
Second Quarter Financial Statements and Dividend Announcement for the Period Ended 31 March 2019

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**”).

The announcement has been prepared by the Company using Merger Accounting Principles. Actual Group Accounting Principles which were applied to the Group’s unaudited quarterly financial results announced on 14 February 2018, 15 May 2018 and 11 August 2018 on the basis that the Company had obtained control over its subsidiaries on 31 October 2017, being the legal completion date of the Restructuring Exercise.

During the audit of the Group for the financial year ended 30 September 2018, the auditors and the Board were of the view that the re-application of the Merger Accounting Principles adopted prior to the completion of the Restructuring Exercise would be more appropriate to better reflect the Group’s financial performance vis-a-vis the prior financial year, to enable a more meaningful comparison between the consolidated financial statements for the financial year ended 30 September 2018 and that for the financial year ended 30 September 2017.

Accordingly, the comparatives for second quarter ended 31 March 2018 (“**2Q2018**”) and 6 months period ended 31 March 2018 (“**1H2018**”) have been restated using Merger Accounting Principles.

This announcement has been prepared by the Company and its contents have been reviewed by the Company’s Sponsor for compliance with the SGX-ST Listing Manual Section B: Rules of 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 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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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					
	Second Quarter ended 31 March		Increase (Decrease)	Half Year ended 31 March		Increase (Decrease)
	2019	2018 (restated)		2019	2018 (restated)	
	\$	\$	%	\$	\$	%
Revenue	6,802,127	6,842,551	(0.6)	12,410,913	13,525,671	(8.2)
Other income	114,638	112,295	2.1	197,519	145,234	36.0
Raw materials and consumables used	(2,164,879)	(2,071,250)	4.5	(4,136,136)	(4,360,278)	(5.1)
Changes in inventories	28,903	(5,809)	N.M.	16,575	(1,317)	N.M.
Employee benefits expense	(2,645,329)	(2,235,732)	18.3	(4,787,197)	(4,211,842)	13.7
Operating lease expense	(992,395)	(725,212)	36.8	(1,757,722)	(1,446,202)	21.5
Depreciation and amortisation expense	(250,073)	(88,605)	182.2	(400,999)	(248,324)	61.5
Other operating expenses	(1,221,263)	(1,134,288)	7.7	(2,413,874)	(1,927,430)	25.2
IPO expense	-	-	N.M.	-	(1,120,396)	N.M.
Finance costs	(9,241)	(16,576)	(44.3)	(23,243)	(33,808)	(31.3)
(Loss) Profit before income tax	(337,512)	677,374	N.M.	(894,164)	321,308	N.M.
Income tax expense	-	(297,349)	(100.0)	(16,991)	(356,010)	(95.2)
(Loss) Profit for the period	(337,512)	380,025	N.M.	(911,155)	(34,702)	N.M.
Items that may be reclassified subsequently to profit or loss						
Exchange differences on translation of foreign operations	-	137	(100.0)	(124)	(385)	(67.8)
Total comprehensive (loss) profit for the period	(337,512)	380,162	N.M.	(911,279)	(35,087)	N.M.
(Loss) Profit attributable to:						
Owners of the Company	(337,512)	474,081	N.M.	(911,155)	57,715	N.M.
Non-controlling interests	-	(94,056)	N.M.	-	(92,417)	N.M.
	(337,512)	380,025	N.M.	(911,155)	(34,702)	N.M.
Total comprehensive (loss) profit attributable to:						
Owners of the Company	(337,512)	474,218	N.M.	(911,279)	57,330	N.M.
Non-controlling interests	-	(94,056)	N.M.	-	(92,417)	N.M.
	(337,512)	380,162	N.M.	(911,279)	(35,087)	N.M.

