



NO SIGNBOARD HOLDINGS LTD.

(Unique Entity Number: 201715253N)
Incorporated in the Republic of Singapore

First Quarter Financial Statements and Dividend Announcement for the Period Ended 31 December 2017

Unless otherwise defined, capitalized terms used in this announcement shall have the same meaning as ascribed to them in the Offer Document of the Company dated 23 November 2017 (the “Offer Document”).

No Signboard Holdings Ltd. (the “**Company**”) was listed on Catalist of the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) on 30 November 2017. The initial public offering (the “**IPO**”) of the Company was sponsored by RHT Capital Pte. Ltd. (the “**Sponsor**”).

This announcement has been prepared by the Company and its contents have been reviewed by the Company’s Sponsor for compliance with the relevant rules of the SGX-ST, this being the SGX-ST Listing Manual Section B: Rules of the Catalist. The Sponsor has not independently verified the contents of this announcement.

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

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Background

The Company was incorporated in the Republic of Singapore on 1 June 2017 under the Companies Act (Chapter 50) of Singapore as a private limited company under the name No Signboard Holdings Pte. Ltd. On 6 November 2017, the Company changed its name to “No Signboard Holdings Ltd.” in conjunction with its conversion to a public company limited by shares.

The group comprising the Company and its subsidiaries (the “**Group**”) was formed pursuant to a restructuring exercise (the “**Restructuring Exercise**”) undertaken as part of its corporate re-organisation, under a restructuring agreement dated 20 October 2017 (the “**Restructuring Agreement**”). The **Restructuring Exercise** involves the acquiring from its holding company, GuGong Pte. Ltd. (“**GuGong**”), formerly known as No Signboard Seafood Restaurant Pte. Ltd., by the Company (i) the assets, liabilities, intellectual property, businesses and undertakings of the restaurant business; (ii) the entire share capital of Tao Brewery Pte. Ltd. (“**Tao Brewery**”); and (iii) 800,000 shares representing 80% of the share capital of Danish Breweries Pte. Ltd. (“**Danish Breweries**”), for a consideration of \$2,315,231. The consideration was based on the audited net assets value of the restaurant business, Tao Brewery and Danish Breweries as at 30 June 2017. The **Restructuring Exercise** was completed on 31 October 2017, and the consideration was satisfied by the allotment and issue of 2,315,231 shares to GuGong on that day.

Even though the transfer of the legal interest in the restaurant business and its subsidiaries to the Company was on 31 October 2017, the transfer of economic interest in the restaurant business was on 1 July 2017, hence all profits and receipts, and all losses and outgoing, accrual or payable in relation to the restaurant business from 1 July 2017 to 30 October 2017 (“**Interim Period**”) shall belong to the Company.

Basis of Preparation and Comparative statements

The Consolidated financial statements for the current period have been prepared based on the actual current Group that was formed subsequent to the Restructuring Exercise while the prior comparative consolidated financial statements are prepared on a combined basis and include the financial information of the restaurant business 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.

First Quarter Financial Statements and Dividend Announcement for the Period Ended 31 December 2017

The directors are pleased to announce the unaudited consolidated results for the first quarter ended 31 December 2017.

1(a)(i) An income statement and statement of comprehensive income, for the group, together with a comparative statement for the corresponding period of the immediately preceding financial year.

