no signboard seafood

無招牌海鮮

No Signboard Holdings Ltd.

Annual Report 2017

Contents

1 Corporate Profile
2 Chairman's Statement
4 Our Business
6 Financial Highlights
7 Financial Review
9 Corporate Information
10 Board of Directors
12 Key Management
13 Corporate Governance Report
22 Financial Statements - Contents
73 Statistics of Shareholdings
75 Notice of Annual General Meeting
Proxy Form

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 6888.

Corporate Profile

The No Signboard Group, which traces its origins to the late 1970s, is a leading lifestyle F&B player in Singapore. It is principally engaged in operating a chain of seafood restaurants under its *No Signboard Seafood* brand. The Group also has a Beer Business which promotes and distributes its *Draft Denmark* brand of beer, and a Ready Meal Business, which will distribute ready meals under its *Powered by No Signboard* endorsement.

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 is one of its bestselling dishes.

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 for its Restaurant Business and the Outstanding Brands – Beer 2016 for its Beer Business.

The Group was successfully listed on the Catalist of the Singapore Exchange Securities Trading Limited ("SGX-ST") on 30 November 2017.

Chairman's Statement

On behalf of the Board of Directors, I am pleased to present our inaugural annual report for the year ended 30 September 2017 ("FY2017").

We would like to express our appreciation to all investors for your support during our Initial Public Offering in November last year. Our offering of 65.7 million shares, which attracted both institutional and retail investors, was 23.6 times subscribed. Priced at $0.28 per share, we raised net proceeds of approximately $19 million for our expansion.

From our humble beginnings as a seafood hawker stall in Mattar Road over 30 years ago, the *No Signboard Seafood* brand has grown to become a widely-recognised household name in Singapore. Known for our distinct White Pepper Crab dish created by our founder and my grandmother, Mdm Ong Kim Hoi, this unique recipe distinguished us from competition in the early days and remains one of our bestselling dishes today.

Our grandmother's passion and boldness to try something new and different has been our inspiration over the years. Her pioneering spirit is the foundation on which we have built and grown the No Signboard business thus far, and which will take us to new areas of opportunities.

The listing of No Signboard is a significant milestone as it marks the next phase of growth for us. Our vision is to venture beyond our restaurant business to become an established Food and Beverage ("F&B") brand in Singapore that has a stable of strong brands with good growth potential.

A Clear Focus on Growth

Restaurant Business

Over the last 30 years, we have gained significant goodwill for our No Signboard brand of seafood restaurants with its premium positioning. Having earned a strong reputation for consistent high quality food, we have garnered a loyal customer base of tourists, corporates and locals. We will continue to distinguish ourselves from our competitors by selling high-valued seasonal seafood that we source directly from our suppliers, and are much sought after by our regular customers.

While we continue to grow our established business in the higher-end dining market segment, we are also looking to expand into new target markets. We are developing a new brand of casual dining restaurants to be located in satellite towns which will appeal to the younger crowd and those with families. We are currently exploring strategic locations to introduce this new dining concept, which we plan to launch two casual dining restaurants in the second half of 2018.

Ready Meal Business

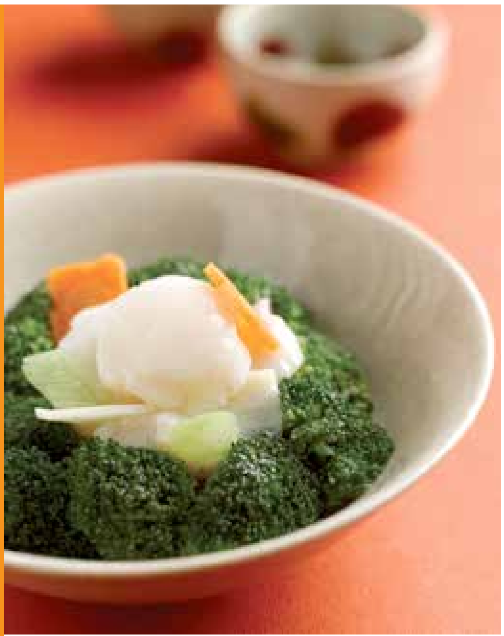
To succeed in the highly-competitive F&B industry, one very important factor is the agility to spot and respond to new food trends. We noticed that ready meals are becoming increasingly popular with today's busy consumers who are willing to pay for convenience. In response to this evolving trend, we have developed a line of ready meals that is under our *Powered by No Signboard* endorsement. These include *No Signboard Seafood*-inspired dishes, such as chilli crab spaghetti, hokkien mee and nasi bryani, which will be produced by our outsourcing partner and distributed via vending machines across Singapore. The Group will monitor the sales of its ready meals and will consider other distribution channels when such opportunities arise.

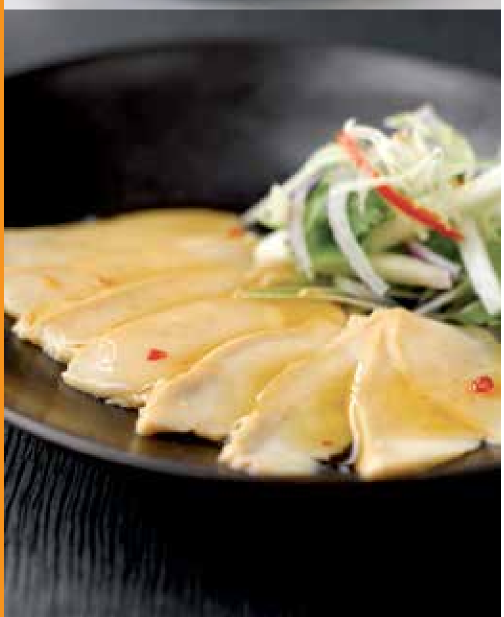
Breweries Business

As we build a business model that is both agile and resilient with diversified revenue streams, we expanded into the fast-growing beer business in June 2017, with the acquisition of Danish Breweries. Operating since 2014, Danish Breweries, which founded the *Draft Denmark* brand, specialises in customisable craft beer which is a niche and growing market segment. Its premium beers are brewed using proprietary recipes and sold in Singapore including pubs, entertainment outlets and coffee shops. The sales have been encouraging and we are committing more resources to increase our penetration in this segment.

To drive brand recognition and increase market share, our newly-established distribution arrangement with YHS (Singapore) Pte Ltd, a subsidiary of Yeo Hiap Seng Limited, will expand our sales channels to supermarkets and grocery shops. We have also launched our beers in portable pint bottles in December 2017. We will closely monitor the sales and if positive, we plan to launch our beers in small can format to offer more beer options to our retail customers.

Chairman's Statement





We believe that our foray into the premium craft beer segment is aligned to the premium positioning of our *No Signboard Seafood* brand, and will reap the synergistic benefits in time to come.

Besides producing our in-house beer brands and brewing craft beer, we also supply beer under third party brands via OEM arrangements. We have been receiving increasing interest in our OEM services and we intend to grow this business. We are confident that this will enhance our revenue generation by providing a source of recurring sales.

Given our positive outlook for the premium beer market, backed by our growing beer sales and the potential of our OEM business, we will be establishing our own brewery. A dedicated brewery that we manage and operate will give us better control over the quality, production volume and faster response time to market. We are exploring strategic locations to situate the new brewery that will give us room to grow the beer business.

Performance Review

For FY2017, the Group's revenue increased by 7.3% to $24.4 million, from $22.7 million in the corresponding period last year ("FY2016"). This was due mainly to the beer business, Danish Breweries, which was acquired in June 2017, and contributed four months of sales amounting to $3.1 million. Sales from the Group's restaurants showed a slight decline to $21.3 million, from $22.7 million previously as overall customer count declined. However, this was mitigated by a higher number of tourists with stronger spending power which boosted average expenditure per customer from approximately $94 in FY2016 to $104 in FY2017.

The lower revenue was partly offset by lower raw materials and consumables for our restaurants as we replaced some cooked items purchased from suppliers with our own cooked items and the one-time recognition of upfront deposit from our beer distributor of $1.1 million as income for the termination of an agreement.

The Group also experienced higher operational costs due mainly to the increase in professional fees; freight and storage, as well as marketing expenses for the Beer Business. At the bottomline, the Group delivered net attributable profit of $7.7 million, from $7.8 million in FY2016. Some of these costs are necessary as we build up the Beer Business but we are confident that the positive impact will outweigh the costs once the Beer Business gains traction and economies of scale set in.

Appreciation

In closing, I would like to thank the management and staff for your commitment and hard work, and our customers and business partners for supporting our business. My gratitude also goes to my Board of Directors for the strategic counsel, and shareholders for choosing to believe in us. We will work towards achieving long term sustainable growth and shareholder returns for the Group.

Lim Yong Sim
Executive Chairman and CEO
28 December 2017

Our Business

Restaurant Business

With a legacy dating back to the 1970s, our *No Signboard Seafood* premium restaurant chain has established a strong brand built on quality cuisine, consistency in food preparation and customer-oriented service. It has anchored us as one of the leading seafood restaurant chains in Singapore.

Our Business

Our restaurants serve a wide variety of premium seafood cuisine prepared in Chinese and Singapore styles, including our famed signature dish, the White Pepper Crab. The brand has garnered a loyal customer base of tourists, corporates and locals.

Our three upmarket restaurants are strategically located in city-centres and iconic locations – the Esplanade, VivoCity and The Central @ Clarke Quay. We also have one restaurant under a franchise agreement, located in Geylang.

Beer Business

The Group diversified into the fast growing beer business in June 2017, with the acquisition of Danish Breweries, which founded the *Draft Denmark* brand in 2014. The *Draft Denmark* brand of premium beers is brewed using our proprietary recipes and packaged by third party commercial breweries.

Our beers, which include lager, dark lager, wheat beer and craft beers, are sold in Singapore pubs, entertainment outlets and coffee shops.

We also distribute certain third party brands of beer.

Ready Meal Business

The Group is also expanding our offerings with the development of our first line of ready meals, which include *No Signboard Seafood*-inspired dishes such as chilli crab spaghetti, hokkien mee and nasi briyani under our *Powered by No Signboard* endorsement.

The production of our ready meals will be outsourced to leading food manufacturers in Singapore. The recipes and preparation methods will be reviewed and approved by the Group to ensure that the themes and styles of the ready meals fit into our *No Signboard Seafood* brand of restaurant cuisine.

Targeting to be commercialised in 2018, our ready meals will be distributed through a network of vending machines operated by Ma2 Shop. Ma2 Shop operates a network of vending machines in various parts of Singapore, and has plans to install up to 36 vending machines by the end of 2018.

