

NO SIGNBOARD HOLDINGS LTD.

(Company Registration No. 201715253N)

(Incorporated in Singapore)

ENTRY INTO SUPER PRIORITY FINANCING AGREEMENT

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 announcement dated 29 April 2022, 1 May 2022, 6 May 2022 and 11 May 2022 (together “**Announcements**”).

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

The Board wishes to inform shareholders that the Company and the Investor has entered into a super priority financing agreement dated 24 May 2022 (the “**Super Priority Financing Agreement**”) setting out the terms and conditions of the Rescue Financing (as defined below).

2. RATIONALE FOR SUPER PRIORITY RESCUE FINANCING

The Parties had, on 30 April 2022, entered into the MOU dated 30 April 2022 pursuant to which the Investor agreed to invest a sum of up to S\$5,000,000 (the “**Investment Amount**”) into the Company comprising of (i) an initial amount of S\$500,000 (“**Subscription Amount**”) by way of a subscription of such number new shares representing a 75% stake of the enlarged issued and paid-up share capital of the Company upon the resumption of trading of the shares of the Company and (ii) the remaining S\$4,500,000 (“**Additional Investment Amount**”) by way of an instrument (whether by debt or equity) to be agreed between the Investor and the Company, for working capital purposes including but not be limited to the settlement of professional, advisory and success fees on such terms and conditions as may be agreed between the Parties. The provision of emergency funding of S\$450,000 by the Investor to the Company (“**Rescue Financing**”) is subject to the satisfaction of the necessary conditions as agreed between the Investor and the Company.

The Super Priority Financing Agreement has been entered into by the Company and the Investor (each a “**Party**”, and collectively, the “**Parties**”) as a matter of priority and as an interim measure to obtain immediate and urgent short-term financing for the Company’s working capital requirements. As such, the Rescue Financing is intended to precede the disbursement of the balance of the Investment Amount by the Investor.

3. SALIENT INFORMATION ON THE SUPER PRIORITY FINANCING AGREEMENT

The principal terms of the Super Priority Financing Agreement are set out below:

Principal Amount	The Parties have agreed that a sum of S\$450,000 (the “ Principal Amount ”) out of the initial amount of S\$500,000 under the Subscription (the “ Consideration ”) will be extended by the Investor as Rescue Financing to the Company.
Separate bank account of the Company and signatories	<p>The Principal Amount shall be deposited into a separate bank account in a reputable bank to be mutually agreed between the Parties, and such bank account shall be maintained by the Company solely for the purposes of the safekeeping and disbursement of the Principal Amount (the “Bank Account”).</p> <p>The Investor shall nominate two (2) directors (the “Nominated Directors”) to be appointed to the Board of the Company, and such Nominated Directors shall be the only signatories to the Bank Account unless otherwise agreed</p>

	<p>between the Parties in writing.</p> <p>The Parties acknowledge and agree that any disbursements of the Principal Amount shall be based on milestones as set out below (the “Milestones”). To this end, the Company shall only drawdown the Principal Amount, and the Nominated Directors shall only be obliged to agree and sign off on any disbursements, if such disbursement is in accordance with the Milestones. For the avoidance of doubt, any and all disbursements of the Principal Amount from the Bank Account shall be subject to the prior written consent of the Investor through the Nominated Directors, such consent not to be unreasonably withheld.</p>
Use of proceeds	<p>The Principal Amount shall only be disbursed from the Bank Account and used by the Company for the following purposes only:</p> <ul style="list-style-type: none"> (a) in the event that the Scheme is sanctioned and implemented, to settle the Scheme Creditors’ outstanding debt under the Scheme; (b) expenses that the Company incurs through its and its subsidiaries’ normal business operations; and (c) the Company’s professional fees incurred in the Scheme Proceedings (as defined below). <p>“Scheme Proceedings” means the application to the General Division of the High Court of the Republic of Singapore for (i) moratorium relief for at least a period of 3 months under Section 64 of IRDA; and (ii) approval and the grant of Super Priority Status (as defined below) to the Rescue Financing under Section 67 of the IRDA.</p>
Milestones	<p>Drawdown amount of:</p> <ul style="list-style-type: none"> (1) Up to S\$100,000 upon approval and the grant of Super Priority Status to the Rescue Financing under Section 67 of the IRDA and the disbursement of the Principal Amount into the Bank Account for payment of professional and legal fees, and restaurant operating expenses; (2) Up to S\$150,000 on or around 24 June 2022 for residual payment of professional and legal fees, part settlement of agreed rental for Orchard Gateway and Frasers, restaurant operating expenses, and staff salaries; (3) Up to S\$100,000 on or around 20 July 2022 for part settlement of agreed rental for Orchard Gateway and Frasers, restaurant operating expenses, and staff salaries; and (4) Up to S\$100,000 on or around 20 August 2022 for part settlement of agreed rental for Orchard Gateway and Frasers, restaurant operating expenses, and staff salaries.
Interest	There shall be no interest payable on the Principal Amount.
Repayment	<ul style="list-style-type: none"> (a) In the event that (i) the Proposed Investment is not completed in accordance with the terms of the implementation agreement to be entered into between the Company and the Investor in respect of the Proposed Investment (the “Implementation Agreement”) or the Implementation Agreement is terminated or (ii) an Event of Default occurs and is continuing and is not remedied within ten (10) working days from the receipt of written notice of the said Event of Default (as defined below), the Principal Amount shall become immediately due and payable in cash and in accordance with the super-priority status for rescue financing granted to the Rescue Financing under Section