	Group		
	First Quarter ended 31 December		Increase/ (Decrease)
	2017	2016	%
	\$	\$	%
Revenue	4,137,480	4,018,958	2.9
Other income	2,552,965	9,141	N.M.
Raw materials and consumables used	(1,320,281)	(881,370)	49.8
Changes in inventories	(6,095)	(13,492)	(54.8)
Employee benefits expense	(1,376,496)	(1,169,702)	17.7
Operating lease expense	(468,448)	(597,797)	(21.6)
Depreciation expense	(49,485)	(20,576)	140.5
Other operating expenses	(529,368)	(258,007)	105.2
IPO expense	(1,120,396)	-	N.M.
Finance costs	(9,857)	-	N.M.
Profit before income tax	1,810,019	1,087,155	66.5
Income tax expense	(365,544)	(163,073)	124.2
Profit for the period	1,444,475	924,082	56.3
Items that may be reclassified subsequently to profit or loss			
Exchange differences on translation of foreign operations	(314)	-	N.M.
Total comprehensive income for the period	1,444,161	924,082	56.3
Profit attributable to:			
Owners of the Company	1,442,836	924,082	56.1
Non-controlling interests	1,639	-	N.M.
	1,444,475	924,082	56.3
Total comprehensive income attributable to:			
Owners of the Company	1,442,522	924,082	56.1
Non-controlling interests	1,639	-	N.M.
	1,444,161	924,082	56.3
<u>Notes:</u>			
Other income			
Interim Period profits from the acquired restaurant business	2,530,441	-	
Others	22,524	9,141	
	2,552,965	9,141	

N.M.: Not meaningful

1(a)(ii) Notes to the income statement.

The Group's profit before tax was arrived after crediting / (charging) following:

	Group		Increase/ (Decrease) %
	First Quarter ended 31 December 2017 S\$	2016 S\$	
Depreciation expense	49,485	20,576	N.M.
Amortisation of upfront sponsorship	259,979	-	N.M.
Provision for promotional support	55,974	-	N.M.
Interest expense	9,857	-	N.M.
Foreign exchange gain	(3,434)	(131)	N.M.
Income tax expense			
- Current tax expense	365,544	202,517	80.5%
- Overprovision of current tax in respect of prior periods	-	(39,444)	N.M.

Note:

N.M.: Not meaningful.

1(b)(i) A statement of financial position (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year.

	GROUP		COMPANY	
	31/12/2017	30/9/2017	31/12/2017	30/9/2017
	S\$	S\$	S\$	S\$
ASSETS				
Current assets				
Cash and cash equivalent	26,163,652	293,434	26,104,697	1,023
Trade receivables	1,961,443	1,297,866	257,414	-
Other receivables	1,014,317	1,285,288	792,337	379,064
Amount due from holding company	-	15,380,567	-	2
Amount due from subsidiaries	-	-	6,490	-
Inventories	205,506	188,431	126,168	-
Other assets	54,022	305,144	-	-
Total current assets	29,398,940	18,750,730	27,287,106	380,089
Non-current assets				
Security deposits	958,009	960,583	873,680	-
Goodwill	2,505,522	3,443,083	-	-
Intangible asset	620,000	620,000	-	-
Plant and equipment	723,127	823,474	337,946	-
Other assets	1,144,290	794,930	-	-
Investment in subsidiaries	-	-	1,780,101	-
Total non-current assets	5,950,948	6,642,070	2,991,727	-
Total assets	35,349,888	25,392,800	30,278,833	380,089
LIABILITIES AND EQUITY				
Current liabilities				
Short term loans	1,496,031	808,189	-	-
Trade payables	2,497,082	1,765,646	2,197,385	-
Other payables	2,646,084	2,566,092	816,967	-
Amount due to holding company	-	-	-	380,087
Finance lease	-	20,215	-	-
Provisions	1,814,802	1,758,828	114,040	-
Income tax payable	365,544	1,397,946	363,098	-
Total current liabilities	8,819,543	8,316,916	3,491,490	380,087
Non-current liabilities				
Provisions	199,538	199,538	161,327	-
Deferred tax liabilities	108,921	108,921	3,521	-
Finance lease	-	89,920	-	-
Total non-current liabilities	308,459	398,379	164,848	-
Capital, reserves and non-controlling interest				
Share capital	25,181,005	2	25,181,005	2
Retained earnings	1,442,836	16,855,532	1,441,490	-
Translation reserve	(314)	208	-	-
Equity attributable to owner of the company	26,623,527	16,855,742	26,622,495	2
Non-controlling interests	(401,641)	(178,237)	-	-
Total equity	26,221,886	16,677,505	26,622,495	2
Total liabilities and equity	35,349,888	25,392,800	30,278,833	380,089

- 1(b)(ii) In relation to the aggregate amount of the group's borrowings and debt securities, specify the following as at the end of the current financial period reported on with comparative figures as at the end of the immediately preceding financial year:-

Amount payable in one year or less or on demand

As at 31/12/2017		As at 30/09/2017	
Secured	Unsecured	Secured	Unsecured
\$	\$	\$	\$
-	1,496,031	-	808,189

Amount repayable after one year

As at 31/12/2017		As at 30/09/2017	
Secured	Unsecured	Secured	Unsecured
\$	\$	\$	\$
-	-	-	-

Details of any collaterals.