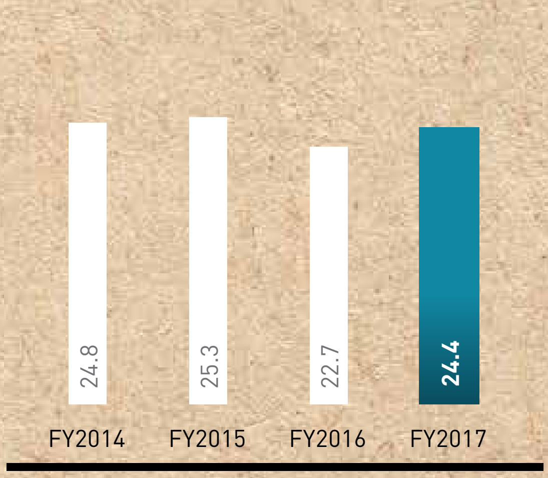
Flagship and first premium outlet located at the iconic **Esplanade** commenced operations in 2004

The outlet at **VivoCity**, the largest mall in Singapore, commenced operations in 2006

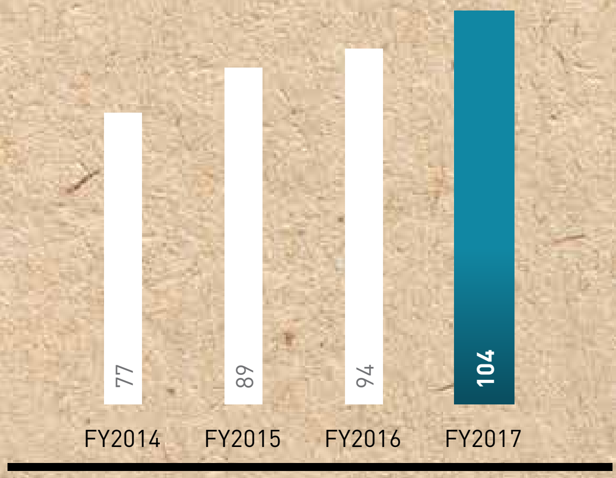
The outlet at **The Central @ Clark Quay**, a popular tourist destination with a vibrant nightlife, commenced operations in 2009

Financial Highlights

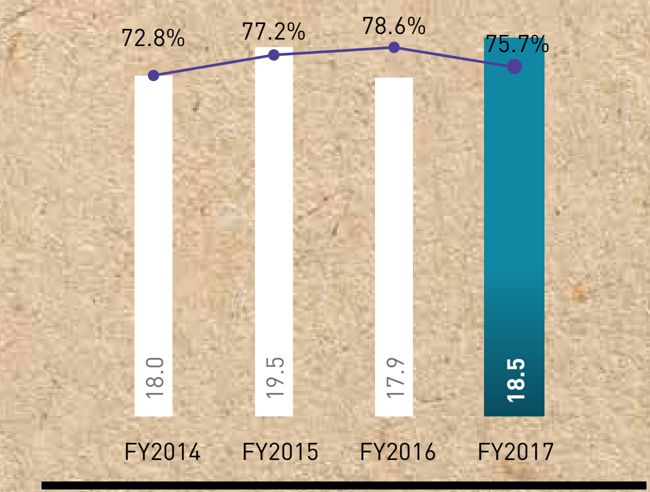
Revenue ($'m)



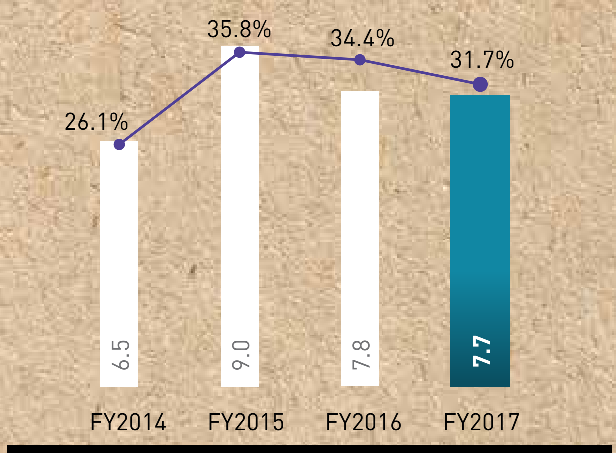
Average Spend Per Customer ($)



Gross Profit($'m) & Gross Profit Margin(%)



Net Profit($'m) & Net Profit Margin(%)



Financial Review

Income Statement

In FY2017, the Group registered a 7.3% year-on-year ("y-o-y") revenue growth to $24.4 million on the back of Beer Sales of $3.1 million following the acquisition of the beer business, Danish Breweries, in June 2017.

Restaurant Sales dipped slightly by 6.3% to $21.3 million in FY2017, compared to $22.7 million in FY2016. Sales at The Central outlet increased by approximately 29.5%, whereas sales at the Esplanade and VivoCity outlets decreased by approximately 16.6% and 0.5% respectively. Overall, average spend per customer edged up by more than 10.6% to $104 in FY2017 compared to $94 per customer in FY2016 which mitigated the decline in customer count by 15.9% y-o-y.

The Group's other income increased to $1.2 million in FY2017 from $0.1 million in FY2016. This was mainly due to a one-off recognition of a $1.1 million deposit from its beer distributor for the termination of an agreement.

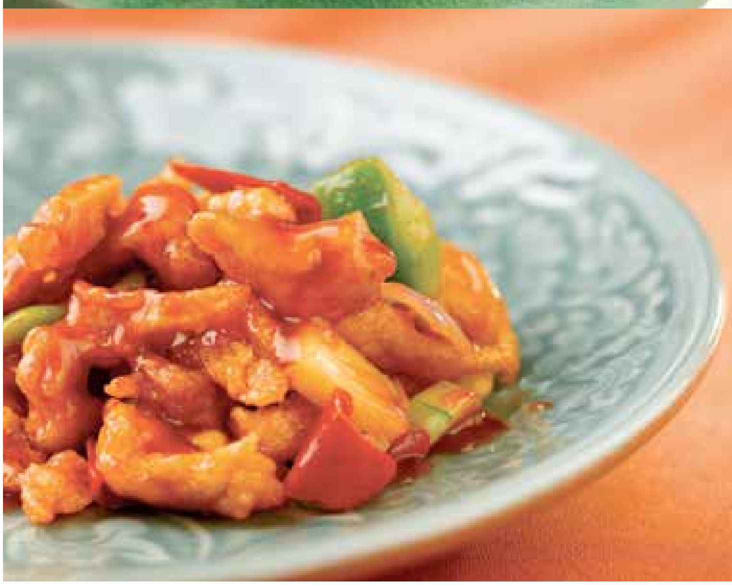
Raw materials and consumables used in FY2017 rose 21.7% y-o-y to $5.9 million due to the newly acquired beer business, while the restaurant business registered an 11.1% y-o-y decline as the Group replaced some of the cooked items in the menu which were previously purchased ready made from suppliers, with in-house cooked items.

Following the acquisition of the new Beer Business, operating expenses increased accordingly in FY2017. This included employee benefits of $0.7 million, depreciation expense of $0.2 million, freight and storage expenses of $0.2 million, and marketing expense of $0.1 million. There was also an increase in professional fees of $0.3 million for the year.

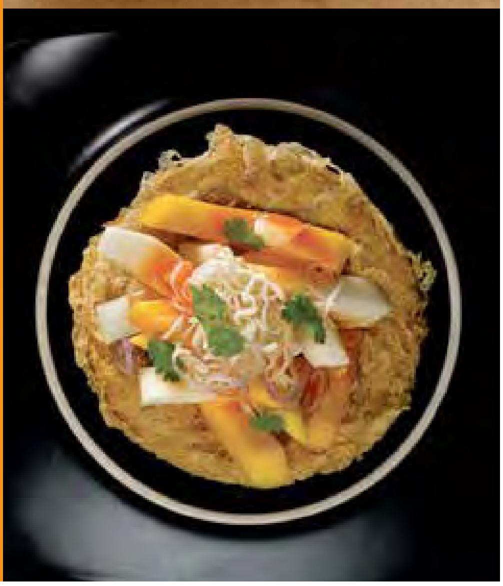
Overall, the Group reported a healthy net profit attributable to owners of the Company of $7.7 million in FY2017 compared to $7.8 million in FY2016.

Balance Sheet

The Group's current assets increased 52.8% to $18.8 million as at 30 September 2017 from $12.3 million as at 30 September 2016. The jump was mainly due to an increase in trade and other receivables arising from amount owing from beer distributors, IPO expenses capitalised, as well as additional deposits of $0.7 million placed with landlords for the change of tenant's name from *No Signboard Seafood Pte Ltd* to *No Signboard Holdings Ltd.*. The additional deposits are expected to be refunded in FY2018.



Financial Review



The jump in non-current assets from $0.9 million as at 30 September 2016 to $6.6 million as at 30 September 2017 was mainly due to the new Beer Business, relating to a security deposit for its office lease, goodwill, trademark and new plant and equipment. The increase in plant and equipment was also in part due to the renovation of The Central outlet of the Restaurant Business.

The increase in other payables of $2.2 million relates mainly to the Beer Business' accrued operating expenses, accrued upfront sponsorship as well as accrued volume rebates payable to the beer and entertainment establishments for achieving the agreed beer sales targets.

The Group has short term bank loans and current portion of finance leases amounting to $0.8 million due mainly to the Beer Business, while current provisions rose to $1.8 million from $0.1 million due to promotional support cost for beer and entertainment establishments and unutilised leave.

The increase in non-current liabilities to $0.2 million was mainly attributable to the provision of reinstatement cost for the Beer Business' office to its original state upon lease expiry, deferred tax liabilities and non-current portion of finance leases of two vehicles for the Beer Business.

Cash Flow Statement

In FY2017, the Group generated cash from operating activities of $4.8 million, resulting from operating profit before reinvestment in working capital of $9.6 million, adjusted for working capital outflows of $3.2 million and income tax paid of $1.5 million. The net working capital decrease was due mainly to the increase in receivables arising from amount owing from beer distributors, additional refundable deposits placed with the landlords of our restaurants as well as IPO expenses capitalised.

Net cash outflow from investing activities amounted to $6.0 million following the acquisition of the Beer Business of $1.7 million, purchase of plant and equipment of $0.2 million as well as the increase in the amount owing from GuGong Pte. Ltd. of $0.9 million.

Net cash used in financing activities was $0.8 million, comprising repayment of finance leases and payment of interest expense on the finance leases, as well as bank borrowings of $0.8 million by the Beer Business for working capital purposes.

As at 30 September 2017, the Group's cash and cash equivalents stood at $0.3 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.nosignboardseafood.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 Elizabeth Krishnan

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
M&C Services Private Limited
112 Robinson Road
#05-01
Singapore 068902

Board of Directors

Lim Yong Sim (Lin Rongsen)

Executive Chairman and Chief Executive Officer

Appointed on 1 June 2017

Lim Yong Sim 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. Mr 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 of the Group; and (iii) leading the Group's business development strategy and efforts.

Lim Lay Hoon (Lin Liyun)

Chief Operating Officer and Executive Director

Appointed on 6 November 2017

Lim Lay Hoon is responsible for overseeing the day to day operations of the Group and reports to our Chief Executive Officer. Ms Lim also directly oversees the management and operations of the Restaurant Business. Ms Lim 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 Lim Yong Sim, has been instrumental in the Group's development and success.

Khua Kian Kheng Ivan

Lead Independent Director

Appointed on 6 November 2017

Khua Kian Kheng 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.

Mr Khua 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. Mr Khua was also a recipient of the Pingat Bakti Masyarakat (Public Service Award) in 2016.

Board of Directors

Leow Chung Chong Yam Soon
Independent Director
Appointed on 6 November 2017

Leow Chung Chong Yam Soon is currently an audit partner at Ecovis Assurance LLP. Mr Leow 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
Independent Director
Appointed on 6 November 2017

Tay Chung Leng Robert is a Director Modern Services (Professional Services & Financial Services) of the Info-communications Media Development Authority Singapore (IMDA). Mr Tay graduated from King's College London with a Bachelor of Laws in 1998. Mr Tay 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 2017 and the preceding three years in other listed companies are as follows:-

Name	Present Directorship	Past Directorship
Lim Yong Sim	-	-
Lim Lay Hoon	-	-
Khua Kian Kheng Ivan	KSH Holdings Limited MoneyMax Financial Services Ltd.	-
Leow Chung Chong Yam Soon	Fragrance Group Limited	-
Tay Chun Leng Robert	-	-

Key Management

Soong Wee Choo
Chief Financial Officer

Soong Wee Choo joined our Group in May 2017 as our Chief Financial Officer. In her role as Chief Financial Officer, she is responsible for oversight of the financial functions of our Group. Ms Soong graduated from the National University of Singapore with a Bachelor of Accountancy degree. Prior to joining the Group, she was the Chief Financial Officer of Chosen Holdings Limited, a company previously listed on the Main Board of SGX-ST, from 1998 to 2016, where she was appointed as an executive director in 2008. Prior to that, she was the Group Finance Manager of TIBS Holdings Ltd. She worked with KPMG LLP from 1989 to 1995, where she left as an Audit Manager. She is a Fellow Chartered Accountant of the Institute of Singapore Chartered Accountants and a member of its Continuing Professional Education Committee. She is also a member of the Singapore Institute of Directors.

