nosignboard 無招牌
HOLDINGS LTD.

SERVING UP DELICACIES

Annual Report 2019

Corporate Profile

nosignboard 無招牌
HOLDINGS LTD.

Established in 1981, No Signboard Holdings Ltd. is a leading lifestyle F&B player in Singapore. The Group operates a chain of restaurants under different F&B brands and concepts, namely No Signboard Seafood, Hawker Asian Burger & Buns, Little Sheep Hot Pot and Mom's Touch Korean Chicken & Burger. The Group also owns a beer business which distributes beer brand *Draft Denmark* in Singapore.

Backed by a track record of over 30 years of quality cuisine and customer focused service, the No Signboard Seafood brand of premium seafood restaurants is one of the leading seafood restaurant chains in Singapore. It is also widely known for its signature White Pepper Crab dish created by its founder Mdm Ong Kim Hoi, which remains as one of its bestselling dishes till today.

In 2018, the Group embarked on a journey to diversify its Restaurant Business by moving into quick service (fast food) restaurants ("QSR") – Korean fried chicken gourmet – Mom's Touch and hot pot restaurants – Little Sheep Hotpot. With a "customer-at-heart" approach, the diversification strategy aims to build up the Group's restaurant portfolio by offering a wider range of consumers with a variety of cuisines to pamper their palates.

A testament to its strong branding, the Group has received numerous accreditations and awards over the years including the SG50 Prestige Enterprise Award 2015/2016–Singapore's Top F&B Brand for Seafood Category and Top Brand–Seafood Restaurant Category 2018 for its Restaurant Business and the Outstanding Brands–Beer 2016 for its Beer Business.

The Group was successfully listed on the Catalist of the "SGX-ST" on 30 November 2017.

For more information, please visit www.nosignboardholdings.com

Contents

This annual report 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 annual report.

This annual report has not been examined or approved by the SGX-ST and the SGX-ST assumes no responsibility for the contents of this annual report, including the correctness of any of the statements or opinions made or reports contained in this announcement.

The contact person for the Sponsor is Mr Khong Choun Mun, Registered Professional, RHT Capital Pte. Ltd., 9 Raffles Place #29-01 Republic Plaza Tower 1, Singapore 048619, Telephone: +65 6381 6966.

Chairman's Statement

Dear Shareholders,

On behalf of the Board of No Signboard Holdings Ltd. ("**No Signboard**", "**NSB**" or together with its subsidiaries, the "**Group**"), we would like to present our Annual Report 2019 for the financial year ended 30 September 2019 ("**FY2019**").

Our Group has continued to lay the foundations for the growth of our business as we enter into our third year as a public listed company on the Catalist board of the Singapore Stock Exchange ("**SGX**").

Since our listing on 30 November 2017, we have embarked on a transitional journey to transform and diversify our business beyond our traditional seafood restaurant business.

Year in Review

Our seafood restaurant business has continued to be a pillar of strength, contributing 68.6% of our revenue base. Our beer business generated around 19.6% while the other restaurant business delivered 11.8% of revenue. Overall, our Group registered S$25.5 million in revenue for FY2019.

We will continue to focus on our core strategy of exploring suitable opportunities to strengthen our competitive edge in our existing business as well as expanding our restaurant business both in Singapore and overseas.

The Launch of Mom's Touch 1st Outlet

On 30 August 2019, we successfully launched a famous korean fried chicken brand, Mom's Touch Chicken and Burgers ("**Mom's Touch**") at Paya Lebar Quarter ("**PLQ**") in Singapore to much fanfare.

Mom's Touch is renowned for its hand-battered and hand-breaded chicken marinated with their very own special blend of seasoning. Although Mom's Touch has over 1,200 stores in South Korea and a presence in countries like USA, Taiwan and Vietnam, this represents their first foray into Singapore.

Endowed with a near-central location, Mom's Touch at PLQ enjoys a high footfall and a good mixture of office and residential crowd.

The combination of Singaporeans' love for quality food and the deep appreciation of Korean culture and cuisines should propel Mom's Touch right into the hearts of the food endearing public.

Herding Little Sheep Hotpot into Orchard

We setup our second Little Sheep Hotpot outlet in Orchard Gateway on 4 November 2019 to target more Singaporean shoppers, tourists and night owls in trendy Orchard road. This outlet operates till 4am daily from Mondays to Saturdays, to capture the late-night supper crowd and ride on the supper culture in Singapore. However, it closes at 11pm on Sundays.

Established since 1999 with origins from Inner Mongolia, Little Sheep Hotpot has over 280 outlets across China and international markets including the United States, Canada and Japan. Little

Chairman's Statement

Sheep Hotpot is known for its delicious soup base that is made from 36 spices and Mongolian lamb delicacies.

Our first Little Sheep Hotpot outlet, located at One Fullerton near Singapore's iconic Merlion statue, was opened in December 2018. Given the popularity of hotpot restaurants observed over recent years, we are proud to develop and establish one of China's most recognised hotpot brand in Singapore.

Elevating Draft Denmark's Branding

Following the restructuring of our beer business in FY2018, we have been channelling our efforts towards creating more brand awareness, widening our distribution network and increasing our customer base via a new sales team.

In FY2019 as part of our branding campaign, Draft Denmark beer participated in BeerFest Asia 2019 and Ultra Singapore in 2019. Located at the Marina Promenade this year, the BeerFest Asia 2019 showcased over 600 local and international beers. Ultra Singapore is an annual dance music festival specializing in outdoor parties featuring top DJs around the world. Both events provide opportunities for Draft Denmark to elevate its brand recognition among the international community and enable both the local and international consumers to be more familiar with our beer and its taste.

Expanding Overseas starting with NSB Kitchen Concept in Shanghai

On 14 October 2019, our Group marked our maiden entry into China's growing and affluent consumer market with our NSB Kitchen concept in Shanghai.

Given the popularity of No Signboard's seafood restaurants among travellers from China in Singapore, we have made the decision to setup our first overseas seafood restaurant in Shanghai. With the success achieved from this initial overseas venture, we plan to expand our overseas network further.

NSB @ Esplanade, where East meets West

On 10 December 2019, our Group launched a revamped menu at our Esplanade outlet to enhance and refresh our diners' experience. The revamped menu is heavily inspired by mixing Chinese with Western and Japanese culinary dishes.

No Signboard's ***White Pepper Crab*** and ***Chilli Crab*** will continue to be featured as our signature dishes at the Esplanade outlet with a new stylish plating experience. We also seek to improve the presentation of our existing menu via stylish plating upon serving.

In addition, we brought over a selection of unique and popular dishes from our NSB Kitchen restaurant in Shanghai onto the shores of Singapore.

Outlook of the Group

As we look forward, we expect to continue facing headwinds such as operating costs pressures and keen competition from existing players and new entrants each year as we compete for both local and tourist receipts. In addition, the Group's business and economic activities have been impacted by the COVID-19 virus, which has resulted in a decline in tourists and reduced activities. With the Circuit Breaker in place, our restaurants and outlets are limited to takeaway and online delivery orders, without dine-in sales.

While we navigate these challenges, we hope to identify opportunities to grow our footprint both locally and overseas to expand our network of F&B outlets.

This is a transitional period in our Group's history in order to transform us into a larger F&B entity with multiple brands generating multiple revenue streams. The journey will be onerous and full of pitfalls. We hope all our shareholders will remain patient and have faith in our management's vision to support us in our next era of growth as we seek to enhance shareholder returns in the long run.

Appreciation

On behalf of the Board, I would like to express my heartfelt gratitude to our valued customers and business partners for their unwavering support and trust. I would also like to take this opportunity to thank all my fellow Board members, management and all staff for their hard work and relentless commitment to contribute to the growth trajectory, as well

Chairman's Statement

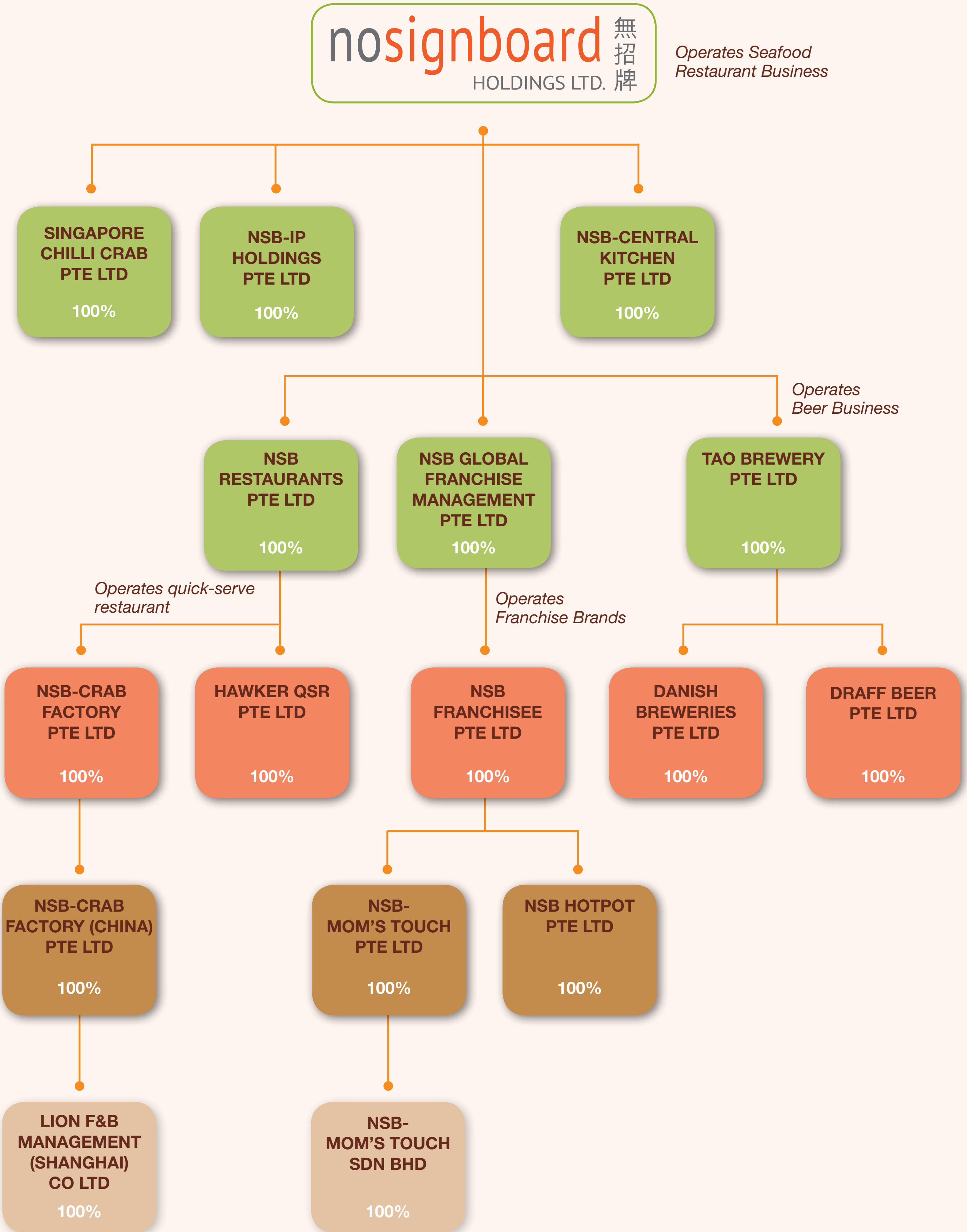
as their significant contributions to the Group in these exciting but challenging times.

By staying true to our traditions and preserving our core values while engaging a customer-oriented approach to pursue culinary excellence, we hope that all our existing and new customers can enjoy delicious and savoury cuisines at all our restaurants.

Last but not least, I would like to extend my warmest appreciation to our valued shareholders for displaying faith in the strategic direction of the Group as we strive towards generating greater shareholder returns with a longer term and sustainable future.

Mr Sam Lim Yong Sim
Executive Chairman and Group CEO
11 May 2020

Our Corporate Structure



Our Corporate Milestones

Little Sheep Hotpot 2nd outlet opened at Orchard Gateway

Nov 2019

Nov 2019

Mom's Touch 2nd outlet opened at Esplanade Mall

Mom's Touch 1st outlet opened at PLQ Mall

Aug 2019

Oct 2019

No Signboard Seafood 1st overseas outlet opened at K11 MALL, Shanghai

Signed a master franchise agreement to expand Mom's Touch - Korean fried chicken gourmet in Singapore and Malaysia

Oct 2018

Dec 2018

Little Sheep Hotpot 1st outlet opened at One Fullerton

Entered into the fast food market with a new concept offering "hawker–themed" burgers, wraps and buns.

Jun 2018

Nov 2018

Awarded Top Brand for Seafood Restaurant category 2018

Acquired remaining 20% in Danish Breweries

Jun 2018

Jun 2018

Secured franchise rights to develop and operate Little Sheep Hotpot restaurant concept in Singapore

Acquired 80% of Danish-style lager beer business Danish Breweries

2017

Nov 2017

Listed on the Catalist board of SGX-ST

Awarded Singapore's Top F&B Brand for Seafood Category

2015

Jun 2016

Awarded Outstanding Brands – Beer 2016

2nd Premium No Signboard Seafood outlet opened at VivoCity

2006

2009

3rd Premium No Signboard Seafood outlet opened at Clarke Quay

1st full-fledged No Signboard Seafood restaurant at Oasis in Kallang

2000

2004

1st Premium No Signboard Seafood flagship outlet opened at Esplanade

1990

1st No Signboard Seafood shop at Farrer Park

Humble beginnings from a stall in Mattar Road Hawker Centre

Our founder's creation of the signature dish, White Pepper Crab

1970s

Our Business

Restaurant Business

NO SIGNBOARD SEAFOOD RESTAURANTS

With a legacy dating back to the 1970s, our No Signboard Seafood restaurant chain has established a strong brand which anchored us as one of the leading seafood restaurant chains in Singapore. Its humble beginnings started as a seafood hawker stall, without a signage, at the Mattar Road Hawker Centre, and that is how it got its name "无招牌". In 2000, No Signboard Seafood moved into its first full-fledged restaurant at the Oasis in Kallang. In 2004, under the direction and management of our Executive Chairman and CEO, No Signboard Seafood's first premium flagship outlet at Esplanade was birthed.

No Signboard Seafood premium restaurants are widely known for its signature White Pepper Crab dish created by its founder Mdm Ong Kim Hoi, which is one of its bestselling dishes. No Signboard Seafood restaurants are located at prominent and landmark locations with high footfall of local and tourist crowds – Esplandade, Vivocity, Clarke Quay Central and Shanghai's K11 Art Mall.

NO SIGNBOARD SEAFOOD ESPLANADE

No Signboard Seafood's Esplanade outlet was chosen as the first outlet to launch the newly revamped menu and dining experience due to its iconic location beside the Merlion statue. The menu seeks to infuse traditional Chinese dishes with inspiration from European and Japanese cuisines, combining the best of East and West. No Signboard Seafood's signature dishes, the White Pepper Crab and Chilli Crab will still be featured with stylish new plating to enhance the dining experience.

NO SIGNBOARD SEAFOOD SHANGHAI

In 2019, No Signboard Seafood opened its first overseas outlet at Shanghai's K11 Art Mall. Due to the popularity of its dishes among Chinese tourist in Singapore, No Signboard Seafood decided to bring the authentic flavour of its signature dishes to Shanghai – the White Pepper Crab and Chilli Crab. Shanghai has always been renowned worldwide for their love of eating Chinese mitten crab or also famously known as Shanghai hairy crab as a delicacy during autumn. With a customer-at-heart strategy, No Signboard Seafood customised some of the dishes to suit the Shanghainese taste bud. The opening of the new Shanghai restaurant marks a key milestone for No Signboard Seafood and is part of its geographic expansion plan for its No Signboard Seafood brand.

The Signature White Pepper Crab

The Chilli Crab

Our Flagship Outlets

Singapore

Esplanade Mall

Address:
8 Raffles Avenue, #01-14 / 16
Operating hours:
Mon – Fri: 11:00am to 2:30pm and 5.30pm to 10.30pm
Sat, Sun & PH:
11:00am to 10:30pm

Vivocity

Address:
1 Harbourfront Walk, #03-02
Operating Hours:
11:00am to 10:30pm

Clarke Quay Central

Address:
6 Eu Tong Sen Street, #04-63
Operating Hours:
11:00am to 2:30pm and 5:30pm to 10:30pm

China

Shanghai K11 Art Mall

Address:
300 Huaihai Middle Road
3F307 K11 Art Mall,
Huangpu District Shanghai, China
Operating Hours:
11:00am to 9:30pm

Our Business

Restaurant Business

小肥羊 火锅餐厅 LITTLE SHEEP HOT POT

Little Sheep Hotpot Restaurants

In June 2018, No Signboard diversified into Singapore's hot pot market through acquiring the franchise rights for a well-known hot pot restaurant brand - 小肥羊火锅 (**"Little Sheep Hotpot**"). The franchise rights allow the Group to develop and operate the Little Sheep Hotpot restaurant concept in Singapore.

Established since 1999 with origins from Inner Mongolia, Little Sheep Hotpot has over 280 outlets across China and the international ma including the USA, Canada, Japan and Cambodia. Of these 280 outlets, 270 of them are franchised. Little Sheep Hotpot is well known for its steaming aromatic soup broth of five flavours, infused with medicinal herbs and food spice ingredients. It has broken the tradition and was the first in the creation of eating boiled mutton, without having to dip any sauce, as it pairs perfectly with grassland reared sheep.

The Group launched its first premium hot pot restaurant, the Little Sheep Hotpot, at One Fullerton in December 2018. In November 2019, the second outlet was opened at Orchard Gateway.

Outlets

One Fullerton	Orchard Gateway
Address:	Address:
1 Fullerton Road,	277 Orchard Road
#01-05	#B1-13 Orchardgateway
Operating Hours:	Operating Hours:
11:00am-11:00pm	Mon-Sat: 11:00am-4:00am
	Sun: 11:00am-11:00pm

Restaurant Business

Mom's Touch Chicken & Burger Restaurants

In October 2018, No Signboard signed an exclusive master franchise agreement to expand Mom's Touch, a Korean fried chicken gourmet food chain into Singapore and Malaysia. The master franchise agreement enables the Group to seek expansion on its own or via sub-franchisees.

Based in South Korea, since setting up its first store in 2004, Mom's Touch presently has over 1,100 stores across South Korea and is established in major cities in the USA, Taiwan and Vietnam. Its brand name comes from the simple thought of preparing its food for their patrons, the very heart-warming way a mother prepares for a meal for her family. Its chicken is hand-battered and hand-breaded in the kitchen and marinated with Mom's Touch very own special blend of seasoning for a fuller, tender and juicier taste.

In August 2019, the Group launched the very first Mom's Touch outlet at Paya Lebar Quarter with much fanfare. In November 2019, the second outlet was opened at Esplanade Mall.

Outlets

Paya Lebar Quarter
Address:
10 Paya Lebar Road, #01-37
Paya Lebar Quarter
Operating Hours:
10:00am-10:00pm

Esplanade Mall
Address:
8 Raffles Ave, #01-13E Annexe
Operating Hours:
11:00am-8:00pm

Our Business

Beer Business

Danish Breweries

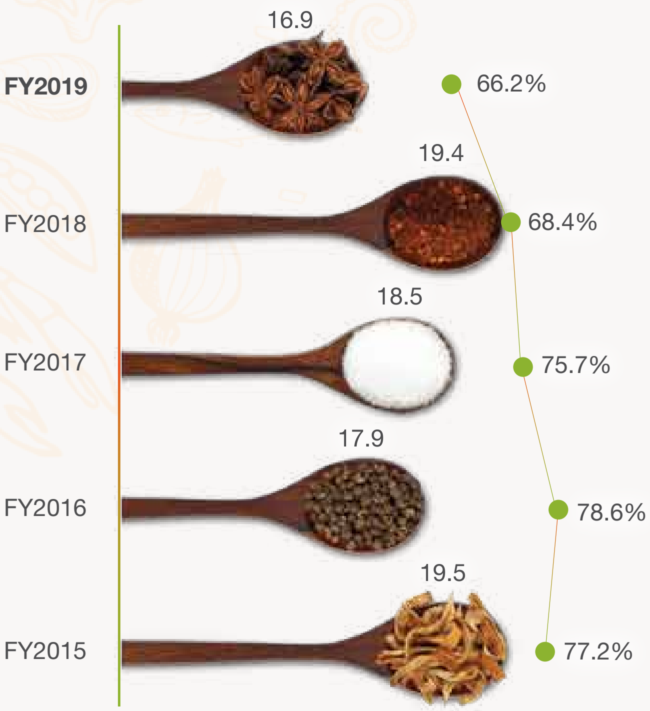
Prior to No Signboard's IPO listing on the Catalist Board of SGX-ST in November 2017, the ultimate holding company GuGong Pte Ltd acquired 80% of Danish Breweries Pte. Ltd. ("**Danish Breweries**") in June 2017, which was subsequently transferred to the Group pursuant to the Restructuring Exercise. The acquisition of Danish Breweries is in line with the Group's core strategy to complement its Restaurant Business. In June 2018, the Group acquired the remaining 20% in Danish Breweries. The acquisition resulted in the Group securing full management control to develop the Beer Business further in a new business direction. Danish Breweries owns its signature *Draft Denmark* brand. Established since 2014, *Draft Demark* is well distributed across various outlets in Singapore comprising of pubs, coffee shops, and clubs.

Financial Highlights

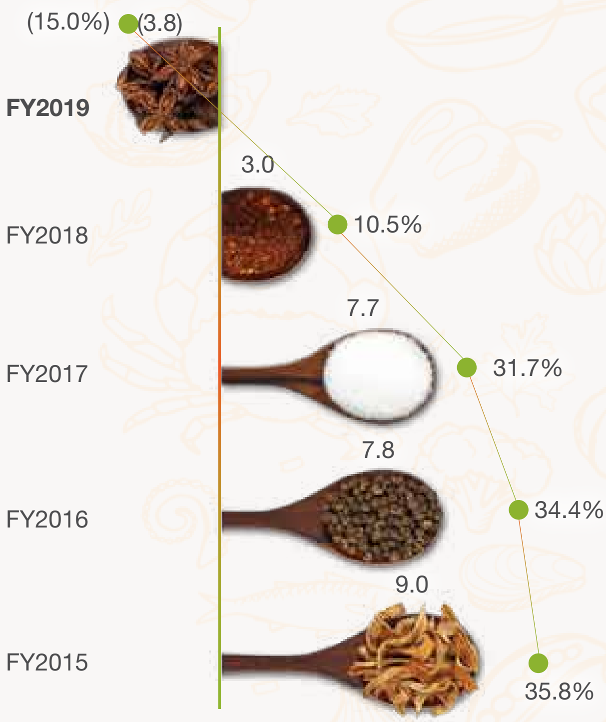
REVENUE ($'M)

AVERAGE SPEND PER CUSTOMER ($'M)

GROSS PROFIT ($'M) & GROSS PROFIT MARGIN (%)



NORMALISED NET PROFIT[1] ($'M) & NORMALISED NET PROFIT[1] MARGIN (%)



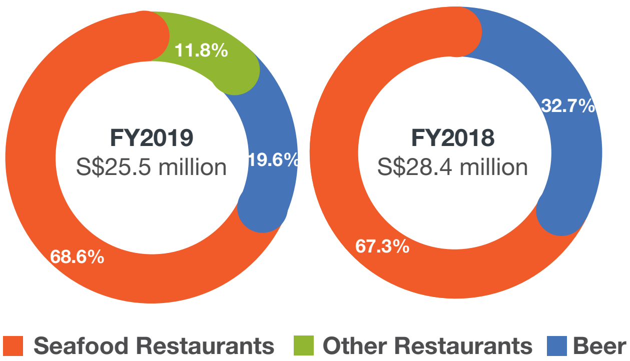
[1] Excludes one-off items – IPO expenses and impairment of goodwill, intangible assets, other assets and plant and equipment.

Financial Review

Revenue

The Group reported a 10.3% decline in revenue from S$28.4 million in FY2018 to S$25.5 million in FY2019. The decline was attributed to intense competition in the seafood restaurant industry and an absence of income resulting from major repair works at one of our seafood restaurant outlets for a month.

Revenue by Business Segments (in %)



Revenue contribution from our seafood restaurants generated S$17.5 million in FY2019, decreasing 8.5% from S$19.1 million in FY2018. The seafood restaurant business continued to be the key revenue driver for the Group, generating 68.6% of the Group's revenue in FY2019. The Group's beer business suffered a 46.2% drop in revenue from S$9.3 million in FY2018 to S$5.0 million in FY2019. The beer business faced stronger competition in the market against established beer brands and new beer brands in Singapore. Revenue contribution from the beer business declined from 32.7% in FY2018 to 19.6% in FY2019. In FY2019, the other restaurants business contributed S$3.0 million, representing 11.8%, towards the Group's revenue.

There was no revenue contribution for other restaurants in FY2018 as operations only commenced in FY2019. The Other Restaurants business refers to our hotpot and quick service restaurants.

Expenses

Raw materials and consumables used

Total raw materials and consumables used decreased by 3.2% from $8.9 million in FY2018 to $8.6 million in FY2019 as one of the seafood restaurant outlets underwent major repair works for a month resulting in lower food costs consumption but offset by additional food costs from the Group's hotpot and quick service restaurants.

Gross profit decreased 12.9% from S$19.4 million in FY2018 to S$16.9 million in FY2019. However, gross profit margins remained healthy registering 66.2% in FY2019 and 68.5% in FY2018 respectively.

Employee benefits expense

Employee benefits expense increased by 22.3% from S$8.5 million in FY2018 to S$10.4 million in FY2019 because the Group expanded its staff headcount for the hotpot and quick service restaurants as well as its beer business.

Operating lease expense

The Group incurred 31.1% higher operating lease expense from S$2.8million in FY2018 to S$3.7million in FY2019 mainly due to operating the hotpot and quick service restaurants.

Other operating expenses

Other operating expenses rose by 20.3% from S$4.7 million in FY2018 to S$5.6 million in FY2019 as a result of pre-opening expenses for the new hotpot and quick service restaurants in FY2019.

Depreciation and amortisation expense

The Group incurred S$0.8 million higher depreciation and amortisation expense for FY2019 because of additional capital expenditure spent on equipment and renovation of the new outlets. Moreover, there was an amortization expense of $0.1 million relating to additional franchise fees paid for the hotpot and quick service restaurants.

Net profit before tax

Although the Group reported a net loss attributed to shareholders of S$4.9 million for FY2019, the seafood restaurant business remained profitable registering a net profit before tax of S$4.3 million for FY2019. As this is the first year of operations for the other restaurants, this segment posted a net loss before tax of S$2.1 million in FY2019. Net loss before tax for the beer business came in at S$1.7 million in FY2019 on the back of lower revenue from beer sales. Overall, the Group registered a net profit before tax of S$0.5 million before accounting for other corporate and one-off expenses.

BALANCE SHEET

The Group continued to maintain a robust balance sheet with cash and cash equivalents of S$15.8 million as of 30 September 2019.

Assets

Total assets fell by 22.7% to S$22.7 million as of 30 September 2019 as the Group reported lower cash balances, trade receivables and other receivables under current assets. Cash and cash equivalents decreased by 33.3% from S$23.7 million as of 30 September 2018 as it has been deployed for expansion in the other restaurants business and working capital for the beer business.

The Group's plant and equipment more than doubled to S$2.5 million as of 30 September 2019 due to operating additional new restaurants and equipment under non-current assets.

Liabilities

As of 30 September 2019, the Group had zero borrowings or debt securities payable in one year or after one year.

The Group managed to reduce its current liabilities by 25.9% to S$5.5 million as of 30 September 2019 mainly due to the repayment of a short-term loan of S$2.1 million. However, trade and other payables rose by 42.0% to S$4.6 million as of 30 September 2019 due to payables to suppliers for purchase of goods, services and plant and equipment.

Total non-current liabilities increased by 68.2% to S$0.3 million as of 30 September 2019 to cater for provision for reinstatement costs made for the newly opened restaurants.

Cashflow Statement

The Group's net cash flows used in operating activities during FY2019 amounted to $1.3 million, mainly attributed to working capital usage for restaurant and beer business and the expansion in hotpot and quick service restaurants.

The Group's net cash used in investing activities amounted to $4.4 million in FY2019, out of which, $3.6 million was used for the purchase of and deposit for plant and equipment and $0.7 million for the acquisition of franchise rights, both related to the new other restaurants.

The Group's net cash used in financing activities amounted to $2.1 million in FY2019 mainly due to the repayment of a short-term loan.

As at 30 September 2019, the Group's cash and cash equivalents stood at $15.8 million.