Not applicable.

1(c) **A statement of cash flows (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.**

	GROUP	
	First Quarter ended	
	31 December	
	2017	2016
	\$	\$
Operating activities		
Profit before income tax	1,810,019	1,087,155
Adjustments for:		
Depreciation expense	49,485	20,575
Amortisation of upfront sponsorship	259,979	-
Amortisation of provision for reinstatement	2,123	-
Provision for promotional support	55,974	-
IPO expense	1,120,396	-
Interest expense	9,857	-
Operating cash flows before movements in working capital	<u>3,307,833</u>	<u>1,107,730</u>
Trade receivables	(663,577)	(184,216)
Other receivables	(107,595)	36,751
Inventories	(17,075)	(13,491)
Security deposits	2,574	17,171
Trade payables	731,436	(237,488)
Other payables	<u>(398,328)</u>	<u>(132,301)</u>
Cash generated from operations	2,855,268	594,156
Income tax paid	-	(299,359)
Net cash from (used in) operating activities	<u>2,855,268</u>	<u>294,797</u>
Investing activity		
Purchase of plant and equipment	(27,679)	(155,521)
Net cash used in investing activity	<u>(27,679)</u>	<u>(155,521)</u>
Financing activities		
Net settlement on amount due from holding company	154,316	265,843
Repayment of finance lease	(110,135)	-
Proceeds from short-term loans	687,842	-
Proceeds from shares issuance of shares	23,850,000	-
IPO expenses paid	(1,529,537)	-
Interest paid	(9,857)	-
Net cash from financing activities	<u>23,042,629</u>	<u>265,843</u>
Net increase in cash and cash equivalents	25,870,218	405,119
Cash and cash equivalents at beginning of period	293,434	670,580
Cash and cash equivalents at end of period	<u>26,163,652</u>	<u>1,075,699</u>

1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

GROUP						
Share capital	Retained earnings	Translation reserve	Equity attributable to owners of the Company	Non-controlling interest	Total	
\$	\$	\$	\$	\$	\$	\$
Balance at 1 October 2016	2	9,133,333	-	9,133,335	-	9,133,335
<i>Total comprehensive income for the period:</i>						
Profit for the period, representing total comprehensive income for the year	-	924,082	-	924,082	-	924,082
Total	-	924,082	-	924,082	-	924,082
Balance at 31 December 2016	2	10,057,415	-	10,057,417	-	10,057,417
Balance at 1 October 2017	2	16,855,532	208	16,855,742	(178,237)	16,677,505
Issuance of new shares pursuant to Restructuring Exercise	5,165,231	(16,855,532)	(208)	(11,690,509)	(225,043)	(11,915,552)
Issuance of new Shares via IPO	21,000,000	-	-	21,000,000	-	21,000,000
Share issue expenses	(984,228)	-	-	(984,228)	-	(984,228)
	25,181,005	-	-	25,181,005	(403,280)	24,777,725
<i>Total comprehensive income for the period:</i>						
Profit for the period, representing total comprehensive income for the year	-	1,442,836	-	1,442,836	1,639	1,444,475
Other comprehensive income for the period	-	-	(314)	(314)	-	(314)
Total	-	1,442,836	(314)	1,442,522	1,639	1,444,161
Balance at 31 December 2017	25,181,005	1,442,836	(314)	26,623,527	(401,641)	26,221,886
COMPANY						
Share capital	Retained earnings	Translation reserve	Equity attributable to owners of the Company	Non-controlling interest	Total	
\$	\$	\$	\$	\$	\$	\$
Issue of shares at date of incorporation, 1 June 2017 and balance at 30 September 2017	2	-	-	2	-	2
Issuance of new shares pursuant to Restructuring Exercise	5,165,231	-	-	5,165,231	-	5,165,231
Issuance of new Shares via IPO	21,000,000	-	-	21,000,000	-	21,000,000
Share issue expenses	(984,228)	-	-	(984,228)	-	(984,228)
	25,181,005	-	-	25,181,003	-	25,181,003
<i>Total comprehensive income for the period:</i>						
Profit for the period, representing total comprehensive income for the year	-	1,441,490	-	1,441,490	-	1,441,490
Total	-	1,441,490	-	1,441,490	-	1,441,490
Balance at 31 December 2017	25,181,005	1,441,490	-	26,622,495	-	26,622,495