Chen Shangming, Samuel
Director of Danish Breweries Pte. Ltd.

Samuel Chen is our Director (Beer Business), and leads the management and development of our Beer Business. Prior to our Group's acquisition of Danish Breweries Pte. Ltd., Samuel Chen was an executive director of Danish Breweries. Samuel Chen was engaged by Carlsberg Singapore Pte Ltd from 2006 to 2014, rising to the position of senior executive before leaving to join Danish Breweries Pte. Ltd. as a Sales Director in 2015. Samuel Chen obtained his Bachelor of Arts (Communication and Media Management) from the University of South Australia in 2014.

Corporate Governance Report

The Board of directors (the "Board" or the "Directors") of No Signboard Holdings Ltd. (the "Company") is committed to high standards of corporate governance and has adopted the principles set out in the Code of Corporate Governance 2012 (the "Code") which forms part of the Continuing Obligations of the Listing Manual Section B: Rules of Catalist (the "Catalist Rules") of the Singapore Exchange Securities Trading Limited's ("SGX-ST"). As the Company was listed recently on 30 November 2017, it has implemented the Principles of the Code to the extent possible. Where there are deviations from the Code, appropriate explanations are provided.

THE BOARD'S CONDUCT OF AFFAIRS

Principle 1

The principal functions of the Board are:

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 personnel;
6) approving annual budgets, major funding, investments, divestment proposals and monitoring operations;
7) approving the remuneration packages for the Board and key executives;
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 (Audit, Nominating and Remuneration Committees), which operate under clearly defined terms of reference. The Chairman of the respective Committees reports the outcome of Committee 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. Ad-hoc meetings will be held where necessary, to address significant issues. Where expedient, board meetings will be held by way of teleconference, which is permitted by the Constitution of the Company. There were no Board and Board committee meetings held for FY2017 as the Company was only incorporated on 1 June 2017 and all the Directors, except Sam Lim, were appointed on 6 November 2017.

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 directors 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. 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.

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

Corporate Governance Report

BOARD COMPOSITION AND GUIDANCE

Principle 2

The Board comprises the following Directors:-

Lim Yong Sim (Lin Rongsen) ("Sam Lim") *(Executive Chairman and Chief Executive Officer)*
Lim Lay Hoon (Lin Liyun) *(Chief Operating Officer and Executive Director)*
Khua Kian Kheng Ivan ("Ivan Khua") *(Lead Independent Director)*
Leow Chung Chong Yam Soon ("Paul Leow") *(Independent Director)*
Tay Chung Leng Robert ("Robert Tay") *(Independent Director).*

In compliance with the requirements of the Code, three of the five Directors are independent. Sam Lim is the Executive Chairman of the Board and Chief Executive Officer. Lim Lay Hoon is the Chief Operating Officer and an executive director. Ivan Khua, Paul Leow and Robert Tay are Independent Directors. Ivan Khua is the Lead 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.

Since the Company was recently listed, there are no Independent Directors who has served on the Board beyond nine years from the date of his first appointment.

CHAIRMAN AND CHIEF EXECUTIVE OFFICER

Principle 3

Sam Lim is the Executive Chairman of the Board and also the Chief Executive Officer of the Company. The Board is of the view that accountability and independence have not been compromised despite the Chairman and Chief Executive Officer 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.

Where necessary, the independent directors will hold discussions separately without the presence of the other directors. The Lead Independent Director will lead these 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 Chief Executive Officer, 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

The Nominating Committee ("NC") comprises 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 reappointment of Directors, senior executive staff 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.

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 and a retiring director shall be eligible for re-election. Since all the Directors were appointed during the financial year ended 30 September 2017, pursuant to Regulation 122 of the Constitution of the Company, they shall all retire at the next annual general meeting. The NC assessed and recommended to the Board, that the retiring directors be re-elected at the forthcoming annual general meeting.

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.

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.

Currently, the Company does not have alternate directors.

BOARD PERFORMANCE

Principle 5

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. As the Board has only been constituted recently, it will review the form of assessment of the Board as a whole, its Board Committees and individual directors and the first evaluation will be conducted for financial year 2018.

Each member of the Nominating Committee 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

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 Company Secretary attends 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. Directors have independent access to the Company Secretary at all times.

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. The appointment and removal of the Company Secretary is a matter for consideration by the Board as a whole.

PROCEDURES FOR DEVELOPING REMUNERATION POLICIES
LEVEL AND MIX OF REMUNERATION
Principle 7 and 8

The Remuneration Committee ("RC") is comprised 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 executives; and
2) reviewing and recommending to the Board the remuneration packages and terms of employment of the Chief Executive Officer, 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.

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 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.

Non-executive directors have no service contracts. Separate service agreements were entered with the Chief Executive Officer and Chief Operating Officer 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 Chief Executive Officer and Chief Operating Officer 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 Chief Executive Officer's remuneration package includes one month of annual wage supplement and performance linked bonus based on the Group's financial performance while the Chief Operating Officer's remuneration package includes includes one month of annual wage supplement and a discretionary bonus to be determined by the RC and recommended to the Board.

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.

DISCLOSURE OF REMUNERATION PAID TO DIRECTORS AND KEY EXECUTIVES

Principle 9

A breakdown showing the level and mix of each individual director's remuneration payable for FY2017 is as follows:

Directors' Remuneration

Name of Director	Remuneration ($'000)	Base/ Fixed Salary %	Fees %	Variable or Performance related Income/Bonuses %	Benefits in Kind %	Total %
$250,000 - $350,000						
Sam Lim (appointed on 1 June 2017)	323	100%	–	–	–	100%
Below $250,000:-						
Lim Lay Hoon (appointed on 6 November 2017)	68	74%	–	26%	–	100%
Ivan Khua (appointed on 6 November 2017)	–	–	–	–	–	–
Paul Leow (appointed on 6 November 2017)	–	–	–	–	–	–
Robert Tay (appointed on 6 November 2017)	–	–	–	–	–	–

Top five Key Executives (who are not also directors)

For FY2017, the aggregate remuneration paid to the top five key management personnel is approximately $156,000 the breakdown of which in percentage terms is as follows:-

Name of Executive	Remuneration Band*	Base/ Fixed Salary %	Variable or Performance related Income/ Bonuses %	Benefits in Kind %	Total %
Soong Wee Choo	Below $250,000	100%	–	–	100%
Chen Shangming, Samuel (from date of acquisition on 2 June 2017)	Below $250,000	100%	–	–	100%

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 Chief Executive Officer of the Company and Lim Lay Hoon, Executive Director and Chief Operating Officer, whose remuneration exceeded $50,000 during the financial year ended 30 September 2017, were as follows:

Name	Relationship to CEO and COO	Remuneration band
Cheo Bee Hwa	Mother	$50,001 to $100,000
Cheo Cheng San	Uncle	$50,001 to $100,000

The Company does not have contractual provisions to reclaim incentive components of remuneration from executive directors and key management personnel.

ACCOUNTABILITY

Principle 10

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 periodic 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.

AUDIT COMMITTEE

Principle 12

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

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 result 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) the audit issues of the Group;
    b) any significant findings and recommendations of the external auditors together with Management's responses thereto;
    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; and

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, without the presence of Management, at least once a year.

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 the financial year ended 30 September 2017 for audit was $150,000/- and $30,000/- was for non-audit services. The AC had reviewed all non-audit services provided by Deloitte & Touche LLP and is of the view that fees for non-audit services provided are immaterial and would not affect the independence of the external auditors.

INTERNAL CONTROLS and INTERNAL AUDIT

Principle 11 and Principle 13

The Board believes in the importance of maintaining a sound system of internal controls to safeguard the interests of shareholders and the Company's assets. The Board has approved a set of internal controls that set out approval limits for expenditure and transactions to be incurred in the ordinary course of business. The Board will commission an annual internal control audit.

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 Board 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. As disclosed in the Company's Offer Document dated 23 November 2017, based on the internal control systems established and maintained by our Group, work performed by the internal and external auditors, and reviews performed by management, our Board, after making all reasonable enquiries and to the best of its knowledge and belief, with the concurrence of our Audit Committee, is of the opinion that the internal controls of our Group are adequate and effective to address the financial, operational, compliance and information technology controls, and risk management systems of our Group.

For the financial year under review, the Chief Executive Officer, Chief Operating Officer 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.

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.

COMMUNICATION WITH SHAREHOLDERS
GREATER SHAREHOLDER PARTICIPATION
Principle 14 and 15

Major developments on the Company and its business operations are communicated to shareholders via SGXNET and are also available on the Company's website at www.nosignboardseafood.com. The Company does not practise selective disclosure. Price sensitive information is first publicly released before the Company meets with any group of investors or analysts. In addition, the public may access information of the Group at the Company's website.

Quarterly and annual results will be released on SGXNET within the mandatory period.

All shareholders of the Company will receive the Annual Report of the Company and notice of AGM within the mandatory period. The notice of AGM is also advertised in a prominent newspaper. The Constitution of the Company permits a shareholder to appoint one or two proxies to attend and vote in his stead. A relevant intermediary which includes a corporation holding licences in providing nominee or custodial services and CPF Board, may appoint more than two proxies to attend and vote at the annual general 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.

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. 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.

The Chairmen of the 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 currently does not have a fixed dividend policy. We intend to declare and distribute dividend of at least 30% of our net profit after tax attributable to owners of the Company for 2018 and 2019.

DEALINGS IN SECURITIES

The Company has adopted an internal Code of Best Practices on Securities Transactions ("Code") 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 Listing Manual of SGX-ST. There were no interested person transactions entered into by the Group in excess of $100,000 during the year under review.

MATERIAL CONTRACTS

There were no material contracts involving the interests of any director or controlling shareholder of the company, not being contracts entered into in the ordinary course of business, entered into by the Company during the period under review.

USE OF PROCEEDS

The Company raised total net proceeds of approximately $19.3 million from the offering of 65,734,500 invitation shares comprises 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. The Company utilised the proceeds as follows:

	Allocation of Net Proceeds (as disclosed in the Offer Document) (S'000)	Net Proceeds utilized as at 28 December 2017 (S'000)	Balance of Net Proceeds as at 28 December 2017 (S'000)
Purpose			
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
	19,300	–	19,300

OTHERS

The Company and its subsidiaries are audited by Deloitte & Touche LLP except for Draft Breweries Denmark ApS which is audited by another firm of auditors Kreston CM. As Draft Breweries Denmark ApS is currently not a significant subsidiary of the Group, the Company is in compliance with Rules 712 and 715 of the Catalist Rules in relation to the appointment of its external auditors.

NON-SPONSOR FEES

RHT Capital Pte. Ltd. became the continuing sponsor of the Company following the listing on SGX-ST on 30 November 2017. For FY2017, 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.

Financial Contents

	PAGE
Directors' statement	23
Independent auditor's report	26
Statements of financial position	30
Combined statement of comprehensive income	31
Statements of changes in equity	32
Combined statement of cash flows	33
Notes to financial statements	34

Directors' Statement

The directors present their statement together with the audited combined financial statements of the Group for the financial year ended 30 September 2017 and statement of financial position and statement of changes in equity of the Company for the financial period from 1 June 2017 (date of incorporation) to 30 September 2017.