Corporate Information

Registered Office
Company Registration No: 201715253N
10 Ubi Crescent
#05-76 Ubi Techpark
Singapore 408564
Tel: (65) 6749 9959
Fax: (65) 6749 7768

Website
www.nosignboardholdings.com

Board of Directors
Mr Lim Yong Sim (Lin Rongsen)
Executive Chairman and Chief Executive Officer

Ms Lim Lay Hoon (Lin Liyun)
Chief Operating Officer and Executive Director

Mr Khua Kian Kheng Ivan
Lead Independent Director

Mr Leow Chung Chong Yam Soon
Independent Director

Mr Tay Chun Leng Robert
Independent Director

Audit Committee
Mr Leow Chung Chong Yam Soon (Chairman)
Mr Khua Kian Kheng Ivan
Mr Tay Chun Leng Robert

Remuneration Committee
Mr Khua Kian Kheng Ivan (Chairman)
Mr Leow Chung Chong Yam Soon
Mr Tay Chun Leng Robert

Nominating Committee
Mr Tay Chun Leng Robert (Chairman)
Mr Leow Chung Chong Yam Soon
Mr Khua Kian Kheng Ivan

Company Secretary
Ms Shirley Tan Sey Liy (ACS)

Sponsor
RHT Capital Pte. Ltd.
9 Raffles Place
#29-01 Republic Plaza Tower 1
Singapore 048619

Independent Auditors
Deloitte & Touche LLP
6 Shenton Way #33-00
OUE Downtown 2
Singapore 068809

Partner-in-charge: Mr Loi Chee Keong
(A member of the Institute of Singapore
Chartered Accountants)
Date of Appointment: 30 June 2017

Share Registrar and Share Transfer Office
RHT Corporate Advisory Pte. Ltd.
30 Cecil Street,
#19-08 Prudential Tower
Singapore 049712

Board of Directors

Lim Yong Sim (Lin Rongsen) ("Sam Lim")

Executive Chairman and Chief Executive Officer

Appointed on 1 June 2017

Sam joined the Group in 1998 and spearheaded its development and expansion over the past two decades, leading the No Signboard Seafood business from its humble roots to the premium seafood restaurant chain it is today. Sam is responsible for (i) the formulation of the overall business and corporate policies and strategies of the Group; (ii) oversight of the management of the business and operations of the Group; and (iii) leading the Group's business development strategy and efforts.

Lim Lay Hoon (Lin Liyun) ("Lim Lay Hoon")

Chief Operating Officer and Executive Director

Appointed on 6 November 2017

Lay Hoon is responsible for overseeing the day to day operations of the Group and reports to our Chief Executive Officer. Lay Hoon also directly oversees the management and operations of the Restaurant Business. Lay Hoon was briefly involved in the tourism industry before joining the family business in 1993 in a management capacity. She has been involved in the management of the Group for over 20 years, and together with Sam, has been instrumental in the Group's development and success.

Khua Kian Kheng Ivan ("Ivan Khua")

Lead Independent Director

Appointed on 6 November 2017

Ivan is the Executive Director of Hock Leong Enterprises Pte. Ltd., an oil and gas related servicing company where his responsibilities include overseeing the company's financial, administrative, human resource and business development aspects. Ivan holds a Diploma in Building (with Merit) from Singapore Polytechnic and a Bachelor's Degree in Building Construction Management (First Class Honours) from the University of New South Wales, Australia. He is a member of the Singapore Institute of Arbitrators, and an associate of the Singapore Institute of Building. He is a full member of the Singapore Institute of Directors. Ivan was also a recipient of the Pingat Bakti Masyarakat (Public Service Award) in 2016.

Leow Chung Chong Yam Soon ("Paul Leow")

Independent Director

Appointed on 6 November 2017

Paul is currently an audit partner at Ecovis Assurance LLP. Paul has more than 20 years of accounting and financial audit experience. He is a practising member of the Institute of Singapore Chartered Accountants (ISCA). He is also a Fellow Chartered Association of Certified Accountants, UK and Certified Public Accountants, USA.

Tay Chun Leng Robert ("Robert Tay")

Independent Director

Appointed on 6 November 2017

Robert is a cluster Director (Modern Services Division) of the Infocomm Media Development Authority Singapore (IMDA). Robert graduated from King's College London with a Bachelor of Laws in 1998. Robert was admitted as a barrister of Lincoln's Inn in 1999, and was admitted as an advocate and solicitor of the High Court of Singapore in 2004. Mr Tay has over 15 years' experience in legal and executive positions.

The directors' present directorships, other than those held in the Company, as at 30 September 2019 and the preceding three years in other listed companies are as follows:-

Name	Present Directorship	Past Directorship
Sam Lim	-	-
Lim Lay Hoon	-	-
Ivan Khua	KSH Holdings Limited MoneyMax Financial Services Ltd.	-
Paul Leow	Fragrance Group Limited Asian Healthcare Specialists limited	-
Robert Tay	-	-

Key Management

Lok Pei San

Group Chief Financial Officer

Ms Lok was appointed as the Group Chief Financial Officer on 30 September 2019. In her role as the Group Chief Financial Officer, she is responsible for the corporate finance and treasury, shared services, reporting, tax, legal and risk management functions across our businesses. She is also actively involved in formulating policies and strategies for the Group.

Ms Lok held various senior positions with both listed and private companies. Prior to joining the Group, she was the Corporate Controller at Zuellig Pharma Regional office. Before that, she was the Chief Financial Officer at dnata Singapore Pte Ltd and Goodpack Limited, a company listed on the Main Board of SGX-ST.

Ms Lok graduated from National Technological University with a Bachelor of Accountancy and is a Chartered Accountant of Singapore (CA Singapore).

Corporate Governance Report

The Board of Directors ("**Board**" or "**Directors**") of No Signboard Holdings Ltd. ("**Company**") is committed to high standards of corporate governance and has adopted the principles set out in the Code of Corporate Governance 2012 ("**Code**") which forms part of the Continuing Obligations of the Listing Manual Section B: Rules of Catalist ("**Catalist Rules**") of the Singapore Exchange Securities Trading Limited's ("**SGX-ST**").

This report describes the corporate governance practices adopted by the Company for the financial year ended 30 September 2019 ("**FY2019**") with specific reference made to each of the principles of the Code. The Company has complied substantially with the requirements of the Code and will continue to review its practices on an ongoing basis. It has provided an explanation for any deviation from the Code, where applicable.

On 6 August 2018, the Monetary Authority of Singapore issued the revised Code of Corporate Governance 2018 ("**2018 Code**") which would only apply to annual reports covering financial years commencing from 1 January 2019. The Group will review and present its compliance with the 2018 Code in the next Annual Report.

THE BOARD'S CONDUCT OF AFFAIRS

Principle 1: Every company should be headed by an effective Board to lead and control the company. The Board is collectively responsible for the long-term success of the company. The Board works with Management to achieve this objective and Management remains accountable to the Board.

The Company is headed by an effective Board, comprising individuals with diversified backgrounds and who collectively brings with them a wide range of experience, to lead and control the Group. The Board is responsible for the overall business and management of the Group, and to protect and enhance the long-term value and returns for its shareholders. The Board's roles include:

1) providing entrepreneurial leadership and approving board policies, corporate strategies, key operational initiatives, financial objectives of the Group and monitoring the performance of Management;

2) reviewing the financial results of the Group and financial reporting;

3) establishing a framework of effective internal controls and evaluating the adequacy of internal controls and risk management;

4) ensuring the Group's compliance with laws, regulations, policies, directives, guidelines and internal code of conduct;

5) approving the nomination of directors and appointment of key management personnel;

6) approving annual budgets, major funding, investments, divestment proposals and monitoring operations;

7) approving the remuneration packages for the Board and key management personnel;

8) identifying key stakeholder groups and ensuring accurate, adequate and timely reporting to and communication with shareholders; and

9) assuming the role for the satisfactory fulfilment of social responsibilities of the Group.

All Directors are expected to exercise due diligence and independent judgment and are obliged to act in good faith and in the best interests of the Company. Certain functions have been delegated by the Board to three main Sub-Committees, namely the Audit Committee ("**AC**"), Nominating Committee ("**NC**") and Remuneration Committee ("**RC**") (collectively, "**Board Committees**"), which operate under clearly defined terms of reference and play an important role in ensuring good corporate governance in the Company and within the Group. The terms of reference of the Board Committees are reviewed in a regular basis to ensure their continued relevance. The Chairman of the Board Committees reports the outcome of the Board Committees meetings to the Board.

Matters that are specifically reserved for the full Board to decide are those involving a conflict of interest for a substantial shareholder or a director, approving remuneration packages for the Board and key management personnel, material acquisitions and disposal of assets, disclosure of information and announcements, material financial commitments, establishment and maintenance of risk management and effective internal control system and approval of financial results.

The Board will conduct scheduled meetings on a quarterly basis to review and deliberate on the key activities and business strategies of the Group, including reviewing and approving acquisitions, financial performance, and to endorse the release of the quarterly and annual financial results. Ad-hoc meetings will be held where necessary, to address significant issues. Important matters concerning the Group are also escalated the Board for its decision by way of written resolutions. Where expedient, Board meetings will be held by way of teleconference or video conference, which is permitted by the Constitution of the Company.

The following table sets out the attendance of each Director at the Board and Board Committees meetings held during FY2019:

	Board		AC		NC		RC	
Name of Directors	**No. of meetings**		**No. of meetings**		**No. of meetings**		**No. of meetings**	
	held	**attended**	**held**	**attended**	**held**	**attended**	**held**	**attended**
Lim Yong Sim (Lin Rongsen) ("**Sam Lim**")	6	6	5*	5*	1*	1*	1*	1*
Lim Lay Hoon (Lin Liyun) ("**Lim Lay Hoon**")	6	6	5*	5*	1*	1*	1*	1*
Khua Kian Kheng Ivan ("**Ivan Khua**")	6	5	5	5	1	1	1	1
Leow Chung Chong Yam Soon ("**Paul Leow**")	6	6	5	5	1	1	1	1
Tay Chun Leng Robert ("**Robert Tay**")	6	6	5	5	1	1	1	1

Notes:

* By invitation.

Upon joining the Board, all Directors were provided with an orientation to familiarise them with the Group's business, operations and the relevant regulations and governance requirements. Directors who do not have prior experience as director of a public listed company in Singapore, have undergone courses held by the Singapore Institute of Directors to familiarise themselves with the roles and responsibilities of a director of a public listed company in Singapore.

The Company adopts a policy whereby Directors are encouraged to request further explanation, briefings or informal discussion on any aspect of the Group's operations or business issues from Management. The Directors will also be briefed on new updates in the requirements of the SGX-ST, Companies Act or other regulations/statutory requirements from time to time. Annually, the external auditors update the AC and the Board on the new and revised financial reporting standards that are applicable to the Company or the Group. Directors are encouraged to attend seminars and receive training to improve themselves in the discharge of Directors' duties, responsibilities and obligations. Where appropriate, the Company will also fund the Directors' attendance at any training program. The Directors have open invitations to visit the Group's operating facilities to enable them to obtain a better perspective of the business and to enhance their understanding of the Group's operations.

During FY2019, the Directors had received updates on regulatory changes to the Catalist Rules, 2018 Code and the accounting standards.

Upon appointment of each Director, the Company issued a letter of appointment to the Director, setting out the Director's duties and obligations.

BOARD COMPOSITION AND GUIDANCE

Principle 2: There should be a strong and independent element on the Board, which is able to exercise objective judgement on corporate affairs independently, in particular, from Management and substantial shareholders. No individual or small group of individuals should be allowed to dominate the Board's decision making.

As at the date of this annual report, the Board comprises two Executive Directors and three Independent Directors.

Name of Director	Board Membership	AC	NC	RC
Sam Lim	Executive Chairman and Chief Executive Officer ("**CEO**")	–	–	–
Lim Lay Hoon	Chief Operating Officer ("**COO**") and Executive Director	–	–	–
Ivan Khua	Lead Independent Director	Member	Member	Chairman
Paul Leow	Independent Director	Chairman	Member	Member
Robert Tay	Independent Director	Member	Chairman	Member

The Board of Directors comprises five (5) Directors, three (3) of whom are Independent Directors. As the Chairman of the Board ("**Chairman**") and CEO of the Company is the same person, the Independent Directors comprise more than half of the Board, which is in compliance with Guideline 2.2 of the Code. As Independent Directors make up more than half of the Board, no individual or group is able to dominate the Board's decision-making process.

The independence of each Independent Director is reviewed by the NC. The criteria for independence are determined based on the definition as provided in the Code. The independence of each Director is assessed and reviewed at least annually by the NC. In its deliberation as to the independence of a Director, the NC takes into account examples of relationships as set out in the Code. The Board considers an Independent Director as one who has no relationship with the Company, its related companies, its substantial Shareholders or officers that could interfere or be reasonably perceived to interfere with the exercise of the Directors' independent judgement of the Group's affairs. The NC has reviewed, determined and confirmed the independence of each Independent Director.

The background of each director is set out in the Board of Directors section of this annual report. None of the directors are related to one another except for Sam Lim and Lim Lay Hoon who are siblings. The Board comprises Directors with a broad range of commercial experience including expertise in food and beverage industry. Together, they bring a wide range of expertise, technical and management skills and relevant experience to the Group. The Board is of the view that with a majority of the Directors being independent, there is a strong independent element on the Board. This is to ensure that there is effective representation for shareholders and issues of strategy, performance and resources are fully discussed and examined to take into account long-term interest of shareholders, employees, customers, suppliers and the industry in which the Group conducts its business.

There are no Independent Directors who has served on the Board beyond nine years from the date of his first appointment.

The search and nomination process for new directors, if any, will be through search companies, contacts and recommendations to cast its net as wide as possible for the right candidate. The NC determines the selection criteria in consultation with the Board and identifies candidates with the appropriate expertise and experience for the appointment as new director. The NC will shortlist candidates for interview before nominating the most suitable candidate to the Board for approval.

The size and composition of the Board is reviewed from time to time by the NC to ensure that the size of the Board is conducive for effective discussion and there is sufficient diversity without interfering with efficient decision-making. The NC also reviewed and ensure that the Board has an appropriate balance of independent directors. The NC is of the view that the current board size and composition is appropriate, taking into account the nature and scope of the Group's operations, the requirements of the business and the need to avoid undue disruptions from changes to the composition of the Board and Board Committees.

The Board is committed to ensuring diversity on the Board including but not limited to appropriate balance and mix of skills, knowledge, experience, age and the core competencies of accounting or finance, legal and regulatory, business or management experience, and strategic planning to foster constructive debate. The Board, taking into account the views of the NC, considers that the Directors provide an appropriate balance and diversity of skills, experiences and knowledge of the Company that will provide effective governance and stewardship for the Group.

To facilitate a more effective review of Management, the Independent Directors communicate on an ad-hoc basis without the presence of the Management and Executive Directors to review any matters that may be raised privately.

CHAIRMAN AND CHIEF EXECUTIVE OFFICER

Principle 3: There should be a clear division of responsibilities between the leadership of the Board and the executives responsible for managing the company's business. No one individual should represent a considerable concentration of power.

Sam Lim is the Executive Chairman of the Board and also the CEO of the Company. The Board is of the view that accountability and independence have not been compromised despite the Chairman and CEO being the same person. With the majority of the Board comprising Independent Directors, the Board is of the view that there is sufficient element of independence and adequate safeguards against a concentration of power in one single person.

In view that the Executive Chairman is non-independent, the Board has appointed Ivan Khua as the Lead Independent Director and he is available to Shareholders where they have concerns which contact through the channels of the Executive Chairman and CEO and/or Executive Director has failed to resolve such concerns or where it is inappropriate to do so.

Where necessary, the Independent Directors will hold discussions separately without the presence of the other directors. The Lead Independent Director will lead these discussions and provide feedback to the Executive Chairman after such discussions. In the absence of the Chairman or if there is a conflict of interest, the Lead Independent Director, will assume the role of Chairman.

As Chairman, Sam Lim leads the Board and bears responsibility for the workings of the board of directors, the governance process of the board of directors, scheduling board meetings and setting the board meeting agenda. The Chairman reviews most board papers before they are presented to the board of directors and ensures that board members are provided with adequate and timely information.

In his role as CEO, Sam Lim is responsible for (i) the formulation of the overall business and corporate policies and strategies of the Group; (ii) oversight of the management of the business and operations; and (iii) leading the Group's business development strategy and efforts.

BOARD MEMBERSHIP

Principle 4: There should be a formal and transparent process for the appointment and re-appointment of directors to the Board.

The Board, through the delegation of its authority to the NC, has used its best efforts to ensure that Directors appointed to the Board possess the relevant background, experience and knowledge in business, finance and management skills to enable the Board to make effective decisions.

The NC comprises of three independent directors, namely, Robert Tay (Chairman of the NC), Paul Leow and Ivan Khua.

The scope and responsibilities of the NC include:-

1) identifying, reviewing and recommending candidates for nomination for appointment and re-appointment of Directors, key management personnel and the members of the various committees;

2) reviewing the Board structure, size and composition and making recommendations to the Board with regard to any adjustments that are deemed necessary;

3) reviewing the strength and assessing the effectiveness of the Board as a whole;

4) determining on an annual basis the independent status of Directors;

5) deciding whether or not a director is able to and has been adequately carrying out his duties as a director of the Company, particularly when he has multiple board representations;

6) overseeing the management, training and professional development and succession planning of the Group; and

7) develop a process for evaluation of the performance of the Board, its committees and the Directors and propose objective performance criteria, as approved by the Board that allows comparison with its industry peers, and address how our Board has enhanced long-term shareholders' value.

The NC is responsible for identifying and recommending new Directors to the Board, after considering the necessary and desirable competencies. In identifying suitable candidates for the appointment of new Directors, the NC will consider all relevant channels to recruit any new candidates including referrals, use of the service of external advisors to facilitate a search and also consider candidates with the appropriate qualifications and working experience from internal or external sources. The NC will evaluate the suitability of the nominee or candidate based on his/her qualifications, business and related experience, commitment, ability to contribute to the Board process and such other qualities and attributes that may be required by the Board. The NC will then recommend their nominations to the Board for consideration.

The NC will review the composition of the Board and its Board Committees annually to ensure that the Board has the appropriate mix of expertise and experience to enable the Management to benefit from a diverse perspective of issues that are brought before the Board. The Board, taking into account the scope and nature of the operations of the Group, is of the view that its current size and the composition of the Board and its Board Committees are appropriate to meet the Company's objectives and facilitates effective decision-making.

Pursuant to Regulations 117 and 118 of the Constitution of the Company, at least one-third of the Directors shall retire by rotation at every annual general meeting ("**AGM**") and a retiring director shall be eligible for re-election. The NC recommended to the Board that Lim Lay Hoon and Ivan Khua be nominated for re-appointment at the forthcoming AGM. In making the recommendation, the NC had considered the Directors' overall contribution, performance, participation, preparedness and attendance.

Each member of the NC shall abstain from voting on any resolutions in respect to his/her re-nomination as a Director.

The NC determines the independence of Directors annually in accordance with the guidelines set out in the Code and is of the opinion that the Board is able to exercise objective judgment on corporate affairs independently and that the Board's decision-making process is not dominated by any individual or small group of individuals. The NC considers that the multiple board representations held presently by the directors and/or their other principal commitments do not impede their performance in carrying out their duties to the Company and it is not necessary at this juncture to put a maximum limit on the number of listed company board representations. The Board has considered and is satisfied that each of them is able to and has adequately carried out his duties as a director of the Company.

Currently, the Company does not have alternate directors.

The key information regarding Directors such as academic and professional qualifications, Board Committees served, directorships or chairmanships both present and past held over the preceding three years in other listed companies and other major appointments, whether the appointment is executive or non-executive are set out on pages 32 to 40 of this annual report.

BOARD PERFORMANCE

Principle 5: There should be a formal annual assessment of the effectiveness of the Board as a whole and its board committees and the contribution by each director to the effectiveness of the Board.

Performance evaluation of the Board, Board Committees and individual directors is aimed at giving directors an opportunity to gauge their effectiveness individually and collectively. It also helps to ensure continual improvement in the Board's decision-making process as it provides a benchmark by which future performance can be measured.

The Board has a formal process for assessing the effectiveness of the Board as a whole with objective performance criteria, the Board Committees and contribution of each individual Director to the effectiveness of the Board. The NC conducted an assessment of the functions and effectiveness of the Board as a whole, assessment of the Board Committees, assessment on each individual Director to the effectiveness of the Board and assessment of the contribution by the Chairman in the FY2019. The assessment report was reviewed by the Board and the recommendations were discussed with a view to improve the overall effectiveness of the Board. The NC is of the view that the performance of the Board as a whole has been satisfactory. No external facilitator was engaged in the evaluation process.

Each member of the NC shall abstain from voting on any resolution in respect of the assessment of his performance or re-nomination as Director.

ACCESS TO INFORMATION

Principle 6: In order to fulfil their responsibilities, directors should be provided with complete, adequate and timely information prior to board meetings and on an on-going basis so as to enable them to make informed decisions to discharge their duties and responsibilities.

The Board has separate and independent access to Management. Requests for information from the Board are dealt with promptly by Management and Management will provide all Directors with Board/Board Committee reports prior to the respective meetings. As a general rule, papers on specific subjects are sent to the Board in advance and are issued, where possible, in a timely manner to enable the Directors to obtain further explanations where necessary so that they are adequately informed prior to the meetings. Amongst others, the report provides information on the Company's performance, financial position and prospects.

The Directors have separate and independent access to the Company Secretary at all times. The Company Secretary or her representative administer attends and prepares all Board and Board Committee meetings. The Company Secretary is responsible for ensuring that procedures are followed and that the Company has complied with the relevant requirements of the Companies Act and all other rules and regulations that are applicable to the Company. The appointment and removal of the Company Secretary is a matter for consideration by the Board as a whole.

Each member of the Board may seek professional advice, subject to the approval of the Chairman, in furtherance of their duties and the costs of obtaining such professional advice will be borne by the Company.

PROCEDURES FOR DEVELOPING REMUNERATION POLICIES

Principle 7: There should be a formal and transparent procedure for developing policy on executive remuneration and for fixing the remuneration packages of individual directors. No director should be involved in deciding his own remuneration.

The RC comprises of three Independent Directors, namely Ivan Khua (Chairman of the RC), Paul Leow and Robert Tay.

The RC's responsibilities include:

1) recommending a framework of remuneration for the Board and key management personnel; and

2) reviewing and recommending to the Board the remuneration packages and terms of employment of the CEO, senior executives of the Group and employees who are related to Executive Directors and controlling shareholders.

There is a formal and transparent procedure for fixing the remuneration packages of individual directors. No Director is involved in deciding his own remuneration. In addition to the RC's responsibilities as stated above, the RC is also responsible for reviewing and recommending to the Board, the remuneration packages for all directors, taking into account the current market circumstances and the need to attract directors of experience and good standing.

The RC has full authority to engage any external professional advice on matters relating to remuneration as and when the need arises. The expense of such services shall be borne by the Company. There were no remuneration consultants engaged by the Company in FY2019.

In reviewing the service contracts of the Executive Director and key management personnel, the RC will review the Company's obligations arising in the event of termination of these service contracts, to ensure that such service contracts contain fair and reasonable termination clauses which commensurate with industry norms and their past contributions. The RC aims to be fair and avoid rewarding poor performance.

LEVEL AND MIX OF REMUNERATION

Principle 8: The level and structure of remuneration should be aligned with the long-term interest and risk policies of the company, and should be appropriate to attract, retain and motivate (a) the directors to provide good stewardship of the company, and (b) key management personnel to successfully manage the company. However, companies should avoid paying more than is necessary for this purpose.

As part of its review, the RC will cover all aspects of remuneration including but not limited to directors' fees, salaries, allowances, bonuses, shares and benefits-in-kind. The RC will take into account the industry norms, the Group's performance as well as the contribution and performance of each Director when determining remuneration packages. The RC and the Board are of the view that the remuneration of the Directors is adequate but not excessive in order to attract, retain and motivate them to run the Company successfully.

Independent Directors have no service contracts. Separate service agreements were entered with the CEO and COO for an initial period of three years, which are renewable thereafter unless otherwise terminated by either party giving not less than six months' notice in writing to the other. The service agreement became effective on 30 November 2017.

The service agreement contains non-competition clause, which is binding on him/her during the period of his/her employment with the Group and for a period of one year after the expiry or termination of his/her employment. This shall not prevent the CEO and COO from holding equity interests, not exceeding 5% of the total issued shares, directly or indirectly, in any company the shares of which are quoted on a stock exchange nor shall he/she or any of his/her associates, participate or are involved in the management of such company.

The Company's long term incentive plans includes the No Signboard ESOS ("**ESOS**") and the No Signboard PSP ("**PSP**"). One of the key objectives of these incentive plans is to provide employees an opportunity to participate in the equity of the Company and to enhance its competitive edge in attracting, recruiting and retaining talented key management personnel and employees. The Company believes that the share based plans, as long term incentive schemes will align the interests of its employees with those of its shareholders. No Options have been granted under the ESOS scheme.

The Company does not have contractual provisions to allow the Company to reclaim incentive components of remuneration from Executive Directors and key management personnel. The Executive Director and CEO and key management personnel owe a fiduciary duty to the Company. The Company should be able to avail itself to remedies against the Executive Director and CEO and key management personnel in the event of such breach of their fiduciary duties.

DISCLOSURE ON REMUNERATION

Principle 9: Each company should provide clear disclosure of its remuneration policies, level and mix of remuneration, and the procedure for setting remuneration, in the company's annual report. It should provide disclosure in relation to its remuneration policies to enable investors to understand the link between remuneration paid to directors and key Management personnel, and performance.

The following tables show a breakdown of the remuneration of Directors and key management personnel for FY2019.

Directors' Remuneration

Remuneration band & name of Directors	Salary	Bonus	Directors' Fees	Total
$500,000 to below $750,000				
Sam Lim	92%	8%	–	100%
$250,000 to below $500,000				
Lim Lay Hoon	92%	8%	–	100%
Below $250,000				
Ivan Khua	–	–	100%	100%
Paul Leow	–	–	100%	100%
Robert Tay	–	–	100%	100%

Top five Key Management Personnel (who are not Directors or CEO)

Remuneration band & name of top 5 key management personnel	Salary	Bonus	Incentive and other benefits	Total
Below $250,000				
Voon Sze Yin[1]	87%	6%	7%	100%
Cheng Wai Meng Ron[2]	95%	–	5%	100%
Chen Shangming, Samuel[3]	83%	–	17%	100%
Eric Er Kee Leong[4]	81%	–	19%	100%
Quek Arthur[5]	93%	3%	4%	100%

Notes:

1 Resigned on 30 September 2019.
2 Joined since 3 December 2018 and ceased to be a key management personnel on 21 June 2019.
3 Ceased to be a key management personnel on 5 April 2019.
4 Ceased to be a key management personnel on 31 December 2018.
5 Ceased to be a key management personnel on 13 January 2019.

The RC ensures that the remuneration package of employees related to Executive Directors and controlling shareholders of the Group are in line with the Group's staff remuneration guidelines and commensurate with their respective job scope and level of responsibilities. The aim of the RC is to motivate and retain such executives and ensure that the Group is able to attract the best talent in the market in order to maximise shareholders' value.

Employees related to Sam Lim, Executive Chairman and CEO of the Company and Lim Lay Hoon, Executive Director and COO, whose remuneration exceeded $50,000 during FY2019, were as follows:

Name	Relationship to CEO and COO
Cheo Bee Hwa	Mother
Cheo Cheng San	Uncle
Sam Lim	Sibling
Lim Lay Hoon (Lin Liyun)	Sibling

Details of the remuneration paid or payable to the immediate family member of Directors or CEO of the Company in FY2019 are set out below:

Name of Immediate Family Member	Salary	Bonus	Incentive and Other Benefits	Total
	%	%	%	%
Above S$50,000 and below S$100,000				
Cheo Bee Hwa	83%	17%	–	100%
Cheo Cheng San	93%	7%	–	100%
$500,000 to below $750,000				
Sam Lim	92%	8%	–	100%
$250,000 to below $500,000				
Lim Lay Hoon (Lin Liyun)	92%	8%	–	100%

Save for the above disclosure, the Company does not have any employee who is an immediate family member of a Director or the CEO whose remuneration in FY2019 exceeded S$50,000.

For FY2019, the aggregate total remuneration paid to the top 5 key management personnel (who are not Directors or the CEO) amounted to S$477,159.

In view of confidentiality of the remuneration policies of the Company, the Board is of the opinion that it is in the best interests of the Group to disclose the remuneration of its Directors and key management personnel in salary bands.

ACCOUNTABILITY

Principle 10: The board should present a balanced and understandable assessment of the company's performance, position and prospects.

The results and other relevant information on the Company are disseminated via SGXNet and are also available on the Company's website at www.nosignboardseafood.com.

In presenting the quarterly announcement of the results, the Board aims to provide shareholders with a balanced and comprehensible assessment of the Group's performance, financial positions and prospects on a quarterly basis.

To enable the Board to fulfill its responsibilities, management reports are made available regularly to all the Directors that include updates on the performance of the Company and all its subsidiaries. The Management is accountable to the Board and the Board is accountable to shareholders.

On 6 August 2018, the SGX-ST had issued the amendments to the Catalist Rules following the 2018 Code. With reference to the amendments to the Catalist Rules and 2018 Code, the Board and Board Committees had reviewed, revised and adopted the changes to the Board Committees' terms of reference to ensure their continued relevance.

Management maintains regular contact and communication with the Board by various means including the preparation and circulation to all Board members of periodic and full year financial statements of the Group. This allows the Board to monitor the Group's performance and position as well as the Management's achievements of the goals and objectives determined and set by the Board.

The Board takes adequate steps to ensure compliance with legislative and statutory requirements, and observes obligations of continuing disclosure under the Catalist Rules. The Management reviews and provides relevant compliance reports for the Board's approval. For issues relating to the Group's business development, the Board also provides the Shareholders with periodic updates and reports through announcements where necessary.

RISK MANAGEMENT AND INTERNAL CONTROLS

Principle 11: The Board is responsible for the governance of risk. The Board should ensure that Management maintains a sound system of risk management and internal controls to safeguard shareholders' interests and the company's assets, and should determine the nature and extent of the significant risks which the Board is willing to take in achieving its strategic objectives.

The Board is responsible for the overall internal controls framework and acknowledges that the system of internal controls is designed to manage, rather than eliminate the risk of failure to achieve business objectives, and provide reasonable and not absolute assurance against material misstatement or loss. The internal controls in place will address the financial, operational, compliance and information technology risks. The objectives of these controls are to provide reasonable assurance that there are no material financial misstatements or material loss to ensure that Shareholders' investments and the Group's assets are safeguarded. The Board will commission an annual internal control audit to review and take appropriate steps to strengthen the Group's overall system of internal controls.