Note

There are no comparative figures for the Company as at the end of the corresponding period of the immediately preceding financial year as the Company was incorporated on 1 June 2017.

1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State the number of shares that may be issued on conversion of all the outstanding convertibles, if any, against the total number of issued shares excluding treasury shares and subsidiary holdings of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year. State also the number of shares held as treasury shares and the number of subsidiary holdings, if any, and the percentage of the aggregate number of treasury shares and subsidiary holdings held against the total number of shares outstanding in a class that is listed as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.

The Company was incorporated on 1 June 2017 with an issued and paid up capital of two (2) shares of S\$1 each, and it has raised additional capital during the period, during the IPO stage. The details of the changes in the issued and paid-up share capital of the Company and immediately after the IPO and the Cornerstone Shares, up to the 31 December 2017, are as follows:

	Number of shares	Resultant issued and paid-up share capital (S\$)
Issued and paid-up share capital as at incorporation	2	2
Issue of 5,165,231 new shares pursuant to the Restructuring Exercise (excluding the Sub-division)	5,165,231	5,165,233
Issued and paid-up share capital immediately after the Restructuring Exercise (including the Sub-division)	387,392,475	5,165,233
Issue of 15,734,500 new shares pursuant to the Invitation and 59,265,500 Cornerstone Shares	75,000,000	21,000,000 ⁽¹⁾
Issued and paid-up share capital immediately after the completion of the Invitation and the issue of the Cornerstone Shares	462,392,475	26,165,233 ⁽¹⁾

⁽¹⁾ Based on the gross proceeds from the **Invitation** and the issue of the **Cornerstone Shares**, before taking into account the capitalisation of approximately S\$1.1 million being a portion of the listing expenses incurred in relation to the **Invitation** and the issue of the **Cornerstone Shares**.

There are no outstanding convertibles, shares held as treasury shares and subsidiary holdings as at 31 December 2017. There are no comparative figures for the Company as at the end of the corresponding period of the immediately preceding financial year as the Company was incorporated on 1 June 2017.

1(d)(iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.

	31/12/2017	30/9/2017
Number of shares held as treasury shares	-	-
Total no. of issued shares (excluding treasury shares)	462,392,475	2

There are no comparative figures for the Company as at the end of the corresponding period of the immediately preceding financial year as the Company was incorporated on 1 June 2017.

1(d)(iv) A statement showing all sales, transfers, cancellation and/or use of treasury shares as at the end of the current financial period reported on.

There are no treasury shares held by the Company.

- 1(d)(v) **A statement showing all sales, transfers, cancellation and/or use of subsidiary holdings as at the end of the current financial period reported on.**

During the financial period, there were no transaction pertaining to subsidiary holdings.

2. **Whether the figures have been audited, or reviewed, and in accordance with which accounting standard or practice.**

The figures have not been audited nor reviewed by the auditors of the Company.

3. **Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of matter).**

Not applicable.

4. **Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.**

The Consolidated financial statements for the current period have been prepared based on the actual current Group that was formed subsequent to the Restructuring Exercise while the prior comparative consolidated financial statements are prepared on a combined basis and include the financial information of the restaurant business 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.

5. **If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.**

Not applicable.