In the opinion of the directors, the combined 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 30 to 72 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 2017, and the combined financial performance, combined changes in equity and combined cash flows of the Group for the financial year then ended and changes in equity of the Company for the financial period from 1 June 2017 (date of incorporation) to 30 September 2017 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)	(Appointed on 1 June 2017)
Lim Lay Hoon (Lin Liyun)	(Appointed on 6 November 2017)
Khua Kian Kheng Ivan	(Appointed on 6 November 2017)
Leow Chung Chong Yam Soon	(Appointed on 6 November 2017)
Tay Chun Leng Robert (Zheng Chunling Robert)	(Appointed on 6 November 2017)

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:

Names of director and company in which interests are held	**Shareholdings registered in the name of director**		
	At date of incorporation	**At end of year**	**At 21 October 2017**
Ultimate holding company			
GuGong Pte. Ltd. (formerly known as No Signboard Seafood Restaurant Pte Ltd) (Ordinary shares)			
Lim Yong Sim (Lin Rongsen)	515,000	515,000	515,000

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

4 SHARE OPTIONS

(a) Options to take up unissued shares

During the financial year, no option 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 reviewed the following, where relevant, with the executive directors and external and internal auditors of the Company:

(a) the audit plans 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 financial statements of the Company and the combined financial statements of the Group before their submission to the directors of the Company and the external auditors' report on those financial statements;

(d) the annual announcement on the results and financial position of the Company and the Group;

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

(f) the re-appointment of the external auditors of the Group.

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 functions 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.

The Audit Committee has recommended to the directors the nomination of Deloitte & Touche LLP for re-appointment as the external auditors of the Group at the forthcoming Annual General Meeting of the Company.

Directors' Statement

6 AUDITORS

The auditors, Deloitte & Touche LLP, have expressed their willingness to accept re-appointment.

ON BEHALF OF THE DIRECTORS

....
Lim Yong Sim (Lin Rongsen)

....
Lim Lay Hoon (Lin Liyun)

January 10, 2018

Independent Auditor's Report

To the Members of No Signboard Holdings Ltd. and its Subsidiaries

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of No Signboard Holdings Ltd. (the "Company") and its subsidiaries (the "Group"), which comprise the combined statement of financial position of the Group and the statement of financial position of the Company as at 30 September 2017, and the combined statement of comprehensive income, combined statement of changes in equity and combined statement of cash flows of the Group for the year then ended and the statement of changes in equity of the Company for the financial period from 1 June 2017 (date of incorporation) to 30 September 2017, and notes to the financial statements, including a summary of significant accounting policies, as set out on pages 10 to 57.

In our opinion, the accompanying combined 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 Financial Reporting Standards in Singapore ("FRSs") so as to give a true and fair view of the combined financial position of the Group and the financial position of the Company as at 30 September 2017 and of the combined financial performance, combined changes in equity and combined cash flows of the Group for the year then ended and the changes in equity of the Company for the financial period from 1 June 2017 (date of incorporation) to 30 September 2017.

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.

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.

Key Audit Matters	Our audit performed and responses thereon
Impairment of goodwill and intangible asset with indefinite useful life *(Refer to Notes 11 and 12 to the financial statements)* On June 2, 2017, the Group completed the 80% acquisition of the issued share capital of Danish Breweries Pte. Ltd. ("Danish Breweries") for a cash consideration of $1,780,000. The acquisition of Danish Breweries resulted in a goodwill of $3,443,083 and intangible asset with indefinite useful life of $620,000 being recognised. Under FRS 36 *Impairment of Assets*, the Group is required to test goodwill and intangible asset with indefinite useful life for impairment on an annual basis or whenever there is an indication of impairment. The value in use is calculated as the present value of expected future net cash flows as prepared by management and assisted by an external valuer. The Group prepares cash flow forecast derived from the most recent financial budget approved by management for the next 2 years and extrapolates cash flows for the following five years based on an estimated growth rate and discount rate. The value in use calculation requires the exercise of significant judgement regarding the key assumptions used in discount rate, growth rate and expected changes to selling prices and direct costs during the forecast periods.	We have discussed with management and evaluated the process for preparing the projected cash flows supporting the impairment assessment. We analysed the projected cash flows used and assessed whether the projected cash flows are reasonable and supported by the most recent approved management budgets. We have assessed with the assistance of our internal valuation specialist the appropriateness of the underlying assumptions used by management and external valuer, which included discount rate, growth rate and expected changes to selling prices and direct costs during the forecast periods. We have performed our own sensitivity analysis based on the range of plausible changes to the acceptable key estimates and assumptions used taking into account our understanding of the nature of the Group's business and the economic environment in which it operates. We analysed the impact to the headroom when breakeven or independently derived rates were applied and found the estimates and assumptions used by management and external valuer in the value-in-use calculations to determine the recoverable amounts of the goodwill and intangible asset to be reasonable. The key sources of estimation uncertainty on the impairment of goodwill and intangible asset with indefinite useful life is disclosed in Note 3(ii) to the financial statements, and further information related to goodwill and intangible asset is provided in Notes 11 and 12 to the financial statements.
Classification and recognition of upfront sponsorship, volume rebates and promotional support expense *(Refer to Notes 14, 18 and 20 to the financial statements)* The Group enters into contracts with customers of beer business with upfront sponsorship, volume rebates and promotional support expense, which are significant based on the agreed contractual terms. Judgement is required in ascertaining the nature and classification of the upfront sponsorship, volume rebates and promotional support expense (either as net against revenue or as expenses), estimating the amount to be accrued or provided as at year end and assessing the carrying value of the other assets (upfront sponsorship) as at year end.	We have assessed the accounting treatment and classification of the upfront sponsorship, volume rebates and promotional support expense. We found the classification and recognition of provision for promotional support expense, accruals for upfront sponsorship and volume rebates as well as amortisation of other assets to be appropriate. We performed analytical procedures and substantive testing to test the accuracy and completeness of the underlying calculation of the accruals and expenses 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 value 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 expense is disclosed in Note 3 to the financial statements, and further information related to upfront sponsorship, volume rebates and promotional support expense is provided in Notes 14, 18 and 20 to the financial statements.

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 FRSs, 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 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.

Deloitte & Touche LLP
Public Accountants and
Chartered Accountants
Singapore

January 10, 2018

Statements of Financial Position

30 September 2017

	Note	The Group 2017 $	The Group 2016 $	The Company 2017 $
ASSETS				
Current assets				
Cash and bank balances	7	293,434	670,580	1,023
Trade receivables	8	1,297,866	48,000	–
Other receivables	9	1,285,288	168,864	379,064
Amount due from holding company	5	15,380,567	11,287,513	2
Inventories	10	188,431	123,864	–
Other assets	14	305,144	–	–
Total current assets		18,750,730	12,298,821	380,089
Non-current assets				
Security deposits	9	960,583	694,532	–
Goodwill	11	3,443,083	–	–
Intangible asset	12	620,000	–	–
Plant and equipment	13	823,474	159,224	–
Other assets	14	794,930	–	–
Subsidiaries	15	–	–	–
Total non-current assets		6,642,070	853,756	–
Total assets		25,392,800	13,152,577	380,089
LIABILITIES AND EQUITY				
Current liabilities				
Short term loan	16	808,189	–	–
Trade payables	17	1,765,646	1,855,418	–
Other payables	18	2,566,092	395,821	–
Amount due to holding company	5	–	–	380,087
Finance lease	19	20,215	–	–
Provisions	20	1,758,828	78,869	–
Income tax payable		1,397,946	1,524,286	–
Total current liabilities		8,316,916	3,854,394	380,087
Non-current liabilities				
Provisions	20	199,538	161,327	–
Deferred tax liabilities	21	108,921	3,521	–
Finance lease	19	89,920	–	–
Total non-current liabilities		398,379	164,848	–
Capital, reserves and non-controlling interest				
Share capital	22	2	2	2
Retained earnings		16,855,532	9,133,333	–
Translation reserve		208	–	–
Equity attributable to owners of the Company		16,855,742	9,133,335	2
Non-controlling interest		(178,237)	–	–
Total equity		16,677,505	9,133,335	2
Total liabilities and equity		25,392,800	13,152,577	380,089

See accompanying notes to financial statements.

Combined Statement of Comprehensive Income

Year ended 30 September 2017

	Note	The Group 2017 $	The Group 2016 $
Revenue	23	24,392,679	22,742,670
Other income	24	1,189,152	133,493
Raw materials and consumables used		(5,917,983)	(4,863,574)
Changes in inventories		(2,186)	(12,767)
Employee benefits expense		(5,541,973)	(4,772,599)
Operating lease expenses	30	(2,576,779)	(2,488,114)
Depreciation expense	13	(245,036)	(76,255)
Other operating expenses	25	(1,980,447)	(1,252,499)
Finance costs		(2,369)	–
Profit before income tax		9,315,058	9,410,355
Income tax expense	26	(1,365,650)	(1,587,519)
Profit for the year	28	7,949,408	7,822,836
Item that may be reclassified subsequently to profit or loss			
Exchange differences on translation of foreign operations		208	–
Total comprehensive income for the year		7,949,616	7,822,836
Profit attributable to:			
Owners of the Company		7,722,199	7,822,836
Non-controlling interests		227,209	–
		7,949,408	7,822,836
Total comprehensive income attributable to:			
Owners of the Company		7,722,407	7,822,836
Non-controlling interests		227,209	–
		7,949,616	7,822,836
Basic and diluted earnings per share (cents)	31	2.05	2.02

See accompanying notes to financial statements.

Statements of Changes in Equity

Year ended 30 September 2017

The Group	Share capital $	Translation reserve $	Retained earnings $	Equity attributable to owners of the Company $	Non-controlling interest $	Total $
Balance at 1 October 2015	2	–	5,110,497	5,110,499	–	5,110,499
Profit for the year, representing total comprehensive income for the year	–	–	7,822,836	7,822,836	–	7,822,836
Dividends paid (Note 32), representing transactions with owners, recognised directly in equity	–	–	(3,800,000)	(3,800,000)	–	(3,800,000)
Balance at 30 September 2016	2	–	9,133,333	9,133,335	–	9,133,335
Total comprehensive income for the year						
Profit for the year	–	–	7,722,199	7,722,199	227,209	7,949,408
Other comprehensive income	–	208	–	208	–	208
	–	208	7,722,199	7,722,407	227,209	7,949,616
Non-controlling interest arising from the acquisition of a subsidiary, representing transaction with owners, recognised directly in equity (Note 29)	–	–	–	–	(405,446)	(405,446)
Balance at 30 September 2017	2	208	16,855,532	16,855,742	(178,237)	16,677,505

The Company	Share capital $
Issue of shares at date of incorporation, 1 June 2017 and balance at 30 September 2017	2

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. The profit attributable to owners of the Company for the period from 1 July 2017 to 30 September 2017 amounted to $1,625,307.

The Company does not have any revenue, expenses nor profit for the period from 1 June 2017 (date of incorporation) to 30 September 2017. There is no cash flow movement in the Company for period from 1 June 2017 (date of incorporation) to 30 September 2017 as the prepaid expenses are all paid on behalf by the holding company and included in amount due to holding company.

See accompanying notes to financial statements.

Combined Statement of Cash Flows

Year ended 30 September 2017

	The Group	
	2017	2016
	$	$
Operating activities		
Profit before income tax	9,315,058	9,410,355
Adjustments for:		
Depreciation expense	245,036	76,255
Bad debt expenses	3,169	58,050
Interest expense	2,369	–
Operating cash flows before movements in working capital	9,565,632	9,544,660
Trade receivables	(937,527)	(17,385)
Other receivables	(1,201,207)	(145,795)
Inventories	13,078	12,766
Trade payables	(475,159)	(187,628)
Other payables	(599,739)	(39,755)
Other assets	48,817	–
Provisions (Note A)	(78,326)	(2,704)
Cash generated from operations	6,335,569	9,164,159
Income tax paid	(1,491,990)	(1,858,522)
Net cash from operating activities	4,843,579	7,305,637
Investing activities		
Purchase of plant and equipment (Note A)	(213,469)	(57,840)
Acquisition of subsidiary	(1,713,805)	–
Amount due from holding company	(4,093,050)	(3,226,062)
Net cash used in investing activities	(6,020,324)	(3,283,902)
Financing activities		
Dividend paid	–	(3,800,000)
Repayment of finance leases	(6,463)	–
Proceeds from short term loan	808,189	–
Interest paid	(2,127)	–
Net cash from (used in) financing activities	799,599	(3,800,000)
Net (decrease) increase in cash and cash equivalents	(377,146)	221,735
Cash and cash equivalents at beginning of the year	670,580	448,845
Cash and cash equivalents at end of the year	293,434	670,580

Note A:

	2017	2016
	$	$
Purchase of plant and equipment	(251,680)	(57,840)
Add non-cash movement:		
– Provision for reinstatement costs (Note 20(b))	38,211	–
	(213,469)	(57,840)

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 15 to the financial statements.