	<p>67(1)(b) of the IRDA (“Super Priority Status”).</p> <p>(b) In the event that the Proposed Investment is completed in accordance with the terms of the Implementation Agreement, the Parties hereby agree that the outstanding Principal Amount owing from the Company to the Investor shall be fully set-off against the Consideration payable by the Investor to the Company under the Subscription on the completion of the Subscription.</p> <p>(c) In the case of paragraph (b), the Company shall be deemed to have fully repaid the outstanding amount under the Rescue Financing to the Investor, being the sum of S\$450,000, and the Investor shall fully release and discharge the Company from its payment obligations under the Super Priority Financing Agreement.</p>
Acceleration	<p>On and at any time after the occurrence of an Event of Default which is continuing, the Investor may, by written notice to the Company notify the Company of such occurrence.</p> <p>Without prejudice to any terms of the Super Priority Financing Agreement, if any Event of Default occurs and is continuing and is not remedied within ten (10) working days from the receipt of written notice of the said Event of Default, the Investor may take any or all of the following actions:</p> <p>(a) declare that all or part of the Principal Amount accrued or outstanding under the Rescue Financing be immediately due and payable, whereupon they shall become immediately due and payable;</p> <p>(b) disclaim any outstanding obligations under the Scheme, the MOU and the Implementation Agreement, as the case may be; or</p> <p>(c) where leave of court is required, to apply for leave to commence winding-up proceedings against the Company. Where leave of court is not required, to commence winding-up proceedings against the Company. In such proceedings, and in lieu of a statutory demand to pay the sum so due, the Company agrees that the declarations set out at paragraph (a) above shall suffice to evidence the presumption that the Company is unable to pay its debts as and when they fall due.</p>
Super Priority Status	<p>In accordance with the Super Priority Status of the Rescue Financing, the Company agrees that in the event that it is wound up, the Rescue Financing shall have priority over all the preferential debts specified in Sections 203(1)(a) to (i) of the IRDA, and all other unsecured debts.</p>
Conditions to the Rescue Financing	<p>Completion of the Rescue Financing is conditional upon:</p> <p>(a) the completion of financial, legal and other due diligence on the Group to the extent necessary for the Investor to establish that the Company requires the Rescue Financing on an immediate and urgent basis;</p> <p>(b) the Company’s successful application for super priority status for the provision of Rescue Financing by the Investor to the Company as rescue financing under Section 67 of the IRDA;</p> <p>(c) the Company having obtained a moratorium for at least a period of 3 months under Section 64(1) of the IRDA or such other time period as the Parties may agree;</p> <p>(d) the designation of the Bank Account by the Company for the deposit of the Principal Amount;</p>