6. **Earnings per ordinary share of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends.**

	Group		Increase/ (Decrease)
	First Quarter ended 2017	31 December 2016	
Earnings per ordinary share:-			
(a) Based on the weighted average number of ordinary shares in issue; and	0.31 cents	0.20 cents	56.1%
(b) On a fully diluted basis	0.31 cents	0.20 cents	56.1%

For comparative and illustrative purposes, the earnings per share for the respective financial years have been computed based on the profit attributable to owners of the Company and the Company's enlarged share capital of 462,392,475 shares, assuming that the **Restructuring Exercise** and the issuance of 15,734,500 shares pursuant to the **Invitation** and 59,265,500 **Cornerstone Shares** had been completed as at the end of the respective financial period.

7. **Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the:-**

- (a) **current financial period reported on; and**
 (b) **immediately preceding financial year.**

	GROUP		COMPANY	
	As at 31/12/2017	As at 30/9/2017	As at 31/12/2017	As at 30/9/2017
Net asset value per ordinary share based on existing issued share capital (cents)	5.76	3.65	5.76	NA
No. of shares	462,392,475	462,392,475	462,392,475	462,392,475

For comparative and illustrative purposes, the calculation of the net asset value per share for the respective financial years is based on the post-IPO share capital of 462,392,477 shares and the inclusion of net proceeds of approximately S\$19.3 million from the IPO.

(1) There are no comparative figures for the Company as at the end of the corresponding period of the immediately preceding financial year as the Company was incorporated on 1 June 2017.

8. **A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:-**

- (a) **any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and**
 (b) **any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.**

STATEMENT OF COMPREHENSIVE INCOME

As mentioned in the background, for the purpose of this announcement, the results of the Group for the first quarter ended 31 December 2017 ("1Q2018") reflects the actual results of both the restaurant and beer businesses of the Group, formed after the completion of the Restructuring Exercise, i.e. from 1 November 2017 to 31 December 2017). In addition, 1Q2018 also includes the economic interest in the restaurant business from 1 July 2017 to 31 October 2017. The comparative results of the Group for the first quarter 30 September 2016 ("Proforma 1Q2017") have been prepared on the assumption that the Group's structure, following the completion of the Restructuring Exercise has been in place since 1 October 2016, which comprise the three months results (from 1 October 2016 to 31 December 2016) of the restaurant business.

Revenue

The Group recorded revenue of \$4.1 million in 1Q2018, which included the new revenue stream from the beer business of \$1.3 million, represented a 2.9% increase from the \$4.0 million revenue recorded in 1Q2017.

Other income

Other income in 1Q2018 included the Interim Period profits from the restaurant business of \$2.5 million recognised in pursuant to the Restructuring Agreement.

Raw materials and consumables used and changes in inventories

Total raw materials and consumables used and changes in inventories in 1Q2018 was \$1.3 million, a 48.2% increase from 1Q2017 of \$0.9 million. This increase is due to the new product mix arising from the newly acquired beer business. The \$1.3 million represents two months (November and December 2017) of both the restaurant and beer businesses, while the \$0.9 million reported for October to December 2016 was for the restaurant business.

Employee benefits expense

Group's employee benefits expense for 1Q2018 was \$1.4 million, which represented an increase of 17.7% when compared to \$1.2 million recorded in 1Q2017, as it included the two-months contribution from the beer business, as well as increased in office personnel headcount following its incorporation, increased in directors' remuneration as the directors have entered into service agreements with the Company following its admission on the Catalyst. However, there is a reduction in employee benefits expense from the restaurant business, as the expense in 1Q2018 covered only for two-months period, i.e. November and December 2017, while 1Q2017 covered the three-months period, i.e. from October to December 2016.

Operating lease expense

Group's operating lease expense was \$0.5 million in 1Q2018, which covered the two-months period, i.e. November and December in 2017, represented a 21.6% decrease from 1Q2017's operating lease expense of \$0.6 million, that covered the three months period, i.e. from October to December in 2016.

Depreciation expense

Group's depreciation expense for 1Q2018 included the two-months depreciation charges for both the restaurant business and the newly acquired beer business, while the depreciation expense for 1Q2017 was for the three-month depreciation charges for the restaurant business.