The financial statements of the Group for the year ended 30 September 2017 and statement of financial position and statement of changes in equity of the Company for the financial period from 1 June 2017 (date of incorporation) to 30 September 2017 were authorised for issue by the Board of Directors on 10 January 2018.

<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 is 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 were 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. (formerly known as No Signboard Seafood Restaurant 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.

(d) <u>Cash injection</u>

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.

1 GENERAL (Cont'd)

(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 and at the date of this report, the Company has the following subsidiaries:

Name of subsidiary	Date and country of incorporation	Principal place of business	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, the combined statement of comprehensive income, combined statement of cash flows and combined statement of changes in equity for the year ended 30 September 2017 and 2016 (the "relevant years") 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 Financial Reporting Standards in Singapore ("FRSs").

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

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 financial statements is determined on such a basis, except for leasing transactions that are within the scope of FRS 17 *Leases*, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in FRS 2 *Inventories* or value in use in FRS 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.

ADOPTION OF NEW AND REVISED STANDARDS – On 1 October 2016, the Group adopted all the new and revised FRSs and Interpretations of FRS ("INT FRS") and amendments to FRSs that are effective from that date and are relevant to its operations.

The adoption of these new/revised FRS and INT FRSs and amendments to FRSs does not result in changes to the Group's and Company's accounting policies and has no effect on the amounts reported for the current or prior years.

At the date of authorisation of these financial statements, the following new/revised FRSs and amendments to FRS that are relevant to the Group and the Company were issued but not effective:

- FRS 109 *Financial Instruments*[1]
- FRS 115 *Revenue from Contracts with Customers (with clarifications issued)*[1]
- FRS 116 *Leases*[2]
- Amendments to FRS 7 *Statement of Cash Flows: Disclosure Initiative*[3]

[1] Applies to annual years beginning on or after 1 January, 2018, with early application permitted.
[2] Applies to annual years beginning on or after 1 January, 2019, with earlier application permitted if FRS 115 is adopted.
[3] Applies to annual years beginning on or after 1 January 2017, with early application permitted.

Consequential amendments were also made to various standards as a result of these new/revised standards.

Management anticipates that the adoption of the above FRSs and amendments to FRS in future periods will not have a material impact on the financial statements in the period of their initial adoption except as follows:

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

FRS 109 *Financial Instruments*

FRS 109 was issued in December 2014 to replace FRS 39 *Financial Instruments: Recognition and Measurement* and introduced new requirements for (i) the classification and measurement of financial assets and financial liabilities (ii) general hedge accounting and (iii) impairment requirements for financial assets.

Key requirements of FRS 109:

- All recognised financial assets that are within the scope of FRS 39 are now required to be subsequently measured at amortised cost or fair value through profit or loss ("FVTPL"). Specifically, debt investments that are held within a business model whose objective is to collect the contractual cash flows, and that have contractual cash flows that are solely payments of principal and interest on the principal outstanding are generally measured at amortised cost at the end of subsequent accounting years. Debt instruments that are held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets, and that have contractual terms that give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding, are measured at fair value through other comprehensive income ("FVTOCI"). All other debt investments and equity investments are measured at FVTPL at the end of subsequent accounting years. In addition, under FRS 109, entities may make an irrevocable election, at initial recognition, to measure an equity investment (that is not held for trading) at FVTOCI, with only dividend income generally recognised in profit or loss.

- With some exceptions, financial liabilities are generally subsequently measured at amortised cost. With regard to the measurement of financial liabilities designated as at FVTPL, FRS 109 requires that the amount of change in fair value of the financial liability that is attributable to changes in the credit risk of that liability is presented in other comprehensive income, unless the recognition of the effects of changes in the liability's credit risk in other comprehensive income would create or enlarge an accounting mismatch to profit or loss. Changes in fair value attributable to a financial liability's credit risk are not subsequently reclassified to profit or loss. Under FRS 39, the entire amount of the change in the fair value of the financial liability designated as at FVTPL is presented in profit or loss.

- In relation to the impairment of financial assets, FRS 109 requires an expected credit loss model, as opposed to an incurred credit loss model under FRS 39. The expected credit loss model requires an entity to account for expected credit losses and changes in those expected credit losses at each reporting date to reflect changes in credit risk since initial recognition. In other words, it is no longer necessary for a credit event to have occurred before credit losses are recognised.

- The new general hedge accounting requirements retain the three types of hedge accounting mechanisms currently available in FRS 39. Under FRS 109, greater flexibility has been introduced to the types of transactions eligible for hedge accounting, specifically broadening the types of instruments that qualify for hedging instruments and the types of risk components of non-financial items that are eligible for hedge accounting. In addition, the effectiveness test has been overhauled and replaced with the principle of an 'economic relationship'. Retrospective assessment of hedge effectiveness is also no longer required. Enhanced disclosure requirements about an entity's risk management activities have also been introduced.

Management anticipates that the initial application of the new FRS 109 will result in changes to the accounting policies relating to financial instruments. Additional disclosures will also be made with respect of financial assets and liabilities, including any significant judgement and estimation made. It is currently impractical to disclose any further information on the known or reasonably estimable impact to the Group's financial statements in the period of initial application as the management has yet to complete its detailed assessment. Management does not plan to early adapt the new FRS 109.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

FRS 115 *Revenue from Contracts with Customers*

In November 2014, FRS 115 was issued which establishes a single comprehensive model for entities to account for revenue arising from contracts with customers. FRS 115 will supersede the current revenue recognition guidance including FRS 18 *Revenue*, FRS 11 *Construction Contracts* and the related interpretations when it becomes effective. Further clarifications to FRS 115 were also issued in June 2016.

The core principle of FRS 115 is that an entity should recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Specifically, the standard introduces a 5-step approach to revenue recognition:

- Step 1: Identify the contract(s) with a customer;
- Step 2: Identify the performance obligations in the contract;
- Step 3: Determine the transaction price;
- Step 4: Allocate the transaction price to the performance obligations in the contract; and
- Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation.

Under FRS 115, an entity recognises revenue when (or as) a performance obligation is satisfied, i.e. when "control" of the goods or services underlying the particular performance obligation is transferred to the customer. Far more prescriptive guidance has been added in FRS 115 to deal with specific scenarios. Furthermore, extensive disclosures are required by FRS 115.

Management anticipates that the initial application of the new FRS 115 will result in changes to the accounting policies relating to revenue recognition. Additional disclosures will also be made in respect to trade receivables and revenue, including any significant judgement and estimation made. Management is currently in the process of assessing the full impact of the application of FRS 115 on the Group's financial statements and it is not practical to provide a reasonable financial estimate or the impact of the effect until management completes the detailed review. Management does not plan to early adopt the new FRS 115.

FRS 116 *Leases*

FRS 116 was issued in June 2016 and will supersede FRS 17 *Leases* and its associated interpretative guidance.

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.

Significant changes to lessee accounting are introduced, with the distinction between operating and finance leases removed and assets and liabilities recognised in respect of all leases (subject to limited exceptions for short-term leases and leases of low value assets). The Standard maintains substantially the lessor accounting approach under the predecessor FRS 17.

The Group anticipates that the initial application of the new FRS 116 will result in operating leases to be recognised as right-of-use assets with corresponding lease liabilities, unless they qualify for low value or short-term leases. The new requirement to recognise a right-of-use asset and a related lease liability is expected to have a significant impact to the amounts recognised in the Group's financial statements and management is currently assessing its potential impact. It is not practical to provide a reasonably estimated impact to the Group's financial statements until management completes its detailed assessment. Management does not plan to early adopt FRS 116.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

IFRS Convergence

Singapore-incorporated companies listed on the SGX-ST will be required to apply a new Singapore financial reporting framework that is identical to the International Financial Reporting Standards ("IFRS") for annual years beginning on or after 1 January 2018. The Group will be adopting the new framework for the first time for year ending 30 September 2019, with retrospective application to the comparative year ending 30 September 2018 and the opening statement of financial position as at 1 October 2017 (date of transition).

Based on a preliminary assessment of the potential impact arising from IFRS 1 *First-time adoption of IFRS*, management does not expect any changes to the Group's current accounting policies or material adjustments on transition to the new framework, other than those that may arise from implementing new/revised IFRSs.

The preliminary assessment above may be subject to change arising from the detailed analysis.

Basis of consolidation

(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 combined 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 combined 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.

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.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Basis of consolidation (Cont'd)

(i) Entities under common control (Cont'd)

When the Group losses 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 retained earnings) 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 FRS 39 *Financial Instruments: Recognition and Measurement* or, when applicable, the cost on initial recognition of an investment in an associate or jointly controlled entity.

(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 FRS 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 FRS 12 *Income Taxes* and FRS 19 *Employee Benefits* respectively;
- liabilities or equity instruments related to share-based payment transactions of the acquire 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 FRS 102 *Share-based Payment* at the acquisition date; and
- assets (or disposal groups) that are classified as held for sale in accordance with FRS 105 *Non-current Assets Held for Sale and Discontinued Operations* are measured in accordance with that Standard.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Basis of consolidation (Cont'd)

(ii) Other acquisitions (Cont'd)

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.

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.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial instrument and of allocating interest income or expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts or payments (including all fees on 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 instrument, or where appropriate, a shorter year. Income or expense is recognised on an effective interest basis for debt instruments.

Financial assets

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.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Financial assets (Cont'd)

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.

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 liabilities and equity instruments

Classification as debt or equity

Financial liabilities and equity instruments issued by the Group are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Financial liabilities and equity instruments (Cont'd)

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 are recorded at the proceeds received, net of direct issue costs.

Other 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 loan 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).

Derecognition of financial liabilities

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or they expire.

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.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

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

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:

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

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 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.

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.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

OTHER ASSETS - Other assets pertains to the upfront sponsorship provided by the Group to their distributors 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 - Revenue is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods and services provided in the normal course of business, net of sales related taxes, estimated returns, discounts and volume rebates and other similar allowances. Considerations received in advance are deferred until the goods and services are provided.

Sale of food and beverages

Revenue from the sale of food and beverages is recognised when all the following conditions are satisfied:

- the Group has transferred to the buyer the significant risks and rewards of ownership of the food and beverages i.e. when the food and beverages are delivered;
- the amount of revenue can be measured reliably;
- it is probable that the economic benefits associated with the transaction will flow to the Group; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Sale of live seafood

Revenue from the sale of live seafood is recognised when all the following conditions are satisfied:

- the Group has transferred to the buyer the significant risks and rewards of ownership of the live seafood;
- the Group retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the live seafood sold;
- the amount of revenue can be measured reliably;
- it is probable that the economic benefits associated with the transaction will flow to the Group; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Service charges

Revenue from service charges is recognised when the services are rendered.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

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 as the services are rendered or the right used.

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.

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 statement of 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.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

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.

FOREIGN CURRENCY TRANSACTIONS AND TRANSLATIONS - 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 financial statements of the Group are presented in Singapore dollars, which is the functional currency of the Company and the presentation currency for the 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. At the end of each reporting period, 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 year 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 year, unless exchange rates fluctuated significantly during that year, 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 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 year in which the estimate is revised if the revision affects only that year, or in the year of the revision and future years if the revision affects both current and future years.