N.M.: Not meaningful

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

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

	GROUP					
	Second Quarter ended 31 March		Increase (Decrease)	Half Year ended 31 March		Increase (Decrease)
	2019	2018 (restated)		2019	2018 (restated)	
	\$	\$	%	\$	\$	%
Franchise fee income	(36,000)	(36,000)	-	(72,000)	(60,000)	20.0
Depreciation	213,154	88,605	140.6	361,795	248,324	45.7
Amortisation of franchise fee	36,919	-	N.M.	39,204	-	N.M.
Amortisation of upfront sponsorship	137,698	226,208	(39.1)	294,049	486,187	(39.5)
Interest income	(18,372)	-	N.M.	(59,168)	-	N.M.
Interest expense	9,241	16,576	(44.3)	23,243	33,808	(31.3)
Foreign exchange loss (gain)	4,419	(11,322)	N.M.	8,195	(14,756)	N.M.
Income tax expense	-	-	-	-	-	-
- Current tax expense	-	252,150	(100.0)	16,991	356,010	(95.2)
- Underprovision in respect to prior years	-	45,199	N.M.	-	45,199	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 period.

	GROUP		COMPANY	
	31/3/2019	30/9/2018	31/3/2019	30/9/2018
	\$	\$	\$	\$
ASSETS				
Current assets				
Cash and bank balances	19,737,785	23,659,698	18,837,831	22,901,982
Trade receivables	568,392	1,059,593	122,727	302,666
Other receivables	1,442,183	1,274,354	753,942	735,408
Amount due from subsidiaries	-	-	8,727,926	3,826,093
Inventories	411,023	221,459	90,430	110,764
Other assets	253,464	410,483	-	-
Total current assets	22,412,847	26,625,587	28,532,856	27,876,913
Non-current assets				
Security deposits	629,337	1,015,223	356,908	786,907
Intangible asset	944,884	299,275	-	-
Plant and equipment	3,042,922	1,008,233	637,798	374,274
Other assets	39,347	89,697	-	-
Investment in subsidiaries	-	-	1,780,106	1,780,104
Total non-current assets	4,656,490	2,412,428	2,774,812	2,941,285
Total assets	27,069,337	29,038,015	31,307,668	30,818,198
LIABILITIES AND EQUITY				
Current liabilities				
Short term loans	1,000,000	2,054,046	-	600,000
Trade payables	1,935,040	1,280,962	1,263,450	965,007
Other payables	1,607,856	1,959,964	843,887	966,499
Amount due to holding company	211,792	102,414	211,792	102,414
Provisions	666,746	867,583	262,853	262,853
Income tax payable	254,231	538,895	225,952	510,616
Total current liabilities	5,675,665	6,803,864	2,807,934	3,407,389
Non-current liabilities				
Provisions	232,127	161,327	161,327	161,327
Total non-current liabilities	232,127	161,327	161,327	161,327
Capital, reserves and non-controlling interest				
Share capital	25,181,005	25,181,005	25,181,005	25,181,005
Capital reserve	(695,938)	(695,938)	2,063,751	2,063,751
Accumulated (losses) profits	(3,323,522)	(2,412,367)	1,093,651	4,726
Translation reserve	-	124	-	-
Equity attributable to owner of the company	21,161,545	22,072,824	28,338,407	27,249,482
Non-controlling interests	-	-	-	-
Total equity	21,161,545	22,072,824	28,338,407	27,249,482
Total liabilities and equity	27,069,337	29,038,015	31,307,668	30,818,198

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 period:-

Amount payable in one year one or less or on demand

As at 31/3/2019		As at 30/09/2018	
Secured	Unsecured	Secured	Unsecured
\$	\$	\$	\$
-	1,000,000	-	2,054,046

Amount repayable after one year

As at 31/3/2019		As at 30/09/2018	
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 period.