The Board and Management assume the responsibility of the risk management function. Management is responsible for designing, implementing and monitoring the risk management and internal control systems. Management reviews regularly the Group's business and operational activities to identify areas of significant risks as well as appropriate measures to control and mitigate these risks. Management reviews significant policies and procedures and highlight significant matters to the Board.

In performing its functions, the AC:

a) had full access to and assistance of the Management and the discretion to invite any director and executive officer to attend its meetings;

b) had been given reasonable resources to enable it to discharge its functions properly; and

c) had the express powers to conduct or authorise investigation into any matters within its terms of reference.

The Group would engage an independent internal audit firm to independently review the Group's internal controls and practices as and when deemed required. During the FY2019 the Company has appointed Foo Kon Tan Advisory Services Pte Ltd to carry out an independent internal audit review on the Group's key operational processes in Singapore based on the approved internal audit plans.

The Company's external auditors, Messrs Deloitte & Touche LLP, has also in the course of their annual statutory audit, carried out a review of the effectiveness of the Company's material internal controls over financial reporting as laid out in their audit plans. Any internal control weaknesses noted during their statutory audit along with their recommendations are reported to the AC.

The Board, through the AC, will annually review the adequacy and effectiveness of the Company's risk management and internal control systems including financial, operational, compliance and information technology controls, to ensure risk management and internal controls are in place. In this aspect, the AC reviews the audit plans, and the findings of the auditors and ensures that the Group follows up on auditors' recommendations raised, if any, during the audit process. The AC guides management to check and ensure the adequacy of the internal controls.

Based on the internal controls and risk management framework established and maintained by the Group, work performed by the internal and external auditors and reviews performed by management, various Board Committees and the Board, the Board, with the concurrence of the AC, are of the opinion that the Group's internal controls, addressing financial, operational and compliance risks and those related to information technology systems and risk management systems are adequate and effective as at 30 September 2019.

For the financial year under review, the CEO, COO and Chief Financial Officer have provided assurance to the Board that the financial records of the Company have been properly maintained and the financial statements give a true and fair view of the operations and finances and that an effective risk management and internal control system has been put in place.

AUDIT COMMITTEE

Principle 12: The Board should establish an Audit Committee with written terms of reference which clearly set out its authority and duties.

The AC comprises of three independent directors, namely Paul Leow (Chairman of the AC), Ivan Khua and Robert Tay.

The AC is established to assist the Board with discharging its responsibility of safeguarding the Group's assets, maintaining adequate accounting records, and developing and maintaining effective systems of risk management and internal controls. The Board is of the opinion that at least 2 members of the AC possess the necessary accounting or related financial management qualifications, expertise and experience in discharging their duties.

No former partner or director of the Company's existing auditing firm or auditing corporation, within a period of 12 months from the date of his ceasing to be a partner of the auditing firm or director of the auditing corporation, is appointed to the AC.

The principal responsibilities of the AC include:

1) recommending to the Board of Directors the external auditors to be nominated, and approving the compensation of the external auditors. It also reviews the scope and results of the audit, its cost-effectiveness, and the independence and objectivity of the external auditors;

2) reviewing with the external auditors and Management, the significant risks or exposures that exist and the steps Management have taken to manage such risks to the Company;

3) reviewing with the Chief Financial Officer and external auditors at the completion of the full year financial results:

   a) audit issues of the Group;

      any significant findings and recommendations of the external auditors together with Management's responses thereto;

   b) the external auditors' evaluation of the system of internal controls and reporting to the Board on the adequacy and effectiveness of the internal controls;

   c) the external auditors' reports;

   d) the assistance given by Management and the staff of the Company to the external auditors, including any concerns encountered during the course of audit;

   e) interested person transactions ("**IPTs**") falling within the scope of Chapter 9 of the Listing Manual;

4) reviewing quarterly results and full year financial statements for submission to the Board for its approval; and

5) considering legal and regulatory matters that may have a material impact on the financial statements, related exchange compliance policies and reports received from regulators.

Minutes of the AC meetings are submitted to the Board for its information and review. To create an environment for open discussion on audit matters, the AC meets with the external auditors and internal auditors, without the presence of Management, at least once a year. The AC has met with the external auditors and internal auditors, without the presence of the Management during FY2019.

The AC has full access to and co-operation of the Management and has full discretion to invite any Director or key management personnel to attend the meetings and has reasonable resources to enable it to discharge its functions. The external auditors has unrestricted access to the AC.

The AC will assess the independence of the external auditors annually. The aggregate amount of fees paid to the external auditors of the Group for FY2019 was $220,800/- of which $50,800/- was for non-audit services. The AC is satisfied that the nature and extent of such non-audit services would not prejudice the independence and objectivity of the external auditors.

The AC is satisfied that the external auditors of the Company, Deloitte & Touche LLP, an auditing firm registered with the Accounting and Corporate Regulatory Authority, are independent and that they had also provided a confirmation of their independence to the AC. The AC had assessed the external auditors of the Company based on factors such as performance, adequacy of resources and experience of their audit engagement partners and audit team assigned to the Group's audit as well as the size and complexity of the Group. For FY2019, the Company confirms that it is in compliance with Rules 712 and 715 of the Catalist Rules in relation to the appointment of audit firms for the Group. No former partner or director of the Company's existing auditing firm has acted as a member of the AC.

The existing auditors of the Company, Deloitte & Touche LLP, was appointed as the external auditors of the Company since 30 June 2017 and was re-appointed as the external auditors of the Company at the last AGM held on 31 January 2019 until the conclusion of the forthcoming AGM. For the audit of the financial year ending 30 September 2020, the AC has recommended to the Board, and the Board has accepted the appointment of Ernst & Young LLP in place of Deloitte & Touche LLP as the Group's external auditors, subject to the Shareholders' approval at the forthcoming AGM. Further information on the proposed change of external auditors is set out in the Appendix to this Annual Report.

The AC considered the report from the external auditors, including their findings on the significant risks and audit focus areas. Significant matters that were discussed with Management and the external auditors have been included as Key Audit Matters ("**KAM**") in the Independent Auditors' Report for FY2019 from pages 45 to 48 of this Annual Report. In assessing the KAM, the AC took into consideration the approach and methodology applied as well as the reasonableness of estimates and key assumptions used. The AC reviewed the KAM and concurred with the external auditors and the Management on their assessment, judgements and estimates on the significant matters reported in the KAM.

The AC is kept updated on new changes to the accounting and financial reporting standards by the external auditors during the year.

WHISTLE-BLOWING POLICY

Management has put in place a whistle-blowing policy, whereby employees and any other persons may, in confidence, raise concerns about possible improprieties on matters of financial reporting or other matters. The objective for such arrangement is to ensure independent investigation of such matters and for appropriate follow-up action.

As of the date of this annual report, there were no reports received through the whistle blowing mechanism.

INTERNAL AUDIT

Principle 13: The company should establish an effective internal audit function that is adequately resourced and independent of the activities it audits.

The Company has appointed Foo Kon Tan Advisory Services Pte Ltd as the Company's internal auditors for the purposes of reviewing the effectiveness of the Company's material internal controls. The role of the internal auditors is to assist the AC in ensuring that the controls are effective and functioning as intended, to undertake investigations as directed by the AC and to conduct regular in-depth audits of high risk areas.

The AC approves the engagement, discontinuation, evaluation and compensation of its outsourced internal auditors. The internal auditors has unfettered access to all the Group's documents, records, properties and personnel including access to the AC. The internal auditors reports directly to the AC although they also report administratively to the CEO.

The internal auditors, meets the standards for the Professional Practice of Internal Auditing set by Foo Kon Tan Advisory Services Pte Ltd The Institute of Internal Auditors.

The AC has reviewed the internal audit programme, the scope and results of internal audit procedures and is satisfied that the outsourced internal audit function is adequately resourced and has appropriate standing within the Company.

The AC also reviews, at least annually, the adequacy and effectiveness of the internal audit function.

SHAREHOLDER RIGHTS

Principle 14: Companies should treat all shareholders fairly and equitably, and should recognise, protect and facilitate the exercise of shareholders' rights, and continually review and update such governance arrangements.

In line with the continuous obligations of the Company under the Catalist Rules and the Companies Act, Chapter 50, the Board's policy is that all shareholders should equally and on a timely basis be informed of all major developments that impact the Group via SGXNet.

Shareholders are informed of general meetings through the announcements released to the SGXNet and notices contained in the annual report or circulars sent to all Shareholders. The notice of AGM is also advertised in a prominent newspaper. Shareholders are also informed on the procedures for the poll voting at general meetings.

All Shareholders are entitled to attend and participate in the general meetings. If any Shareholders are unable to attend, he/she is allowed to appoint up to two proxies to vote on his/her behalf at the general meeting through proxy forms sent in advance. In line with the amendments to the Companies Act, Chapter 50 of Singapore, corporate Shareholders of the Company who are "relevant intermediaries" as defined under Section 181(6) of the Companies Act, Chapter 50 of Singapore, are allowed to appoint more than two proxies to attend and vote on their behalf at general meetings.

COMMUNICATION WITH SHAREHOLDERS

Principle 15: Companies should actively engage their shareholders and put in place an investor relations policy to promote regular, effective and fair communication with shareholders.

The Company believes in regular and timely communication with shareholders as part of its organisational development to build systems and procedures.

Information is disseminated to shareholders on a timely and non-selective basis through:

- annual reports that are prepared and issued to all shareholders within the mandatory period;
- public announcements via the SGXNet;
- press releases; and
- the Company's website at www.nosignboardseafood.com which the shareholders can access information on the Group.

The Company does not practice selective disclosure. Price sensitive information is first publicly released before the Company meets with any group of investors or analysts. All shareholders of the Company will receive the annual report with notice of AGM by post and published in the newspapers within the mandatory period, which is held within four months after the close of the financial year.

By supplying Shareholders with reliable and timely information, the Company is able to strengthen the relationship with its Shareholders based on trust and accessibility. The Company has engaged Financial PR Pte. Ltd. as the Group's investor relations firm ("**IR**") who will focus on facilitating communications with Shareholders, analysts and media on a regular basis, to attend to their queries or concerns as well as to keep the investing public apprised of the Group's corporate developments and financial performance.

To enable Shareholders to contact the Company easily, the contact details of the IR personnel are set out in the corporate information page of the annual report as well as on the Company's website. The IR personnel have procedures in place for responding to investors' queries as soon as applicable. We provide financial performance and business development updates to the investment community through one-to-one meetings, analysts briefings, conference calls, corporate day events and media interviews

The Company currently does not have a fixed dividend policy. The Board would consider establishing a dividend policy when appropriate. In considering the payment of dividend, the Board shall consider factors such as the Company's profits, cash flows, working capital and capital expenditure requirements, investment plans and other factors that the Board may deem relevant. No dividend is declared for FY2019 as the Group has not generated profit attributable to owners of the Company for FY2019.

CONDUCT OF SHAREHOLDER MEETINGS

Principle 16: Companies should encourage greater shareholder participation at general meetings of shareholders, and allow shareholders the opportunity to communicate their views on various matters affecting the company.

The Company's AGMs are the principal forums for dialogue with shareholders. Shareholders are encouraged to attend the Company's general meetings to ensure a high level of accountability and to stay appraised of the Group's strategies and growth plans. Notices of the meetings will be advertised in newspapers in Singapore and announced via the SGXNet. All resolutions will be voted by way of poll and announcement of the detailed results of the general meetings will be published on the same day and the Company has adopted electronic polling for the AGM.

Each item of special business included in the notice of the general meetings is accompanied, where appropriate, by an explanation for the proposed resolution. Separate resolutions are proposed for each separate issue at the meeting.

The Company has not amended its Constitution to provide for absentee voting methods, which call for elaborate and costly implementation of a foolproof system, the need for which does not arise presently.

The Chairman of the respective Board Committees will be present and available to address questions relating to the work of their respective board committees at general meetings. Shareholders are given the opportunity to air their views and ask Directors, Management and External auditors questions regarding the Company. The Company will make use of general meetings as a forum to gather views and address shareholders' concerns.

The Company prepares minutes or notes of general meetings, which include substantial comments or queries from shareholders relating to the agendas of the meetings and responses from the Board and the Management. These minutes or notes are available for the inspection of shareholders upon their request.

DEALINGS IN SECURITIES

The Company has adopted an internal Code of Best Practices on Securities Transactions to provide guidance to its officers with regard to dealings in the securities of the Company in compliance with principles of Rule 1204(19) of the Catalist Rules.

In general, officers are encouraged to hold shares in the Company but are prohibited from dealing in shares:

- in the period commencing two weeks before the announcement of the quarterly financial results or one month before the announcement of the financial statements of the financial year, as the case may be, and ending on the date of the announcement of the relevant results.

- at any time while in possession of price- sensitive information.

Directors and employees are expected not to deal in the Company's securities on short-term considerations and to observe insider trading laws at all times. All senior managers of the Company are required to notify their dealings in the Company's shares within two market days of transaction.

INTERESTED PERSON TRANSACTIONS ("IPTs")

The Company has adopted an internal policy in respect of any transaction with interested person and has set out the procedures for review and approval of the Company's IPTs.

The Group does not have a general mandate from shareholders for interested person transactions pursuant to Rule 920 of the Catalist Rules.

The aggregate value of interested person transactions entered into during year under review is as follows:

Name of interested person	Nature of relationship	Aggregate value of all interested person transactions during the financial period under review (excluding transactions less than S$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)	Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than S$100,000)
GuGong Pte. Ltd.	Substantial shareholder	$190,800[(1)]	Not applicable

Note:

(1) During the year, the Company has:

(i) a payable of $190,800 as rental expense to GuGong Pte. Ltd. ("GuGong") for the lease of its corporate office and kitchen.

MATERIAL CONTRACTS

Save for the interested persons transactions as disclosed in this Annual Report, there are no material contracts of the Company or its subsidiaries involving the interest of any director or controlling shareholder of the company subsisting at the end of FY2019.

USE OF PROCEEDS

The Company raised total net proceeds of approximately $19.3 million from the offering of 65,734,500 invitation shares comprises of 15,734,500 new shares and 50,000,000 vendor shares, of which 2,500,000 invitation shares were available to the public for subscription and/or purchase and 63,234,500 invitation shares were by way of placement, in November 2017. As at the date of this Annual Report, the Company utilised the proceeds as follows:

	Allocation of Net Proceeds (as disclosed in the Offer Document)	Revised Allocation of Net Proceeds	Net Proceeds utilised	Balance of Net Proceeds
	$'000	$'000	$'000	$'000
Purpose				
Development for the Beer Business	10,000	10,000	(2,267)	7,733
Establishing new chains of restaurants	5,000	7,000	(7,000)	–
Development of Ready Meal Business	2,000	–	–	–
General working purposes	2,300	2,300	(2,300)	–
	19,300	19,300	(11,567)	7,733

OTHERS

In appointing our auditors for the Company and subsidiaries, we have complied with Rules 712 and 715 of the Catalist Rules.

NON-SPONSOR FEES

RHT Capital Pte. Ltd. became the continuing sponsor of the Company following the listing on SGX-ST on 30 November 2017. During FY2019, the Company paid RHT Capital Pte. Ltd. a professional fee for acting as the issue manager and sponsor to the Company's initial public offering. Save for these, there were no non-sponsor fees paid/payable to the Company's Sponsor.

SUSTAINABILITY REPORTING

The Company will announce its standalone sustainability report for FY2019 by 15 May 2020. In line with our Group's effort towards environmental conservation, we will progressively adopt 'GOPAPERLESS'. As such, the sustainability report for FY2019 is only available in electronic version and is available for download on SGXNET.

PARTICULARS OF DIRECTORS PURSUANT TO THE CODE OF CORPORATE GOVERNANCE

Name of Director	Academic/Professional Qualifications	Board Appointment Executive/ Non-executive	Board Committees as Chairman or Member	Directorship Date First Appointed	Date of Last Re-election	Directorships in other listed companies and other major appointments	Past directorships in other listed companies and other major appointments over the preceding 3 years
Sam Lim	–	Executive Chairman and Chief Executive Officer	Chairman of the Board	1 June 2017	31 January 2019	Nil	Nil
Lim Lay Hoon	–	Executive Director and Chief Operating Officer	Board Member	6 November 2017	31 January 2018	Nil	Nil
Ivan Khua	• Bachelor degree in Building Construction Management (First Class Honors) awarded by University of New South Wales, Australia	Lead Independent Director	Board Member, Chairman of the Remuneration Committee, Member of Audit Committee and Nominating Committee	6 November 2017	31 January 2018	• KSH Holdings Limited • MoneyMax Financial Services Ltd.	• HL Energy Limited
Paul Leow	• Practising Member, ISCA • Fellow Member of the ACCA, United Kingdom • Certified Public Accountants, Colorado State Board of Accountancy, USA.	Independent Director	Board Member, Chairman of the Audit Committee and Member of the Nominating Committee and Remuneration Committee	6 November 2017	31 January 2019	• Fragrance Group Limited • Asian Healthcare Specialists Limited	Nil

Name of Director	Academic/Professional Qualifications	Board Appointment Executive/ Non-executive	Board Committees as Chairman or Member	Directorship Date First Appointed	Date of Last Re-election	Directorships in other listed companies and other major appointments	Past directorships in other listed companies and other major appointments over the preceding 3 years
Robert Tay	• Bachelor of Laws from King's College London • Barrister of Lincoln's Inn • Admission as Advocate and Solicitor of the High Court of Singapore	Independent Director	Board Member, Chairman of the Nominating Committee and Member of the Audit Committee and Remuneration Committee	6 November 2017	31 January 2018	Nil	Nil

ADDITIONAL INFORMATION ON DIRECTORS NOMINATED FOR RE-ELECTION – Pursuant to Rule 720(5) of the Catalist Rules, the information as set out in Appendix 7F to the Catalist Rules relating to Ms. Lim Lay Hoon and Mr. Ivan Khua, being the Directors who are retiring in accordance with the Company's Constitution at the forthcoming AGM, is set out below:

Details	**Name of Director**	
	Lim Lay Hoon	**Ivan Khua**
Date of Appointment	6 November 2017	6 November 2017
Date of last re-appointment (if applicable)	31 January 2018	31 January 2018
Age	45	44
Country of principal residence	Singapore	Singapore
The Board's comments on this appointment (including rationale, selection criteria, and the search and nomination process)	Ms. Lim Lay Hoon was nominated for re-election as Director at the forthcoming AGM pursuant to the Company's Constitution. The NC's process in recommending the nomination for re-election of Director and the assessment of the contribution of the Director has been disclosed under Principle 4 and Principle 5 of the Corporate Governance Report. Having regard to the above, the Board of the Company has accepted the NC's recommendation, who has reviewed and considered Ms. Lim Lay Hoon is able to exercise judgement as the Executive Director on the corporate affairs of the Group.	Mr. Ivan Khua was nominated for re-election as Director at the forthcoming AGM pursuant to the Company's Constitution. The NC's process in recommending the nomination for re-election of Director, review of the independence of the Independent Director and the assessment of the contribution of the Director has been disclosed under Principle 4 and Principle 5 of the Corporate Governance Report. The Board of the Company has accepted the NC's recommendation, who has reviewed and considered Mr. Ivan Khua is able to exercise judgement as the Independent Director on the corporate affairs of the Group and independent of the Management. Having regard to the above, the Board considers Mr. Ivan Khua to be independent for the purpose of Rule 704(7) of the Catalist Rules.
Whether appointment is executive, and if so, the area of responsibility	Executive.	Non-Executive.
Job Title (e.g. Lead ID, AC Chairman, AC Member etc.)	Executive Director and Chief Operating Officer	Lead Independent Director, Chairman of the Remuneration Committee and member of Audit Committee and Nominating Committee
Professional qualifications	–	• Bachelor degree in Building Construction Management (First Class Honors) awarded by University of New South Wales, Australia

Details	Name of Director	
	Lim Lay Hoon	**Ivan Khua**
Working experience and occupation(s) during the past 10 years	1993 to present – COO, No Signboard	2008 to present - Executive Director, Hock Leong Enterprises Pte. Ltd.
Shareholding interest in the listed issuer and its subsidiaries	Nil	100,000 shares held through a nominee
Any relationship (including immediate family relationships) with any existing director, existing executive officer, the issuer and/or substantial shareholder of the listed issuer or of any of its principal subsidiaries	• Sister of Mr. Sam Lim (Executive Chairman and Chief Executive Officer) • Director and member of GuGong (Controlling Shareholder)	Nil
Conflict of interest (including any competing business)	Nil	Nil
Undertaking (in the format set out in Appendix 7H) under Rule 720(1) has been submitted to the listed issuer	Yes	Yes
Other Principal Commitments Including Directorships	**Past (for the last 5 years)** Nil **Present** Director of: • NSB-Central Kitchen Pte. Ltd. • NSB-Crab Factory Pte. Ltd. • NSB-Crab Factory (China) Pte. Ltd. • NSB-IP Holdings Pte. Ltd. • NSB-Mom's Touch Pte. Ltd. • Hawker QSR Pte. Ltd. • NSB Franchisees Pte. Ltd. • NSB Global Franchise Management Pte. Ltd. • NSB Hotpot Pte. Ltd. • NSB Restaurants Pte. Ltd. • NSB Mom's Touch Sdn Bhd • Gugong Pte Ltd	**Past (for the last 5 years)** • HL Energy Limited (struck-off) • Guan Yu Holdings Pte Ltd (struck-off) **Present** Director of: • Touchstone Hock Leong Financial Group Holdings Limited • Hock Leong Private Limited • Hock Leong Holdings (Private) Limited • Synetcom International Pte. Ltd. • Tuanle Corporation Pte. Ltd. • Touchstone HL Capital Pte. Ltd. • KSH Holdings Limited • MoneyMax Financial Services Ltd. • Blue Sky Power (Singapore) Pte Limited • Centennial Harvest Limited

Details		Name of Director	
		Lim Lay Hoon	Ivan Khua
The general statutory disclosures of the Directors are as follows:			
a.	Whether at any time during the last 10 years, an application or a petition under any bankruptcy law of any jurisdiction was filed against him or against a partnership of which he was a partner at the time when he was a partner or at any time within 2 years from the date he ceased to be a partner?	No	No
b.	Whether at any time during the last 10 years, an application or a petition under any law of any jurisdiction was filed against an entity (not being a partnership) of which he was a director or an equivalent person or a key executive, at the time when he was a director or an equivalent person or a key executive of that entity or at any time within 2 years from the date he ceased to be a director or an equivalent person or a key executive of that entity, for the winding up or dissolution of that entity or, where that entity is the trustee of a business trust, that business trust, on the ground of insolvency?	No	No
c.	Whether there is any unsatisfied judgment against him?	No	No

Details		Name of Director	
		Lim Lay Hoon	Ivan Khua
d.	Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving fraud or dishonesty which is punishable with imprisonment, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such purpose?	No	No
e.	Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such breach?	No	No
f.	Whether at any time during the last 10 years, judgment has been entered against him in any civil proceedings in Singapore or elsewhere involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or a finding of fraud, misrepresentation or dishonesty on his part, or he has been the subject of any civil proceedings (including any pending civil proceedings of which he is aware) involving an allegation of fraud, misrepresentation or dishonesty on his part?	No	No

Details		Name of Director	
		Lim Lay Hoon	Ivan Khua
g.	Whether he has ever been convicted in Singapore or elsewhere of any offence in connection with the formation or management of any entity or business trust?	No	No
h.	Whether he has ever been disqualified from acting as a director or an equivalent person of any entity (including the trustee of a business trust), or from taking part directly or indirectly in the management of any entity or business trust?	No	No
i.	Whether he has ever been the subject of any order, judgment or ruling of any court, tribunal or governmental body, permanently or temporarily enjoining him from engaging in any type of business practice or activity?	No	No
j.	Whether he has ever, to his knowledge, been concerned with the management or conduct, in Singapore or elsewhere, of the affairs of :—	Yes	Yes
	i. any corporation which has been investigated for a breach of any law or regulatory requirement governing corporations in Singapore or elsewhere; or	On 13 May 2020, the Company and Board received a letter from the SGX with opportunity to make representations for the potential breaches of the Catalist Rules pertaining to the share buy back transactions executed on 31 January 2019 and the independent review report.	On 13 May 2020, the Company and Board received a letter from the SGX with opportunity to make representations for the potential breaches of the Catalist Rules pertaining to the share buy back transactions executed on 31 January 2019 and the independent review report.

Details		Name of Director	
		Lim Lay Hoon	Ivan Khua
	ii. any entity (not being a corporation) which has been investigated for a breach of any law or regulatory requirement governing such entities in Singapore or elsewhere; or	No	No
	iii. any business trust which has been investigated for a breach of any law or regulatory requirement governing business trusts in Singapore or elsewhere; or	No	No
	iv. any entity or business trust which has been investigated for a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, in connection with any matter occurring or arising during that period when he was so concerned with the entity or business trust?	Please refer to the responses to J(i)	Please refer to the responses to J(i)
k.	Whether he has been the subject of any current or past investigation or disciplinary proceedings, or has been reprimanded or issued any warning, by the Monetary Authority of Singapore or any other regulatory authority, exchange, professional body or government agency, whether in Singapore or elsewhere?	Please refer to the responses to J(i)	Please refer to the responses to J(i)

Details	Name of Director	
	Lim Lay Hoon	Ivan Khua
Information required **Disclosure applicable to the appointment of Director only.**		
Any prior experience as a director of an issuer listed on the Exchange?	Yes	Yes
If yes, please provide details of prior experience.	Ms Lim Lay Hoon is currently the Executive Director of the Company since the Company IPO.	Mr Ivan Khua is currently the Company's Lead Independent Director since the Company IPO, and is currently a director for the following listed Companies: 1. KSH Holdings Limited 2. MoneyMax Financial Services Ltd.
If no, please state if the director has attended or will be attending training on the roles and responsibilities of a director of a listed issuer as prescribed by the Exchange.	N/A	N/A

Financial Contents

Directors' Statement

The directors present their statement together with the audited consolidated financial statements of the Group and statement of financial position and statement of changes in equity of the Company for the financial year ended 30 September 2019.

In the opinion of the directors, the consolidated financial statements of the Group and the statement of financial position and statement of changes in equity of the Company as set out on pages 49 to 110 are drawn up so as to give a true and fair view of the financial position of the Group and of the Company as at 30 September 2019, and the financial performance, changes in equity and cash flows of the Group and changes in equity of the Company for the financial year then ended and at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts when they fall due.

1 DIRECTORS

The directors of the Company in office at the date of this statement are:

Lim Yong Sim (Lin Rongsen)
Lim Lay Hoon (Lin Liyun)
Khua Kian Kheng Ivan
Leow Chung Chong Yam Soon
Tay Chun Leng Robert (Zheng Chunling Robert)

2 ARRANGEMENTS TO ENABLE DIRECTORS TO ACQUIRE BENEFITS BY MEANS OF THE ACQUISITION OF SHARES AND DEBENTURES

Neither at the end of the financial year nor at any time during the financial year did there subsist any arrangement whose object is to enable the directors of the Company to acquire benefits by means of the acquisition of shares or debentures in the Company or any other body corporate.

3 DIRECTORS' INTERESTS IN SHARES AND DEBENTURES

The directors of the Company holding office at the end of the financial year had no interests in the share capital and debentures of the Company and related corporations as recorded in the register of directors' shareholdings kept by the Company under Section 164 of the Singapore Companies Act except as follows:

	Shareholdings registered in the name of directors		**Shareholdings in which directors are deemed to have an interest**	
Name of directors and companies in which interests are held	**At beginning of year**	**At end of year**	**At beginning of year**	**At end of year**
No Signboard Holdings Ltd. (The Company) (Ordinary shares)				
Lim Yong Sim (Lin Rongsen)	–	–	342,843,375	346,378,475
Leow Chung Chong Yam Soon	100,000	100,000	–	–
Khua Kian Kheng Ivan	–	–	100,000	100,000
Tay Chun Leng Robert (Zheng Chunling Robert)	–	–	100,000	100,000
GuGong Pte. Ltd. (Ultimate holding company) (Ordinary shares)				
Lim Yong Sim (Lin Rongsen)	515,000	515,000	–	–
Lim Lay Hoon (Lin Liyun)	35,000	35,000	–	–

3 DIRECTORS' INTERESTS IN SHARES AND DEBENTURES (Cont'd)

By virtue of Section 7 of the Singapore Companies Act, Mr Lim Yong Sim (Lin Rongsen) is deemed to have an interest in all the related corporations of the Company.

The directors' interests in the shares of the Company at 21 October 2019 were the same as at 30 September 2019.

4 SHARE OPTIONS

(a) *Options to take up unissued shares*

During the financial year, no options to take up unissued shares of the Company or any corporation in the Group were granted.

(b) *Options exercised*

During the financial year, there were no shares of the Company or any corporation in the Group issued by virtue of the exercise of an option to take up unissued shares.

(c) *Unissued shares under options*

At the end of the financial year, there were no unissued shares of the Company or any corporation in the Group under options.

5 AUDIT COMMITTEE

The Audit Committee of the Company, consisting all non-executive directors, is chaired by Mr Leow Chung Chong Yam Soon, an independent director, and includes Mr Khua Kian Kheng Ivan, an independent director and Mr Tay Chun Leng Robert (Zheng Chunling Robert), an independent director. The Audit Committee has met seven times since the last Annual General Meeting ("AGM") and has reviewed the following, where relevant, with the executive directors and external and internal auditors of the Company:

(a) the audit plan and results of the internal auditors' examination and evaluation of the Group's systems of internal accounting controls;

(b) the Group's financial and operating results and accounting policies;

(c) the audit plan of the external auditors;

(d) the statement of financial position and statement of changes in equity of the Company and the consolidated financial statements of the Group before their submission to the directors of the Company and the external auditor's report on those financial statements;

(e) the quarterly, half-yearly and annual announcements on the results and financial position of the Company and the Group;

(f) the co-operation and assistance given by the management to the Group's external and internal auditors; and

(g) the appointment or re-appointment of the external and internal auditors of the Group.