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

The following is the critical judgement, apart from those involving estimates, that management has made in the process of applying the Group's accounting policies that have a material effect on the amounts recognised in the financial statements.

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

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 expense.

Management exercises judgement in ascertaining the nature and classification of the upfront sponsorship, volume rebates and promotional support expense. 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 expense are given by the Group for promotional and marketing initiatives to develop the Group's brand and are expensed in the year in which the costs are incurred.

The carrying amount of upfront sponsorship, volume rebates and promotional support expense are disclosed in Notes 14, 18 and 20 to the financial statements.

(ii) Key sources of estimation uncertainty

The key assumptions concerning the future, and other key sources of estimation uncertainty at the end of each financial year, 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 goodwill and intangible asset with indefinite useful life

Determining whether goodwill and intangible asset with indefinite useful life are impaired requires an estimation of the value-in-use of the cash-generating units to which goodwill and intangible asset with indefinite useful life have been allocated. The value-in-use calculation requires the Group to estimate the future cash flows expected to arise from the cash-generating unit and a suitable discount rate in order to calculate the present value.

Based on management's judgements and estimates, no impairment loss was recognised at the end of the reporting period. The carrying amount of the goodwill and intangible asset are disclosed in Notes 11 and 12 to the financial statements respectively.

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

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

Depreciation and useful lives 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.

The carrying amount of the plant and equipment is disclosed in Note 13 to the financial statements.

Recognition of upfront sponsorship, volume rebates and promotional support expense

Management exercises estimation in assessing the carrying value of the other assets (upfront sponsorship) as well as the amount to be accrued for volume rebates and provided for promotional support expense.

The carrying amount of upfront sponsorship, volume rebates and promotional support expense are disclosed in Notes 14, 18 and 20 to the financial statements.

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
	2017	2016	2017
	$	$	$
Financial assets			
Loans and receivables			
(including cash and bank balances)			
Trade receivables	1,297,866	48,000	–
Other receivables	1,804,510	813,891	–
Cash and bank balances	293,434	670,580	1,023
Amount due from holding company	15,380,567	11,287,513	2
Total	18,776,377	12,819,984	1,025
Financial liabilities			
Financial liabilities at amortised cost:			
Short term loan	808,189	–	–
Trade payables	1,436,151	1,578,934	–
Other payables	2,459,468	387,121	–
Amount due to holding company	–	–	380,087
Finance lease	110,135	–	–
Total	4,813,943	1,966,055	380,087

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

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

The Group 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 operates principally in Singapore and the foreign currency risk is not significant.

The Group does not hedge against foreign exchange exposure as the currency risk is not expected to be significant. The Group's monetary assets and monetary liabilities are largely denominated in the respective Group entities' functional currencies.

Accordingly, no foreign currency sensitivity analysis has been presented.

(ii) Interest rate risk management

The Group's exposures to market risk for changes in interest rate relates to the Group's long term and 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 16 and 19 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.

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

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

(iii) Credit risk management

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 82% (2016 : 94%) of its trade receivables are due from 2 (2016 : 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.

(iv) Liquidity risk management

Liquidity risk refers to the risk that the Group may not be able to meet its obligations.

The Group maintains sufficient cash and cash equivalents via internally generated cash flows and adequate amount of committed credit facilities to finance their activities.

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 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

All financial liabilities as at 30 September 2016, are either repayable on demand or due within 12 months from 30 September 2016 and non-interest bearing.

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 the security deposits as disclosed in Note 9.

(v) Fair value of financial assets and financial liabilities

The carrying amounts of cash and bank balances, trade and other current receivables and payables and amount due from 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 disclosed in Notes 16 and 19 and equity attributable to owners of the Company, comprising of share capital and retained earnings.

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. (formerly known as No Signboard Seafood Restaurant 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 Company's 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.

The amount due from holding company is subsequently settled after year end.

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	
	2017	2016
	$	$
Sale of live seafood to related parties A and B	212,243	94,454
Purchase of live seafood from related party A	(137,932)	(23,333)

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))

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	
	2017	2016
	$	$
Short-term benefits	516,250	364,850
Post-employment benefits	31,323	22,757
	547,573	387,607

7 CASH AND BANK BALANCES

	The Group		The Company
	2017	2016	2017
	$	$	$
Cash and bank balances	293,434	670,580	1,023

8 TRADE RECEIVABLES

	The Group	
	2017	2016
	$	$
Outside parties	1,297,866	48,000

The average credit period on sale of food, beverages and live seafood is 15 days (2016 : 15 days). No interest is charged on the outstanding balance.

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.

Included in the Group's trade receivables are debtors with a carrying amount of $273,627 (2016 : $Nil) which are past due at the end of the reporting period for which the Group has not made allowance as there has not been a significant change in credit quality and the amounts are still considered recoverable. The Group does not hold any collateral over these balances.

In determining the recoverability of trade receivables, the Group 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.

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

	The Group	
	2017	2016
	$	$
Not past due and not impaired	1,024,239	48,000
Past due but not impaired [i]	273,627	–
Total trade receivables, net	1,297,866	48,000

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

	The Group	
	2017	2016
	$	$
1 to 30 days	985	–
31 to 60 days	272,642	–
	273,627	–

9 OTHER RECEIVABLES

	The Group		The Company
	2017	2016	2017
	$	$	$
Outside parties	52,047	56,200	–
Refundable security deposits	1,752,463	757,691	–
Prepayment of IPO expenses	379,064	–	379,064
Prepayments	62,297	49,505	–
	2,245,871	863,396	379,064
Less: Non-current portion			
Refundable security deposits	(960,583)	(694,532)	–
	1,285,288	168,864	379,064

In determining the recoverability of other receivables, the Group considers any changes in the credit quality of the other receivables from the date credit was initially granted up to the end of the reporting period.

10 INVENTORIES

	The Group	
	2017	2016
	$	$
Live seafood	24,912	40,094
Consumables	116,360	42,697
Liquor and beverages	47,159	41,073
	188,431	123,864

11 GOODWILL

	The Group $
Cost:	
At 1 October 2015 and 30 September 2016	–
Arising on acquisition of a subsidiary (Note 29)	3,443,083
At 30 September 2017	3,443,083
Carrying amount:	
At 30 September 2016	–
At 30 September 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.

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 2 years and extrapolates cash flows for the following five years based on an estimated growth rate of 4% and the rate used to discount the forecast cash flows is 11%.

As at 30 September 2017, any reasonably possible change to the key assumptions applied not likely to cause the recoverable amount to be below the carrying amounts of the CGU.

12 INTANGIBLE ASSET

	Trademark $
The Group	
Cost:	
At 1 October 2015 and 30 September 2016	–
Arising on acquisition of a subsidiary (Note 29)	620,000
At 30 September 2017	620,000
Carrying amount:	
At 30 September 2016	–
At 30 September 2017	620,000

The recoverable amount of the intangible asset – trademark is determined from value-in-use calculation, with key assumptions as set out in Note 11.

13 PLANT AND EQUIPMENT

	Motor vehicles $	Plant and equipment $	Renovation $	Kitchen equipment and utensils $	Total $
The Group:					
Cost:					
At 1 October 2015	178,028	341,528	1,554,698	407,859	2,482,113
Additions	–	27,135	22,555	8,150	57,840
At 30 September 2016	178,028	368,663	1,577,253	416,009	2,539,953
Additions	–	47,024	204,656	–	251,680
Arising from the acquisition of a subsidiary (Note 29)	144,000	484,606	29,000	–	657,606
At 30 September 2017	322,028	900,293	1,810,909	416,009	3,449,239
Accumulated depreciation:					
At 1 October 2015	21,872	326,969	1,554,698	400,935	2,304,474
Depreciation for the year	35,610	11,443	22,555	6,647	76,255
At 30 September 2016	57,482	338,412	1,577,253	407,582	2,380,729
Depreciation for the year	42,966	153,213	44,425	4,432	245,036
At 30 September 2017	100,448	491,625	1,621,678	412,014	2,625,765
Carrying amount:					
At 30 September 2016	120,546	30,251	–	8,427	159,224
At 30 September 2017	221,580	408,668	189,231	3,995	823,474

The carrying amount of the Group's plant and equipment includes an amount of $115,280 (2016 : $Nil) secured in respect of assets held under finance leases.

14 OTHER ASSETS

Other assets pertains to the upfront sponsorship provided by the Group to their distributors 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.

15 SUSIDIARIES

At the completion of the Restructuring Exercise and at the date of this report, the Company has the following subsidiaries:

Name of subsidiary	Country of incorporation	Principal activity	Proportion of ownership interest and voting power held
Danish Breweries Pte. Ltd.	Singapore	Import and export, and general wholesale trading of beer and liquor	80%
Draff Beer Pte. Ltd.	Singapore	General wholesale trade and wholesale of liquor and soft drinks	100%
Draft Breweries Denmark ApS	Denmark	Sale and distribution of beer products	80%
Singapore Chilli Crab Pte. Ltd.	Singapore	Investment holding	100%
Tao Brewery Pte. Ltd.	Singapore	General wholesale trade and wholesale of liquor and soft drinks	100%

Information about the composition of the Group is as follow:

Principal activity	Number of wholly-owned subsidiaries 2017
General wholesale trade and whole sale of liquor and soft drinks	2
Investment holding	1
	3

Principal activity	Number of partially-owned subsidiaries 2017
Import and export, and general wholesale trading of beer and liquor	1
Sale and distribution of beer products	1
	2

15 SUSIDIARIES (Cont'd)

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

Name of subsidiary	Proportion of ownership interests and voting rights held by non-controlling interests 2017 %	(Loss) Profit allocated to non-controlling interests 2017 $	Accumulated non-controlling interests 2017 $
Danish Breweries Pte. Ltd.	80	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.

	Danish Breweries Pte. Ltd. 2017 $
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 inflow (outflow) from operating activities	(592,182)
Net cash inflow (outflow) from investing activities	8,789
Net cash inflow (outflow) from financing activities	801,726
Net cash inflow (outflow)	218,333

16 SHORT TERM LOAN

As at 30 September 2017, the Group's short term loan is repayable on demand, bears interest ranging from 2.82% per annum to 3.26% per annum and secured by the corporate and personal guarantees from the ultimate holding company (Note 5) and a director (Note 6) respectively.

17 TRADE PAYABLES

	The Group	
	2017	2016
	$	$
Trade payables – outside parties	1,436,151	1,578,934
Goods and services tax payable	329,495	276,484
	1,765,646	1,855,418

The average credit period on purchases of goods is 60 days (2016 : 60 days). No interest is charged on outstanding balances.

18 OTHER PAYABLES

	The Group	
	2017	2016
	$	$
Accruals for volume rebates	1,049,495	–
Accruals for upfront sponsorship	416,530	–
Accruals	385,611	50,735
Accrued employee benefits expense	606,863	336,186
Deferred revenue [1]	105,020	6,700
Deposits	1,604	2,000
Others	969	200
	2,566,092	395,821

[1] Deferred revenue pertains to sales of restaurant vouchers.

19 FINANCE LEASE

	Minimum lease payment The Group 2017 $	Minimum lease payment The Group 2016 $
Amounts payable under finance leases:		
Within one year	25,668	–
In the second to fifth years 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 2017 $	Present value of minimum lease payments The Group 2016 $
Amounts payable under finance leases:		
Within one year	20,215	–
In the second to fifth years inclusive	89,920	–
	110,135	
Less: Future finance charges	N/A	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 is the Group's policy to lease certain of its plant and equipment under finance leases. The average lease term is 5 years. For the year ended 30 September 2017, the average effective borrowing rate was 5.60% per annum. Interest rates are fixed at the contract date, and thus expose the Group to fair value interest rate risk. All leases are on a fixed repayment basis and no arrangements have been entered into for contingent rental payments.