Other operating expenses

Other operating expenses for 1Q2018 was \$0.5 million, an increase of 105.2% from \$0.3 million in 1Q2017 due mainly to the increase in professional fees incurred by the Company as well as the inclusion of the operating expenses for the beer business.

IPO expense

The Group recognised IPO expense of \$1.1 million in 1Q2018 following its successful admission to Catalist on 30 November 2017.

Profit before income tax and profit for the period

The Group recorded a profit before income tax and net profit of \$1.8 million and \$1.4 million respectively in 1Q2018, which represented increases of 66.5% and 56.3% respectively from 1Q2017's profit before income tax and net profit of \$1.1 million and \$0.9 million respectively. The increase was largely caused by the one-time recognition of Interim Period profits during the period, which resulted from the acquisition of the restaurant business pursuant to the Restructuring Agreement. The increase has however been offset by the incurrence of IPO expense by the Group in the current period.

BALANCE SHEET

The Group

Assets

Trade receivables as at 31 December 2017 ("1Q2018") was \$2.0 million, which increased by \$0.7 million from \$1.3 million recorded as at 30 September 2017 ("FY2017"), due mainly to the increase in amount owing from the beer distributors.

Other receivables as at 1Q2018 stood at \$1.0 million, a drop of \$0.3 million from \$1.3 million recorded as at FY2017, mainly due to the recognition of the IPO expenses, that was recorded as prepayments, in the income statement during the current period.

The amount due from holding company as at FY2017 relates to amount owing from GuGong Pte. Ltd. which has been fully repaid following the completion of the Restructuring Exercise on 6 November 2017.

Total other assets pertained to the upfront sponsorship provided by the beer business to the beer and entertainment establishments based on the agreed contractual terms, and stood at \$1.2 million as at 1Q2018 as compared to \$1.1 million as at FY2017.

Goodwill arose in relation to the acquisition of Danish Breweries, which operates the beer business, has reduced from \$3.4 million as at FY2017 to \$2.5 million as at 1Q2018. Goodwill as at FY2017 was computed on the basis that the effective date of acquisition of the beer business was 30 June 2017. Pursuant to the Restructuring Agreement, the actual completion date is 31 October 2017, as such the difference in the higher final net assets value as at 31 October 2017 acquired and the net assets value as at 30 June 2017 has been adjusted against the goodwill balance. Given that the goodwill has been computed based on provisional net asset value of Danish Breweries as at 31 October 2017, the Group will revisit the actual net assets value and make further necessary adjustments to goodwill within the required one-year period from the effective date of completion of the acquisition.

The reduction in plant and equipment balance from \$0.8 million as at FY2017 to \$0.7 million as at 1Q2018 was a result of the recorded depreciation charges by the Group.

Liabilities

Short term loan increased from \$0.8 million as at FY2017 to \$1.5 million as at 1Q2018 as loans were drawn down to meet the working capital needs of the beer business.

Trade payables increased from \$1.8 million as at FY2017 to \$2.5 million as at 1Q2018, as the restaurant business was slower in paying off its suppliers.

The finance lease as at FY2017 has been fully repaid during the current period by way of loan.

Income tax payable as at 1Q2018 pertained to the provision for income tax for the profits for the current period by the Group, whereas the income tax payable balance as at FY2017 pertained to the results for the full year of 2017.

Capital and non-controlling interest

Pursuant to the issuance of new shares and the successful listing of the Company during the 1Q2018, the Company has recorded an increased in share capital from \$2 as at FY2017 to \$25.2 million as at 1Q2018 which has been offset by the capitalisation of IPO expenses of \$1.0 million.

Retained earnings and non-controlling interests balance as at FY2017 included the retained earnings and non-controlling interests of the restaurant and beer business since the date the entities within the Group are under common control, whereas the retained earnings as at 1Q2018 only consists of the profits of the actual Group since the completion of the Restructuring Exercise on 31 October 2017 till 31 December 2017.