5 AUDIT COMMITTEE (Cont'd)

The Audit Committee has full access to and has the co-operation of the management and has been given the resources required for it to discharge its function properly. It also has full discretion to invite any director and executive officer to attend its meetings. The external and internal auditors have unrestricted access to the Audit Committee.

ON BEHALF OF THE DIRECTORS

Lim Yong Sim (Lin Rongsen)

Lim Lay Hoon (Lin Liyun)

11 May 2020

Independent Auditor's Report

To the Members of No Signboard Holdings Ltd.

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of No Signboard Holdings Ltd. (the "Company") and its subsidiaries (the "Group"), which comprise the consolidated statement of financial position of the Group and the statement of financial position of the Company as at 30 September 2019, and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows of the Group and the statement of changes in equity of the Company for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, as set out on pages 49 to 110.

In our opinion, the accompanying consolidated financial statements of the Group and the statement of financial position and statement of changes in equity of the Company are properly drawn up in accordance with the provisions of the Companies Act, Chapter 50 (the "Act") and Singapore Financial Reporting Standards (International) ("SFRS(I)s") so as to give a true and fair view of the consolidated financial position of the Group and the financial position of the Company as at 30 September 2019 and of the consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group and the changes in equity of the Company for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with Singapore Standards on Auditing ("SSAs"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Group in accordance with the Accounting and Corporate Regulatory Authority ("ACRA") *Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities* ("ACRA Code") together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

We draw attention to the following:

(i) Note 34 to the financial statements which discloses that the Company, in response to SGX Regulations ("SGX RegCo")'s directive, has appointed an Independent Reviewer to, inter alia, review the appropriateness of adopting the Actual Group Accounting Principles in respect of the unaudited Group Financial Statements for the first quarter period ended 31 December 2017 ("1Q2018"), second quarter period ended 31 March 2018 ("2Q2018") and third quarter period ended 30 June 2018 ("3Q2018"), and whether they were prepared in accordance with the Singapore Financial Reporting Standards. As at the date of this report, the review has been concluded. The Board of Directors and management have reviewed the findings in the Independent Reviewer's report and determined that no adjustments to the accompanying financial statements were necessary.

On 29 April 2020, SGX RegCo announced that it will be reviewing the Independent Reviewer's report for possible breaches of the listing rules, Rule 415 for Catalist issuer on reporting of financial statements. The Board of Directors and management have assessed that this is not expected to have significant impact on the accompanying financial statements.

(ii) Note 35 to the financial statements which discloses that the Commercial Affairs Department of the Singapore Police Force ("CAD") has commenced an investigation concerning the abortive share buyback executed by the Company's Executive Chairman and Chief Executive Officer, who has been put on arrest and on bail on reasonable suspicion that sections 197 and 218 of the Securities and Futures Act Chapter 289 may have been breached. As at the date of this report, the CAD's investigation is still ongoing. The Board of Directors and management have assessed that this is not expected to have significant impact on the accompanying financial statements.

(iii) Notes 4(c)(iv) and 36 to the financial statements disclose that the COVID-19 outbreak subsequent to the reporting period has affected the business and revenue of the Group. Notwithstanding this, management has assessed that the Group and the Company, with the financing facilities made available by its Bankers, will have sufficient financial resources to enable the Group and the Company to continue as a going concern for at least the next twelve months from end of the reporting period. As at the date of this report, the Group has remaining available uncommitted credit facilities of $3,000,000.

Our opinion is not modified in respect of the above matters.

Independent Auditor's Report

To the Members of No Signboard Holdings Ltd.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current year. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

<table>
<tr><th>Key Audit Matters</th><th>Our audit performed and responses thereon</th></tr>
<tr><td>Impairment of plant and equipment

(Refer to Note 12 to the financial statements)

The Group is required to assess at the end of each reporting period whether there is any indication that its plant and equipment may be impaired.

If any such indication exists, the entity shall estimate the recoverable amount of its property, plant and equipment.

The determination of recoverable amount, based on fair value less cost of disposal, requires management's judgement in both identifying and valuing the relevant assets.</td><td>Our audit procedures focused on evaluating and challenging the key assumptions used by management in its impairment review.

In addition, we performed the following:

● We evaluated the appropriateness of management's relevant controls over the impairment assessment process, including reviewing for indicators of impairment; and

● We have reviewed the impairment assessment performed by management based on fair value less cost to sell and also performed an assessment of the adequacy of management's provision.

We have also reviewed the adequacy and appropriateness of the disclosures made in the financial statements.</td></tr>
<tr><td>Classification and recognition of upfront sponsorship, volume rebates and promotional support

(Refer to Notes 13, 16 and 17 to the financial statements)

The Group enters into contracts with customers of beer business with upfront sponsorship, volume rebates and promotional support, which the accounting and recognition requires significant judgement and estimate based on the agreed contractual terms.

Judgement is required in ascertaining the nature and classification of the upfront sponsorship, volume rebates and promotional support (either as net against revenue or as expenses), estimating the amount to be accrued as at year end and assessing the carrying and recoverable amounts of the other assets (upfront sponsorship) as at year end.</td><td>We have assessed the accounting treatment and classification of the upfront sponsorship, volume rebates and promotional support.

We found the classification and recognition of promotional support, accruals for upfront sponsorship and volume rebates as well as amortisation of other assets to be appropriate.

We performed substantive analytical procedures and substantive testing to test the accuracy and completeness of the underlying calculation of the accruals with reference to contracts, invoices and other supporting documents on a sample basis. We have tested on a sample basis the amortisation and the carrying and recoverable amounts of the other assets.

The judgement and key sources of estimation uncertainty on the classification and recognition of upfront sponsorship, volume rebates and promotional support is disclosed in Note 3 to the financial statements, and further information related to upfront sponsorship, volume rebates and promotional support is provided in Notes 13, 16 and 17 to the financial statements.</td></tr>
</table>

Information Other than the Financial Statements and Auditor's Report Thereon

Management is responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Directors for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Act and SFRS(I)s, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

In preparing the financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The directors' responsibilities include overseeing the Group's financial reporting process.

Auditor's Responsibility for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

a) Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

b) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

d) Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

e) Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

f) Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial statements of the current year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

In our opinion, the accounting and other records required by the Act to be kept by the Company and by those subsidiary corporations incorporated in Singapore of which we are the auditors have been properly kept in accordance with the provisions of the Act.

The engagement partner on the audit resulting in this independent auditor's report is Mr Loi Chee Keong.

Public Accountants and
Chartered Accountants
Singapore

11 May 2020

Statements of Financial Position

30 September 2019

	Note	The Group 30 September 2019 $	The Group 30 September 2018 $	The Group 1 October 2017 $	The Company 30 September 2019 $	The Company 30 September 2018 $	The Company 1 October 2017 $
ASSETS							
Current assets							
Cash and bank balances	7	15,792,071	23,659,698	293,434	15,231,736	22,901,982	1,023
Trade and other receivables	8	1,584,079	2,333,947	2,583,154	387,166	1,038,074	379,064
Amount due from holding company	5	–	–	15,380,567	–	–	2
Amount due from subsidiaries	5	–	–	–	3,912,153	3,826,093	–
Inventories	9	516,640	503,968	452,431	69,650	110,764	–
Other assets	13	482,027	410,483	305,144	–	–	–
Total current assets		18,374,817	26,908,096	19,014,730	19,600,705	27,876,913	380,089
Non-current assets							
Other receivables	8	1,065,163	1,015,223	960,583	489,040	786,907	–
Goodwill	10	–	–	3,443,083	–	–	–
Intangible assets	11	633,451	299,275	620,000	–	–	–
Plant and equipment	12	2,535,334	1,008,233	823,474	541,294	374,274	–
Other assets	13	44,171	89,697	794,930	–	–	–
Subsidiaries	14	–	–	–	100,105	1,780,104	–
Total non-current assets		4,278,119	2,412,428	6,642,070	1,130,439	2,941,285	–
Total assets		22,652,936	29,320,524	25,656,800	20,731,144	30,818,198	380,089
LIABILITIES AND EQUITY							
Current liabilities							
Short term loans	15	–	2,054,046	808,189	–	600,000	–
Trade and other payables	16	4,603,257	3,240,926	4,331,738	3,001,685	1,931,506	–
Contract liabilities	17	626,733	1,110,456	2,140,074	–	–	–
Amount due to holding company	5	44,021	102,414	–	44,021	102,414	380,087
Finance lease	18	–	–	20,215	–	–	–
Provisions	19	170,223	325,195	150,900	133,274	262,853	–
Income tax payable		17,093	538,895	1,397,946	–	510,616	–
Total current liabilities		5,461,327	7,371,932	8,849,062	3,178,980	3,407,389	380,087
Non-current liabilities							
Provisions	19	271,403	161,327	199,538	161,327	161,327	–
Deferred tax liabilities	20	–	–	108,921	–	–	–
Finance lease	18	–	–	89,920	–	–	–
Total non-current liabilities		271,403	161,327	398,379	161,327	161,327	–
Capital, reserves and non-controlling interest							
Share capital	21	25,181,005	25,181,005	2	25,181,005	25,181,005	2
Capital reserve		(695,938)	(695,938)	–	2,063,751	2,063,751	–
Accumulated (losses) profits		(7,549,435)	(2,697,926)	16,587,386	(9,853,919)	4,726	–
Translation reserve		(15,426)	124	208	–	–	–
Equity attributable to owners of the Company		16,920,206	21,787,265	16,587,596	17,390,837	27,249,482	2
Non-controlling interest		–	–	(178,237)	–	–	–
Total equity		16,920,206	21,787,265	16,409,359	17,390,837	27,249,482	2
Total liabilities and equity		22,652,936	29,320,524	25,656,800	20,731,144	30,818,198	380,089

See accompanying notes to financial statements.

Consolidated Statement of Profit or Loss and Other Comprehensive Income

Year ended 30 September 2019

	Note	The Group 2019 $	The Group 2018 $
Revenue	22	25,487,809	28,399,691
Other income	23	395,571	535,230
Raw materials and consumables used		(8,616,470)	(8,905,453)
Changes in inventories		12,645	(54,854)
Employee benefits expense		(10,390,784)	(8,493,807)
Operating lease expenses	28	(3,731,620)	(2,845,752)
Depreciation and amortisation expense	11, 12	(1,223,267)	(370,306)
IPO expenses		–	(1,121,167)
Impairment of goodwill and intangible assets	10, 11	(264,399)	(4,063,083)
Impairment of plant and equipment	12	(764,749)	(243,000)
Impairment of other assets		(8,921)	–
Other operating expenses	24	(5,620,152)	(4,673,227)
Finance costs		(32,008)	(69,392)
Loss before income tax		(4,756,345)	(1,905,120)
Income tax expense	25	(95,164)	(534,294)
Loss for the year	27	(4,851,509)	(2,439,414)
Item that may be reclassified subsequently to profit or loss:			
Exchange differences on translation of foreign operations		(15,550)	(84)
Total comprehensive loss for the year		(4,867,059)	(2,439,498)
Loss attributable to:			
Owners of the Company		(4,851,509)	(2,323,879)
Non-controlling interests		–	(115,535)
		(4,851,509)	(2,439,414)
Total comprehensive loss attributable to:			
Owners of the Company		(4,867,059)	(2,323,963)
Non-controlling interests		–	(115,535)
		(4,867,059)	(2,439,498)
Basic and diluted loss per share (cents)	29	(1.05)	(0.57)

See accompanying notes to financial statements.

Statements of Changes in Equity

Year ended 30 September 2019

The Group	Share capital $	Capital reserve $	Translation reserve $	Accumulated profits (losses) $	Equity attributable to owners of the Company $	Non-controlling interest $	Total $
		(Note A)	(Note B)				
Balance at 1 October 2017	2	–	208	16,587,386	16,587,596	(178,237)	16,409,359
Total comprehensive loss for the year:							
Loss for the year	–	–	–	(2,323,879)	(2,323,879)	(115,535)	(2,439,414)
Other comprehensive loss	–	–	(84)	–	(84)	–	(84)
	–	–	(84)	(2,323,879)	(2,323,963)	(115,535)	(2,439,498)
Transaction with owners, recognised directly in equity:							
Issue of shares (Note 21)	26,165,231	–	–	–	26,165,231	–	26,165,231
Share issue expenses (Note 21)	(984,228)	–	–	–	(984,228)	–	(984,228)
Movement in reserve resulting from Restructuring Exercise	–	–	–	(14,325,796)	(14,325,796)	(2,166)	(14,327,962)
Dividends (Note 30)	–	–	–	(2,635,637)	(2,635,637)	–	(2,635,637)
Effects of acquiring non-controlling interest in a subsidiary (Note 14)	–	(695,938)	–	–	(695,938)	295,938	(400,000)
	25,181,003	(695,938)	–	(16,961,433)	7,523,632	293,772	7,817,404
Balance at 30 September 2018	25,181,005	(695,938)	124	(2,697,926)	21,787,265	–	21,787,265
Total comprehensive loss for the year:							
Loss for the year	–	–	–	(4,851,509)	(4,851,509)	–	(4,851,509)
Other comprehensive loss	–	–	(15,550)	–	(15,550)	–	(15,550)
	–	–	(15,550)	(4,851,509)	(4,867,059)	–	(4,867,059)
Balance at 30 September 2019	25,181,005	(695,938)	(15,426)	(7,549,435)	16,920,206	–	16,920,206

Note A

The capital reserve of the Group represents effects of changes in ownership interests in subsidiary when there is no change in control.

Note B

The translation reserve represents exchange differences relating to the translation from the functional currency of the Group's foreign subsidiary into Singapore dollars.

See accompanying notes to financial statements.

Statements of Changes in Equity

Year ended 30 September 2019

The Company	Share capital $	Capital reserve $	Accumulated profits (losses) $	Total $
Balance at 1 October 2017	2	–	–	2
Profit for the year, representing total comprehensive income for the year	–	–	2,640,363	2,640,363
Transaction with owners, recognised directly in equity:				
Issue of shares (Note 21)	26,165,231	–	–	26,165,231
Share issue expenses (Note 21)	(984,228)	–	–	(984,228)
Deemed contribution from holding company	–	2,063,751	–	2,063,751
Dividends (Note 30)	–	–	(2,635,637)	(2,635,637)
	25,181,003	2,063,751	(2,635,637)	24,609,117
Balance at 30 September 2018	25,181,005	2,063,751	4,726	27,249,482
Loss for the year, representing total comprehensive loss for the year	–	–	(9,858,645)	(9,858,645)
Balance at 30 September 2019	25,181,005	2,063,751	(9,853,919)	17,390,837

See accompanying notes to financial statements.

Consolidated Statement of Cash Flows

Year ended 30 September 2019

	The Group	
	2019	2018
	$	$
Operating activities		
Loss before income tax	(4,756,345)	(1,905,120)
Adjustments for:		
Depreciation and amortisation expense	1,223,267	370,306
Allowance for expected credit losses	13,544	3,613
Loss on disposal of plant and equipment	75	11,250
Impairment of other assets	8,921	–
Write-off of inventories	73,064	164,763
Impairment of goodwill and intangible assets	264,399	4,063,083
Impairment of plant and equipment	764,749	243,000
IPO expenses (Note C)	–	1,121,167
Foreign exchange differences	(15,550)	12,083
Write-off of expired cash vouchers	–	(110,610)
Interest income	(113,743)	(99,546)
Interest expense	32,008	69,392
Operating cash flows before movements in working capital	(2,505,611)	3,943,381
Trade and other receivables	990,128	(93,132)
Inventories	(85,736)	(216,300)
Trade and other payables	1,602,331	(1,225,077)
Contract liabilities	(443,723)	(1,029,618)
Amount due to holding company	(58,393)	–
Other assets	(34,939)	599,894
Provisions	(194,972)	136,084
Cash (used in) generated from operations	(730,915)	2,115,232
Income tax paid (Note B)	(616,966)	(38,376)
Net cash (used in) from operating activities	(1,347,881)	2,076,856
Investing activities		
Purchase of plant and equipment (Note A)	(3,223,900)	(807,280)
Deposits for purchase of plant and equipment	(398,722)	(94,978)
Proceeds from disposal of plant and equipment	–	250
Payment for intangibles - franchisee fee	(684,813)	(301,560)
Acquisition of non-controlling interest in a subsidiary	–	(160,000)
Amount due to a former director of subsidiary for the acquisition of non-controlling interest in a subsidiary in prior year	(240,000)	–
Amount due from holding company	–	2,662,511
Interest received	113,743	99,546
Net cash (used in) from investing activities	(4,433,692)	1,398,489

See accompanying notes to financial statements.

Consolidated Statement of Cash Flows

Year ended 30 September 2019

	The Group	
	2019	2018
	$	$
Financing activities		
Dividends paid	–	(2,635,637)
Repayment of finance leases	–	(110,135)
Proceeds from short term loans	–	1,800,468
Repayment of short term loans	(2,054,046)	(566,778)
Proceeds from issuance of shares	–	23,850,000
IPO expenses paid (Note C)	–	(2,382,482)
Interest paid	(32,008)	(64,517)
Net cash (used in) from financing activities	(2,086,054)	19,890,919
Net (decrease) increase in cash and cash equivalents	(7,867,627)	23,366,264
Cash and cash equivalents at beginning of the year	23,659,698	293,434
Cash and cash equivalents at end of the year (Note 7)	15,792,071	23,659,698

Note A

	The Group	
	2019	2018
	$	$
Purchase of plant and equipment	(3,428,954)	(807,280)
Less non-cash movement:		
- Provision for reinstatement costs (Note 19(b))	110,076	–
- Deposit for purchase of plant and equipment	94,978	–
	(3,223,900)	(807,280)

Note B

In 2018, the tax payable of $1,460,369 was netted off with amount owing from holding company.

Note C

	The Group	
	2019	2018
	$	$
IPO expenses in profit or loss	–	1,121,167
Add (Less) IPO expenses recharged, capitalised or prepaid:		
- IPO expenses recharged to holding company	–	656,151
- IPO expenses recognised directly in equity (Note 21)	–	984,228
- IPO expenses prepaid in prior year (Note 8)	–	(379,064)
IPO expenses paid	–	2,382,482

See accompanying notes to financial statements.

1 GENERAL

The Company (Registration No. 201715253N) was incorporated on 1 June 2017 in the Republic of Singapore with its principal place of business and registered office at 10 Ubi Crescent, #05-76 Ubi Techpark, Singapore 408564.

The Company was admitted to the Catalist, the sponsor-supervised board of the Singapore Exchange Securities Trading Limited ("SGX-ST") on 30 November 2017. The financial statements are expressed in Singapore dollars.

The principal activity of the Company is the management and operation of food & beverage outlets and investment holding.

The principal activities of the subsidiaries are disclosed in Note 14 to the financial statements.

The consolidated financial statements of the Group and statement of financial position and statement of changes in equity of the Company for the year ended 30 September 2019 were authorised for issue by the Board of Directors on to be updated.

For all periods up to and including the year ended 30 September 2018, the financial statements were prepared in accordance with the previous framework, Financial Reporting Standards in Singapore ("FRSs"). These financial statements for the year ended 30 September 2019 are the first set that the Group and the Company have prepared in accordance with Singapore Financial Reporting Standards (International) ("SFRS(I)"). Details of first-time adoption of SFRS(I) are included in Note 32.

<u>The Restructuring Exercise</u>

(a) <u>Incorporation of the Company</u>

The Company was incorporated on 1 June 2017 in Singapore as a private company limited by shares, under the name "No Signboard Holdings Pte. Ltd." with an issued and paid-up capital of $2 comprising 2 ordinary shares. The principal activity of the Company is the management and operation of food & beverage outlets and investment holding.

(b) <u>Incorporation of Singapore Chilli Crab Pte. Ltd. ("SCC")</u>

SCC was incorporated on 31 August 2017 in Singapore as a private company limited by shares with an issued and paid-up capital of $100 comprising 100 ordinary shares, held by the Company. The principal activity of SCC was investment holding.

(c) <u>Acquisition of the restaurant business, Tao Brewery Pte. Ltd. ("Tao Brewery") and Danish Breweries Pte. Ltd. ("Danish Breweries")</u>

Pursuant to a restructuring agreement dated 20 October 2017 (the "Restructuring Agreement"), the Company acquired from GuGong Pte. Ltd. (formerly known as No Signboard Seafood Restaurant Pte Ltd): (i) the assets, liabilities, intellectual property, businesses and undertakings of the restaurant business; (ii) the entire share capital of Tao Brewery; and (iii) 800,000 shares representing 80% of the share capital of Danish Breweries, for a consideration of $2,315,231. The consideration for the acquisitions was based on the audited net assets value of the restaurant business, Tao Brewery and Danish Breweries as at 30 June 2017. The consideration was satisfied by the allotment and issue of 2,315,231 shares to GuGong Pte. Ltd. on 31 October 2017.

The transfer of economic interest in the restaurant business was on 1 July 2017 whilst the transfer of legal interest in the restaurant business was on 31 October 2017. All profits and receipts, and all losses and outgoing, accrual or payable in relation to the restaurant business on and after 1 July 2017 shall belong to the Company.

1 GENERAL (Cont'd)

(d) Cash injection

On 3 November 2017, GuGong Pte. Ltd. (formerly known as No Signboard Seafood Restaurant Pte Ltd) subscribed for 2,850,000 new shares in consideration of $2,850,000 pursuant to the Restructuring Agreement.

(e) Sub-division of shares in the Company

On 6 November 2017, the Company sub-divided each ordinary share in the Company into 75 shares. Following this sub-division, the issued and paid-up share capital of the Company was $5,165,233 comprising 387,392,475 shares.

At the completion of the Restructuring Exercise, the Company has the following subsidiaries:

Name of subsidiaries	Date and country of incorporation	Principal activities	Effective equity interest held by the Group
Danish Breweries Pte. Ltd.	6 June 2014, Singapore	Import and export, and general wholesale trading of beer and liquor	80%
Draff Beer Pte. Ltd.	22 May 2017, Singapore	General wholesale trade and wholesale of liquor and soft drinks	100%
Draft Breweries Denmark ApS	15 August 2014, Denmark	Sale and distribution of beer products	80%
Singapore Chilli Crab Pte. Ltd.	31 August 2017, Singapore	Investment holding	100%
Tao Brewery Pte. Ltd.	22 March 2017, Singapore	General wholesale trade and wholesale of liquor and soft drinks	100%

Basis of preparation of the combined financial statements

The combined statement of financial position and combined statement of changes in equity as at 1 October 2017 have been prepared on a combined basis and include the financial information of the restaurant business and companies now comprising the Group as if the current group structure had been in existence throughout the relevant years or from the date the entities are under common control, if later.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

BASIS OF ACCOUNTING - The financial statements have been prepared in accordance with the historical cost basis, except as disclosed in the accounting policies below, and are drawn up in accordance with the provisions of the Singapore Companies Act and the Singapore Financial Reporting Standards (International) ("SFRS(I)s").

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability which market participants would take into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these consolidated financial statements is determined on such a basis, except for leasing transactions that are within the scope of SFRS(I) 1-17 *Leases*, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in SFRS(I) 1-2 *Inventories* or value in use in SFRS(I) 1-36 *Impairment of Assets.*

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company and its subsidiaries. Control is achieved when the Company:

- Has power over the investee;
- Is exposed, or has rights, to variable returns from its involvement with the investee; and
- Has the ability to use its power to affect its returns.

The Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

When the Company has less than a majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Company considers all relevant facts and circumstances in assessing whether or not the Company's voting rights in an investee are sufficient to give it power, including:

- The size of the Company's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- Potential voting rights held by the Company, other vote holders or other parties;
- Rights arising from other contractual arrangements; and
- Any additional facts and circumstances that indicate that the Company has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of profit or loss and other comprehensive income from the date the Company gains control until the date when the Company ceases to control the subsidiary.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Profit or loss and each component of other comprehensive income are attributed to the owner of the Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owner of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with the Group's accounting policies.

(i) Entities under common control

The Group resulting from the Restructuring Exercise as disclosed in Note 1, is one involving entities under common control. Accordingly, the consolidated financial statements have been accounted for using the principles of merger accounting where financial statement items of the merged entities for the relevant years in which the common control combination occurs are included in the consolidated financial statement of the Group as if the combination had occurred from the date when the merged entities first came under the control of the group of shareholders acting in concert.

The results of subsidiaries acquired or disposed of during the financial year are included in the statement of comprehensive income from the effective date of acquisition or up to the effective date of disposal, as appropriate.

Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies in line with those used by other members of the Group.

All intra-group transactions, balances, income and expenses are eliminated in full on consolidation.

Non-controlling interests in subsidiaries are identified separately from the Group's equity therein. The interest of non-controlling shareholders may be initially measured (at date of original business combination) either at fair value or at the non-controlling interests' proportionate share of the fair value of the acquiree's identifiable net assets. The choice of measurement basis is made on an acquisition-by-acquisition basis. Subsequent to acquisition, the carrying amount of non-controlling interests is the amount of those interests at initial recognition plus the non-controlling interests' share of subsequent changes in equity. Total comprehensive income is attributed to non-controlling interests even if this may result in the non-controlling interests having a deficit balance.

<u>Changes in the Group's ownership interest in existing subsidiaries</u>

Changes in the Group's interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions. The carrying amounts of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiary. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Company.

When the Group loses control of a subsidiary, the profit or loss on disposal is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interests. Amounts previously recognised in other comprehensive income in relation to the subsidiary are accounted for (i.e. reclassified to profit or loss or transferred directly to accumulated profits) in the same manner as would be required if the relevant assets or liabilities were disposed of. The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under SFRS(I) 9 or, when applicable, the cost on initial recognition of an investment in an associate or jointly controlled entity.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(ii) Other acquisitions

Acquisitions of subsidiaries and businesses are accounted for using the acquisition method.

The consideration for each acquisition is measured at the aggregate of the acquisition date fair values of assets given, liabilities incurred by the Group to the former owners of the acquiree, and equity interests issued by the Group in exchange for control of the acquiree. Acquisition-related costs are recognised in profit or loss as incurred.

Where applicable, the consideration for the acquisition includes any asset or liability resulting from a contingent consideration arrangement, measured at its acquisition date fair value. Subsequent changes in such fair values are adjusted against the cost of acquisition where they qualify as measurement year adjustments. The subsequent accounting for changes in the fair value of the contingent consideration that do not qualify as measurement year adjustments depends on how the contingent consideration is classified. Contingent consideration that is classified as equity is not remeasured at subsequent reporting dates and its subsequent settlement is accounted for within equity. Contingent consideration that is classified as an asset or a liability is remeasured at subsequent reporting dates in accordance with FRS 39 *Financial Instruments: Recognition and Measurement*, or FRS 37 *Provisions, Contingent Liabilities and Contingent Assets*, as appropriate, with the corresponding gain or loss being recognised in profit or loss.

Where a business combination is achieved in stages, the Group's previously held interests in the acquired entity are remeasured to fair value at the acquisition date (i.e. the date the Group attains control) and the resulting gain or loss, if any, is recognised in profit or loss. Amounts arising from interests in the acquiree prior to the acquisition date that have previously been recognised in other comprehensive income are reclassified to profit or loss, where such treatment would be appropriate if that interest were disposed of.

The acquiree's identifiable assets, liabilities and contingent liabilities that meet the conditions for recognition under the SFRS(I) are recognised at their fair value at the acquisition date, except that:

- deferred tax assets or liabilities and liabilities or assets related to employee benefit arrangements are recognised and measured in accordance with SFRS(I) 1-12 *Income Taxes* and SFRS(I) 1-19 *Employee Benefits* respectively;

- liabilities or equity instruments related to share-based payment transactions of the acquiree or the replacement of an acquiree's share-based payment awards transactions with share-based payment awards transactions of the acquirer in accordance with the method in SFRS(I) 2 *Share-based Payment* at the acquisition date; and

- assets (or disposal groups) that are classified as held for sale in accordance with SFRS (I) 5 *Non-current Assets Held for Sale and Discontinued Operations* are measured in accordance with that standard.

If the initial accounting for a business combination is incomplete by the end of the financial year in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement year, or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed as of the acquisition date that, if known, would have affected the amounts recognised as of that date.

The measurement year is the year from the date of acquisition to the date the Group obtains complete information about facts and circumstances that existed as of the acquisition date and is subject to a maximum of one year from acquisition date.

The accounting policy for initial measurement of non-controlling interests is described above.

In the Company's separate financial statements, investment in subsidiaries are carried at cost less any impairment in net recoverable value that has been recognised in profit or loss.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

FINANCIAL INSTRUMENTS - Financial assets and financial liabilities are recognised on the statement of financial position when the Group becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

Financial assets (before 1 October 2018)

All financial assets are recognised and de-recognised on a trade date basis where the purchase or sale of an investment is under a contract whose terms require delivery of the investment within the timeframe established by the market concerned, and are initially measured at fair value plus transaction costs, except for those financial assets classified as at fair value through profit or loss which are initially measured at fair value.

Loans and receivables

Trade and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as "loans and receivables". Loans and receivables (including trade and other receivables, long-term security deposits, cash and bank balances and amount due from holding company) are measured at amortised cost using the effective interest method less impairment. Interest is recognised by applying the effective interest method, except for short-term receivables when the effect of discounting is immaterial.

Impairment of financial assets

Financial assets are assessed for indicators of impairment at the end of each reporting period. Financial assets are considered to be impaired when there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been impacted.

Objective evidence of impairment could include:

- significant financial difficulty of the issuer or counterparty; or
- default or delinquency in interest or principal payments; or
- it becoming probable that the borrower will enter bankruptcy or financial re-organisation.

For certain categories of financial assets, such as receivables, assets that are assessed not to be impaired individually are, in addition, assessed for impairment on a collective basis. Objective evidence of impairment for a portfolio of receivables could include the Group's past experience of collecting payments, an increase in the number of delayed payments in the portfolio past the average credit year, as well as observable changes in national or local economic conditions that correlate with default on receivables.