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

20 PROVISIONS

(a) Provision for employee leave entitlement

	The Group	
	2017	2016
	$	$
Employee leave entitlement	150,900	78,869

(b) Provision for reinstatement cost

	The Group	
	2017	2016
	$	$
Provision for reinstatement cost – non-current	199,538	161,327

Movement in the provision for reinstatement cost:

	The Group	
	2017	2016
	$	$
Balance at beginning of year	161,327	161,327
Arising from the acquisition of a subsidiary (Note 29)	38,211	–
Balance at end of year	199,538	161,327

The provision for reinstatement costs are 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 not material.

(c) Provision for promotional support

	The Group	
	2017	2016
	$	$
Provision for promotional support	1,607,928	–

21 DEFERRED TAX LIABILITIES

	The Group		
	Intangible asset	Accelerated tax depreciation	Total
	$	$	$
At 1 October 2015 and 30 September 2016	–	3,521	3,521
Arising on acquisition of a subsidiary (Note 29)	105,400	–	105,400
At 30 September 2017	105,400	3,521	108,921

22 SHARE CAPITAL

The Company was incorporated on 1 June 2017. Accordingly, the share capital in the Group's combined statements of financial position as at 30 September 2017 and 2016 represent the share of the paid-up capital of GuGong Pte. Ltd. (formerly known as No Signboard Seafood Restaurant Pte Ltd), holding company.

	Group and Company		Group	
	2017	2017	2016	2016
	Number of ordinary shares	$	Number of ordinary shares	$
Issued and paid-up:				
At the date of incorporation,				
1 June 2017 and end of year	2	2	2	2

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.

23 REVENUE

	The Group	
	2017	2016
	$	$
Restaurant business:		
Sale of food and beverages	19,200,842	20,605,438
Service charges	1,892,797	2,042,778
Sale of live seafood (Note 6)	212,243	94,454
	21,305,882	22,742,670
Beer business:		
Sale of beverages	3,086,797	–
	24,392,679	22,742,670

24 OTHER INCOME

	The Group	
	2017	2016
	$	$
Government grant and credit schemes	55,951	114,644
Foreign currency exchange adjustment gain	–	14,568
Termination of distribution agreement	1,105,859	–
Others	27,342	4,281
	1,189,152	133,493

25 OTHER OPERATING EXPENSES

	The Group	
	2017	2016
	$	$
Bad debt expenses	3,169	58,050
Marketing expenses	63,752	4,801
Cleaning suppliers and services	93,158	53,799
Commission	297,911	346,902
General supplies	75,857	52,190
Professional fees	403,181	69,549
Repair and maintenance	216,148	108,876
Travelling expenses	168,133	9,160
Communications	37,229	43,724
Printing and stationery	15,081	9,129
Insurance	11,293	14,357
Donations	3,500	–
Utilities expenses	373,767	380,546
Advertising	1,100	–
Freight charges	150,191	–
Others	66,977	101,416
	1,980,447	1,252,499

26 INCOME TAX EXPENSE

	The Group	
	2017	2016
	$	$
Tax expense comprises:		
Current tax		
– Current year	1,405,094	1,587,519
– Overprovision in respect of prior years	(39,444)	–
	1,365,650	1,587,519

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

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

	The Group	
	2017	2016
	$	$
Profit before income tax	9,315,058	9,410,355
Income tax calculated at 17%	1,583,559	1,599,760
Non (allowable) deductible items	(156,920)	26,831
Tax effect of exempt income	(25,925)	(25,925)
Income not subject to tax	–	(17,776)
Effect of tax rebates	(10,000)	(25,000)
Overprovision of current tax in respect of prior years	(39,444)	–
Others	14,380	29,629
	1,365,650	1,587,519

27 SEGMENT INFORMATION

	Restaurant business $	Beer business $	Total $
30 September 2017			
Revenue – External customers	21,305,882	3,086,797	24,392,679
Segment results	8,179,218	1,138,209	9,317,427
Finance costs	–	(2,369)	(2,369)
Profit before tax	8,179,218	1,135,840	9,315,058
Income tax expense			(1,365,650)
Profit after tax			7,949,408
Segment assets	18,124,638	7,268,162	25,392,800
Segment liabilities	2,554,100	4,654,328	7,208,428
Unallocated liabilities			1,506,867
			8,715,295
Capital expenditure	251,680	–	251,680
Depreciation	98,574	146,462	245,036

For the year ended 30 September 2016, the Group was only engaged in restaurant business. The Group's operations are pre-dominantly focused on Singapore and substantively the Group's turnover and contribution to profit from operations are derived from restaurant business. The Group's restaurant business have similar characteristics and exhibit similar long-term financial performance. Accordingly, no analysis of results and financial information by business segment or geographical area of operations is available to the Group's chief operating decision maker for the purpose of resource allocation and assessing performance. Therefore, the Group comprises only one operating segment and all its significant operations are within the same geographical area.

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 FRS 108 *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 in Singapore and all revenue is generated in Singapore and all the assets are located in Singapore.

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.

28 PROFIT FOR THE YEAR

Profit for the year has been arrived at after charging:

	The Group	
	2017	2016
	$	$
Employment benefits – directors of the Company		
– Salary and allowances	369,250	364,850
– Cost of defined contribution plans	22,143	22,757
Employment benefits – directors of subsidiaries		
– Salary and allowances	32,000	–
– Cost of defined contribution plans	4,080	–
Key management remuneration other than directors		
– Salary and allowances	115,000	–
– Cost of defined contribution plans	5,100	–
Cost of defined contribution plans included in employee benefits expenses	288,995	295,096
Cost of inventories recognised as expense	5,920,169	4,876,341
Auditor's remuneration		
– Audit fees to auditor of the Company	150,000	–
– Non-audit fees to auditor of the Company	30,000	–

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

29 ACQUISTION OF SUBSIDIARY

On 2 June, 2017 (the "acquisition date"), the Group completed the acquisition 80% of the issued share capital of Danish Breweries Pte. Ltd. ("Danish Breweries") for a cash consideration of $1,780,000. This transaction has been accounted for by the acquisition method of accounting.

Danish Breweries is an entity incorporated in Singapore with its principal activity being import and export, and general wholesale trading of beer and liquor. The Group acquired Danish Breweries in order to add value through increase in customer base and diversification within the food and beverage sector.

Identifiable assets acquired and liabilities assumed at date of acquisition:

	Total
	$
Current assets	
Cash and bank balances	66,195
Trade receivables	315,507
Other receivables	96,735
Inventories	77,645
Other assets	842,558
Non-current assets	
Plant and equipment	657,606
Security deposit	84,329
Other assets	306,333
Trademark	620,000
Current liabilities	
Trade payables	(385,386)
Other payables	(2,769,768)
Provision	(1,720,074)
Finance leases	(19,803)
Non-current liabilities	
Finance leases	(96,795)
Provision	(38,211)
Deferred tax liabilities	(105,400)
Net assets acquired and liabilities assumed	(2,068,529)

Acquisition-related costs amounting to $24,283 have been excluded from the consideration transferred and have been recognised as an expense in the year, within the 'other operating expenses' line item in the statement of comprehensive income.

29 ACQUISTION OF SUBSIDIARY (Cont'd)

Non-controlling interest:

The non-controlling interest (20%) in Danish Breweries recognised at the acquisition date was measured by reference to the share of the non-controlling interest on the fair value of identified net liabilities assumed and amounted to $405,446.

Goodwill arising on acquisition:

	Total $
Consideration transferred	1,780,000
Non-controlling interest	(405,446)
Fair value of identified net liabilities assumed	2,068,529
Goodwill arising on acquisition (Note 11)	3,443,083

Goodwill arose in the acquisition of Danish Breweries because the consideration paid for the combination effectively included amounts in relation to the benefit of expected synergies, revenue growth and future market development. These benefits are not recognised separately from goodwill because they do not meet the recognition criteria for identifiable intangible assets.

None of the goodwill arising on these acquisitions is expected to be deductible for tax purposes.

Net cash outflow on acquisition of Danish Breweries

	Total $
Consideration paid in cash	1,780,000
Less: Cash and cash equivalent balances acquired	(66,195)
	1,713,805

Impact of acquisitions on the results of the Group

Included in the profit and revenue for the year ended 30 September 2017 are $1,135,840 and $3,086,797 respectively, attributable to the additional business generated by Danish Breweries.

Had the business combination during the year been effected at 1 October 2016, the revenue of the Group would have been $29,029,937, and the profit for the year would have been $6,650,083.

30 OPERATING LEASE ARRANGEMENTS

The Group as a lessee

Operating lease commitments

	The Group	
	2017	2016
	$	$
Payment recognised as an expense during the year:		
Minimum lease payments under operating leases	1,995,384	1,837,171
Contingent rentals	581,395	650,943
	2,576,779	2,488,114

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

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

	The Group	
	2017	2016
	$	$
Within one year	2,133,134	1,424,557
Within two to five years	2,350,966	936,221
	4,484,100	2,360,778

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

31 EARNINGS PER SHARE

The basic earnings per share is calculated based on the profit attributable to owners of the Company for each reporting period and pre-invitation shares of 387,392,475.

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

32 DIVIDENDS

On 8 August 2016, the Company declared and paid interim tax-exempt one-tier dividend of $1,900,000 per share (total dividend of $3,800,000) in respect of year ended 30 September 2016.

33 EVENTS AFTER THE REPORTING PERIOD

(a) 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 were 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. (formerly known as No Signboard Seafood Restaurant Pte Ltd) on 31 October 2017.

(b) 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.

(c) The Company (Company Registration Number: 201715253N) was incorporated in Singapore on 1 June 2017 under the Companies Act as a exempt private company limited by shares, under the name "No Signboard Holdings Pte. Ltd.". On 6 November 2017, the Company was converted into a public limited company and changed the name to No Signboard Holdings Ltd..

(d) 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.

(e) On 6 November 2017, the Company issued additional 75,000,000 new ordinary shares pursuant to the listing of the Company raising gross proceeds of $21,000,000. As a result, the post invitation share capital of the Company is at 462,392,475 shares.

(f) On 6 November 2017, the Group's Performance Share Plan ("PSP") and Employee Share Option Scheme ("ESOS") became effective. The directors of the Company are authorised to allot and issue Award Shares or Option Shares (as the case may be) upon the vesting of Awards granted under the Group's PSP or exercise of options granted under the ESOS.

34 COMPARATIVE FIGURES

The statement of financial position and statement of changes in equity of the Company cover the financial period from 1 June 2017 (date of incorporation) to 30 September 2017. This, being the first set of financial statements of the Company, there are no comparatives.

Statistics of Shareholdings

As At 2 January 2018

Number of Issued Shares	: 462,392,475
Number of Treasury Shares held	: Nil
No. of Subsidiary Holdings held	: Nil
Class of shares	: Ordinary shares
Voting rights	: 1 vote per ordinary share

DISTRIBUTION OF SHAREHOLDINGS

Size of Shareholdings	Number of Shareholders	%	Number of Shares	%
1 – 99	2	0.12	100	0.00
100 – 1,000	123	7.18	116,800	0.03
1,001 – 10,000	785	45.85	3,921,400	0.85
10,001 – 1,000,000	787	45.97	57,344,700	12.40
1,000,001 and above	15	0.88	401,009,475	86.72
Total	**1,712**	**100.00**	**462,392,475**	**100.00**

SUBSTANTIAL SHAREHOLDERS

(As recorded in the Register of Substantial Shareholders)

	Direct Interest	%	Deemed Interest	%
GuGong Pte. Ltd.	337,392,475	72.97	–	–
Lim Yong Sim (Lin Rongsen)[1]	–	–	337,392,475	72.97

Note:

(1) Lim Yong Sim (Lin Rongsen) is deemed to be interested in all the shares held by GuGong Pte. Ltd. in the Company, by virtue of Section 7 of the Companies Act.