	GROUP			
	Second Quarter ended 31 March		Half Year ended 31 March	
	2019	2018 (restated)	2019	2018 (restated)
	\$	\$	\$	\$
Operating activities				
(Loss) Profit before income tax	(337,512)	677,374	(894,164)	321,308
Adjustments for:				
Depreciation and amortisation expense	213,154	88,605	361,795	248,324
Amortisation of franchise fees	36,919	-	39,204	-
Amortisation of upfront sponsorship	137,698	226,208	294,049	486,187
Provision for promotional support	-	-	-	55,974
Write-off of upfront sponsorship	-	10,208	-	10,208
IPO expense	-	-	-	1,120,396
Foreign exchange	-	-	(124)	(522)
Interest income	(18,372)	-	(59,168)	-
Interest expense	9,241	16,576	23,243	33,808
Operating cash flows before movements in working	41,128	1,018,971	(235,165)	2,275,683
Trade receivables	312,479	805,825	491,201	142,248
Other receivables	427,816	400,109	218,057	129,209
Inventories	(79,209)	5,200	(189,564)	(11,875)
Other assets	(73,679)	(238,990)	(86,680)	(238,990)
Trade payables	164,946	857,257	289,884	1,588,693
Other payables	(142,733)	(501,345)	(112,720)	(899,938)
Amount due from holding company	168,124	-	109,378	-
Provisions	(23,188)	-	(130,037)	-
Cash generated from operations	795,684	2,347,027	354,354	2,985,030
Income tax paid	(301,655)	(45,199)	(301,655)	(45,199)
Net cash from (used in) operating activities	494,029	2,301,828	52,699	2,939,831
Investing activities				
Purchase of plant and equipment	(613,674)	(269,645)	(2,032,290)	(647,672)
Payment of franchise fees	(68,674)	-	(684,813)	-
Amount due to a former director of subsidiary for the acquisition of non-controlling interest in prior year	(240,000)	-	(240,000)	-
Amount due from holding company	-	(603,361)	-	510,965
Interest received	18,372	-	59,168	-
Net cash (used in) from investing activities	(903,976)	(873,006)	(2,897,935)	(136,707)
Financing activities				
Repayment of finance leases	-	-	-	(110,135)
Proceeds from short-term loans	-	450,464	-	1,138,306
Repayment of short-term loans	-	-	(1,054,046)	-
Proceeds from shares issuance of shares	-	-	-	23,850,000
IPO expenses paid	-	(142,131)	-	(1,672,439)
Dividend paid	-	(1,433,417)	-	(1,433,417)
Interest paid	(9,348)	(16,576)	(22,631)	(33,808)
Net cash (used in) from financing activities	(9,348)	(1,141,660)	(1,076,677)	21,738,507
Net (decrease) increase in cash and cash equivalents	(419,295)	287,162	(3,921,913)	24,541,631
Cash and cash equivalents at beginning of period	20,157,080	24,547,903	23,659,698	293,434
Cash and cash equivalents at end of period	19,737,785	24,835,065	19,737,785	24,835,065

Note:

The cash and cash equivalents as at 31 March 2018 previously announced was \$27.1 million, which included a receivable from holding company of \$2.3 million, hence the cash and cash equivalent balance is \$24.8 million. This amount from the holding company has been settled in the financial year ended 30 September 2018.

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 period.