The Company

The Company was incorporated on 1 June 2017 and was inactive prior to the completion of the Restructuring Exercise, hence it has only recorded the prepayments made for the IPO expenses as at FY2017. Subsequent to the completion of the Restructuring Exercise, the Company has since taken over the operations, as well as the relevant assets and liabilities of the restaurant business.

CASH FLOW STATEMENT

In 1Q2018, the Group recorded a net cash inflow from operating activities of \$2.9 million and a net cash used in investing activity of \$0.03 million.

The Group also recorded a net cash from financing activities of \$23.0 million, as it has raised additional capital of \$23.9 million during the current period, including through its admission to the Catalist, which was offset by the payment of IPO expenses of \$1.5 million.

As at 31 December 2017, the Group's cash and cash equivalents stood at \$26.2 million.

9. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.

There was no forecast made.

10. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.

The Group continue to see a stable revenue stream for its premium seafood restaurants. The Group is continuing to work on the development of the new casual dining concept restaurants as well as the expansion of the beer business, including the establishment of its own brewery.

The Group has started a trial phase by offering its ready meals through vending machines, and is reviewing the sales performance and results of the trial phase. The Group will also consider other distribution channels when such opportunities arise.

11. **Dividend**

(a) **Current Financial Period Reported On**

Any dividend declared for the current financial period reported on?

Yes. In conjunction with the successful listing of the Company, the Directors are pleased to recommend a one-off special tax exempt (1-tier) dividend of 0.31 cent per ordinary share for the first quarter ended 31 December 2017.

Name of dividend	Special
Dividend type	Cash
Dividend Amount per Share (in cents)	0.31 cent per share
Tax Rate	Tax Exempt 1-tier

(b) **Corresponding Period of the Immediately Preceding Financial Year**

Any dividend declared for the corresponding period of the immediately preceding financial year?

No. The Company was incorporated on 1 June 2017.

(c) **Date payable**

5 March 2018

(d) **Books closure date**

23 February 2018

12. **If no dividend has been declared (recommended), a statement to that effect.**

NA.

13. **If the Group has obtained a general mandate from shareholders for IPTs, the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.**

The Company has not obtained a general mandate from shareholders for Interested Person Transactions ("IPTs").

The aggregate value of interested person transactions entered into during the first quarter ended 31 December 2017 is as follows:

Name of interested person	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.	\$150,926 ⁽¹⁾	Not applicable

Note:

⁽¹⁾ During the period, the Company has:

- (i) paid \$4,280 rent to GuGong Pte. Ltd. ("GuGong") for the lease of the corporate office; and
- (ii) made purchase of \$146,646 of seafood products from GuGong.

14. Use of IPO proceeds

Pursuant to the Company's IPO, the Company received net proceeds from the IPO of approximately S\$19.3 million (the "Net Proceeds"). Please refer to the Offer Document for further details. As at the date of this announcement, the Net Proceeds have been utilized as follows:

	Allocation of Net Proceeds (as disclosed in the Offer Document)	Net Proceeds utilized as at the date of this announcement	Balance of Net Proceeds as at the date of this announcement
	(S\$'000)	(S\$'000)	(S\$'000)
<u>Purpose</u>			
Development of Beer Business	10,000	-	10,000
Establishing a new chain of casual dining restaurants	5,000	-	5,000
Development of Ready Meal Business	2,000	-	2,000
General working capital purposes	2,300	-	2,300
	<u>19,300</u>	<u>-</u>	<u>19,300</u>

15. Confirmation Pursuant to Rule 705(5) of the Listing Manual

To the best of our knowledge, nothing has come to the attention of the Board of Directors which may render the unaudited financial results of the Company for the three months ended 31 December 2017 presented in this announcement, to be false or misleading in any material respect.

16. Confirmation that the issuer has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7H) under Rule 720(1).

The Company confirms that it has procured undertakings from all its Directors and Executive Officers pursuant to Rule 720(1) of the SGX Listing Manual.

BY ORDER OF THE BOARD

Lim Yong Sim (Lin Rongsen)
CEO and Executive Chairman

14 February 2018