For financial assets carried at amortised cost, the amount of the impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate.

For financial assets that are carried at cost, the amount of the impairment loss is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the current market rate of return for a similar financial asset. Such impairment loss will not be reversed in subsequent years.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade receivables where the carrying amount is reduced through the use of an allowance account. When a trade receivable is uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against the allowance account. Changes in the carrying amount of the allowance account are recognised in profit or loss.

For financial assets measured at amortised cost, if, in a subsequent year, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed through profit or loss to the extent that the carrying amount of the financial asset at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

Derecognition of financial assets

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

Financial assets (from 1 October 2018)

All financial assets are recognised and de-recognised on a trade date basis where the purchase or sale of financial assets is under a contract whose terms require delivery of assets within the time frame established by the market concerned.

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Classification of financial assets

Debt instruments that meet the following conditions are subsequently measured at amortised cost:

- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Amortised cost and effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period.

For financial instruments other than purchased or originated credit-impaired financial assets, the effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) excluding expected credit losses, through the expected life of the debt instrument, or, where appropriate, a shorter period, to the gross carrying amount of the debt instrument on initial recognition. For purchased or originated credit-impaired financial assets, a credit-adjusted effective interest rate is calculated by discounting the estimated future cash flows, including expected credit losses, to the amortised cost of the debt instrument on initial recognition.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

The amortised cost of a financial asset is the amount at which the financial asset is measured at initial recognition minus the principal repayments, plus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount, adjusted for any loss allowance. On the other hand, the gross carrying amount of a financial asset is the amortised cost of a financial asset before adjusting for any loss allowance.

Interest income is recognised using the effective interest method for debt instruments measured subsequently at amortised cost and at FVTOCI. For financial instruments other than purchased or originated credit-impaired financial assets, interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset, except for financial assets that have subsequently become credit-impaired. For financial assets that have subsequently become credit-impaired, interest income is recognised by applying the effective interest rate to the amortised cost of the financial asset.

For purchased or originated credit-impaired financial assets, the group recognises interest income by applying the credit-adjusted effective interest rate to the amortised cost of the financial asset from initial recognition. The calculation does not revert to the gross basis even if the credit risk of the financial asset subsequently improves so that the financial asset is no longer credit-impaired.

Interest income is recognised in profit or loss and is included in the "other income" line item.

Foreign exchange gains and losses

The carrying amount of financial assets that are denominated in a foreign currency is determined in that foreign currency and translated at the spot rate as at each reporting date. Specifically, for financial assets measured at amortised cost that are not part of a designated hedging relationship, exchange differences are recognised in profit or loss in the "other income" or "other operating expenses" line item.

Impairment of financial assets

The Group recognises a loss allowance for expected credit losses ("ECL") on investments in debt instruments that are measured at amortised cost. No impairment loss is recognised for investments in equity instruments. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument.

The Group always recognises lifetime ECL for trade receivables. The expected credit losses on these financial assets are estimated based on the Group's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.

For all other financial instruments, the Group recognises lifetime ECL when there has been a significant increase in credit risk since initial recognition. If, on the other hand, the credit risk on the financial instrument has not increased significantly since initial recognition, the Group measures the loss allowance for that financial instrument at an amount equal to 12-month ECL. The assessment of whether lifetime ECL should be recognised is based on significant increases in the likelihood or risk of a default occurring since initial recognition instead of on evidence of a financial asset being credit-impaired at the reporting date or an actual default occurring.

Lifetime ECL represents the expected credit losses that will result from all possible default events over the expected life of a financial instrument. In contrast, 12-month ECL represents the portion of lifetime ECL that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Significant increase in credit risk

In assessing whether the credit risk on a financial instrument has increased significantly since initial recognition, the Group compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition. In making this assessment, the Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort. Forward-looking information considered includes the future prospects of the industries in which the Group's debtors operate, as well as consideration of various external sources of actual and forecast economic information that relate to the Group's core operations.

In particular, the following information is taken into account when assessing whether credit risk has increased significantly since initial recognition:

- existing or forecast adverse changes in business, financial or economic conditions that are expected to cause a significant decrease in the debtor's ability to meet its debt obligations;
- an actual or expected significant deterioration in the operating results of the debtor;
- significant increases in credit risk on other financial instruments of the same debtor; and
- an actual or expected significant adverse change in the regulatory, economic, or technological environment of the debtor that results in a significant decrease in the debtor's ability to meet its debt obligations.

Irrespective of the outcome of the above assessment, the Group presumes that the credit risk on a financial asset has increased significantly since initial recognition when contractual payments are more than 30 days past due, unless the Group has reasonable and supportable information that demonstrates otherwise.

Despite the foregoing, the Group assumes that the credit risk on a financial instrument has not increased significantly since initial recognition if the financial instrument is determined to have low credit risk at the reporting date. A financial instrument is determined to have low credit risk if i) the financial instrument has a low risk of default, ii) the borrower has a strong capacity to meet its contractual cash flow obligations in the near term and iii) adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the borrower to fulfil its contractual cash flow obligations.

The Group regularly monitors the effectiveness of the criteria used to identify whether there has been a significant increase in credit risk and revises them as appropriate to ensure that the criteria are capable of identifying significant increase in credit risk before the amount becomes past due.

Definition of default

The Group considers the following as constituting an event of default for internal credit risk management purposes as historical experience indicates that receivables that meet the following criteria are generally not recoverable.

- information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors, including the Group, in full (without taking into account any collaterals held by the Group).

The Group considers a financial asset in default when contractual payments are more than 90 days past due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flow.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Credit-impaired financial assets

A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit-impaired includes observable data about the following events:

a) significant financial difficulty of the issuer or the borrower;

b) a breach of contract, such as a default or past due event;

c) the lender(s) of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession(s) that the lender(s) would not otherwise consider;

d) it is becoming probable that the borrower will enter bankruptcy or other financial reorganisation; or

e) the disappearance of an active market for that financial asset because of financial difficulties.

Write-off policy

The Group writes off a financial asset when there is information indicating that the counterparty is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the counterparty has been placed under liquidation or has entered into bankruptcy proceedings. Financial assets written off may still be subject to enforcement activities under the Group's recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognised in profit or loss.

Measurement and recognition of expected credit losses

The measurement of expected credit losses is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information as described above. As for the exposure at default, for financial assets, this is represented by the assets' gross carrying amount at the reporting date.

For financial assets, the expected credit loss is estimated as the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive, discounted at the original effective interest rate.

Where lifetime ECL is measured on a collective basis to cater for cases where evidence of significant increases in credit risk at the individual instrument level may not yet be available, the financial instruments are grouped on the following basis:

- Nature of financial instruments (i.e. the Group's trade and other receivables and amounts due from customers are each assessed as a separate group. Advances to related companies are assessed for expected credit losses on an individual basis);

- Past-due status;

- Nature, size and industry of debtors; and

- External credit ratings where available.

The grouping is regularly reviewed by management to ensure the constituents of each group continue to share similar credit risk characteristics.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

If the Group has measured the loss allowance for a financial instrument at an amount equal to lifetime ECL in the previous reporting period, but determines at the current reporting date that the conditions for lifetime ECL are no longer met, the Group measures the loss allowance at an amount equal to 12-month ECL at the current reporting date.

The Group recognises an impairment gain or loss in profit or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account.

Derecognition of financial assets

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss.

Financial liabilities and equity instruments

Classification as debt or equity

Debt and equity instruments issued by the Group are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities. Equity instruments issued by the Group entity are recognised at the proceeds received, net of direct issue costs.

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

Financial liabilities

Trade and other payables are initially measured at fair value, net of transaction costs, and are subsequently measured at amortised cost, using the effective interest method, with interest expense recognised on an effective yield basis.

Interest-bearing short term loans are initially measured at fair value, and are subsequently measured at amortised cost, using the effective interest method. Interest expense calculated using the effective interest method is recognised over the term of the borrowings in accordance with the Group's accounting policy for borrowing costs (see below).

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the amortised cost of a financial liability.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Foreign exchange gains and losses

For financial liabilities that are denominated in a foreign currency and are measured at amortised cost as at each reporting date, the foreign exchange gains and losses are determined based on the amortised cost of the instruments. These foreign exchange gains and losses are recognised in the "other income" or "other operating expenses" line item in profit or loss for financial liabilities that are not part of a designated hedging relationship.

Derecognition of financial liabilities

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or they expire. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

Offsetting arrangements

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when the Company and the Group has a legally enforceable right to set off the recognised amounts; and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously. A right to set-off must be available today rather than being contingent on a future event and must be exercisable by any of the counterparties, both in the normal course of business and in the event of default, insolvency or bankruptcy.

LEASES - Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

The Group as lessee

Assets held under finance leases are recognised as assets of the Group at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the statement of financial position as a finance lease obligation. Lease payments are apportioned between finance charges and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged directly to profit or loss. Contingent rentals are recognised as expenses in the years in which they are incurred.

Rentals payable under operating leases are charged to profit or loss on a straight-line basis over the term of the relevant lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed. Contingent rentals arising under operating leases are recognised as an expense in the year in which they are incurred.

In the event that lease incentives are received to enter into operating leases, such incentives are recognised as a liability. The aggregate benefit of incentives is recognised as a reduction of rental expense on a straight-line basis, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

INVENTORIES - Inventories are stated at the lower of cost and net realisable value. Cost comprises all cost of purchase and overheads that have been incurred in bringing the inventories to their present location and condition. Cost is calculated using the first-in-first-out method. Net realisable value represents the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

PLANT AND EQUIPMENT - Plant and equipment are stated at cost less accumulated depreciation and any accumulated impairment losses.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Construction in progress represents plant and equipment in the course of construction for production or for its own use purposes. Construction in progress is carried at cost less any recognised impairment loss. Construction in progress is classified to the appropriate category of plant and equipment when completed and ready for intended use. Depreciation of these assets commences when the assets are ready for their intended use.

Depreciation is charged so as to write off the cost of assets over their estimated useful lives, using the straight-line method, on the following bases:

Motor vehicles	-	5 years
Plant and equipment	-	3 years
Renovation	-	3 years
Kitchen equipment and utensils	-	3 years

Fully depreciated assets still in use are retained in the financial statements.

The estimated useful lives, residual values and depreciation method are reviewed at each year end, with the effect of any changes in estimate accounted for on a prospective basis.

Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets or, if there is no certainty that the lessee will obtain ownership by the end of the lease term, the asset shall be fully depreciated over the shorter of the lease term and its useful life.

The gain or loss arising on the disposal or retirement of an asset is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

GOODWILL - Goodwill arising in a business combination is recognised as an asset at the date that control is acquired (the acquisition date). Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interest in the acquiree and the fair value of the acquirer's previously held equity interest (if any) in the entity over net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed.

If, after reassessment, the Group's interest in the fair value of the acquiree's identifiable net assets exceeds the sum of the consideration transferred, the amount of any non-controlling interest in the acquiree and the fair value of the acquirer's previously held equity interest in the acquiree (if any), the excess is recognised immediately in profit or loss as a bargain purchase gain.

Goodwill is not amortised but is reviewed for impairment at least annually. For the purpose of impairment testing, goodwill is allocated to each of the Group's cash-generating units expected to benefit from the synergies of the combination. Cash-generating units to which goodwill has been allocated are tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit. An impairment loss recognised for goodwill is not reversed in a subsequent year.

On disposal of a subsidiary or the relevant cash generating unit, the attributable amount of goodwill is included in the determination of profit or loss on disposal.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

INTANGIBLE ASSETS

Intangible assets acquired separately

Intangible assets acquired separately are reported at cost less accumulated amortisation (where they have finite useful lives) and accumulated impairment losses. Intangible assets with finite useful lives are amortised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each annual reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives are not amortised. Each period, the useful lives of such assets are reviewed to determine whether events and circumstances continue to support an indefinite useful life assessment for the asset. Such assets are tested for impairment in accordance with the policy below.

Intangible assets acquired in a business combination

Intangible assets acquired in a business combination are identified and recognised separately from goodwill. The cost of such intangible assets is their fair value at the acquisition date.

Subsequent to initial recognition, intangible assets acquired in a business combination are reported at cost less accumulated impairment losses. Intangible assets with indefinite useful lives are not amortised. Each year, the useful lives of such assets are reviewed to determine whether events and circumstances continue to support an indefinite useful life assessment for the asset. Such assets are tested for impairment in accordance with the policy below.

IMPAIRMENT OF TANGIBLE AND INTANGIBLE ASSETS EXCLUDING GOODWILL - At the end of each reporting period, the Group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. Where a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

Where an impairment loss subsequently reverses, the carrying amount of the asset (cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

Intangible assets with indefinite useful lives are tested for impairment annually, and whenever there is an indication that the asset may be impaired.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

PROVISIONS - Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

OTHER ASSETS - Other assets pertains to the upfront sponsorship provided by the Group to their customers based on the agreed contractual terms. The amount is amortised to profit or loss based on the period as stipulated in the contract.

GOVERNMENT GRANTS - Government grants are not recognised until there is reasonable assurance that the Group will comply with the conditions attaching to them and the grants will be received. Government grants whose primary condition is that the Group should purchase, construct or otherwise acquire non-current assets are recognised as deferred income in the statement of financial position and transferred to profit or loss on a systematic and rational basis over the useful lives of the related assets.

Other government grants are recognised as income over the years necessary to match them with the costs for which they are intended to compensate, on a systematic basis. Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Group with no future related costs are recognised in profit or loss in the year in which they become receivable.

REVENUE RECOGNITION – The Group recognises revenue from the following major sources:

- Sale of food and beverages in restaurant business;
- Sale of live seafood;
- Sale of beverages in beer business; and
- Franchise fee income.

Revenue is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties. The Group recognises revenue when the Group satisfies a performance obligation by transferring a promised good or service to the customer, which is when customer obtains control of the good or service.

<u>Sale of food and beverages in restaurant business</u>

Revenue from sale of food and beverage is recognised at a point in time when control of the food and beverage has been transferred, being at the point the customer purchases the food and beverage at the respective outlets or restaurants. Payment of the transaction price is due immediately at the point the customer purchases the food and beverage and there is no right of return.

<u>Sale of live seafood</u>

The revenue of the Group arising from sale of live seafood is recognised at a point in time. Revenue from these sales is recognised when customer acceptance has been obtained, which is the point of time when the goods are delivered based on the agreed shipping terms and the location specified by the customers, and when the customer has the ability to direct the use of these goods and obtain substantially all of the remaining benefits of these goods.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Sale of beverages in beer business

The Group sells beer directly to customers and wholesaler or through its distributors who act as the agent.

For sales directly to customers and wholesaler, the revenue is recognised at point in time when the goods are delivered based on the agreed shipping terms and the location specified by the customers and wholesaler, and when the customer and wholesaler has the ability to direct the use of these goods and obtain substantially all of the remaining benefits of these goods.

For sales through distributors, revenue is recognised at a point in time when the distributors have delivered the goods to customers based on the agreed shipping terms and the location specified by the customers. For advance billings and payments received, the transaction price received by the Group is recognised as a contract liability until the goods have been delivered to the customers. Variable consideration is typically constrained and is included in the transaction only to the extent that it is highly probable that a significant reversal in the cumulative revenue recognised will not occur when the uncertainty associated with the variable consideration is subsequently resolved.

At the end of each reporting date, the Group updates its assessment of the estimated transaction price, including its assessment of whether an estimate of variable consideration is constrained. The upfront sponsorship is amortised to profit or loss as a reduction against revenue based on the period as stipulated in the contracts. The Group also made payments to customers in relation to selling initiatives for volume rebates which are netted off against revenue. Promotional support are given by the Group for promotional and marketing initiatives to develop the Group's brand and are accumulated over the contract period as a contract liability and correspondingly netted off against revenue.

Service charges

Revenue from service charges is recognised at point in time upon sale of food and beverage, when services have been performed.

Franchise fee income

Franchise fee charged for the use of continuing right granted by the agreement, or for other services provided during the year of the agreement, are recognised as income over time as the services are rendered or the right used.

Interest income

Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable.

RETIREMENT BENEFIT COSTS - Payments to defined contribution retirement benefit plans are charged as an expense when employees have rendered the services entitling them to the contributions. Payments made to state-managed retirement benefit schemes, such as the Singapore Central Provident Fund, are dealt with as payments to defined contribution plans where the Group's obligations under the plans are equivalent to those arising in a defined contribution retirement benefit plan.

BORROWING COSTS - Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial year of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in profit or loss in the year in which they are incurred.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

EMPLOYEE LEAVE ENTITLEMENT - Employee entitlements to annual leave are recognised when they are accrued to employees. A provision is made for the estimated liability for annual leave as a result of services rendered by employees up to the end of the reporting period.

INCOME TAX - Income tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the consolidated statement of profit or loss and other comprehensive income because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are not taxable or tax deductible. The Group's liability for current tax is calculated using tax rates (and tax laws) that have been enacted or substantively enacted in countries where the Company and subsidiaries operate by the end of the reporting period.

Deferred tax is recognised on the differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax liabilities are recognised on taxable temporary differences arising on investment in subsidiaries, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the year when the liability is settled or the asset realised based on the tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequence that would follow from manner in which Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

Current and deferred tax are recognised as an expense or income in profit or loss, except when they relate to items credited or debited outside profit or loss (either in other comprehensive income or directly in equity), in which case the tax is also recognised outside profit or loss (either in other comprehensive income or directly in equity, respectively), or where they arise from the initial accounting for a business combination. In the case of a business combination, the tax effect is taken into account in calculating goodwill or determining the excess of the acquirer's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities over cost.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

FOREIGN CURRENCY TRANSACTIONS - The individual financial statements of each group entity are measured and presented in the currency of the primary economic environment in which the entity operates (its functional currency). The consolidated financial statements of the Group and the statement of financial position and equity of the Company are presented in Singapore dollars, which is the functional currency of the Company and the presentation currency for the consolidated financial statements.

In preparing the financial statements of the individual entities, transactions in currencies other than the entity's functional currency are recorded at the rate of exchange prevailing on the date of the transaction. As at each reporting date, monetary items denominated in foreign currencies are retranslated at the rates prevailing at the end of the reporting period. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences arising on the settlement of monetary items, and on retranslation of monetary items are included in profit or loss for the year. Exchange differences arising on the retranslation of non-monetary items carried at fair value are included in profit or loss for the period except for differences arising on the retranslation of non-monetary items in respect of which gains and losses are recognised in other comprehensive income. For such non-monetary items, any exchange component of that gain or loss is also recognised in other comprehensive income.

For the purpose of presenting consolidated financial statements, the assets and liabilities of the Group's foreign operations (including comparatives) are expressed in Singapore dollars using exchange rates prevailing at the end of the reporting period. Income and expense items (including comparatives) are translated at the average exchange rates for the period, unless exchange rates fluctuated significantly during that period, in which case the exchange rates at the dates of the transactions are used. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in a separate component of equity under the header of translation reserve.

CASH AND CASH EQUIVALENTS IN THE STATEMENT OF CASH FLOWS - Cash and cash equivalents in the statement of cash flows comprise cash on hand and bank balances, which are subject to an insignificant risk of changes in value.

3 CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group's accounting policies, which are described in Note 2 to the financial statements, management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

(i) Critical judgements in applying the Group's accounting policies

The following is the critical judgement, apart from those involving estimations (see below), that management has made in the process of applying the Group's accounting policies and that have the most significant effect on the amounts recognised in the financial statements.

<u>The use of going concern assumption in the preparation of the financial statements</u>

The use of going concern assumption is set out in Note 4(c)(iv) to the financial statements.

3 CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (Cont'd)

(i) Critical judgements in applying the Group's accounting policies (Cont'd)

Classification and recognition of upfront sponsorship, volume rebates and promotional support

As incentives for customers to sustain business with the Group, the Group enters into contracts with customers with upfront sponsorship, volume rebates and promotional support.

Management exercises judgement in ascertaining the nature and classification of the upfront sponsorship, volume rebates and promotional support. The upfront sponsorship is amortised to profit or loss as a reduction against revenue based on the period as stipulated in the contracts. The Group also made payments to customers in relation to selling initiatives for volume rebates which are netted off against revenue. Promotional support are given by the Group for promotional and marketing initiatives to develop the Group's brand and are netted off against revenue.

The carrying amount of upfront sponsorship, volume rebates and promotional support are disclosed in Notes 13, 16 and 17 to the financial statements respectively.

(ii) Key sources of estimation uncertainty

The key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are discussed below:

Impairment of intangible asset

Determining whether intangible asset is impaired requires an estimation of the recoverable of the intangible asset. Based on management's estimates, an impairment loss amounting to $264,399 has been made for the intangible asset with impairment indicator at the end of the reporting period. The carrying amount of the intangible asset is disclosed in Note 11 to the financial statements.

Depreciation, useful lives and impairment of plant and equipment

The cost of plant and equipment is depreciated on a straight-line basis over their estimated useful lives. As described in Note 2, the Group reviews the estimated useful lives of the plant and equipment at the end of each reporting period. Management has assessed and determined the useful lives of plant and equipment to be 3 to 5 years.

Estimation of the recoverable amount is required when an indication of impairment of plant and equipment exist. Management determined the recoverable amount of the plant and equipment based on the fair value less cost of disposal. Based on management's estimates, impairment loss amounting to $764,749 has been made for the plant and equipment with impairment indicator at the end of the reporting period.

The carrying amount of the plant and equipment is disclosed in Note 12 to the financial statements.

Recognition of upfront sponsorship, volume rebates and promotional support

Management exercises judgement in assessing the carrying and recoverable amounts of the other assets (upfront sponsorship) as well as the estimated amount to be accrued for volume rebates and promotional support.

The carrying amount of upfront sponsorship, volume rebates and promotional support are disclosed in Notes 13, 16 and 17 to the financial statements respectively.

3 CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (Cont'd)

(ii) Key sources of estimation uncertainty (Cont'd)

Calculation of loss allowance

When measuring ECL, the Group uses reasonable and supportable forward-looking information, which is based on assumptions for the future movement of different economic drivers and how these drivers will affect each other.

Loss given default is an estimate of the loss arising on default. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive, taking into account cash flows from collateral and integral credit enhancements.

Probability of default constitutes a key input in measuring ECL. Probability of default is an estimate of the likelihood of default over a given time horizon, the calculation of which includes historical data, assumptions and expectations of future conditions.

The carrying amount of trade and other receivables are disclosed in Note 8 to the financial statements.

Impairment of investments and recoverability of receivables in subsidiaries

The Company carried out a review of the recoverable amounts of its investments in and recoverability of receivables in subsidiaries. The recoverable amounts of the investments were determined based on the net assets of the subsidiaries as at the end of the reporting period which approximate the fair value of the assets as well as the profitability of the subsidiaries. Based on management's estimates, impairment loss amounting to $1,780,000 has been made.

In determining the ECL, management has taken into account the financial position of the subsidiaries, adjusted for factors that are specific to the subsidiaries and general economic conditions of the industry in which the subsidiaries operate, in estimating the probability of default as well as loss upon default. Based on management's estimates, loss allowances amounting to $8,387,947 has been made.

The carrying amount of the investments in and recoverability of receivables in subsidiaries in the Company's financial statements at the end of the reporting period are disclosed in Notes 14 and 5 to the financial statements respectively.

4 FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL MANAGEMENT

(a) *Categories of financial instruments*

The following table sets out the financial instruments as at the end of the reporting period:

	The Group			The Company		
	30 September 2019	30 September 2018	1 October 2017	30 September 2019	30 September 2018	1 October 2017
	$	$	$	$	$	$
Financial assets						
At amortised cost:						
Trade and other receivables	1,801,820	2,908,113	3,102,376	843,833	1,813,104	–
Cash and bank balances	15,792,071	23,659,698	293,434	15,231,736	22,901,982	1,023
Amount due from holding company	–	–	15,380,567	–	–	2
Amount due from subsidiaries	–	–	–	3,912,153	3,826,093	–
Total	17,593,891	26,567,811	18,776,377	19,987,722	28,541,179	1,025
Financial liabilities						
At amortised cost:						
Short term loan	–	2,054,046	808,189	–	600,000	–
Trade and other payables	4,601,557	3,086,641	3,895,619	2,824,482	1,777,221	–
Amount due to holding company	44,021	102,414	–	44,021	102,414	380,087
Finance lease	–	–	110,135	–	–	–
Total	4,645,578	5,243,101	4,813,943	2,868,503	2,479,635	380,087

(b) *Financial instruments subject to offsetting, enforceable master netting arrangements and similar agreements*

The Group and the Company does not have any financial instruments which are subject to offsetting, enforceable master netting arrangements or similar agreements.

(c) *Financial risk management policies and objectives*

Risk management is integral to the whole business of the Group. The Group has a system of controls in place to create an acceptable balance between the costs of risks occurring and the cost of managing the risks. The management continually monitors the Group's risk management process to ensure that an appropriate balance between risk and control is achieved. The Group does not hold or issue derivative financial instruments for speculative purposes.

There has been no change to the Group's exposure to these financial risks or the manner in which it manages and measures the risk. Market risk exposures are measured using sensitivity analysis indicated below.

(i) Foreign exchange risk management

The Group and the Company undertake certain transactions denominated in foreign currency hence exposes to exchange rate fluctuation arise.

4 FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL MANAGEMENT (Cont'd)

(c) Financial risk management policies and objectives (Cont'd)

(i) Foreign exchange risk management (Cont'd)

The carrying amounts of the monetary assets and monetary liabilities denominated in currencies other than the respective Group entities' functional currencies at the end of respective reporting periods are as follows:

	Assets			**Liabilities**		
	30 September 2019	**30 September 2018**	**1 October 2017**	**30 September 2019**	**30 September 2018**	**1 October 2017**
	$	**$**	**$**	**$**	**$**	**$**
The Group						
United States dollar ("US dollar")	674,815	1,200,016	–	11,766	96,263	15,026
Sterling pound	–	–	–	–	–	3,026
Australian dollar	–	–	–	–	10,809	9,845
Canadian dollar	–	–	–	–	5,911	–
The Company						
US dollar	590,805	1,200,016	3,057	–	32,403	–
Australian dollar	–	–	–	–	10,809	–
Canadian dollar	–	–	–	–	5,911	–

The Group operates principally in Singapore and is mainly exposed to US dollar.

Foreign currency sensitivity

The following table details the Group's and the Company's sensitivity to a 5% increase and decrease in Singapore dollar against the US dollar. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the year end for a 5% change in foreign currency rates. The sensitivity analysis includes external loans as well as loans to foreign operations within the Group where they gave rise to an impact on the Group's profit or loss and/or equity.

	2019	**2018**
	$	**$**
Group		
US dollar:		
- If Singapore dollar weakens against US dollar	33,152	55,188
- If Singapore dollar strengthens against US dollar	(33,152)	(55,188)
Company		
US dollar:		
- If Singapore dollar weakens against US dollar	29,540	58,381
- If Singapore dollar strengthens against US dollar	(29,540)	(58,381)

The impact on the Group's and the Company's profit or loss due to strengthening or weakening of Sterling pound, Australian dollar and Canadian dollar is not material for the financial years ended 30 September 2019 and 2018.

4 FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL MANAGEMENT (Cont'd)

(c) Financial risk management policies and objectives (Cont'd)

(ii) Interest rate risk management

The Group's exposures to market risk for changes in interest rate relates to the Group's short term debt obligations. The Group does not use derivative financial instruments to hedge its exposure to interest rate fluctuation.

The interest rates and terms of maturity and repayment of borrowings of the Group are disclosed in Notes 15 and 18 to the financial statements.

No interest rate sensitivity analysis is prepared as the Group does not expect any material effect on the Group's profit or loss arising from the effects of reasonably possible changes to interest rates on interest bearing financial instruments at the end of the reporting period.

(iii) Credit risk management (before 1 October 2018)

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. The Group has adopted a policy of only dealing with creditworthy counterparties as a means of mitigating the risk of financial loss from defaults.

The Group has concentration of credit risk as 64% (2017 : 82%) of its trade receivables are due from 2 (2017 : 2) major customers with each customer exceeding 5% of the total trade receivables.

The Group places its cash and cash equivalents with creditworthy institutions.

The maximum exposure to credit risk in the event that the counterparties fail to perform their obligations as at the end of the reporting period in relation to each class of recognised financial assets is the carrying amount of those assets as stated in the statement of financial position.

Further details of credit risk on trade receivables are disclosed in Note 8 to the financial statements.

Credit risk management (from 1 October 2018)

The Group's current credit risk grading framework comprises the following categories:

Category	**Description**	**Basis for recognising expected credit losses (ECL)**
Performing	The counterparty has a low risk of default and does not have any past-due amounts.	12-month ECL
Doubtful	Amount is >30 days past due or there has been a significant increase in credit risk since initial recognition.	Lifetime ECL - not credit-impaired
In default	Amount is >90 days past due or there is evidence indicating the asset is credit-impaired.	Lifetime ECL - credit-impaired
Write-off	There is evidence indicating that the debtor is in severe financial difficulty and the Group has no realistic prospect of recovery.	Amount is written off

4 FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL MANAGEMENT (Cont'd)

(c) Financial risk management policies and objectives (Cont'd)

(iii) Credit risk management (before 1 October 2018) (Cont'd)

The table below details the credit quality of the Group's and the Company's financial assets as well as maximum exposure to credit risk by credit risk rating grades:

	Note	Internal credit rating	12-month or lifetime ECL	Gross carrying amount $	Loss allowance $	Net carrying amount $
The Group						
2019						
Trade receivables	8	(i)	Lifetime ECL (Simplified approach)	670,793	(17,157)	653,636
Other receivables	8	Performing	12-month ECL	1,148,184	–	1,148,184
				1,818,977	(17,157)	1,801,820
The Company						
2019						
Trade receivables	8	(i)	Lifetime ECL (Simplified approach)	235,967	–	235,967
Other receivables	8	Performing	12-month ECL	607,866	–	607,866
Amount due from subsidiaries	5	In default	Lifetime ECL	10,428,039	(8,387,947)	2,040,092
Amount due from subsidiaries	5	Performing	12–month ECL	1,872,061	–	1,872,061
				13,143,933	(8,387,947)	4,755,986

(i) For trade receivables, the Group and the Company has applied the simplified approach in SFRS(I) 9 to measure the loss allowance at lifetime ECL. The Group and the Company determines the expected credit losses on these items estimated based on historical credit loss experience based on the past due status of the debtors, adjusted as appropriate to reflect current conditions and estimates of future economic conditions. Note 8 includes further details on loss allowance for these trade receivables.