	GROUP						
	Share capital	Capital reserve	Accumulated profits (losses)	Translation reserve	Equity attributable to owners of the Company	Non-controlling interest	Total
	\$		\$	\$	\$	\$	\$
Balance at 1 October 2017	2	-	16,855,532	208	16,855,742	(178,237)	16,677,505
Total comprehensive loss for the period							
Loss for the period	-	-	(416,366)	-	(416,366)	1,639	(414,727)
Other comprehensive loss	-	-	-	(522)	(522)	-	(522)
	-	-	(416,366)	(522)	(416,888)	1,639	(415,249)
Transactions with owners, recognised directly in							
Issue of shares	26,165,231	-	-	-	26,165,231	-	26,165,231
Share issue expenses	(984,228)	-	-	-	(984,228)	-	(984,228)
Movement in reserve resulting from Restructuring Exercise	-	-	(14,325,796)	-	(14,325,796)	(2,166)	(14,327,962)
	25,181,003	-	(14,325,796)	-	10,855,207	(2,166)	10,853,041
Balance at 31 December 2017	25,181,005	-	2,113,370	(314)	27,294,061	(178,764)	27,115,297
Total comprehensive loss for the period							
Profit for the period	-	-	474,081	-	474,081	(94,056)	380,025
Other comprehensive profit	-	-	-	137	137	-	137
	-	-	474,081	137	474,218	(94,056)	380,162
Transactions with owners, recognised directly in							
Dividends	-	-	(1,433,417)	-	(1,433,417)	-	(1,433,417)
	-	-	(1,433,417)	-	(1,433,417)	-	(1,433,417)
Balance at 31 March 2018	25,181,005	-	1,154,034	(177)	26,334,862	(272,820)	26,062,042
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Balance at 1 October 2018	25,181,005	(695,938)	(2,412,367)	124	22,072,824	-	22,072,824
Total comprehensive loss for the period							
Loss for the period	-	-	(573,643)	-	(573,643)	-	(573,643)
Other comprehensive loss	-	-	-	(124)	(124)	-	(124)
	-	-	(573,643)	(124)	(573,767)	-	(573,767)
Balance at 31 December 2018	25,181,005	(695,938)	(2,986,010)	-	21,499,057	-	21,499,057
Loss for the period, representing total comprehensive loss	-	-	(337,512)	-	(337,512)	-	(337,512)
Balance at 31 March 2019	25,181,005	(695,938)	(3,323,522)	-	21,161,545	-	21,161,545

	COMPANY			
	Share capital	Capital reserve	Accumulated (losses) profits	Total
	\$	\$	\$	\$
Issue of shares at date of incorporation on 1 June 2017 and balance as at 30 September 2017	2	-	-	2
Loss for the period, representing total comprehensive loss (restated)	-	-	(281,206)	(281,206)
Transactions with owners, recognised directly in equity				
Issue of shares	26,165,231	-	-	26,165,231
Share issue expenses	(984,228)	-	-	(984,228)
Deemed contribution from holding company	-	2,063,751	-	2,063,751
	25,181,003	2,063,751	-	27,244,754
Balance at 31 December 2017	25,181,005	2,063,751	(281,206)	26,963,550
Profit for the period, representing total comprehensive income	-	-	865,935	865,935
Transactions with owners, recognised directly in equity				
Dividends	-	-	(1,433,417)	(1,433,417)
Balance at 31 March 2018	25,181,005	2,063,751	(848,688)	26,396,068
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Balance at 1 October 2018	25,181,005	2,063,751	4,726	27,249,482
Profit for the period, representing total comprehensive income	-	-	587,286	587,286
Balance at 31 December 2018	25,181,005	2,063,751	592,012	27,836,768
Profit for the period, representing total comprehensive income	-	-	501,639	501,639
Balance at 31 March 2019	25,181,005	2,063,751	1,093,651	28,338,407

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 year 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 preceding financial period. 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 immediately preceding financial period.

There is no change in the Company's share capital since the end of the previous period reported on.

As at 31 March 2019 and 30 September 2018, the Company's issued and paid-up capital was \$25,181,005.

There are no outstanding convertibles, shares held as treasury shares and subsidiary holdings as at 31 March 2019.

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

	31/3/2019	30/9/2018
Number of shares held as treasury shares	-	-
Total no. of issued shares (excluding treasury shares)	462,392,475	462,392,475

- 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.**

Except as disclosed under paragraph 5 below, the Group and Company have applied the same accounting policies and methods of computation in the financial statements for the current period with those in the most recently audited financial statements for the financial year ended 30 September 2018 ("FY2018").