	<p>(e) the appointment of the Nominated Directors to the Board of the Company;</p> <p>(f) any third party, regulatory or tax consents or approvals necessary for the Rescue Financing having been obtained and not withdrawn on terms reasonably satisfactory to the Parties, including but not limited to any approval from statutory authorities, the Sponsor, the SGX-ST and the SIC, and such consents and approval remaining in full force and effect;</p> <p>(g) there being no material adverse change in the business, operations, assets, position, profits or prospect of the Group between the date of the Super Priority Financing Agreement and completion of the Rescue Financing ("Completion");</p> <p>(h) the Company remaining listed on the SGX-ST and there being no notice or proposal for the delisting of the Company;</p> <p>(i) the Rescue Financing 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 Rescue Financing;</p> <p>(j) there having been no occurrence of any event or discovery of any fact rendering any of the warranties provided by the Company and the Investor under the Super Priority Financing Agreement untrue or incorrect in any material respect as at the Completion Date (as defined below) as if they had been given again on the Completion Date; and</p> <p>(k) the Company and the Investor not being in breach of any of the undertakings and the covenants in the Super Priority Financing Agreement as at the Completion Date.</p> <p>(collectively, the "Conditions").</p>
Entry into Implementation Agreement post-Completion	<p>Pursuant to discussions between the Parties, it is acknowledged and agreed that the overall plan and intention is for the Investor to provide the full Investment Amount to the Company under the terms of the Implementation Agreement. However, the Parties are entering into the Super Priority Financing Agreement as a matter of priority and as an interim measure due to the Company being in urgent need for short-term financing for its working capital requirements. As such, the Rescue Financing is intended to precede the disbursement of the balance of the Investment Amount by the Investor. To this end, the Parties acknowledge and confirm that notwithstanding the provision of the Rescue Financing, they are committed to completing the Proposed Investment and will use their best endeavours to negotiate the terms and conditions of and enter into the Implementation Agreement by no later than 30 June 2022 (or such other date as may be agreed between the Parties in writing).</p>
Completion of the Rescue Financing	<p>Completion shall take place on the Completion Date at the office of the Company's solicitors (or at such other place as may be agreed between the Parties).</p> <p>The Investor shall deposit the Principal Amount into the Bank Account on Completion or prior to approval for the resumption of trading of the Shares on the SGX-ST having been obtained from the SGX-ST, whichever is earlier.</p> <p>On Completion, the Principal Amount which has been deposited in the Bank Account shall be available for drawdown at the request of the Company in accordance with the terms of the Super Priority Financing Agreement and based on the Milestones as agreed between the Parties.</p>

		<p>“Completion Date” means the date falling five (5) business days after the date on which the Conditions have been satisfied or otherwise waived in writing by the relevant Party, or such other date as may be mutually agreed between the Parties, on which the Proposed Investment shall be completed.</p>
Events of Default	of	<p>Each of the events or circumstances set out below is an Event of Default:</p> <p>(a) Challenges to validity or enforceability</p> <p>The Company or any third party successfully challenges the:</p> <ul style="list-style-type: none"> (i) validity or enforceability of the Super Priority Financing Agreement or the Implementation Agreement; and/or (ii) the grant of the Super Priority Status to the Rescue Financing. <p>(b) Scheme proceedings</p> <p>In relation to the Scheme Proceedings:</p> <ul style="list-style-type: none"> (i) the filing of any application by the Company to obtain any other financing under Section 67 of the IRDA not otherwise permitted pursuant to the Super Priority Financing Agreement; (ii) the Company fails to obtain a moratorium or extend (where necessary) the moratoria granted in the Scheme Proceedings during the term of the Super Priority Financing Agreement, where such extension is necessary to restrain the commencement or continuation of proceedings against the Company; (iii) the discontinuance of the Scheme Proceedings; (iv) the General Division of the Singapore High Court’s refusal of the Company’s application for leave to convene meetings of its Scheme Creditors and/or shareholders (if necessary) (the “Scheme Meeting”); (v) the Scheme Creditors and/or shareholders of the Company voting not to approve the Scheme at the Scheme Meeting; (vi) the refusal of the General Division of the Singapore High Court to sanction the Scheme; (vii) any claims against the Company from the creditors of its subsidiaries, where such claim is not contemplated in the Scheme Proceedings; (viii) the Scheme is not approved by any relevant statutory authorities and/or the SGX; and/or (ix) the Schemes are not implemented for any reason whatsoever. <p>(c) Termination of the Implementation Agreement</p> <p>The termination or non-completion of the Implementation Agreement for any reason whatsoever.</p> <p>(d) Non-payment</p>