In 2019, The Group and the Company has cash balances placed with reputable banks. The Group has concentration of credit risk as 77% of its trade receivables are due from 3 major customers with each customer exceeding 5% of the total trade receivables.

(iv) Liquidity risk management

Liquidity risk refers to the risk that the Group and the Company may not be able to meet its obligation.

At the end of the reporting period, the Group's and the Company's current assets exceeded its current liabilities by $12,913,490 (2018 : $19,536,164) and $16,421,725 (2018 : $24,469,524) respectively. As at the date of this report, the Group has drawn down committed credit facilities of $1,300,000 and is in the process of drawing down additional committed credit facilities of $3,000,000. The Group has remaining available uncommitted credit facilities of $3,000,000. Based on management's cash flow forecast for the next twelve months, the Group and the Company will maintain sufficient cash and cash equivalents via internally generated cash flows and available credit facilities to finance their activities and pay their debts as and when they fall due notwithstanding the impact of COVID-19 as disclosed in Note 36. Accordingly, management has assessed that the Group and the Company, with the financing facilities made available by its Bankers, will have sufficient financial resources to enable the Group and the Company to continue as a going concern for at least the next twelve months from end of the reporting period. Please refer to further details in Note 36.

4 FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL MANAGEMENT (Cont'd)

(c) Financial risk management policies and objectives (Cont'd)

(iv) Liquidity risk management (Cont'd)

Liquidity and interest risk analyses

Non-derivative financial liabilities

The following tables detail the remaining contractual maturity for non-derivative financial liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date the Group can be required to pay. The table includes both interest and principal cash flows. The adjustment column represents the possible future cash flows attributable to the instrument included in the maturity analysis which is not included in the carrying amount of the financial liability on the statement of financial position.

	Weighted average effective interest rate	On demand or within 1 year	Within 2 to 5 years	Adjustment	Total
	%	$	$	$	$
The Group					
30 September 2019					
Non-interest bearing	–	4,645,578	–	–	4,645,578
30 September 2018					
Non-interest bearing	–	3,189,055	–	–	3,189,055
Short term loan (variable rate)	3.55	2,067,251	–	(13,205)	2,054,046
		5,256,306	–	(13,205)	5,243,101
1 October 2017					
Non-interest bearing	–	3,895,619	–	–	3,895,619
Short term loan (variable rate)	2.83	813,952	–	(5,763)	808,189
Finance lease liabilities (fixed rate)	5.60	25,668	99,392	(14,925)	110,135
		4,735,239	99,392	(20,688)	4,813,943
The Company					
30 September 2019					
Non-interest bearing	–	2,868,503	–	–	2,868,503
30 September 2018					
Non-interest bearing	–	1,879,635	–	–	1,879,635
Short term loan (variable rate)	3.73	601,594	–	(1,594)	600,000
		2,481,229	–	(1,594)	2,479,635
1 October 2017					
Non-interest bearing	–	380,087	–	–	380,087

4 FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL MANAGEMENT (Cont'd)

(c) Financial risk management policies and objectives (Cont'd)

(iv) Liquidity risk management (Cont'd)

Non-derivative financial assets

All financial assets are either repayable on demand or due within 12 months from the end of the reporting period and non-interest earning, except for non-current security deposits as disclosed in Note 8.

(v) Fair value of financial assets and financial liabilities

The carrying amounts of cash and bank balances, trade and other current receivables and payables, amount due from subsidiaries and amount due to holding company approximate their respective fair values due to the relatively short-term maturity of these financial instruments. The fair values of the other classes of financial assets and liabilities are disclosed in the respective notes to the financial statements. Management considers that the carrying amounts of financial assets and financial liabilities recorded at amortised cost in the financial statements approximate their fair values.

(d) Capital management policies and objectives

The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern while maximising the return to shareholders through the optimisation of the debt and equity balance. The capital structure of the Group consists of debt, which includes the borrowing and equity attributable to owners of the Company, comprising of share capital and reserves.

The Group's overall strategy with regards to capital management remains unchanged from prior year.

5 HOLDING COMPANY AND RELATED COMPANY TRANSACTIONS

The Company is a subsidiary of GuGong Pte. Ltd., which is also the Company's ultimate holding company. The director, Lim Yong Sim (Lin Rongsen) is the majority shareholder of the ultimate holding company.

Related companies in these financial statements refer to members of the ultimate holding company's group of companies.

Some of the transactions and arrangements are between members of the Group and the effect of these on the basis determined between parties is reflected in these financial statements. The intercompany balances are unsecured, interest-free and repayable on demand unless otherwise stated.

During the year, the Group entered into the following significant transactions with related company:

	The Group	
	30 September 2019	30 September 2018
	$	$
Holding company:		
Purchase of live seafood	–	(146,646)
Rental expense	(190,800)	(61,000)

5 HOLDING COMPANY AND RELATED COMPANY TRANSACTIONS (Cont'd)

In 2018, the Company charged management fee income of $1,185,252 to its subsidiaries. No management fee income is charged by the Company to its subsidiaries in 2019.

(a) Amount due from (to) holding company

The amount due from holding company of $15,380,567 as at 1 October 2017 was subsequently settled in 2018.

The amount due to holding company is unsecured, non-interest bearing and repayable on demand.

(b) Amount due from (to) subsidiaries

	The Company		
	30 September 2019 $	30 September 2018 $	1 October 2017 $
Amount due from subsidiaries – non-trade	12,300,100	3,826,093	–
Less: Loss allowances	(8,387,947)	–	–
	3,912,153	3,826,093	–

In 2018, the amounts due from subsidiaries are unsecured, interest-free and repayable on demand.

In 2019, $2,627,009 of amount due from a subsidiary is unsecured and bear interest at 3.72% per annum. The amounts due from subsidiaries of $9,673,091 are unsecured, interest-free and repayable on demand.

The amount due to subsidiary is unsecured, non-interest bearing and repayable on demand.

For purpose of impairment assessment, $1,872,061 of amount due from subsidiaries are considered to have low credit risk as the timing of payment is controlled by the holding company taking into account cash flow management within the holding company's group of companies and there has been no significant increase in the risk of default on these receivables since initial recognition. Accordingly, the loss allowance is measured at an amount equal to 12-month expected credit losses (ECL) and management determines that these receivables are subject to immaterial credit losses.

For purpose of impairment assessment, as there has been significant increase in the risk of default on the amount owing from subsidiaries of $10,428,039 since initial recognition, the loss allowance is measured at an amount equal to lifetime expected credit losses (ECL). In determining the ECL, management has taken into account the financial position of the subsidiaries, adjusted for factors that are specific to the subsidiaries and general economic conditions of the industry in which the subsidiaries operate, in estimating the probability of default as well as loss upon default. Based on management's estimates, loss allowances amounting to $8,387,947 has been made.

The table below shows the movement in lifetime ECL that has been recognised for amount due from subsidiaries in accordance with SFRS(I) 9:

	The Company Lifetime ECL (Credit impaired) $
Balance as at 1 October 2018	–
Loss allowances	8,387,947
Balance as at 30 September 2019	8,387,947

6 OTHER RELATED PARTIES TRANSACTIONS

Some of the Group's transactions and arrangements are with related parties and the effects of these on the basis determined between the parties are reflected in these financial statements. The balances are unsecured, repayable on demand and interest-free, unless otherwise stated.

Related parties' transactions are as follows:

	The Group	
	30 September 2019	**30 September 2018**
	$	**$**
Sale of live seafood to related parties A and B	97,418	119,805
Purchase of live seafood from related party A	(6,284)	–
Franchise fee income from related party A	144,000	132,000
Rental expense to related party A	(144,000)	(132,000)
Rental expense to related party B	(23,550)	(25,130)
Acquisition of non-controlling interest in a subsidiary from a former director of subsidiary (Note 14)	–	400,000

Related party A: Mattar Road No Signboard Seafood Restaurant [Company owned by relatives of director - Lim Yong Sim (Lin Rongsen)].

Related party B: San Bistro Pte. Ltd. [Company owned by director - Lim Yong Sim (Lin Rongsen)].

In 2018, related party B entered into operating lease for restaurant outlet on behalf of a subsidiary of the Group. The lease arrangement had been ended during 2019.

Compensation of directors and key management personnel

The remuneration of directors and other members of key management during the years were as follows:

	The Group	
	30 September 2019	**30 September 2018**
	$	**$**
Short-term benefits	1,755,645	2,055,602
Post-employment benefits	65,995	78,086
	1,821,640	2,133,688

7 CASH AND BANK BALANCES

	The Group			The Company		
	30 September 2019	30 September 2018	1 October 2017	30 September 2019	30 September 2018	1 October 2017
	$	$	$	$	$	$
Cash at bank	10,705,579	18,624,682	293,434	10,169,191	17,866,966	–
Fixed deposit	5,029,900	5,000,000	–	5,029,900	5,000,000	–
Cash on hand	56,592	35,016	–	32,645	35,016	1,023
	15,792,071	23,659,698	293,434	15,231,736	22,901,982	1,023

The fixed deposit of the Group and the Company bears interest at 1.73% (2018 : 1.50%; 2017 : Nil) per annum and for a tenure of 3 months (2018 : 3 months; 2017 : Nil).

8 TRADE AND OTHER RECEIVABLES

	The Group			The Company		
	30 September 2019	30 September 2018	1 October 2017	30 September 2019	30 September 2018	1 October 2017
	$	$	$	$	$	$
Trade receivables:						
- Outside parties	658,423	958,111	1,297,866	223,597	197,571	–
- Related parties A and B (Note 6)	12,370	105,095	–	12,370	105,095	–
	670,793	1,063,206	1,297,866	235,967	302,666	–
Less: Loss allowances	(17,157)	(3,613)	–	–	–	–
	653,636	1,059,593	1,297,866	235,967	302,666	–
- GST recoverable	21,596	–	–	–	–	–
	675,232	1,059,593	1,297,866	235,967	302,666	–
Other receivables:						
- Outside parties	40,000	11,160	52,047	5,000	8,573	–
- Refundable security deposits	1,108,184	1,837,360	1,752,463	602,866	1,501,865	–
- Deposit for purchase of plant and equipment	398,722	94,978	–	–	–	–
- Prepayment of IPO expenses	–	–	379,064	–	–	379,064
- Prepayments	427,104	346,079	62,297	32,373	11,877	–
	1,974,010	2,289,577	2,245,871	640,239	1,522,315	379,064
Less: Non-current portion						
- Refundable security deposits	(666,441)	(920,245)	(960,583)	(489,040)	(786,907)	–
- Deposit for purchase of plant and equipment	(398,722)	(94,978)	–	–	–	–
	(1,065,163)	(1,015,223)	(960,583)	(489,040)	(786,907)	–
Current portion	1,584,079	2,333,947	2,583,154	387,166	1,038,074	379,064

8 TRADE AND OTHER RECEIVABLES (Cont'd)

Trade receivables

The average credit period on sale of food, beverages and live seafood is 15 days (2018 : 15 days; 2017 : 15 days). No interest is charged on the outstanding balance.

Loss allowance for trade receivables has always been measured at an amount equal to lifetime expected credit losses (ECL). The ECL on trade receivables are estimated by reference to past default experience of the debtor and an analysis of the debtor's current financial position, adjusted for factors that are specific to the debtors, general economic conditions of the industry in which the debtors operate and an assessment of both the current as well as the forecast direction of conditions at the reporting date.

There has been no change in the estimation techniques or significant assumptions made during the current reporting period.

A trade receivable is written off when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery.

The table below shows the movement in lifetime ECL that has been recognised for trade receivables in accordance with SFRS(I) 9:

	The Group Lifetime ECL (Credit impaired) $
Balance as at 1 October 2018	3,613
Loss allowances	13,544
Balance as at 30 September 2019	17,157

Previous accounting policy for allowance for trade receivables

Before accepting any new customer, the Group will assess the potential customer's credit quality and define credit limits for each of the customer. Limits attributed to customers are reviewed periodically.

In 2018, included in the Group's and Company's trade receivables are debtors with a carrying amount of $425,151 (2017 : $273,627) and $85,552 (2017 : $Nil) which are past due at the end of the reporting period for which the Group and the Company has not made allowance as there has not been a significant change in credit quality and the amounts are still considered recoverable. The Group and the Company does not hold any collateral over these balances.

In determining the recoverability of trade receivables, the Group and the Company considers any change in the credit quality of the trade receivable from the date credit was initially granted up to the end of the reporting period. Accordingly, the management believes that there are no credit allowances required.

8 TRADE AND OTHER RECEIVABLES (Cont'd)

The table below is an analysis of trade receivables at the end of the reporting period:

	The Group		The Company	
	30 September 2018	1 October 2017	30 September 2018	1 October 2017
	$	$	$	$
Not past due and not impaired	634,442	1,024,239	217,114	–
Past due but not impaired [i]	425,151	273,627	85,552	–
	1,059,593	1,297,866	302,666	–
Impaired receivables	3,613	–	–	–
Less: Allowance for doubtful debts	(3,613)	–	–	–
Total trade receivables, net	1,059,593	1,297,866	302,666	–

[i] Analysis of trade receivables that are past due but not impaired.

	The Group		The Company	
	30 September 2018	1 October 2017	30 September 2018	1 October 2017
	$	$	$	$
1 to 30 days	110,047	985	–	–
31 to 60 days	229,552	272,642	–	–
> 60 days	85,552	–	85,552	–
	425,151	273,627	85,552	–

Movement in the allowance for doubtful debts in respect of trade receivables

	The Group	The Company
	30 September 2018	30 September 2018
	$	$
At beginning of year	–	–
Increase in allowance recognised in profit or loss	3,613	–
At end of year	3,613	–

Other receivables

In 2018, the Group's and the Company's refundable security deposits of $505,955 are held on behalf by the holding company (Note 5).

For purpose of impairment assessment, the other receivables is considered to have low credit risk as the amount has not past due and there has been no significant increase in the risk of default on the other receivables since initial recognition. Accordingly, for the purpose of impairment assessment for these receivables, the loss allowance is measured at an amount equal to 12-month expected credit losses (ECL).

In determining the ECL, management has taken into historical default experience and the financial position of the counterparties, adjusted for factors that are specific to the debtors and general economic conditions of the industry in which the debtors operates, in estimating the probability of default of each financial assets occurring within their respective loss assessment time horizon, as well as the loss upon default in each case. Management determines the other receivables its subject to immaterial credit loss.

9 INVENTORIES

	The Group			The Company		
	30 September 2019 $	30 September 2018 $	1 October 2017 $	30 September 2019 $	30 September 2018 $	1 October 2017 $
Raw material and consumables	294,216	71,780	141,272	41,983	71,780	–
Liquor and beverages	222,424	432,188	311,159	27,667	38,984	–
	516,640	503,968	452,431	69,650	110,764	–

10 GOODWILL

	The Group $
Cost:	
At 1 October 2017, 30 September 2018 and 2019	3,443,083
Accumulated impairment:	
At 1 October 2017	–
Impairment loss recognised for the year	3,443,083
At 30 September 2018 and 2019	3,443,083
Carrying amount:	
At 30 September 2019	–
At 30 September 2018	–
At 1 October 2017	3,443,083

Goodwill acquired in a business combination is allocated, at acquisition, to the cash-generating units ("CGUs") that are expected to benefit from the business combination. The carrying amount of goodwill has been allocated to the beer business.

The Group tests goodwill annually for impairment, or more frequently if there are indications that goodwill might be impaired.

In 2018, the recoverable amount of the CGU is determined on value in use calculation. The key assumptions for value in use calculation is those regarding the discount rate, growth rate and expected changes to selling prices and direct costs during the year. Management estimates discount rate using pre-tax rate that reflect current market assessment of the time value of money and the risks specific to the CGU. The Group prepares cash flow forecasts derived from the most recent financial budget approved by management for the next five years based on an estimated growth rate of 2% (2017 : 4%) and the rate used to discount the forecast cash flows is 12% (2017 : 11%).

In 2018, the Group reviewed the recoverability of the goodwill and as the beer business had not performed to the levels expected by the management of the Company, the Group took proactive and decisive action to rationalise and restructure the beer business. Following an extensive review of the beer business, the Company's management commenced the Beer Business Restructuring Exercise by acquiring the remaining 20% shares in the subsidiary from the former non-controlling interest (Note 14) in order to secure full control over the beer business. The Company then took steps to renew the leadership of the beer business, carrying out a rebranding exercise on its signature brand - "Draft Denmark", and is reviewing and changing its sales and operational strategies. The Group is reviewing all aspects of its cost structure and supply chain to improve the efficiency of the beer business. As such, the goodwill acquired in a business combination in June 2017 was fully impaired as at 30 September 2018.

11 INTANGIBLE ASSETS

	Trademark $	Franchise licenses $	Total $
The Group			
Cost:			
At 1 October 2017	620,000	–	620,000
Additions	–	301,560	301,560
At 30 September 2018	620,000	301,560	921,560
Additions	–	684,813	684,813
At 30 September 2019	620,000	986,373	1,606,373
Accumulated amortisation:			
At 1 October 2017	–	–	–
Additions	–	2,285	2,285
At 30 September 2018	–	2,285	2,285
Additions	–	86,238	86,238
At 30 September 2019	–	88,523	88,523
Accumulated impairment:			
At 1 October 2017	–	–	–
Impairment loss recognised for the year	620,000	–	620,000
At 30 September 2018	620,000	–	620,000
Impairment loss recognised for the year	–	264,399	264,399
At 30 September 2019	620,000	264,399	884,399
Carrying amount:			
At 30 September 2019	–	633,451	633,451
At 30 September 2018	–	299,275	299,275
At 1 October 2017	620,000	–	620,000

The recoverable amount of the intangible asset - trademark was determined from value-in-use calculation, with key assumptions as set out in Note 10. In 2018, the Group reviewed the recoverability of the intangible asset - trademark and as the beer business had not performed to the levels expected by the senior management of the Company, the Group took proactive and decisive action to rationalise and restructure the beer business. The Group is carrying out a rebranding exercise on its trademark and is reviewing and changing its sales and operational strategies. As such, the intangible asset - trademark which was acquired during the business combination in June 2017 was fully impaired as at 30 September 2018.

The intangible asset - franchise license are amortised over its useful lives of 5 to 10 years (2018 : 5 years). The amortisation expense has been included in the line item “depreciation and amortisation expense” in profit or loss. During the financial year ended 30 September 2019, management identified impairment indicator for restaurant business which is not profitable. The Group carried out a review of the recoverable amount on the intangible asset – franchise licenses and an impairment loss of $264,399 (2018 : $Nil) was recognised.

12 PLANT AND EQUIPMENT

	Motor vehicles $	Plant and equipment $	Renovation $	Kitchen equipment and utensils $	Construction in progress $	Total $
The Group						
Cost:						
At 1 October 2017	322,028	900,293	1,810,909	416,009	–	3,449,239
Additions	–	567,696	12,650	8,000	218,934	807,280
Disposals/Write-off	(30,000)	(23,126)	–	–	–	(53,126)
At 30 September 2018	292,028	1,444,863	1,823,559	424,009	218,934	4,203,393
Transfer	–	31,360	45,000	–	(76,360)	–
Additions	–	565,403	1,902,232	774,021	187,298	3,428,954
Disposals/Write-off	–	(150,403)	(38,211)	–	–	(188,614)
At 30 September 2019	292,028	1,891,223	3,732,580	1,198,030	329,872	7,443,733
Accumulated depreciation:						
At 1 October 2017	100,448	491,625	1,621,678	412,014	–	2,625,765
Depreciation for the year	64,043	214,320	84,833	4,825	–	368,021
Disposals/Write-off	(18,500)	(23,126)	–	–	–	(41,626)
At 30 September 2018	145,991	682,819	1,706,511	416,839	–	2,952,160
Depreciation for the year	59,043	472,829	487,195	117,962	–	1,137,029
Disposals/Write-off	–	(150,328)	(38,211)	–	–	(188,539)
At 30 September 2019	205,034	1,005,320	2,155,495	534,801	–	3,900,650
Accumulated impairment:						
At 1 October 2017	–	–	–	–	–	–
Impairment loss recognised for the year	18,427	224,573	–	–	–	243,000
At 30 September 2018	18,427	224,573	–	–	–	243,000
Impairment loss recognised for the year	–	218,890	456,470	89,389	–	764,749
At 30 September 2019	18,427	443,463	456,470	89,389	–	1,007,749
Carrying amount:						
At 30 September 2019	68,567	442,440	1,120,615	573,840	329,872	2,535,334
At 30 September 2018	127,610	537,471	117,048	7,170	218,934	1,008,233
At 1 October 2017	221,580	408,668	189,231	3,995	–	823,474

During the year, management identified impairment indicator for restaurant outlets that were closed and beer business which is not profitable. Management carried out a review of the recoverable amount of the Group's plant and equipment. Accordingly, the review led to recognition of an impairment loss of $764,749 (2018 : $243,000) that has been recognised for the year ended 30 September 2019. The recoverable amount of the relevant assets has been determined based on fair value less cost of disposal, which is based on the recent market prices of assets with similar age and obsolescence.

12 PLANT AND EQUIPMENT

	Motor vehicles $	Plant and equipment $	Renovation $	Kitchen equipment and utensils $	Construction in progress $	Total $
The Company						
Cost:						
At 1 October 2017	–	–	–	–	–	–
Arising from the Restructuring Exercise	178,028	653,080	1,551,724	414,319	–	2,797,151
Additions	–	84,251	–	8,000	142,574	234,825
Disposals/Write-off	(30,000)	(23,126)	–	–	–	(53,126)
At 30 September 2018	148,028	714,205	1,551,724	422,319	142,574	2,978,850
Additions	–	109,296	258,358	69,815	7,298	444,767
At 30 September 2019	148,028	823,501	1,810,082	492,134	149,872	3,423,617
Accumulated depreciation:						
At 1 October 2017	–	–	–	–	–	–
Arising from the Restructuring Exercise	96,056	584,640	1,374,971	410,633	–	2,466,300
Additions	31,643	77,337	66,407	4,515	–	179,902
Disposals/Write-off	(18,500)	(23,126)	–	–	–	(41,626)
At 30 September 2018	109,199	638,851	1,441,378	415,148	–	2,604,576
Additions	29,609	93,887	131,440	22,811	–	277,747
At 30 September 2019	138,808	732,738	1,572,818	437,959	–	2,882,323
Carrying amount:						
At 30 September 2019	9,220	90,763	237,264	54,175	149,872	541,294
At 30 September 2018	38,829	75,354	110,346	7,171	142,574	374,274
At 1 October 2017	–	–	–	–	–	–

13 OTHER ASSETS

Other assets pertains to the upfront sponsorship provided by the Group to their customers based on the agreed contractual terms. The amount is amortised to profit or loss as a reduction against revenue based on the period as stipulated in the contract which range between 2 to 3 years.

14 SUBSIDIARIES

	The Company		
	30 September 2019 $	30 September 2018 $	1 October 2017 $
Unquoted equity shares, at cost	1,880,105	1,780,104	–
Less: Impairment loss	(1,780,000)	–	–
	100,105	1,780,104	–

Details of subsidiaries of the Company are as follows:

Name of subsidiaries	Date and country of incorporation	Principal activities	Proportion of ownership interest and voting power held 2019	2018	2017
Danish Breweries Pte. Ltd.[(a)]	6 June 2014, Singapore	Import and export, and general wholesale trading of beer and liquor	100%	100%	*
Draff Beer Pte. Ltd.[(a)]	22 May 2017, Singapore	Dormant (2017 : General wholesale trade and wholesale of liquor and soft drinks)	100%	100%	*
Draft Breweries Denmark ApS[(b)]	15 August 2014, Denmark	Dormant (2017 : Sale and distribution of beer product)	–	100%	*
Singapore Chilli Crab Pte. Ltd.[(a)]	31 August 2017, Singapore	Dormant (2017 : Investment holding)	100%	100%	*
Tao Brewery Pte. Ltd.[(a)]	22 March 2017, Singapore	Investment holding (2017 : General wholesale trade and wholesale of liquor and soft drinks)	100%	100%	*
NSB Restaurants Pte. Ltd.[(a)]	20 March 2018, Singapore	Investment holding	100%	100%	–
Hawker QSR Pte. Ltd.[(a)]	20 March 2018, Singapore	Restaurants	100%	100%	–
NSB Global Franchise Management Pte. Ltd.[(a)]	14 February 2018, Singapore	Investment holding	100%	100%	–
NSB Franchisees Pte. Ltd.[(a)]	14 February 2018, Singapore	Investment holding	100%	100%	–
NSB Hotpot Pte. Ltd.[(a)]	14 February 2018, Singapore	Restaurants	100%	100%	–
NSB-IP Holdings Pte. Ltd.[(a)]	22 November 2018, Singapore	Dormant	100%	–	–

14 SUBSIDIARIES (Cont'd)

Name of subsidiaries	Date and country of incorporation	Principal activities	Proportion of ownership interest and voting power held		
			2019	2018	2017
NSB Central Kitchen Pte. Ltd.[a]	30 November 2018, Singapore	Food caterer	100%	–	–
NSB Crab Factory Pte. Ltd.[a]	30 November 2018, Singapore	Investment holding	100%	–	–
NSB Crab Factory (China) Pte. Ltd.[a]	30 November 2018, Singapore	Investment holding	100%	–	–
Lion F&B Management Shanghai Co., Ltd [c]	30 January 2019, The People's Republic of China	Restaurants	100%	–	–
NSB-Mom's Touch Pte. Ltd.[a]	8 October 2018, Singapore	Restaurants	100%	–	–
NSB Mom's Touch Sdn Bhd. [c]	13 December 2018, Malaysia	Dormant	100%	–	–

(a) Audited by Deloitte & Touche LLP, Singapore.

(b) Not required to be audited in country of incorporation. Management accounts used for consolidation purposes as insignificant. In 2019, the subsidiary has been placed under compulsory liquidation.

(c) Not required to be audited in country of incorporation. Management accounts used for consolidation purposes as insignificant.

* Subsidiaries at completion of the Restructuring Exercise (Note 1).

Information about the composition of the Group is as follow:

Principal activities	Number of wholly-owned subsidiaries		
	2019	2018	2017
Import and export, and general wholesale trading of beer and liquor	1	1	–
General wholesale trade and wholesale of liquor and soft drinks	–	–	2*
Restaurants	4	2	–
Food caterer	1	–	–
Investment holding	6	4	1*
Dormant	4	3	–
	16	10	3*

14 SUBSIDIARIES (Cont'd)

Principal activities	Number of partially-owned subsidiaries		
	2019	2018	2017
Import and export, and general wholesale trading of beer and liquor	–	–	1*
Sale and distribution of beer products	–	–	1*
	–	–	2*

* Subsidiaries at completion of the Restructuring Exercise (Note 1).

The table below shows details of non-wholly owned subsidiaries of the Group that have material non-controlling interests in 1 October 2017:

Name of subsidiary	Proportion of ownership interests and voting rights held by non-controlling interests	Profit allocated to non-controlling interests	Accumulated non-controlling interests
	%	$	$
Danish Breweries Pte. Ltd.	20	227,209	(178,237)

Summarised financial information in respect of each of the Group's subsidiaries that has material non-controlling interests is set out below. The summarised financial information below represents amounts before intragroup eliminations as at 1 October 2017.

	Danish Breweries Pte. Ltd.
	$
Current assets	1,814,675
Non-current assets	1,157,904
Current liabilities	(4,534,985)
Non-current liabilities	(128,131)
Net liabilities	(1,690,537)
Revenue	3,086,797
Profit for the period, representing total comprehensive income for the period	1,135,840
Net cash outflow from operating activities	(592,182)
Net cash inflow from investing activities	8,789
Net cash inflow from financing activities	801,726
Net cash inflow	218,333

On 19 June 2018, the Group entered into an agreement to acquire the remaining 20% shareholdings from its non-controlling shareholder, who was also the former director of the subsidiary (Note 6), subsequently increasing its ownership interest and voting rights from 80% to 100%. The consideration for the acquisition was $400,000.

14 SUBSIDIARIES (Cont'd)

The following schedule shows the effects of changes in the Group's ownership interest in the subsidiary that did not result in change of control, on the equity attributable to owners of the Company:

	The Group		
	30 September 2019	30 September 2018	1 October 2017
	$	$	$
Amounts paid on changes in ownership interest in subsidiary	–	400,000	–
Non-controlling interest acquired	–	295,938	–
Difference recognised in capital reserve	–	695,938	–

15 SHORT TERM LOANS

As at 30 September 2019, the Group's and the Company's short term loans were fully repaid.

As at 30 September 2018, the Group's and the Company's short term loans were repayable on demand, bore interest ranging from 2.82% to 4.08% per annum (2017 : 2.82% to 3.26% per annum) and 3.73% per annum (2017 : Nil%) respectively. The short term loans were secured by the corporate and personal guarantees from the ultimate holding company (Note 5) and a director (Note 6) respectively.