- 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.**

The Accounting Standards Council announced on 29 May 2014 that Singapore incorporated companies listed on the Singapore Exchange are required to apply a new financial reporting framework, identical to the International Financial Reporting Standards known as Singapore Financial Reporting Standards (International) ("SFRS(I)") for annual periods beginning on or after 1 January 2018.

The Group has adopted SFRS(I) on 1 October 2018 and will prepare its first set of financial information under SFRS(I) for the financial year ending 30 September 2019.

The Group has assessed that the adoption of the new financial reporting framework, new SFRS(I)s, amendments and interpretation of SFRS have no material impact on the financial performance and the financial position of the Group.

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

	GROUP			
	Second Quarter ended 31 March		Half Year ended 31 March	
	2019	2018	2019	2018
Earnings per ordinary share:-				
(a) Based on the weighted average number of ordinary shares in issue; and	-0.07 cents	0.1 cents	-0.2 cents	0.01 cents
(b) On a fully diluted basis	-0.07 cents	0.1 cents	-0.2 cents	0.01 cents

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 period.**

	GROUP		COMPANY	
	31/3/2019	30/9/2018	31/3/2019	30/9/2018
Net asset value per ordinary share based on existing issued share capital (cents)	4.58	4.77	6.13	5.89
No. of shares	462,392,475	462,392,475	462,392,475	462,392,475

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

Revenue

The Group's revenue for the second quarter ended 31 March 2019 ("2Q2019") remained consistent as compared to the second quarter ended 31 March 2018 ("2Q2018"), at approximately \$6.8 million. Seafood restaurants reported a 7% drop, largely due to a drop in average spending per customer in the restaurant business. This is offset by hotpot and quick-serve restaurants which commenced operations in first quarter 2019, contributing approximately \$1 million in revenue in 2Q2019.

Revenue from beer segment was weak in 2Q2019 due to increased competition in the industry.

Accordingly, the Group's revenue for half year ended 31 March 2019 ("1H2019") is lower by 8% as compared to prior period due to loss of revenue from the temporary closure of a seafood restaurant outlet for a month to carry out major repair works and termination of non-performing sales contracts for the beer business in 1Q2019.

Raw materials and consumables used and changes in inventories

Total raw materials and consumables used and changes in inventories increased from \$2 million in 2Q2018 to \$2.1 million on 2Q2019, in line with the expansion in restaurant segment.

Lower raw materials and consumables in 1H2019 is in line with the lower revenue for the same period.

Employee benefits expense, Operating lease expense and Other operating expenses

The expansion in restaurant segment in first quarter 2019 led to the overall increase in employee benefits, operating lease and other operating expenses in 2Q2019 compared to that of 2Q2018.

Coupled with the pre-operating costs incurred in 1Q2019, this resulted in higher expenses incurred in 1H2019 as compared to 1H2018.

Depreciation and amortisation expenses

Depreciation and amortisation expenses increased from \$0.09 million in 2Q2018 to \$0.3 million in 2Q2019 and from \$0.2 million in 1H2018 to \$0.4 million in 1H2019 as a result of additional capex spent on equipment and renovation of the new outlets.

Loss before income tax and loss for the period

In 2Q2019, the Group saw a 7.7% increase in other operating expenses to \$1.2 million as a result of running expenses for the new outlets. Despite sustaining its revenue performance, the Group suffered a net loss before income tax of \$0.3 million for 2Q2019 as a result of incurring start up expenses of the hotpot and quick-serve restaurants, coupled with the loss of revenue from the temporary closure of seafood restaurant outlet and termination of non-performing sales contracts for the beer business in 1Q2019.

Accordingly, the Group has reported a net loss before income tax of \$0.3 million in 2Q2019 and \$0.9 million in 1H2019.

Income tax expense

The Group's income tax expense dropped from \$0.4 million in 1H2018 to \$0.02 million in 1H2019, in line with the drop in taxable profits.

