficient resources to tide through this period.

The Group will continue to monitor the situation in the key markets it operates in, including any regulations issued to address the spread of the COVID-19, and has arrangements in place (such as business continuity plans) to adapt accordingly. The Board will keep Shareholders updated on any further material impact of COVID-19 on the Group's business activities and any subsequent developments to its businesses.

By Order of the Board

Lim Yong Sim (Lin Rongsen)
Executive Chairman and Chief Executive Officer
19 June 2020

This announcement has been prepared by the Company and its contents have been reviewed by the Company's Sponsor, RHT Capital Pte. Ltd. ("Sponsor"), for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited ("SGX-ST"). The Sponsor has not independently verified the contents of this announcement.

This announcement has not been examined or approved by the SGX-ST and the SGX-ST 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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