Reconciliations of liabilities arising from financing activities

			Non-cash changes			
	1 October 2017	Financing cash flows (i)	Foreign Exchange movement	30 September 2018	Financing cash flows (i)	30 September 2019
	$	$	$	$	$	$
Short term loans	808,189	1,233,690	12,167	2,054,046	(2,054,046)	–
Finance lease (Note 18)	110,135	(110,135)	–	–	–	–
	918,324	1,123,555	12,167	2,054,046	(2,054,046)	–

(i) The cash flows make up the net amount of proceeds from borrowings and repayments of borrowings in the statement of cash flows.

16 TRADE AND OTHER PAYABLES

	The Group			The Company		
	30 September 2019 $	30 September 2018 $	1 October 2017 $	30 September 2019 $	30 September 2018 $	1 October 2017 $
Trade payables:						
- Outside parties	1,189,844	1,129,677	1,436,151	898,802	813,722	–
- GST payable	–	151,285	329,495	175,503	151,285	–
Other payables						
- Outside parties	880,758	–	–	626,022	–	–
Accruals for volume rebates	165,080	167,774	1,049,495	–	–	–
Accruals for upfront sponsorship	414,432	87,168	416,530	–	–	–
Accruals	539,111	457,923	385,611	286,469	224,993	–
Accrued employee benefits expense	1,379,313	955,887	606,863	1,000,661	717,511	–
Amount due to related party B (Note 6)	20,491	4,180	–	–	–	–
Amount due to a subsidiary (Note 5)	–	–	–	–	10,879	–
Amount due to a former director of subsidiary for acquisition of non-controlling interest (Note 14)	–	240,000	–	–	–	–
Deferred revenue [(1)]	–	–	105,020	–	–	–
Deposits	1,700	3,000	1,604	1,700	3,000	–
Others	12,528	44,032	969	12,528	10,116	–
	4,603,257	3,240,926	4,331,738	3,001,685	1,931,506	–

(1) Deferred revenue pertains to sales of restaurant vouchers.

The average credit period is 60 days (2018 : 60 days). No interest is charged on outstanding balances.

17 CONTRACT LIABILITIES

	The Group		
	30 September 2019 $	30 September 2018 $	1 October 2017 $
Advance billings and payments (i)	288,778	568,068	532,146
Promotional support (ii)	337,955	542,388	1,607,928
	626,733	1,110,456	2,140,074

(i) This relates to advance billings and payments received for goods delivered to customers in future periods. A contract liability is recognised for revenue relating to the sales of beverages in beer business at the time of the initial sales transaction and is recognised at point in time when goods are delivered to customers.

17 CONTRACT LIABILITIES (Cont'd)

(ii) The promotional support are accumulated over the contract period as a contract liability and are considered as a reduction of revenue over the contract period.

There were no significant changes in the contract liability balances during the reporting period.

The amount of revenue recognised in the current reporting period which relates to brought-forward contract liabilities is $568,068 (2018 : $532,146).

18 FINANCE LEASE

	The Group		
	30 September 2019	30 September 2018	1 October 2017
	$	$	$
Amounts payable under finance leases:			
Within one year	–	–	25,668
In the second to fifth year inclusive	–	–	99,392
	–	–	125,060
Less: Future finance charges	–	–	(14,925)
Present value of lease obligations	–	–	110,135

	Present value of minimum lease payments The Group		
	30 September 2019	30 September 2018	1 October 2017
	$	$	
Amounts payable under finance leases:			
Within one year	–	–	20,215
In the second to fifth year inclusive	–	–	89,920
	–	–	110,135
Less: Future finance charges	–	–	N/A
Present value of lease obligations	–	–	110,135
Less: Amount due for settlement within 12 months (shown under current liabilities)	–	–	(20,215)
Amount due for settlement after 12 months	–	–	89,920

It was the Group's policy to lease certain of its plant and equipment under finance leases. The average lease term is 5 years. In 2017, the average effective borrowing rate was 5.60% per annum. Interest rates were fixed at the contract date, and thus expose the Group to fair value interest rate risk. All leases were on a fixed repayment basis and no arrangements were entered into for contingent rental payments.

The Group's obligations under finance leases were secured by the lessors' title to the leased assets.

19 PROVISIONS

	The Group			The Company		
	30 September 2019	30 September 2018	1 October 2017	30 September 2019	30 September 2018	1 October 2017
	$	$	$	$	$	$
Provision for employee leave entitlement	170,223	286,984	150,900	133,274	262,853	–
Provision for reinstatement cost (Note(a))	271,403	199,538	199,538	161,327	161,327	–
	441,626	486,522	350,438	294,601	424,180	–
Less: Non-current portion						
Provision for reinstatement cost	(271,403)	(161,327)	(199,538)	(161,327)	(161,327)	–
Current portion	170,223	325,195	150,900	133,274	262,853	–

(a) Provision for reinstatement cost

	The Group			The Company		
	30 September 2019	30 September 2018	1 October 2017	30 September 2019	30 September 2018	1 October 2017
	$	$	$	$	$	$
Provision for reinstatement cost	271,403	199,538	199,538	161,327	161,327	–
Less: non-current	(271,403)	(161,327)	(199,538)	(161,327)	(161,327)	–
	–	38,211	–	–	–	–

	The Group		The Company	
	30 September 2019	30 September 2018	30 September 2019	30 September 2018
	$	$	$	$
At beginning of year	199,538	199,538	161,327	–
Additions	110,076	–	–	–
Utilisation	(38,211)	–	–	–
Arising from the Restructuring Exercise	–	–	–	161,327
At end of year	271,403	199,538	161,327	161,327

The provision for reinstatement cost is an estimation to reinstate the Group's leased premises to their original state upon expiry of the lease. These amounts have not been discounted for the purpose of measuring the provision for reinstatement cost because the effect is insignificant.

20 DEFERRED TAX LIABILITIES

	The Group		
	Intangible asset	Accelerated tax depreciation	Total
	$	$	$
At 1 October 2017	105,400	3,521	108,921
Amount netted off with amount owing from holding company (Note 5)	–	(3,521)	(3,521)
Credit to profit or loss (Note 25)	(105,400)	–	(105,400)
At 30 September 2018 and 2019	–	–	–

21 SHARE CAPITAL

	Group and Company		Group and Company	
	2019	2019	2018	2018
	Number of ordinary shares	$	Number of ordinary shares	$
Issued and paid-up:				
At beginning of year	462,392,475	25,181,005	2	2
Issue of shares as payment of purchase consideration (Note 1(c))	–	–	2,315,231	2,315,231
Issue of shares pursuant to Restructuring Agreement (Note 1(d))	–	–	2,850,000	2,850,000
Sub-division of shares (Note 1(e))	–	–	382,227,242	–
Issue of shares to pre-IPO Investors and pursuant to IPO	–	–	75,000,000	21,000,000
Share issue expenses	–	–	–	(984,228)
At end of year	462,392,475	25,181,005	462,392,475	25,181,005

Fully paid ordinary shares, which have no par value, carry one vote per share and carry a right to dividend as and when declared by the Company.

22 REVENUE

	The Group	
	2019	2018
	$	$
Restaurant business		
Sale of food and beverages	18,613,941	17,259,834
Service charges	1,768,362	1,711,936
Sale of live seafood (Note 6)	97,418	119,805
	20,479,721	19,091,575
Beer business		
Sale of beverages	5,008,088	9,308,116
	25,487,809	28,399,691
Timing of revenue recognition		
At a point in time	25,487,809	28,399,691

23 OTHER INCOME

	The Group	
	2019	2018
	$	$
Government grant and credit schemes	92,003	57,246
Foreign currency exchange adjustment gain	10,336	53,596
Franchise fee income (Note 6)	144,000	132,000
Interest income	113,743	99,546
Write-off of expired cash vouchers	–	110,610
Others	35,489	82,232
	395,571	535,230

24 OTHER OPERATING EXPENSES

	The Group	
	2019	2018
	$	$
Loss allowances	13,544	3,613
Marketing and advertising expenses	810,672	734,423
Cleaning supplies and services	169,393	130,249
Commission	482,045	288,203
General supplies	225,413	104,662
Professional fees	1,626,941	895,356
Repair and maintenance	165,548	159,123
Travelling expenses	193,711	60,975
Communications	35,756	38,628
Printing and stationery	70,416	54,727
Insurance	25,506	16,698
Donations	14,262	104,000
Utilities expenses	633,122	376,333
Freight charges	156,878	507,903
Distribution expenses	523,616	943,711
Others	473,329	254,623
	5,620,152	4,673,227

25 INCOME TAX EXPENSE

	The Group	
	2019	2018
	$	$
Tax expense comprises		
Current tax:		
- Current year	–	590,331
- Underprovision in respect of prior years	95,164	49,363
Deferred tax	–	(105,400)
	95,164	534,294

Domestic income tax is calculated at 17% of the estimated assessable income for the year. Taxation for other jurisdictions is calculated at the rates prevailing in the relevant jurisdictions.

25 INCOME TAX EXPENSE (Cont'd)

The total charge for the year can be reconciled to the accounting (loss) profit as follows:

	The Group	
	2019	2018
	$	$
Loss before income tax	(4,756,345)	(1,905,120)
Income tax calculated at 17%	(808,579)	(323,870)
Effect of different tax rates of subsidiaries operating in other jurisdictions	(17,162)	–
Non-allowable items	323,827	197,240
Impairment losses on goodwill that are not deductible	–	585,324
Effect of exempt income	–	(25,925)
Effect of tax rebates	–	(10,000)
Underprovision of current tax in respect of prior years	95,164	49,363
Deferred tax benefits not recognised	500,449	–
Others	1,465	62,162
	95,164	534,294

In 2019, subject to the agreement by the tax authorities, at the end of the reporting period, the Group has unutilised tax losses and temporary differences of approximately $2,943,000 available for offset against future profits. No deferred tax asset has been recognised due to the unpredictability of future profit streams.

26 SEGMENT INFORMATION

	Revenue		Net profit (loss)	
	2019	2018	2019	2018
	$	$	$	$
The Group				
Seafood Restaurant business	17,464,151	19,091,575	4,299,491	6,335,090
Other Restaurant business	3,015,570	–	(2,115,504)	(344,933)
Beer business	5,008,088	9,308,116	(1,663,576)	350,484
	25,487,809	28,399,691	520,411	6,340,641
IPO expenses			–	(1,121,167)
Impairment of goodwill and intangible assets (Notes 10 and 11)			(264,399)	(4,063,083)
Impairment of plant and equipment (Note 12)			(764,749)	(243,000)
Other operating expenses			(1,358,786)	(559,355)
Corporate office expenses			(2,970,557)	(2,289,310)
Interest income			113,743	99,546
Finance costs			(32,008)	(69,392)
Loss before tax			(4,756,345)	(1,905,120)
Income tax expense			(95,164)	(534,294)
Loss after tax			(4,851,509)	(2,439,414)

26 SEGMENT INFORMATION (Cont'd)

	The Group		
	30 September 2019	30 September 2018	1 October 2017
	$	$	$
Segment assets			
Seafood Restaurant business	17,073,566	25,212,002	18,124,638
Other Restaurant business	3,729,111	990,137	–
Beer business	1,850,259	3,118,385	7,532,162
	22,652,936	29,320,524	25,656,800
Segment liabilities			
Seafood Restaurant business	3,185,125	3,047,202	2,554,100
Other Restaurant business	735,018	39,809	–
Beer business	1,795,494	3,907,353	5,295,395
	5,715,637	6,994,364	7,849,495
Unallocated liabilities	17,093	538,895	1,397,946
	5,732,730	7,533,259	9,247,441

	Depreciation and amortisation expense		Capital expenditure	
	2019	2018	2019	2018
	$	$	$	$
The Group				
Seafood Restaurant business	277,747	191,150	723,289	234,825
Other Restaurant business	662,020	5,729	3,204,378	417,039
Beer business	283,500	173,427	186,100	456,976
	1,223,267	370,306	4,113,767	1,108,840

Reportable segment

Information reported to the Group's chief operating decision maker for the purposes of resource allocation and assessment of segment performance is specifically focused on the restaurant business and beer business which forms the basis of identifying the operating segments of the Group under SFRS(I) 8 *Operating Segments*.

The accounting policies of the reportable segment are the same as the Group's accounting policies. Segment results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items comprise income tax.

Geographical information

The Group operates only in Singapore with revenue generated from customers in Singapore. The new seafood restaurant in Shanghai opened in end of September 2019.

Information about major customers

There is no single major customer that contributed more than 5% of the Group's total revenue. The revenue is spread over a broad base of customers.

27 LOSS FOR THE YEAR

Loss for the year has been arrived at after charging:

	The Group	
	2019	2018
	$	$
Employment benefits - directors of the Company:		
- Salary and allowances	1,320,000	1,461,192
- Cost of defined contribution plans	24,480	34,680
Employment benefits - directors of subsidiaries:		
- Salary and allowances	–	93,377
- Cost of defined contribution plans	–	13,022
Key management remuneration other than directors:		
- Salary and allowances	435,645	501,033
- Cost of defined contribution plans	41,515	30,384
Cost of defined contribution plans included in employee benefits expenses	745,994	541,124
Cost of inventories recognised as expense	8,603,825	8,978,816
Write-off of inventories	73,064	164,763
Auditor's remuneration:		
- Audit fees to auditors of the Company	170,000	160,000
- Non-audit fees to auditors of the Company	50,800	30,000

In 2018, the fees paid to the auditors of the Company as reporting accountants and non-audit fees for tax consultation for the Company's IPO were $500,000 and $50,000 respectively.

The Audit Committee had reviewed the non-audit services provided by the auditors, Deloitte & Touche LLP, Singapore and was of the opinion that these services would not affect the independence of the auditors.

28 OPERATING LEASE ARRANGEMENTS

The Group as a lessee

Operating lease commitments

	The Group	
	2019	2018
	$	$
Payment recognised as an expense during the year:		
Minimum lease payments under operating leases	3,192,028	2,338,922
Contingent rentals	539,592	506,830
	3,731,620	2,845,752

Operating lease payments represent rentals payable by the Group for restaurants outlets, storage space and office premises. Leases are negotiated for two to four years and rentals are fixed for two to four years.

28 OPERATING LEASE ARRANGEMENTS (Cont'd)

At the end of the reporting period, the Group has outstanding commitments under non-cancellable operating leases, which fall due as follows:

	The Group		
	30 September 2019	30 September 2018	1 October 2017
	$	$	$
Within one year	4,497,451	2,587,646	2,133,134
Within two to five years	7,338,822	4,410,021	2,350,966
	11,836,273	6,997,667	4,484,100

Contingent rental for the Group payable at certain percentage of monthly gross turnover has been excluded from the minimum lease rental commitments above.

At the end of the year, included in the operating lease commitment above, $139,800 (2018 : $168,300) and $444,000 (2018 : $588,000) represented outstanding commitments under non-cancellable operating lease with related company (Note 5) and related party A (Note 6) respectively.

29 LOSS PER SHARE

The basic loss per share is calculated based on the loss attributable to owners of the Company for each reporting period and the weighted average number of ordinary shares of 462,392,475 (2018 : 411,060,749).

The fully diluted loss per share and basic loss per share are the same because there is no dilutive share.

30 DIVIDENDS

On 5 March 2018, the Company paid special tax-exempt one-tier dividend of 0.31 cents (total dividend of $1,433,417) in respect of year ended 30 September 2018.

On 29 August 2018, the Company paid interim tax-exempt one-tier dividend of 0.26 cents (total dividend of $1,202,220) in respect of year ended 30 September 2018.

31 COMMITMENTS AND CONTINGENT LIABILITIES

	The Company	
	2019	2018
	$	$
Banker's guarantee issued in favour of a subsidiary	861,877	65,510

The Company has provided banker's guarantee to lessor in favour of one of its subsidiary.

These amounts represent the maximum amount the Company and the subsidiary could be forced to settle under the agreement.

32 ADOPTION OF A NEW FINANCIAL REPORTING FRAMEWORK

The Group and the Company adopted the new financial reporting framework – Singapore Financial Reporting Standards (International) ("SFRS(I)") for the first time for financial year ended 30 September 2019 and SFRS(I) 1 *First-time Adoption of Singapore Financial Reporting Standards (International)* has been applied in the first set of SFRS(I) financial statements. SFRS(I) is identical to the International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board (IASB).

As a first-time adopter of SFRS(I), the Group and the Company have applied retrospectively, accounting policies based on each SFRS(I) effective as at end of the first SFRS(I) reporting period (30 September 2018), except for areas of exceptions and optional exemptions set out in SFRS(I) 1. In the first set of SFRS(I) financial statements for the financial year ended 30 September 2019, an additional opening statement of financial position as at date of transition (1 October 2017) is presented, together with related notes. Reconciliation statements from previously reported FRS amounts and explanatory notes on transition adjustments are presented for equity as at date of transition (1 October 2017) and as at end of last financial period under FRS (30 September 2018), and for total comprehensive income and cash flows reported for the last financial period under FRS (for the year ended 30 September 2018). Additional disclosures are made for specific transition adjustments if applicable.

There is no change to the Group's and the Company's previous accounting policies under FRS or material adjustments on the initial transition to the new framework, other than those arising from the application of SFRS(I) 9 and SFRS(I) 15 which are effective at the same time.

Management has elected the following transition exemption:

- SFRS(I) 3 *Business Combinations* has not been applied to acquisitions of subsidiaries that are considered businesses under SFRS(I) that occurred before 1 October 2017. The FRS carrying amounts of assets and liabilities determined in that business combination, that are required to be recognised under SFRS(I), are the deemed cost at the date of the acquisition. After the date of the acquisition, measurement is in accordance with SFRS(I). Assets and liabilities that do not qualify for recognition under SFRS(I) are excluded from the opening SFRS(I) statement of financial position. The Group did not recognise or exclude any previously recognised amounts as a result of SFRS(I) recognition requirements.

  SFRS(I) 1 also requires that the FRS carrying amount of goodwill must be used in the opening SFRS(I) statement of financial position (apart from adjustments for goodwill impairment and recognition or derecognition of intangible assets). In accordance with SFRS(I) 1, the Group has tested goodwill for impairment at the date of transition to SFRS(I). No goodwill impairment was deemed necessary at 1 October 2017.

- As permitted under SFRS(I) 1, the transaction price allocated to (partially) unsatisfied performance obligations as of 30 September 2018 is not disclosed using the transition provisions of SFRS(I) 15.

- The Group has elected to apply the short-term exemption to adopt SFRS(I) 9 on 1 October 2018. Accordingly, the requirements of FRS 39 *Financial Instruments : Recognition and Measurement* are applied to financial instruments up to the financial year ended 30 September 2018. Differences in the carrying amounts of financial assets and financial liabilities resulting from the adoption of SFRS(I) 9, if any, are recognised in retained earnings and reserves as at 1 October 2018.

  Arising from the election, the Group is exempted from providing disclosures required by SFRS(I) 7 *Financial Instruments : Disclosures* for comparative periods to the extent that these disclosures relate to items within the scope of SFRS(I) 9. Instead, disclosures under FRS 107 *Financial Instruments : Disclosures* relating to items within the scope of FRS 39 are provided for the comparative periods.

32` **ADOPTION OF A NEW FINANCIAL REPORTING FRAMEWORK (Cont'd)**

Reconciliations of equity and total comprehensive income

The effects of transition to SFRS(I) and the initial application of SFRS(I) 9 and SFRS(I) 15 are presented and explained below.

Group

(A) Impact on the Statement of Financial Position as at 1 October 2017 (date of transition to SFRS(I))

	As previously reported under FRS $'000	Initial application of SFRS(I) 15 $'000	Note	As adjusted under SFRS(I) $'000
Current assets				
Cash and bank balances	293,434	–		293,434
Trade and other receivables	2,583,154	–		2,583,154
Amount due from holding company	15,380,567	–		15,380,567
Amount due from subsidiaries	–	–		–
Inventories	188,431	264,000	(a)	452,431
Other assets	305,144	–		305,144
Total current assets	18,750,730	264,000		19,014,730
Non-current assets				
Other receivables	960,583	–		960,583
Goodwill	3,443,083	–		3,443,083
Intangible assets	620,000	–		620,000
Plant and equipment	823,474	–		823,474
Other assets	794,930	–		794,930
Subsidiaries	–	–		–
Total non-current assets	6,642,070	–		6,642,070
Current liabilities				
Short term loans	808,189	–		808,189
Trade and other payables	4,331,738	–		4,331,738
Contract liabilities	–	532,146	(a)	2,140,074
		1,607,928	(c)	
Amount due to holding company	–	–		–
Finance lease	20,215	–		20,215
Provisions	1,758,828	(1,607,928)	(c)	150,900
Income tax payable	1,397,946	–		1,397,946
Total current liabilities	8,316,916	532,146		8,849,062
Non-current liabilities				
Provisions	199,538	–		199,538
Deferred tax liabilities	108,921	–		108,921
Finance lease	89,920	–		89,920
Total non-current liabilities	398,379	–		398,379
Capital, reserves and non-controlling interest				
Share capital	2	–		2
Capital reserve	–	–		–
Accumulated profits	16,855,532	(268,146)	(a)	16,587,386
Translation reserve	208	–		208
Equity attributable to owners of the Company	16,855,742	(268,146)		16,587,596
Non-controlling interest	(178,237)	–		(178,237)
Total equity	16,677,505	(268,146)		16,409,359

32 ADOPTION OF A NEW FINANCIAL REPORTING FRAMEWORK (Cont'd)

(B) Impact on the Statement of Financial Position as at 30 September 2018 (end of last period reported under FRS)

	As previously reported under FRS $'000	Initial application of SFRS(I) 15 $'000	Note	As adjusted under SFRS(I) $'000
Current assets				
Cash and bank balances	23,659,698	–		23,659,698
Trade and other receivables	2,333,947	–		2,333,947
Amount due from holding company	–	–		–
Amount due from subsidiaries	–	–		–
Inventories	221,459	282,509	(a)	503,968
Other assets	410,483	–		410,483
Total current assets	26,625,587	282,509		26,908,096
Non-current assets				
Other receivables	1,015,223	–		1,015,223
Goodwill	–	–		–
Intangible assets	299,275	–		299,275
Plant and equipment	1,008,233	–		1,008,233
Other assets	89,697	–		89,697
Subsidiaries	–	–		–
Total non-current assets	2,412,428	–		2,412,428
Current liabilities				
Short term loans	2,054,046	–		2,054,046
Trade and other payables	3,240,926	–		3,240,926
Contract liabilities	–	568,068	(a)	1,110,456
		542,388	(c)	
Amount due to holding company	102,414	–		102,414
Finance lease	–	–		–
Provisions	867,583	(542,388)	(c)	325,195
Income tax payable	538,895	–		538,895
Total current liabilities	6,803,864	568,068		7,371,932
Non-current liabilities				
Provisions	161,327	–		161,327
Deferred tax liabilities	–	–		–
Finance lease	–	–		–
Total non-current liabilities	161,327	–		161,327
Capital, reserves and non-controlling interest				
Share capital	25,181,005	–		25,181,005
Capital reserve	(695,938)	–		(695,938)
Accumulated losses	(2,412,367)	(285,559)	(a)	(2,697,926)
Translation reserve	124	–		124
Equity attributable to owners of the Company	22,072,824	(285,559)		21,787,265
Non-controlling interest	–	–		–
Total equity	22,072,824	(285,559)		21,787,265

32 ADOPTION OF A NEW FINANCIAL REPORTING FRAMEWORK (Cont'd)

(C) Impact on the Statement of Profit or Loss and Other Comprehensive Income for the year ended 30 September 2018 (last financial year reported under FRS)

	As previously reported under FRS $'000	Initial application of SFRS(I) 15 $'000	Note	As adjusted under SFRS(I) $'000
Revenue	26,501,288	(35,922)	(a)	28,399,691
		943,711	(b)	
		990,614	(c)	
Other income	1,562,567	(1,027,337)	(c)	535,230
Raw materials and consumables used	(8,923,962)	18,509	(a)	(8,905,453)
Changes in inventories	(54,854)	–		(54,854)
Employee benefits expense	(8,493,807)	–		(8,493,807)
Operating lease expenses	(2,845,752)	–		(2,845,752)
Depreciation and amortisation expense	(370,306)	–		(370,306)
IPO expenses	(1,121,167)	–		(1,121,167)
Impairment of goodwill and intangible assets	(4,063,083)	–		(4,063,083)
Impairment of plant and equipment	(243,000)	–		(243,000)
Other operating expenses	(3,766,239)	(943,711)	(b)	(4,673,227)
		36,723	(c)	
Finance costs	(69,392)	–		(69,392)
Loss before income tax	(1,887,707)	(17,413)		(1,905,120)
Income tax expense	(534,294)	–		(534,294)
Loss for the year	(2,422,001)	(17,413)		(2,439,414)
Item that may be reclassified subsequently to profit or loss:				
Exchange differences on translation of foreign operations	(84)	–		(84)
Total comprehensive loss for the year	(2,422,085)	(17,413)		(2,439,498)

Notes to the reconciliations:

SFRS(I) 15

(a) Under SFRS(I) 15, distributors are acting as an agent in sale transactions with customers in the Beer Business. There is a change in timing of revenue recognition under SFRS(I) 15 as compared to under FRS 18 where revenue can only be recognised when the Group satisfies the performance obligation when inventories are transferred to the customers and not when inventories are transferred to distributors. A contract liability has also been recognised for advance billings/payments made by distributors. Previously no amounts were deferred.

(b) Revenue to customers should be recognised at gross amount sold to customers and the distributor margin and rebates to distributors will be recorded as cost of distribution to the customers in other operating expenses. An adjustment to revenue has therefore been made to reflect the change in accounting.

32 ADOPTION OF A NEW FINANCIAL REPORTING FRAMEWORK (Cont'd)

(c) Previously, promotional support is provided under FRS 37 in provisions in statement of financial position and correspondingly expensed to profit or loss in other operating expenses. The adoption of SFRS(I) 15 has changed the accounting for these payments to customers. The promotional support are now accumulated over the contract period as a contract liability and are considered as a reduction of revenue over the contract period. Payments that relate to the purchase of a distinct service continue to be recorded as other operating expenses. A reclassification of other operating expenses to revenue has therefore been made to reflect the change in accounting.

(D) Impact on the Statement of Cash Flows for the year ended September 30, 2018 (last financial year reported under FRS)

The transition to SFRS(I) and the initial application of SFRS(I) 9 and SFRS(I) 15 have not had a material impact on the statement of cash flows.

33 STANDARDS ISSUED BUT NOT EFFECTIVE

At the date of authorisation of these financial statements, the following SFRS(I) pronouncement was issued but not effective.

SFRS(I) *16 Leases*

Effective for annual periods beginning on or after 1 January 2019

The standard provides a comprehensive model for the identification of lease arrangements and their treatment in the financial statements of both lessees and lessors. The identification of leases, distinguishing between leases and service contracts, are determined on the basis of whether there is an identified asset controlled by the customer.

SFRS(I) 1-17 does not require the recognition of any right-of-use asset or liability for future payments for the operating leases the Group enters into. Under SFRS(I) 16, the Group is required to recognise a right-of-use asset and a corresponding liability in respect of all these leases unless they qualify for low value or short-term leases upon the application of SFRS(I) 16. Additional disclosures may also be made with respect to leases, including any significant judgement and estimation made in distinguishing between leases and service contracts, on the basis of whether an identified asset controlled by the customer exists. Management has performed a detailed analysis of the requirements of the initial application of SFRS(I) 16.

As at 30 September 2019, the Group and the Company have non-cancellable operating lease commitments as disclosed in Note 28. A preliminary assessment indicates that these arrangements will meet the definition of a lease under SFRS(I) 16, and the Group will be applying cumulative catch-up approach, and hence the Group and the Company will recognise a right-of-use asset of $7,872,091 and $3,968,065 respectively and a corresponding liability of $8,144,718 and $4,113,156 respectively and net impact on retained earnings of $272,627 and $145,090 respectively on initial adoption on 1 October 2019 in respect of all these leases unless they qualify for low value or short-term leases upon application of SFRS(I) 16.

34 SGX REGULATIONS'S ("SGX REGCO")'S DIRECTIVE

On 6 March 2019, the Company announced that SGX RegCo required the Company to (a) explain the appropriateness of adopting Actual Group Accounting Principles in the preparation of the unaudited Group Financial Statements for First Quarter Period Ended 31 December 2017 ("1Q2018"), and whether it was prepared in accordance with Singapore Financial Reporting Standards; and (b) seek the opinion of Independent Reviewer on the matters set out in (a).

34 SGX REGULATIONS'S ("SGX REGCO")'S DIRECTIVE (Cont'd)

In addition, the Company was required to engage an Independent Reviewer to audit the financial position and results for 1Q2018, to assess whether the 1Q2018 Results Announcement as announced by the Company on 14 February 2018 represents a true and fair view of the financial position and performance of the Group for 1Q2018, including whether it is acceptable to account for 6 months of financial performance of the restaurant business in the 1Q2018 results. In arriving at this decision, SGX RegCo took into account the Company's view that no restatement was necessary for 2Q2018 and 3Q2018, given that the Restructuring Exercise had been completed on 31 October 2017. Out of prudence, the Company decided to expand the audit to cover the financial periods from 1 January 2018 to 31 March 2018 ("2Q2018") and from 1 April 2018 to 30 June 2018 ("3Q2018").

On 2 July 2019, the Company appointed Nexia TS Public Accounting Corporation as the independent reviewer ("Independent Reviewer") for this purpose. The scope of the independent review will include, inter alia, the review of the appropriateness of adopting the Actual Group Accounting Principles in respect of the unaudited Group Financial Statements for 1Q2018, 2Q2018 and 3Q2018, and whether it was prepared in accordance with the Singapore Financial Reporting Standards.