BALANCE SHEET

The Group

Current assets

Current assets declined by 16% from \$26.6 million as at 30 September 2018 ("FY2018") to \$22.4 million as at 2Q2019, mainly due to the decrease in cash and bank balances, which has been utilised for the expansion in restaurant segment.

Non-current assets

Non-current assets comprising security deposits for outlets rental, plant and equipment and franchise fee paid increased by 96% from \$2.4 million as at FY2018 to \$4.7 million as at 2Q2019, resulting from the expansion in restaurant segment.

Current liabilities

Current liabilities dropped from \$6.8 million as at FY2018 to \$5.7 million as at 2Q2019 following the repayment of short-term loan.

Non-current liabilities

The increase in non-current liabilities from \$0.16 million as at FY2018 to \$0.23 million as at 2Q2019 was due to the provision for reinstatement costs made for the newly opened restaurants during the period.

The Company

Total assets increased by 1.6% from \$30.8 million as at FY2018 to \$31.3 million as at 2Q2019, as the Company continued to fund the Group's business expansions, including the setup and launch of hotpot and quick-serve restaurants.

The repayment of short-term loan led to a 17% drop in total liabilities from \$3.6 million as at FY2018 to \$3.0 million as at 2Q2019.

CASH FLOW STATEMENT

The Group recorded a net cash from operating activities of \$0.5 million in 2Q2019. Cash generated by the seafood restaurants was partially offset by the losses incurred by hotpot and quick-serve restaurants and the beer business.

Net cash used in investing activities amounted to \$0.9 million in 2Q2019 and \$2.9 million in 1H2019. \$0.6 million in 2Q2019 and \$2.0 million in 1H2019 was used for the acquisition of plant and equipment mainly for the establishment of our new outlets.

Net cash used in financing activities amounted to \$1.1 million in 1H2019 mainly due to the repayment of a short-term loan.

As at 31 March 2019, the Group's cash and cash equivalents stood at \$19.7 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's seafood restaurant business continues to be profitable. A food kiosk under *Hawker* brand was opened at Jewel Changi Airport in April 2019. The Group plans to open one more outlet under the same brand by third quarter 2019.

As part of its overseas growth and expansion strategies, the Group has also identified the premise for a new seafood restaurant in Shanghai, China. The Group will continue to explore suitable opportunities to strengthen its competitive edge in its existing business and expand its F&B business. The Group is in a strong cash position of \$19.7 million, which will support the Group through the gestation period of its expansion.

11. **Dividend**

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

Any dividend declared for the current financial period reported on?

No

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

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

No

(c) **Date payable**

N.A.

(d) **Books closure date**

N.A.

12. **If no dividend has been declared (recommended), a statement to that effect and the reason(s) for the decision.**

The Company has reviewed its dividends payment and no dividend has been declared or recommended by the board of directors ("Board" or "Directors") in respect of 1H2019, after considering of its financial performance.

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"). There were no IPTs more than S\$100,000 during the period.

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 utilised as follows:

<u>Purpose</u>	Allocation of Net Proceeds (as disclosed in the Offer Document) \$'000	Net Proceeds utilised as at the date of this announcement \$'000	Balance of Net Proceeds as at the date of this announcement \$'000
Development of Beer Business	10,000	(839)	9,161
Establishing new chains of restaurants	5,000	(3,637)	1,363
Development of Ready Meal Business	2,000	-	2,000
General working capital purposes	2,300	(1,623)	677
	<u>19,300</u>	<u>(6,099)</u>	<u>13,201</u>

15. Confirmation Pursuant to Rule 705(5) of SGX-ST Listing Manual Section B: Rule of Catalyst

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 second quarter year ended 31 March 2019 presented in this announcement, to be false or misleading in any material aspect.

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 in the required format.

BY ORDER OF THE BOARD

Lim Yong Sim (Lin Rongsen)
CEO and Executive Chairman

10 May 2019