Statistics of Shareholdings

As At 2 January 2018

TWENTY LARGEST SHAREHOLDERS

No.	Name of Shareholders	Number of Shares	%
1.	GUGONG PTE. LTD.	337,392,475	72.97
2.	OCBC SECURITIES PRIVATE LTD	10,844,200	2.35
3.	DBSN SERVICES PTE LTD	9,414,000	2.04
4.	BPSS NOMINEES SPORE (PTE.) LTD.	7,543,300	1.63
5.	GOI KOK MING (WEI GUOMING)	7,180,000	1.55
6.	HSBC (SINGAPORE) NOMINEES PTE LTD	7,103,500	1.54
7.	CITIBANK NOMINEES SINGAPORE PTE LTD	3,720,500	0.80
8.	MAYBANK KIM ENG SECURITIES PTE LTD	3,292,000	0.71
9.	CIMB SECURITIES (SINGAPORE) PTE LTD	3,158,100	0.68
10.	LAM CHOON SEN DAVID @ LAM KWOK KWONG	3,071,500	0.66
11.	DBS NOMINEES PTE LTD	2,147,000	0.46
12.	PHILLIP SECURITIES PTE LTD	1,778,600	0.38
13.	YEO NAK KEOW	1,500,000	0.32
14.	RAFFLES NOMINEES (PTE) LTD	1,464,300	0.32
15.	JEREMY LEE SHENG POH	1,400,000	0.30
16.	GOH SIOW KHIM @ GOH SEOW KIN	1,000,000	0.22
17.	HENG WAH CHONG (WANG HEZONG)	1,000,000	0.22
18.	KUOK MENG XIONG (GUO MENGXIONG)	1,000,000	0.22
19.	YHS INVESTMENT PTE LTD	1,000,000	0.22
20.	LEE YUEN YONG (LI YUANYANG)	960,000	0.21
	TOTAL	**405,969,475**	**87.80**

PERCENTAGE OF SHAREHOLDING IN PUBLIC'S HANDS

As at 2 January 2018, approximately 26.97% of the Company's shares are held in the hands of the Public. Accordingly, the Company has complied with Rule 723 of the Catalist Rules.

Notice of Annual General Meeting

NOTICE IS HEREBY GIVEN that the Annual General Meeting of No Signboard Holdings Ltd. (the "**Company**") will be held at No Signboard Seafood, The Central @ Clarke Quay, 6 Eu Tong Sen Street #04-63, Singapore 059817 on Wednesday, 31 January 2018 at 9.00 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 for the financial period ended 30 September 2017 together with the Auditors' Report thereon. **[Resolution 1]**

2. To re-elect the following directors of the Company retiring pursuant to Regulation 122 of the Constitution of the Company:

   Mr. Lim Yong Sim (Lin Rongsen) **[Resolution 2(a)]**
   Ms. Lim Lay Hoon (Lin Liyun) **[Resolution 2(b)]**
   Mr. Tay Chun Leng Robert (Zheng Chunling Robert) **[Resolution 2(c)]**
   Mr. Khua Kian Kheng Ivan **[Resolution 2(d)]**
   Mr. Leow Chung Chong Yam Soon **[Resolution 2(e)]**

   Mr. Lim Yong Sim (Lin Rongsen) will, upon re-election as a Director of the Company, remain as the Executive Chairman of the Board of Directors and the Chief Executive Officer of the Company. He will be considered non-independent.

   Ms. Lim Lay Hoon (Lin Liyun) will, upon re-election as a Director of the Company, remain as the Chief Operating Officer and Executive Director of the Company. She will be considered non-independent.

   Mr. Tay Chun Leng Robert (Zheng Chunling Robert) will, upon re-election as a Director of the Company, remain as the Chairman of the Nominating Committee and a member of the Audit Committee and the Remuneration Committee. He will be considered independent.

   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.

   Mr. Leow Chung Chong Yam Soon will, upon re-election as a Director of the Company, remain as the Chairman of the Audit Committee and a member of the Nominating Committee and the Remuneration Committee. He will be considered independent.

3. To approve the payment of Directors' fees of $150,000 for the financial year ending 30 September 2018, to be paid quarterly in arrears. **(Resolution 3)**

4. To re-appoint Deloitte & Touche LLP as the Auditors of the Company and to authorise the Directors of the Company to fix their remuneration. **(Resolution 4)**

5. To transact any other ordinary business which may properly be transacted at an Annual General Meeting.

AS SPECIAL BUSINESS

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

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

   "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 which are outstanding or subsisting at the time of the passing of this Resolution, 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;

(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 Annual General Meeting of the Company or the date by which the next Annual General Meeting of the Company is required by law to be held, whichever is earlier."

[See Explanatory Notes] **(Resolution 5)**

By Order of the Board

Elizabeth Krishnan
Company Secretary
Singapore, 16 January 2018

Notice of Annual General Meeting

Explanatory Notes:

The Ordinary Resolution 5 in item 6 above, if passed, will empower the Directors of the Company, effective until the conclusion of the next Annual General Meeting of the Company, or the date by which the next Annual General Meeting 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, 100% of the total number of issued shares (excluding treasury shares and subsidiary holdings) in the capital of the Company, of which up to 50% may be issued other than on a pro-rata basis to shareholders.

For determining the aggregate number of shares that may be issued, the total number of issued shares (excluding treasury shares and subsidiary holdings) will be calculated based on the total number of issued shares (excluding treasury shares and subsidiary holdings) in the capital of the Company at the time this Ordinary Resolution is passed after adjusting for new shares arising from the conversion or exercise of any convertible securities or share options or vesting of share awards which are outstanding or subsisting at the time when this Ordinary Resolution is passed and any subsequent bonus issue, consolidation or subdivision of shares.

Notes:

1. A Member of the Company (other than a Relevant Intermediary*) entitled to attend and vote at the Annual General Meeting (the "**Meeting**") is entitled to appoint not more than two proxies to attend and vote in his/her stead. A proxy need not be a Member of the Company.

2. A Relevant Intermediary may appoint more than two proxies, but each proxy must be appointed to exercise the rights attached to a different share or shares held by him (which number and class of shares shall be specified.)

3. The instrument appointing a proxy must be deposited at the registered office of the Company at 10 Ubi Crescent, #05-76 Ubi Techpark, Singapore 408564 not less than seventy-two (72) hours before the time appointed for holding the Meeting.

4. This notice and its contents have been reviewed by the Company's sponsor, RHT Capital Pte Ltd ("**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 notice.

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

   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 6757.

* A Relevant Intermediary is:

(a) a banking corporation licensed under the Banking Act (Cap. 19) 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; or

(b) a person holding a capital markets services licence to provide custodial services for securities under the Securities and Futures Act (Cap. 289) and who holds shares in that capacity; or

(c) the Central Provident Fund Board established by the Central Provident Fund Act (Cap. 36), 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 Board holds those shares in the capacity of an intermediary pursuant to or in accordance with that subsidiary legislation.

Notice of Annual General Meeting

Personal data privacy:

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the Meeting and/or any adjournment thereof, 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 Meeting (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the Meeting (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. An investor who holds shares under the Supplementary Retirement Scheme ("SRS Investors") may attend and cast his vote(s) at the Meeting in person. SRS Investors who are unable to attend the Meeting but would like to vote, may inform their SRS Approved Nominees to appoint the Chairman of the Meeting to act as their proxy, in which case, the SRS Investors shall be precluded from attending the Meeting.
2. 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 used by them.

PROXY FORM

(Please see notes overleaf before completing this Form)

I/We, ______________________________ (Name) ______________________________ (NRIC/Passport No.)

of ____

being a member/members of No Signboard Holdings Ltd. (the "Company"), hereby appoint:

Name	NRIC/Passport No.	Proportion of Shareholdings	
		No. of Shares	%
Address			

and/or (delete as appropriate)

Name	NRIC/Passport No.	Proportion of Shareholdings	
		No. of Shares	%
Address			

as my/our proxy/proxies to attend and vote for me/us on my/our behalf at the Annual General Meeting (the "Meeting") of the Company to be held at No Signboard Seafood, The Central @ Clarke Quay, 6 Eu Tong Sen Street #04-63, Singapore 059817 on Wednesday, 31 January 2018 at 9.00 a.m. and at any adjournment thereof. I/We direct my/our proxy/proxies to vote for or against 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/proxies will vote or abstain from voting at his/her discretion.

No.	Resolutions relating to:	No. of votes 'For'*	No. of votes 'Against'*
1	Directors' Statement and Audited Financial Statements for the financial period ended 30 September 2017		
2(a)	Re-election of Mr. Lim Yong Sim (Lin Rongsen) as a Director		
2(b)	Re-election of Ms. Lim Lay Hoon (Lin Liyun) as a Director		
2(c)	Re-election of Mr. Tay Chun Leng Robert (Zheng Chunling Robert) as a Director		
2(d)	Re-election of Mr. Khua Kian Kheng Ivan as a Director		
2(e)	Re-election of Mr. Leow Chung Chong Yam Soon as a Director		
3	Approval of Directors' fees amounting to $150,000 for the financial year ending 30 September 2018		
4	Re-appointment of Deloitte & Touche LLP as Auditors and authority to Directors to fix remuneration		
5	Authority to allot and issue new shares		

**If you wish to exercise all your votes 'For' or 'Against', please tick (√) within the box provided. Alternatively, please indicate the number of votes as appropriate.*

Dated this ____________________ day of ____________________ 2018

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

Notes :

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. A member of the Company (other than a Relevant Intermediary*), entitled to attend and vote at a meeting of the Company is entitled to appoint one or two proxies to attend and vote in his/her stead. A proxy need not be a member of the Company.

3. Where a member (other than a Relevant Intermediary*) appoints two proxies, the appointments shall be invalid unless he/she specifies the proportion of his/her shareholding (expressed as a percentage of the whole) to be represented by each proxy.

4. A Relevant Intermediary may appoint more than two proxies, but each proxy must be appointed to exercise the rights attached to a different share or shares held by him/her (which number or class of shares shall be specified).

5. Subject to note 9, completion and return of this instrument appointing a proxy shall not preclude a member from attending and voting at the Meeting. Any appointment of a proxy or proxies shall be deemed to be revoked if a member attends the meeting in person, and in such event, the Company reserves the right to refuse to admit any person or persons appointed under the instrument of proxy to the Meeting.

6. The instrument appointing a proxy or proxies must be deposited at the registered office of the Company at 10 Ubi Crescent #05-76 Ubi Techpark, Singapore 408564 not less than 72 hours before the time appointed for the Meeting.

7. The instrument appointing a proxy or proxies must be under the hand of the appointor or of his attorney duly authorized in writing. Where the instrument appointing a proxy or proxies is executed by a corporation, it must be executed either under its seal or under the hand of an officer or attorney duly authorized. Where the instrument appointing a proxy or proxies 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.

8. A corporation which is a member may authorize 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.

9. An investor who holds shares under the Supplementary Retirement Scheme ("SRS Investor") may attend and cast his vote(s) at the Meeting in person. SRS Investors who are unable to attend the Meeting but would like to vote, may inform their SRS Approved Nominees to appoint the Chairman of the Meeting to act as their proxy, in which case, the SRS Investors shall be precluded from attending the Meeting.

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 16 January 2018.

General:

The Company shall be entitled to reject the instrument appointing a proxy or proxies 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 a proxy or proxies. In addition, in the case of Shares entered in the Depository Register, the Company may reject any instrument appointing a proxy or proxies 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.

* A Relevant Intermediary is:

(a) a banking corporation licensed under the Banking Act (Cap. 19) 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; or

(b) a person holding a capital markets services licence to provide custodial services for securities under the Securities and Futures Act (Cap. 289) and who holds shares in that capacity; or

(c) the Central Provident Fund Board established by the Central Provident Fund Act (Cap. 36), 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 Board holds those shares in the capacity of an intermediary pursuant to or in accordance with that subsidiary legislation.

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No Signboard Holdings Ltd.
10 Ubi Crescent
#05-76 Ubi Techpark, Lobby D
Singapore 408564