As at the reporting date of the financial statements for the year ended 30 September 2019, the review has been concluded and management has received the report of the Independent Reviewer on its findings in respect of the abovementioned SGX RegCo's Directive. The Independent Reviewer is of the opinion that the unaudited Group Financial Statements for 1Q2018, 2Q2018 and 3Q2018 should be prepared using Merger Accounting Principles in order to comply with the recognition and measurement principles of the relevant Singapore Financial Reporting Standards.

The Board of Directors and management have reviewed the findings in the Independent Reviewer's report, of which had no material impact on the financial statements, and determined that no adjustments to these financial statements were necessary.

On 29 April 2020, SGX RegCo announced that it will be reviewing the Independent Reviewer's report for possible breaches of the listing rules, Rule 415 for Catalist issuer on reporting of financial statements. The Board of Directors and management have assessed that this is not expected to have significant impact on the Group's and Company's financial statements for the year ended 30 September 2019.

35 INVESTIGATION BY THE COMMERCIAL AFFAIRS DEPARTMENT OF THE SINGAPORE POLICE FORCE

On 29 April and 2 May 2019, the Company announced that it was requested by the Commercial Affairs Department of the Singapore Police Force ("CAD") to assist in an investigation in relation to matters concerning the abortive share buy-back executed by the Company's Executive Chairman and Chief Executive Officer ("CEO") on 31 January 2019. The Company is fully cooperating with the CAD in its investigations. As part of the Company's co-operation, from 24 April 2019 to 26 April 2019, the CAD was provided access to and was given copies of documents in connection with the abortive share-buyback pursuant to Section 35 of the Criminal Procedure Code. No files or records or equipment belonging to the Group have been seized by CAD.

At a further interview with the CAD on 30 April 2019, the CEO was informed that he was put on arrest and on bail on reasonable suspicion that sections 197 and 218 of the Securities and Futures Act Chapter 289 may have been breached.

As at the reporting date of the financial statements, the CAD's investigation is still ongoing. The Board of Directors and management have obtained legal advice and assessed that the CAD investigation is not expected to have significant impact on the operations of the Group and the Company and on the Group's and Company's financial statements for the year ended 30 September 2019.

36 EVENT AFTER REPORTING PERIOD

The epidemic of Coronavirus Disease 2019 (the “COVID-19 outbreak”) subsequent to the reporting period has affected the business and economic activities of the Group. The Group’s business and revenue have been impacted by the decline in the number of customers starting from early February 2020 as Singapore imposed travel restrictions on new Chinese tourists and the stepping up of border controls since February and March 2020 respectively which substantially reduced the number of tourists coming to Singapore.

On 3 April 2020, the Prime Minister and the Ministry of Health have announced elevated safe distancing measures and the closure of workplace premises (“Circuit Breaker Measures”). Save for those providing essential services and in selected economic sectors which are critical for local and global supply chains, physical workplace premises are required to cease operations from 7 April 2020 until 4 May 2020. From 7 April 2020, all restaurants, hawker centres, coffee shops, food courts and other food and beverage outlets will remain open only for takeaway or delivery. On 21 April 2020, the Prime Minister has announced that the Circuit Breaker period will be extended by four weeks until 1 June 2020.

With the current challenges, the Group’s restaurants and outlets are limited to takeaway and online delivery orders, without dine-in sales. Given that the situation is fluid and rapidly evolving as government policy changes, the Group’s current key priority is to preserve cash to support working capital requirements until COVID-19 situation improves. At the same time, the Group has been conscientiously managing its costs and is taking measured steps on various cost-cutting and cost control measures. The related impact will be reflected in the Group’s financial statements for the financial year ending 30 September 2020. Notwithstanding this and as disclosed in Note 4(c)(iv), management has assessed that the Group and the Company with the financing facilities made available by its Bankers, will have sufficient financial resources to enable the Group and the Company to continue as a going concern for at least the next twelve months from end of the reporting period.

Statistics of Shareholdings

As at 27 April 2020

Class of Shares	:	Ordinary share
No. of Shares (excluding treasury shares and subsidiary holdings)	:	462,392,475
Voting rights	:	One vote per share
No. of treasury shares and percentage	:	Nil
No. of subsidiary holdings held and percentage	:	Nil

DISTRIBUTION OF SHAREHOLDINGS

Size of Shareholdings	Number of Shareholders	%	Number of Shares	%
1 - 99	2	0.14	100	0.00
100 - 1,000	128	8.79	114,300	0.03
1,001 – 10,000	624	42.86	3,019,700	0.65
10,001 – 1,000,000	682	46.84	63,619,000	13.76
1,000,001 and above	20	1.37	395,639,375	85.56
TOTAL	**1,456**	**100.00**	**462,392,475**	**100.00**

TWENTY LARGEST SHAREHOLDERS

NO.	NAME	SHARES	%
1	GUGONG PTE LTD	346,378,475	74.91
2	DBS NOMINEES (PRIVATE) LIMITED	9,617,700	2.08
3	OCBC SECURITIES PRIVATE LIMITED	5,685,900	1.23
4	UOB KAY HIAN PRIVATE LIMITED	5,003,300	1.08
5	CGS-CIMB SECURITIES (SINGAPORE) PTE. LTD.	3,243,600	0.70
6	LAM CHOON SEN DAVID @LAM KWOK KWONG	3,071,500	0.66
7	RAFFLES NOMINEES (PTE.) LIMITED	2,684,400	0.58
8	HSBC (SINGAPORE) NOMINEES PTE LTD	2,531,400	0.55
9	GOI SENG HUI	2,274,900	0.49
10	BPSS NOMINEES SINGAPORE (PTE.) LTD	1,697,400	0.37
11	YEO NAK KEOW	1,546,400	0.33
12	LIM TIEN LOCK CHRISTOPHER	1,500,000	0.32
13	PHILLIP SECURITIES PTE LTD	1,486,600	0.32
14	TAI GECK KEE	1,482,800	0.32
15	UNITED OVERSEAS BANK NOMINEES (PRIVATE) LIMITED	1,480,000	0.32
16	LIEW CHOW FONG OR KOH GUAN LAI	1,350,000	0.29
17	MAYBANK KIM ENG SECURITIES PTE. LTD.	1,329,600	0.29
18	IFAST FINANCIAL PTE. LTD.	1,153,600	0.25
19	SONG CHYE CHENG @ SOON ENG KIAT	1,100,000	0.24
20	SHO KIAN HIN	1,021,800	0.22
	TOTAL	**395,639,375**	**85.55**

Statistics of Shareholdings

As at 27 April 2020

SUBSTANTIAL SHAREHOLDERS AS AT 27 APRIL 2020
(As recorded in the Register of Substantial Shareholders)

	Direct Interest		Deemed Interest	
	Number of Shares	**%**	**Number of Shares**	**%**
GuGong Pte Ltd	346,378,475	74.91	–	–
Lim Yong Sim (Lin Rongsen)[1]	–	–	346,378,475	74.91

Notes:

1 Lim Yong Sim (Lin Rongsen) is deemed to be interested in 346,378,475 ordinary shares held through GuGong Pte Ltd by virtue of Section 7 of the Companies Act, Chapter 50.

PERCENTAGE OF SHAREHOLDING IN PUBLIC'S HANDS

As at 27 April 2020, 25.03% of the Company's shares are held in the hands of public. Accordingly, the Company has complied with Rule 723 of the Listing Manual – Section B: Rules of Catalist of the SGX-ST which requires 10% of the equity securities (excluding preference shares and convertible equity securities) in a class that is listed to be in the hands of the public.

NOTICE IS HEREBY GIVEN that the Annual General Meeting ("**AGM**") of No Signboard Holdings Ltd. ("**Company**") will be held by way of electronic means on Friday 29 May 2020 at 10.00 a.m. for the following purposes:

AS ORDINARY BUSINESS

1. To receive and adopt the Directors' Statement and the Audited Financial Statements of the Company and the Group for the financial year ended 30 September 2019 together with the Auditors' Report thereon. **(Resolution 1)**

2. To re-elect the following directors of the Company retiring pursuant to Regulation 117 of the Constitution of the Company:

   Ms. Lim Lay Hoon (Lin Liyun) **(Resolution 2)**
   Mr. Khua Kian Kheng Ivan **(Resolution 3)**

   [See Explanatory Notes (i)]

3. To approve the payment of Directors' fees of S$150,000 for the financial year ending 30 September 2020, to be paid quarterly in arrears. **(Resolution 4)**

4. To appoint Ernst & Young LLP as Auditors of the Company in place of the retiring Auditors of the Company, Deloitte & Touche LLP, to hold office until the conclusion of the next AGM and to authorise the Directors of the Company to fix their remuneration. **(Resolution 5)**

   [See Explanatory Notes (ii)]

5. To transact any other ordinary business which may properly be transacted at an AGM.

AS SPECIAL BUSINESS

To consider and if thought fit, to pass the following resolution as an Ordinary Resolution, with or without any modifications:

6. **Authority to issue shares in the capital of the Company pursuant to Section 161 of the Companies Act, Chapter 50 of Singapore ("Act") and Rule 806 of the Singapore Exchange Securities Trading Limited ("SGX-ST") Listing Manual - Section B: Rules of Catalist ("Catalist Rules")**

   "THAT pursuant to Section 161 of the Act and Rule 806 of the Catalist Rules, the Directors of the Company be authorised and empowered to:-

   I. (i) allot and issue shares in the capital of the Company (whether by way of rights, bonus or otherwise); and/or

   (ii) make or grant offers, agreements or options (collectively, "**Instruments**") that may or would require shares to be issued, including but not limited to, the creation and issue of (as well as adjustments to) options, warrants, debentures, convertible securities or other instruments convertible into shares,

   at any time and upon such terms and conditions and for such purposes and to such persons as the Directors may in their absolute discretion deem fit; and

II. (notwithstanding that the authority conferred by this Resolution may have ceased to be in force) issue shares in pursuance of any Instrument made or granted by the Directors while this Resolution was in force,

provided always that:-

(a) the aggregate number of shares to be issued pursuant to this Resolution (including shares to be issued in pursuance of Instruments, made or granted pursuant to this Resolution), shall not exceed 100% of the total number of issued shares in the capital of the Company (excluding treasury shares and subsidiary holdings) (as calculated in accordance with sub-paragraph (b) below), of which the aggregate number of shares to be issued other than on a pro-rata basis to the shareholders of the Company (including shares to be issued in pursuance of Instruments made or granted pursuant to this Resolution) shall not exceed 50% of the total number of issued shares in the capital of the Company (excluding treasury shares and subsidiary holdings) (as calculated in accordance with sub-paragraph (b) below);

(b) (subject to such manner of calculation as may be prescribed by the SGX-ST) for the purpose of determining the aggregate number of shares that may be issued under sub-paragraph (a) above, the percentage of the total issued shares shall be based on the total number of issued shares in the capital of the Company (excluding treasury shares and subsidiary holdings) at the time this Resolution is passed, after adjusting for:-

(i) new shares arising from the conversion or exercise of any convertible securities outstanding at the time this authority is given;

(ii) (where applicable) new shares arising from the exercise of share options or vesting of share awards, provided the share options or share awards (as the case may be) were granted in compliance with Part VIII of Chapter 8 of the Catalist Rules; and

(iii) any subsequent bonus issue, consolidation or subdivision of shares;

Adjustments in accordance with Rule 806(3)(a) or Rule 806(3)(b) of the Catalist Rules are only to be made in respect of new shares arising from convertible securities, share options or share awards which were issued and outstanding or subsisting at the time of the passing of the resolution approving the mandate.

(c) in exercising the authority conferred by this Resolution, the Company shall comply with the provisions of the Catalist Rules for the time being in force (unless such compliance has been waived by the SGX-ST), all applicable legal requirements under the Act and the Constitution for the time being of the Company;

(d) the authority conferred by this Resolution shall, unless revoked or varied by the Company in general meeting, continue to be in force until the conclusion of the next AGM of the Company or the date by which the next AGM of the Company is required by law to be held, whichever is earlier."

(Resolution 6)

[See Explanatory Notes (iii)]

By Order of the Board

Shirley Tan Sey Liy
Company Secretary
Singapore, 14 May 2020

Explanatory Notes:

(i) Mr. Khua Kian Kheng Ivan will, upon re-election as a Director of the Company, remain as the Chairman of the Remuneration Committee and a member of the Audit Committee and the Nominating Committee. He will be considered independent pursuant to Rule 704(7) of the Catalist Rules.

(ii) Deloitte & Touche LLP has elected not to be reappointed as the Company's auditors at the forthcoming AGM. The Company will be seeking shareholders' approval on the proposed change of auditors of the Company from Deloitte & Touche LLP to Ernst & Young LLP ("**Proposed Change of Auditors**"). Please refer to the Company's Appendix to the Notice of AGM dated 14 May 2020 for more details.

In accordance with the requirements pursuant to Rule 712(3) of the Catalist Rules:

(a) the retiring Auditors of the Company, Deloitte & Touche LLP, have confirmed to Ernst & Young LLP that they are not aware of any professional reasons why Ernst & Young LLP, being the successor Auditors of the Company, should not accept appointment as the new Auditors of the Company;

(b) the Company has confirmed that there were no disagreements with the retiring Auditors of the Company, Deloitte & Touche LLP, on accounting treatments within the last twelve (12) months up to the date of their retirement;

(c) the Company has confirmed that it is not aware of any circumstances connected with the Proposed Change of Auditors that should be brought to the attention of the shareholders of the Company which has not been disclosed in the Appendix to the Notice of AGM dated 14 May 2020; and

(d) the Company has confirmed that the specific reasons for the Proposed Change of Auditors are as disclosed in Paragraph 2 of the Appendix to the Notice of AGM dated 14 May 2020; and (e) the Company has confirmed that it is in compliance with Rules 712 and 715 of the Catalist Rules in relation to the appointment of Ernst & Young LLP as its new Auditors.

(e) the Company has confirmed that it is in compliance with Rules 712 and 715 of the Catalist Rules in relation to the appointment of Ernst & Young LLP as its new Auditors.

(iii) Resolution 6 above, if passed, will empower the Directors of the Company from the date of this AGM until the date of the next AGM of the Company, or the date by which the next AGM of the Company is required by law to be held or such authority is varied or revoked by the Company in a general meeting, whichever is the earlier, to issue Shares, make or grant Instruments convertible into Shares and to issue Shares pursuant to such Instruments, up to a number not exceeding, in total, one hundred per centum (100%) of the total number of issued Shares (excluding treasury shares and subsidiary holdings), of which up to fifty per centum (50%) may be issued other than on a pro rata basis to existing shareholders of the Company for such purposes as they consider would be in the interest of the Company.

For determining the aggregate number of Shares that may be issued, the percentage of issued Shares will be calculated based on the total number of issued shares (excluding treasury shares and subsidiary holdings) at the time this Resolution is passed after adjusting for new Shares arising from the conversion or exercise of the Instruments or any convertible securities, the exercise of share options or the vesting of share awards outstanding or subsisting at the time when this Resolution is passed and any subsequent consolidation or subdivision of Shares.

Notes relating to measures to minimise the risk of COVID-19:

General

1. In view of the circuit breaker measures applicable as of the date of this Notice up to 1 June 2020 and pursuant to the COVID-19 (Temporary Measures) Act that was passed by Parliament on 7 April 2020 and the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020 issued by the Minister of Law on 13 April 2020 (as amended from time to time), provide legal certainty such that issuers are able to make alternative arrangements to hold general meetings where personal attendance is required under written law or legal instruments (such as a company's constitution). A joint statement was also issued by the Monetary Authority of Singapore, the Accounting and Corporate Regulatory Authority and the Singapore Exchange Regulation on 13 April 2020 to provide guidance on the conduct of general meetings during the period when elevated safe distancing measures are in place. As such, the AGM will be held by way of **electronic means** and **shareholders will NOT be allowed to attend the AGM in person**. Printed copies of this Notice will not be sent to members. Instead, this Notice will be sent to members by electronic means via publication on the Company's corporate website http://www.nosignboardholdings.com/home.html and the following URL: sg.conveneagm.com/nosignboard. This Notice will also be made available on the SGX website at the URL https://www.sgx.com/securities/company-announcements.

2. Alternative arrangements are instead put in place to allow shareholders to participate in the AGM by:

   (a) watching or listening to the AGM proceedings via a Live Webcast (as defined below). Shareholders who wish to participate as such will have to pre-register in the manner outlined in Note 3 below;

(b) submitting questions ahead of the AGM. Please refer to Notes 7 to 9 below for further details; and

(c) voting by proxy at the AGM. Please refer to Notes 10 to 16 below for further details.

Participation in the AGM via live webcast or live audio feed

3. A shareholder of the Company or their corporate representatives (in the case of a member which is a legal entity) will be able to watch or listen to the proceedings of the AGM through a "live" webcast via mobile phone, tablet or computer ("**Live Webcast**"). In order to do so, the member must pre-register by 10.00 a.m. on 26 May 2020 ("**Registration Deadline**"), at the following URL: sg.conveneagm.com/nosignboard ("**NSB AGM Website**"), to create an account.

4. Following authentication of his/her/its status as a shareholder of the Company, such shareholder will receive an email on their authentication status and will be able to access the Live Webcast using the account created.

5. Shareholders who have registered by the Registration Deadline in accordance with paragraph 3 above but do not receive an email response by 12:00 p.m. on 28 May 2020 may contact the Company for assistance at the following email address: support@conveneagm.com, with the following details included: (1) the member's full name; and (2) his/her/its identification/registration number.

6. Non-SRS holders whose shares are registered under Depository Agents ("DAs") must **also** contact their respective DAs to indicate their interest in order for their respective DAs to make the necessary arrangements for them to participate in the Live Webcast of the AGM proceedings.

Submission of questions prior to the AGM

7. A shareholder of the Company may also submit questions relating to the resolutions to be tabled for approval at the AGM or the Company's businesses and operations. The Company shall only address relevant and substantial questions (as may be determined by the Company in its sole discretion) received. The Company will publish the minutes of the AGM on SGXNET and the Company's website within one month after the date of AGM.

8. To do so, all questions must be submitted no later than the Registration Deadline through any one of the following means:

   (a) via the NSB AGM Website; or

   (b) in physical copy by depositing the same at the office of the Company's Share Registrar at 30 Cecil Street #19-08 Prudential Tower, Singapore 049712; or

   (c) by email to IR@nosignboardseafood.com.

9. If the questions are deposited in physical copy at the office of the Company's Share Registrar or sent via email, and in either case not accompanied by the completed and executed Proxy Form (as defined below), the following details must be included with the submitted questions: (i) the member's full name; and (ii) his/her/its identification/registration number for verification purposes, failing which the submission will be treated as invalid

Voting by proxy

10. Shareholders may only exercise their voting rights at the AGM via proxy voting. The accompanying proxy form for the AGM may be accessed via the NSB AGM Website, the Company's corporate website http://www.nosignboardholdings.com/home.html, and will also be made available on the SGX website at the URL https://www.sgx.com/securities/company-announcements.

11. Shareholders (including Relevant Intermediary*) who wish to vote on any or all of the resolutions at the AGM must submit a proxy form to appoint the Chairman of the Meeting as their proxy to do so on their behalf.

12. The instrument appointing the Chairman of the Meeting as proxy must be submitted to the Company in the following manner:

    (a) in the electronic format accessible on the NSB AGM Website;

    (b) if submitted by post, be lodged at the office of the Company's Share Registrar at 30 Cecil Street #19-08 Prudential Tower, Singapore 049712; or

    (c) if submitted electronically, be submitted via email to the Company's Share Registrar at rhtcaoscar@rhtcorporate.com.

    in either case **by no later than 10.00 a.m. on 26 May 2020, being 72 hours before the time appointed for the AGM.**

    In the case of submission of the Proxy Form other than via the NSB AGM Website, a member who wishes to submit an instrument of proxy must first download, complete and sign the proxy form, before submitting it by post to the address provided above, or before scanning and sending it by email to the email address provided above.

In view of the current COVID-19 situation and the related safe distancing measures which may make it difficult for members to submit completed proxy forms by post, members are strongly encouraged to submit completed proxy forms electronically.

13. In the case of submission of the Proxy Form other than via the NSB AGM Website, the instrument appointing the Chairman of the Meeting as proxy must be under the hand of the appointor or on his/her attorney duly authorised in writing. Where the instrument appointing the Chairman of the Meeting as proxy is executed by a corporation, it must be executed either under its common seal or signed on its behalf by its attorney duly authorised in writing or by an authorised officer of the corporation, failing which the instrument of proxy may be treated as invalid.

14. An investor who holds shares under the Supplementary Retirement Scheme ("**SRS Investor**") and wishes to vote, should approach their respective SRS Operators to submit their votes to appoint the Chairman of the Meeting as their proxy, at least 7 working days before the AGM.

15. A Depositor's name must appear on the Depository Register maintained by The Central Depositor (Pte) Limited as at 72 hours before the time fixed for holding the AGM in order for the Depositor to be entitled to vote at the AGM.

16. **Please note that shareholders will not be able to vote through the Live Webcast and can only vote with their proxy forms which are required to be submitted in accordance with the foregoing paragraphs.**

*"**Relevant Intermediary**" means:

(a) a banking corporation licensed under the Banking Act (Chapter 19) of Singapore or a wholly-owned subsidiary of such a banking corporation, whose business includes the provision of nominee services and who holds shares in that capacity;

(b) a person holding a capital markets services licence to provide custodial services for securities under the Securities and Futures Act (Chapter 289) of Singapore and who holds shares in that capacity; or

(c) the Central Provident Fund Board ("**CPF Board**") established by the Central Provident Fund Act (Chapter 36) of Singapore, in respect of shares purchased under the subsidiary legislation made under that Act providing for the making of investments from the contributions and interest standing to the credit of members of the Central Provident Fund, if the CPF Board holds those shares in the capacity of an intermediary pursuant to or in accordance with that subsidiary legislation.

Personal data privacy:

By pre-registering for the Live Webcast, submitting a Proxy Form appointing the Chairman of the Meeting as proxy to vote at the AGM and/or any adjournment thereof, and/or submitting questions relating to the resolutions to be tabled for approval at the AGM or the Company's businesses and operations, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents or service providers) for the purpose of the processing, administration and analysis by the Company (or its agents or service providers) of proxies and representatives appointed for the AGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the AGM (including any adjournment thereof), and in order for the Company (or its agents or service providers) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "**Purposes**"), (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents or service providers), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents or service providers) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.

NO SIGNBOARD HOLDINGS LTD.

Company Registration No. 201715253N
(Incorporated in the Republic of Singapore)

IMPORTANT:

1. The Annual General Meeting ("Meeting") is being convened by electronic means pursuant to the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Order 2020. **Due to the current COVID-19 restriction order, a member will not be able to physically attend the Meeting. A member (including Relevant Intermediary*) must appoint the Chairman of the Meeting as proxy to vote on his/her/it behalf at the Meeting if such member wishes to exercise his/her/its voting rights at the Meeting.**
2. Alternative arrangements relating to the attendance of the Meeting through electronic means, as well as conduct of the Meeting and relevant guidance with full details are set out in the accompanying Company's announcement dated 14 May 2020, which can be accessed via the SGX website at: https://www.sgx.com/securities/company-announcements.
3. An investor who holds shares under the Supplementary Retirement Scheme ("**SRS Investors**") and wishes to vote should approach their respective SRS Operators to submit their votes to appoint the Chairman of the Meeting as their proxy, at least 7 working days before the Meeting.
4. This Proxy Form is not valid for use by SRS Investors and shall be ineffective for all intents and purposes if used or purported to be usedby them.

ANNUAL GENERAL MEETING
PROXY FORM

(Please see notes overleaf before completing this Form)

We, ______________________________ (Name)

NRIC/Passport No. Co. Registration No. ______________________________

of ______________________________ (Address)

being a member/members of **NO SIGNBOARD HOLDINGS LTD.** ("**Company**"), hereby appoint:

	Proportion of Shareholdings	
Chairman of the Meeting	**No. of Shares**	**%**

as my/our* proxy to attend and vote for me/us* on my/our* behalf at the Meeting of the Company to be held by **electronic means** on **Friday, 29 May 2020 at 10.00 a.m.** and at any adjournment thereof. I/We* direct my/our* proxy to vote for or against, or to abstain from voting the Resolutions proposed at the Meeting as indicated hereunder. If no specific direction as to voting is given or in the event of any other matter arising at the Meeting and at any adjournment thereof, the proxy will vote or abstain from voting at his/her discretion. In terms of proxy voting, the shareholder/ shareholders must appoint the Chairman of the Meeting to act as proxy and direct the vote at the Meeting.

No.	Resolutions relating to:	No. of votes 'For'**	No. of votes 'Against'**	No. of votes 'Abstain'**
Ordinary Businesses				
1	Adoption of Directors' Statement and Audited Financial Statements for the financial year ended 30 September 2019			
2	Re-election of Ms. Lim Lay Hoon (Lin Liyun) as a Director			
3	Re-election of Mr. Khua Kian Kheng Ivan as a Director			
4	Approval of Directors' fees amounting to S$150,000 for the financial year ending 30 September 2020 payable in arrears			
5	Appointment of Ernst & Young LLP as Auditors of the Company in place of the retiring Auditors of the Company, Deloitte & Touche LLP, and to authorise the Directors of the Company to fix their remuneration			
Special Businesses				
6	Authority to allot and issue new shares			

***If you wish to exercise all your votes 'For' or 'Against' or 'Abstain', please tick (√) within the box provided. Alternatively, please indicate the number of votes as appropriate. If you mark the abstain box for a particular resolution, you are directing your proxy not to vote on that resolution on a poll and your votes will not be counted in computing the required majority on a poll.*

Dated this __________ day of ______________ 2020

Total number of Shares in:	No. of Shares
(a) CDP Register	
(b) Register of Members	

____

Signature of Shareholder(s)
or Common Seal of Corporate Shareholder

*Delete where inapplicable

Notes:

Due to the fast-evolving COVID-19 situation in Singapore, the Company may be required to change its Meeting arrangements at short notice. The Company is taking the relevant steps in accordance with the Part 4 of the COVID-19 (Temporary Measures) Act 2020.

1. Please insert the total number of Shares held by you. If you have Shares entered against your name in the Depository Register (as defined in Section 81SF of the Securities and Futures Act, Chapter 289 of Singapore), you should insert that number of Shares. If you have Shares registered in your name in the Register of Members, you should insert that number of Shares. If you have Shares entered against your name in the Depository Register and Shares registered in your name in the Register of Members, you should insert the aggregate number of Shares entered against your name in the Depository Register and registered in your name in the Register of Members. If no number is inserted, the instrument appointing a proxy or proxies shall be deemed to relate to all the Shares held by you.

2. **In light of the current COVID-19 measures in Singapore, members will not be able to attend the Meeting in person. A member of the Company (including a Relevant Intermediary*) must appoint the Chairman of the Meeting as his/her/its proxy to vote on his/her/its behalf at the Meeting if such member wishes to exercise his/her/its voting rights at the Meeting.**

3. The instrument appointing the Chairman of the Meeting as proxy must be submitted to the Company in the following manner:

   (a) in the electronic format accessible on sg.conveneagm.com/nosignboard ("NSB AGM Website");

   (b) if submitted by post, be lodged at the office of the Company's Share Registrar at 30 Cecil Street #19-08 Prudential Tower, Singapore 049712; or

   (c) if submitted electronically, be submitted via email to the Company's Share Registrar at rhtcaoscar@rhtcorporate.com.

   in either case **by no later than 10.00 a.m. on 26 May 2020, being 72 hours before the time appointed for the AGM.**

   In the case of submission of the Proxy Form other than via the NSB AGM Website, a member who wishes to submit an instrument of proxy must first download, complete and sign the proxy form, before submitting it by post to the address provided above, or before scanning and sending it by email to the email address provided above.

   In view of the current COVID-19 situation and the related safe distancing measures which may make it difficult for members to submit completed proxy forms by post, members are strongly encouraged to submit completed proxy forms electronically via email.

4. In the case of submission of the Proxy Form other than via the NSB AGM Website, the instrument appointing Chairman of the Meeting as proxy must be under the hand of the appointor or of his attorney duly authorised in writing. Where the instrument appointing Chairman of the Meeting as proxy is executed by a corporation, it must be executed either under its seal or signed on its behalf by an attorney duly authorised in writing or by an authorised officer of the corporation. Where the instrument appointing Chairman of the Meeting as proxy is executed by an attorney on behalf of the appointor, the letter or power of attorney or a duly certified copy thereof must be lodged with the instrument, failing which the instrument may be treated as invalid.

5. A corporation which is a member may authorise by resolution of its directors or other governing body such person as it thinks fit to act as its representative at the Meeting, in accordance with Section 179 of the Companies Act, Chapter 50 of Singapore, and the person so authorised shall upon production of a copy of such resolution certified by a director of the corporation to be a true copy, be entitled to exercise the powers on behalf of the corporation so represented as the corporation could exercise in person if it were an individual.

6. An investor who holds shares under the Supplementary Retirement Scheme ("SRS Investor") and wishes to vote, should approach their respective SRS Operators to submit their votes to appoint the Chairman of the Meeting as their proxy, at least 7 working days before the Meeting.

   *"Relevant intermediary" has the same meaning ascribed to it in Section 181 of the Companies Act, Chapter 50 of Singapore.

General:

The Company shall be entitled to reject the instrument appointing the Chairman of the Meeting as proxy if it is incomplete, improperly completed or illegible, or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the instrument appointing the Chairman of the Meeting as proxy. In addition, in the case of Shares entered in the Depository Register, the Company may reject any instrument appointing the Chairman of the Meeting as proxy lodged if the member, being the appointor, is not shown to have Shares entered against his name in the Depository Register as at 72 hours before the time appointed for holding the Meeting, as certified by The Central Depository (Pte) Limited to the Company.

Personal Data Privacy:

By submitting an instrument appointing a proxy(ies) and/or representative(s), the member accepts and agrees to the personal data privacy terms set out in the Notice of Annual General Meeting dated 14 May 2020.

nosignboard 無招牌
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