	<p>The Company does not pay on the due date any amount payable pursuant to the Super Priority Financing Agreement at the place at and in the currency in which it is expressed to be payable the principal or interest in respect of the Rescue Financing when and as the same ought to be paid and such default continues for more than 5 business days.</p> <p>(e) Misrepresentation</p> <p>Any breach of the representations and warranties provided by the Company under the Super Priority Financing Agreement.</p> <p>(f) Breach</p> <p>Any breach or failure to comply by the Company of its obligations under the Super Priority Financing Agreement.</p> <p>(g) Unlawfulness</p> <p>It is or becomes unlawful for the Company to perform any of its obligations under the Super Priority Financing Agreement.</p> <p>(h) Insolvency proceedings</p> <p>Any corporate action, legal proceedings or other procedure or step is taken in relation to:</p> <ul style="list-style-type: none"> (i) the suspension of payments, a moratorium of any indebtedness, winding-up, dissolution, administration, provisional supervision or reorganisation (by way of voluntary arrangement, scheme of arrangement or otherwise) of the Company; (ii) the appointment of a liquidator, receiver, administrator, administrative receiver, compulsory manager, provisional supervisor or other similar officer in respect of the Company or any of its assets; or (iii) enforcement of any security over any assets of the Company; or (iv) any analogous procedure or step is taken in any jurisdiction. <p>Paragraph (h) above shall not apply to any winding-up petition which is frivolous or vexatious and is discharged, stayed or dismissed within 60 days of commencement.</p> <p>(i) Creditors' process</p> <p>Any expropriation, attachment, sequestration, distress or execution affects any asset of the Company and is not discharged within 60 days.</p> <p>(j) Delisting</p> <p>The delisting of the Shares on the Catalist, save where the listing of the Shares is to be transferred to the Main Board of the SGX-ST.</p> <p>(k) Cessation of Business</p> <p>The Company ceases or threatens to cease to carry on all or a material part of its business or disposes of or threatens to dispose of substantially all of its assets.</p>
Termination	If there shall have come to the notice of a Party (the “ Non-Defaulting Party ”)

	<p>of any breach of the warranties and undertakings by the other Party (the “Defaulting Party”) and/or default by the Defaulting Party of any of its obligations under the Super Priority Financing Agreement which is not remedied (to the satisfaction of the Non-Defaulting party) within seven (7) days of the receipt of a written notice by the Defaulting Party from the Non-Defaulting Party notifying of such breach, the Non-Defaulting Party may thereafter at any time prior to Completion Date by notice in writing to all Parties terminate the Super Priority Financing Agreement, but failure to exercise this right shall not constitute a waiver of any other rights of the Non-Defaulting Party arising out of any such breach.</p> <p>Upon such notice being given, the Super Priority Financing Agreement shall terminate forthwith and the Parties shall be released and discharged of their obligations, without prejudice to any rights in respect of any prior breach under the Super Priority Financing Agreement, and the Super Priority Financing Agreement shall be of no further effect and no Party shall be under any liability to the other Parties in respect thereof.</p> <p>For the avoidance of doubt, the Non-Defaulting Party and Defaulting Party shall refer respectively to the Company or the Investor and vice-versa.</p>
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4. ADDITIONAL INFORMATION

- a. The Company also refers to the Company’s response to Query 6 of the announcement dated 11 May 2022, that it had agreed with the Investor that the Principal Amount will be held in an escrow account, managed by an escrow agent and the drawdown of the Principal Amount will be subject to the terms of the escrow agreement.
- b. The Company wishes to clarify that pursuant to further discussions with the Investor, the Parties have agreed for the Principal Amount to be deposited in the Bank Account and the Investor to nominate the Nominated Directors as the only signatories for the Bank Account, instead of holding the Principal Amount in an escrow account. The rationale for this arrangement is that it would be more cost effective overall for the Company to use its own separate bank account to safekeep and disburse the Principal Amount as compared to holding it in escrow, given the current financial circumstances of the Company.
- c. Moreover, under the Super Priority Financing Agreement, the Milestones for disbursement of the Principal Amount have been mutually agreed between the Investor and the Company, and the Board had been involved in the process of deciding and agreeing upon the Milestones. In substance, this is similar to the escrow arrangement whereby the escrow agent would release the funds according to certain milestones being agreed between the Parties. On this basis that the Company and the Investor had mutually agreed on the Milestones together, the Company was agreeable to the Investor appointing the Nominated Directors to be the signatories to the Bank Account to safeguard the Principal Amount that the Investor has provided to the Company. Notwithstanding that the funds to be deposited in the Bank Account pursuant to the Super Priority Financing Agreement relate only to the Principal Amount of S\$450,000, the balance of the Investment Amount shall also be injected into the Bank Account upon the entry into the Implementation Agreement, and the fulfilment of the relevant condition precedents to be negotiated and agreed between the Parties.
- d. For avoidance of doubt, the Company has not obtained the written undertaking as at the date of this announcement from the Investor and Nominated Directors. However, the Investor has verbally agreed to provide written undertakings that in the event that the Proposed Investment is not completed, the Nominated Directors will resign from the Board of the Company within a specified number of working days as agreed between the Company and Investor. Such written undertakings will be included as a condition in the Implementation Agreement that is to be entered, which will set out the terms and conditions of the injection of the balance Investment Amount into the Company under the Proposed Investment.

The Company will make further announcements, in compliance with the requirements of the Catalist Rules, to update shareholders as and when there are material developments.

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

By Order of the Board

Lim Yong Sim (Lin Rongsen)
Executive Chairman and Chief Executive Officer
25 May 2022

*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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